

## REGULAR COUNCIL MEETING

The Clear Lake City Council met in regular session on Monday, March 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, and Boehnke. Absent: Nelson.

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

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

- A. Minutes – February 17, 2014.
- B. Approval of the bills & claims.
- C. Licenses & Permits:
  - Amusement License: Rookies, (renewal).
  - Tree Trimmer's License: Affordable Arbor Tree Service, (new).
  - Excavator's License: McKiness Excavating, (renewal).
  - Liquor License: Class B Liquor License (LB) (Hotel/Motel) with Sunday Sales, Best Western Holiday Motor Lodge; Special Class C Liquor License (BW) (Beer/Wine) with Sunday Sales, Shao Ting Guo, (renewals).

Roll Call: All Ayes.

Mayor Crabb announced that it was the time and place for the citizen's forum.

Peter Lagios, 308 4<sup>th</sup> Avenue S, asked the Council to consider implementing a nuisance ordinance that would impose a fine on those establishments with liquor licenses whom have an excessive amount of calls due to alcohol related disturbances.

Ben Buck, 15 Park Lane, stated that he is concerned about his water service line freezing due to the cold temperatures and the depth of the frost and asked the Council to consider giving a price break on the water bill for those residents that are currently running their water to prevent their service line from freezing.

Scott Flory, City Administrator, reviewed the 2015 Fiscal Year Budget proposal and stated that the proposed City tax rate for the 2015 fiscal year is \$10.54/\$1,000 of taxable valuation and that this would be the fourth consecutive year that the City taxed at that rate. Flory stated that the Council had previously set the date for the public hearing on the proposed FY 15 budget as March 3<sup>rd</sup> at 6:30 p.m. Mayor Crabb stated it was now the time and place for the public hearing on the proposed FY 15 budget as previously established by the Council.

Peter Lagios, 308 4<sup>th</sup> Avenue S, 308 4<sup>th</sup> Avenue S, asked the Council to consider budgeting funds for the Police Department to purchase decibel level machines for use by its officers.

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

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. 14-22

#### A RESOLUTION AMENDING THE CURRENT BUDGET FOR THE FISCAL YEAR ENDING ON JUNE 30, 2014 AND ADOPTING A BUDGET FOR THE FISCAL YEAR ENDING ON JUNE 30, 2015

Flory reviewed a proposal to purchase a replacement single-axle plow truck, with snow removal equipment package for the public works department and stated that the City budgeted \$180,000 for the purchase in FY 14. He advised that in order to receive the truck cab & chassis and complete the installation of the snow removal equipment package in time for the 2014-15 snow season, it is necessary to order the equipment now. He stated that a request for sealed bid proposals was distributed to prospective bidders and responses were due to the Public Works Director on February 24<sup>th</sup>. Joe Weigel, Public Works Director stated that a total of three responses were submitted for the truck chassis & cab and a total of four for the snow removal equipment package. He advised that the department recommendation is to purchase the 4 x 2 single-axle cab chassis plow truck chassis & cab from Interstate Motor Trucks of Mason City in the amount of \$70,660 and the snow removal equipment package from Crysteel Truck Equipment of Lake Crystal, Minnesota in the amount of \$100,620. Brant moved to authorize the

purchase of the replacement single-axle plow truck, with snow removal equipment as recommended by the Public Works department, seconded by Callanan. Passed Unanimously.

Flory reviewed the proposed N. Shore Drive STP Street Reconstruction Project and stated that at its February 17<sup>th</sup> meeting, the City Council conducted the required public hearing and approved the proposed plans & specifications, form of contract, and estimate of cost for the project. He noted that the City has been awarded a Federal-aid Surface Transportation Grant from the Iowa Department of Transportation in the amount of \$638,000 and that a grant agreement between the City and the Iowa DOT was approved by the Council on November 18, 2013. He advised that under the terms of the Agreement, the Project bid letting was conducted by the Iowa DOT on February 18<sup>th</sup>. Jason Petersburg, P.E., Veenstra & Kimm, stated that a total of three bids were received from a total of six general contractors holding plans on the project and that the bids ranged from 6.2% to 17.4% over the engineer's estimate of the probable cost of construction of \$2,195,192. He further stated that the lowest responsible responsive bid was submitted by Wicks Construction of Decorah, Iowa in the amount of \$2,331,187.78. Flory also reviewed the construction schedule and stated that construction on the underground infrastructure improvements will begin on approximately July 8, 2014, and is anticipated to be completed by late-November.

Boehnke 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. 14-23

A RESOLUTION MAKING AN AWARD OF CONTRACT

Brent Willett, President, North Iowa Corridor Economic Development Corporation (NICEDC), reviewed the proposed Clear Lake Consolidated Urban Renewal Area Economic Development (Regional Warehouse & Distribution Center) Project and stated that the proposed project location is in the Larry Luker Memorial Industrial Park (Lots 6 & 7) and that it is anticipated that construction of the approximately 340,000 square foot warehouse and distribution facility would take approximately 18 months to complete.

Flory stated that at its regular meeting on February 17<sup>th</sup>, the City Council set the date for a public hearing on a proposed General Obligation Economic Development Loan Agreement with Windmill Realty, LLC for the general corporate purpose of undertaking an economic development project. He stated that Windmill Realty, LLC serves primarily as an interim "placeholder" for the ultimate occupant and owner of the facility, which is a current "Fortune 100" Company. He advised that upon completion of Project construction the parent company's identity will be publicly released and Windmill Realty, LLC shall be dissolved and its rights under the Development Agreement shall be assignable to the parent company, subject to Council approval, in accordance with the terms of the Agreement.

Mayor Crabb stated it was now the time and place for the public hearing on the proposed General Obligation Economic Development Loan Agreement as previously established by the Council.

Peter Lagios, 308 4<sup>th</sup> Avenue S, stated that he believes the City should release the name of the company to the community so that the citizens have the opportunity to give their approval or disapproval of the company.

Mark Hewitt, Clear Lake Bank & Trust Company, stated that he believes this is a once in a lifetime opportunity for the community and the entire region and urged the Council to vote in favor of the agreement.

Randy Cram, 615 S Shore Drive, stated that he supports the project and asked the Council to vote in favor of the project.

Hearing no further public comment, Hugi moved to close the public hearing, seconded by Brant. Passed Unanimously. Whereupon, the Mayor declared the following duly adopted:

RESOLUTION No. 14-24

A RESOLUTION EXPRESSING INTENT TO ENTER INTO A GENERAL OBLIGATION  
ECONOMIC DEVELOPMENT LOAN AGREEMENT AND APPROVING A PRELIMINARY  
OFFICIAL STATEMENT

Flory stated that at its February 10<sup>th</sup> special meeting Mayor Crabb stated that it was his intention to propose for Council consideration the appointment of Lieutenant Rex McChesney to the post of interim Police Chief at its March 3<sup>rd</sup> meeting. Flory gave an overview of the proposed Employment Agreement between the City and McChesney. Callanan moved to approve the Employment Agreement and the appointment of Rex McChesney to the post of interim Police Chief, seconded by Hugi. Passed Unanimously. Mayor Crabb then administered the Oath of Office to McChesney.

Weigel gave an update on the traffic signal repairs at 1<sup>st</sup> Avenue N. & N. 8<sup>th</sup> Street and an update regarding watermain breaks.

Flory stated that City staff would be meeting with Veenstra & Kimm regarding the submittal of a grant application for a future street reconstruction project on East Main from N. 20<sup>th</sup> Street to N. 24<sup>th</sup> Street including a bike path. He noted that the Council would consider the submittal of the grant application at its March 17<sup>th</sup> meeting.

Flory advised the Council that the Landfill of North Iowa is requesting an update and amendment be made to the current 28E Agreement that is in place as the current agreement is outdated. He noted that the amendment will require council approval by Resolution at a future meeting.

There being no further business before the Council, Hugi moved to adjourn at 7:41 p.m., seconded by Callanan. Passed Unanimously.

NEXT REGULAR MEETING – MONDAY, MARCH 17, 2014

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

ATTEST:

/S/ Jennifer Larsen  
Jennifer Larsen, City Clerk