"Sailing Ahead" With the City of
CLEAR LAKE
"Where People Make the Difference"

CITY OF CLEAR LAKE

15 North 6th Street • P.O. Box 185 • Clear Lake, IA 50428
Phone (641) 357-5267 • Fax (641) 357-8711
www.cityofclearlake.com

Mayor
NELSON P. CRABB

City Administrator
SCOTT FLORY

COUNCIL MEMBERS

DANA BRANT
Ward 1

TONY J. NELSON
Ward 2

JIM BOEHNKE
Ward 3

MIKE CALLANAN
At Large

GARY HUGI
At Large

November 16, 2014

HONORABLE MAYOR & CITY COUNCIL MEMBERS:

The next meeting of the Clear Lake City Council is scheduled for Monday, **November 17, 2014,** at 6:00 p.m., in the Council Chambers, at the Clear Lake City Hall. Please refer to the enclosed agenda for the items discussed below.

ITEM #6D. **Water Plant High Service Pumps Project**. At its regular meeting on November 3rd, the Council awarded the construction contract (base bid) to Dean Snyder Construction (Clear Lake). Dean Snyder Construction submitted the lowest responsive responsible bid, with a base bid amount of $365,000. The engineer's estimate of the probable cost of construction was $481,100 for base bid.

The City has now received the partially-executed contract & bonds (performance, payment, & maintenance) and Certificate of Liability Insurance from the contractor. All these documents have been reviewed by City staff and the Project consulting engineer and have been determined to be in compliance with the project specifications.

The project schedule calls for the contractor to begin construction on or about December 1st on the 1948 clear well side. Completion on the 1948 side is set for April 3, 2015. Following completion of the 1948 side, the contractor will work on the 1972 clear well side, which is to be completed by May 1, 2015.

ITEM #6E. **Annual Financial Report – 2014**. The Code of Iowa, Chapter 384.22, requires the submission of an annual financial report to the Office of the State Auditor by December 1st of each year. Enclosed in your packet is a copy of the Financial Report for the 2014 fiscal year, a summary of which the City is required by law to publish in the newspaper. Significant budgeted to actual variances are as follows:

Revenues

1) "Other" city taxes. Anticipated collection and disbursement of hotel/motel taxes $15,000 < budgeted.
2) Miscellaneous: $82,000 due to recording of contributed capital in the enterprise funds as a result of the acceptance of Pine Brooke 3rd Addition; $16,000 due to the re-classification of water tower rent from "Use of Money & Property"; donations not budgeted: $5000 from N. Iowa Spin for N. Lakeview Drive, $4000

CLEAR LAKE

from Larson's Mercantile for City Park Beautification, and $3000 from Harris family for Triangle Park Playground Equipment.

3) Other financing sources: transfers of $1,377,000 < estimate due to timing or actual costs of capital projects (i.e., Northwest Water Tower, $1,100,000; Water Plant High Service Pumps, $170,000; N. Shore Drive $25,000; and Street Resurfacing/Overlay project, $22,000 [storm sewer]). The $35,000 transfer between TIF and ED Loan Trust was made as a repayment of an internal loan, thus it was recorded on the balance sheet, instead of a revenue item. Contributed Capital of $82,000 in the enterprise funds for the acceptance of Pine Brooke 3rd Subdivision was not included in the budgeted amount.

Expenditures

1) Public Safety. Police under budget by $50,000. This was mainly due to the following items being < budgeted: legal fees, $15,000; equipment repair, $7500; state computer fees, $4000; payroll taxes, $6800; group health insurance, $1300; and $13,000 in "other equipment" for the City Hall/Police Dept Project not completed. Ambulance under budget by $53,000. This was mainly due to the following items under budget: ambulance purchase, $11,000; billing service, $6,000; training, $5,500; part-time wages & taxes, $10,000; uniforms & protective clothing, $5500; Vehicle repair, supplies, & fuel, $5800; equipment repair, $2300; medical and operating supplies, $3200.
2) Public Works. The following areas were under budget: miscellaneous alley & sidewalk improvements $25,000; decorative street light retro-fit preliminary work $8,500; plow truck equipment not completed $98,000; street maintenance under budget by $24,000; snow removal (including prior year reserve) under budget by $50,000.
3) Culture and Recreation. Library wages and taxes under budget by $29,000 due to delay in hiring of a new director and assistant director; Park & Rec program instructors supplies under budget by $22,000; cleaning services under budget by $7,000; and pool operations under budget by $32,000.
4) Community and Economic Development. Building Official retirement delayed ($17,000); Corbi and Snyder Partnership property tax rebate payment not paid in full and in part, $60,000; S. 3rd Street property purchase recorded as a balance sheet item instead of expenditure ($80,000); and Iowa Great Places Project not started ($125,000).
5) General Government – Office Clerk not replaced ($10,000) and insurance premiums under budget by $9,000.
6) Capital Projects. Under budget due to timing: City Hall/ Police Dept remodel $133,000; N. Shore Drive engineering $28,000; and Overlay Project $31,000.
7) Business type/Enterprise:

   A) Operating items under budget: Storm and sanitary sewer televising inspection fee $17,000; Garbage removal contract $18,000; and Storm sewer repair supplies $17,000.
   B) Principal payments of debt are liquidating a liability, thus they are not shown as an expenditure $205,000.
   C) Capital asset purchases and construction of infrastructure are recorded as an asset of the fund and depreciated over the life of the project. For this fiscal year capital purchases and construction exceeded depreciation by $860,000.

D) Capital projects not completed: Water Plant High Service pump $170,000; Northwest Water Tower Project $500,000; Overlay Project Storm Sewer work $20,000; Lining project, Storm Sewer Study $24,000.

Prior year comparisons, excluding transfers:

Fiscal Year	Revenues	Expenditures	Transfers
2004	$ 8,127,840	$ 7,200,860	$1,292,684
2005	$ 7,402,350	$ 6,939,480	$1,398,432
2006	$11,100,029	$10,118,595	$2,087,931
2007	$12,023,419	$10,795,658	$2,767,917
2008	$10,386,922	$ 8,199,617	$1,441,934
2009	$11,129,009	$10,283,052	$2,416,504
2010	$12,926,665	$11,666,213	$2,175,461
2011	$13,965,182	$11,053,334	$2,943,995
2012	$13,072,088	$11,165,416	$3,227,636
2013	$13,831,926	$12,368,810	$3,499,313
2014	$12,560,785	$11,978,820	$2,577,020

ITEM #6F. **Urban Renewal Tax-increment Financing Report**. The State of Iowa requires cities to report their tax-increment financing (TIF) activity through the Urban Renewal Reporting System. This system is an "on-line" system for reporting the yearly activity within each Urban Renewal Area. By December 1st of each year, each levy authority within and Urban Renewal Plan and Urban Renewal Area in effect at any point during the preceding fiscal year must complete a report on this Urban Renewal Reporting System. Completion of the Report is, of course, mandatory. An authority which fails to comply with this requirement will not be able to publish or adopt its annual budget until this requirement has been satisfied.

The purpose of the Report is to provide information to the Department of Management on all the activities taking place in the various Tax-increment Financing Districts. The Report encompasses activities within the City's various TIF Districts, including: Area "A"; Arlington Place; and the Consolidated Urban Renewal Area. For FY 14, the only "active" UR Area – the "Clear Lake Consolidated Urban Renewal Area" saw $756,511 in revenues and $1,009,233 in expenditures. The TIF Special Revenue Fund had a July 1, 2013, beginning fund balance of $361,382 and a June 30, 2014 ending fund balance of $108,660. Total outstanding TIF debt for the year ending June 30, 2014 was $14,439,385. It should be noted, that this outstanding balance includes the entire unpaid balance of any rebate agreements, even those that contained an "annual appropriation clause". Total outstanding TIF debt for the year ending June 30, 2013, was $3,791,319.

ITEM #6G. **US HWY 18 Roadway Resurfacing Project**. The Iowa DOT has advised the City that it will be proceeding with a proposed capital improvement project that entails the resurfacing US HWY 18, between N. 16th Street W. and N. 20th Street, with construction deferred until after July 6, 2015. In accordance with the 5-year maintenance agreement the City has with the Iowa DOT for US HWY 18, the City is responsible for the portion of the roadway that would include the curb & gutter section. The area proposed for resurfacing would also require removal and replacement of the City's traffic signal detector loops (advance and stop bar) at the N. 8th Street and N. 20th Street intersections.

The City has been discussing the design of the proposed project for some time with the Iowa DOT District 2 Office (Mason City). The Project would be let for bid, awarded, and fully-managed by the Iowa DOT. A proposed project agreement between the jurisdictions has been drafted which would address reimbursement between the entities for construction work that would be completed as part of the project for various infrastructure components that are under the respective auspicious of the parties.

The proposed project would be constructed entirely during the FY 16 budget year. The cost to the city for curb & gutter removal and replacement is estimated at a not-to-exceed total of $55,000. Obviously, the construction contract will establish unit price and reimbursement by the City to the Iowa DOT will be based on the actual quantities completed times the unit bid price.

The City also has alternatives regarding the removal & replacement of the 36 traffic detector loops. As part of the Project, the IDOT could simply remove and replace the detector loops at no cost to the City. Alternatively, the City could install a four (4) camera video detection system at each intersection for stop bar detection at a cost of roughly $70,000. The Iowa DOT would reimburse the City approximately $19,500 for the 20 stop bar loop detectors that would not need to be re-installed as part of the project. The IDOT would be required to re-install all 16 of the advance loop detectors as part of the resurfacing project. In this scenario, the net City cost would be roughly $50,500. Lastly, the final scenario would be for the City to install a 6 camera system for stop bar and advance detection at a cost of roughly $143,850. The IDOT would not re-install any detector loops under this alternative, but would reimburse the City approximately $35,100, resulting in a net cost to the City of $108,750.

Smart Quote: **"It's better to walk alone than with a crowd going in the wrong direction."** -- Diane Grant, Canadian playwright and screenwriter

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, NOVEMBER 17, 2014
6:30 P.M.

1. Call To Order by Mayor Nelson P. Crabb.

2. Approval of Agenda.

3. Consent Agenda:

   A. Minutes – November 3, 2014
   B. Approval of the bills & claims.
   C. Licenses & Permits:
      - Liquor License: Class E Liquor License (LE), Class B Wine Permit, Class C Beer Permit (Carryout Beer) with Sunday Sales, Lake Liquors Wine & Spirits, (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. Northwest Water Tower Project:

      - Construction update and review of Pay Estimate #9, Jason Petersburg, P.E., Veenstra & Kimm.
      - **Motion** to approve Pay Estimate #9 by City Council.
      - Discussion and consideration of **Motion** by City Council.

   B. N. Shore Drive STP (inc. N. Lakeview Dr.) Street Reconstruction Project:

      - Construction update and review of Pay Estimate #4, Jason Petersburg, P.E., Veenstra & Kimm.
      - **Motion** to approve Pay Estimate #4 by City Council.
      - Discussion and consideration of **Motion** by City Council.

C. City Hall/Police Dept. Building Renovation Project:

- Construction update and review of Pay Estimate #9, Rex McChesney, Chief of Police.
- **Motion** to approve Pay Estimate #9 by City Council.
- Discussion and consideration of **Motion** by City Council.

D. Water Treatment Plant High Service Pumps Replacement Project:

- Review of request, Scott Flory, City Administrator.
- **Motion** to approve **Resolution #14-77,** "A Resolution approving Contract & bonds"
- Discussion and consideration of **Motion** by City Council.

E. Annual Financial Report – FY 2014:

- Review of request, Scott Flory, City Administrator.
- **Motion** to approve the" FY 2014 Financial Report" by City Council.
- Discussion and consideration of **Motion** by City Council.

F. Annual Urban Renewal Tax-Increment Financing Report – 2014:

- Review of request, Scott Flory, City Administrator.
- **Motion** to approve the" FY 2014 Urban Renewal Tax-Increment Financing Report" by City Council.
- Discussion and consideration of **Motion** by City Council.

G. US HWY 18 Roadway Resurfacing Project (N. 16th St. W to N. 20th St.):

- Review of request, Scott Flory, City Administrator.
- **Motion** to approve **Resolution #14-78,** "A Resolution approving an Intergovernmental 28E Funding Agreement between the City of Clear Lake and the Iowa Department of Transportation for the US HWY 18 Roadway Resurfacing Project Iowa DOT Project No.: NHSK-018-5(149)—3H-17."
- 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 updates: N. Lakeview Drive (Main Ave – 1st Ave N.) Street Light Retrofit; N. 6th Street Improvement Project; Groves 2nd Addition; 12th Ave S. Street Resurfacing Project.
- Update on 2014 International Truck Chassis w/snow equipment.

10. City Administrator's Report:
    - Library Director search process update.
    - Public Works Dept. Operator position vacancies.

11. City Attorney's Report:

12. Other Business:

13. Adjournment.

NEXT REGULAR MEETING – DECEMBER 1, 2014

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