

REGULAR COUNCIL MEETING

The Clear Lake City Council met in regular session on Monday, March 7, 2011, at 6:30 p.m., in the Council Chambers, at City Hall, with Mayor Pro-Tem Mike Callanan presiding. All Council Members present.

Unsworth moved the agenda be approved, seconded by Cooney. Passed Unanimously.

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

- A. Minutes – February 21 & 28, 2011.
- B. Approval of the bills & claims.
- C. Licenses & Permits:
 - *Excavator's License*: Watson Plumbing, Ames, (new); A-1 Septic Solutions, Mason City (renewal).
 - *Liquor License*: Special Class C Liquor License (BW) (Beer/Wine) with Sunday Sales, Shao Ting Guo, (renewal).

Roll Call: All Ayes.

Mayor Pro-Tem Callanan announced that it was the time and place for the citizen's forum. There was no citizen comment.

Sam Bontrager, Project Architect, SEH, Inc., gave an update on the Fire Station Building Improvement Project and reviewed Pay Estimate #4 and Change Order #1. Unsworth moved to approve Pay Estimate #4 in the amount of \$301,323.43 to Henkel Construction of Mason City, seconded by Furleigh. Passed Unanimously. Unsworth questioned the reasons for the proposed Change Orders. Bontrager noted that some errors had been made and that his firm was receptive to covering a portion of the costs. Unsworth moved to table the approval of Change Order #1 in order to obtain additional information regarding the figures presented, seconded by Cooney. Passed Unanimously.

Scott Flory, City Administrator, reviewed the 2012 Fiscal Year Budget proposal and the 2011 Fiscal Year Budget amendment. He stated that the proposed City tax rate for FY 12 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. Mayor Pro-Tem Callanan stated it was now the time and place for the Public Hearing on the 2011 (amended)/2012 Fiscal Year Municipal Budget proposal as previously established by the Council. Hearing no public comment, Unsworth moved to close the public hearing, seconded by Nelson. Passed Unanimously.

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

RESOLUTION No. 11-22

A RESOLUTION AMENDING THE CURRENT BUDGET FOR THE FISCAL YEAR ENDING ON JUNE 30, 2011 AND ADOPTING A BUDGET FOR THE YEAR ENDING ON JUNE 30, 2012

Flory reviewed a proposal for the City to purchase the property located at 2000 N. Shore Drive known as the All Veterans Social Center. He stated that an offer to purchase the property in the amount of \$214,000 has been accepted by the All Veterans Social Center Board of Directors and that it is anticipated the closing date will be Friday, March 11th. He noted that as a provision of the sale the City assumes no liabilities of All Vets Golf Club and that the purchase price is for the real estate and assets only. Furleigh introduced the following **Resolution** and moved its adoption, seconded by Nelson. Roll Call: Passed Unanimously. Whereupon, Mayor Pro-Tem Callanan declared the following duly adopted:

RESOLUTION No. 11-23

A RESOLUTION AUTHORIZING LAND ACQUISITION FOR RECREATION PURPOSES
(ALL VETERAN'S SOCIAL CENTER GOLF COURSE) AND EMPOWERING THE
MAYOR, CITY CLERK, AND CITY ATTORNEY TO SIGN DOCUMENTS RELATED TO
THE ACQUISITION ON BEHALF OF THE CITY OF CLEAR LAKE

Flory reviewed a proposal to enter into an Operating Lease Agreement with the Veteran's Memorial Golf Club Foundation, Inc. to operate the now City-owned golf course located at 2000 North Shore Drive. He stated that the proposed agreement provides for a two-year lease at a rate of \$1.00 per month and that the agreement also outlines the responsibility of each party involving maintenance and repair of the grounds, building, and equipment. Matt Berry, representing the Veteran's Memorial Golf Club Foundation, Inc., thanked Flory and the Council for their work in developing the proposed lease agreement. Mayor Pro-Tem Callanan stated it is now the time and place for the public hearing on the proposal to enter into an Operating Agreement with the Clear Lake Veteran's Golf Club Foundation, Inc.

Mark Vargason, 308 N 3rd Street, stated he feels the lease agreement should be for one year only and that by having a two year lease the City is assuming more risk.

Bob Sweigert, 115 N 12th Street, stated he believes the City has not done its due diligence regarding who will be operating the course on a day-to-day basis.

Cole Landau, 101 N 15th Street, urged the Council to solicit additional proposals from other groups that may be interested in leasing the property from the City prior to making their decision.

Nick Henningsen, 1306 6th Avenue S., asked the Council to consider a higher lease rate per month to lessen the burden that could be placed on the taxpayers if the course does not make a profit.

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

Nelson stated that he is not comfortable with a two-year lease agreement and feels the initial agreement should be a one-year term.

Cooney stated that he feels the Council has done its due diligence through the entire process and believes the Council should move forward and approve the agreement as presented.

Furleigh stated that he feels confident in the Veteran's Memorial Golf Club Foundation, Inc., to hire knowledgeable staff to run the daily operations of the course.

Hearing no further comment, Cooney introduced the following **Resolution** and moved its adoption, seconded by Furleigh. Roll Call: Ayes: Cooney, Unsworth, Furleigh, Callanan. Nays: Nelson. Whereupon, Mayor Pro-Tem Callanan declared the following duly adopted:

RESOLUTION No. 11-24

A RESOLUTION APPROVING AN OPERATING AGREEMENT BETWEEN THE CITY OF
CLEAR LAKE, IOWA, AND THE VETERAN'S MEMORIAL GOLF CLUB FOUNDATION,
INC. SETTING FORTH THE TERMS AND CONDITIONS REGARDING THE CITY-
OWNED GOLF COURSE FACILITY AND AUTHORIZING THE MAYOR TO EXECUTE
THE AGREEMENT

Mayor Pro-Tem Callanan stated that Mayor Crabb requests that the appointment of Mike Grandon, 304 North Shore Drive, to the Board of Adjustment for the term ending December 31, 2015 be approved. Unsworth moved to approve the appointment of Mike Grandon to the Board of Adjustment, seconded by Nelson. Passed Unanimously.

There being no further business before the Council, Furleigh moved to adjourn at 7:59 p.m., seconded by Cooney. Passed Unanimously.

NEXT REGULAR MEETING – MONDAY, MARCH 21, 2011

/S/ Mike Callanan
Mike Callanan, Mayor Pro-Tem

ATTEST:

/S/ Jennifer Larsen
Jennifer Larsen, City Clerk

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