



"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

October 3, 2014

HONORABLE MAYOR & CITY COUNCIL MEMBERS:

City
Administrator
SCOTT
FLORY

The next meeting of the Clear Lake City Council is scheduled for Monday, **October 6, 2014**, 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

ITEM #6A. **12th Ave S. Street Resurfacing Project.** At its meeting on September 15th, the Council awarded the construction contract to Heartland Asphalt (Mason City). The engineer's estimate of the probable cost of construction was \$197,085. The amount of the construction contract is \$220,559.50.

TONY J.
NELSON
Ward 2

The project entails limited storm sewer work, roadway reclamation, and HMA surfacing. The limits of the construction are from between the east side of the S. 8th Street intersection to approximately 75' west of the existing culvert at the creek along 12th Ave S. Storm sewer improvements include installation of two (2) intakes and RCP piping to the creek at the intersection of S. 15th Street and 12th Ave S.

JIM
BOEHNKE
Ward 3

MIKE
CALLANAN
At Large

Roadway reclamation will be completed for the length of the project and will include pulverization of the existing 24' wide asphalt surfacing and subgrade to a depth of 12". The pulverized section will be sized, graded, and compacted prior to the application of flyash to the surface. The pulverized subgrade, flyash, and water will be thoroughly mixed, graded, and compacted to form a stabilized base. A 24' wide 2" HMA surfacing will then be installed on the stabilized base for the final wearing course.

GARY
HUGI
At Large

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 Contractor's tentative completion date is November 4, 2014 and the contract completion date for the Project is November 14, 2014. Construction work will commence with storm sewer improvements at the intersection of S. 15th Street & 12th Ave S. on October 8th. A pre-construction conference was conducted on October 2nd.

ITEM #6B. **2014 Street Resurfacing Project.** On September 8, 2014, the Council passed a Resolution "Accepting the Work" for the project and ordered the project engineer to prepare the Final Plat & Schedule of Assessments". The Final Plat & Schedule of Assessments was filed with the City Clerk on 10/2/14. Therefore, the Council may now act upon the Resolution to "Adopt the Final Plat & Schedule of Assessments" and instruct the City Clerk to file the same with the County Treasurer (10/9/14).

Additionally, the City Clerk is required to publish notice in the newspaper for two consecutive weeks of the filing of the "Final Plat & Schedule of Assessments" (10/15/14 & 10/22/14). Notices to the affected property owners will be sent not before 10/15/22 and not later than 10/22/14. Special assessment payments will be collected at the City Clerk's office until November 20th. Thereafter, the City Clerk will certify collection of assessments to the County Treasurer (11/21/14).

The total value of work completed on the project was \$292,002.25. The total amount of assessments levied against the benefited properties was as follows: 14th Ave S. Street segment \$25,420.91 and 15th Ave S. \$23,822.82.

ITEM #6C. **North Water Tower Demolition Project.** Enclosed in the packet for Council consideration is a proposed professional services agreement for design, bidding, and construction services related to the demolition of the existing North (4 Winds Drive vicinity) elevated water storage tower. The total cost of the professional services agreement is a not to exceed \$16,200.

The new Northwest Water Tower (1 million gallons) currently under final construction is set to be completed by November. It is anticipated to be brought on line and operational in December.

Demolition work is proposed to include deconstruction of the existing 250,000 gallon elevated water storage tower (tank and legs), concrete foundation removal, capping of existing water main, and site restoration. It is anticipated that the Project will be let for bids in January, with construction activities to commence in February, 2015.

The Council has for many years now been following a comprehensive water distribution system analysis which included the demolition and removal of all three of the City's aged multi-legged elevated water storage towers, construction of two (2) one-million gallon composite towers and substantial looping improvements. As a reminder, all of the City's multi-legged towers contain lead-based paint.

ITEM #6D. Water Treatment Plant High Service Pumps Project.

At its regular meeting on August 18th, the Council rejected the lone bid that was submitted for the Water Treatment Plant High Service Pumps Replacement Project. The bid submitted by Grundman-Hicks was in the amount of \$588,000, which was \$106,900 (22.2%) more than the engineer's estimate of the probable cost of construction. At that same meeting, the Council directed that City staff work with the consulting engineer to re-bid the project and attempt to identify alternatives to bring the project in line with what was budgeted.

The revised project schedule calls for the Council to, on 10/6/14, set the date for a public hearing and bid letting on the revised project plans and specifications. It is proposed to publish notice of hearing and letting on October 22nd. The date for the bid letting and public hearing is proposed for October 30th and November 3rd, respectively.

The City has set a total project budget of \$550,000. Engineering estimates for the cost of construction currently sit at \$467,000, as revised from the original project scope. Consulting and other professional fees are not reflected in the construction estimate.

Smart Quote: "The awareness of our own strength makes us modest." -- Paul Cezanne, French artist

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, OCTOBER 6, 2014
6:30 P.M.

1. Call To Order by Mayor Nelson P. Crabb.
2. Approval of Agenda.
3. Consent Agenda:
 - A. Minutes – September 15, 2014
 - B. Approval of the bills & claims.
 - C. Licenses & Permits:
 - **Liquor License**: Special Class C Liquor License (BW) (Beer/Wine) and Class B Wine Permit with Outdoor Service & Sunday Sales, *The Supper Club Clear Lake*, (new); Class C Liquor License (LC) (Commercial) with Outdoor Service & Sunday Sales, *The Anchor Inn*; Class C Beer Permit (BC) and Class B Native Wine Permit with Sunday Sales, *Casey's General Store #1427*; Class C Liquor License (LC) (Commercial) with Sunday Sales, *VFW Post 4868*, (renewals).
 - **Sign Erector's License**: *Sign Me Up!*, Sheboygan Falls, Wisconsin, (new).
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. 12th Avenue S. Street Resurfacing Project:
 - Review of request, Scott Flory, City Administrator.
 - **Motion** to approve **Resolution #14-65**, "Resolution approving Contract & bonds."
 - Discussion and consideration of **Motion** by City Council.
 - Review of the 10/2/14 pre-construction conference, Joe Weigel, Public Works Director.

B. 2014 Street Resurfacing Project:

- Review by Scott Flory, City Administrator.
- **Motion** to approve **Resolution #14-66**, "Resolution adopting and levying final plat & schedule of assessments and providing for the payment thereof."
- Discussion and consideration of **Motion** by City Council.

C. North (Four Winds) Water Tower Demolition Project:

- Introduction by Scott Flory, City Administrator.
- Review of proposed professional services agreement, Jason Petersburg, P.E., Veenstra & Kimm.
- **Motion** to approve professional services agreement by City Council.
- Discussion and consideration of **Motion** by City Council.

D. Water Treatment Plant High Service Pumps Replacement Project:

- Introduction by Scott Flory, City Administrator.
- Review of proposed plans & specifications, Jason Petersburg, P.E., Veenstra & Kimm.
- **Motion** to approve **Resolution #14-67**, "Resolution
- Discussion and consideration of **Motion** by City Council.

E. City Hall/Police Department Renovation Project:

- Update and review of Pay Request #8, Rex McChesney, Chief of Police.
- **Motion** to approve Pay Request #8 by City Council.
- Discussion and consideration of **Motion** by City Council.

7. Chief of Police's Report:

- Replacement of detective vehicle with used vehicle from CG Sherriff's Office.

8. Mayor's Report:

- Discussion regarding next steps for the permanent Police Chief selection process.

9. Public Works Director's Report:

- Water Treatment Plant back-up generator repair.
- Project update: North Shore Drive Street Reconstruction.
- Project update: Northwest Water Tower.

10. City Administrator's Report:

11. City Attorney's Report:

12. Other Business:

13. Adjournment.

NEXT REGULAR MEETING – OCTOBER 20, 2014

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

RESOLUTION No. _____

A RESOLUTION APPROVING CONSTRUCTION CONTRACT AND
BONDS FOR THE 12TH AVENUE SOUTH STREET RESURFACING PROJECT

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CLEAR LAKE, IOWA; that the construction contract and bond executed and insurance coverage for the construction of certain public improvements described in general as construction of the 12th Avenue South Street Resurfacing Project, and as described in detail in the plans and specifications heretofore approved, and which have been signed by the Mayor and Clerk on behalf of the City be and the same are hereby approved as follows:

Contractor: Heartland Asphalt, Mason City, Iowa

Bond surety: Merchant's Bonding Company

Date of Bond: October 6, 2014

Portion of project: All construction work.

PASSED AND APPROVED, this 6th day of October, 2014.

Nelson P. Crabb, Mayor

ATTEST:

Jennifer Larsen, City Clerk

City

SECTION 00500

AGREEMENT BETWEEN OWNER AND CONTRACTOR

THIS AGREEMENT is dated as of the 6th day of October, 2014, by and between

City of Clear Lake, Iowa

(hereinafter called OWNER) and

Heartland Asphalt, Inc.

(hereinafter called CONTRACTOR).

OWNER and CONTRACTOR, in consideration of the mutual covenants hereinafter set forth, agree as follows:

Article 1. WORK.

CONTRACTOR shall complete all Work as specified or indicated in the Contract Documents. The Work is generally described as the 12th Avenue South Street Resurfacing Project, Clear Lake, Iowa.

Article 2. ENGINEER.

The Project has been designed by SEH-Yaggy who is hereinafter called ENGINEER and who is to act as OWNER's representative, assume all duties and responsibilities, and have the rights and authority assigned to ENGINEER in the Contract Documents in connection with completion of the Work in accordance with the Contract Documents.

Article 3. CONTRACT TIME.

3.1 Work under the proposed contract shall commence within 10 days after the Notice to Proceed and shall be completed by November 14, 2014.

3.2 Liquidated Damages. OWNER and CONTRACTOR recognize that time is of the essence of this Agreement and that OWNER will suffer financial loss if Work is not completed within the times specified in paragraph 3.1 above, plus any extensions thereof allowed in accordance with Article 12 of the General Conditions. They also recognize the delays, expense, and difficulties involved in proving in a legal or arbitration proceeding the actual loss suffered by the OWNER if the Work is not completed on time. Accordingly, instead of requiring any such proof, OWNER and CONTRACTOR agree that as liquidated damages for delay (but not as a penalty) CONTRACTOR shall pay OWNER \$500 for each day that expires after the time specified in paragraph 3.1 for completion and readiness for final payment.

Article 4. CONTRACT PRICE.

4.1 OWNER shall pay CONTRACTOR for completion of the Work in accordance with the Contract Documents in current funds as follows: Unit Price.

4.2 The OWNER agrees to pay and the CONTRACTOR agrees to accept payment in accordance with the prices bid for the unit items as submitted in the CONTRACTOR'S Proposal as shown on attached Exhibit A, the aggregate of which prices, based on the approximate schedule of quantities, is estimated to be Two Hundred Twenty Thousand, Five Hundred Fifty-nine Dollars and Fifty Cents (\$220,559.50). Quantities shown are approximate only and are solely for the purpose of facilitating the comparison of bids. CONTRACTOR's compensation will be computed upon the basis of the actual quantities in the completed Work, whether they be more or less than those shown. OWNER reserves the right to change quantities to be furnished. Unit prices bid control, regardless of actual quantities required.

Article 5. PAYMENT PROCEDURES.

CONTRACTOR shall submit Applications for Payment in accordance with Article 14 of the General Conditions. Applications for Payment will be processed by ENGINEER as provided in the General Conditions.

5.1 Progress Payments. OWNER shall make progress payments on account of the Contract Price on the basis of CONTRACTOR's Applications for Payment as recommended by ENGINEER, on or about the 1st day of each month during construction as provided below. All progress payments will be on the basis of the progress of the Work measured by schedule of values established in paragraph 2.9 of the General Conditions (and in the case of Unit Price Work based on the number of units completed) or, in the event there is no schedule of values, as provided in the General Requirements.

5.1.1 Prior to Substantial Completion, progress payments will be made in amounts equal to payment to CONTRACTOR of 95% of the Contract Price, less the aggregate of payments previously made and less such amounts as ENGINEER shall determine, or OWNER may withhold, in accordance with paragraph 14.7 of the General Conditions.

5.2 Final Payment. No sooner than 30 days following final completion and acceptance of the Work in accordance with paragraph 14.13 of the General Conditions, OWNER shall pay the remainder of the Contract Price as recommended by ENGINEER as provided in said paragraph 14.13.

Article 6. CONTRACTOR'S REPRESENTATIONS.

In order to induce OWNER to enter into this Agreement CONTRACTOR makes the following representations:

6.1 CONTRACTOR has familiarized itself with the nature and extent of the Contract Documents, Work, site, locality, and all local conditions and Laws and Regulations that in any manner may affect cost, progress, performance or furnishing of the Work.

6.2 CONTRACTOR has obtained and carefully studied (or assumes responsibility for obtaining and carefully studying) all such examinations, investigations, explorations, tests, reports and studies which pertain to the subsurface or physical conditions at or contiguous to the site or otherwise may affect the cost, progress, performance or furnishing of the Work as CONTRACTOR considers necessary for the performance or furnishing of the Work at the Contract Price, within the Contract Time and in accordance with the other terms and conditions of the Contract Documents, including specifically the provisions of paragraph 4.2 of the General Conditions; and no additional examinations, investigations, explorations, tests, reports, studies or similar information or data are or will be required by CONTRACTOR for such purposes.

6.3 CONTRACTOR has reviewed and checked all information and data shown or indicated on the Contract Documents with respect to existing Underground Facilities at or contiguous to the site and assumes responsibility for the accurate location of said Underground Facilities. No additional examinations, investigations, explorations, tests, reports, studies or similar information or data in respect of said Underground Facilities are or will be required by CONTRACTOR in order to perform and furnish the Work at the Contract Price, within the Contract Time and in accordance with the other terms and conditions of the Contract Documents, including specifically the provisions of paragraph 4.3 of the General Conditions.

6.4 CONTRACTOR has correlated the results of all such observations, examinations, investigations, explorations, tests, reports, and studies with the terms and conditions of the Contract Documents.

6.5 CONTRACTOR has given ENGINEER written notice of all conflicts, errors, or discrepancies that it has discovered in the Contract Documents and the written resolution thereof by ENGINEER is acceptable to CONTRACTOR.

Article 7. CONTRACT DOCUMENTS.

The Contract Documents which comprise the entire agreement between OWNER and CONTRACTOR concerning the Work consist of the following:

7.1 This Agreement (pages 1 to 7, inclusive).

7.2 Exhibits to this Agreement (page 1, inclusive).

7.3 Performance, Payment, and other Bonds.

7.4 Notice of Award.

7.5 Standard General Conditions (pages 1 to 62, inclusive).

7.6 Modifications to General Conditions (pages 1 to 62, inclusive).

7.7 Specifications bearing the title "12th Avenue South Street Resurfacing Project, Clear Lake, Iowa" and consisting of divisions as listed in Construction Documents table of contents.

7.8 Drawings, consisting of Drawings as listed in Drawing list.

7.9 Addenda numbers none, inclusive.

7.10 The following which may be delivered or issued after the Effective Date of the Agreement and are not attached hereto: All Written Amendments and other documents amending, modifying, or supplementing the Contract Documents pursuant to paragraphs 3.5 and 3.6 of the General Conditions.

There are no Contract Documents other than those listed above in this Article 7. The Contract Documents may only be amended, modified or supplemented as provided in paragraphs 3.5 and 3.6 of the General Conditions.

Article 8. MISCELLANEOUS.

8.1 Terms used in this Agreement which are defined in Article 1 of the General Conditions will have the meanings indicated in the General Conditions.

8.2 No assignment by a party hereto of any rights under or interests in the Contract Documents will be binding on another party hereto without the written consent of the party sought to be bound; and specifically but without limitation moneys that may become due and moneys that are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.

8.3 OWNER and CONTRACTOR each binds itself, its partners, successors, assigns and legal representatives to the other party hereto, its partners, successors, assigns and legal representatives in respect to all covenants, agreements, and obligations contained in the Contract Documents.

IN WITNESS WHEREOF, OWNER and CONTRACTOR have signed this Agreement in triplicate. One counterpart each has been delivered to OWNER, CONTRACTOR, and ENGINEER. All portions of the Contract Documents have been signed or identified by OWNER and CONTRACTOR or by ENGINEER on their behalf.

This Agreement will be effective on October 6, 2014.

OWNER City of Clear Lake, Iowa

BY Scott Flury
(CORPORATE SEAL)

Attest Jennifer Larson

Address for giving notices

City Hall, 310 Main Street

Clear Lake, Iowa 50455

(If OWNER is a public body attach evidence of authority to sign and resolution or other documents authorizing execution of Agreement.)

Signature entities shall match entities on Bid Form.

If CONTRACTOR is:

An Individual

By _____
(Individual's Name) (SEAL)

doing business as _____

Business address: _____

Phone No.: _____

A Partnership

By _____
(Firm Name) (SEAL)

By _____
(general partner)

Business address: _____

Phone No.: _____

A Corporation

By HEARTLAND ASPHALT, INC
(Corporation Name)

IOWA
(state of incorporation)

By David Ricken
(name of person authorized to sign)

David Ricken V. President
(title)

(Corporate Seal)

Attest [Signature]
(Secretary)

Business address: 2601 S. FEDERAL AVE

MASON CITY IA

50401

Phone No.: 641-424-1733

MERCHANTS
BONDING COMPANY

MERCHANTS BONDING COMPANY (MUTUAL) • MERCHANTS NATIONAL BONDING, INC.
2100 FLEUR DRIVE • DES MOINES, IOWA 50321-1158 • (800) 678-8171 • (515) 243-3854 FAX

Performance Bond

Bond No. IAC583905

CONTRACTOR:

(Name, legal status and address)

Heartland Asphalt, Inc.
2601 South Federal Avenue, Mason City, IA 50401

OWNER:

(Name, legal status and address)

City of Clear Lake
15 North 6th Street, Clear Lake, IA 50428

CONSTRUCTION CONTRACT

Date: October 6, 2014

Amount: Two Hundred Twenty Thousand Five Hundred Fifty Nine Dollars and 50/100 \$220,559.50

Description:

(Name and location)

12th Avenue South Street Resurfacing Project, Clear Lake, Iowa

BOND

Date: October 6, 2014

(Not earlier than Construction Contract Date)

Amount: Two Hundred Twenty Thousand Five Hundred Fifty Nine Dollars and 50/100 \$220,559.50

Modifications to this Bond: None See Section 16

CONTRACTOR AS PRINCIPAL

Company: *(Corporate Seal)*

Heartland Asphalt, Inc.

Signature: *David Ricken*

Name: *David Ricken*
and Title: *V. President*

(Any additional signatures appear on the last page of this Performance Bond.)

(FOR INFORMATION ONLY— Name, address and telephone)

AGENT or BROKER:

Holmes Murphy & Associates, Inc.
3001 Westown Parkway
West Des Moines, IA 50266
515 223-6800

SURETY

Company: *(Corporate Seal)*

Merchants Bonding Company (Mutual)

Signature: *Dione R. Young*

Name: *Dione R. Young*
and Title: *Attorney-In-Fact*

OWNER'S REPRESENTATIVE:

(Architect, Engineer or other party:)

SEH-Yaggy
215 North Adams Avenue
Mason City, IA 50401

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

This document combines two separate bonds, a Performance Bond and a Payment Bond, into one form. This is not a single combined Performance and Payment Bond.

§ 1 The Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns to the Owner for the performance of the Construction Contract, which is incorporated herein by reference.

§ 2 If the Contractor performs the Construction Contract, the Surety and the Contractor shall have no obligation under this Bond, except when applicable to participate in a conference as provided in Section 3.

§ 3 If there is no Owner Default under the Construction Contract, the Surety's obligation under this Bond shall arise after

- .1 the Owner first provides notice to the Contractor and the Surety that the Owner is considering declaring a Contractor Default. Such notice shall indicate whether the Owner is requesting a conference among the Owner, Contractor and Surety to discuss the Contractor's performance. If the Owner does not request a conference, the Surety may, within five (5) business days after receipt of Owner's notice, request such a conference. If the Surety timely requests a conference, the Owner shall attend. Unless the Owner agrees otherwise, any conference requested under this Section 3.1 shall be held within ten (10) business days of the Surety's receipt of the Owner's notice. If the Owner, the Contractor and the Surety agree, the Contractor shall be allowed a reasonable time to perform the Construction Contract, but such an agreement shall not waive the Owner's right, if any, subsequently to declare a Contractor Default;
- .2 the Owner declares a Contractor Default, terminates the Construction Contract and notifies the Surety; and
- .3 the Owner has agreed to pay the Balance of the Contract Price in accordance with the terms of the Construction Contract to the Surety or to a contractor selected to perform the Construction Contract.

§ 4 Failure on the part of the Owner to comply with the notice requirement in Section 3.1 shall not constitute a failure to comply with a condition precedent to the Surety's obligations, or release the Surety from its obligations, except to the extent the Surety demonstrates actual prejudice.

§ 5 When the Owner has satisfied the conditions of Section 3, the Surety shall promptly and at the Surety's expense take one of the following actions:

§ 5.1 Arrange for the Contractor, with the consent of the Owner, to perform and complete the Construction Contract:

§ 5.2 Undertake to perform and complete the Construction Contract itself through its agents or independent contractors:

§ 5.3 Obtain bids or negotiated proposals from qualified contractors acceptable to the Owner for a contract for performance and completion of the Construction Contract, arrange for a contract to be prepared for execution by the Owner and a contractor selected with the Owner's concurrence, to be secured with performance and payment bonds executed by a qualified surety equivalent to the bonds issued on the Construction Contract, and pay to the Owner the amount of damages as described in Section 7 in excess of the Balance of the Contract Price incurred by the Owner as a result of the Contractor Default; or

§ 5.4 Waive its right to perform and complete, arrange for completion, or obtain a new contractor and with reasonable promptness under the circumstances:

- .1 After investigation, determine the amount for which it may be liable to the Owner and, as soon as practicable after the amount is determined, make payment to the Owner; or
- .2 Deny liability in whole or in part and notify the Owner, citing the reasons for denial.

§ 6 If the Surety does not proceed as provided in Section 5 with reasonable promptness, the Surety shall be deemed to be in default on this Bond seven days after receipt of an additional written notice from the Owner to the Surety demanding that the Surety perform its obligations under this Bond, and the Owner shall be entitled to enforce any remedy available to the Owner. If the Surety proceeds as provided in Section 5.4 and the Owner refuses the payment or the Surety has denied liability, in whole or in part, without further notice the Owner shall be entitled to enforce any remedy available to the Owner.

§ 7 If the Surety elects to act under Section 5.1, 5.2, or 5.3, then the responsibilities of the Surety to the Owner shall not be greater than those of the Contractor under the Construction Contract, and the responsibilities of the Owner to the Surety shall not be greater than those of the Owner under the Construction Contract. Subject to the commitment by the Owner to pay the Balance of the Contract Price, the Surety is obligated, without duplication, for

- .1 the responsibilities of the Contractor for correction of defective work and completion of the Construction Contract;
- .2 additional legal, design professional and delay costs resulting from the Contractor's Default, and resulting from the actions or failure to act of the Surety under Section 5; and
- .3 liquidated damages, or if no liquidated damages are specified in the Construction Contract, actual damages caused by delayed performance or non-performance of the Contractor.

§ 8 If the Surety elects to act under Section 5.1, 5.3 or 5.4, the Surety's liability is limited to the amount of this Bond.

§ 9 The Surety shall not be liable to the Owner or others for obligations of the Contractor that are unrelated to the Construction Contract, and the Balance of the Contract Price shall not be reduced or set off on account of any such unrelated obligations. No right of action shall accrue on this Bond to any person or entity other than the Owner or its heirs, executors, administrators, successors and assigns.

§ 10 The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders and other obligations.

§ 11 Any proceeding, legal or equitable, under this Bond may be instituted in any court of competent jurisdiction in the location in which the work or part of the work is located and shall be instituted within two years after a declaration of Contractor Default or within two years after the Contractor ceased working or within two years after the Surety refuses or fails to perform its obligations under this Bond, whichever occurs first. If the provisions of this Paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.

§ 12 Notice to the Surety, the Owner or the Contractor shall be mailed or delivered to the address shown on the page on which their signature appears.

§ 13 When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

§ 14 Definitions

§ 14.1 **Balance of the Contract Price.** The total amount payable by the Owner to the Contractor under the Construction Contract after all proper adjustments have been made, including allowance to the Contractor of any amounts received or to be received by the Owner in settlement of insurance or other claims for damages to which the Contractor is entitled, reduced by all valid and proper payments made to or on behalf of the Contractor under the Construction Contract.

§ 14.2 **Construction Contract.** The agreement between the Owner and Contractor identified on the cover page, including all Contract Documents and changes made to the agreement and the Contract Documents.

§ 14.3 **Contractor Default.** Failure of the Contractor, which has not been remedied or waived, to perform or otherwise to comply with a material term of the Construction Contract.

§ 14.4 **Owner Default.** Failure of the Owner, which has not been remedied or waived, to pay the Contractor as required under the Construction Contract or to perform and complete or comply with the other material terms of the Construction Contract.

§ 14.5 **Contract Documents.** All the documents that comprise the agreement between the Owner and Contractor.

§ 15 If this Bond is issued for an agreement between a Contractor and subcontractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.

§ 16 Modifications to this bond are as follows:

(Space is provided below for additional signatures of added parties, other than those appearing on the cover page.)

CONTRACTOR AS PRINCIPAL

Company:

(Corporate Seal)

SURETY

Company:

(Corporate Seal)

Signature: _____ Signature: _____

Name and Title:

Name and Title:

Address:

Address:

MERCHANTS BONDING COMPANY

MERCHANTS BONDING COMPANY (MUTUAL) • MERCHANTS NATIONAL BONDING, INC.
2100 FLEUR DRIVE • DES MOINES, IOWA 50321-1158 • (800) 678-8171 • (515) 243-3854 FAX

Payment Bond

Bond No. IAC583905

CONTRACTOR:

(Name, legal status and address)

Heartland Asphalt, Inc.
2601 South Federal Avenue, Mason City, IA 50401

SURETY:

(Name, legal status and principal place
of business)

Merchants Bonding Company (Mutual)
2100 Fleur Drive, Des Moines, IA 50321-1158

OWNER:

(Name, legal status and address)

City of Clear Lake
15 North 6th Street, Clear Lake, IA 50428

CONSTRUCTION CONTRACT

Date: October 6, 2014

Amount: Two Hundred Twenty Thousand Five Hundred Fifty Nine Dollars and 50/100 \$220,559.50

Description:

(Name and location)

12th Avenue South Street Resurfacing Project, Clear Lake, Iowa

BOND

Date: October 6, 2014

(Not earlier than Construction Contract Date)

Amount: Two Hundred Twenty Thousand Five Hundred Fifty Nine Dollars and 50/100 \$220,559.50

Modifications to this Bond: None See Section 18

CONTRACTOR AS PRINCIPAL

Company: (Corporate Seal)
Heartland Asphalt, Inc.

Signature:

Name

and Title:

David Ricken
David Ricken
V. President

SURETY

Company: (Corporate Seal)
Merchants Bonding Company (Mutual)

Signature:

Name

and Title:

Dione R. Young
Dione R. Young
Attorney-In-Fact

(Any additional signatures appear on the last page of this Payment Bond.)

(FOR INFORMATION ONLY — Name, address and telephone)

AGENT or BROKER:

Holmes Murphy & Associates, Inc.
3001 Westown Parkway
West Des Moines, IA 50266
515 223-6800

OWNER'S REPRESENTATIVE:

(Architect, Engineer or other party):

SEH-Yaggy
215 North Adams Avenue
Mason City, IA 50401

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

This document combines two separate bonds, a Performance Bond and a Payment Bond, into one form. This is not a single combined Performance and Payment Bond.

Printed in cooperation with American Institute of Architects (AIA). The language in this document conforms exactly to the language used in AIA Document A312-Payment Bond-2010 edition.

§ 1 The Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns to the Owner to pay for labor, materials, and equipment furnished for use in the performance of the Construction Contract, which is incorporated herein by reference, subject to the following terms.

§ 2 If the Contractor promptly makes payment of all sums due to Claimants, and defends, indemnifies, and holds harmless the Owner from claims, demands, liens or suits by any person or entity seeking payment for labor, materials or equipment furnished for use in the performance of the Construction Contract, then the Surety and the Contractor shall have no obligation under this Bond.

§ 3 If there is no Owner Default under the Construction Contract, the Surety's obligation to the Owner under this Bond shall arise after the Owner has promptly notified the Contractor and the Surety (at the address described in Section 13) of claims, demands, liens or suits against the Owner or the Owner's property by any person or entity seeking payment for labor, materials or equipment furnished for use in the performance of the Construction Contract and tendered defense of such claims, demands, liens or suits to the Contractor and the Surety.

§ 4 When the Owner has satisfied the conditions in Section 3., the Surety shall promptly and at the Surety's expense defend, indemnify and hold harmless the Owner against a duly tendered claim, demand, lien or suit.

§ 5 The Surety's obligations to a Claimant under this Bond shall arise after the following:

§ 5.1 Claimants, who do not have a direct contract with the Contractor,

- .1 have furnished a written notice of non-payment to the Contractor, stating with substantial accuracy the amount claimed and the name of the party to whom the materials were, or equipment was, furnished or supplied or for whom the labor was done or performed, within ninety (90) days after having last performed labor or last furnished materials or equipment included in the Claim; and
- .2 have sent a Claim to the Surety (at the address described in Section 13).

§ 5.2 Claimants, who are employed by or have a direct contract with the Contractor, have sent a Claim to the Surety (at the address described in Section 13).

§ 6 If a notice of non-payment required by Section 5.1.1 is given by the Owner to the Contractor, that is sufficient to satisfy a Claimant's obligation to furnish a written notice of non-payment under Section 5.1.1.

§ 7 When a Claimant has satisfied the conditions of Sections 5.1 or 5.2, whichever is applicable, the Surety shall promptly and at the Surety's expense take the following actions:

§ 7.1 Send an answer to the Claimant, with a copy to the Owner, within sixty (60) days after receipt of the Claim, stating the amounts that are undisputed and the basis for challenging any amounts that are disputed: and

§ 7.2 Pay or arrange for payment of any undisputed amounts.

§ 7.3 The Surety's failure to discharge its obligations under Section 7.1 or Section 7.2 shall not be deemed to constitute a waiver of defenses the Surety or Contractor may have or acquire as to a Claim, except as to undisputed amounts for which the Surety and Claimant have reached agreement. If, however, the Surety fails to discharge its obligations under Section 7.1 or Section 7.2, the Surety shall indemnify the Claimant for the reasonable attorney's fees the Claimant incurs thereafter to recover any sums found to be due and owing to the Claimant.

§ 8 The Surety's total obligation shall not exceed the amount of this Bond, plus the amount of reasonable attorney's fees provided under Section 7.3, and the amount of this Bond shall be credited for any payments made in good faith by the Surety.

§ 9 Amounts owed by the Owner to the Contractor under the Construction Contract shall be used for the performance of the Construction Contract and to satisfy claims, if any, under any construction performance bond. By the Contractor furnishing and the Owner accepting this Bond, they agree that all funds earned by the Contractor in the performance of the Construction Contract are dedicated to satisfy obligations of the Contractor and Surety under this Bond, subject to the Owner's priority to use the funds for the completion of the work.

§ 10 The Surety shall not be liable to the Owner, Claimants or others for obligations of the Contractor that are unrelated to the Construction Contract. The Owner shall not be liable for the payment of any costs or expenses of any Claimant under this Bond, and shall have under this Bond no obligation to make payments to, or give notice on behalf of Claimants or otherwise have any obligations to Claimants under this Bond.

§ 11 The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders and other obligations.

§ 12 No suit or action shall be commenced by a Claimant under this Bond other than in a court of competent jurisdiction in the state in which the project that is the subject of the Construction Contract is located or after the expiration of one year from the date (1) on which the Claimant sent a Claim to the Surety pursuant to Section 5.1.2 or 5.2. or (2) on which the last labor or service was performed by anyone or the last materials or equipment were furnished by anyone under the Construction Contract, whichever of (1) or (2) first occurs. If the provisions of this Paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.

§ 13 Notice and Claims to the Surety, the Owner or the Contractor shall be mailed or delivered to the address shown on the page on which their signature appears. Actual receipt of notice or Claims, however accomplished, shall be sufficient compliance as of the date received.

§ 14 When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

§ 15 Upon request by any person or entity appearing to be a potential beneficiary of this Bond, the Contractor and Owner shall promptly furnish a copy of this Bond or shall permit a copy to be made.

§ 16 Definitions

§ 16.1 Claim. A written statement by the Claimant including at a minimum:

- .1 the name of the Claimant;
- .2 the name of the person for whom the labor was done, or materials or equipment furnished;
- .3 a copy of the agreement or purchase order pursuant to which labor, materials or equipment was furnished for use in the performance of the Construction Contract;
- .4 a brief description of the labor, materials or equipment furnished;
- .5 the date on which the Claimant last performed labor or last furnished materials or equipment for use in the performance of the Construction Contract;
- .6 the total amount earned by the Claimant for labor, materials or equipment furnished as of the date of the Claim;
- .7 the total amount of previous payments received by the Claimant; and
- .8 the total amount due and unpaid to the Claimant for labor, materials or equipment furnished as of the date of the Claim.

§ 16.2 Claimant. An individual or entity having a direct contract with the Contractor or with a subcontractor of the Contractor to furnish labor, materials or equipment for use in the performance of the Construction Contract. The term Claimant also includes any individual or entity that has rightfully asserted a claim under an applicable mechanic's lien or similar statute against the real property upon which the Project is located. The intent of this Bond shall be to include without limitation in the terms "labor, materials or equipment" that part of water, gas, power, light, heat, oil, gasoline, telephone service or rental equipment used in the Construction Contract, architectural and engineering services required for performance of the work of the Contractor and the Contractor's subcontractors, and all other items for which a mechanic's lien may be asserted in the jurisdiction where the labor, materials or equipment were furnished.

§ 16.3 Construction Contract. The agreement between the Owner and Contractor identified on the cover page, including all Contract Documents and all changes made to the agreement and the Contract Documents.

§ 16.4 **Owner Default.** Failure of the Owner, which has not been remedied or waived, to pay the Contractor as required under the Construction Contract or to perform and complete or comply with the other material terms of the Construction Contract.

§ 16.5 **Contract Documents.** All the documents that comprise the agreement between the Owner and Contractor.

§ 17 If this Bond is issued for an agreement between a Contractor and subcontractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.

§ 18 Modifications to this bond are as follows:

(Space is provided below for additional signatures of added parties, other than those appearing on the cover page.)

CONTRACTOR AS PRINCIPAL
Company: _____
(Corporate Seal)

SURETY
Company: _____
(Corporate Seal)

Signature: _____
Name and Title: _____
Address: _____

Signature: _____
Name and Title: _____
Address: _____

MAINTENANCE BOND

Bond No. IAC583905

ALL MEN BY THESE PRESENTS:

That, Heartland Asphalt, Inc. of Mason City, IA
as Principal, and the Merchants Bonding Company (Mutual) as Surety,
are held and firmly bound unto the City of Clear Lake in the

penal sum of Two Hundred Twenty Thousand Five Hundred Fifty Nine and 50/100 (\$ 220,559.50)

Dollars, lawful money of the United States of America, for the payment of which, well and truly to be made, the Principal and Surety bind themselves, their and each of their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

Whereas, the said Principal entered into a certain contract, with the City of Clear Lake

To furnish all the material and labor necessary for the construction of _____
12th Avenue South Street Resurfacing Project

in Clear Lake, Iowa In conformity with certain specifications; and

Whereas, a further condition of said contract is that the said Principal should furnish a bond in indemnity, guaranteeing to remedy any defects in workmanship or materials that may develop in said work within a period of two (2) years from date of acceptance of the work under said contract; and

Whereas, the said Merchants Bonding Company (Mutual) for a valuable consideration, has agreed to join with said Principal in such bond or guarantee, indemnifying said City of Clear Lake

Now, therefore, the condition of this obligation is such, that if the said Principal shall, at his own cost and expense, remedy any and all defects that may develop in said work within the period of two (2) years from the date of date of acceptance of the work under said contract, by reason of bad workmanship or poor material used in the construction of said work, and shall keep all work in continuous good repair during said period, and shall in all other respects, comply with all the terms and conditions of said contract with respect to maintenance and repair of said work, then this obligation to be null and void; otherwise to be and remain in full force and virtue in law.

In Witness whereof, we have hereunto set our hands and seals this 6th
day of October, 2014.

Heartland Asphalt, Inc.

Principal
By: David Ricken
David Ricken v. Pres.

Merchants Bonding Company (Mutual)

Surety

By: Dione R. Young
Dione R. Young, Attorney-in-fact



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
09/23/2014

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Holmes Murphy & Assoc - WDM PO Box 9207 Des Moines, IA 50306-9207 Gerald Johnson	1-800-247-7756	CONTACT NAME: PHONE (A/C, No, Ext): E-MAIL ADDRESS:	FAX (A/C, No):
	INSURER(S) AFFORDING COVERAGE		NAIC #
INSURED Heartland Asphalt, Inc. 2601 South Federal Mason City, IA 50401	INSURER A: Hartford Fire Insurance Company		
	INSURER B: Navigators Insurance Company		
	INSURER C:		
	INSURER D:		
	INSURER E:		
	INSURER F:		

COVERAGES

CERTIFICATE NUMBER: 41532899

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR VVVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> XCU Included <input checked="" type="checkbox"/> Contractual Liability GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input checked="" type="checkbox"/> LOC	X		91UENOD2060	01/01/14	01/01/15	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> Comp \$250 <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS <input checked="" type="checkbox"/> Coll \$500			91UENOD2061	01/01/14	01/01/15	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
B	<input type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTIONS \$ -0-			CH14EXC7025151V (5M)	01/01/14	01/01/15	<input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000 \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below			91WEOD2059	01/01/14	01/01/15	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Re: 12th Ave. S Resurfacing Project

Additional Insured: City of Clear Lake & Seh Yaggy (CGL) per written contract

CERTIFICATE HOLDER**CANCELLATION**
 City of Clear Lake
 Attn: Mike Danburg
 15 N. 6th St.
 PO Box 185
 Clear Lake, IA 50428

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

USA

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BE IT FURTHER RESOLVED, that the said schedule of assessments and accompanying plat, be and the same are hereby approved and adopted; and that there be, and is hereby assessed and levied, as a special tax against and upon each of the lots, parts of lots and parcels of land, and the owner or owners thereof liable to assessment for the cost of said improvements, the respective sums expressed in figures set opposite to each of the same on account of the cost of the construction of the said improvements. Provided, further, that the amounts shown in said final schedule of assessments as deficiencies are found to be proper and are levied conditionally against the respective properties benefited by the improvements as shown in the schedule, subject to the provisions of Section 384.63, Code of Iowa. Said assessments against said lots and parcels of land are hereby declared to be in proportion to the special benefits conferred upon said property by said improvements, and not in excess thereof, and not in excess of 25% of the value of the same.

BE IT FURTHER RESOLVED, that said assessments of \$500.00 or more shall be payable in ten equal annual installments and shall bear interest at the rate of nine (9) percent per annum, the maximum rate permitted by law, from the date of the acceptance of the improvements; the first installment of each assessment, or total amount thereof, if it be less than \$500.00, with interest on the whole assessment from date of acceptance of the work by the Council, shall become due and payable on July 1, 2015; succeeding annual installments, with interest on the whole unpaid amount, shall respectively become due on July 1st annually thereafter, and shall be paid at the same time and in the same manner as the September semiannual payment of ordinary taxes. Said assessments shall be payable at the office of the City Clerk, in full or in part and without interest within thirty days after the date of the first publication of the notice of the filing of the final plat and schedule of assessments to the County Treasurer of Cerro Gordo County, Iowa.

BE IT FURTHER RESOLVED, that the Clerk be and is hereby directed to certify said final plat and schedule to the County Treasurer of Cerro Gordo County, Iowa, and to publish notice of said certification once each week for two consecutive weeks in the "Clear Lake Mirror Reporter", a newspaper printed wholly in the English language, published in the City, and of general circulation in the City of Clear Lake, Iowa, the first publication of said notice to be made within fifteen days from the date of the filing of said schedule with the County Treasurer, the Clerk shall also send by ordinary mail to all property owners whose property is subject to assessment a copy of said notice, said mailing to be on or before the date of the second publication of the notice, all as provided and directed by Code Section 384.60, Code of Iowa.

BE IT FURTHER RESOLVED, that the Clerk is directed to certify the deficiencies for lots specially benefited by the improvements, as shown in the final schedule of assessments, to the County Treasurer for recording in the Special Assessment Deficiencies Book and to the City official charged with responsibility for the issuance of building permits. Said deficiencies are conditionally assessed to the respective properties under Code Section 384.63 for the amortization period specified by law.

The Clerk is authorized and directed to ascertain the amount of assessments remaining unpaid after the thirty day period against which improvement bonds may be issued and to proceed on behalf of the City with the sale of said bonds, to select a date for the sale thereof, to

cause to be prepared such notice and sale information as may appear appropriate, to publish and distribute the same on behalf of the City and this Council and otherwise to take all action necessary to permit the sale of said bonds on a basis favorable to the City and acceptable to the Council.

PASSED AND APPROVED this 6th day of October, 2014.

Mayor

ATTEST:

City Clerk

**FINAL
ASSESSMENT SCHEDULES
2014 STREET RESURFACING PROJECT
CLEAR LAKE, IOWA
OCTOBER 2014**

	<p>I hereby certify that this engineering document was prepared by me or under my direct, personal supervision and that I am a duly Licensed Professional Engineer under the laws of the State of Iowa.</p> <p>_____</p> <p>Michael L. Danburg, PE (Date) My License Number is 16294. My License renewal date is December 31, 2015. Pages or sheets covered by this seal: All</p>
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for All of Us®
Engineers | Architects | Planners | Scientists

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LOCATION AND EXTENT OF PROJECT

The 2014 Street Resurfacing Project included four (4) street segments which were improved within the City of Clear Lake. Two (2) street segments included improvements associated with a general resurfacing project. Two (2) street segments included improvements utilizing the Crack and Seat process and are described as follows:

- 14th Avenue South from the west line of South 8th Street to the east line of South Shore Drive.
- 15th Avenue South from the west line of South 8th Street to the east line of South Shore Drive.

BENEFITED PROPERTIES DESCRIPTION

The following are the general descriptions of all properties included within the limits of the assessment boundaries for the 2014 Street Resurfacing Project. All assessable parcels are located within the Corporate Limits of the City of Clear Lake, Iowa.

14th Avenue South Assessment District:

- That part of Auditor's Plat of Part of Government Lot 1, NE ¼ Section 96, Township 96 North, Range 22 West, lying within 225 feet of the North line of 14th Avenue S.
- The Northerly Half of Block 1, South Haven Addition to Clear Lake, Iowa.
- The Northerly Half of Block 2, South Haven Addition to Clear Lake, Iowa.
- The Northerly Half of Block 3, South Haven Addition to Clear Lake, Iowa.

15th Avenue South Assessment District:

- The Southerly Half of Block 1, South Haven Addition to Clear Lake, Iowa.
- The Southerly Half of Block 2, South Haven Addition to Clear Lake, Iowa.
- The Southerly Half of Block 3, South Haven Addition to Clear Lake, Iowa.
- That part of Lot 3 of the Subdivision of Government Lots 1 and 2 in Section 24, Township 96 North, Range 22 West, lying within 225 feet of the South line of 15th Avenue S.

SUMMARY OF ASSESSMENT POLICY

2014 STREET RESURFACING PROJECT CLEAR LAKE, IOWA

The following summarizes the methods used to determine the portions of the project costs, which are to be assessed to the individual properties, benefited by the project. The Assessment Schedule and Plat have been prepared in accordance with Chapter 384 of the Code of Iowa and further prepared in accordance with accepted practices of the City of Clear Lake. Chapter 384 outlines specific procedures and requirements for levying special assessments.

A portion of the costs associated with this public improvement project are to be assessed and are defined by Section 384.37 of the Code of Iowa and include construction, engineering, legal, administrative, and other costs.

The City Council has determined that costs associated with the Crack and Seat process along with engineering, legal, and administration costs shall be assessed as a special tax against all privately owned properties within the Assessment Boundaries.

Assessable costs for the Crack and Seat process as defined by this policy shall include costs associated with the following items:

- Full depth sawcutting for isolation of the PCC curb and gutter
- Partial depth HMA patching
- Base cleaning and preparation
- Cracking and seating of the existing PCC pavement.
- 66.67 percent of costs associated with the 1-1/2 inch HMA base course:
 - This equates to the cost of 1 inch of HMA resurfacing and is based upon the difference in HMA resurfacing thickness utilized for general resurfacing projects (2 inches) and the Crack and Seat process (3 inches).

The Assessment District Boundary for Street improvements includes all properties within an approximate one-half block distance to the next parallel street, excluding alleys.

Improvement Costs are calculated by multiplying Benefit Points times a determined Cost per Benefit Point. Properties within the defined Boundary are assigned Units of Benefit based on a *Proportional Benefits Curve for Spreading Paving Assessments from Report of Special Committee from Iowa Engineering Society, February 1919*. The Proportional Benefits Curve allocates Units of Benefit based on the property's proximity to the proposed street improvements. Units of Benefit are multiplied by the property front footage to determine Benefit Points.

DETERMINATION OF COST PER BENEFIT POINT

The determination of cost per benefit point is calculated as follows:

14th Avenue S

Total Assessable Cost ¹	\$25,420.91
<i>Divided by</i>	
Total Benefit Points ²	<u>325096.19</u>
Cost per Benefit Point ³	\$0.078195

15th Avenue S

Total Assessable Cost ¹	\$23,822.82
<i>Divided by</i>	
Total Benefit Points ²	<u>434340.73</u>
Cost per Benefit Point ³	\$0.054848

¹Total Assessable Cost is based upon the final assessable construction costs for the Crack and Seat process as defined on Page B1, Summary of Assessment Policy.

²Total Benefit Points are determined as outlined on Page B1, Summary of Assessment Policy. Refer to Pages D3 and D6 for Total Benefit Points.

³This is a rounded value. Calculations and values shown in the schedule are based on the extended value.

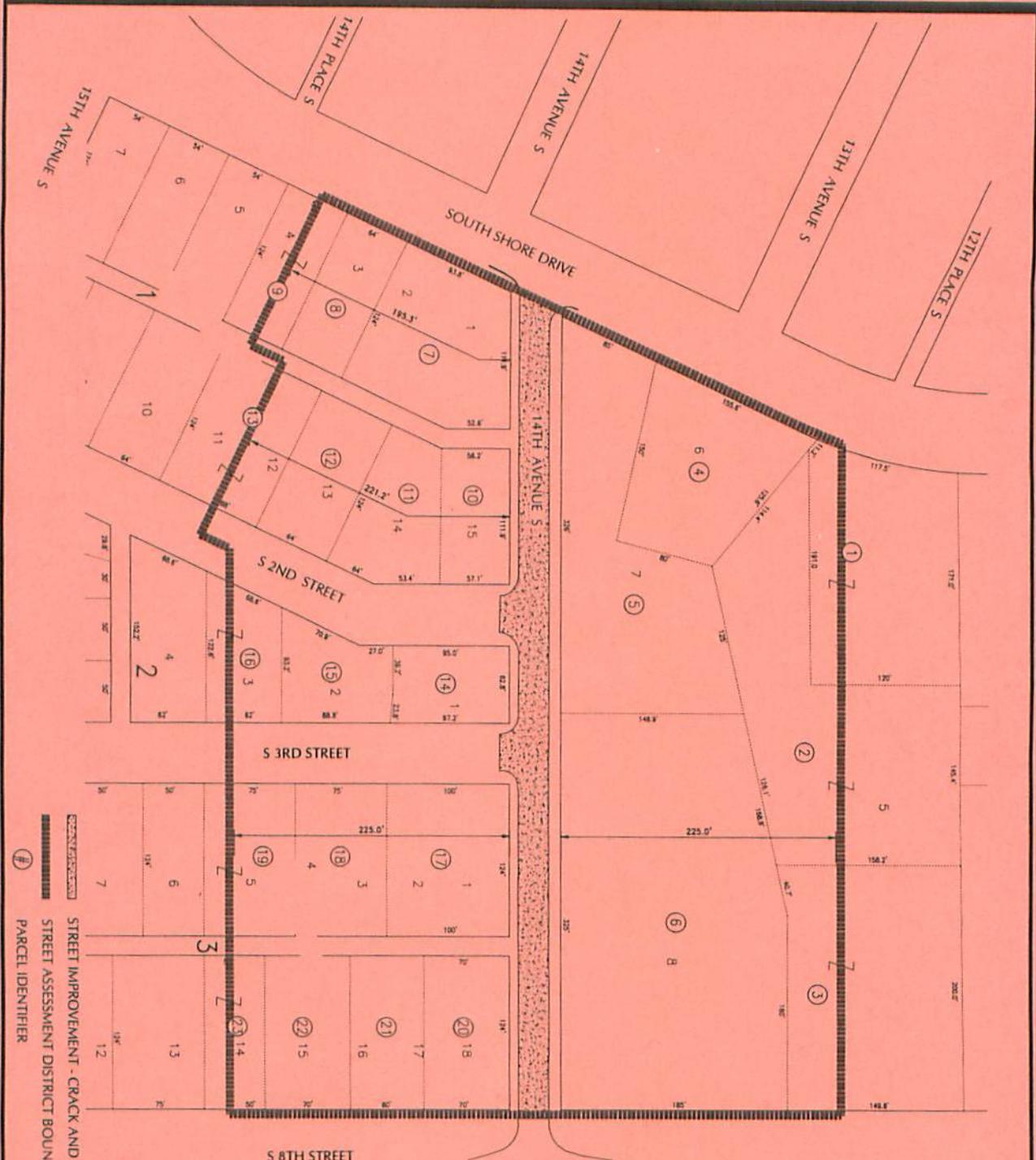
	NAME AND MAILING ADDRESS	DESCRIPTION	FRONT FOOTAGE	BENEFIT POINTS	IMPROVEMENT COSTS	TOTAL COST	VALUATION (AS FIXED BY COUNCIL)	PRELIMINARY ASSESSMENT			FINAL ASSESSMENT	
								AMOUNT	% OF TOTAL	DEFICIENCY	AMOUNT	DEFICIENCY
1 0524233013	Rumorz, LLC 1210 South Shore Dr Clear Lake, IA 50428	Part L 5 Aud Pl Part Govt L 1 NE1/4 24-96-22 as described in Book 2007, Page 3212 and lying within 225.0 ft of N Line of 14th Avenue S	201.00	1304.30	\$101.99	\$101.99	\$49,600	\$109.34	0.46%	\$0.00	\$101.99	\$0.00
2 5242333014	Wenzel, Jeffery J & Showalter, Katie L 15323 Bayberry Ave Ventura, IA 50482	Part L 5 Aud Pl Part Govt L 1 NE1/4 24-96-22 as described in Book 2013, Page 9291 and lying within 225.0 ft of N Line of 14th Avenue S	340.00	7520.33	\$588.05	\$588.05	\$37,100	\$630.41	2.31%	\$0.00	\$588.05	\$0.00
3 5242333016	Secory Plumbing & Heating, Inc 1315 S 8th St Clear Lake, IA 50428	Part L8 in Aud Pl L's 1 Thru 8 of Govt L1 24-96-22 as described in Book 2009, Page 10031 and lying within 225.0 ft of N Line of 14th Avenue S	200.00	2634.16	\$205.98	\$205.98	\$71,000	\$220.81	0.81%	\$0.00	\$205.98	\$0.00
4 5242333005	Tage Realty LLC 497 North Shore Dr Clear Lake, IA 50428	L 6 Aud Pl A Portion Govt L 1 in NE1/4 24-96-22	167.00	9420.39	\$736.63	\$736.63	\$120,500	\$789.69	2.90%	\$0.00	\$736.63	\$0.00
5 5242333008	Tage Realty LLC 497 North Shore Dr Clear Lake, IA 50428	L 7 Aud Pl A Portion Govt L 1 in NE1/4 24-96-22	326.00	68775.26	\$5,377.88	\$5,377.88	\$281,100	\$5,765.26	21.16%	\$0.00	\$5,377.88	\$0.00
6 5242333017	Thompson Family Realty 1 LLC 5636 Lakeview Dr Clear Lake, IA 50428	Part L8 in Aud Pl L's 1 Thru 8 of Govt L1 24-96-22 & Part L 5 is said Aud Pl as described in Book 2006, Page 2841	325.00	86205.19	\$6,740.82	\$6,740.82	\$180,100	\$7,226.37	26.52%	\$0.00	\$6,740.82	\$0.00
7 5242343001	Nelson, Terry L & Nelson, Debra A 2516 North Shore Dr Clear Lake, IA 50428	L's 1-2 Blk 1 South Haven Add	111.90	27590.03	\$2,157.40	\$2,157.40	\$180,700	\$2,312.80	8.49%	\$0.00	\$2,157.40	\$0.00
8 5242343002	Clapsaddle, Beverly J & Clapsaddle, Dean C 1408 South Shore Dr Clear Lake, IA 50428	L 3 Blk 1 South Haven Add	111.90	2056.86	\$160.84	\$160.84	\$106,100	\$172.42	0.63%	\$0.00	\$160.84	\$0.00
9 5242343003	Andersen, Dwight D & Andersen, Connie S 1412 South Shore Dr Clear Lake, IA 50428	L 4 Blk 1 South Haven Add See also 15th Avenue S, Page D4	111.90	808.56	\$63.23	\$63.23	\$106,700	\$67.78	0.25%	\$0.00	\$63.23	\$0.00

Subtotal this page: 206315.08 \$16,132.82 \$16,132.82 \$17,294.88 63.52% \$0.00 \$16,132.82 \$0.00

	NAME AND MAILING ADDRESS	DESCRIPTION	FRONT FOOTAGE	BENEFIT POINTS	IMPROVEMENT COSTS	TOTAL COST	VALUATION (AS FIXED BY COUNCIL)	PRELIMINARY ASSESSMENT			FINAL ASSESSMENT	
								AMOUNT	% OF TOTAL	DEFICIENCY	AMOUNT	DEFICIENCY
524234007	10 Hutchins, Luella A 303 Meadow Lane Charles City, IA 50616	L 15 Blk 1 South Haven Add	111.90	21466.14	\$1,678.54	\$1,678.54	\$96,000	\$1,799.45	6.60%	\$0.00	\$1,678.54	\$0.00
524234008	11 Ulrich, Justin J 1405 S 2nd Street Clear Lake, IA 50428	L 14 Blk 1 South Haven Add	111.90	5889.27	\$460.51	\$460.51	\$108,200	\$493.68	1.81%	\$0.00	\$460.51	\$0.00
524234009	12 Standley, Margaret I, LE & Handicap Village operating as Opportunity Village 1411 S 2nd Street Clear Lake, IA 50428	N'y 10 ft L 12 & All L 13 Blk 1 South Haven Add	111.90	2943.15	\$230.14	\$230.14	\$96,800	\$246.72	0.91%	\$0.00	\$230.14	\$0.00
524234010	13 Hughes, William T 1417 S 2nd Street Clear Lake, IA 50428	L 11 Blk 1 Exc S'y 10ft & L 12 Exc N'y 10ft South Haven Add	111.90	1055.60	\$82.54	\$82.54	\$87,900	\$88.49	0.32%	\$0.00	\$82.54	\$0.00
			See also 15th Avenue S, Page D4									
524235001	14 Morris, Lee 1400 S 2nd Street Clear Lake, IA 50428	L 1 Blk 2 Exc S'y tract South Haven Add	62.80	14266.01	\$1,115.53	\$1,115.53	\$127,400	\$1,195.88	4.39%	\$0.00	\$1,115.53	\$0.00
524235002	15 Blackley, Jeffrey L & Glandon, Janice D 1410 S 2nd Street Clear Lake, IA 50428	L 2 and S'y tract L1 Blk 2 South Haven Add	62.80	2628.45	\$205.53	\$205.53	\$108,800	\$220.33	0.81%	\$0.00	\$205.53	\$0.00
524235003	16 Kaler, Daniel G & Kaler, Sheryl R 3500 S Post RD Guthrie, OK 73044	L3 Blk 2 South Haven Add	93.20	770.96	\$60.29	\$60.29	\$112,900	\$64.63	0.24%	\$0.00	\$60.29	\$0.00
			See also 15th Avenue S, Page D5									
524236001	17 Etchen, Luella 1402 S 3rd Street Clear Lake, IA 50428	L1 Blk 3 & L 2 Blk 3 South Haven Add	124.00	28395.68	\$2,220.40	\$2,220.40	\$133,900	\$2,380.34	8.73%	\$0.00	\$2,220.40	\$0.00
524236002	18 SAP Properties LLC 6061 220th Street Clear Lake, IA 50428	L 3 & N1/2 L 4 Blk 3 South Haven Add	124.00	4475.30	\$349.95	\$349.95	\$44,100	\$375.15	1.38%	\$0.00	\$349.95	\$0.00
524236003	19 Caley, David G & Caley, Diane L 23015 150th St Parkersburg, IA 50665	L 5 & S 1/2 L 4 Blk 3 South Haven Add	124.00	2009.79	\$157.16	\$157.16	\$96,700	\$168.48	0.62%	\$0.00	\$157.16	\$0.00
			See also 15th Avenue S, Page D6									

Subtotal this page: 83900.35 \$6,560.59 \$6,560.59 \$7,033.15 25.81% \$0.00 \$6,560.59 \$0.00

	NAME AND MAILING ADDRESS	DESCRIPTION	FRONT FOOTAGE	BENEFIT POINTS	IMPROVEMENT COSTS	TOTAL COST	VALUATION (AS FIXED BY COUNCIL)	PRELIMINARY ASSESSMENT			FINAL ASSESSMENT	
								AMOUNT	% OF TOTAL	DEFICIENCY	AMOUNT	DEFICIENCY
24 524234036	Faith Foundations, LLC 1424 South Shore Dr Clear Lake, IA 50428	L 7 Blk 1 South Haven Add	124.00	23467.98	\$1,287.18	\$1,287.18	\$87,900	\$1,484.99	9.17%	\$0.00	\$1,287.18	\$0.00
25 524234035	Golly, Susan L 1416 South Shore Dr Clear Lake, IA 50428	L 6 Blk 1 South Haven Add	124.00	5543.17	\$304.03	\$304.03	\$111,700	\$350.76	2.17%	\$0.00	\$304.03	\$0.00
26 524234004	Taylor, John P (Contract) and Taylor, Lester E & Taylor, Leona (Deed) 1414 South Shore Dr, Unit B Clear Lake, IA 50428	L 5 Blk 1 South Haven Add	124.00	3242.54	\$177.85	\$177.85	\$150,700	\$205.18	1.27%	\$0.00	\$177.85	\$0.00
9 524234003	Andersen, Dwight D & Andersen, Connie S 1412 South Shore Dr Clear Lake, IA 50428	L 4 Blk 1 South Haven Add	124.00	1494.98	\$82.00	\$82.00	\$106,700	\$94.60	0.58%	\$0.00	\$82.00	\$0.00
				See also 14th Avenue S, Page D1								
27 524234013	Arrick, Douglas D & Arrick, Yvonne H 1431 S 2nd Street Clear Lake, IA 50428	L 8 Blk 1 South Haven Add	124.00	23467.98	\$1,287.18	\$1,287.18	\$89,400	\$1,484.99	9.17%	\$0.00	\$1,287.18	\$0.00
28 524234012	Stelter, John D & Stelter, Deborah S 1427 S 2nd Street Clear Lake, IA 50428	L 9 Blk 1 South Haven Add	124.00	5543.17	\$304.03	\$304.03	\$135,200	\$350.76	2.17%	\$0.00	\$304.03	\$0.00
29 524234011	Symonds, Diana L 205 North Shore Dr Clear Lake, IA 50428	L 10 & S'y 10' L 11 Blk 1 South Haven Add	124.00	3721.56	\$204.12	\$204.12	\$73,500	\$235.49	1.45%	\$0.00	\$204.12	\$0.00
13 524234010	Hughes, William T 1417 S 2nd Street Clear Lake, IA 50428	L 11 Blk 1 Exc S'y 10ft & L 12 Exc N'y 10ft South Haven Add	124.00	2165.82	\$118.79	\$118.79	\$87,900	\$137.05	0.85%	\$0.00	\$118.79	\$0.00
				See also 14th Avenue S, Page D2								
Subtotal this page:				68647.20	\$3,765.18	\$3,765.18		\$4,343.82	26.82%	\$0.00	\$3,765.18	\$0.00



STREET IMPROVEMENT - CRACK AND SEAT WITH/MA OVERLAY
 STREET ASSESSMENT DISTRICT BOUNDARY
 PARCEL IDENTIFIER

PARCEL NUMBER	OWNER NAME	PARCEL NUMBER	OWNER NAME
1	WILSON, TERRY A.	14	WILSON, TERRY A.
2	WILSON, TERRY A.	15	WILSON, TERRY A.
3	WILSON, TERRY A.	16	WILSON, TERRY A.
4	WILSON, TERRY A.	17	WILSON, TERRY A.
5	WILSON, TERRY A.	18	WILSON, TERRY A.
6	WILSON, TERRY A.	19	WILSON, TERRY A.
7	WILSON, TERRY A.	20	WILSON, TERRY A.
8	WILSON, TERRY A.	21	WILSON, TERRY A.
9	WILSON, TERRY A.	22	WILSON, TERRY A.
10	WILSON, TERRY A.	23	WILSON, TERRY A.
11	WILSON, TERRY A.		
12	WILSON, TERRY A.		
13	WILSON, TERRY A.		
14	WILSON, TERRY A.		
15	WILSON, TERRY A.		
16	WILSON, TERRY A.		
17	WILSON, TERRY A.		
18	WILSON, TERRY A.		
19	WILSON, TERRY A.		
20	WILSON, TERRY A.		
21	WILSON, TERRY A.		
22	WILSON, TERRY A.		
23	WILSON, TERRY A.		



PROJECT NUMBER	12148
DATE	10/02/2014
PROJECT NAME	2014 STREET RESURFACING PROJECT
PROJECT LOCATION	CLEAR LAKE, IOWA
PROJECT OWNER	YAGGY
PROJECT ENGINEER	YAGGY
PROJECT SURVEYOR	YAGGY
PROJECT DRAFTER	YAGGY
PROJECT CHECKER	YAGGY
PROJECT APPROVER	YAGGY

2014 STREET RESURFACING PROJECT
CLEAR LAKE, IOWA
FINAL ASSESSMENT PLAT


 PHONE: (641) 424-6344
 FAX: (641) 424-6344
 1200 N. W. 5001
 WOOD DR., W 5001

Elevated Water Tower Analysis

April 2012

More than 35 different scenarios with different storage and distribution improvement options were analyzed with the H₂O Net Water Distribution System Model as part of the 2009 Water Tower Analysis. Seven different storage alternatives were considered, each with multiple water main improvement options.

* { The recommendation of the 2009 Water Tower Analysis was that Alternate 5F was the least cost alternate which would provide maximum elevated storage and adequate fire flows for the entire distribution system, while eliminating the older higher maintenance water towers (all 3 existing multi legged towers) and replacing structurally and capacity deficient water main along Highway 18 and other bottlenecks in the distribution system along 12th Avenue South. This alternate was based on the premise that both the West End Water Main Looping Project and the South End Water Main Looping project would be constructed. Both of these water main looping projects were constructed in 2010. The improvements associated with Alternate 5F are shown graphically on Figure 1-1. The impact hydraulically on the flows at the various test nodes identified in the 2009 Water Tower Analysis for Alternate 5F are highlighted in Table 1-1. Both Figure 1-1 and Table 1-1 can be found at the end of this section of this report.

Alternate 5F also included the following additional water distribution system improvements:

1. Upsizing the existing 8" water main along Highway 18 from Four Winds to North 9th Street West to a new 12" water main.
2. Upsizing the existing 4" and 6" water mains on 12th Avenue South with new 10" and 12" water mains.

Other improvements which were identified in the 2009 Water Tower Analysis included:

3. Replacing the undersized 4" water main along Highway 18 from North 9th Street to North 3rd Street with new 12" water main.
4. Replacing the undersized 4" water main along 10th Avenue North from North 5th Place to North 8th Street with new 8" water main.

Upsizing the existing water main along Highway 18 from Four Winds to North 9th Street (Item 1) was completed as part of the water main improvements constructed in 2010. The 4" water main along Highway 18 from North 9th Street to North 3rd Street (Item 3) is currently budgeted to be replaced with new 12" water main in the coming fiscal year. The 4" water main along 10th Avenue North from North 5th Place to North 8th Street (Item 4) was replaced with new 8" water main as part of the CDBG underground sanitary sewer improvements in 2011.

Preliminary Engineering Report April, 2013

Note the City's 0.5 MG Main Water Tower has been excluded as it is currently under demolition and being removed from the City's water system.

* { The City's proposed elevated storage capacity after completion of the Northwest Water Tower and subsequent removal of the North Water Tower is as follows:

• South 24 th Street Water Tower	1.0 MG
• South Water Tower	0.25 MG
• Northwest Water Tower	<u>1.0 MG</u>
TOTAL	2.25 MG

It should also be noted that with distribution system improvements the 2009 Water Tower Analysis concluded that the existing South Water Tower could also be removed, making the City's total elevated water storage capacity 2.0 MG. At this time, the City does not have plans for removing the existing South Water Tower. The City will consider removal of the existing South Water Tower when major maintenance issues with the tower surface. Any further analysis regarding the adequacy of the tank capacity is beyond the scope of this Report.

* { The Water Tower Analysis completed by Veenstra & Kimm, Inc. in March 2009 evaluated water distribution improvements as well as water tower repair versus replacement. The existing multi-legged water towers have lead and chromium exterior paint and are in need of repainting. Due to the expense associated with removing the lead and chromium paint in order to repaint the towers, the Life-Cycle Cost Analysis showed it was less expensive for the City in the long run to remove the three multi-legged towers and replace them with a new 1 million gallon water tower in the northwest area of town.

PROFESSIONAL SERVICES AGREEMENT

THIS IS AN AGREEMENT, made as of _____, 2014, between City of Clear Lake, (CLIENT) and Veenstra & Kimm, Inc., (CONSULTANT).

CLIENT requires consulting services for the **North (Four Winds) Water Tower Demolition Project** as defined in **EXHIBIT 1**.

CLIENT and CONSULTANT agree:

1. **Scope of Services.** CONSULTANT shall perform professional services as stated in **EXHIBIT 2**.
2. **Compensation.** CLIENT shall compensate CONSULTANT for CONSULTANT's services as stated in **EXHIBIT 3**.
3. **General Considerations.** General considerations to this Agreement are as stated in **EXHIBIT 4**.
4. **Terms and Conditions.** CONSULTANT shall provide professional services in accordance with the terms and conditions stated in **EXHIBIT 5**. If CLIENT issues a purchase order or other document to initiate the commencement of services hereunder, it is agreed that any terms and conditions appearing thereon shall have no application and only the provisions of this Agreement shall automatically apply
5. **Special Provisions.** Special provisions to this Agreement, if any, are stated in **EXHIBIT 6**.
6. CLIENT has provided or shall provide for payment from one or more lawful sources of all sums to be paid to CONSULTANT.
7. Following **EXHIBITS** are attached to and made part of this Agreement.
 - a. **EXHIBIT 1** - Project Scope
 - b. **EXHIBIT 2** - Scope of Services.
 - c. **EXHIBIT 3** - Compensation.
 - d. **EXHIBIT 4** - General Considerations
 - e. **EXHIBIT 5** - Standard Terms and Conditions
 - f. **EXHIBIT 6** - Special Provisions

IN WITNESS WHEREOF, the parties below have executed this **Agreement** as of the day and year first above written.

CITY OF CLEAR LAKE

By: _____
Scott Flory
City Administrator

Date: _____

Attest:

Address for giving notices:

15 North Sixth Street
P.O. Box 185
Clear Lake, IA 50428

VEENSTRA & KIMM, INC.

By: _____
Timothy A. Moreau, P.E.
Office Manager

Date: 9/18/14

Attest:

Address for giving notices:

2800 Fourth Street SW
Suite 9
Mason City, IA 50401

SCOPE OF PROJECT.

It is understood and agreed the Project shall include the following improvements:

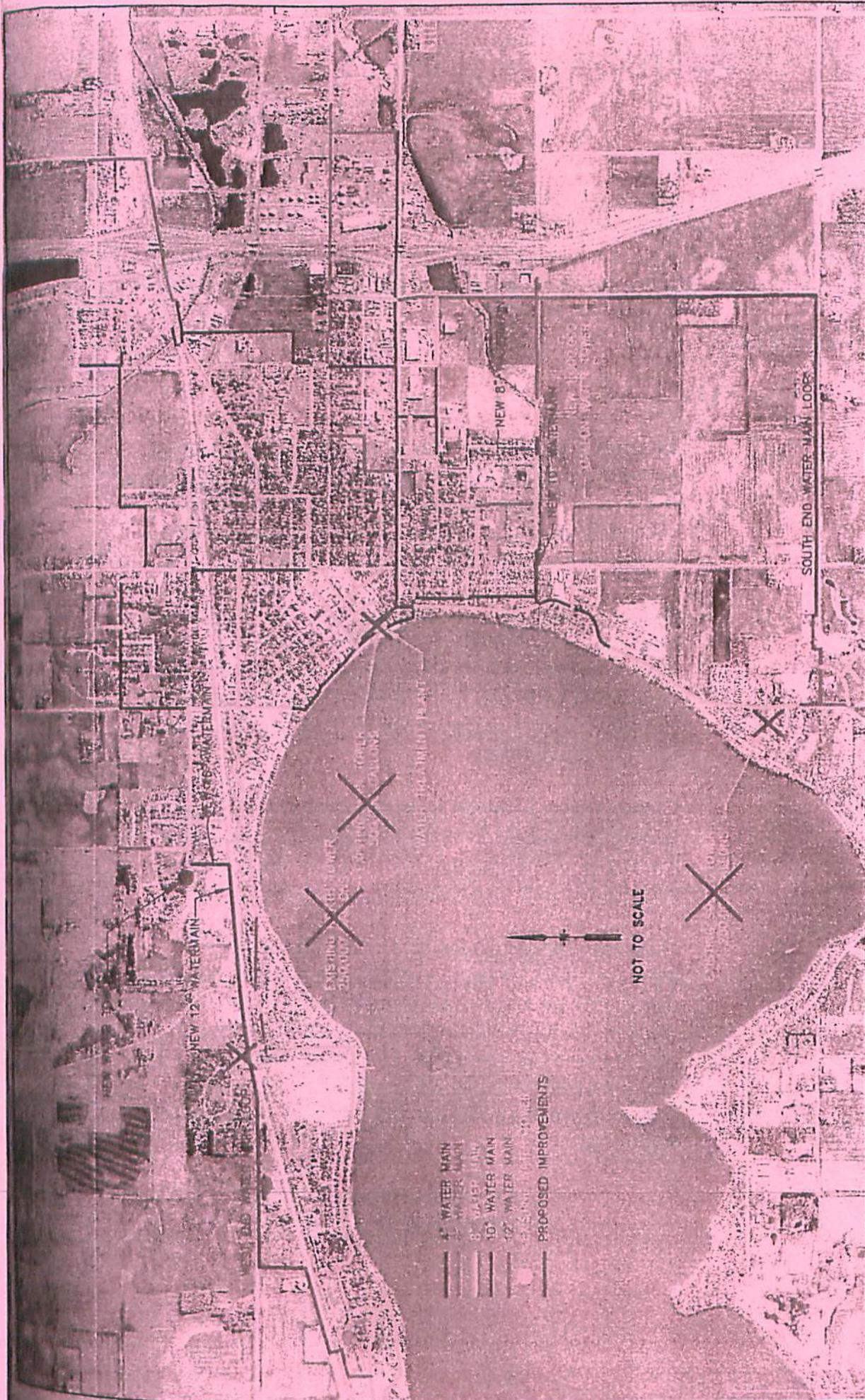
A. Project Scope Defined

1. Evaluation Reports were performed by Veenstra & Kimm, Inc. in 2005 for the North (Four Winds) Elevated Storage Tank, South Elevated Storage Tank, and the Main Elevated Storage Tank.
2. Based on the analysis presented in Veenstra & Kimm, Inc.'s Engineering Study completed in 2009, it was recommended the City of Clear Lake remove the 250,000 gallon existing North (Four Winds) Elevated Water Tower from service as part of Alternate 5F as selected by the City Council and as shown on Figure 6-5F on the next page. The intent is that the existing North (Four Winds) Water Tower would be removed from service and demolished once the necessary water main improvements were constructed and a new 1,000,000 gallon water tower has been constructed and is in service.

The West End Water Main Loop was constructed in 2010 and a new 12" water main was further extended along Highway 18 in 2013.

Construction on the new 1,000,000 gallon Composite Water Tower is scheduled to be complete by November 2014 and the new tower should be in service by December 2014.

3. Demolition of the existing 250,000 North (Four winds) Elevated Water Tower will include cutting up and removing the existing tank and leg substructure as scrap metal, concrete foundation removal, disposal of all materials, and capping existing water main, and site restoration (landscaping).



ALTERNATIVE 5F
 REMOVE THREE OLD TOWERS & CONSTRUCT NEW WATER TOWER AT PROPOSED SITE A
 SOUTH & WEST END WATERMAIN LOOPS & MISCELLANEOUS ADDITIONAL IMPROVEMENTS



VEENSTRA & KIMM, INC.

FIGURE 6-5F

EXHIBIT 2
SCOPE OF SERVICES

Professional Services

CONSULTANT agrees to perform professional services in connection with the project as herein described. The CONSULTANT will serve as the CLIENT'S professional representative in those phases of the project to which this Agreement applies, and will give consultation and advice to the CLIENT during the performance of services as required.

A. DESIGN SERVICES

1. Scope of Work

- a. **Design Surveys.** The CONSULTANTS shall undertake necessary topographic and other surveys for the design of the Project. Design surveys do not include land or easement surveys which require services beyond those necessary for topographic design services.
- b. **Design Conferences and Reports.** The CONSULTANTS shall attend such design conferences with the CLIENT as may be necessary to make decisions as to the details of design of the Project. The CONSULTANTS shall make periodic progress reports to the CLIENT staff and City Council, as necessary.
- c. **Consultation on Design Concept.** The CONSULTANTS during the course of the final design shall consult with the CLIENT for a final determination of the design concept, location and operating parameters.
- d. **Plans and Specifications.** The CONSULTANTS shall prepare such detailed plans and specifications as are reasonably necessary and desirable for construction of the Project. The specifications shall describe in detail the work to be done, materials to be used, and the location and extent of the construction required. Plans and specifications shall include, but not be limited to the following:
 - i. Demolition, Site Preparation, and Construction Plans.

City of Clear Lake
Clear Lake, IA
North (Four Winds) Water Tower Demolition Project

- ii. Technical Specifications for demolition, backfilling, compaction, and capping of existing utility water main and construction of new site improvements, (landscaping).
 - iii. Bidding Documents
 - iv. Contract Documents.

- e. **Estimate of Cost.** Estimate Project Quantities and Prepare Engineer's Opinion of Probable Cost for demolition, site preparation, and construction or proposed improvements in Veenstra & Kimm, Inc.'s standard format. The estimate of cost shall be based on the CONSULTANTS' best knowledge at the time of preparation of the estimate of cost. The CONSULTANTS shall not be responsible if the construction contract awarded for the Project varies from the CONSULTANTS' estimate of cost. The CONSULTANTS shall advise and assist the CLIENT, if necessary, in adjusting the scope and extent of the Project to allow the Project to be constructed within available budget limitations.

- f. **Advertisement for Bids.** The CONSULTANTS shall assist in the preparation of notice to bidders and shall provide plans and specifications for prospective bidders. The CONSULTANTS shall provide, free of charge, plans and specifications to approved contract plan rooms and other construction document depositories. The CONSULTANTS shall charge a non-refundable plan deposit to defray a portion of the cost of printing and distribution of the plans and specifications to construction contractors, subcontractors, suppliers and other interested parties. The CONSULTANT shall also respond to bidder's questions.

- g. **Bid Opening and Award of Contract.** The CONSULTANTS shall have a representative present when bids and proposals are opened for the construction contracts, and shall prepare a tabulation of bids for the CLIENT and shall advise the CLIENT in making award of contract. After award of contract is made, the CONSULTANTS shall assist in the preparation of the necessary contract documents. During the bidding phase, the CONSULTANTS shall advise the CLIENT of the responsiveness of each proposal submitted. The CONSULTANTS shall not be responsible for advising the CLIENT as to the responsibility of any bidder.
- h. If deemed necessary the CONSULTANT shall identify the location for necessary soil borings to determine subsurface conditions and obtain quotations from appropriate geotechnical consultants. **The actual cost of soil borings will be paid directly by the CLIENT.**

2. **Deliverables**

- a. CONSULTANT to provide 1 copy of Preliminary Plans and Specifications to CLIENT for review.
- b. CONSULTANT to provide one (1) original signed set of Final Plans and Specifications and one (1) reproduced copies of Final Plans and Specifications to CLIENT. CONSULTANT to also provide one (1) electronic copy of Final Plans and Specifications in pdf format on CD for CLIENT'S electronic storage purposes. Final Plans and Specifications to be signed by a licensed engineer under the laws of the State of Iowa.

3. **Schedule**

- a. CONSULTANT understands CLIENT desires to demolish the existing North (Four Winds) Water Tower during 2015 winter season and complete all site restoration related improvements during the 2015 spring season.
- b. CONSULTANT will complete scope of work as defined herein in accordance with the schedule shown in **EXHIBIT 6.**

B. RIGHT OF WAY AND EASEMENT ACQUISITION SERVICES

1. Scope of Work

- a. **Land Surveys.** CONSULTANT shall perform land surveys and prepare right-of-way (ROW) plats and Easement Drawings and legal descriptions as may be required for the Project and only as authorized by the CLIENT. The actual ROW and easement acquisition agreements shall be prepared by the CLIENT's attorney unless agreed otherwise. CONSULTANT can prepare ROW and Easement Agreements as an additional service upon request.
- b. **Right-of-Way.** The CONSULTANT shall assist the CLIENT in investigating if it will be necessary to acquire additional Right-of-Way. The CONSULTANT will assist with negotiations, correspondence, description writing, etc., as may be required.
- c. **Easements.** The CONSULTANT shall assist the CLIENT in identifying potentially affected property owners. The CONSULTANT shall provide the CLIENT with a graphical display showing the anticipated requirements for permanent or temporary easement acquisition. The CONSULTANT shall identify and prepare the necessary Easement Drawings for construction of the project. Services for preparing Easement Agreements or acquisition of easements is not included as a part of the services under this Agreement.
- d. **Appraisals.** The CLIENT may need to obtain appraisals for the affected properties as may be needed.
- e. **Negotiations.** CLIENT shall provide negotiation services with the affected property owners as may be needed.
- f. **Warranty Deeds.** The CLIENT'S attorney will need to prepare the necessary Warranty Deeds for each parcel to transfer ownership as may be needed.

C. DEMOLITION SERVICES

1. Scope of Work

- a. **Predemolition Conference.** The CONSULTANTS shall conduct a predemolition conference following award of the construction contract. Said conference to be attended by representatives of the CLIENT, the CONSULTANTS, the Contractor, and utility companies affected by the Project. At this conference a detailed construction schedule will be determined.
- b. **General Services During Demolition and Site Restoration.** The CONSULTANTS shall provide general services during construction including, but not limited to, the following:
 - i. Establishment of bench mark and/or base line to permit start of construction work.
 - ii. Consult with and advise CLIENT. Serve as City's representative during all facets of demolition, site preparation, and construction.
 - iii. Provide Construction monitoring and Site Observations to determine if Contractor is complying with Project Schedule and Technical Specifications.
 - iv. Coordinate and provide work of testing laboratories for concrete and moisture density tests.
 - v. Assist in interpretation of plans and specifications.
 - vi. Review drawings and data of manufacturers.

City of Clear Lake
Clear Lake, IA
North (Four Winds) Water Tower Demolition Project

- vii. Process and certify payment estimates of the Contractor to CLIENT.
 - viii. Prepare and process necessary change orders or modifications to the construction contract.
 - ix. Make routine and special trips to the Project site as required.
 - x. Make final reviews after demolition and site restoration are completed to determine that the work complies with the plans and specifications and certify that the reviews were made and that to the best of the knowledge and belief of the CONSULTANTS, the work on the contracts has been substantially completed.
- c. **Resident Review Services.** The CONSULTANTS shall provide resident review during demolition including, but not limited to, the following:
- i. Provide resident review services understood to include the detailed observation and review of work of the Contractors and materials to assure compliance with the plans and specifications.
 - ii. The CONSULTANTS shall provide resident review services by assigning resident engineers and/or engineering technicians to the Project for such periods reasonably required to insure proper review of the construction work. On-site review shall take place on a regular basis during construction work on the Project.

- d. **Construction Staking Services.** CONSULTANT shall provide construction staking in accordance with industry an accepted procedure and standards.
- e. **Final Review.** The CONSULTANT shall make a final review of the Project after demolition and site restoration is completed to determine the construction substantially complies with the plans and specifications. The CONSULTANTS shall certify the completion of the work to the CLIENT when construction substantially complies with the plans and specifications.

2. **Deliverables**

- a. CONSULTANT shall provide for CLIENT'S records copies of the resident representatives Daily Project Reports in paper format and electronic (pdf) format on CD.

3. **Schedule**

- a. CONSULTANT understands CLIENT desires to demolish the existing North (Four Winds) Water Tower during 2015 winter season and complete all site restoration related improvements during the 2015 spring season.
- b. CONSULTANT will complete scope of work as defined herein in accordance with the schedule shown in **EXHIBIT 6.**

D. **Additional Services**

- 1. CONSULTANT shall perform additional services upon CLIENT request and written authorization.

**EXHIBIT 3
COMPENSATION**

The CLIENT shall compensate the CONSULTANTS for their services by payment of the following fees:

- A. Design Services.** For services under this Agreement, as set forth in **EXHIBIT 2**, Paragraph A:
1. CLIENT shall pay CONSULTANTS a Lump Sum fee of Eight Thousand Two Hundred Dollars (**\$8,200**).
- B. Right of Way and Easement Acquisition Services.** For services under this Agreement, as set forth in **EXHIBIT 2**, Paragraph B:
1. A fee on the basis of the standard hourly fees for the time the CONSULTANTS' personnel are actually engaged in the performance of the work, plus direct out-of-pocket costs incurred by personnel who are actually engaged in the work, plus direct costs incurred by the CONSULTANTS for work associated with the Project.
- C. Demolition Services.** For services under this Agreement, as set forth in **EXHIBIT 2**, Paragraph C:
1. A fee on the basis of the standard hourly fees for the time the CONSULTANTS' personnel are actually engaged in the performance of the work, plus direct out-of-pocket costs incurred by personnel who are actually engaged in the work, plus direct costs incurred by the CONSULTANTS for work associated with the Project.
 2. The total fee for the demolition services shall not exceed the sum of Eight Thousand Dollars (**\$8,000**) without additional authorization.
- D. Additional Services.** For services under this Agreement, as set forth in **EXHIBIT 2**, Paragraph D.
1. A fee on the basis of the standard hourly fees for the time the CONSULTANT'S personnel are actually engaged in the performance of the work, plus direct out-of-pocket costs incurred by personnel who are actually engaged in the work, plus direct costs incurred by the CONSULTANT for work associated with the Project.

RESOLUTION No.

A RESOLUTION FIXING THE DATE FOR A PUBLIC HEARING ON PLANS, SPECIFICATIONS, FORM OF CONTRACT & ESTIMATE OF COST, AND SETTING THE DATE FOR A BID LETTING ON THE PROPOSED WATER TREATMENT PLANT HIGH SERVICE PUMP IMPROVEMENT PROJECT FOR THE CITY OF CLEAR LAKE, IOWA AND FOR TAKING OF BIDS THEREFOR

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CLEAR LAKE, IOWA:

That the "Water Treatment Plant High Service Pump Improvement Project" (hereinafter referred to as the "Project") is hereby ordered to be advertised for bids of construction.

BE IT FURTHER RESOLVED, that the detailed plans & specifications, as submitted for the Project, by Veenstra & Kimm, for the construction of the Project and the Form of Contract and Notice to Bidders, as approved by the Attorney, be and the same are hereby approved, subject to hearing thereon, and are hereby ordered placed on file in the Office of the City Clerk for public inspection.

BE IT FURTHER RESOLVED, that the amount of security to accompany each bid shall be in an amount, which shall conform to the provisions of the notice to bidders hereby approved as part of said specifications.

BE IT FURTHER RESOLVED, that the Clerk be and is hereby empowered and directed to publish notice to bidders once in the "Clear Lake Mirror Reporter", a legal newspaper, printed wholly in the English language, published at least once weekly, and having a general publication in this City. In accordance with Section 384.96 of the Code of Iowa, publication shall be not less than four (4) nor more than forty-five (45) clear days prior to October 30, 2014, which date is fixed as the date for receiving bids. Said bids are to be filed prior to 11:00 a.m. on said date.

In accordance with Section 384.100 of the Code of Iowa, bids shall be received and opened as provided in the public notice and the results of said bids shall be considered at the meeting of this City Council on November 3, 2014 at 6:30 p.m.

BE IT FURTHER RESOLVED, that, in accordance with Section 384.102 of the Code of Iowa, the Clerk is hereby empowered and directed to publish notice of hearing once in said newspaper, said publication to be not less than four (4) nor more than twenty (20) clear days prior to the date hereinafter fixed as the date for the public hearing on the plans, specifications, form of contract and estimate of costs for said project, said hearing to be held at 6:30 p.m. on November 3, 2014.

PASSED AND APPROVED this 6th day of October, 2014.

Nelson P. Crabb, Mayor

ATTEST:

Jennifer Larsen, City Clerk



**WATER TREATMENT PLANT HIGH SERVICE PUMP REPLACEMENT PROJECT
CLEAR LAKE, IOWA
REBID PROJECT MODIFICATIONS / COST SAVING ESTIMATES**

- The motor control center (MCC) has been changed from a new standalone MCC to accommodate the VFD's to an extension of the existing MCC. This modification has been reviewed with the Water Department Staff and they indicated they can relocate some portable shelving to make this arrangement work and still maintain access to the lid of their stabilization tank for yearly cleaning.
 - o Estimated cost savings: \$25,000
- Deleted floor painting from project and City Staff to complete floor painting with other general maintenance work.
 - o Estimate cost savings: \$5,000
- Added Alternate A which eliminates the reinstallation of 1 of the existing high service pumps. The completed project would still include 2 new pumps and 1 existing pump which meets and exceeds the two pump minimum of the IDNR.
 - o Estimated cost savings: \$14,000
- If local contractors and subcontractors can take on additional work then increased competition during the bid process would offer substantial savings. V&K will talk to local mechanical, general, and electrical contractors to attempt to get more interest in the project.
 - o Estimate cost savings: \$20,000 - \$40,000
- An alternate has been added for the Controls Integrator (CI). The CI portion of the original bid letting was approximately 25% of the overall bid and only 1 contractor (TTI) was allowed to bid this work since they do all the maintenance and update work for the work City. Since this is a substantial portion of the project, an alternate CI has been included on the Bid Form so there would be a potential of 2 CI bids. This will give the City the option to compare the Base Bid CI (TTI) to the Alternate Bid CI (Automatic Systems) and the City would have the option to award to either at contract award.
 - o Estimated cost savings: \$10,000
- **Total Estimated Potential Cost Savings: \$74,000 - \$94,000**



VEENSTRA & KIMM, INC.
2800 Fourth Street SW, Suite 9 • Mason City, Iowa 50401-1596
641-421-8008 • 641-380-0313(FAX) • 877-241-8008(WATS)

Jason Petersburg, P.E.
September 30, 2014
Project No. 383132

Project Schedule
Water Treatment Plant High Service Pumps Replacement Project - Rebid
City of Clear Lake

<u>Task</u>	<u>Date</u>
City Council Sets Date for Public Hearing and Bid Letting	October 6, 2014
Bid Letting	October 30, 2014
Public Hearing on Plans, Specification, Form of Contract, and Estimate of Cost	November 3, 2014
Contract Award	November 3, 2014
Approve Contract & Bond	November 17, 2014
Begin Construction*	December 1, 2014
Substantial Completion 1948 Clearwell Side	April 3, 2015
Substantial Completion 1972 Clearwell Side **	June 26, 2015
Complete Construction	July 31, 2015

* Construction scheduled for low water demand period. Project is good inside winter project for contractors.

** Clear well work to be completed and clear well operational by May 1, 2015.

**WATER TREATMENT PLANT HIGH SERVICE PUMP REPLACEMENT PROJECT
CLEAR LAKE, IOWA
REBID
PROJECT COSTS**

The project costs are summarized in the Table below and organized by construction divisions to minimize areas that would be missed. The costs do reflect recent bidding activities. If the contractor has limited risk for the completion date and can work during winter weather, the project will be more attractive and could result in a better bidding response.

Cost Estimate – High Service Pump Installation

Division	Description	Cost
Division 1 – General	Mobilization, bond, insurance, etc.	\$22,000
Division 2 – Demolition	Pump, piping removals	\$10,000
Division 3 – Concrete	Pump bases, grout, restoration, replace opening in clear well	\$12,000
Division 4 – Masonry	None	\$0
Division 5 – Misc. Metals	Access hatch, demolition for saw cut opening	\$7,500
Division 6 – Wood, Plastics	Minor work effort	\$500
Division 7 – Thermal, Moisture Protection	Caulking	\$500
Division 8 – Doors	None	\$0
Division 9 – Coatings	Painting piping, valves, equipment, and miscellaneous other items	\$12,500
Division 10 – Specialties	None	\$0
Division 11 – Equipment Installed	High service pumps (2), sump pump	\$75,000
Division 12 – Furnishings	None	\$0
Division 13 – Special Construction	Inside process piping, valves, fittings	\$65,400
Division 14 – Conveying	Minor, lift eye	\$2,000
Division 15 – Mechanical	HVAC	\$0
Division 16 – Electrical	VFD (2) and controls, wiring, connections, reconnect 2 pumps, lights and receptacles	\$155,000
Division 17 –Instrumentation	Programming, systems integration, control devices, miscellaneous	<u>\$75,000</u>
CONSTRUCTION SUBTOTAL		\$437,400
PROFIT AND OVERHEAD (10%)		<u>\$43,700</u>
TOTAL ESTIMATED BASE BID		\$481,100
 ALTERNATE A – DEDUCT		 (\$14,000)
 TOTAL ESTIMATED BASE BID PLUS ALTERNATE A		 \$467,100

ENGINEERING – DESIGN & CONSTRUCTION MANAGEMENT
TOTAL PROJECT COST (Base Bid)

\$71,300
\$552,400

Note: City Council budgeted \$550,000 between FY14 & FY15

NOTICE OF HEARING AND LETTING
NOTICE TO BIDDERS

NOTICE OF PUBLIC HEARING ON PROPOSED PLANS, SPECIFICATIONS, FORM OF CONTRACT AND ESTIMATE OF COST FOR THE CONSTRUCTION OF THE **WATER TREATMENT PLANT HIGH SERVICE PUMP REPLACEMENT PROJECT** FOR THE CITY OF CLEAR LAKE, IOWA, AND FOR THE TAKING OF BIDS THEREFOR

Sealed proposals will be received by the City Clerk of the City of Clear Lake, Iowa, at City Hall, 15 North Sixth Street, Clear Lake, Iowa, until 11:00 o'clock A.M. on the 30th day of October 2014, for the construction of the **Water Treatment Plant High Service Pump Replacement Project** as described in the plans and specifications therefore, now on file in the office of the City Clerk.

Proposals will be opened and the amount of the bids announced by the City Clerk at the time and date specified above.

Also, at 6:30 P.M. on the 3rd day of November 2014, the City Council of said City will, in the City Council Chambers, hold a hearing and said Council proposes to adopt plans, specifications, form of contract and estimate of cost.

At said hearing, the City Council will consider the proposed plans, specifications, form of contract and estimate of cost for the project, the same now being on file in the office of the City Clerk, reference to which is made for a more detailed and complete description of the proposed improvements, and at said time and place the said Council will also receive and consider any objections to said plans, specifications and form of contract or to the estimated cost of said improvements made by any interested party.

Also, at 6:30 P.M. on November 3, 2014, or at such time, date and places as then may be fixed, will act upon proposals and enter into a contract for the construction of said improvements.

The nature and extent of the improvements are as follows:

WATER TREATMENT PLANT HIGH SERVICE PUMP REPLACEMENT PROJECT

Project includes all labor, materials and equipment necessary to replace existing high service pumps including demolition work, high service pumps, process piping, valves, flow meter, instrumentation, electrical and miscellaneous associated work, including cleanup.

The method of construction of all improvements shall be by contract in accordance with the plans and specifications and general stipulations for said improvements approved by the City Council.

All proposals and bids in connection therewith shall be submitted to the City Clerk of said City on or before the time herein set for receiving bids. All proposals shall be made on official bidding blanks furnished by the City, and any alterations in the official form of proposal will entitle the City Council, at its option, to reject the proposal involved from consideration. Each proposal shall be sealed and plainly identified.

Each proposal shall be accompanied by a bid security in a sealed envelope by either (1) a certified or cashier's check drawn on a solvent Iowa bank or a bank chartered under the laws of the United States, or a certified share draft drawn on a credit union in Iowa or chartered under the laws of the United States, in an amount equal to 5% of the bid, or (2) a bid bond executed by a corporation authorized to contract as a surety in the State of Iowa, in the penal sum of 5% of the bid. Contractor shall determine amount of bid bond based on the amount of the base bid and all alternate construction bid items.

The bid security should be made payable to THE CITY OF CLEAR LAKE, IOWA. The bid security must not contain any conditions either in the body or as an endorsement thereon. The bid security shall be forfeited to the City as liquidated damages in the event the successful bidder fails or refuses to enter into a contract within 15 days after the award of contract and post bond satisfactory to the City insuring the faithful fulfillment of the contract and the maintenance of said work, if required, pursuant to the provisions of this notice and other contract documents. Bidders shall use the bid bond form included in the specifications.

Pursuant to Chapter 73 of the Code of Iowa, out of state bidders are hereby advised of the Iowa Bidding Preference Law extending to Iowa firms any preference out of state competitors receive in their own states. Such preference may be (a) strict preference, (b) reciprocal preference, or combination preference and reciprocal. Application for such preference will be extended for any "public improvement" as defined in Chapter 73A.1 of the Code of Iowa.

By virtue of statutory authority, a preference will be given to products and provisions grown and coal produced within the State of Iowa, and to Iowa domestic labor, to the extent lawfully required under Iowa Statutes.

The City reserves the right to reject any or all bids, to waive informalities or technicalities in any bid and to enter into such contract as it shall deem for the best interest of the City.

The City reserves the right to defer acceptance of any proposal for a period not to exceed forty-five (45) calendar days from the date of hearing.

The successful bidder will be required to furnish a bond in an amount equal to one hundred (100) percent of the contract price, said bond to be issued by a responsible surety approved by the City Council and listed in the U.S. Treasury Department's most current list (Circular 570, as amended) and authorized to transact business in the State of Iowa and shall guarantee the faithful performance of the contract and the terms and conditions therein contained and shall guarantee the prompt payment for all materials and labor to all persons, firms, subcontractors, and corporations furnishing materials for or performing labor in the prosecution of the work and protect and save harmless the City from claims and damages of any kind caused by the operations of the Contractor, and shall guarantee the work against faulty workmanship and materials for a period as required by the specifications after its completion and acceptance by the City Council.

It is anticipated Notice to Proceed will be issued by no later than December 1, 2014. Work for the project shall be substantially completed and the pumps shall be operational by no later than June 26, 2015. All work for the project shall be finally completed and the project ready for final acceptance by July 31, 2015.

Bidders shall be expected to comply with Chapters 91C and 103A of the Code of Iowa concerning the registration and bonding of construction contractors and the successful bidder shall be required to supply the City of Clear Lake with proof of said compliance.

Payment of the cost of said project will be made from any one or a combination of the following sources at the sole discretion of the City Council: (1) cash from Water Revenue Fund; (2) cash derived from the proceeds of the issuance and sale of General Obligation Bonds of said City; (3) cash from such general funds of said City as may be legally used for such purpose; (4) funds generated from tax increment financing.

Payment will be made to the Contractor based on monthly estimates in amounts equal to ninety-five (95) percent of the contract value of the work completed. Monthly estimates will be made by the Engineer and payment will be made to the Contractor on or about ten (10) days thereafter. Payment shall be made for materials stored on site. Final payment will not be made sooner than thirty (30) days following Final Acceptance of the Work by the City of Clear Lake.

At least ten (10) days before each progress payment falls due (but not more often than once a month), the Contractor will submit to the Engineer a partial payment estimate filled out and signed by the Contractor covering the work performed during the period covered by the partial payment estimate and supported by such data as

the Engineer may reasonably require. If payment is requested on the basis of materials and equipment not incorporated in the work but delivered and suitably stored at or near the site, the partial payment estimate shall also be accompanied by such supporting data, satisfactory to the Owner, as will establish the Owner's title to the material and equipment and protect his interest therein, including applicable insurance. The Engineer will, within fifteen (15) days after receipt of each partial payment estimate, either indicate in writing his concurrence of payment and present the partial payment estimate to the Owner, or return the partial payment estimate to the Contractor indicating in writing his reasons for refusing to concur with the partial payment estimate. In the latter case, the Contractor may make the necessary corrections and resubmit the partial payment estimate. The Owner will, within thirty (30) days of presentation to City Council of a submitted partial payment estimate, pay the Contractor a progress payment on the basis of the approved partial payment estimate. The Owner shall retain five (5) percent of the amount of each payment until final completion and acceptance of all work covered by the contract documents.

The bidder's attention is called to the prompt payment of the subcontractors, under Chapter 573.12 of the Code of Iowa.

Liquidated damages in the amount of Five Hundred Dollars (\$500) per calendar day will be assessed for each calendar day that work on the total project, or portions of the contract where specific completion dates are specified or otherwise agreed to, that remain uncompleted after the end of the contract period, with due allowance for extensions of the contract period due to conditions beyond the control of the contractor.

The Contractor will indemnify and save the Owner or the Owner's agents harmless from all claims growing out of the lawful demands of subcontractors, laborers, workmen, mechanics, materialmen, and furnishers of machinery and parts thereof, equipment, tools, and all supplies, incurred in the furtherance of the performance of the work. The Contractor shall furnish satisfactory evidence that all obligations of the nature designated above have been paid, discharged, or waived. If the Contractor fails to do so the Owner may, after having notified the Contractor, either pay unpaid bills or withhold from the Contractor's unpaid compensation a sum of money deemed reasonably sufficient to pay any and all such lawful claims until satisfactory evidence is furnished that all liabilities have been fully discharged whereupon payment to the Contractor shall be resumed, in accordance with the terms of the contract documents, but in no event shall the provisions of this sentence be construed to impose any obligations upon the Owner to either the Contractor, his Surety, or any third party. In paying any unpaid bills of the Contractor, any payment so made by the Owner shall be considered as a payment made under the contract documents by the Owner to the Contractor and the Owner shall not be liable to the Contractor for any such payments made in good faith.

Prior to substantial completion, the Owner, with the approval of the Engineer and with the concurrence of the Contractor, may use any completed or substantially completed portions of the work. Such use shall not constitute an acceptance of such portions of the work. The Owner shall have the right to enter the premises for the purpose of doing work not covered by the contract documents. This provision shall not be construed as relieving the Contractor of the sole responsibility for the care and protection of the work, or the restoration of any damaged work except such damage as may be caused by agents or employees of the Owner.

Upon completion and acceptance of the work, the Engineer shall issue a certificate that the work has been accepted by him under the conditions of the contract documents. Final payment will be made not less than thirty-one (31) days after completion of the work and acceptance by the City subject to the conditions and in accordance with the provisions of Chapter 573 of the Code of Iowa.

The City will issue a sales tax exemption certificate applicable for all materials purchased for the project.

Plans and specifications governing the construction of the proposed improvements have been prepared by VEENSTRA & KIMM, INC. of Mason City, Iowa, said plans and specifications and the prior proceedings of the City Council referring to and defining said proposed improvements are hereby made a part of this notice and the proposed contract by reference, and the proposed contract shall be executed to comply therewith.

Copies of said plans and specifications and form of contract are now on file in the office of the City Clerk and may be examined at City Hall. The ENGINEER shall make available and distribute plans and specifications in accordance with Senate File 2389. Complete sets of the Bidding Documents may be obtained from ENGINEER at the ENGINEER'S office located at 2800 Fourth Street SW, Suite 9, Mason City, Iowa 50401 upon payment of plan deposit in the sum of Fifty Dollars (\$50.00) This payment is refundable upon return of the bidding documents within fourteen (14) days after award of the project in good reusable condition. If the contract documents are not returned in a timely manner and in good reusable condition, the deposit shall be forfeited to the City of Clear Lake. Plan deposit checks shall be made out to the City of Clear Lake.

Bidders who request bidding documents be mailed or shipped to them shall designate a mailing address and pay shipping / mailing costs in the amount of \$10.00 for standard USPS mail delivery or normal UPS ground deliver. Any special shipping / mailing requests will be at bidders cost. Checks for shipping / mailing shall be made out to Veenstra & Kimm, Inc.

10/2/14

NH&L

This notice is given by order of the Council of the City of Clear Lake, Iowa.

CITY OF CLEAR LAKE

Nelson Crabb, Mayor

ATTEST:

Jennifer Larsen, City Clerk

APPLICATION AND CERTIFICATE FOR PAYMENT

TO: City of Clear Lake
15 N. 6th Street
Clear Lake, IA 50428

PROJECT: Clear Lake Municipal Building Renovation

APPLICATION NO: 8
PERIOD TO: 09/30/14
PROJECT NOS.: 11012

Distribution to:
 OWNER
 ARCHITECT
 CONTRACTOR
 TITLE COMPANY

FROM: King-Knutson Construction, Inc.
101 N. 8th Street
Clear Lake, IA 50428

VIA ARCHITECT: Bergland & Cram

CONTRACT DATE: 01/20/14

REF. NUMBER: 11012

INVOICE NO.: CLMB-08
TM JOB NO.:

CONTRACT FOR: City of Clear Lake

CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract Continuation sheet, AIA Document G703, is attached

1. ORIGINAL CONTRACT SUM	\$	<u>1,140,381.00</u>
2. Net change by Change Orders	\$	<u>6557.90</u>
3. CONTRACT SUM TO DATE (Line +/- 2)	\$	<u>1,146,938.90</u>
4. TOTAL COMPLETED AND STORED TO DATE (Column G on G703)	\$	<u>946,803.61</u>
5. RETAINAGE		
a. <u>0</u> % of Labor Only (Column D + E on G703)	\$	<u> </u>
b. <u>0</u> % of Stored Material (Column F on G703)	\$	<u> </u>
Total Retainage: (Line 5a + 5b or Total in Column 1 of G703)	\$	<u>47,340.18</u>
6. TOTAL EARNED (Line 4 less Line 5 total)	\$	<u>899,463.43</u>
7. LESS PREVIOUS CERTIFICATES FOR PAYMENT (Line 6 from Prior Certificate)	\$	<u>843,707.55</u>
8. CURRENT PAYMENT DUE	\$	<u>55,755.88</u>
9. BALANCE TO FINISH, INCLUDING RETAINAGE (Line 3 less Line 6)	\$	<u>247,475.47</u>

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved in previous months by owner	6,557.90	
Total approved this month		
TOTALS	6,557.90	
NET CHANGES by Change Order	6557.90	

The undersigned Contractor certifies that to the best of the Contractors Knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the owner, and that current payment shown herein is now due.

CONTRACTOR:

BY: Jan Fredrick DATE: 10/02/14

State of: Iowa
County of: Cerro Gordo
Subscribed and sworn to before me this 2nd day of October 2014



Notary Public: Scott F. Everett
My Commission expires: 03/17/2017

ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising the above application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED

55,755.88
247,475.47 AS
(Attach explanation if amount certified differs from the amount applied for. Initial all figures on this Application and on the Continuation Sheet that are changed conform to the amount certified.)

ARCHITECT:

By: Don Egan Date: 10/2/14

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

AIA DOCUMENT G703 CONTINUATION SHEET

CONTRACTOR APPLICATION FOR PAYMENT									
PROJECT: Clear Lake Municipal Building Renovation and Remodeling					APPLICATION NO.: 8				
CONTRACTOR: King-Knutson Construction, Inc					APPLICATION DATE: October 2, 2014				
					PERIOD TO: September 30, 2014				
					PURCHASE ORDER NUMBER: 11012				
A	B	C	D	E	F	G	H	I	
PHASE NO.	DESCRIPTION OF WORK	SCHEDULED VALUE	WORK COMPLETED		MATERIALS PRESENTLY STORED (NOT IN D OR E)	TOTAL COMPLETED AND STORED TO DATE (D + E + F)	% (G/C)	BALANCE TO FINISH (C-G)	RETAINAGE
			FROM PREVIOUS APPLICATION (D+E)	THIS PERIOD					
1.	General Conditions	17,187.00	15,124.56			15,124.56	88%	2,062.44	756.23
2.	Demolition	36,120.00	27,090.00			27,090.00	75%	9,030.00	1,354.50
3.	Concrete Work	26,229.00	23,606.10			23,606.10	90%	2,622.90	1,180.31
4.	Masonry Work	120,524.00	100,035.00			100,035.00	83%	20,489.00	5,001.75
5.	Masonry Restoration	21,656.00	21,656.00			21,656.00	100%	0.00	1,082.80
6.	Metals	2,772.00	1,940.40			1,940.40	70%	831.60	97.02
7.	Rough Carpentry	21,396.00	16,047.00			16,047.00	75%	5,349.00	802.35
8.	Finish Carpentry	18,144.00	15,207.80			15,207.80	84%	2,936.20	760.39
9.	Architectural Woodwork	36,472.00	26,400.00	954.00		27,354.00	75%	9,118.00	1,367.70
10.	Insulation	29,228.00	21,921.00			21,921.00	75%	7,307.00	1,096.05
11.	Rough Patching	8,106.00	6,079.50			6,079.50	75%	2,026.50	303.98
12.	Joint Sealants	6,927.00	6,770.25			6,770.25	98%	156.75	338.51
13.	Metal Doors and Frames	79,118.00	60,542.50	2,752.00		63,294.50	80%	15,823.50	3,164.73
14.	Special Doors	7,387.00	7,387.00			7,387.00	100%	0.00	369.35
15.	Aluminum Store Front	51,093.00	48,603.00			48,603.00	95%	2,490.00	2,430.15
16.	Acoustical Ceiling	10,112.00	6,067.20	479.00		6,546.20	65%	3,565.80	327.31
17.	Flooring	38,824.00	25,714.00	3,404.00		29,118.00	75%	9,706.00	1,455.90
18.	Painting	29,936.00	19,458.40	1,497.00		20,955.40	70%	8,980.60	1,047.77
19.	Specialties	4,720.00	4,180.00			4,180.00	89%	540.00	209.00
20.	Garage Fence	4,397.00	4,397.00			4,397.00	100%	0.00	219.85
21.	Wire Mesh Partitions	2,835.00	2,835.00			2,835.00	100%	0.00	141.75
22.	Lockers	4,069.00	4,069.00			4,069.00	100%	0.00	203.45
23.	Evidence Weapon Storage	20,160.00	20,160.00			20,160.00	100%	0.00	1,008.00
24.	Window Blinds	1,639.00				0.00	0%	1,639.00	0.00
25.	Plumbing and Mechanical	159,760.00	140,613.00			140,613.00	88%	19,147.00	7,030.65
26.	Electrical	381,570.00	255,651.60	49,604.40		305,256.00	80%	76,314.00	15,262.80

AIA DOCUMENT G703 CONTINUATION SHEET

CONTRACTOR APPLICATION FOR PAYMENT									
PROJECT: Clear Lake Municipal Building Renovation and Remodeling					APPLICATION NO.: 8				
CONTRACTOR: King-Knutson Construction, Inc					APPLICATION DATE: October 2, 2014				
					PERIOD TO: September 30, 2014				
					PURCHASE ORDER NUMBER: 11012				
A PHASE NO.	B DESCRIPTION OF WORK	C SCHEDULED VALUE	D WORK COMPLETED		F MATERIALS PRESENTLY STORED (NOT IN D OR E)	G TOTAL COMPLETED AND STORED TO DATE (D + E + F)	H % (G/C)	I BALANCE TO FINISH (C-G)	I RETAINAGE
			FROM PREVIOUS APPLICATION (D+E)	THIS PERIOD					
27.	Change Order #1	3,693.00	3,693.00			3,693.00	100%	0.00	184.65
28.	Change Order #2	990.00	990.00			990.00	100%	0.00	49.50
29.	Change Order #3	385.00	385.00			385.00	100%	0.00	19.25
30.	Change Order #4	412.50	412.50			412.50	100%	0.00	20.63
31.	Change Order #5	-4,531.00	-4,531.00			-4,531.00	100%	0.00	-226.55
32.	Change Order #6	5,608.40	5,608.40			5,608.40	100%	0.00	280.42
33.						0.00	#DIV/0!	0.00	0.00
34.						0.00	#DIV/0!	0.00	0.00
35.						0.00	#DIV/0!	0.00	0.00
36.						0.00	#DIV/0!	0.00	0.00
TOTALS		1,146,938.90	888,113.21	58,690.40	0.00	946,803.61	83%	200,135.29	47,340.18