

# **City of Charles City City Council Agenda Council Chambers, City Hall**

## **1. Meeting Date And Time**

A. May 16, 2016 7:00 P.m.

## **2. Call To Order**

## **3. Citizen/Public Comments (Limited To 5 Minutes Per Comment)**

An opportunity for citizens, groups or representatives or organizations to address the Governing Body on any issue which is not on the agenda

## **4. Mayor's Welcome**

## **5. Consider Approval Of The Agenda**

Discussion

Motion

## **6. Consider Approval Of The Minutes**

A. Minutes Of The May 2 And May 11 Meetings

Discussion

Motion

Documents: [REG050216MINUTES.PDF](#), [051116PLANNING MINUTES.PDF](#)

## **7. Consider Approval Of The Consent Calendar**

A. Approve 4/16 Financials For City Of Charles City And CC Public Employees Health Plan

Documents: [SKMBT\\_50116051614440.PDF](#)

B. Approve Filing A Lien For Unpaid Utility Bills: \$81.41 Acct 5012930002, \$206.20 Acct 502275000, \$54.47Acct5013760007, \$28.39Acct5013760000, \$16.80Acct5006860005

C. Approve The Following Bonds:

Contractor-Hubert Construction, Kamm Excavating

Sewer/Water - Mills, Inc

Sidewalk - Deboest Concrete, L & C Builders

D. Approve Renewal Of HyVee Food Store Class E Liquor License W/ Sunday Sales, Carryout Wine And Carryout Beer

E. Payment Of Claims

## **8. Business Of The Mayor**

A. Proclamation For Poppy Day - May 27

Documents: [SKMBT\\_50116051614450.PDF](#)

B. Proclamation For Memorial Day

## **9. Petitions, Public Hearings, Communications, Awards And Requests**

A. Request For Use Of HyVee Parking Lot For Relay For Life Fundraiser

Discussion  
Motion

Documents: [SKMBT\\_50116051614460.PDF](#)

- B. Request For Street Closure For Flores De Mayo Parade On May 28  
Discussion  
Motion

Documents: [SKMBT\\_50116051614461.PDF](#)

- C. Request For Street Closure For Memorial Day Service At Court House  
Discussion  
Motion

Documents: [SKMBT\\_50116051614462.PDF](#)

- D. Public Hearing On FY16 Budget Amendment  
Open hearing  
Filing of affidavit of publication - 5/5/16  
Written comments or objections  
Oral comments or objections  
Close hearing  
Consider Resolution 38-16 approving FY16 budget amendment as presented  
Discussion  
Motion

Documents: [SKMBT\\_50116051614470.PDF](#)

- E. Public Hearing On Sewer Revenue Loan And Disbursement Agreement  
Open hearing  
Filing of affidavit of publication - 5/2/16  
Written comments or objections  
Oral comments or objections  
Close hearing  
Consider Resolution 39-16 taking additional action on proposal to enter into a sewer revenue loan and disbursement agreement and to borrow money thereunder in a principal amount not to exceed \$1,790,000  
Discussion  
Motion

Documents: [SKMBT\\_50116051614471.PDF](#)

## **10. Ordinances And Resolutions**

- A. Consider First Reading Of Ordinance 1091 For Re-Zoning Of Properties Located In The 300 Block Of N. Jackson  
Recommendation from Planning and Zoning  
Discussion  
Motion

Documents: [SKMBT\\_50116051614480.PDF](#)

- B. Consider Resolution 40-6 Setting Date For Public Hearing On Ordinance 1091  
Discussion  
Motion

- C. Consider First Reading Of Ordinance 1092 Amending Zoning Ordinance Pertaining To Ramps  
Recommendation from Planning and Zoning  
Discussion

Motion

Documents: [SKMBT\\_50116051614481.PDF](#)

D. Consider Resolution 41-16 Setting Date For Public Hearing On Ordinance 1092

Discussion

Motion

E. Consider Resolution 42-16 Approving Change In Contract With HUD For Extra Vouchers

Discussion

Motion

Documents: [SKMBT\\_50116051614490.PDF](#)

F. Consider Resolution 43-16 Approving Change In Lease With HyVee For Parking Spaces For Garden Supplies

Discussion

Motion

Documents: [SKMBT\\_50116051614491.PDF](#)

G. Consider Motion Approving Sale Of Metal Structure Along Walking Trail

Discussion

Motion

H. Consider Resolution 44-16 Approving Purchase Of Mower For Street Department

Discussion

Motion

Documents: [SKMBT\\_50116051614500.PDF](#)

I. Consider Motion To Approve Engagement Letter With Baird For Fire Truck Loan

Discussion

Motion

Documents: [SKMBT\\_50116051614501.PDF](#)

J. Consider Resolution 45-16 Approving A Loan Agreement, Providing For The Issuance Of \$792,000 General Obligation Fire Truck Acquisition Notes, Series 2016A And Providing For The Levy Of Taxes To Pay The Same

Discussion

Motion

**11. Other Business**

- A. Miscellaneous Correspondence
- B. Attorney's Report
- C. City Clerk's Report
- D. City Administrator's Report
- E. Board, Commission or Committee Reports

**12. Adjournment**

COUNCIL MINUTES  
REGULAR SESSION  
MAY 2, 2016

Charles City City Council met in regular session on May 2, 2016 at 7:00 p.m. in council chambers. Mayor James Erb presided and the following council members were present: Keith Starr, Jerry Joerger, DeLaine Freeseaman, Michael Hammond and Dan Mallaro. Also present were city administrator Steve Diers, city engineer John Fallis and city attorney Ralph Smith.

Citizen Comments - none

Mayor Erb welcomed everyone to the meeting.

Motion by Freeseaman, second Mallaro to approve the agenda. Ayes - 5

Motion by Joerger, second Freeseaman to approve the minutes of the April 13, 18 and 25 meetings. Ayes - 5

Motion by Joerger, second Freeseaman to approve the consent calendar. Ayes - 5 Consent calendar consisted of the following: renewal of Big Kmart Class C beer permit w/ Sunday Sales, renewal of Kwik Star #419 Class C beer permit w/ Sunday Sales and payment of claims (including those approved by other boards):

50864	JAMES BLUHM/BLUHMS CV ELECTRIC, serv.	\$135.00
50865	BUSINESS CARD, serv.	\$14.98
50866	C NABER & ASSOCIATES, serv.	\$395.00
50867	CARNETTE STARR, serv.	\$50.00
50868	CDW-GOVERNMENT INC, supp.	\$241.85
50869	CENTURYLINK COMMUNICATIONS, serv.	\$178.52
50870	CHARLES CITY HOUSING, deposit held	\$200.00
50871	CHARLES CITY PRESS INC, serv.	\$159.98
50872	CINTAS CORPORATION #762, serv.	\$124.84
50873	CITY OF CHARLES CITY, serv.	\$2,876.36
50874	DON'S REPAIR, serv.	\$69.51
50875	GE CAPITAL, serv.	\$252.02
50876	HOCKENSON PLUMBING, serv.	\$971.95
50877	IDOT-CASHIER'S OFFICE, supp.	\$123.76
50878	JENDRO SANITATION SERVICES, serv.	\$637.25
50879	LINDERMAN HEATING & AIR, serv.	\$1,823.06
50880	MARCO INC, serv.	\$74.20
50881	MASON CITY ROOFING, serv.	\$725.00
50882	ARTHUR MEHMEN PAINTING, serv.	\$385.00
50883	MIDAMERICAN ENERGY	**VOIDED**
50884	MIDAMERICAN ENERGY	**VOIDED**
50885	MIDAMERICAN ENERGY, serv.	\$7,145.08
50886	NOAH, SMITH & SCHUKNECHT PLC, serv.	\$1,872.00
50887	NORTHEAST IOWA INTERPRET, serv.	\$120.00
50888	PETTY CASH-HOUSING, serv.	\$49.16
50889	PITNEY BOWES, serv.	\$54.09
50890	PITNEY BOWES SUPPLIES, supp.	\$122.38
50891	PLUNKETT'S PEST CONTROL, serv.	\$75.00

50892	SCHUETH ACE HARDWARE	**VOIDED**
50893	SCHUETH ACE HARDWARE, supp.	\$17,165.54
50894	SHERWIN-WILLIAMS CO, supp.	\$480.60
50895	SUPERIOR LUMBER INC, supp.	\$204.96
50896	T-J SERVICE INC, supp.	\$146.98
50897	TRENT PARKER, serv.	\$430.00
50898	UNITED STATES CELLULAR, supp.	\$72.36
50899	WAGGONER & WINEINGER ARCHITECTS, serv.	\$2,332.73
50900-50931	PAYROLL ENDING 04/16/16	\$82,032.52
50932-50939	PAYROLL LIABILITIES	\$97,894.81
50940	HILLEGAS FLOORING LLC, serv.	\$1,098.75
50941	MARILYN BURKE dba PROFINISHES, serv.	\$195.00
50942-50950	MAY HAP CHECKS	\$8,103.43
ACH	MAY HAP CHECKS	\$41,175.50
ACH	DARLENE TOYNE (FGP), mileage	\$17.28
ACH	JOANIE NIELSEN (FGP), mileage	\$17.28
ACH	LINDA BETELS (FGP), mileage	\$6.48
ACH	LAVONNE KACER (FGP), mileage	\$13.93
ACH	AUXIANT, flex spending reimbursements	\$348.33
ACH	KABRICK DISTRIBUTING, supp.	\$424.00
ACH	TREASURER, STATE OF IOWA, sales tax	\$4,148.47
ACH	UNITED BEVERAGE, supp.	\$285.10
ACH	UNITED BEVERAGE, supp.	\$121.50
ACH	BANCORPSV, serv.	\$225.70
ACH	BANCORPSV, serv.	\$617.59
50951	ACUSHNET COMPANY, supp.	\$3,598.47
50952	AGVANTAGE FS, supp.	\$689.28
50953	ALFIE PACKERS INC, serv.	\$92.50
50954	APCO INTERNATIONAL, serv.	\$69.00
50955	IOWA AWWA LAB & PRETREATMENT, serv.	\$70.00
50956	BEARING DISTRIBUTORS INC, supp.	\$174.39
50957	BLUHM'S GREENHOUSE, supp.	\$50.00
50958	CAL'S AUTO REPAIR INC, supp.	\$5.80
50959	CC FIRE EXTINGUISHER SERVICE, serv.	\$54.00
50960	CC PUBLIC EMP HEALTH PLAN	**VOIDED**
50961	CC PUBLIC EMP HEALTH PLAN	**VOIDED**
50962	CC PUBLIC EMP HEALTH PLAN	**VOIDED**
50963	CC PUBLIC EMP HEALTH PLAN	**VOIDED**
50964	CC PUBLIC EMP HEALTH PLAN	**VOIDED**
50965	CC PUBLIC EMP HEALTH PLAN, serv.	\$55,933.64
50966	CENTURYLINK COMMUNICATIONS, serv.	\$381.67
50967	CC CHAMBER OF COMMERCE, serv.	\$32.33
50968	CHARLES CITY COMMUNITY SCHOOLS, serv.	\$36,875.00

50969	CITY DIRECTORY INC, serv.	\$177.00
50970	CITY OF CHARLES CITY, serv.	\$252.80
50971	CLAREY'S SAFETY EQUIPMENT, supp.	\$736.76
50972	COAST TO COAST SOLUTIONS, supp.	\$77.49
50973	D&K PRODUCTS, supp.	\$7,549.12
50974	DAVIS EQUIPMENT CORPORATION, supp.	\$35.04
50975	DON'S REPAIR, supp.	\$168.90
50976	ELECTRONIC ENGINEERING, serv.	\$195.90
50977	ERIC WHIPPLE, travel reimbursement	\$60.05
50978	ESS BROTHERS AND SONS INC, supp.	\$655.00
50979	FARMCHEM, supp.	\$12.92
50980	FIRE SERVICE TRAINING BUREAU, serv.	\$20.00
50981	FLOYD CO HIST SOCIETY MUSEUM, supp.	\$35.00
50982	FLOYD COUNTY ENGINEER, supp.	\$28,893.48
50983	FOX ENGINEERING INC, serv.	\$7,596.75
50984	GHD SERVICES INC, serv.	\$1,414.83
50985	GOLF CARS OF IOWA, supp.	\$114.42
50986	WINGFOOT COMMERCIAL TIRE, supp.	\$1,002.56
50987	GRAINGER, supp.	\$121.20
50988	GREGORY M LEE, serv.	\$1,100.00
50989	HEARTLAND ASPHALT INC, serv.	\$53,690.53
50990	HEARTLAND ASPHALT INC, supp.	\$926.60
50991	HEWETT WHOLESALE, supp.	\$223.90
50992	HOBERT ELECTRIC, serv.	\$93.00
50993	IOWA ASSOC MUNICIPAL UTILITIES, serv.	\$981.81
50994	IA DEPT OF NATURAL RESOURCES, serv.	\$30.00
50995	IDOT-CASHIER'S OFFICE	**VOIDED**
50996	IDOT-CASHIER'S OFFICE, supp.	\$1,166.66
50997	IDOT-CASHIER'S OFFICE, supp.	\$114.24
50998	IOWA COUNTY ATTORNEYS ASSOC, serv.	\$130.00
50999	JEP CONSTRUCTION, serv.	\$2,450.00
51000	JOHN A HOWE, serv.	\$850.00
51001	KAMM EXCAVATING CORP, serv.	\$870.00
51002	KAY PARK RECREATION, supp.	\$519.50
51003	MICK GAGE PLUMBING & HEATING, supp.	\$18.48
51004	MIDAMERICAN ENERGY	**VOIDED**
51005	MIDAMERICAN ENERGY, serv.	\$25,053.11
51006	MIDAMERICAN ENERGY, serv.	\$1,700.74
51007	MIDTECH SERVICES INC, serv.	\$187.92
51008	MIKE'S C&O TIRE INC, serv.	\$1,561.35
51009	MISSISSIPPI LIME COMPANY, supp.	\$5,448.46
51010	NEWBAUER INC, serv.	\$102.08
51011	NIACC, serv.	\$530.24

51012	NIACOG, serv.	\$7,063.75
51013	NOAH, SMITH & SCHUKNECHT PLC, serv.	\$4,000.21
51014	NORTHERN SAFETY CO INC, supp.	\$75.17
51015	OFFICE DEPOT, supp.	\$62.99
51016	OFFICE OF VEHICLE SERVICES, serv.	\$30.00
51017	OLGA GUZMAN, serv.	\$180.00
51018	ORIENTAL TRADING COMPANY, supp.	\$188.44
51019	PAWS HUMANE SOCIETY, serv.	\$1,550.00
51020	PETTY CASH-FIRE DEPT, supp.	\$22.04
51021	PRIORITY DISPATCH, supp.	\$150.00
51022	QUALITY PUMP & CONTROL, supp.	\$149.86
51023	RAMADA INN NORTHWEST-DM, serv.	\$123.20
51024	RON PAULLUS, mailbox reimbursement	\$165.80
51025	ROTARY CLUB OF CHARLES CITY, serv.	\$139.50
51026	RYAN W WOLFE, serv.	\$90.00
51027	STAAB CONSTRUCTION CORPORATION, serv.	\$27,064.56
51028	STAPLES CREDIT PLAN, supp.	\$288.82
51029	STEVEN ZIMMER, serv.	\$120.00
51030	SUPERIOR WELDING SUPPLY CO, supp.	\$1,046.55
51031	SWARTZROCK IMPLEMENT CO, supp.	\$560.11
51032	TAP PUBLISHING COMPANY, serv.	\$147.49
51033	TITUS LOCK SERVICES, serv.	\$620.85
51034	TRANS-IOWA EQUIPMENT INC, supp.	\$2,762.54
51035	TRUDY O'DONNELL, mileage reimbursement	\$97.20
51036	US POSTAL SERVICE, serv.	\$1,000.00
51037	VANWALL EQUIPMENT INC, supp.	\$57.10
51038	VERIZON WIRELESS, serv.	\$120.03
51039	VIRGINIA TITUS, travel reimbursement	\$89.33

**TOTAL**            \$569,294.29

Business of the Mayor - Proclamation for Historic Preservation Month was presented by Mark Wicks. Several events are planned throughout the month including request for old pictures of Charles City from area residents to be scanned and kept at the museum, walking tour and trivia contest revolving around historic buildings in the city. Proclamation for Stamp Out Hunger day was presented by local mail carrier Jim Sanner. This event will be held Saturday, May 14 with letter carriers collecting non perishable food items left by resident's mail boxes that day. These items all stay here for local use. They average 1 ½ to 2 tons each year of collected food. Barry Sweet was present to request a proclamation for Elks Youth Week May 1-7. A banquet is scheduled for May 15 to honor local students. Kim Witcraft, Dawn Staudt and Kenford Simon were also present to request a proclamation for EMS Week May 15-21. Events planned for this include hands on CPR classes and an open house and teddy bear clinic on May 21. Motion by Freeseaman, second Mallaro to approve all four proclamations. Ayes - 5 Mayor Erb read and presented the proclamations.

Mayor Erb opened the public hearing on proposal to enter into a general obligation fire truck acquisition loan agreement. Affidavit of publication dated 4/21/16 was informally filed. Mayor Erb asked for written

comments. There being none, he then asked for oral comments. There were none. Motion by Hammond, second Joerger to close the hearing. Ayes - 5

City Administrator Diers stated that this loan would be for the purchase of an aerial truck and related costs of the issuance. We will be looking at a private issuance so the four banks in the city will be notified to offer their terms. This will be for a ten year term and we are anticipating 2% interest. This will be repaid with future debt service levies. Council member Joerger introduced Resolution No. 35-16 entitled, "RESOLUTION TAKING ADDITIONAL ACTION WITH RESPECT TO A GENERAL OBLIGATION FIRE TRUCK ACQUISITION LOAN AGREEMENT" and moved for adoption. Second to adopt Freeseeman. Resolution duly passed on roll call vote as follows: Ayes - Starr, Joerger, Freeseeman, Hammond, Mallaro. Nays - none

The Main Street agreement with the state of Iowa is due to expire June 30, 2016 and Mark Wicks was present to review that agreement. The city supports this program each year with funding of \$21,000 that is funded by Riverside TIF. This has been a very successful program in the city. Council member Hammond introduced Resolution No. 36-16 entitled, "RESOLUTION OF SUPPORT AND FINANCIAL COMMITMENT FOR THE MAIN STREET PROGRAM IN CHARLES CITY, IOWA" and moved for adoption. Second to adopt Mallaro. Resolution duly passed on roll call vote as follows: Ayes - Joerger, Freeseeman, Hammond, Mallaro, Starr. Nays - none

Jack Tynan, residing at 507 M Street, had presented a request to council to raise 6 chickens at his residence. Our current code allows this by special permission of the council. Mr. Tynan will only have hens and has received verbal approval from his neighbors to do this. Council member Freeseeman commented that the resolution drafted does not specify just hens, so that will be changed. He also commented that it doesn't state in the resolution that the neighbors have been asked to allow. City Attorney Smith stated that he hesitates to make neighbor approval a condition of the request, that can cause all kinds of problems, especially since neighbors can move. Council member Joerger is not in favor of this, the ordinance is there for a reason and that is to not allow livestock in city limits. Council member Hammond introduced Resolution No. 37-16 entitled, "RESOLUTION REGARDING CHICKENS WITHIN CITY LIMITS" and moved for adoption. Second to adopt Starr. Resolution duly passed on roll call vote as follows: Ayes - Freeseeman, Hammond, Mallaro, Starr. Nays - Joerger

The city's FY16 budget is in need of amendment. Main reasons for this is the aerial truck purchase, refunding of a bond and change in timeline of some capital projects. A public hearing will be held May 16 and the amendment deadline for submittal to the state is May 31. Motion by Freeseeman, second Joerger to set date of May 16 for public hearing on the FY16 city budget. Ayes - 5

Installation of a dog park has been presented by the local Girl Scout troop and Julie Taylor at previous planning sessions. This group has been awarded a grant for this and the grant requires that installation be complete by May 31. Contractors were there today to start construction of this facility. City staff did not really think that formal council action was required to allow this construction, but then it was decided that documentation of approval at a meeting would be a good idea. Motion by Joerger, second Mallaro to approve construction of a dog park at Waverly Hill Park. Ayes - 5

Mike Molstead Motors had submitted a request for waiver of installing curb and gutter on a new paved parking lot area they want to construct at their car dealership. This matters has been submitted to planning and zoning and they are recommending approval of the request. City Engineer Fallis concurs with this recommendation since curb and gutter is not needed in this situation for drainage runoff or encroachment from parked vehicles onto a neighboring property and this parking lot is located at the back of the Molstead property so will not be aesthetically prominent. Motion by Freeseeman, second Joerger to approve this waiver request from Mike Molstead Motors. Ayes - 5

City Clerk O'Donnell stated that the city had been given an award from the Foster Grandparents for their continued sponsorship and support of the program.

City Attorney Smith stated that a recent supreme court decision regarding new urban renewal areas that are joined with a perpetual urban renewal area may have an impact on future city TIF areas.

City Clerk O'Donnell reported that the next planning session will be May 11 at 7:00 p.m. She also stated that this week is Municipal Clerk's Week and that she truly enjoyed being the city clerk for Charles City.

City Administrator Diers reported that the SMART conference he recently attended was very informative. City staff met with the Simply Essentials people last week to continue discussions on the requirements for the discharge from this proposed plant. RFPs for the joint law enforcement effort were sent out last week and deadline for submittal for proposals is May 20.

Motion by Freeseaman, second Mallaro to adjourn. Ayes - 5

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James A. Erb, Mayor

Attest:

Trudy O'Donnell, City Clerk

COUNCIL PROCEEDINGS  
MAY 11, 2016

Charles City City Council met in a planning session on May 11, 2016 at 7:00 p.m. in council chambers. Mayor Erb presided and the following council members were present: Keith Starr, Jerry Joerger, DeLaine Freeseaman, Michael Hammond and Dan Mallaro. Also present was City Administrator Steve Diers and City Engineer John Fallis.

Mayor Erb reported that several from the city went to Oskaloosa the day before to tour some buildings that had been converted to other uses, including old school buildings that had been converted into apartments. Also, his upcoming city notes will high light pending capital projects in the city.

Karen Anderson, co chair of the Relay for Life event, was present to discuss a request to use the southwest corner of the parking lot at HyVee. They are looking at May 25<sup>th</sup> from 8:00 a.m. to approximately 9:30 a.m. People will be able to drive through this sectioned off area with a donation and then receive a cupcake. It was asked if HyVee had been asked about this and they hadn't yet, but Karen will check with them before the council meeting on Monday where this item will be acted upon.

Eduardo Concepcion was present to ask for street closure on May 28<sup>th</sup> for a parade to celebrate Flores de Mayo. They procession will be traveling from Immaculate Conception church to the Senior Center using Clark Street, Wisconsin Street, Blunt Parkway and down Milwaukee Street to the senior center. This will start at 2:30 p.m. Council will act on this request at the next regular meeting.

Housing director Heidi Nielsen presented information on a request from HUD for the city to take on extra vouchers for the 9<sup>th</sup> Street apartments. That contract is up in August and they will not be renewing it, so HUD is asking us to take them. There would be 11 vouchers. Heidi says we would be able to take these over with no problem with the current resources we have.

The city has been approached by a local business to rent an empty city lot next to his establishment to set out kayaks to dry out during the day and then the kayaks would be stored inside his building. The past two years this lot was leased for a garden, but the soil isn't really conducive for this purpose and the lessees aren't interested in continuing that lease. This item will be on the next regular agenda for action.

HyVee had requested a lease of 6 parking spaces to store their garden center supplies such as potting soil and were going to put their plants along the side of the building, which they own. However, they are actually using 11 parking spaces and are using two separate "end caps" on other parking areas. City Administrator Diers has calculated that each stall costs \$9 to rent per month, so HyVee is requesting an amendment to their original lease to expand to these 11 spaces. They have also been asked to remove the material from the end caps, especially since they have covered up a fire hydrant located on one of those end caps. This will be on the next council agenda for action.

A section of Jackson Street has been looked at for conversion to parking spaces. City Engineer Fallis presented two different options for a layout of the lot located in the 100 block of N. Jackson that would include both off street and on street parking. One option, using head in parking, would allow 143 total spots of both on street and off street parking. The second option, using diagonal parking, would garner 162 total spots. This possible change in parking had been discussed with all the businesses in this area to get their ideas and comments. All comments made were positive. The staff is trying to utilize as much of the existing pavement as possible with any new layout. That's why that block of N. Jackson street would be converted into parking and would no longer be a through street. The businesses there can continue to use the dumpsters where they are currently located. The parking lot in the 200 block of North Jackson has also been evaluated and consideration is being given to removing the cement planters there and also removing the raised island. There are now 48 stalls and removing those items would increase the stalls to 66. With McQuillen Place development going up, these extra parking stalls would be very helpful. A rough estimate for changing the layout of these two parking lots is \$300,000. Consensus of council was a good plan and to start with the lot in the 200 block of N. Jackson first.

Dirk Uetz, street superintendent, presented bids for a new batwing mower for the street department. The current one is 31 years old and it was decided that this was needed more than a scissor lift originally planned for purchase. Four bids were received as follows: Agland \$12,760; Mark's Tractor \$12,834; Case \$12,945 and Swartzrock \$13,550. All the units quoted would work well for our purposes. Council consensus was to stay local with Swartzrock. This item will be on the next regular agenda for action.

City Administrator Diers had another model of tablet to demo for the council, a Lenovo. Council had previously seen an HP. Both have the larger screen. The Lenovo has a detachable keyboard while the HP is more like a laptop. The HP is less expensive than the Lenovo. Council consensus was to go with the HP model.

City Administrator Diers informed council that Mary Mooberry, representing the Patriotic Association, would like to request closure of one block of Main Street from Court to Gilbert on Memorial Day during the service to be held at the courthouse Veteran's Memorial. It would only be approximately 45 minutes and would allow the speakers to be heard during the ceremony. Normally the traffic there is so loud it makes it hard to hear. This request will be on the agenda for Monday's regular meeting. He also reported that we have received bids from two local banks for the fire truck loan so this item will be on the agenda for Monday as well.

There being no further business, meeting was adjourned.

James A. Erb, Mayor

Attest:

Trudy O'Donnell, City Clerk

**CITY CLAIMS 05/16/16**

<b>VENDOR</b>	<b>DESCRIPTION</b>	<b>AMOUNT</b>
PAYROLL	PAYROLL ENDING 04/30/16	\$ 81,743.37
PAYROLL LIABILITIES	PAYROLL LIABILITIES	\$ 34,869.99
UTILITY DEPOSIT REFUNDS	UTILITY DEPOSIT REFUNDS	\$ 720.00
MAY FGP STIPEND CHECKS	MAY FGP STIPEND CHECKS	\$ 17,115.68
AAA RECOVERY SERVICES	CREDIT BUREAU SERVICES-WTP	\$ 13.12
AHLERS & COONEY PC	LABOR RELATIONS-LEGAL	\$ 157.00
AUXIANT	FLEX SPENDING REIMBURSEMENTS	\$ 582.48
BANCORPSV	FLEX PLAN DRAW-BENNY CARDS	\$ 406.14
BANCORPSV	FLEX PLAN DRAW-BENNY CARDS	\$ 622.46
BARBARA BROWN (FGP)	MILEAGE-FGP	\$ 38.88
BROWN SUPPLY CO	HELLA H7 BULBS-STREET	\$ 40.86
BRUENING ROCK PRODUCTS INC	ROAD ROCK/CHIPS-STREET	\$ 4,253.39
BUSINESS CARD	VARIOUS CHARGES-CITY DEPTS	\$ 1,179.72
CALIBRE PRESS	BULLETPROOF TRAINING-PD	\$ 627.00
CARQUEST AUTO PARTS	REPAIR PARTS-CITY DEPTS	\$ 1,101.12
CEDAR CREEK TREE SERVICE LLC	TREE REMOVAL-P&R	\$ 4,200.00
CEDAR RIVER	WATER PIPE CROSSING	\$ 1,637.50
CEDAR VALLEY PRINT & SUPPLY	SUPPLIES/SHIPPING-CITY DEPTS	\$ 305.12
CENTURYLINK COMMUNICATIONS	PHONE BILL-CITY DEPTS	\$ 2,392.20
CERRO GORDO PUBLIC HEALTH	VICKY CLARK PHYSICAL-FGP	\$ 40.00
CHARLES CITY PRESS INC	LEGALS/SPRING CLEANUP INSERTS-BUS OFF	\$ 1,375.11
CINTAS CORPORATION #762	MAT SERVICE-WTP	\$ 106.56
CITY MOTOR PARTS LTD	PARTS/SUPPLIES-CITY DEPTS	\$ 1,093.65
CLEAR LAKE SANITARY DISTRICT	APRIL E COLI TESTING-WWTP	\$ 110.00
CROELL REDI MIX INC	M4 WR-WTP	\$ 2,177.50
DASH MEDICAL GLOVES INC	NITRILE GLOVES-PD	\$ 85.90
DE LAGE LANDEN	COPIER LEASE-BUS OFF	\$ 158.68
DON'S REPAIR	NEW MOWER-P&R	\$ 517.84
ELECTRONIC ENGINEERING	REPLACE CENCOM-TAHOE #4-PD	\$ 490.00
ELKS LODGE #418	APPRECIATION EVENT-FGP	\$ 1,210.00
FAREWAY STORE	SUPPLIES-FD/FGP	\$ 554.02
FIRE EQUIPMENT SPECIALTIES INC	CLASS A FOAM-FD	\$ 2,792.00
FIRE SERVICE TRAINING BUREAU	REGIS-RASHAD PENTON-FD	\$ 80.00
FIRST CITIZENS - CC	CREDIT CARD FEES-P&R	\$ 191.06
FMC COUNTY LANDFILL	EXTRA HOURS-SPRING CLEANUP	\$ 400.00
FOREMOST PROMOTIONS	LEARN ABOUT 911 COLORING BOOKS-PD	\$ 265.50
FRIEDRICH PLUMBING & HEATING	BATHHOUSE WATER HEATER/STARTUP-P&R	\$ 3,367.88
GOLDER ASSOCIATES INC	SHAW AVE 5-YR REVIEW-STREET	\$ 681.25
HAWKEYE COMMUNITY COLLEGE	MODULE B-H ORTMAYER-RESERVE PD	\$ 85.00
HAWKINS INC	CL2 150# CYL-WTP	\$ 774.00
HEIDI J. NIELSEN	TRAVEL REIMBURSEMENTS-HOUSING	\$ 66.48
HELMETS R US	BIKE HELMETS-BIKE RODEO-PD	\$ 225.80

HEWETT WHOLESALE	FOOD-P&R	\$	98.25
HOLIDAY INN AIRPORT	LODGING-TRUDY O'DONNELL-CLERK	\$	207.51
HYDRO KLEAN LLC	MANHOLE REHABS-SANI SEWER/SWU	\$	30,960.00
I WIRELESS	PHONE BILL-FGP	\$	72.31
IDOT-CASHIER'S OFFICE	FUEL/SUPPLIES-CITY DEPTS	\$	1,677.82
IMAGETEK INC	RADIX STORAGE-CITY CLERK	\$	355.75
INTERSTATE BATTERIES UPPER IOWA	BATTERY-WTP	\$	109.95
IOWA DIV OF LABOR SERVICES	BOILER INSPECTIONS-CVTC/WTP	\$	160.00
JANET NIESS (FGP)	MILEAGE-FGP	\$	128.00
JENDRO SANITATION SERVICES	GARBAGE PICKUP-CITY DEPTS	\$	19,755.18
JOHN DEERE FINANCIAL	SUPPLIES-CITY DEPTS	\$	198.14
JOHN FALLIS	TRAVEL REIMBURSEMENT-ENG	\$	122.54
KABRICK DISTRIBUTING CO	BEER-P&R	\$	217.40
KABRICK DISTRIBUTING CO	BEER-P&R	\$	466.00
KEYSTONE LABORATORIES	WASTEWATER ANALYSIS-WWTP	\$	569.13
KMART STORE #7767	TWO 12' BICYCLES-BIKE RODEO-PD	\$	139.98
KWIK TRIP INC	FUEL-PD/P&R	\$	1,987.15
L&J INDUSTRIES INC	TRAILER STEEL-P&R	\$	36.70
LEAF	COPIER LEASE-PD	\$	121.03
LESSIN SUPPLY COMPANY	SUPPLIES-CITY DEPTS	\$	1,267.14
MARCO INC	COPIER LEASE-BUS OFF	\$	117.33
STOREY KENWORTHY/MATT PARROTT	BALANCE DUE-BUS OFF	\$	20.00
MECHANICAL AIR SYSTEMS CO	DAMAGED FAN BLADES-WWTP	\$	75.00
MERRITT COMPUTER SERVICE INC	DIRK'S COMPUTER-STREET	\$	1,152.00
METERING TECHNOLOGY SOLUTIONS	LOW LEAD METERS-WTP	\$	3,887.35
MIDWEST LABORATORIES INC	LIME ANALYSIS/EPA SLUDGE PKG-WWTP	\$	240.00
MIKE'S C&O TIRE INC	TIRE REPAIRS-P&R	\$	86.01
MILLS-INC	PLUMBING MATERIALS-WWTP	\$	50.16
NEWBAUER INC	MAT/TOWEL SERV-WWTP/CITY HALL	\$	102.64
NIACOG	CONTRIBUTION/TRANSIT TKTS SOLD-BUS OFF	\$	6,182.25
NORTH IOWA BROADCASTING	CHILD ABUSE PREVENTION AD-PD	\$	100.00
OFFICE DEPOT	COPY PAPER-BUS OFF/WWTP	\$	89.83
OFFICE OF VEHICLE SERVICES	STATE AUTO INSPECTION-PD	\$	40.00
PEPSI-COLA	POP-P&R	\$	359.34
PETTY CASH-BUS OFF	SUPPLIES/POSTAGE-BUS OFF	\$	10.18
PITNEY BOWES SUPPLIES	INK CARTRIDGES-BUS OFF	\$	244.76
POSTMASTER	UTILITY BILL POSTAGE	\$	910.00
RILEY'S INC	SUPPLIES-CITY DEPTS	\$	544.07
SCHUETH ACE HARDWARE	SUPPLIES-CITY DEPTS	\$	551.59
SHARON OTT (FGP)	MILEAGE-FGP	\$	23.76
SHERWIN-WILLIAMS CO	PAINT/SUPPLIES-CITY DEPTS	\$	162.81
SOCIETY HUMAN RESOURCE MGMT	DUES-VIRGINIA TITUS-BUS OFF	\$	190.00
STEVEN T DIERS	MONTHLY PHONE STIPEND-ADMIN	\$	50.00
SUPERIOR LUMBER INC	SUPPLIES-CITY DEPTS	\$	167.17
SWARTZROCK IMPLEMENT CO	TRACTOR PARTS-P&R	\$	28.88
TERRI NOVAK	MILEAGE-P&R	\$	74.52
TREASURER, STATE OF IOWA	SALES TAX-CITY DEPTS	\$	8,306.93

UNITED BEVERAGE-MC	BEER-P&R	\$	22.20
UNITED STATES CELLULAR	TABLETS/PHONES-CITY DEPTS	\$	909.05
UNITYPOINT HEALTH	BROADNET CONNECT-TIF	\$	1,200.00
VICKI INMAN (FGP)	MILEAGE-FGP	\$	24.30

**TOTAL** \$ 253,426.37



FUND#	TITLE	LAST REPORT ON HAND	REVENUE	EXPENSES	THIS MONTH CASH BALANCE
0	GENERAL	389,900.34	828,675.00	289,348.62	929,226.72
002	PETTY CASH	885.00	.00	.00	885.00
003	POLICE DISPATCH	27,076.64-	32,814.92	36,821.58	31,083.30-
004	K-9 UNIT	.00	.00	.00	.00
005	POLICE SAFETY EDUCATIO	6,157.89	200.00	640.80	5,717.09
007	PARK & REC C/I HOTEL/M	43,167.95	50.29	.00	43,218.24
009	COMMUNCIATION EQUIP FU	25,899.35	1,197.52	.00	27,096.87
010	HOTEL MOTEL TAX	121,060.16	137.42	6,205.07	114,992.51
030	NUISANCE ABATEMENT RES	.00	.00	.00	.00
050	POLICE PURCHASE RESERV	.00	.00	.00	.00
051	FIRE PURCHASE RESERVE	.00	.00	.00	.00
052	STREET PURCHASE RESERV	.00	.00	.00	.00
053	PARK & REC PURCHASE RE	.00	.00	.00	.00
054	ADMIN PURCHASE RESERVE	.00	.00	.00	.00
099	PAYROLL CLEARING	.00	.00	.00	.00
110	ROAD USE TAX	783,774.45	56,273.93	36,548.70	803,499.68
111	STEP GRANT	.00	.00	.00	.00
112	EMPLOYEE BENEFITS	245,434.28	355,722.51	261,202.64	339,954.15
113	CVTC OPERATING FUND	46,537.40	8,361.40	11,194.65	43,704.15
114	FEMA BUYOUT SUBSTANTIA	.00	.00	.00	.00
115	FEMA BUYOUT NON SUBS	.00	.00	.00	.00
116	2008 FLOOD	.00	.00	.00	.00
119	EMERGENCY	40,814.11	21,795.90	.00	62,610.01
120	WPC FLOOD WAL	.00	.00	.00	.00
121	LOCAL OPTION SALES TAX	3,034,986.44	55,311.03	.00	3,090,297.47
122	2013 FLOOD	6,131.49	.00	.00	6,131.49
123	RIVERSIDE TIF	624,590.05	67,950.07	.00	692,540.12
126	SW BYPASS TIF	1,199,699.02	10,102.05	.00	1,209,801.07
127	SOUTH GRAND TIF	21,898.69	8,580.63	.00	30,479.32
128	EAST PARK TIF	46,346.54	9,665.16	.00	56,011.70
129	PARK AVENUE TIF	344,964.57	61,079.82	.00	406,044.39
139	CARRIE CHAPMAN CATT	.00	.00	.00	.00
160	CW REC TRAIL	.00	.00	.00	.00
163	CEBA GRANT	.00	.00	.00	.00
167	LIBRARY TRUST FUNDS	240,551.66	.00	103.02	240,448.64
168	ROUK	.00	.00	.00	.00
170	FGP ADVISORY	10,598.30	2,166.00	736.13	12,028.17
171	FGP FEDERAL ADMINISTRA	45,334.84-	45,755.82	27,771.12	27,350.14-
172	PUBLIC HOUSING SEC DEP	39,371.27	622.02	400.00	39,593.29
173	PUBLIC HOUSING	2,282,997.26	63,274.31	86,040.51	2,260,231.06
174	SECTION 8 VOUCHER	110,970.81	54,872.03	55,035.63	110,807.21
177	POLICE ASSET FORFEITUR	215.21	.00	200.00	15.21
178	DWELLING STRUCTURE	.00	.00	.00	.00
179	2012 REHAB GRANT	2,133.42-	.00	.00	2,133.42-
183	06 CAPITAL FUND	.00	.00	.00	.00
184	07 CAPITAL FUND	.00	.00	.00	.00
185	08 CAPITAL FUND	.00	.00	.00	.00
186	2009 CAPITAL FUND	.00	.00	.00	.00
187	2010 CAPITAL FUND	.00	.00	.00	.00
188	2011 CAPITAL FUND	.00	.00	.00	.00
199	CABLE TV	163,069.34	15,333.82	16.00	178,387.16
2	DEBT SERVICE	313,151.23	140,031.61	.00	453,182.84
202	INVALID ACCOUNT BREAK	.00	.00	.00	.00

CITY OF CHARLES CITY  
TREASURER'S REPORT  
CALENDAR 4/2016, FISCAL 10/2016

FUND#	TITLE	LAST REPORT ON HAND	REVENUE	EXPENSES	THIS MONTH CASH BALANCE
302	SUSPENSION BR	.00	.00	.00	.00
303	STREET RELATED C/I	624,012.24-	.00	.00	624,012.24-
306	CLARK STREET TRAIL	.00	.00	.00	.00
308	RIVERFRONT PROJECT	15,285.15-	.00	.00	15,285.15-
309	PEDESTRIAN BRIDGE	.00	.00	.00	.00
310	I-JOBS FIRE STATION	.00	.00	.00	.00
313	2005 CDBG HOUSING REHA	.00	.00	.00	.00
314	LAW ENFORCEMENT GRANT	.00	.00	.00	.00
315	2008 CDBG GRANT	.00	.00	.00	.00
316	05 S MAIN	.00	.00	.00	.00
317	2011 PERMEABLE PAVING	.00	.00	.00	.00
318	9TH ST PERMEABLE PAVIN	.00	.00	.00	.00
319	NET ZERO HOUSING PROJE	.00	.00	.00	.00
320	MASTER FACADE PROJECT	.00	.00	.00	.00
321	2011 CAPITAL PROJECT	.00	.00	.00	.00
322	2012 CAPITAL PROJECT	.00	.00	.00	.00
323	2013 CAPITAL FUND	2,435.55	.00	2,332.73	102.82
324	2014 CAPITAL PROJECT	.20-	79,018.92	79,018.92	.20-
325	2015 CAPITAL PROJECT	.00	.00	.00	.00
326	2016 CAPTIAL PROJECT	.00	.00	.00	.00
350	CAPITAL PROJECT-MCQUIL	13,000.00-	.00	.00	13,000.00-
600	WATER	2,421,339.91	155,077.81	103,491.70	2,472,926.02
602	UTILITY IMPROVEMENTS P	72,516.08	.00	.00	72,516.08
603	WATER METER DEPOSITS	50,478.67	1,170.00	915.00	50,733.67
610	SEWER	2,111,356.30	115,402.47	67,919.04	2,158,839.73
611	SEWER IMPROVEMENT	.00	.00	.00	.00
612	UV DISINFECTION PROJEC	1,270,195.32-	.00	531.00	1,270,726.32-
613	WWTP EXPANSION FUND	.00	.00	.00	.00
670	WASTE FUND	83,595.92	27,633.32	26,386.80	84,842.44
690	TRANSIT	20,096.05	1,285.00	.00	21,381.05
740	STORM WATER	289,616.91	13,315.32	4,137.31	298,794.92
741	FIRE EXTINGUISHER	10,037.94	1,180.00	532.72	10,685.22
Report Total		13,207,608.33	2,234,056.10	1,097,529.69	14,344,134.74

CITY OF CHARLES CITY  
 REVENUE REPORT  
 CALENDAR 4/2016, FISCAL 10/2016  
 BUDGET

ACCOUNT NUMBER	ACCOUNT TITLE	BUDGET	MTD BALANCE	YTD BALANCE	PERCENT RECVD	UNCOLLECTED
	GENERAL TOTAL	4,370,941.00	828,675.00	2,685,951.21	61.45	1,684,989.79
	PETTY CASH TOTAL	.00	.00	.00	.00	.00
	POLICE DISPATCH TOTAL	420,433.00	32,814.92	340,791.97	81.06	79,641.03
	K-9 UNIT TOTAL	.00	.00	.00	.00	.00
	POLICE SAFETY EDUCATION TOTAL	5,300.00	200.00	5,463.00	103.08	163.00-
	PARK & REC C/I HOTEL/MOTE TOTA	48,750.00	50.29	735.85	1.51	48,014.15
	COMMUNCIATION EQUIP FUND TOTA	14,500.00	1,197.52	12,157.30	83.84	2,342.70
	HOTEL MOTEL TAX TOTAL	120,750.00	137.42	107,596.12	89.11	13,153.88
	NUISANCE ABATEMENT RESERV TOTA	50,000.00	.00	.00	.00	50,000.00
	POLICE PURCHASE RESERVE TOTAL	20,000.00	.00	.00	.00	20,000.00
	FIRE PURCHASE RESERVE TOTAL	.00	.00	.00	.00	.00
	STREET PURCHASE RESERVE TOTAL	.00	.00	.00	.00	.00
	PARK & REC PURCHASE RESER TOTA	.00	.00	.00	.00	.00
	ADMIN PURCHASE RESERVE TOTAL	.00	.00	.00	.00	.00
	ROAD USE TAX TOTAL	877,548.00	56,273.93	800,281.03	91.20	77,266.97
	STEP GRANT TOTAL	.00	.00	.00	.00	.00
	EMPLOYEE BENEFITS TOTAL	1,087,882.00	355,722.51	1,032,649.60	94.92	55,232.40

CITY OF CHARLES CITY  
 REVENUE REPORT  
 CALENDAR 4/2016, FISCAL 10/2016  
 BUDGET MTD

ACCOUNT NUMBER	ACCOUNT TITLE	BUDGET	MTD BALANCE	YTD BALANCE	PERCENT RECVD	UNCOLLECTED
	CVTC OPERATING FUND TOTAL	121,714.00	8,361.40	66,032.39	54.25	55,681.61
	FEMA BUYOUT SUBSTANTIAL TOTAL	.00	.00	.00	.00	.00
	FEMA BUYOUT NON SUBS TOTAL	.00	.00	.00	.00	.00
	2008 FLOOD TOTAL	.00	.00	.00	.00	.00
	EMERGENCY TOTAL	65,444.00	21,795.90	62,610.01	95.67	2,833.99
	WPC FLOOD WAL TOTAL	.00	.00	.00	.00	.00
	LOCAL OPTION SALES TAX TOTAL	660,000.00	55,311.03	624,887.01	94.68	35,112.99
	2013 FLOOD TOTAL	4,279.00	.00	4,279.04	100.00	.04-
	RIVERSIDE TIF TOTAL	194,373.00	67,950.07	174,027.93	89.53	20,345.07
	SW BYPASS TIF TOTAL	61,500.00	10,102.05	61,524.83	100.04	24.83-
	SOUTH GRAND TIF TOTAL	21,329.00	8,580.63	20,312.17	95.23	1,016.83
	EAST PARK TIF TOTAL	21,430.00	9,665.16	20,573.68	96.00	856.32
	PARK AVENUE TIF TOTAL	286,506.00	61,079.82	162,528.72	56.73	123,977.28
	CARRIE CHAPMAN CATT TOTAL	.00	.00	.00	.00	.00
	CW REC TRAIL TOTAL	.00	.00	.00	.00	.00
	CEBA GRANT TOTAL	.00	.00	.00	.00	.00
	LIBRARY TRUST FUNDS TOTAL	25,719.00	.00	19,879.24	77.29	5,839.76

CITY OF CHARLES CITY  
 REVENUE REPORT  
 CALENDAR 4/2016, FISCAL 10/2016  
 BUDGET

ACCOUNT NUMBER	ACCOUNT TITLE	BUDGET	MTD BALANCE	YTD BALANCE	PERCENT RECVD	UNCOLLECTED
	ROUK TOTAL	.00	.00	.00	.00	.00
	FGP ADVISORY TOTAL	6,750.00	2,166.00	4,176.05	61.87	2,573.95
	FGP FEDERAL ADMINISTRATIO TOTA	483,329.00	45,755.82	197,739.92	40.91	285,589.08
	PUBLIC HOUSING SEC DEP TOTAL	7,000.00	622.02	5,789.91	82.71	1,210.09
	PUBLIC HOUSING TOTAL	742,900.00	63,274.31	613,851.17	82.63	129,048.83
	SECTION 8 VOUCHER TOTAL	692,500.00	54,872.03	573,527.31	82.82	118,972.69
	POLICE ASSET FORFEITURE TOTAL	1,000.00	.00	.00	.00	1,000.00
	DWELLING STRUCTURE TOTAL	.00	.00	.00	.00	.00
	2012 REHAB GRANT TOTAL	133,208.00	.00	131,858.00	98.99	1,350.00
	06 CAPITAL FUND TOTAL	.00	.00	.00	.00	.00
	07 CAPITAL FUND TOTAL	.00	.00	.00	.00	.00
	08 CAPITAL FUND TOTAL	.00	.00	.00	.00	.00
	2009 CAPITAL FUND TOTAL	.00	.00	.00	.00	.00
	2010 CAPITAL FUND TOTAL	.00	.00	.00	.00	.00
	2011 CAPITAL FUND TOTAL	.00	.00	.00	.00	.00
	CABLE TV TOTAL	65,045.00	15,333.82	62,779.77	96.52	2,265.23
	DEBT SERVICE TOTAL	1,070,540.00	140,031.61	2,616,393.14	244.40	1,545,853.14-

CITY OF CHARLES CITY  
 REVENUE REPORT  
 CALENDAR 4/2016, FISCAL 10/2016  
 BUDGET

ACCOUNT NUMBER	ACCOUNT TITLE	BUDGET	MTD BALANCE	YTD BALANCE	PERCENT RECVD	UNCOLLECTED
	TOTAL	.00	.00	.00	.00	.00
	SUSPENSION BR TOTAL	.00	.00	.00	.00	.00
	STREET RELATED C/I TOTAL	1,191,219.96	.00	421,219.66	35.36	770,000.30
	CLARK STREET TRAIL TOTAL	.00	.00	.00	.00	.00
	RIVERFRONT PROJECT TOTAL	43,644.00	.00	30,128.39	69.03	13,515.61
	PEDESTRIAN BRIDGE TOTAL	.00	.00	.00	.00	.00
	I-JOBS FIRE STATION TOTAL	.00	.00	.00	.00	.00
	2005 CDBG HOUSING REHAB TOTAL	.00	.00	.00	.00	.00
	2008 CDBG GRANT TOTAL	.00	.00	.00	.00	.00
	2011 PERMEABLE PAVING TOTAL	.00	.00	.00	.00	.00
	9TH ST PERMEABLE PAVING TOTAL	.00	.00	.00	.00	.00
	NET ZERO HOUSING PROJECT TOTA	.00	.00	.00	.00	.00
	MASTER FACADE PROJECT TOTAL	.00	.00	.00	.00	.00
	2011 CAPITAL PROJECT TOTAL	.00	.00	.00	.00	.00
	2012 CAPITAL PROJECT TOTAL	.00	.00	.00	.00	.00
	2013 CAPITAL FUND TOTAL	53,936.00	.00	53,936.60	100.00	.60
	2014 CAPITAL PROJECT TOTAL	132,829.00	79,018.92	116,502.12	87.71	16,326.88

CITY OF CHARLES CITY  
 REVENUE REPORT  
 CALENDAR 4/2016, FISCAL 10/2016  
 BUDGET

ACCOUNT NUMBER	ACCOUNT TITLE	BUDGET	MTD BALANCE	YTD BALANCE	PERCENT RECVD	UNCOLLECTED
	2015 CAPITAL PROJECT TOTAL	30,000.00	.00	.00	.00	30,000.00
	2016 CAPTIAL PROJECT TOTAL	.00	.00	.00	.00	.00
	CAPITAL PROJECT-MCQUILLEN TOTA	.00	.00	.00	.00	.00
	WATER TOTAL	2,174,901.08	155,077.81	1,882,372.74	86.55	292,528.34
	UTILITY IMPROVEMENTS PLAN TOTA	.00	.00	.00	.00	.00
	WATER METER DEPOSITS TOTAL	20,000.00	1,170.00	20,700.00	103.50	700.00-
	SEWER TOTAL	1,325,017.00	115,402.47	1,142,638.09	86.24	182,378.91
	SEWER IMPROVEMENT TOTAL	.00	.00	.00	.00	.00
	UV DISINFECTION PROJECT TOTAL	1,469,552.00	.00	.00	.00	1,469,552.00
	WWTP EXPANSION FUND TOTAL	.00	.00	.00	.00	.00
	WASTE FUND TOTAL	336,150.00	27,633.32	282,566.51	84.06	53,583.49
	TRANSIT TOTAL	101,670.00	1,285.00	18,085.00	17.79	83,585.00
	STORM WATER TOTAL	168,400.00	13,315.32	140,680.48	83.54	27,719.52
	FIRE EXTINGUISHER TOTAL	6,000.00	1,180.00	5,266.28	87.77	733.72
	TOTAL REVENUE BY FUND	<u>18,733,989.04</u>	<u>2,234,056.10</u>	<u>14,522,492.24</u>	<u>77.52</u>	<u>4,211,496.80</u>

CITY OF CHARLES CITY  
 BUDGET REPORT  
 CALENDAR 4/2016, FISCAL 10/2016

ACCOUNT NUMBER	ACCOUNT TITLE	BUDGET	MTD BALANCE	YTD BALANCE	PERCENT EXPENDED	UNEXPENDED
	GENERAL TOTAL	4,372,371.00	289,348.62	3,370,156.31	77.08	1,002,214.69
	PETTY CASH TOTAL	.00	.00	.00	.00	.00
	POLICE DISPATCH TOTAL	469,249.00	36,821.58	345,063.73	73.54	124,185.27
	K-9 UNIT TOTAL	.00	.00	.00	.00	.00
	POLICE SAFETY EDUCATION TOTAL	3,500.00	640.80	2,118.82	60.54	1,381.18
	PARK & REC C/I HOTEL/MOTE TOTA	70,695.00	.00	42,893.61	60.67	27,801.39
	COMMUNCIATION EQUIP FUND TOTA	34,100.00	.00	34,038.30	99.82	61.70
	HOTEL MOTEL TAX TOTAL	120,105.00	6,205.07	15,538.70	12.94	104,566.30
	NUISANCE ABATEMENT RESERV TOTA	.00	.00	.00	.00	.00
	POLICE PURCHASE RESERVE TOTAL	.00	.00	.00	.00	.00
	FIRE PURCHASE RESERVE TOTAL	.00	.00	.00	.00	.00
	STREET PURCHASE RESERVE TOTAL	.00	.00	.00	.00	.00
	PARK & REC PURCHASE RESER TOTA	.00	.00	.00	.00	.00
	ADMIN PURCHASE RESERVE TOTAL	.00	.00	.00	.00	.00
	PAYROLL CLEARING TOTAL	.00	.00	.00	.00	.00
	ROAD USE TAX TOTAL	848,549.00	36,548.70	658,073.48	77.55	190,475.52
	STEP GRANT TOTAL	.00	.00	.00	.00	.00

CITY OF CHARLES CITY  
 BUDGET REPORT  
 CALENDAR 4/2016, FISCAL 10/2016

ACCOUNT NUMBER	ACCOUNT TITLE	BUDGET	MTD BALANCE	YTD BALANCE	PERCENT EXPENDED	UNEXPENDED
	EMPLOYEE BENEFITS TOTAL	1,060,161.00	261,202.64	893,430.64	84.27	166,730.36
	CVTC OPERATING FUND TOTAL	131,214.00	11,194.65	57,420.22	43.76	73,793.78
	FEMA BUYOUT SUBSTANTIAL TOTAL	.00	.00	.00	.00	.00
	FEMA BUYOUT NON SUBS TOTAL	.00	.00	.00	.00	.00
	2008 FLOOD TOTAL	.00	.00	.00	.00	.00
	EMERGENCY TOTAL	65,941.00	.00	.00	.00	65,941.00
	WPC FLOOD WAL TOTAL	.00	.00	.00	.00	.00
	LOCAL OPTION SALES TAX TOTAL	989,808.00	.00	.00	.00	989,808.00
	2013 FLOOD TOTAL	.00	.00	29,225.35	.00	29,225.35-
	RIVERSIDE TIF TOTAL	254,893.00	.00	58,351.03	22.89	196,541.97
	SW BYPASS TIF TOTAL	357,000.00	.00	148,182.83	41.51	208,817.17
	SOUTH GRAND TIF TOTAL	2,000.00	.00	.00	.00	2,000.00
	EAST PARK TIF TOTAL	21,180.00	.00	18,892.85	89.20	2,287.15
	PARK AVENUE TIF TOTAL	132,451.00	.00	91,205.29-	68.86-	223,656.29
	CARRIE CHAPMAN CATT TOTAL	.00	.00	.00	.00	.00
	CW REC TRAIL TOTAL	.00	.00	.00	.00	.00
	CEBA GRANT TOTAL	.00	.00	.00	.00	.00

CITY OF CHARLES CITY  
 BUDGET REPORT  
 CALENDAR 4/2016, FISCAL 10/2016

ACCOUNT NUMBER	ACCOUNT TITLE	BUDGET	MTD BALANCE	YTD BALANCE	PERCENT EXPENDED	UNEXPENDED
	LIBRARY TRUST FUNDS TOTAL	18,400.00	103.02	14,675.28	79.76	3,724.72
	ROUK TOTAL	.00	.00	.00	.00	.00
	FGP ADVISORY TOTAL	13,783.00	736.13	10,599.64	76.90	3,183.36
	FGP FEDERAL ADMINISTRATIO. TOTA	472,212.00	27,771.12	224,653.26	47.57	247,558.74
	PUBLIC HOUSING SEC DEP TOTAL	7,200.00	400.00	5,255.58	72.99	1,944.42
	PUBLIC HOUSING TOTAL	612,969.00	86,040.51	478,539.27	78.07	134,429.73
	SECTION 8 VOUCHER TOTAL	689,717.00	55,035.63	544,409.05	78.93	145,307.95
	POLICE ASSET FORFEITURE TOTAL	2,000.00	200.00	2,025.27	101.26	25.27-
	DWELLING STRUCTURE TOTAL	.00	.00	.00	.00	.00
	2012 REHAB GRANT TOTAL	34,605.00	.00	34,604.21	100.00	.79
	06 CAPITAL FUND TOTAL	.00	.00	.00	.00	.00
	07 CAPITAL FUND TOTAL	.00	.00	.00	.00	.00
	08 CAPITAL FUND TOTAL	.00	.00	.00	.00	.00
	2009 CAPITAL FUND TOTAL	.00	.00	.00	.00	.00
	2010 CAPITAL FUND TOTAL	.00	.00	.00	.00	.00
	2011 CAPITAL FUND TOTAL	.00	.00	.00	.00	.00
	CABLE TV TOTAL	75,375.00	16.00	20,997.34	27.86	54,377.66

CITY OF CHARLES CITY  
 BUDGET REPORT  
 CALENDAR 4/2016, FISCAL 10/2016

ACCOUNT NUMBER	ACCOUNT TITLE	BUDGET	MTD BALANCE	YTD BALANCE	PERCENT EXPENDED	UNEXPENDED
	DEBT SERVICE TOTAL	3,333,600.96	.00	2,285,322.00	68.55	1,048,278.96
	SUSPENSION BR TOTAL	.00	.00	.00	.00	.00
	STREET RELATED C/I TOTAL	1,135,103.00	.00	1,059,388.88	93.33	75,714.12
	CLARK STREET TRAIL TOTAL	.00	.00	.00	.00	.00
	RIVERFRONT PROJECT TOTAL	91,727.00	.00	91,634.92	99.90	92.08
	PEDESTRIAN BRIDGE TOTAL	.00	.00	.00	.00	.00
	I-JOBS FIRE STATION TOTAL	.00	.00	.00	.00	.00
	2005 CDBG HOUSING REHAB TOTAL	.00	.00	.00	.00	.00
	LAW ENFORCEMENT GRANT TOTAL	.00	.00	.00	.00	.00
	2008 CDBG GRANT TOTAL	.00	.00	.00	.00	.00
	05 S MAIN TOTAL	.00	.00	.00	.00	.00
	2011 PERMEABLE PAVING TOTAL	.00	.00	.00	.00	.00
	9TH ST PERMEABLE PAVING TOTAL	.00	.00	.00	.00	.00
	NET ZERO HOUSING PROJECT TOTA	.00	.00	.00	.00	.00
	MASTER FACADE PROJECT TOTAL	.00	.00	.00	.00	.00
	2011 CAPITAL PROJECT TOTAL	.00	.00	.00	.00	.00
	2012 CAPITAL PROJECT TOTAL	.00	.00	.00	.00	.00

CITY OF CHARLES CITY  
 BUDGET REPORT  
 CALENDAR 4/2016, FISCAL 10/2016

ACCOUNT NUMBER	ACCOUNT TITLE	BUDGET	MTD BALANCE	YTD BALANCE	PERCENT EXPENDED	UNEXPENDED
	2013 CAPITAL FUND TOTAL	53,936.00	2,332.73	53,833.78	99.81	102.22
	2014 CAPITAL PROJECT TOTAL	132,829.00	79,018.92	116,502.32	87.71	16,326.68
	2015 CAPITAL PROJECT TOTAL	30,000.00	.00	.00	.00	30,000.00
	2016 CAPTIAL PROJECT TOTAL	.00	.00	.00	.00	.00
	CAPITAL PROJECT-MCQUILLEN TOTA	15,600.00	.00	13,000.00	83.33	2,600.00
	WATER TOTAL	1,900,458.00	103,491.70	933,767.65	49.13	966,690.35
	UTILITY IMPROVEMENTS PLAN TOTA	72,516.08	.00	.00	.00	72,516.08
	WATER METER DEPOSITS TOTAL	22,000.00	915.00	21,329.68	96.95	670.32
	SEWER TOTAL	1,183,428.00	67,919.04	712,963.54	60.25	470,464.46
	SEWER IMPROVEMENT TOTAL	.00	.00	.00	.00	.00
	UV DISINFECTION PROJECT TOTAL	1,128,659.00	531.00	929,884.21	82.39	198,774.79
	WWTP EXPANSION FUND TOTAL	.00	.00	.00	.00	.00
	WASTE FUND TOTAL	319,197.00	26,386.80	250,790.78	78.57	68,406.22
	TRANSIT TOTAL	98,470.00	.00	62,918.51	63.90	35,551.49
	STORM WATER TOTAL	246,696.00	4,137.31	190,658.00	77.28	56,038.00
	FIRE EXTINGUISHER TOTAL	7,000.00	532.72	6,816.50	97.38	183.50
	TOTAL EXPENSES BY FUND	<u>20,630,698.04</u>	<u>1,097,529.69</u>	<u>13,646,750.25</u>	<u>66.15</u>	<u>6,983,947.79</u>

**FINANCIAL REPORT  
APRIL 2016  
CHARLES CITY  
PUBLIC EMPLOYEES  
HEALTH PLAN**

	MONTHLY TOTALS 4/1/16-4/30/16	PLAN YEAR TOTALS 7/1/15-6/30-16	TOTALS TO DATE 5/1/82-6/30/16
<b>Balance 3/31/2016</b>	\$352,832.61	\$327,399.22	\$0.00
<b>RECEIPTS</b>			
Contributions Paid	\$72,495.80	\$709,317.42	\$14,417,161.42
Refunds/Voids/Stop Loss	\$58.22	\$4,346.47	\$2,207,072.28
Interest-checking	\$445.60	\$4,097.60	\$116,144.96
Interest-CD	\$0.00	\$0.00	\$33,066.21
Transfers	\$0.00	\$0.00	\$365,000.00
<b>TOTAL</b>	<b>\$72,999.62</b>	<b>\$717,761.49</b>	<b>\$17,138,444.87</b>
<b>EXPENDITURES</b>			
Premiums/fees/admin.	\$17,705.30	\$181,722.33	\$4,047,872.20
Claims	\$46,698.82	\$502,010.27	\$11,997,271.26
Refunds-adj./stop loss	\$0.00	\$0.00	\$326,803.27
Transfers	\$0.00	\$0.00	\$255,037.03
Checks/bank fees/investment	\$0.00	\$0.00	\$150,033.00
<b>TOTAL</b>	<b>\$64,404.12</b>	<b>\$683,732.60</b>	<b>\$16,777,016.76</b>
<b>INVESTMENTS</b>			
	\$0.00	\$0.00	\$0.00
<b>Balance 4/30/2016</b>	<b>\$361,428.11</b>	<b>\$361,428.11</b>	<b>\$361,428.11</b>
Bank Balance	\$361,428.11		
Add Deposits in Transit	\$0.00		
Less Outstanding Checks	\$0.00		
Add Investments	\$0.00		
Revised Balance	\$361,428.11		



~ PROCLAMATION ~

WHEREAS, brave men and women of our armed forces have valiantly defended this great republic in its many wars and conflicts to ensure our rights of life, liberty and the pursuit of happiness; and

WHEREAS, many of these brave men and women made the ultimate sacrifice and laid down their lives in the service of their country; and

WHEREAS, all men and women who have defended our nation valiantly so that we, the citizens of the United States of America do enjoy the freedoms granted us by our constitution, shall have their memories preserved for eternity; and

WHEREAS, it is our intention to remember deceased friends and relatives that are dear to us,

NOW, THEREFORE, I, James A. Erb, Mayor of Charles City, Iowa do hereby proclaim Monday, May 30, 2016 as Memorial Day, and urge all citizens of our community to take a few moments and reflect upon the lives of the valiant men and women that have defended our nation and the lives of all of our dear friends and relatives.

In Testimony Whereof, I have hereunto subscribed my name this 16<sup>th</sup> day of May, 2016.

James A. Erb, Mayor



~ PROCLAMATION ~

WHEREAS,

America is the land of freedom, preserved and protected willingly and freely by citizen soldiers; and

WHEREAS,

millions who have answered the call to arms have died on the field of battle; and

WHEREAS,

a Nation at peace must be reminded of the price of war and the debt owed to those who have died in war; and

WHEREAS,

the red poppy has been designated as a symbol of sacrifice of lives in all wars; and

WHEREAS,

the American Legion Auxiliary has pledged to remind America annually of this debt through the distribution of the memorial flower;

NOW THEREFORE, I, James A. Erb, Mayor of Charles City, Iowa do hereby proclaim Friday, May 27<sup>th</sup>, 2016 as Poppy Day in Charles City and ask that all citizens pay tribute to those who have made the ultimate sacrifice in the name of freedom by wearing the Memorial Poppy on this day.

In Testimony Whereof, I have hereunto subscribed my name this 16<sup>th</sup> day of May, 2016.



James A. Erb, Mayor

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## AGENDA ITEM SUMMARY

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**Subject: Relay for Life request to use corner of HyVee parking lot for fundraising event**

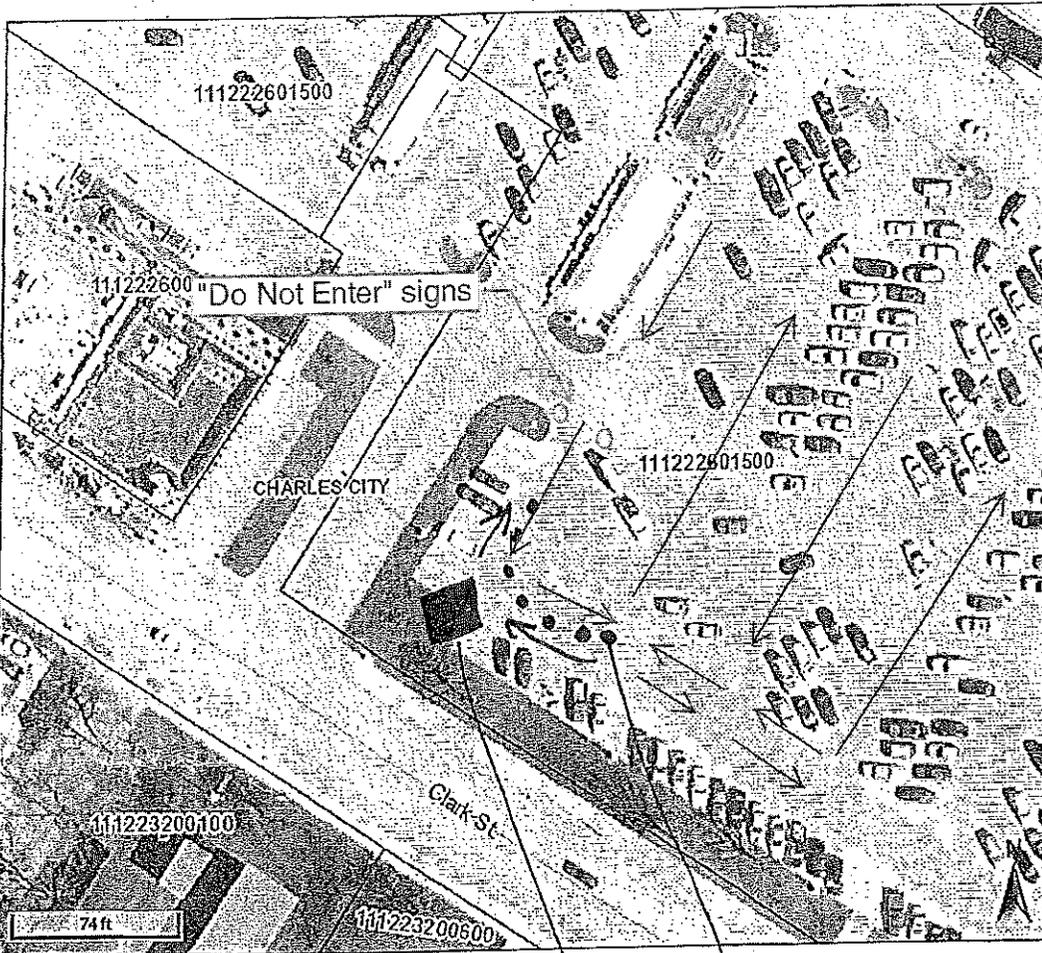
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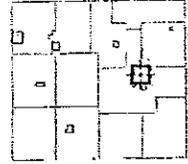
**Background Summary:**

Karen Anderson has submitted a request to use a corner of the HyVee parking lot for a fundraising event for Relay for Life. I am including a map showing where this will be held and the proposed flow of traffic, set up of traffic cones, etc. Karen has talked to both HyVee and First Security about using this area and has gotten approval from both.

CITY OF CHARLES CITY



Overview



Legend

- Corporate Limits
- Political Township
- Parcels
- Roads

Parcel ID 120726200600  
 Sec/Twp/Rng 0-0-0  
 Property Address 1909 BAILEY  
 CHARLES CITY

District CHARLES CITY CORPORATION  
 Brief Tax Description COLL NWLY8' LOT 6  
 ALL LOT 5 BLOCK 6  
 (Note: Not to be used on legal documents)

Alternate ID n/a  
 Class R  
 Acreage n/a

Owner Address Duckett, Barbara J.  
 207 E Main St  
 Ionia, IA 50645-

*orange cones*  
*tent/canopy 10x10*

Date created: 5/3/2016

Developed by  
 The Schneider Corporation

*We will have arrows showing traffic direction*

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## AGENDA ITEM SUMMARY

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**Subject: Parade request for Flores de Mayo May 28**

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**Background Summary:**

Eduardo Concepcion has submitted a parade permit to the police department for Flores de Mayo celebration on May 28. I am submitting the permit he has completed. He will work with the police department for traffic control for this parade and will be here at the meeting to answer questions.

CITY OF CHARLES CITY

CHARLES CITY PARADE PERMIT

CITY CODE 60.68

THE ORGANIZER AND APPLICANT WILL AGREE TO AND ACCEPT RESPONSIBILITY FOR OBSERVING CITY CODE AND OBEYING ALL RULES INCLUDING, BUT NOT LIMITED TO, THOSE SET OUT ON THE SECOND PAGE OF THIS APPLICATION.

DATE OF APPLICATION: 5/6/16

1. DATE OF PARADE: May 28, 2016 TIME: 2:30 pm

2. PERSON OR ORGANIZATION SPONSORING PARADE:

NAME: FIL-AM ASSN. OF CHARLES CITY

ADDRESS: 709 9th Ave., Charles City PHONE #: \_\_\_\_\_

PERSON IN CHARGE: EDUARDO CONCEPCION PHONE #: 641-715-1124

SIGNATURE: [Signature]

3. PARADE IS IN CONJUNCTION WITH (CELEBRATION/FUNCTION/EVENT)

FLORES DE MAYO CELEBRATION

4. STAGING AREA (WHERE WILL THE PARADE LINE-UP):

IMMACULATE CONCEPTION CHURCH, CHARLES CITY

5. EXACT PARADE ROUTE: CLARK ST.; TURN RIGHT TO WISCONSIN ST.  
turn right to Blunt Pkwy; turn left of Milwaukee St.

6. NUMBER OF ENTRIES: about 100 parishioners then straight to

7. ANY SPECIAL ENTRY: (Horse teams, over-length vehicles, etc.) Senior Center

none

8. SECURITY RISK ENTRIES (i.e. political figures):

none

INTERNAL USE:

AUTHORIZATION IS HEREBY: GRANTED \_\_\_\_\_ DENIED \_\_\_\_\_ TO THE ABOVE NAMED PERSON OR ORGANIZATION FOR A PARADE ON THE ABOVE DATE AND TIME.

\_\_\_\_\_  
MAYOR OR MAYOR PRO TEMP

\_\_\_\_\_  
CHIEF OF POLICE

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**AGENDA ITEM SUMMARY**

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**Subject: Main Street Closing - Memorial Day Service**

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Recommendation: Temporarily close block of Main Street for Memorial Day Service between Gilbert Street and Court Street.

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**Background Summary:**

City is being asked to allow closure of Main Street from Gilbert Street to Court Street (approximately ½ a block) for approximately 1 hour to coincide with the Memorial Day Service that will be held on the SE side of the Courthouse by the Veterans' Memorial.

The request is being made in order assist with the ability to hear the program being given, which is often drowned out by traffic noise.

Historically the PD has closed off one lane to allow for adjacent parking for those with mobility issues, but we have not closed off the entire street. There are some concerns with closing off Main Street but for the amount of time that will be needed we can accommodate without too much trouble we think. Traffic control on Gilbert from both directions will likely be done by staging police cars in the left hand turning lane from the NW and the right hand turning lane from the SE. Since it is being done for such a short period of time and is not affecting the state highway directly, we've gotten assurance from the IDOT that the closing should be fine. From the City standpoint we'll have some additional costs for labor but all in all that should be minimal.

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## AGENDA ITEM SUMMARY

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**Subject: FY15-16 budget amendment**

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Recommendation: Public hearing for budget amendment for FY16 and Resolution 38-16 approving amendment

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**Background Summary:**

Budget amendments need to be completed by May 31 each year. A hearing is required to be held prior to adoption.

The major reasons for the amendment are as follows: purchase of aerial truck, refunding loan and change in timeline of capital projects (UV disinfection, housing capital projects, etc).

CITY OF CHARLES CITY

# 34-323

## CITY BUDGET AMENDMENT AND CERTIFICATION RESOLUTION - FY 2016 - AMENDMENT #1

To the Auditor of FLOYD County, Iowa:

The City Council of Charles City in said County/Counties met on 5/16/2016, at the place and hour set in the notice, a copy of which accompanies this certificate and is certified as to publication. Upon taking up the proposed amendment, it was considered and taxpayers were heard for and against the amendment.

The Council, after hearing all taxpayers wishing to be heard and considering the statements made by them, gave final consideration to the proposed amendment(s) to the budget and modifications proposed at the hearing, if any thereupon, the following resolution was introduced.

RESOLUTION No. 38-16

### A RESOLUTION AMENDING THE CURRENT BUDGET FOR THE FISCAL YEAR ENDING JUNE 30 2016 (AS AMENDED LAST ON \_\_\_\_\_)

Be it Resolved by the Council of the City of Charles City

Section 1. Following notice published 5/5/16

and the public hearing held, 5/16/2016 the current budget (as previously amended) is amended as set out herein and in the detail by fund type and activity that supports this resolution which was considered at that hearing:

		Total Budget as certified or last amended	Current Amendment	Total Budget after Current Amendment
<b>Revenues &amp; Other Financing Sources</b>				
Taxes Levied on Property	1	3,625,181	0	3,625,181
Less: Uncollected Property Taxes-Levy Year	2	0	0	0
<b>Net Current Property Taxes</b>	<b>3</b>	<b>3,625,181</b>	<b>0</b>	<b>3,625,181</b>
Delinquent Property Taxes	4	0	0	0
TIF Revenues	5	559,638	0	559,638
Other City Taxes	6	976,292	-13,634	962,658
Licenses & Permits	7	70,100	31,000	101,100
Use of Money and Property	8	177,957	40,892	218,849
Intergovernmental	9	1,873,221	454,813	2,328,034
Charges for Services	10	5,132,412	24,303	5,156,715
Special Assessments	11	0	0	0
Miscellaneous	12	587,624	23,347	610,971
Other Financing Sources	13	693,250	1,879,552	2,572,802
Transfers In	14	2,086,658	498,943	2,585,601
<b>Total Revenues and Other Sources</b>	<b>15</b>	<b>15,782,333</b>	<b>2,939,216</b>	<b>18,721,549</b>
<b>Expenditures &amp; Other Financing Uses</b>				
Public Safety	16	2,690,621	863,753	3,554,374
Public Works	17	1,409,460	72,532	1,481,992
Health and Social Services	18	510,078	-27,833	482,245
Culture and Recreation	19	1,111,820	0	1,111,820
Community and Economic Development	20	2,018,397	68,483	2,086,880
General Government	21	566,964	44,357	611,321
Debt Service	22	1,060,619	1,837,370	2,897,989
Capital Projects	23	1,113,000	116,092	1,229,092
Total Government Activities Expenditures	24	10,480,959	2,974,754	13,455,713
Business Type / Enterprises	25	5,097,534	-611,819	4,485,715
<b>Total Gov Activities &amp; Business Expenditures</b>	<b>26</b>	<b>15,578,493</b>	<b>2,362,935</b>	<b>17,941,428</b>
Transfers Out	27	2,086,658	602,612	2,689,270
<b>Total Expenditures/Transfers Out</b>	<b>28</b>	<b>17,665,151</b>	<b>2,965,547</b>	<b>20,630,698</b>
<b>Excess Revenues &amp; Other Sources Over (Under) Expenditures/Transfers Out Fiscal Year</b>	<b>29</b>	<b>-1,882,818</b>	<b>-26,331</b>	<b>-1,909,149</b>
Beginning Fund Balance July 1	30	12,235,703	0	12,235,703
Ending Fund Balance June 30	31	10,352,885	-26,331	10,326,554

Passed this 16 day of May, 2016  
(Day) (Month/Year)

Signature

City Clerk/Finance Officer

Signature

Mayor

MEETING DATE: 05/16/16

ITEM: 9E

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## AGENDA ITEM SUMMARY

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**Subject: Resolution approving SRF Loan for UV Disinfection project at Wastewater Treatment Plant (Water Pollution Control)**

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Recommendation: Approve the resolution, amount not to exceed \$1,790,000

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### **Background Summary:**

After several years of planning and construction we are coming to the end of the UV Disinfection project at the Wastewater Treatment Plant. This project was broken up into three potential phases based on the effectiveness of the approach to dealing with E-Coli bacteria. The approach was to implement UV lighting which is used to kill the bacteria as a final stage of treatment before the water is released.

1<sup>st</sup> phase consisted of plant upgrades to rectify elevation needs of the clarifier. The 2<sup>nd</sup> phase completed the installation of the UV lighting weirs. 3<sup>rd</sup> phase was to consider additional improvements for bacteria disinfection as needed. The plant began running the UV lighting when the snow melted this spring and all indications show that we are meeting our goals with the UV lighting. With that said it would appear that a third phase is not necessary.

Construction of the 2<sup>nd</sup> phase is all but complete. Currently we are waiting for some finishing touches to be completed by the contractor to consider the project fully complete.

We feel comfortable approving this loan resolution not to exceed amount and anticipate the final costs being well within the \$1,790,000 amount.

CITY OF CHARLES CITY

RESOLUTION NO. 39-16

Resolution taking additional action on proposal to enter into a Sewer Revenue Loan and Disbursement Agreement and to borrow money thereunder in a principal amount not to exceed \$1,790,000

WHEREAS, the City of Charles City (the "City"), in the County of Floyd, State of Iowa, did heretofore establish a Municipal Sanitary Sewer System (the "Utility") in and for the City which has continuously supplied sanitary sewer service in and to the City and its inhabitants since its establishment; and

WHEREAS, the management and control of the Utility are vested in the City Council (the "Council") and no board of trustees exists for this purpose; and

WHEREAS, pursuant to a resolution adopted and approved by the City Council on May 19, 2003 (the "Outstanding Bond Resolution"), the City previously issued its \$3,000,000 Sewer Revenue Bond, SRF Series 2003, dated June 17, 2003 (the "Outstanding Bond"), a portion of which remains outstanding; and

WHEREAS, pursuant to the Outstanding Bond Resolution, the City reserved the right to issue additional obligations payable from the net revenues of the Utility and ranking on a parity with the Outstanding Bond; and

WHEREAS, the City has heretofore proposed to contract indebtedness and enter into a certain Sewer Revenue Loan and Disbursement Agreement in a principal amount not to exceed \$1,790,000 (the "Agreement") pursuant to the provisions of Section 384.24A of the Code of Iowa for the purpose of paying the cost, to that extent, of planning, designing and constructing improvements and extensions to the Utility (the "Project"), and has published notice of the proposed action and has held a hearing thereon on May 16, 2016;

NOW, THEREFORE, Be It Resolved by the City Council of the City of Charles City, Iowa, as follows:

Section 1. The City Council hereby determines to enter into the Agreement in the future and orders that Sewer Revenue Bonds be issued at such time in evidence thereof. The Council further declares that this resolution constitutes the "additional action" required by Section 384.24A of the Code of Iowa.

Section 2. All resolutions and orders or parts thereof in conflict with the provisions of this resolution, to the extent of such conflict, are hereby repealed.

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## AGENDA ITEM SUMMARY

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**Subject:** Consider first reading of Ordinance 1091 to rezone property in the 300 block of North Jackson Street and setting the date of public hearing for Ordinance 1091

**Recommendation:** Approve Resolution No. 40-16 setting the date for public hearing on Ordinance 1091 and approve the first reading of said ordinance.

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### Background Summary:

The City recently received an inquiry to rezone a parcel at 305 North Jackson Street from B-2, General Business District, to R-3, Multi-Family Residence District, to allow for the conversion of the large single family dwelling into apartments and dwellings on the ground floor. During the review of this area, the Staff determined that the half block on the west side of Jackson Street between Kelly and Blunt Streets would be better served as a different zoning district.

The Staff recommends that the zoning for the Art Center and adjacent vacant lot be changed to Conservation Open Space to match the zoning of Central Park immediately on the east side of North Jackson Street and the remaining portion of the block be rezoned to R-3, Multi-Family Residence District.

The City Council submitted this rezoning request to the Planning and Zoning Commission for study and recommendation at the April 18<sup>th</sup> City Council Meeting. The Commission held a public hearing on the matter at their May 11<sup>th</sup> meeting and is returning to the City Council a recommendation to approve the requested rezoning.

We recommend that the City Council will consider the Planning & Zoning's recommendation and approve the first reading of Ordinance 1091. The City Staff is recommending that a public hearing is held and the second reading is considered at the June 6<sup>th</sup> Council meeting. The third and final reading can be completed on June 20<sup>th</sup> with adoption of the Ordinance as well.

We recommend approval of Resolution No. 40-16 setting June 6, 2016 at 7:00 pm as the date and time for the public hearing on this rezoning matter and authorize the City Clerk to publish the notice for the hearing.

CITY OF CHARLES CITY

**RESOLUTION NO. 40-16**

**RESOLUTION DIRECTING THE CLERK TO PUBLISH NOTICE OF HEARING ON  
ORDINANCE 1091 AMENDING THE ZONING CLASSIFICATION OF TWO  
PARCELS LOCATED IN BLOCK 8 IN THE ORIGINAL PLAT OF ST. CHARLES,  
NOT INCORPORATED AS CHARLES CITY, IOWA, FROM B-2, GENERAL  
BUSINESS DISTRICT, TO R-3 MULTI FAMILY RESIDENCE DISTRICT AND COS  
CONSERVATION AND OPEN SPACE DISTRICT, RESPECTIVELY**

WHEREAS, the City Council has caused to be prepared and filed with the City Clerk copies of Ordinance 1091 and,

WHEREAS, an official copy of this ordinance is now on file for public inspection in the office of the City Clerk of Charles City, Iowa,

NOW THEREFORE BE IT RESOLVED that a public hearing thereon will be held in the Council chambers on the 6<sup>th</sup> day of June, 2016, at 7:00 o'clock p.m., at which time and place the Council will consider arguments for or against the adoption of the proposed Ordinance 1091.

BE IT FURTHER RESOLVED that the Clerk be authorized and directed to cause to be published notice of such hearing one time not less than four (4) days nor more than twenty (20) days prior to the date herein established for hearing as by law provided.

Passed and approved this 16<sup>th</sup> day of May, 2016.

\_\_\_\_\_  
MAYOR

ATTEST: \_\_\_\_\_  
CITY CLERK

ORDINANCE NO. 1091

AN ORDINANCE AMENDING THE ZONING CLASSIFICATION OF TWO PARCELS LOCATED IN BLOCK 8 IN THE ORIGINAL PLAT OF ST. CHARLES, NOW INCORPORATED AS CHARLES CITY, IOWA, FROM B-2, GENERAL BUSINESS DISTRICT, TO R-3, MULTI-FAMILY RESIDENCE DISTRICT, AND COS, CONSERVATION AND OPEN SPACE DISTRICT, RESPECTIVELY

BE IT ENACTED by the City Council of the City of Charles City, Iowa:

**SECTION 1. Change in Zoning Classification.** Property legally described as:  
Lot Two (2), except the Northeasterly six feet (NEly 6') thereof;

And

Lot 1 and the Northeasterly 6 feet of Lot 2; all in Block 8 of St. Charles, now incorporated as Charles City, Iowa

presently classified as B-2, General Business District, be and are hereby reclassified as R-3, Multi-family Residence District.

**SECTION 2. Zoning Classification Amended.** Property legally described as:

Lots Three (3) and Four (4), Block Eight (8), Original Plat of St. Charles, now incorporated as Charles City, Iowa

presently classified as B-2, General Business District, be and is hereby reclassified as COS, Conservation and Open Space District.

**SECTION 3. Map Amendment.** The zoning map of the City of Charles City shall be modified to reflect these changes in zoning classification upon approval of this Ordinance.

**SECTION 4. Severability.** If any section, provision or part of this ordinance shall be adjudged invalid or unconstitutional, such adjudication shall not affect the validity of the ordinance as a whole or any section, provision or part thereof not adjudged invalid or unconstitutional.

**SECTION 5. When Effective.** This ordinance shall be in effect from and after its final passage, approval and publication as provided by law and the official zoning map of the City of Charles City, Iowa shall be amended to reflect the change in zoning effected by this ordinance.

Passed by the City Council on this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
James A. Erb, Mayor

ATTEST:  
  
\_\_\_\_\_



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## AGENDA ITEM SUMMARY

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**Subject: Consider first reading of Ordinance 1092 amending the zoning ordinance pertaining to ramps and setting the date of public hearing for Ordinance 1092.**

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**Recommendation: Approve the first reading of Ordinance 1092 and approve Resolution No. 41-16 setting the date for public hearing on Ordinance 1092.**

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### **Background Summary:**

The City Code Enforcement Department continues to receive requests for building permits to construct ramps for wheel chair accessibility to single family homes. These ramps are basically an extension of the porch but often times extend closer to the street, extending into the front yard setback area to obtain the proper slope for the ramp. This encroachment into the front yard setback area then requires a variance from the Board of Adjustment prior to obtaining a building permit to construct the ramp. A request to the Board of Adjustment also requires a \$75.00 application fee.

City Attorney, Ralph Smith, has drafted the attached ordinance amendment adding a new subsection to Section IV of the Zoning Ordinance that allows the Zoning Administrator to approve an encroachment of a handicap ramp. The Zoning Administrator's approval will be contingent that the ramp can remain only if an occupant needing the ramp resides in the residence. The removal of the ramp will be required within six months if no one continues to reside in the residence requiring the use of ramp.

Since this is an amendment to the City's Zoning Ordinance, the proposed ordinance change was first discussed with the City's Planning and Zoning Commission for their recommendation. The Commission held a public hearing on the matter at their May 11<sup>th</sup> meeting and is returning to the City Council a recommendation to approve the requested ordinance amendment to Section IV of the Zoning Ordinance.

We recommend that the City Council will consider the Planning & Zoning's recommendation and approve the first reading of Ordinance 1091. The City Staff is recommending that a public hearing is held and the second reading is considered at the June 6<sup>th</sup> Council meeting. The third and final reading can be completed on June 20<sup>th</sup> with adoption of the Ordinance as well.

We recommend approval of Resolution No. 40-16 setting June 6, 2016 at 7:00 pm as the date and time for the public hearing on this rezoning matter and authorize the City Clerk to publish the notice for the hearing.

**RESOLUTION NO. 41-16**

**RESOLUTION DIRECTING THE CLERK TO PUBLISH NOTICE OF HEARING ON ORDINANCE 1092 AMENDING SECTION IV, GENERAL PROVISIONS, OF THE CHARLES CITY ZONING ORDINANCE BY ADDING A NEW SUBSECTION TO ALLOW RAMPS AND OTHER STRUCTURES PROVIDING ACCESSIBILITY TO RESIDENTIAL STRUCTURES FOR HANDICAPPED INDIVIDUALS IN SITUATIONS WHERE SUCH STRUCTURES MIGHT OTHERWISE VIOLATE PROVISIONS OF THE ZONING ORDINANCE**

WHEREAS, the City Council has caused to be prepared and filed with the City Clerk copies of Ordinance 1092 and,

WHEREAS, an official copy of this ordinance is now on file for public inspection in the office of the City Clerk of Charles City, Iowa,

NOW THEREFORE BE IT RESOLVED that a public hearing thereon will be held in the Council chambers on the 6<sup>th</sup> day of June, 2016, at 7:00 o'clock p.m., at which time and place the Council will consider arguments for or against the adoption of the proposed Ordinance 1092.

BE IT FURTHER RESOLVED that the Clerk be authorized and directed to cause to be published notice of such hearing one time not less than four (4) days nor more than twenty (20) days prior to the date herein established for hearing as by law provided.

Passed and approved this 16<sup>th</sup> day of May, 2016.

\_\_\_\_\_  
MAYOR

ATTEST: \_\_\_\_\_  
CITY CLERK

ORDINANCE NO. 1092

AN ORDINANCE AMENDING SECTION IV, GENERAL PROVISIONS, OF THE CHARLES CITY ZONING ORDINANCE BY ADDING A NEW SUBSECTION TO ALLOW RAMPS AND OTHER STRUCTURES PROVIDING ACCESSIBILITY TO RESIDENTIAL STRUCTURES FOR HANDICAPPED INDIVIDUALS IN SITUATIONS WHERE SUCH STRUCTURES MIGHT OTHERWISE VIOLATE PROVISIONS OF THE ZONING ORDINANCE

BE IT ENACTED by the City Council of the City of Charles City, Iowa:

**SECTION 1.** New Subsection added. The following new subsection of Section IV, General Provisions, is adopted as follows:

P. Ramps and Other Structures Providing Accessibility to Residential Structures by Handicapped Individuals. Notwithstanding the provisions of this ordinance governing minimum yard set-backs or obstructive structures, wheelchair ramps and other structures that facilitate accessibility to a principal residence by handicapped individuals shall be allowed without the requirement of a special use determination on the following terms and conditions:

1. That the owner of the principal residence provide proof that an occupant of the residence requires the ramp or other structure to have reasonable accessibility to the residential structure. Such proof may be provided in the form of a letter from the occupant's physician or an active handicap parking certification; and
2. In submitting an application for a building permit to construct the ramp or structure that the owner provide a drawing or schematic that accurately depicts the location and specifications of the proposed structure.
3. That the zoning administrator makes a determination that such structure does not present a danger to the general public and that it complies with all applicable building codes and regulations pertaining to such structures.
4. That in the event that such structure would otherwise violate a provision of this zoning ordinance the owner will sign an agreement to remove the structure within six months after the date that the occupant who requires its use for accessibility ceases to use or occupy the residence, unless another occupant with similar needs occupies the residence within such six month time period.

**SECTION 2.** Repealer. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

**SECTION 3.** Severability. If any section, provision or part of this ordinance shall be adjudged invalid or unconstitutional, such adjudication shall not affect the validity of the ordinance as a whole or any section, provision or part thereof not adjudged invalid or unconstitutional.

**SECTION 4. When Effective.** This ordinance shall be in effect from and after its final passage, approval and publication as provided by law and the official zoning map of the City of Charles City, Iowa shall be amended to reflect the change in zoning effected by this ordinance.

Passed by the City Council on this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
James A. Erb, Mayor

ATTEST:

\_\_\_\_\_  
Trudy O'Donnell, City Clerk

I certify that the foregoing was published as Ordinance No. \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Trudy O'Donnell, City Clerk

MEETING DATE: 05/16/2016

ITEM: 10E

## AGENDA ITEM SUMMARY

**Subject:** Approve Request to Administer Enhanced Vouchers

**Recommendation:** Consider Resolution 40-16 approving change in contract with HUD

**Background Summary:** The owner of the 9<sup>th</sup> Street Group Home has opted not to renew its agreement with HUD to offer site based voucher subsidy as of August 31, 2016. According to regulations, the residents who are residing in those units will be issued an "Enhanced Voucher". As a result, HUD has asked that we administer those vouchers. At this time there are 12 Enhanced Vouchers available, out of that amount 11 units are occupied. Which means that for the 11 occupied units the vouchers will be added to our existing voucher baseline, giving us 197 Housing Choice Vouchers and 11 Enhanced Vouchers for a total of 208.

Enhanced Vouchers are tenant based assistance and are treated the same as the Housing Choice Voucher with two exceptions. If the family remains in their existing unit, they must continue to contribute towards rent at least the amount they were paying for rent on the eligibility event (which would be August 31, 2016, the expiration date of the contract), and a higher "enhanced" payment standard is used to determine the amount of subsidy when the gross rent exceeds the normally applicable PHA payment standard. The residents will still be required to pay approximately 30% of their adjusted gross income for rent. The current management will stay the same. The leases will be between Chautauqua Guest Homes and the tenant and they will be responsible for the enforcement of their lease. Our role would be to provide the subsidy on the units and to perform the Housing Quality Standards (HQS) Inspections.

9<sup>th</sup> Street Group Home Gross Rent

1 - \$551

Charles City Housing Payment Standards

1 - \$475

Gross rent is the unit rent plus the utility allowance. The utilities are included in the rent; so the gross rent and unit rent are the same. The payment standard is the maximum amount allowed for rent and utilities. So in the case of the Enhanced Vouchers, the gross rents outside of the established payment standards and they will be given a higher payment standard.

HUD will be subsidizing the Housing Assistance Payment (HAP) at the same rate as our existing Housing Choice Vouchers. They will fund us based on the current per unit cost which is approximately \$310 per month. We will receive the current monthly administrative fee of \$48.66 per unit.

Our current annual average lease up rate for the Housing Choice Vouchers is 75.51% approximately 149 out of 197, which is due to lack of adequate funding and available units. Our current monthly HAP budget is \$48,352.

With the Enhanced Voucher, the family may choose to stay in their unit, port out of our jurisdiction, or move to another unit within our jurisdiction. If the family doesn't stay in the unit they lose all of the benefits of the Enhanced Voucher and they are issued a Housing Choice Voucher, which would decrease the amount of our Enhanced Vouchers and increase the amount of our Housing Choice Vouchers. The residents must meet our eligibility guidelines. They will be required to go through all of the screening processes required of applicants on the waiting list. If they do not meet those requirements they will not be offered the Enhanced Voucher.

We will be required to meet with all families to brief them on the options available to them and proceed with the lease-up process as soon as possible so the residents will not be affected by a break in their assistance. We currently have the staffing resources necessary to administer the additional vouchers. However, some over-time expense is anticipated to process all of the vouchers at the initial lease-up. We would be compensated with a one-time fee of \$200 per unit to help offset the extra staff time required to process that many clients at one time.

We are not required by HUD to take over the administration of the Enhanced Vouchers. If we decline the additional vouchers, HUD will ask another Housing Authority to administer them. Since not all Housing Authorities have identical Administrative Plans and policies, by accepting the additional vouchers we would be able to retain control over those vouchers and incorporate them into our existing vouchers. This would also avoid a lot of confusion that would be created by having two Housing Authorities administering tenant based voucher programs. It would be in the best interest of the City and the residents living in the units to take over the vouchers

**RESOLUTION NO. 42-16**

*RESOLUTION APPROVING CHANGE IN CONTRACT WITH HUD*

WHEREAS, the owner of 9<sup>th</sup> Street Group Home has opted not to renew its agreement with HUD to offer site based voucher subsidies, and;

WHEREAS, HUD has asked that the Charles City Housing program administer these 12 available vouchers, and;

WHEREAS, it is in the city's best interest to accept administration of these vouchers;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Charles City, Iowa, hereby approves the change in the city's contract with HUD to add these 12 available vouchers.

COUNCIL MEMBER moved the adoption of the foregoing Resolution;

COUNCIL MEMBER seconded the motion to adopt, and on roll call the voting was as follows:

AYES:

NAYS: none

Passed and approved this 16<sup>th</sup> day of May, 2016.

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James A. Erb, Mayor

Attest:

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Trudy O'Donnell, City Clerk

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## AGENDA ITEM SUMMARY

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**Subject:** Hy-Vee Garden Center Lease

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**Recommendation:** approve map and lease as shown

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**Background Summary:**

Hy-Vee has ultimately decided that they would like to use the eleven stalls as show on the attached map, (including the grassy endcap area for display) for storing Garden Center materials, including pallets of top soil, potting soil and similar bagged items.

They intend to use this area through the end of May and have told us that they would have the area clean out and back to parking by June.

The rental rate for a 10'x17' parking stall comes out to about \$9.00 a month. Use of the original six stalls set at \$55 a month. Use of eleven stalls would then be \$99 a month. Hy-Vee will provide the City with a check for the difference for the two month of use.

CITY OF CHARLES CITY

**RESOLUTION NO. 41-16**

*RESOLUTION AMENDING A LEASE AGREEMENT BETWEEN HYVEE AND THE  
CITY OF CHARLES CITY FOR USE OF PUBLIC PARKING LOT*

WHEREAS, the City and HyVee had previously entered a lease agreement for 6 public parking spaces directly south of the sidewalk where the bedding plants are located for the purpose of storing garden supplies, and;

WHEREAS, HyVee is requesting to increase the size of the area originally included from 6 parking stalls to 11 parking stalls, and;

WHEREAS, the additional spaces will require an extra \$45 per month rent;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Charles City, Iowa, meeting in regular session on this 16<sup>th</sup> day of May, 2016, that the previous lease agreement approved on March 28, 2016 be amended as stated in the above resolution.

COUNCIL MEMBER moved the adoption of the foregoing Resolution;

COUNCIL MEMBER seconded the motion and on roll call the voting was as follows:

AYES:

NAYS:

Passed and approved this 16<sup>th</sup> day of May, 2016.

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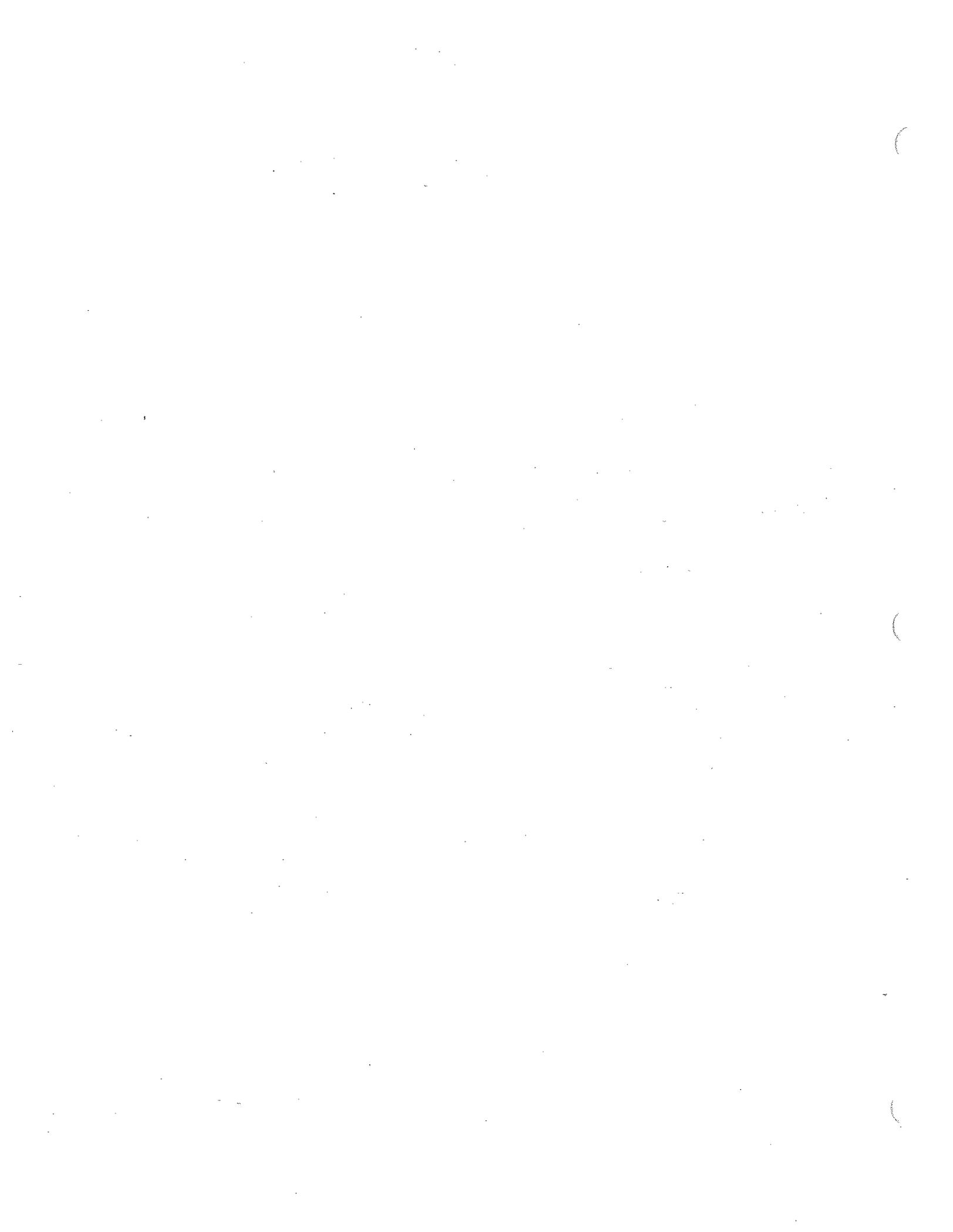
James A. Erb, Mayor

Attest:

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Trudy O'Donnell, City Clerk





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## AGENDA ITEM SUMMARY

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**Subject: Purchase of mower for street department**

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**Background Summary:**

Dirk is requesting to purchase a Bush Hog mower for the street department instead of a scissor lift as originally budgeted. He has received 4 bids from area dealers as follows: Agland \$12,760; Marks Tractor \$12,834; Case \$12,945 and Swartzrock \$13,550. After discussion at the planning session, the bid of \$13,550 from Swartzrock is being recommended. Even though this was not low bid, it is within the 10% parameter of our local preference purchasing policy. The scissor lift was budgeted for \$25,000 so this mower would come in quite a bit under that. This is an item that will be included in our one day borrowing for FY16.

Dirk will be at the meeting to answer any questions.

CITY OF CHARLES CITY

**RESOLUTION NO. 44-16**

*RESOLUTION APPROVING PURCHASE OF BATWING MOWER*

WHEREAS, the street department desires to purchase a batwing mower,  
and;

WHEREAS, four quotes were received from area dealers for this piece of  
equipment, and;

WHEREAS, the bid of \$13,550 from Swartzrock Equipment was within  
10% of the low bid and therefore was chosen under the local preference clause  
of the city's purchasing manual,

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of  
Charles City, Iowa, hereby approves the purchase of a batwing mower from  
Swartzrock for a total of \$13,550.

COUNCIL MEMBER moved the adoption of the foregoing Resolution;

COUNCIL MEMBER seconded the motion to adopt, and on roll call the  
voting was as follows:

AYES:

NAYS: none

Passed and approved this 16<sup>th</sup> day of May, 2016.

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James A. Erb, Mayor

Attest:

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Trudy O'Donnell, City Clerk

MEETING DATE: 05/16/16

ITEM: 10 I and J

## AGENDA ITEM SUMMARY

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**Subject: Engagement Letter/Fire Truck Financing - \$792,000**

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Recommendation: Approve engagement Letter and Financing package.

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### **Background Summary:**

Paul Donna from Baird will be present to discuss the placement of the \$785,000 issuance on the Fire Truck purchase. We contacted all four I banks in Charles City as well as several banks outside of town to see who would be interested in bidding. Two local banks chose to participate in the bid by making offers, First Citizens Bank and First Security Bank.

First Citizens Bank made the best offer with a Par amount of \$792,000 and interest rate of 1.85% for the first 2 ½ years, and 2.45% for the remaining 7 ½ years. This was higher than the Baird estimate and over the course of the loan will cost approximately \$19,000 in overall additional interest. In the grand scheme of things it is pretty good. In receiving quotes from several other banks this was the best offer. We considered continuing the search and rebidding but felt this bid was close to the estimate and given activity in the market for similar issues it might not get any better. Plus having a local bank is certainly a plus.

I recommend approving the loan from First Citizens Bank for placement of the fire truck.

RESOLUTION NO. 44-16

Resolution approving a Loan Agreement, providing for the issuance of \$792,000 General Obligation Fire Truck Acquisition Notes, Series 2016A and providing for the levy of taxes to pay the same

WHEREAS, the City of Charles City (the "City"), in Floyd County, State of Iowa, heretofore proposed to enter into a General Obligation Fire Truck Acquisition Loan Agreement (the "Loan Agreement") and to borrow money thereunder in a principal amount not to exceed \$800,000 pursuant to the provisions of Section 384.24A of the Code of Iowa for the purpose of paying the cost, to that extent, of acquiring a fire truck for use by the municipal fire department (the "Acquisition"), and pursuant to law and a notice duly published, the City Council has held a public hearing on such proposal on May 2, 2016; and

WHEREAS, Robert W. Baird & Co, Inc., the City's placement agent, has negotiated the sale of \$792,000 General Obligation Fire Truck Acquisition Notes, Series 2016A (the "Notes"), to be issued in evidence of the Loan Agreement to First Citizens Bank, Mason City, Iowa (the "Purchaser"); and

WHEREAS, it is now necessary to make final provision for the approval of the Loan Agreement and to authorize the issuance of the Notes;

NOW, THEREFORE, It Is Resolved by the City Council of the City of Charles City, Iowa, as follows:

Section 1. It is hereby determined that the City shall enter into the Loan Agreement with the Lender, in substantially the form which will be placed on file with the City, providing for a loan to the City in the amount of \$792,000 for the purpose or purposes set forth in the preamble hereof.

The Mayor and City Clerk are hereby authorized and directed to sign the Loan Agreement on behalf of the City, and the Loan Agreement is hereby approved.

Section 2. The Notes are hereby authorized to be issued in evidence of the obligation of the City under the Loan Agreement, in the total aggregate principal amount of \$792,000, to be dated the date of delivery to the Lender, such date anticipated to be June 15, 2016. The Notes shall be initially issued as two term Notes, numbered and in the denominations, or any integral multiple thereof, maturing on June 1 in each of the years, in the respective principal amounts and bearing interest at the respective rates, as follows:

<u>Number</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate Per Annum</u>
R-1	2021	\$255,000	1.85%

<u>Number</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate Per Annum</u>
R-2	2026	\$537,000	2.45%

The City Clerk is hereby designated as the Registrar and Paying Agent for the Notes and may be hereinafter referred to as the "Registrar" or the "Paying Agent."

The Notes are not subject to optional redemption prior to maturity.

Principal of the R-1 Note maturing on June 1, 2021 is subject to mandatory redemption (by lot, as selected by the Registrar) on June 1 and December 1 in each of the years 2019 and 2020, commencing June 1, 2019, at a redemption price of 100% of the principal amount thereof to be redeemed, plus accrued interest thereon to the redemption date, in the following principal amounts:

<u>Installment Date</u>	<u>Principal Amount</u>
June 1, 2019	\$83,000
December 1, 2019	\$43,000
June 1, 2020	\$44,000
December 1, 2020	\$43,000
June 1, 2021	\$42,000 (Maturity)

Principal of the R-2 Note maturing on June 1, 2026 is subject to mandatory redemption (by lot, as selected by the Registrar) on June 1 and December 1 in each of the years 2021, 2022, 2023, 2024, and 2025, commencing December 1, 2021, at a redemption price of 100% of the principal amount thereof to be redeemed, plus accrued interest thereon to the redemption date, in the following principal amounts:

<u>Installment Date</u>	<u>Principal Amount</u>
December 1, 2021	\$43,000
June 1, 2022	\$44,000
December 1, 2022	\$50,000
June 1, 2023	\$51,000
December 1, 2023	\$51,000
June 1, 2024	\$53,000
December 1, 2024	\$51,000
June 1, 2025	\$52,000
December 1, 2025	\$71,000
June 1, 2026	\$71,000 (Maturity)

Outstanding principal of the Notes shall bear interest at the per annum rates set forth above from the date of the Notes, or from the most recent date on which interest has been paid as hereinafter set forth. Interest shall be calculated on the basis of a 360-day year comprised of

twelve 30-day months. Accrued interest on the Notes shall be payable semiannually on the first day of June and December in each year, commencing December 1, 2016.

Payment of both principal of and interest on the Notes shall be made to the registered owner appearing on the registration books of the City at the close of business on the fifteenth day of the month next preceding the payment date and shall be paid to the registered owner at the address shown on such registration books; provided, however, that the final installment of principal and interest shall be payable only upon presentation and surrender of the Note to the Paying Agent.

The Notes shall be executed on behalf of the City with the official manual or facsimile signature of the Mayor and attested with the official manual or facsimile signature of the City Clerk, and shall be fully registered Notes without interest coupons. In case any officer whose signature or the facsimile of whose signature appears on the Notes shall cease to be such officer before the delivery of the Notes, such signature or such facsimile signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

The Notes shall be fully registered as to principal and interest in the names of the owners on the registration books of the City kept by the Registrar, and after such registration, payment of the principal thereof and interest thereon shall be made only to the registered owners or their legal representatives or assigns. Each Note shall be transferable only upon the registration books of the City upon presentation to the Registrar, together with either a written instrument of transfer satisfactory to the Registrar or the assignment form thereon completed and duly executed by the registered owner or the duly authorized attorney for such registered owner.

The record and identity of the owners of the Notes shall be kept confidential as provided by Section 22.7 of the Code of Iowa.

Section 3. The Notes shall be in substantially the following form:

(Form of Note)

UNITED STATES OF AMERICA  
STATE OF IOWA COUNTY OF FLOYD  
CITY OF CHARLES CITY

GENERAL OBLIGATION FIRE TRUCK ACQUISITION NOTE, SERIES 2016A

No. R-1

\$255,000

RATE	MATURITY DATE	NOTE DATE	CUSIP NO.
1.85%	June 1, 2021	June 15, 2016	_____

The City of Charles City (the "City"), in the County of Floyd, State of Iowa, for value received, promises to pay in the manner hereinafter provided to

First Citizens Bank  
Mason City, Iowa

(the "Lender") or registered assigns, the principal sum of TWO HUNDRED FIFTY-FIVE THOUSAND DOLLARS, together with interest on the outstanding principal hereof from the date of this Note, or from the most recent payment date on which interest has been paid. Payment of accrued interest on this Note shall be due semiannually on June 1 and December 1 of each year, commencing December 1, 2016, except as the provisions hereinafter set forth with respect to redemption prior to maturity may be or become applicable hereto. Interest on this Note will be calculated on the basis of a 360-day year comprised of twelve 30-day months.

Principal of this Note shall be subject to mandatory payment in installments on June 1 and December 1 in each of the years and in such amounts as follows:

<u>Installment</u> <u>Date</u>	<u>Principal</u> <u>Amount</u>
June 1, 2019	\$83,000
December 1, 2019	\$43,000
June 1, 2020	\$44,000
December 1, 2020	\$43,000
June 1, 2021	\$42,000 (Maturity)

This Note is one of a series of General Obligation Fire Truck Acquisition Notes, Series 2016A (the "Notes") issued by the City, pursuant to a resolution adopted on May 16, 2016 (the "Resolution") to evidence its obligation under a certain loan agreement, dated as of June 15, 2016 (the "Loan Agreement"), entered into by the City for the purpose of paying the cost, to that extent, of acquiring a fire truck for use by the municipal fire department.

The Notes are being issued pursuant to and in strict compliance with the provisions of Chapters 76 and 384 of the Code of Iowa, 2015, and all other laws amendatory thereof and supplemental thereto, and in conformity with a resolution of the City Council authorizing and approving the Loan Agreement and providing for the issuance and securing the payment of the Notes, and reference is hereby made to the Resolution and the Loan Agreement for a more complete statement as to the source of payment of the Notes and the rights of the owners of the Notes.

Both principal of and interest on this Note are payable to the registered owner appearing on the registration books of the City maintained by the City Clerk (hereinafter referred to as the "Registrar" or the "Paying Agent") at the close of business on the fifteenth day of the month next preceding the payment date in lawful money of the United States of America to the registered owner at the address shown on such registration books; provided, however, that the final installment of principal and interest shall be payable only upon presentation and surrender of this Note to the Paying Agent.

Principal of this Note is not subject to prepayment prior to maturity.

This Note is fully negotiable but shall be fully registered as to principal in the name of the owner on the books of the City in the office of the Registrar, after which no transfer shall be valid unless made on said books and then only upon presentation of this Note to the Registrar, together with either a written instrument of transfer satisfactory to the Registrar or the assignment form hereon completed and duly executed by the registered owner or the duly authorized attorney for such registered owner.

The City, the Registrar and the Paying Agent may deem and treat the registered owner hereof as the absolute owner for the purpose of receiving payment of or on account of principal hereof, premium, if any, and interest due hereon and for all other purposes, and the City, the Registrar and the Paying Agent shall not be affected by any notice to the contrary.

And It Is Hereby Certified, Recited and Declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Note have existed, have happened and have been performed in due time, form and manner, as required by law, and that the issuance of this Note does not exceed or violate any constitutional or statutory limitation or provision.

IN TESTIMONY WHEREOF, the City of Charles City, Iowa, by its City Council, has caused this Note to be executed with the duly authorized manual or facsimile signature of its Mayor and attested with the duly authorized manual or facsimile signature of its City Clerk, on June 15, 2016.

CITY OF CHARLES CITY, IOWA

By (DO NOT SIGN)

Mayor

Attest:

(DO NOT SIGN)

City Clerk

ABBREVIATIONS

The following abbreviations, when used in this Note, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	-	as tenants in common	UTMA	_____
TEN ENT	-	as tenants by the entireties		(Custodian)
JT TEN	-	as joint tenants with right of survivorship and not as tenants in common	As Custodian for	_____
				(Minor)
			under Uniform Transfers to Minors Act	_____
				(State)

Additional abbreviations may also be used though not in the list above.

ASSIGNMENT

For valuable consideration, receipt of which is hereby acknowledged, the undersigned assigns this Note to

\_\_\_\_\_

(Please print or type name and address of Assignee)

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

and does hereby irrevocably appoint \_\_\_\_\_, Attorney, to transfer this Note on the books kept for registration thereof with full power of substitution.

Dated: \_\_\_\_\_

Signature guaranteed:

\_\_\_\_\_

(Signature guarantee must be provided in accordance with the prevailing standards and procedures of the Registrar and Transfer Agent. Such standards and procedures may require signatures to be guaranteed by certain eligible guarantor institutions that participate in a recognized signature guarantee program.)

NOTICE: The signature to this Assignment must correspond with the name of the registered owner as it appears on this Note in every particular, without alteration or enlargement or any change whatever.

(Form of Note)

UNITED STATES OF AMERICA  
STATE OF IOWA COUNTY OF FLOYD  
CITY OF CHARLES CITY

GENERAL OBLIGATION FIRE TRUCK ACQUISITION NOTE, SERIES 2016A

No. R-2 \$537,000

RATE	MATURITY DATE	NOTE DATE	CUSIP NO.
2.45%	June 1, 2026	June 15, 2016	_____

The City of Charles City (the "City"), in the County of Floyd, State of Iowa, for value received, promises to pay in the manner hereinafter provided to

First Citizens Bank  
Mason City, Iowa

(the "Lender") or registered assigns, the principal sum of FIVE HUNDRED THIRTY-SEVEN THOUSAND DOLLARS, together with interest on the outstanding principal hereof from the date of this Note, or from the most recent payment date on which interest has been paid. Payment of accrued interest on this Note shall be due semiannually on June 1 and December 1 of each year, commencing December 1, 2016, except as the provisions hereinafter set forth with respect to redemption prior to maturity may be or become applicable hereto. Interest on this Note will be calculated on the basis of a 360-day year comprised of twelve 30-day months.

Principal of this Note shall be subject to mandatory payment in installments on June 1 and December 1 in each of the years and in such amounts as follows:

<u>Installment Date</u>	<u>Principal Amount</u>
December 1, 2021	\$43,000
June 1, 2022	\$44,000
December 1, 2022	\$50,000
June 1, 2023	\$51,000
December 1, 2023	\$51,000
June 1, 2024	\$53,000
December 1, 2024	\$51,000
June 1, 2025	\$52,000
December 1, 2025	\$71,000
June 1, 2026	\$71,000 (Maturity)

This Note is one of a series of General Obligation Fire Truck Acquisition Notes, Series 2016A (the "Notes") issued by the City, pursuant to a resolution adopted on May 16, 2016 (the "Resolution") to evidence its obligation under a certain loan agreement, dated as of June 15, 2016

(the "Loan Agreement"), entered into by the City for the purpose of paying the cost, to that extent, of acquiring a fire truck for use by the municipal fire department.

The Notes are being issued pursuant to and in strict compliance with the provisions of Chapters 76 and 384 of the Code of Iowa, 2015, and all other laws amendatory thereof and supplemental thereto, and in conformity with a resolution of the City Council authorizing and approving the Loan Agreement and providing for the issuance and securing the payment of the Notes, and reference is hereby made to the Resolution and the Loan Agreement for a more complete statement as to the source of payment of the Notes and the rights of the owners of the Notes.

Both principal of and interest on this Note are payable to the registered owner appearing on the registration books of the City maintained by the City Clerk (hereinafter referred to as the "Registrar" or the "Paying Agent") at the close of business on the fifteenth day of the month next preceding the payment date in lawful money of the United States of America to the registered owner at the address shown on such registration books; provided, however, that the final installment of principal and interest shall be payable only upon presentation and surrender of this Note to the Paying Agent.

Principal of this Note is not subject to prepayment prior to maturity.

This Note is fully negotiable but shall be fully registered as to principal in the name of the owner on the books of the City in the office of the Registrar, after which no transfer shall be valid unless made on said books and then only upon presentation of this Note to the Registrar, together with either a written instrument of transfer satisfactory to the Registrar or the assignment form hereon completed and duly executed by the registered owner or the duly authorized attorney for such registered owner.

The City, the Registrar and the Paying Agent may deem and treat the registered owner hereof as the absolute owner for the purpose of receiving payment of or on account of principal hereof, premium, if any, and interest due hereon and for all other purposes, and the City, the Registrar and the Paying Agent shall not be affected by any notice to the contrary.

And It Is Hereby Certified, Recited and Declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Note have existed, have happened and have been performed in due time, form and manner, as required by law, and that the issuance of this Note does not exceed or violate any constitutional or statutory limitation or provision.

IN TESTIMONY WHEREOF, the City of Charles City, Iowa, by its City Council, has caused this Note to be executed with the duly authorized manual or facsimile signature of its Mayor and attested with the duly authorized manual or facsimile signature of its City Clerk, on June 15, 2016.

CITY OF CHARLES CITY, IOWA

By (DO NOT SIGN)

Mayor

Attest:

(DO NOT SIGN)

City Clerk

ABBREVIATIONS

The following abbreviations, when used in this Note, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	-	as tenants in common	UTMA	_____
TEN ENT	-	as tenants by the entireties		(Custodian)
JT TEN	-	as joint tenants with right of survivorship and not as tenants in common	As Custodian for	_____
				(Minor)
			under Uniform Transfers to Minors Act	_____
				(State)

Additional abbreviations may also be used though not in the list above.

ASSIGNMENT

For valuable consideration, receipt of which is hereby acknowledged, the undersigned assigns this Note to

\_\_\_\_\_  
(Please print or type name and address of Assignee)

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

and does hereby irrevocably appoint \_\_\_\_\_, Attorney, to transfer this Note on the books kept for registration thereof with full power of substitution.

Dated: \_\_\_\_\_

Signature guaranteed:

\_\_\_\_\_  
\_\_\_\_\_

(Signature guarantee must be provided in accordance with the prevailing standards and procedures of the Registrar and Transfer Agent. Such standards and procedures may require signatures to be guaranteed by certain eligible guarantor institutions that participate in a recognized signature guarantee program.)

NOTICE: The signature to this Assignment must correspond with the name of the registered owner as it appears on this Note in every particular, without alteration or enlargement or any change whatever.

Section 4. It is anticipated that closing of the borrowing transaction contemplated herein will be on or around June 15, 2016, provided, however, that execution of the Notes and the Loan Agreement shall be undertaken as soon after the adoption of this resolution as may be possible and thereupon shall be delivered to the Registrar for registration and delivery to or upon the direction of the Lender, upon receipt of the loan proceeds, and all action heretofore taken in connection with the Loan Agreement is hereby ratified and confirmed in all respects. To the extent that the date of closing needs to be adjusted, the City staff, with advice from the Lender and Bond Counsel to the City, is hereby authorized to make such adjustment and to modify the transaction documents accordingly.

Section 5. The proceeds (the "Loan Proceeds") to be received under the Loan Agreement shall be used to pay the costs of the Acquisition, and costs of issuance of the Notes. Any Loan Proceeds remaining after the full payment of such costs shall be deposited in the Debt Service Fund and used to pay principal of and interest on the Notes as the same become due. The City shall keep a detailed and segregated accounting of the expenditure of, and investment earnings on, the Loan Proceeds to ensure compliance with the requirements of the Internal Revenue Code, as hereinafter defined.

Section 6. As required by Chapter 76 of the Code of Iowa, and for the purpose of providing for the levy and collection of a direct annual tax sufficient to pay the principal of and interest on the Notes as the same become due there is hereby ordered levied on all the taxable property in the City the following direct annual tax in each of the following fiscal years:

For collection in the fiscal year beginning July 1, 2017,  
sufficient to produce the net annual sum of \$17,874;

For collection in the fiscal year beginning July 1, 2018,  
sufficient to produce the net annual sum of \$100,874;

For collection in the fiscal year beginning July 1, 2019,  
sufficient to produce the net annual sum of \$102,941;

For collection in the fiscal year beginning July 1, 2020,  
sufficient to produce the net annual sum of \$99,332;

For collection in the fiscal year beginning July 1, 2021,  
sufficient to produce the net annual sum of \$99,630;

For collection in the fiscal year beginning July 1, 2022,  
sufficient to produce the net annual sum of \$111,413;

For collection in the fiscal year beginning July 1, 2023,  
sufficient to produce the net annual sum of \$111,926;

For collection in the fiscal year beginning July 1, 2024,  
sufficient to produce the net annual sum of \$108,378; and

For collection in the fiscal year beginning July 1, 2025,  
sufficient to produce the net annual sum of \$144,610.

Section 7. A certified copy of this resolution shall be filed with the Floyd County Auditor, and the County Auditor is hereby instructed to enter for collection and assess the tax hereby authorized. When annually entering such taxes for collection, the County Auditor shall include the same as a part of the tax levy for Debt Service Fund purposes of the City and when collected, the proceeds of the taxes shall be converted into the Debt Service Fund of the City and set aside therein as a special account to be used solely and only for the payment of the principal of and interest on the Notes hereby authorized and for no other purpose whatsoever.

Pursuant to the provisions of Section 76.4 of the Code of Iowa, each year while the Notes remain outstanding and unpaid, any funds of the City which may lawfully be applied for such purpose, may be appropriated, budgeted and, if received, used for the payment of the principal of and interest on the Note as the same become due, and if so appropriated, the taxes for any given fiscal year as provided for in Section 6 of this Resolution, shall be reduced by the amount of such alternate funds as have been appropriated for such purpose, and evidenced in the City's budget.

Section 8. The interest or principal and both of them falling due in any year or years shall, if necessary, be paid promptly from current funds on hand in advance of taxes levied and when the taxes shall have been collected, reimbursement shall be made to such current funds to the sum thus advanced.

Section 9. It is the intention of the City that interest on the Notes be and remain excluded from gross income for federal income tax purposes pursuant to the appropriate provisions of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations in effect with respect thereto (all of the foregoing herein referred to as the "Internal Revenue Code"). In furtherance thereof, the City covenants to comply with the provisions of the Internal Revenue Code as they may from time to time be in effect or amended and further covenants to comply with the applicable future laws, regulations, published rulings and court decisions as may be necessary to insure that the interest on the Notes will remain excluded from gross income for federal income tax purposes. Any and all of the officers of the City are hereby authorized and directed to take any and all actions as may be necessary to comply with the covenants herein contained.

The City hereby designates the Notes as "Qualified Tax Exempt Obligations" as that term is used in Section 265(b)(3)(B) of the Internal Revenue Code.

Section 10. All resolutions or parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section 11. This resolution shall be in full force and effect immediately upon its adoption and approval, as provided by law.

Passed and approved May 16, 2016.

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Mayor

Attest:

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City Clerk



May 3, 2016

City of Charles City, Iowa  
Attention: Steve Diers  
105 Milwaukee Mall  
Charles City, IA 50616-9169

Re. Placement Agent Engagement Letter

Steve:

On behalf of Robert W. Baird & Co. Incorporated ("Baird" or "we"), we wish to thank you for the opportunity to serve as placement agent for the City of Charles City, Iowa (the "Issuer" or "you") on its proposed placement and issuance of \$785,000<sup>1</sup> General Obligation Fire Truck Acquisition Notes (the "Notes"). This letter will confirm the terms of our engagement; The Placement Agreement will set forth the terms and conditions on which Baird will purchase or place the Securities and will contain provisions that are consistent with those stated in this letter.

1. Services to be Provided by Baird. Baird is hereby engaged to serve as placement agent for the proposed placement and issuance of the Securities, and in such capacity Baird agrees to provide the following services:

- Review and evaluate the proposed terms of the placement and the Securities
- Assist in the preparation of the private placement memorandum and/or other disclosure documents
- Identify and contact potential investors, provide them with offering-related information, respond to their inquiries and, if requested, coordinate their due diligence sessions
- Negotiate the pricing, including the interest rate, and other terms of the Securities
- Obtain CUSIP number(s) for the Securities and arrange for their DTC book-entry eligibility, if necessary
- Plan and arrange for the closing and settlement of the issuance and the delivery of the Securities
- Such other usual and customary placement agent services as may be requested by the Issuer

2. Disclosures Concerning Baird's Role as Placement Agent as Required by MSRB Rule G-23 and G-17: At the Issuer's request, Baird may provide incidental financial advisory services, including advice as to the structure, timing, terms and other matters concerning the issuance of the Securities. Please note that Baird would be providing such advisory services in its capacity as placement agent and not as a municipal advisor or financial advisor to the Issuer. As placement agent, Baird's primary role is to arrange for the placement of the Securities in an arm's length commercial transaction between the Issuer and Baird. Baird has financial and other interests that differ from those of the Issuer. Unlike a municipal advisor, Baird as placement agent does not have a fiduciary duty to the Issuer under the federal securities law and is therefore not required by federal law to act in the best interest of the Issuer without regard to its own financial or other interests. As part of its services, Baird will review the private placement memorandum and/or other disclosure document (if any) applicable to the placement of the Securities in accordance with, and as part of, its responsibilities to investors under the federal securities laws, as applied to the facts and circumstances of the Securities.

As placement agent, Baird will not be required to purchase the Securities or to find one or more buyers of the Securities, but rather to use its reasonable best efforts to arrange for the sale of the Securities to one or more buyers. If all of the conditions to its obligations for the placement of any Securities have been satisfied, Baird as placement agent has a duty to arrange for the placement of the Securities at a fair and reasonable price to the Issuer

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<sup>1</sup> Preliminary, subject to change

but must balance that duty with its duty to arrange for the sale of the Securities to investors at prices that are fair and reasonable.

The Issuer will voluntarily submit information about the transaction through EMMA's continuing disclosure service, located in the voluntary continuing disclosure category of "Financial/Operating Data – Investment/Debt/Financial Policy," which information should (if applicable) provide details regarding the amount of debt being issued and its impact on the debt position, the purpose of the debt and use of proceeds, source of repayment, payment dates, interest rate, maturity and amortization of the debt, covenants, prepayment terms, events of default and remedies, acceleration events, other material terms, evidence of compliance with additional debt test, ratings, CUSIP number, transfer and redistribution rights and financial reporting requirements.

3. Fees and Expenses; Conflicts of Interest. Baird's placement agent fee will be 1% of the principal amount issued. The placement agent fee will be contingent upon the closing of the placement of the Securities and the amount of the fee will be based on the principal or par amount of the Securities issued. While this form of compensation is customary in the municipal securities market, it presents a conflict of interest because the placement agent may have an incentive to recommend to the Issuer a transaction that is unnecessary or to recommend that the size of the transaction be larger than necessary. Other firms who provide services in connection with the proposed placement may also have fees that are contingent on the closing of the placement of the Securities.

In addition to the placement agent fee, the Issuer shall pay to Baird an amount to reimburse for Baird's payment of CUSIP, if necessary. The Issuer shall be responsible for paying or reimbursing Baird for all other costs of issuance, including without limitation, bond counsel, placement agent's counsel (if any), and all other expenses incident to the performance of the Issuer's obligations under the proposed placement.

Baird is a full service securities firm and as such Baird and its affiliates may from time to time provide advisory, brokerage, consulting and other services and products to municipalities, other institutions, and individuals including the Issuer, certain Issuer officials or employees, and potential purchasers of the Securities for which Baird may receive customary compensation; however, such services are not related to the proposed offering. Baird has previously served as underwriter, placement agent or financial advisor on other bond offerings and financings for the Issuer and expects to serve in such capacities in the future. Baird may also be engaged from time to time by the Issuer to manage investments for the Issuer (including the proceeds from the proposed offering) through a separate contract that sets forth the fees to be paid to Baird. Baird manages various mutual funds, and from time to time those funds may own bonds and other securities issued by the Issuer (including the Securities). Additionally, clients of Baird may from time to time purchase, hold and sell bonds and other securities issued by the Issuer (including the Securities).

In the ordinary course of fixed income trading business, Baird may purchase, sell, or hold a broad array of investments and may actively trade securities and other financial instruments, including the Securities and other municipal bonds, for its own account and for the accounts of customers, with respect to which Baird may receive a mark-up or mark-down, commission or other remuneration. Such investment and trading activities may involve or relate to the offering or other assets, securities and/or instruments of the Issuer and/or persons and entities with relationships with the Issuer. Spouses and other family members of Baird associates may be employed by the Issuer.

Baird has not identified any additional potential or actual material conflicts that require disclosure. If potential or actual conflicts arise in the future, we will provide you with supplemental disclosures about them.]

4. Term and Termination. The term of this engagement shall extend from the date of this letter to the closing of the placement of the Securities. Notwithstanding the forgoing, either party may terminate Baird's engagement at any time without liability of penalty upon at least 30 days' prior written notice to the other party. If Baird's engagement is terminated by the Issuer, the Issuer agrees to compensate Baird for the services provided and to reimburse Baird for its out-of-pocket expenses incurred until the date of termination.

5. Indemnification; Limitation of Liability. The Issuer agrees that neither Baird nor its employees, officers, agents or affiliates shall have any liability to the Issuer for the services provided hereunder except to the extent it is judicially determined that Baird engaged in gross negligence or willful misconduct. In addition, to the extent permitted by applicable law, the Issuer shall indemnify, defend and hold Baird and its employees, officers, agents and affiliates harmless from and against any losses claims, damages and liabilities that arise from or otherwise relate to this Engagement Letter, actions taken or omitted in connection herewith, or the transactions and

other matters contemplated hereby, except to the extent such losses, claims, damages or liabilities are judicially determined to be the result of Baird's gross negligence or willful misconduct.

6. Miscellaneous. This letter shall be governed and construed in accordance with the laws of the State of Iowa. This Engagement Letter may not be amended or modified except by means of a written instrument executed by both parties hereto. This Engagement Letter may not be assigned by either party without the prior written consent of the other party. The Issuer acknowledges that Baird may, at its option and expense and after announcement of the offering, place announcements and advertisements or otherwise publicize a description of the offering and Baird's role in it on Baird's website and/or other marketing material and in such financial and other newspapers and journals as it may choose, stating that Baird has acted as underwriter for the offering. The Issuer also agrees that Baird may use the Issuer's name and logo or official seal for these purposes.

7. Disclosures of Material Financial Characteristics and Material Financial Risks. Because the Issuer has retained a financial advisor in connection with the offering and Baird has not recommended the offering or its structure to the Issuer, Baird is not required to provide additional disclosures to the Issuer of the material financial characteristics and material financial risks of the proposed offering under MSRB Rule G-17.

If there is any aspect of this Engagement Letter that you believe requires further clarification, please do not hesitate to contact us. In addition, please consult your own financial and/or municipal, legal, accounting, tax and other advisors as you deem appropriate. We understand that you have the authority to bind the Issuer by contract with us, and that you are not a party to any conflict of interest relating to the proposed placement and issuance of the Securities. If our understanding is not correct, please let us know.

Please evidence your receipt and agreement to the foregoing by signing and returning this Engagement Letter.

Again, we thank you for the opportunity to assist you with your proposed placement and issuance of the Securities and the confidence you have placed in us.

Sincerely,

**ROBERT W. BAIRD & CO. INCORPORATED**

By:   
Paul Donna, Managing Director

Accepted this \_\_\_ day of \_\_\_\_\_, 2016

**CITY OF CHARLES CITY, IOWA**

By: \_\_\_\_\_  
Title: \_\_\_\_\_

## Disclosures of Material Financial Characteristics and Financial Risks of Proposed Offering of Fixed Rate Bonds

Robert W. Baird & Co. Incorporated ("Baird") has been engaged as underwriter for the proposed offering by you (or the "Issuer") of fixed rate bonds, notes, certificates of participation or other debt securities ("Fixed Rate Bonds"), to be sold on a negotiated basis. The following is a general description of the financial characteristics and security structures of Fixed Rate Bonds, as well as a general description of certain financial risks that you should consider before deciding whether to issue Fixed Rate Bonds.

This document is being provided to an official of the Issuer who has the authority to bind the Issuer by contract with Baird, who does not have a conflict of interest with respect to the offering.

If the Fixed Rate Bonds proposed to be issued are "conduit revenue bonds," you will be a party to the bond purchase agreement and certain other legal documents to be entered into in connection with the issuance, but the material financial risks described below will be borne by the borrower or obligor, as set forth in those legal documents.

### **Financial Characteristics**

**Maturity and Interest.** Fixed Rate Bonds are interest-bearing debt securities issued by state and local governments, political subdivisions and agencies or authorities, such as the Issuer. Maturity dates for Fixed Rate Bonds will be fixed at the time of issuance and may include serial maturities (specified principal amounts are payable on the same date in each year until final maturity) or one or more term maturities (specified principal amounts are payable on each term maturity date) or a combination of serial and term maturities. Maturity dates, including the final maturity date, are subject to negotiation and will be reflected in the official statement. At each maturity, the scheduled principal or par amount of the Fixed Rate Bonds will have to be repaid.

Fixed Rate Bonds will pay fixed rates of interest typically semi-annually on scheduled payment dates, although some Fixed Rate Bonds may accrue interest to be paid at maturity. Such bonds are often referred to as capital appreciation or zero-coupon bonds. The interest rates to be paid on Fixed Rate Bonds may differ for each series or maturity date. The specific interest rates will be determined based on market conditions and investor demand and reflected in the official statement for the Fixed Rate Bonds. Fixed Rate Bonds with longer maturity dates will generally have interest rates that are greater than securities with shorter maturity dates.

**Redemption.** Fixed Rate Bonds may be subject to optional redemption, which allows the Issuer, at its option, to redeem some or all of the Fixed Rate Bonds on a date prior to scheduled maturity, such as in connection with the issuance of refunding bonds to take advantage of lower interest rates. Fixed Rate Bonds may be subject to optional redemption only after the passage of a specified period of time from the date of issuance, and upon payment of the redemption price set forth in the official statement for the Fixed Rate Bonds, which typically is equal to the par amount of the Fixed Rate Bonds being redeemed (plus accrued interest) but may include a redemption premium. The Issuer will be required to send out a notice of optional redemption to the holders of Fixed Rate Bonds, usually a certain period of time prior to the redemption date. Fixed Rate Bonds with term maturity

dates also may be subject to mandatory sinking fund redemption, which requires the Issuer to redeem specified principal amounts of the Fixed Rate Bonds annually in advance of the term maturity date. The mandatory sinking fund redemption price is 100% of the principal amount of the Fixed Rate Bonds to be redeemed. Fixed Rate Bonds may also be subject to extraordinary or mandatory redemption upon the occurrence of certain events, authorizing or requiring you to redeem the Fixed Income Bonds at their par amount (plus accrued interest).

Credit Enhancements. Fixed Rate Bonds may feature credit enhancements, such as an insurance policy provided by a municipal bond insurance company that guarantees the payment of principal of an interest on the bonds when due in the event of default. Other credit enhancements could include a letter of credit provided by a financial institution, or financial support from a state agency.

Tax Status. If Fixed Rate Bonds are intended to be tax-exempt, counsel will provide an opinion that interest on the Fixed Rate Bonds will be excluded from gross income for federal income tax purposes. Certain Fixed Rate Bonds may also be exempt from state personal income tax.

Some Fixed Rate Bonds (or a portion of those being issued) may be taxable, meaning that interest on the Fixed Rate Bonds will be included in gross income for federal income tax purposes.

### Security

Payment of principal of and interest on a municipal security, including Fixed Rate Bonds, may be backed by various types of pledges and forms of security, some of which are described below. The security for Fixed Rate Bonds will vary, depending on whether they are general obligation bonds, revenue bonds, conduit bonds or other types.

### General Obligation Bonds

“General obligation bonds” are debt securities to which your full faith and credit is pledged to pay principal and interest. If you have taxing power, generally you will pledge to use your ad valorem (property) taxing power to pay principal and interest. Ad valorem taxes necessary to pay debt service on general obligation bonds may not be subject to state constitutional property tax millage limits (an unlimited tax general obligation bond). The term “limited” tax is used when such limits exist. General obligation bonds constitute a debt and, depending on applicable state law, may require that you obtain approval by voters prior to issuance. In the event of default in required payments of interest or principal, the holders of general obligation bonds have certain rights under state law to compel you to impose a tax levy.

### Revenue Bonds

“Revenue bonds” are debt securities that are payable only from a specific source or sources of revenues that are generated from a particular enterprise or service you offer, such as water, electricity, sewer, health care, housing, transportation, toll roads and bridges, parking, parks and recreation fees, and stadiums and entertainment facilities. Revenue bonds are not a pledge of your full faith and credit and you are obligated to pay principal and interest on your revenue bonds only from the revenue source(s) specifically pledged to the bonds. Revenue bonds do not permit the bondholders to compel you to impose a tax levy for payment of debt service. Pledged revenues may be derived from operation of the financed project or system, grants, license or user fees, or excise or other specified taxes. Generally, subject to state law or local charter requirements, you are not required to obtain voter approval prior to issuance of revenue bonds. If the specified source(s) of revenue become inadequate, a default in payment of principal or interest may occur. Various types of pledges of revenue may be used to secure interest and principal payments on revenue bonds. The

nature of these pledges may differ widely based on state law, the type of issuer, the type of revenue stream and other factors. Some revenue bonds may be backed by your full faith and credit or moral obligation. A moral obligation is a non-binding covenant by you to make a budget recommendation to your legislative body to appropriate moneys needed to make up any revenue shortfall in order to meet debt service obligations on the revenue bonds, but the legislative body is not legally obligated to make such appropriation.

Certain revenue bonds may be structured as certificates of participation, which are instruments evidencing a pro rata share in a specified pledged revenue stream, usually lease payments that are typically subject to annual appropriation. With certificates of participation, the lesser or party receiving payments assigns those payments to a trustee that distributes them to the certificate holders. Certificates of participation do not constitute general obligation indebtedness of the issuer or municipality and are not backed by a municipality's full faith and credit or taxing power. Certificates of participation are payable solely from specific revenue sources.

#### Tax Increment or Tax Allocation Bonds

"Tax increment" or "tax allocation" bonds are a form of revenue bonds that are payable from the incremental increase in taxes realized from any appreciation in property values resulting from capital improvements benefitting the properties located in a particular location such as a tax incremental district. They are commonly used to redevelop, add infrastructure or otherwise improve a blighted, neglected or under-utilized area to encourage development in that area. Tax increment bonds may also be payable from increased sales taxes generated in a designated district. The proceeds of an issuance of tax increment or tax allocation bonds are typically applied to pay the costs of infrastructure and other capital improvements in the designated district. The incremental taxes or other revenues may not be sufficient to meet debt service obligations on the tax increment or tax allocation bonds. Some tax increment or tax allocation bonds may also be backed by an issuer's full faith and credit or moral obligation.

#### Conduit Bonds

Conduit revenue bonds may be issued by a governmental issuer acting as conduit for the benefit of a private sector entity or a 501(c)(3) organization (the "borrower" or "obligor"). Industrial revenue bonds are a form of conduit revenue bonds. Conduit revenue bonds commonly are issued for not-for-profit hospitals, health care facilities, educational institutions, single and multi-family housing, airports, industrial or economic development projects, corporations, and student loan programs, among other borrowers or obligors. Principal and interest on conduit revenue bonds normally are paid exclusively from revenues pledged by the borrower or obligor. Unless otherwise specified under the terms of the bonds, you are not required to make payments of principal or interest if the borrower or obligor defaults.

#### Charter School Bonds

Fixed Rate Bonds issued for the benefit of charter schools are a form of conduit revenue bonds. They are issued by a government entity acting as a conduct for the benefit of a charter school. The charter school is the borrower or obligor for the bonds. Principal and interest on charter school bonds normally are paid exclusively from revenues pledged by the charter school. Unless otherwise specified under the terms of the bonds, you are not required to make payments or principal or interest if the charter school defaults.

#### Financial and Other Covenants

Issuers of Fixed Rate Bonds (and/or obligors) may be required to agree to certain financial and

other covenants (such as debt service coverage ratios) that are designed to protect bond holders. Covenants are a form of additional security. The failure to continue to meet covenants may trigger an event of default or other adverse consequences to you and/or the obligor giving bond holders certain rights and remedies.

The description above regarding "Security" is only a brief summary of certain possible security provisions for the Fixed Rate Bonds and is not intended as legal advice. You should consult with your bond counsel for further information regarding the security for the Bonds.

### **Financial Risk Considerations**

Certain risks may arise in connection with your issuance of Fixed Rate Bonds, including some or all of the following (generally, the borrower or obligor, rather than you, will bear these risks for conduit revenue bonds):

#### **Issuer Default Risk**

You (or the obligor) may be in default if the funds pledged to secure Fixed Rate Bonds are not sufficient to pay debt service on the bonds when due. The consequences of a default may be serious for you (and/or the obligor) and, depending on applicable state law and the terms of the authorizing documents, the holders of the bonds may be able to exercise a range of available remedies against you (or the obligor). For example, if Fixed Rate Bonds are secured by a general obligation pledge, you may be ordered by a court to raise taxes. Other budgetary adjustments also may be necessary to enable you to provide sufficient funds to pay debt service on the bonds. If the Fixed Rate Bonds are revenue bonds, you (or the obligor) may be required to take steps to increase the available revenues that are pledged as security for the bonds. A default may negatively impact your (or the obligor's) credit ratings and may effectively limit your (or the obligor's) ability to publicly offer bonds or other securities at market interest rate levels. Further, if you (or the obligor) are unable to provide sufficient funds to remedy the default, subject to applicable state law and the terms of the authorizing documents, you (or the obligor) may find it necessary to consider available alternatives under state law, including (for some issuers) state-mandated receivership or bankruptcy. A default also may occur if you (or the obligor) are unable to comply with covenants or other provisions agreed to in connection with the issuance of the Fixed Rate Bonds.

This description is only a brief summary of issues relating to defaults and is not intended as legal advice. You should consult with your bond counsel for further information regarding defaults and remedies.

#### **Redemption Risk**

Your (or the obligor's) ability to redeem Fixed Rate Bonds prior to maturity may be limited, depending on the terms of any optional redemption provisions. In the event that interest rates decline, you (or the obligor) may be unable to take advantage of the lower interest rates to reduce debt service. In addition, if Fixed Rate Bonds are subject to extraordinary or mandatory redemption, you (or the obligor) may be required to redeem the bonds at times that are disadvantageous.

#### **Refinancing Risk**

If your (or the obligor's) financing plan contemplates refinancing some or all of the Fixed Rate Bonds at maturity (for example, if there are term maturities or if a shorter final maturity is chosen than might otherwise be permitted under the applicable federal tax rules), market conditions or changes in law may limit or prevent you (or the obligor) from refinancing those bonds when required. Further, limitations in the federal tax rules on advance refunding of bonds (an advance

refunding of bonds occurs when tax-exempt bonds are refunded more than 90 days prior to the date on which those bonds may be retired) may restrict your (or the obligor's) ability to refund the Fixed Rate Bonds to take advantage of lower interest rates.

Reinvestment Risk

You (or the obligor) may have proceeds of the Fixed Rate Bonds to invest prior to the time that you (or the obligor) are able to spend those proceeds for the authorized purpose. Depending on market conditions, you (or the obligor) may not be able to invest those proceeds at or near the rate of interest that you (or the obligor) are paying on the bonds, which is referred to as "negative arbitrage".

Tax Compliance Risk (applicable if the Fixed Rate Bonds are tax-exempt bonds)

The issuance of tax-exempt bonds is subject to a number of requirements under the United States Internal Revenue Code, as enforced by the Internal Revenue Service (IRS), and, if applicable, state tax laws. You (and the obligor) must take certain steps and make certain representations prior to the issuance of tax-exempt bonds. You (and the obligor) also must covenant to take certain additional actions after issuance of the tax-exempt bonds. A breach of the representations or a failure to comply with certain tax-related covenants may cause the interest on the Fixed Rate Bonds to become taxable retroactively to the date of issuance of the bonds, which may result in an increase in the interest rate that you (or the obligor) pay on the bonds or the mandatory redemption of the bonds. The IRS also may audit you (or the obligor) or the Fixed Rate Bonds or your (or the obligor's) other bonds, in some cases on a random basis and in other cases targeted to specific types of bond issues or tax concerns. If the Fixed Rate Bonds are declared taxable, or if you (or the obligor) are subject to audit, the market price of the Fixed Rate Bonds and/or your (or the obligor's) other bonds may be adversely affected. Further, your (or the obligor's) ability to issue other tax-exempt bonds also may be limited.

This description of tax compliance risks is not intended as legal advice and you should consult with your bond counsel regarding tax implications of issuing Fixed Rate Bonds.

Continuing Disclosure Risk

In connection with the issuance of Fixed Rate Bonds, you (and/or the obligor) may be subject to continuing disclosures which require dissemination of annual financial and operating information and notices of material events. Compliance with these continuing disclosure requirements is important and facilitates an orderly secondary market. Failure to comply with continuing disclosure requirements may affect the liquidity and marketability of the Fixed Rate Bonds, as well as your (and/or the obligor's) other outstanding securities. Because instances of material non-compliance with previous continuing disclosure requirements must be disclosed in an official statement, failure to comply with continuing disclosure requirements may also make it more difficult or expensive for you (or the obligor) to market and sell future bonds.



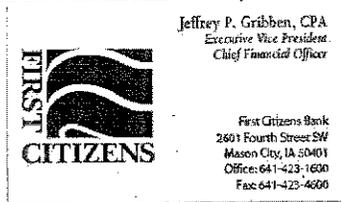
**City of Charles City, Iowa**  
**General Obligation Fire Truck Acquisition Notes, Series 2016A**  
**Summary of Final Terms and Conditions**  
**May 16, 2016**

**Name of Issue:** General Obligation Fire Truck Acquisition Notes, Series 2016A (the "Notes")

**Issuer / Borrower:** City of Charles City, Iowa (the "City").

**Bond Counsel:** Dorsey and Whitney

**Lender/Purchaser:** First Citizens Bank, Mason City, Iowa



**Purchaser's Counsel:** N/A

**Placement Agent:** Robert W. Baird & Co., Inc.

**Pay Agent:** City of Charles City, IA

**Par Amount:** \$792,000

**Bank Qualified:** Yes

**Tax Status:** Exempt from federal income taxes

**Maturity:**

<i>Maturity</i>	<i>Amount</i>	<i>Average Life</i>
6/2/2021	\$255,000	3.800
6/1/2026	\$537,000	7.922

**Interest Rate:** 6/1/2021 – 1.85%  
6/1/2026 – 2.45

**Dated / Closing / Funding:** June 15, 2016

Robert W. Baird & Co. Incorporated ("Baird") is not recommending any action to you. Baird is not acting as an advisor to you and does not owe you a fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934. Baird is acting for its own interests. You should discuss the information contained herein with any and all internal or external advisors and experts you deem appropriate before acting on the information. Baird seeks to serve as an underwriter (or placement agent) on a future transaction and not as a financial advisor or municipal advisor. The primary role of an underwriter (or placement agent) is to purchase, or arrange for the placement of, securities in an arm's length commercial transaction with the issuer, and it has financial and other interests that differ from those of the issuer. The information provided is for discussion purposes only, in seeking to serve as underwriter (or placement agent). See "Important Disclosures" contained herein.

City of Charles City, Iowa  
 General Obligation Fire Truck Acquisition Notes, Series 2016A

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**Purpose of the Bonds:** Proceeds will be used for the purpose of paying the cost, to that extent, of acquiring a fire truck for use by the municipal fire department.

**Security / Collateral:** The Notes are being issued by the City pursuant to the provisions of Section 384.24A of the Code of Iowa. The Notes will be a general obligation of the City.

**Credit Rating:** Not Rated

**Interest Payments:** Semi-annual interest payments due on June 1 and December 1 of each year, beginning December 1, 2016.

**Sinking Funds:** The City will make semi-annual principal and interest payments on the Notes. The schedule of principal payments is below:

Bond Component	Maturity Date	Amount	Rate	Yield	Price
2021 Term Bond:					
	06/01/2019	83,000	1.850%	1.850%	100.000
	12/01/2019	43,000	1.850%	1.850%	100.000
	06/01/2020	44,000	1.850%	1.850%	100.000
	12/01/2020	43,000	1.850%	1.850%	100.000
	06/01/2021	42,000	1.850%	1.850%	100.000
		<u>255,000</u>			
2026 Term Bond:					
	12/01/2021	43,000	2.450%	2.450%	100.000
	06/01/2022	44,000	2.450%	2.450%	100.000
	12/01/2022	50,000	2.450%	2.450%	100.000
	06/01/2023	51,000	2.450%	2.450%	100.000
	12/01/2023	51,000	2.450%	2.450%	100.000
	06/01/2024	53,000	2.450%	2.450%	100.000
	12/01/2024	51,000	2.450%	2.450%	100.000
	06/01/2025	52,000	2.450%	2.450%	100.000
	12/01/2025	71,000	2.450%	2.450%	100.000
	06/01/2026	71,000	2.450%	2.450%	100.000
		<u>537,000</u>			

**Optional Redemption:** The Bonds will not be subject to optional redemption prior to maturity.

**Costs of Issuance:** The City will be responsible for paying all costs of issuance including Placement Agent and Bond Counsel. These costs have been estimated and capitalized into the borrowing.

**Documentation:** Documentation shall be mutually acceptable to both parties. The City shall provide an opinion of legal counsel attesting to the legal, valid, and binding nature of the Bond.

**Financial Reporting** The City will provide audited financial statements of the City and on an annual basis, within 270 days of their respective fiscal year end.

**CUSIP Number:** The Placement Agent will attain a CUSIP number which will be assigned to the Notes, if necessary.

**DTC Closing:** Not Required

**Role of Bank as Purchaser:** The Purchaser is acting solely as Purchaser for its own account and not as a fiduciary for the Issuer or in the capacity of broker, dealer, municipal securities underwriter or municipal advisor. The Purchaser has not provided, and will not provide, financial, legal, tax, accounting or other advice to or on behalf of Issuer with respect to the proposed Notes.

City of Charles City, Iowa  
General Obligation Fire Truck Acquisition Notes, Series 2016A

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Please indicate your acceptance of these terms herein by signing below, and returning a signed copy to Robert W. Baird & Co., Inc. to the attention of Paul Donna via email at pdonna@rwbaird.com.

\_\_\_\_\_  
Steve Diers, City Administrator  
City of Charles City, Iowa

\_\_\_\_\_  
Date

\_\_\_\_\_  
Jeff P. Gribben, Executive Vice President, Chief Financial Officer  
First Citizens Bank

\_\_\_\_\_  
Date

