

## REGULAR COUNCIL MEETING

The Clear Lake City Council met in regular session on Monday, February 3, 2014, at 6:30 p.m., in the Council Chambers, at City Hall, with Mayor Nelson P. Crabb presiding. Council Members present: Brant, Callanan, Hugi, Nelson. Absent: Boehnke.

Nelson moved the agenda be approved, seconded by Hugi. Passed Unanimously.

Callanan moved to approve the consent agenda, seconded by Brant:

- A. Minutes – January 20 & 23, 2014.
- 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 Foundation; Class B Native Wine Permit (WBN) with Sunday Sales, Lake Coffee & Ice Cream; Class B Wine Permit, Class C Beer Permit (BC) with Sunday Sales, Dollar General Store #4616; (renewals).
  - **Excavator's License**: A Plus Skidloader Service, Boone, (renewal).

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, reviewed the City Hall/Police Department Renovation Project and stated that at its regular meeting on January 20<sup>th</sup> the Council awarded the construction contract to King Construction of Clear Lake and that the amount of the contract is \$1,140,381. He stated that the City has now received the partially-executed contract and bonds, as well as the Certificate of Liability Insurance from the Contractor and that these documents have been reviewed by City staff and the project architect and have been determined to be in compliance with the contract specifications. He noted that a pre-construction conference is scheduled for February 6<sup>th</sup> and that construction is anticipated to begin in mid-to-late February and be substantially completed by December 31, 2014. Hugi 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. 14-11

#### A RESOLUTION APPROVING CONSTRUCTION CONTRACT AND BONDS FOR THE CITY HALL/POLICE DEPARTMENT RENOVATION PROJECT 2014

Brent Willett, Executive Director, North Iowa Corridor Economic Development Corporation, reviewed the 4<sup>th</sup> quarter 2013 activities of the NICEDC

Flory reviewed the S. 20<sup>th</sup> Street (Main Ave. – 2<sup>nd</sup> Ave. S.) Intersection, Sidewalk, & Storm Sewer Project and stated that at its regular meeting on January 20<sup>th</sup> the Council accepted the work and ordered the engineer to prepare the “Final Plat & Schedule of Assessments” which was filed with the City Clerk on January 28<sup>th</sup>. He stated that the Council may now act on the Resolution adopting the final plat & schedule of assessments and instruct the Clerk to file the same with the County Treasurer. He advised that the notice of the filing of the final plat & schedule of assessments will be published two consecutive weeks as required by law on February 12<sup>th</sup> & 19<sup>th</sup>, notices will be mailed to affected property owners on February 12<sup>th</sup> and special assessments will be collected at the Office of the City Clerk until March 17<sup>th</sup>. Callanan introduced the following **Resolution** and moved its adoption, seconded by Brant. Roll Call: Passed Unanimously. Whereupon, the Mayor declared the following duly adopted:

### RESOLUTION No. 14-12

#### A RESOLUTION ADOPTING AND LEVYING FINAL SCHEDULE OF ASSESSMENTS, AND PROVIDING FOR THE PAYMENT THEREOF

Randy Miller, Parks & Recreation Director, reviewed the 4<sup>th</sup> quarter 2013 activities of the Parks & Recreation Department.

Flory gave an update on the N. Shore Drive (400 block) Streetscape Project and stated that at its August 6, 2012 meeting the Council awarded the construction contract to Vieth Construction of Cedar Falls in the amount of \$243,773.25 and that the engineers estimate of probable cost of construction was \$211,162. He advised that on January 29, 2014 the project engineer filed the Certificate of Completion with the City Clerk, indicating that the Project has been completed in compliance with the plans & specifications, previously approved by the Council. He noted that the project entailed the construction of aesthetically themed improvements that linked together Three Stars Plaza and Buddy Holly Place with the historic Surf Ballroom, including new street lighting to enhance the streetscape and promote a safer walkway for pedestrians at night. He stated that the north side of the N Shore Drive sidewalk was reconstructed with brick pavers and a 6" perforated sub-drain was placed behind the curb to eliminate issues with the sidewalk heaving during freeze-thaw cycles and that driveway approaches to the Surf Ballroom parking lot were reconstructed, including adding storm sewer intakes to improve storm water drainage and reduce the amount of surface water runoff draining directly into the street.

Jason Petersburg, P.E., Veenstra & Kimm, reviewed the two change orders on the project and stated that change order #1 reflected a price adjustment negotiated between the City and the general contractor for deficient work (\$6,919.31), as well as liquidated damages of 22 days (\$500/day) for a total deduct of \$17,913.31. He stated that change order #2 was an increase of \$3,260 related to actual quantities constructed versus original contract quantities for certain items in the contract. He advised that the "revised" final contract amount after change orders is \$229,090.34 and that the total value of work completed was \$211,306.94. Petersburg also reviewed Pay Estimate #5 in the amount of \$5,919.14 and Pay Estimate #6 (final) in the amount of \$6,339.21. Nelson moved to approve Pay Estimate #5 and #6 to Vieth Construction of Cedar Falls, seconded by Callanan. Passed Unanimously.

Brant 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. 14-13

A RESOLUTION ACCEPTING THE WORK

Willett stated that for the past four or five months, the City and the North Iowa Corridor EDC have been working on a potential major economic development project that would result in an approximately 340,000 square foot regional warehouse & distribution facility being located in Clear Lake. He stated that the future occupant of the facility would be a "Fortune 100 Company", create 164 full-time positions with an average annual salary of \$39,000, total annual payroll of \$6.5 million, and a total capital investment of \$65 million.

Flory stated that the City is proceeding optimistically, but cautiously, with taking the necessary perfunctory legal steps in furtherance of formulating a local incentive package and Development Agreement and that although local officials have not received any official confirmation that the prospective project is approved for Clear Lake, it is in the City's best interest to be positioned so that if the project is approved for construction that the City is prepared to move forward. Flory advised that before the Council this evening is a Resolution that addresses one particular component of a potential future project Development Agreement and that the Resolution sets the date for a public hearing for February 17<sup>th</sup> on a proposed 15-year, 90% property tax rebate, with annual appropriation. He noted the aggregate amount of the property tax rebate payments are a not to exceed \$7.3 million, based on a new taxable valuation of \$19 million.

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

RESOLUTION No. 14-14

A RESOLUTION TO FIX A DATE OF MEETING AT WHICH IT IS PROPOSED TO APPROVE A DEVELOPMENT AGREEMENT, INCLUDING ANNUAL APPROPRIATION TAX INCREMENT PAYMENTS IN AN AMOUNT NOT TO EXCEED \$7,300,000

Hugi moved to set the date for a Special City Council meeting on February 10<sup>th</sup> at 6:30 p.m., seconded by Nelson. Passed Unanimously.

Callanan moved that the appointment of Robert Swanson (1913 N Shore Drive) to the Board of Adjustment for the term ending December 31, 2018 be approved, seconded by Nelson. Passed Unanimously.

Nelson moved that the appointment of Lori Broghammer (1201 S Shore Drive) to the Planning & Zoning Commission to fill an unexpired term ending December 31, 2016 be approved, seconded by Hugi. Passed Unanimously.

There being no further business before the Council, Hugi moved to adjourn at 7:19 p.m., seconded by Nelson. Passed Unanimously.

NEXT REGULAR MEETING – MONDAY, FEBRUARY 17, 2014

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Nelson P. Crabb, Mayor

ATTEST:

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Jennifer Larsen, City Clerk