

REGULAR COUNCIL MEETING

The Clear Lake City Council met in regular session on Monday, February 7, 2011, at 6:30 p.m., in the Council Chambers, at City Hall, with Mayor Nelson P. Crabb presiding. All Council Members present.

Unsworth moved to agenda be approved, seconded by Callanan. Passed Unanimously.

Nelson moved to approve the consent agenda, seconded by Furlough:

- 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.

Roll Call: All Ayes.

Mayor Crabb announced that it was the time and place for the citizen's forum. There was no citizen comment.

Scott Flory, City Administrator, once again reviewed a proposal to renew a lease agreement with the current owners of the Lady of the Lake. He stated that in March of 2007 the City entered into a 3-year lease agreement with the current owners of the Lady of the Lake. He noted that the lease expired in 2010, but in effect, has continued since that time as an implied contract. He advised that the proposal is to renew the lease agreement for a 3-year term once again, under the same earlier conditions and requirements.

Mayor Crabb stated it was now the time and place for the public hearing on the proposed lease agreement between the City of Clear Lake and The Lady of the Lake. Hearing no public comment, Unsworth moved to close the public hearing, seconded by Callanan. Passed Unanimously.

Unsworth introduced the following **Resolution** and moved its adoption, seconded by Callanan. Roll Call: Passed Unanimously. Whereupon, the Mayor declared the following duly adopted:

RESOLUTION No. 11-05

A RESOLUTION APPROVING A LEASE AGREEMENT WITH THE LADY OF THE LAKE, INC.

Flory once again reviewed the original property tax rebate agreement with the North Iowa Cultural Center & Museum (NICC&M) and stated that the agreement provided for a 3-year property tax rebate. He noted that the NICC&M Board of Directors has expressed its need to have the property tax rebate Development Agreement renewed for a 5-year term. He advised that property tax repayment would occur semi-annually on June 1st & December 1st. He further stated that the Council, at its previous meeting, established the date, time, and place for a public hearing on the proposal. He noted that the City has not received any written or oral comments regarding the proposal.

Mayor Crabb stated it was now the time and place for the public hearing on the proposed Development Agreement between the City of Clear Lake and the NICC&M.

Gary Bright, Executive Director, Clear Lake Chamber of Commerce, stated that the Chamber of Commerce Board of Directors fully supports the agreement and urged the Council to approve the agreement at this time.

Hearing no further public comment, Unsworth moved to close the public hearing, seconded by Callanan. Passed Unanimously.

Unsworth introduced the following **Resolution** and moved its adoption, seconded by Nelson. Roll Call: Ayes: Unsworth, Furleigh, Callanan, Nelson. Abstain: Cooney due to conflict of interest as he is a Board Member of the NICC&M. Whereupon, the Mayor declared the following duly adopted:

RESOLUTION No. 11-06

A RESOLUTION APPROVING DEVELOPMENT AGREEMENT WITH NORTH IOWA CULTURAL CENTER & MUSEUM, AUTHORIZING ANNUAL APPROPRIATION TAX INCREMENT PAYMENTS AND PLEDGING CERTAIN TAX INCREMENT REVENUES TO THE PAYMENT OF THE AGREEMENT

Flory once again reviewed a proposal to enter into a Development Agreement with the Clear Lake VFW regarding the development of a public parking lot at 19 S. 3rd Street. He stated that under the terms of the proposed agreement, the City would be responsible for all costs, up to \$250,000, associated with the building demolition, utility abandonment, environmental work, site preparation, and parking lot construction. He further stated that at its previous meeting that Council established February 7th at the date for a public hearing on the proposed agreement.

Mayor Crabb stated it was now the time and place for the public hearing as previously established by the Council on the proposed development agreement between the City of Clear Lake and the Clear Lake VFW Saratoga Post 4868.

Dave Parks, representing the Clear Lake VFW, stated that the VFW supports this project and thanked the Council for their consideration of the Development Agreement.

Hearing no further public comment, Unsworth moved to close the public hearing, seconded by Cooney. Passed Unanimously.

Unsworth introduced the following **Resolution** and moved its adoption, seconded by Callanan. Roll Call: Passed Unanimously. Whereupon, the Mayor declared the following duly adopted:

RESOLUTION No. 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

Sam Bontrager, Project Architect, SEH, Inc., gave an update on the Fire Station Building Improvement Project and reviewed Pay Estimate #3 in the amount of \$77,398.54 to Henkel Construction of Mason City. Furleigh moved to approve Pay Estimate #3, seconded by Callanan. Passed Unanimously.

Flory reviewed the 2012 Fiscal Year Budget proposal. He stated that the tax rate for FY12 is \$10.54/\$1,000 of taxable valuation and that 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. He noted 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. He stated that the proposed FY 12 budget reflects total expenditures of roughly \$14.3 million. He further stated the Council would need to set the date for the statutorily required public hearing on the proposed FY 12 budget at its next regular council meeting. General discussion and questions followed by the Council.

Flory reviewed the proposed CDBG Sanitary Sewer Collection System Improvement Project and stated that it represents the largest overall public improvement project undertaken by the City. He stated that the scope of the project will be divided into two (2) separately bid and awarded contracts and that Contract #1 includes the “underground improvements” and Contract #2 will be for the “above grade” infrastructure improvements. He noted that the aspect of the Project under consideration for the Council at this meeting is Contract #1 only. He further noted that 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; subdrain; temporary aggregate surfacing; and miscellaneous work including seeding and that the location of the Project improvements generally is described

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.

Tim Moreau, Project Manager, Veenstra & Kimm, reviewed the preliminary plat & schedule of assessments. He stated that the estimate of the probable cost of construction for Contract #1 is \$2,618,384, which includes engineering, legal, financial, & contingencies. He noted the total estimated cost assessed to the benefited properties is \$319,333. Flory noted that, in addition to special assessments, the project would be funded with revenues from the following sources: Community Development Block Grant; Tax-Increment financing; water, sewer, and RUT revenues.

Unsworth introduced the following **Resolution** and moved its adoption, seconded by Nelson. Roll Call: Passed Unanimously. Whereupon, the Mayor declared the following duly adopted:

RESOLUTION No. 11-08

A PRELIMINARY RESOLUTION FOR THE CONSTRUCTION OF SEWER COLLECTION SYSTEM PROJECT IMPROVEMENTS IN THE CITY OF CLEAR LAKE, IOWA

Cooney introduced the following **Resolution** and moved its adoption, seconded by Callanan. Roll Call: Passed Unanimously. Whereupon, the Mayor declared the following duly adopted:

RESOLUTION No. 11-09

A RESOLUTION FIXING VALUES OF LOTS

Callanan introduced the following **Resolution** and moved its adoption, seconded by Furleigh. Roll Call: Passed Unanimously. Whereupon, the Mayor declared the following duly adopted:

RESOLUTION No. 11-10

A RESOLUTION ADOPTING PRELIMINARY PLAT AND 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

Nelson introduced the following **Resolution** and moved its adoption, seconded by Unsworth. Roll Call: Passed Unanimously. Whereupon, the Mayor declared the following duly adopted:

RESOLUTION No. 11-11

A RESOLUTION OF NECESSITY (PROPOSED)

Flory advised that the North Central Iowa Fire Department Mutual Aid Agreement is due to be renewed and that the Secretary of States office requires a Resolution of the Council to be on file along with the agreement. Doug Meyers, Fire Chief, stated that the majority of the terms of the agreement will remain the same, however minimum training standards have been established within the agreement. Unsworth introduced the following **Resolution** and moved its adoption, seconded by Furleigh. Roll Call: Passed Unanimously. Whereupon, the Mayor declared the following duly adopted:

RESOLUTION No. 11-12

A RESOLUTION APPROVING A MUTUAL AID AGREEMENT BETWEEN PARTICIPATING MUNICIPAL FIRE DEPARTMENTS LOCATED IN THE NORTH CENTRAL IOWA AREA

Flory reviewed the proposed 12th Ave S. Outdoor Recreation Complex Grading Improvements and stated that in April of 2008 the Council approved the purchase of roughly 20 acres of property, which, combined with the roughly 19 acres the City previously owned, brought the total the City owned to nearly 40 acres. He stated that the Park & Recreation Department, along with Yaggy Colby Associates, developed a revised conceptual master plan for the 12th Ave S.

Outdoor Recreation Area, based on the additional land. He noted that in the proposed FY 11 amended and the FY 12 proposed 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 and that these improvements would consist of grading and site work. Flory noted that the opportunity to make these improvements is now being made possible because the Clear Lake Sanitary District is proposing to expand its S. 24th Street Equalization Basin and 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.

Mike Danburg, P.E., Yaggy Colby Associates, reviewed the project bid letting and stated that the estimated cost to the City to complete Phase 1 and Phase 2 is \$140,665 and that following the bid letting the City could complete both Phases at a construction cost of \$65,934.45. Unsworth moved to proceed with both Phase 1 and Phase 2 of the project, seconded by Furleigh. Roll Call: Passed Unanimously.

Mayor Crabb stated the Council would need to consider whether or not to hold a public hearing on the proposal from the All Vets Social Center that was presented during the Council workshop. After general discussion, Furleigh moved to set the date for a public hearing on February 21st at 6:30 p.m., seconded by Callanan. Roll Call: Passed Unanimously.

Mayor Crabb recommended that Scott Johnson, 420 19th Street W, be appointed to the Library Board of Trustees term ending on June 30, 2017. Furleigh made a motion to approve the appointment as recommended by the Mayor, seconded by Unsworth. Passed Unanimously.

Joe Weigel, Public Works Director, stated that Request for Proposals (RFP) for the 2011 Sanitary Sewer Rehabilitation Project have been mailed to prospective engineering firms. He noted that the proposals were due on February 16th and that he would give a review and recommendation regarding the proposals at the meeting on February 21st.

Flory stated that in past years the City has offered an Early Retirement Incentive Program and that he has had some employees express interest in the program if offered again. He stated that he would need direction from the Council to proceed and if so inclined the item would be on the agenda for the next regular meeting. It was a consensus of the Council to place the item on the agenda for February 21st meeting.

Unsworth moved to go into Closed Session at 8:18 p.m. pursuant to 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, seconded by Callanan. Roll Call: Passed Unanimously.

Unsworth moved to return to regular session at 8:38 p.m. with no final action taken on any matter in closed session, seconded by Nelson. Passed Unanimously.

There being no further business before the Council, Furleigh moved to adjourn at 8:40 p.m., seconded by Cooney. Passed Unanimously.

NEXT REGULAR MEETING – MONDAY, FEBRUARY 21, 2011

/S/ Nelson P. Crabb
Nelson P. Crabb, Mayor

ATTEST:

/S/ Jennifer Larsen
Jennifer Larsen, City Clerk