



"Where People Make the Difference"

CITY OF CLEAR LAKE

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Mayor
NELSON P.
CRABB

February 28, 2015

City
Administrator
SCOTT
FLORY

HONORABLE MAYOR & CITY COUNCIL MEMBERS:

The next meeting of the Clear Lake City Council is scheduled for Monday, **March 2, 2015**, at 6:30 p.m., in the Council Chambers, at the Clear Lake City Hall. Please refer to the enclosed agenda for the items discussed below.

COUNCIL MEMBERS

DANA
BRANT
Ward 1

TONY J.
NELSON
Ward 2

JIM
BOEHNKE
Ward 3

MIKE
CALLANAN
At Large

GARY
HUGI
At Large

ITEM #6A. **2015 Sewer Rehabilitation Project.** One of the major capital improvement projects for FY 15 involves the rehabilitation of approximately 5,300 LF of sewer pipe, with point repairs and manholes, using the Cured-In-Place Pipe Technology. This "trenchless" method allows the pipe to be rehabilitated in place without having to perform excavation and pipe replacement. The CIPP is a jointless, seamless, pipe-within-a-pipe, consisting of a resin-impregnated flexible tube. The flexible tube is inserted and pulled through the existing pipe from manholes and is then cured, using either hot water or steam pressure to expand the tube to tightly bond with the interior of the existing pipe.

The Project was reviewed by the Council on January 5th and on January 19th. At the meeting on the 19th, the Council set the date for the Project bid letting and public hearing on the proposed plans & specifications. The bid letting was conducted on February 11th and there were a total of three (3) bids opened and publicly read. The lowest responsive, responsible, bid was submitted by Visu-Sewer (Pewaukee, WI) in the amount of \$232,074.30 (base bid). The engineer's opinion of the probable cost of construction was \$292,873, making the base bid of Visu-Sewer 20.8% below estimate.

There was an "alternate" bid item as well. The alternate bid item was for lining a 24" diameter line that runs below ground across US HWY 18. The bid submitted for this work by Visu-Sewer was \$28,751.25, which is 1.9% below the engineer's estimate of the probable cost of construction. This work will be funded entirely by the Iowa DOT and the City will receive reimbursement from them upon project completion.

The City budgeted \$300,000 for the project, excluding Alternate #1. Visu-Sewer has done work in the City previously and performed at a more than acceptable level.

The City has now received the partially-executed contract and bonds (performance, payment, and maintenance) and Certificate of Liability Insurance from the Contractor. All these documents have been reviewed by City staff and the Project



consultant and have been determined to be in compliance with the contract documents.

ITEM #6B. Northern Natural Gas Border Station Improvement. Northern natural Gas Company owns and operates the border station located at the intersection of 14th Ave N. and Buddy Holly Place. The Company is proposing to make some modifications to its facilities at this location. As a result of the proposed improvements, the Company has inquired with the City about the possibility that some of its equipment may encroach into the City's right-of-way adjacent to Buddy Holly Place. The City has an extraordinarily wide ROW in this location. The intrusion into the ROW would be minimal, but the Company would like to be able to access their equipment for service related purposes, if and when necessary and simply wants to ensure it has legal authority to do so within the City's ROW.

At the February 2nd City Council meeting, the Council gave its consent to initiate the process to vacate and sell a portion of its ROW to Northern Natural Gas Company. At the February 16th Council meeting, the Council set the date for a public hearing on the proposal. Notice of hearing was published in the newspaper, as required by law, on February 18th. The proposed sale price is \$1.50/sq. ft.

ITEM #6D. FY 16 Municipal Budget Proposal. The proposed tax rate for the City of Clear Lake for the 2016 fiscal year, which begins July 1, 2015, and ends June 30, 2016, is \$10.54/\$1,000 of taxable valuation. This marks the 5th consecutive year that the tax rate has remained unchanged, since the \$0.50/\$1,000 of taxable valuation rate increase in FY 12 made necessary as the result of the voter-approved \$2.3 million general obligation bond referendum for the fire station building project. Prior to FY 12, the City's portion of the tax rate had remained at \$10.04/\$1,000 for five (5) consecutive fiscal years. Once again, Clear Lake will feature one of the lowest tax rates in Iowa for cities with a population of more than 4,000.

The taxable valuation for FY 16 (1/1/14) continues the positive trend of growth in the Community. The taxable valuation for FY 16 is \$520,347,335, which is a 3.7% increase (\$18,537,159) from FY 15. This despite a commercial and industrial property tax rollback that is, for FY 16 purposes, set at 90% of assessed value. The residential rollback for FY 16 is set at 55.73%, up from FY 15 rate of 54.40%.

The proposed FY 16 budget reflects total expenditures among the various programs of \$12,141,766; of which \$7.2 million is directed towards operations & maintenance; \$3.85 million towards capital; and \$1.1 million towards debt service. Projected ending cash balance for June 30, 2016 in the General Fund is

\$2.5 million, which is 45% of the General Fund operating budget. The debt capacity of the City for FY 16 is \$42.4 million and the City currently has used only \$3.6 million, or 9%, of its General Obligation debt borrowing capacity.

The remaining schedule for budget consideration is as follows:

March 2nd Conduct public hearing and adopt a final budget.

March 15th Certify budget to County Auditor.

Smart Quote: "Your present circumstances don't determine where you can go; they merely determine where you start." -- Nido Qubein, businessman and motivational speaker

Scott Flory
City Administrator

PUBLIC NOTICE IS HEREBY GIVEN that the following governmental body will meet at the date, time, and place herein set out. The tentative agenda for said meeting is as follows:

TENTATIVE AGENDA
CLEAR LAKE CITY COUNCIL
CITY HALL – 15 N. 6TH STREET
MONDAY, MARCH 2, 2015
6:30 P.M.

1. Call to Order and Pledge of Allegiance led by Mayor Nelson P. Crabb.
2. Approval of Agenda.
3. Consent Agenda:
 - A. Minutes – February 16, 2015
 - B. Approval of the bills & claims.
 - C. Licenses & Permits:
 - Amusement License: Rookies, (renewal).
 - Liquor License: Class C Liquor License (LC) (Commercial) with Sunday Sales, Rookies, (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. 2015 Sanitary Sewer Rehabilitation Improvement Project:
 - Review of request, Scott Flory, City Administrator.
 - **Motion** to approve **Resolution #15-05**, A Resolution approving the Contract & bonds for the 2015 Sewer Rehabilitation Improvement Project.”
 - Discussion and consideration of **Motion** by City Council.

B. Northern Natural Gas Company Town Border Station Improvement Project:

- Review by Scott Flory, City Administrator.
- Open Public Hearing by Mayor Crabb.
- **Motion** to close the public hearing.
- Discussion and consideration of **Motion** by City Council.
- **Motion** to approve **Resolution #15-06**, A Resolution vacating excess right-of-way and disposing of the City's interest in said right-of-way located in the City of Clear Lake, Cerro Gordo, County, Iowa, and authorizing the Mayor and City Clerk to attest to a Quit Claim Deed for the conveyance of the property to Northern Natural Gas Company."
- Discussion and consideration of **Motion** by City Council.

C. FY 16 Municipal Budget proposal:

- Review by Scott Flory, City Administrator.
- Open Public Hearing by Mayor Crabb.
- **Motion** to close the public hearing.
- Discussion and consideration of **Motion** by City Council.
- **Motion** to approve **Resolution #15-07**, "A Resolution amending the current budget for the fiscal year ending on June 30, 2015 and adopting a budget for the fiscal year ending on June 30, 2016."
- Discussion and consideration of **Motion** by City Council.

7. Chief of Police's Report:

8. Mayor's Report:

9. Public Works Director's Report:

- Project update: Water Treatment Plant High Service Pumps Replacement Project.

10. City Administrator's Report:

- Project update: City Hall Roof Replacement Project, Mark Kroemer and Austin Pehl, WWA.

11. City Attorney's Report:

12. Other Business:

13. Adjournment.

NEXT REGULAR MEETING – MARCH 16, 2015

This notice is given pursuant to Chapter 21.4(1) of the Code of Iowa and the local rules of said governmental body.