



CITY OF CLEAR LAKE

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Mayor
NELSON P.
CRABB

November 15, 2013

HONORABLE MAYOR & CITY COUNCIL MEMBERS:

City
Administrator
SCOTT
FLORY

The next meeting of the Clear Lake City Council is scheduled for Monday, **November 18, 2013**, at 6:30 p.m., in the Council Chambers at City Hall. Please refer to the enclosed agenda for the items discussed below.

COUNCIL
MEMBERS

ITEM #6B. N. Shore Drive Street Reconstruction Project.

DANA
BRANT
Ward 1

Enclosed in your packet is a Resolution authorizing the City's participation with the Iowa DOT in a Federal-Aid Surface Transportation Project (STP) for the project generally described as the "North Shore Drive Street Reconstruction Project". The proposed Agreement with the City commits the Iowa DOT to pay for a portion of the Project with Federal funds. The engineer's estimate of the probable cost of construction is \$2,194,465. Federal funding will cover \$638,000 of the amount. Under the terms of the Agreement, the Iowa DOT will receive bids for the Project. The City, however, will make the payments to the contractor and invoice the Iowa DOT periodically. The balance of the Project's costs are being funded from the following sources: special assessments; Road Use Tax Fund; GO bond; TIF, General Fund, water, sanitary sewer, and storm sewer revenues.

TONY
NELSON
Ward 2

JIM
BOEHNKE
Ward 3

As a reminder, the public hearing on the proposed "Resolution of Necessity" is set for 11/25/13, at 5:30 p.m., in the Council Chambers, at City Hall. The anticipated date of bid letting is late-February, 2014.

MIKE
CALLANAN
At Large

ITEM #6C. FY 13 Urban Renewal TIF 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 with an 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 this Report is mandatory. An authority that fails to comply with this requirement will not be able to

TERRY
UNSWORTH
At Large



publish or adopt its' annual budget until this requirement has been satisfied.

The purpose of the Report is to provide information to the Dept of Management on all the activities taking place in the various Tax Increment Financing (TIF) 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 13, the only "active" UR Area – the "Clear Lake Consolidated Urban Renewal Area" saw \$2,296,824 in revenues and \$2,631,962 in expenditures. The TIF Special Revenue Fund had a June 30, 2012 beginning balance of \$696,520 and a June 30, 2013 ending fund balance of \$361,382. Total outstanding TIF debt for the year ending June 30, 2013 was \$3,791,319. The total taxable valuation of property within the City's Urban Renewal Areas, as of June 30, 2013, is approximately \$81,000.

ITEM #6D. **Annual Financial Report – FY 2013.** By December 1st of each year, cities in Iowa must submit an annual Financial Report to the Iowa Department of Management and the State Auditor's Office. Enclosed in your packet is a copy of the Financial Report for the 2013 fiscal year, a summary of which the City is required to publish in the newspaper. Significant budgeted to actual variances are as follows:

Revenues

- 1) Special Assessments: anticipated collections varied from actual collections.
- 2) Miscellaneous: over budget due to recording \$50,000 bequest to the Library Foundation.
- 3) Other financing sources: anticipated transfers under estimate due to timing of capital projects.

Expenditures

- (1) Public Works: street maintenance under budget by \$50,000; snow removal (including prior year reserve) under budget by \$49,000; vehicle maintenance supplies under budget by \$24,000.

- (2) Culture & Recreation: Library foundation under budget by \$14,000; 12th Ave S. Rec Trail Project not completed (\$50,000) Park & Rec contracted services and program supplies under budget by \$32,000; Main Ave boat ramp repair under budget by \$13,000; Park & Rec building and grounds supplies and repairs under budget by \$9,000; Pool operations under budget by \$30,000; Cemetery grading project under budget and not completed \$50,000.
- (3) Community & Economic Development – Joe Corbi’s and Snyder Partnership semi-annual (June) tax rebate payments not paid (\$37,000).
- (4) General Government: insurance (work comp & property & casualty) premiums under budget by \$17,000.
- (5) Capital Projects: under budget due to timing issues City Hall/ Police remodel \$237,000; North Shore Dr STP Engineering \$75,000; and S. 20th Street \$236,000.
- (6) Business type/Enterprise
 - a. Principal payments of debt are liquidating a liability, thus they are not shown as an expenditure \$198,000.
 - b. 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 items ar depreciation exceeded construction by \$116,000.
 - c. Capital projects not completed
 - i. High Service Pump \$50,000.
 - ii. HWY 18 Water Main Improvement Project \$179,000
 - iii. S. 20th Street & Sidewalks Project \$142,000
 - iv. Sanitary Sewer SE Facility Plan and Sanitary Sewer Lining project \$42,000

Prior year comparisons:

Fiscal Year	Revenues	Expenditures	Transfers
2002	\$ 9,187,175	\$ 8,725,820	\$ 1,878,612
2003	\$ 8,120,995	\$ 7,543,861	\$ 670,572
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

The Iowa Constitution limits the amount of General Obligation debt a City may incur to no more than 5% of its 100% valuation. For FY 13, the City's GO debt limit was \$39,289,338. Typical counsel for auditors and municipal finance advisors is that a City should not incur any more than 70% GO indebtedness or risk potential adverse bond ratings. For Clear Lake, that threshold would be roughly \$27.5 million. Clear Lake currently has less than \$5 million in GO debt or less than 13% of its capacity.

ITEM #6E. **12th Ave S. Recreational Trail Project.** On April 1, 2013, the City Council approved a construction contract with Heartland Asphalt (Mason City) in the amount of \$105,525.25. The Project was one of the major capital improvement projects budgeted for in FY 13 and consisted of the construction of an 8' wide, ¾ mile in length, hot mix asphalt trail that loops around the 12th Ave S. Outdoor Recreation Area complex. The City allocated \$100,000 for the project. The Project engineer has filed a Certificate of Completion for the project indicating that all work has been completed in compliance with the project plans specifications previously approved by the City Council.

There were two Change Orders on the project. Change Order #1 was approved by the Council on May 20th and was necessary to address unstable soil matters encountered during construction. Change Order #2 is for additional work to address some drainage matters that were outside the scope of the original project. The final contract price \$115,341.35, which represents roughly a 15% increase. Enclosed in your packet is a Resolution "Accepting the Work", Change Order #2, and the "final" project pay estimate, exclusive the retainage.

ITEM #6F. **Cemetery Expansion Area & Site Grading Project.** On April 1, 2013, the City Council approved a construction contract with

Charlson Excavating (Clear Lake) in the amount of \$37,775. The Project was one of the capital improvement projects budgeted for in FY 13 and consisted of the removal of the existing top soil and stockpiling it on-site; distribution and grading of the on-site excavated fill materia redistribution of the stockpiled topsoil; and seeding. The site is roughl 5-acres and the City had amassed roughly 11,000 cubic yards of excavated fill material over the years at that location in order to raise the elevation of the site approximately 18".

There was one Change Order on the Project, which was for some additional fine grading work to mitigate some drainage concerns. The final contract cost was \$38,990. Enclosed in your packet is a Resolution "Accepting the Work" and the "final" project pay estimate, exclusive of the retainage.

Scott Flory
City Administrator

Smart Quote: "**Look to the future, because that's where you'll spend the rest of your life.**" -- George Burns, American comedian

TENTATIVE AGENDA
CLEAR LAKE CITY COUNCIL
CITY HALL – 15 N. 6TH STREET
MONDAY, NOVEMBER 18, 2013
CITY HALL – COUNCIL CHAMBERS
6:30 P.M.

1. Call To Order by Mayor Nelson P. Crabb.
2. Approval of Agenda.
3. Consent Agenda:

A. Minutes – November 4, 2013.

B. Approval of the bills & claims.

C. Licenses & Permits:

- Liquor License: Class C Liquor License with Outdoor Service & Sunday Sales, The Other Place, (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 Improvement Project:

- Update regarding construction and review of Pay Estimate #1, Jason Petersburg, P.E., Veenstra & Kimm.
- **Motion** to approve Pay Estimate #1 by City Council.
- Discussion and consideration of **Motion** by City Council.

B. North Shore Drive Street Reconstruction Project:

- Review of request, Scott Flory, City Administrator.
- **Motion** to approve **Resolution #13-72**, "A Resolution to participate in a Federal-Aid Surface Transportation Program (STP) Project with the Iowa Department of Transportation for the North Shore Drive Street Reconstruction Project."
- Discussion and consideration of **Motion** by City Council.

C. FY 2013 Annual Urban Renewal TIF Report:

- Review of request, Scott Flory, City Administrator.
- **Motion** to approve the “FY 2013 Annual Urban Renewal TIF Report” by City Council.
- Discussion and consideration of **Motion** by City Council.

D. Annual Financial Report – FY 2013:

- Review of request, Scott Flory, City Administrator.
- **Motion** to approve the “FY 2013 Annual Financial Report” by City Council.
- Discussion and consideration of **Motion** by City Council.

E. 12th Avenue S. Outdoor Recreation Complex Trail Project:

- Introduction by Scott Flory, City Administrator.
- Review of construction activities, change order(s), and final pay estimate, Mike Danburg, P.E., Yaggy Colby Associates.
- **Motion** to approve the “final” Pay Estimate and Change Order #2 by City Council.
- Discussion and consideration of **Motion** by City Council.
- **Motion** to approve **Resolution #13-73**, “A Resolution Accepting the Work for the 12th Avenue S. Outdoor Recreation Complex Trail Project by City Council.
- Discussion and consideration of **Motion** by City Council.

F. Cemetery Expansion Area Site Grading Project:

- Introduction by Scott Flory, City Administrator.
- Review of construction activities and final pay estimate, Mike Danburg, P.E., Yaggy Colby Associates.
- **Motion** to approve the “final” Pay Estimate by City Council.
- Discussion and consideration of **Motion** by City Council.
- **Motion** to approve **Resolution #13-74**, “A Resolution Accepting the Work for the Cemetery Expansion Area Site Grading Project by City Council.
- Discussion and consideration of **Motion** by City Council.

G. 2014 Street Resurfacing Project:

- Introduction by Scott Flory, City Administrator.

- Review of construction cost estimates, Mike Danburg, P.E., Yaggy Colby Associates.
- Discussion by City Council.

7. Chief of Police's Report:

8. Mayor's Report:

9. Public Works Director's Report:

- Update on construction activities for the 14th Avenue S. Public Approach Enhancement Project.

10. City Administrator's Report:

- Presentation of FY 13 Audit Report 12/2/13.

11. City Attorney's Report:

12. Other Business:

13. Closed Session: Pursuant to Code of Iowa Section 21.5 (1)(j) to discuss the purchase of particular real estate.

14. Adjournment.

NEXT REGULAR MEETING – DECEMBER 2, 2013