

**REGULAR MEETING
DECEMBER 5, 2016**

The City Council of the City of Forest City, Iowa, met in regular session on December 5, 2016, at 7:00 p.m. in the Council Chambers of City Hall, Forest City, Iowa.

Mayor Byron Ruitter called the meeting to order at 7:00 p.m. Councilmembers present at roll call were: Buffington, Davis, Holland, Mikes, West, Wooldridge, Zehren. Absent: None.

Mayor Ruitter announced that this was the time and the place for a Public Hearing on the proposed designation of the 2016 Westown Place Urban Renewal Area. City Attorney Bakke explained the necessity for the hearing, which is to declare necessity and establish an Urban Renewal Area. Since there were no written objections filed, nor were there any oral objectors present at the meeting, the Mayor declared the Hearing to be closed at 7:14 p.m.

Mayor Ruitter announced that this was the time and the place for a Public Hearing on the proposed development agreement with Westown Place, LLC. City Attorney Bakke explained the necessity for the hearing, which is to approve the development agreement with Westown Place, LLC, to authorize annual appropriation tax increment payments, and to pledge certain tax increment revenues to the payment of the agreement. Since there were no written objections filed, nor were there any oral objectors present at the meeting, the Mayor declared the Hearing to be closed at 7:18 p.m.

No one spoke under Public Forum.

Kathy Rollefson presented her Forest City Chamber of Commerce report to the Mayor and Council. The Mayor and Council thanked Ms. Rollefson for the information presented. No action was taken on this report.

Richard Campney was present at the meeting and stated the new welcome signs are beautiful; however, we have lost the community service organization information the old signs provided. He stated this information needed to be posted for public view. Campney also noted that Forest City brochures needed to be placed at the rest stop near the Little Brown Church in Nashua, Iowa. The Mayor and Council thanked Mr. Campney for this information.

Moved by Wooldridge, seconded by Holland, to approve the agenda as presented. Motion carried unanimously.

Councilmember Holland had questions regarding an invoice from Nelson Plumbing for Casey's sewer project, which Kevin Reicks noted will be reimbursed by Seneca, Casey's contractor. Holland also questioned an invoice to Midwest Roofing, which included a change order not authorized by the Council. Holland recommended paying only for the main part of Midwest Roofing's bill and not paying for the change order portion until an explanation is received on what the change order is for.

Moved by Holland, seconded by Zehren, to approve the following consent agenda items, with a hold on the change order for Midwest Roofing, as noted above:

- 1) Council Minutes for the meetings of 11/21/16 & 11/28/16
- 2) Minutes from the Board of Adjustment (11/22/16)
- 3) Invoices as presented
- 4) Class C liquor license for Shooterz
- 5) Mayes' Education (Waldorf University) – TIF Rebate in the amount of \$103,932.00
- 6) Approve invoices to Groves' Contracting in the amount of \$28,246.83 for work on the 2016 Street Improvement Project

Motion carried unanimously.

Mayor Ruiter stated that action now needed to be taken regarding the ordinances and resolutions addressed in the Public Hearings. After discussion, the Council took the following action:

Councilmember Zehren introduced the following Resolution and moved its adoption. Councilmember Mikes seconded the motion to adopt. The roll was called and the vote was AYES: Buffington, Davis, Holland, Mikes, West, Wooldridge, Zehren. NAYS: None. ABSENT: None. Whereupon the Mayor declared the Resolution duly adopted as follows:

Resolution No. 16-17-15, a Resolution found in Resolution Book 16-17. A RESOLUTION TO DECLARE NECESSITY AND ESTABLISH AN URBAN RENEWAL AREA, PURSUANT TO SECTION 403.4 OF THE CODE OF IOWA AND APPROVE URBAN RENEWAL PLAN AND PROJECTS FOR THE 2016 WESTOWN PLACE URBAN RENEWAL AREA.

The Mayor and Council discussed the first reading of Ordinance No. 760, which Provides for the Division of Taxes Levied on Taxable Property in the 2016 Westown Place Urban Renewal Area, Pursuant to Section 403.19 of the Code of Iowa. After discussion, the Council took the following action:

Councilmember Buffington introduced the following Ordinance and moved its adoption. Councilmember Holland seconded the motion to adopt. The roll was called and the vote was AYES: Buffington, Davis, Holland, Mikes, West, Wooldridge, Zehren. NAYS: None. ABSENT: None. Whereupon the Mayor declared the motion carried.

Ordinance No. 760 was then read by the Clerk, after which it was discussed. This represents the first reading of Ordinance No. 760. The second reading of Ordinance No. 760 will be at the December 19th regular Council meeting. Ordinance No. 760 is AN ORDINANCE PROVIDING FOR THE DIVISION OF TAXES LEVIED ON TAXABLE PROPERTY IN THE 2016 WESTOWN PLACE URBAN RENEWAL AREA, PURSUANT TO SECTION 403.19 OF THE CODE OF IOWA.

Councilmember Davis introduced the following Resolution and moved its adoption. Councilmember Mikes seconded the motion to adopt. The roll was called and the vote was AYES: Buffington, Davis, Holland, Mikes, West, Wooldridge, Zehren. NAYS: None. ABSENT: None. Whereupon the Mayor declared the Resolution duly adopted as follows:

Resolution No. 16-17-16, a Resolution found in Resolution Book 16-17. A RESOLUTION DELETING PROPERTY FROM THE FOREST CITY URBAN RENEWAL AREA.

The Mayor and Council discussed the first reading of Ordinance No. 761, which is an Ordinance Deleting Property from the Tax Increment Financing District for the Forest City Urban Renewal Area of the City of Forest City, Iowa, Pursuant to Section 403.19 of the Code of Iowa. After discussion, the Council took the following action:

Councilmember Buffington introduced the following Ordinance and moved its adoption. Councilmember Wooldridge seconded the motion to adopt. The roll was called and the vote was AYES: Buffington, Davis, Holland, Mikes, West, Wooldridge, Zehren. NAYS: None. ABSENT: None. Whereupon the Mayor declared the motion carried.

Ordinance No. 761 was then read by the Clerk, after which it was discussed. This represents the first reading of Ordinance No. 761. The second reading of Ordinance No. 761 will be at the December 19th

regular Council meeting. Ordinance No. 761 is AN ORDINANCE DELETING PROPERTY FROM THE TAX INCREMENT FINANCING DISTRICT FOR THE FOREST CITY URBAN RENEWAL AREA OF THE CITY OF FOREST CITY, IOWA, PURSUANT TO SECTION 403.19 OF THE CODE OF IOWA.

City Administrator/Clerk Barb Smith noted there were errors in the Development Agreement that would need to be changed. Dorsey & Whitney are making the necessary corrections. After discussion, the Council took the following action:

Councilmember Mikes introduced the following Resolution and moved its adoption, contingent upon the necessary corrections by Dorsey & Whitney. Councilmember Zehren seconded the motion to adopt. The roll was called and the vote was AYES: Buffington, Davis, Holland, Mikes, West, Wooldridge, Zehren. NAYS: None. ABSENT: None. Whereupon the Mayor declared the Resolution duly adopted as follows:

Resolution No. 16-17-17, a Resolution found in Resolution Book 16-17. A RESOLUTION APPROVING THE DEVELOPMENT AGREEMENT WITH WESTOWN PLACE, LLC, AUTHORIZING ANNUAL APPROPRIATION TAX INCREMENT PAYMENTS AND PLEDGING CERTAIN TAX INCREMENT REVENUES TO THE PAYMENT OF THE AGREEMENT.

The Mayor and Council discussed a Subordination Agreement between Manufacturer's Bank and the City of Forest City, regarding the Development Agreement between the City and Westown Place, LLC. MBT has already filed its Mortgage on said property, and this agreement will allow the Development Agreement to be treated legally, as if it was filed prior to the Mortgage on said property. After discussion, the Council took the following action:

Moved by Davis, seconded by Zehren, to approve the Subordination Agreement between Manufacturer's Bank and the City of Forest City, contingent upon the necessary corrections to the Development Agreement. Motion carried unanimously.

City Administrator/Clerk Barb Smith led the discussion regarding the Capital Equipment Reserves Fund 170 Transfers and asked the Council to pass a resolution of approval. After discussion, the Council took the following action:

Councilmember Davis introduced the following Resolution and moved its adoption. Councilmember Zehren seconded the motion to adopt. The roll was called and the vote was AYES: Buffington, Davis, Holland, Mikes, West, Wooldridge, Zehren. NAYS: None. ABSENT: None. Whereupon the Mayor declared the Resolution duly adopted as follows:

Resolution No. 16-17-18, a Resolution found in Resolution Book 16-17. A RESOLUTION APPROVING THE CAPITAL EQUIPMENT RESERVES FUND 170 TRANSFERS.

City Administrator/Clerk Barb Smith asked the Council to pass a resolution naming the Forest City Summit as the City's official publication of record of legal notices. After discussion, the Council took the following action:

Councilmember Wooldridge introduced the following Resolution and moved its adoption. Councilmember Zehren seconded the motion to adopt. The roll was called and the vote was AYES: Buffington, Davis, Holland, Mikes, West, Wooldridge, Zehren. NAYS: None. ABSENT: None. Whereupon the Mayor declared the Resolution duly adopted as follows:

Resolution No. 16-17-19, a Resolution found in Resolution Book 16-17. A RESOLUTION DESIGNATING THE FOREST CITY SUMMIT, PART OF THE NORTH IOWA MEDIA GROUP, TO BE THE OFFICIAL NEWSPAPER OF RECORD FOR ALL OFFICIAL PUBLICATIONS AND LEGAL NOTICES.

Moved by Buffington, seconded by Davis, to hold the first January Council meeting on Tuesday, January 3, 2017, due to the holiday.

City Administrator/Clerk Barb Smith asked the Council to pass a Resolution to set a date for a Public Hearing on the proposal to enter into a General Obligation Urban Renewal Loan Agreement and to borrow money thereunder in a principal amount not to exceed \$2,000,000. After discussion, the Council took the following action:

Councilmember Buffington introduced the following Resolution and moved its adoption. Councilmember Davis seconded the motion to adopt. The roll was called and the vote was AYES: Buffington, Davis, Holland, Mikes, West, Wooldridge, Zehren. NAYS: None. ABSENT: None. Whereupon the Mayor declared the Resolution duly adopted as follows:

Resolution No. 16-17-20, a Resolution found in Resolution Book 16-17. A RESOLUTION SETTING THE DATE FOR A PUBLIC HEARING ON THE PROPOSAL TO ENTER INTO A GENERAL OBLIGATION URBAN RENEWAL LOAN AGREEMENT AND TO BORROW MONEY THEREUNDER IN A PRINCIPAL AMOUNT NOT TO EXCEED \$2,000,000. The Hearing will be held on Tuesday, January 3, 2017, in the Council Chambers of City Hall, 305 North Clark Street, Forest City, Iowa.

Kathy Rollefson noted the Forest City Christmas will be held next Saturday, December 10th, and that the medallion has not yet been found. Brad Buffington added that the Holiday Tour of Lights was a big success and encouraged everyone to attend.

The following invoices were approved for payment:

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|--------------------------|----------------------|-----------|
| AMERICAN FAMILY LIFE | INSURANCE | 1,555.50 |
| ASCHENBRENNER/BETH | UNIFORM ALLOWANCE | 41.80 |
| BLUE CROSS-BLUE SHIELD | INSURANCE | 41,679.15 |
| BUCK/DUSTIN | REIMBURSEMENT | 199.94 |
| COPPES/BARRY | UNIFORM ALLOWANCE | 68.47 |
| F C CHAMBER OF COMMERCE | REBATE/K ROLLEFSON | 200.00 |
| GERDES/MATT | REIMBURSEMENT | 17.68 |
| IA DEPT OF AGRICULTURE | APPLICATION/AUKES | 15.00 |
| NELSON PLUMBING & HEAT | PARTS/SERV | 9,868.42 |
| PETTY CASH | REIMBURSE PETTY CASH | 59.77 |
| SMITH/BARB | MILEAGE | 128.52 |
| AFSCME - IOWA COUNCIL 61 | DEDUCTION | 424.79 |
| BSN SPORTS | REC SUPPLIES | 233.98 |
| CANON FINANCIAL SERVICES | LEASE PAYMENT | 148.66 |
| DEARBORN NATIONAL | DEDUCTION | 621.63 |
| EASTVOLD LANDSCAPING | WINTER DECORATION | 45.00 |
| ERNIE WILLIAMS LTD | PARTS/SERV | 221.28 |
| F C MUN UTILITIES | UTILITIES | 15,897.30 |
| FUN EXPRESS, LLC | MISC SUPPLIES | 241.44 |
| FURSA/NATHAN | METER DEP REFUND | 51.08 |
| HAGEN/DENNIS | REIMBURSEMENT | 53.49 |
| KEGLER/SONI | REIMBURSEMENT | 22.41 |
| O'ROURKE/MICHAEL | UNIFORM ALLOWANCE | 31.98 |
| RICHARDSON/JOHN | METER DEP REFUND | 139.51 |
| ROHLFS/RACHEL | METER DEP REFUND | 8.11 |

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|-------------------------|----------------------|-----------|
| RUEBER/LINDA | METER DEP REFUND | 108.59 |
| U P S | UPS CHARGES | 61.29 |
| VALIC | DEDUCTION | 765.00 |
| WI SCTF | DEDUCTION | 168.97 |
| WINDSTREAM | SERVICES | 16.20 |
| AMERICAN FAMILY LIFE | INSURANCE | 1,555.50 |
| ASCHENBRENNER/BETH | UNIFORM ALLOWANCE | 41.80 |
| BLUE CROSS-BLUE SHIELD | INSURANCE | 41,679.15 |
| BUCK/DUSTIN | REIMBURSEMENT | 199.94 |
| COPPE/BARRY | UNIFORM ALLOWANCE | 68.47 |
| F C CHAMBER OF COMMERCE | REBATE/K ROLLEFSON | 200.00 |
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| NELSON PLUMBING & HEAT | PARTS/SERV | 9,868.42 |
| PETTY CASH | REIMBURSE PETTY CASH | 59.77 |
| SMITH/BARB | MILEAGE | 128.52 |

| FUND RECAP: | | | | |
|---------------------------|-------------|-----------|-----------|---------------|
| | INVOICE SET | | | TOTAL FUND |
| FUND DESCRIPTION | 1 | 2 | 3 | DISBURSEMENTS |
| GENERAL FUND | 2,381.41 | 3,375.73 | 2,381.41 | 8,138.55 |
| CAP IMPROVEMENT RESERVE | | | | - |
| CDBG FUND | | | | - |
| DEBT SERVICE FUND | | | | - |
| LIBRARY TRUST FUND | | | | - |
| CEMETERY PERP CARE FUND | | | | - |
| HOTEL/MOTEL TAX FUND | | | | - |
| TIF FUND | | | | - |
| STREET IMPRO PROJECT FUND | | | | - |
| PARK IMPROVEMENT FUND | 8,018.19 | | 8,018.19 | 16,036.38 |
| AQUATIC CENTER | | | | - |
| ROAD USE FUND | | | | - |
| EMPLOYEE BENEFIT FUND | | | | - |
| LOCAL OPTION SALES TAX | | | | - |
| WATER FUND | | 1,693.19 | | 1,693.19 |
| SEWER RENTAL FUND | | 2,970.45 | | 2,970.45 |
| ELECTRIC FUND | 200.00 | 9,240.95 | 200.00 | 9,640.95 |
| STORM WATER UTILITY FUND | | | | - |
| CLEARING FUND | | | | - |
| PAYROLL CLEARING FUND | 43,234.65 | 1,980.39 | 43,234.65 | 88,449.69 |
| TOTALS | 53,834.25 | 19,260.71 | 53,834.25 | 126,929.21 |

Moved by Davis, seconded by Wooldridge, to adjourn the meeting at 7:43 p.m. Motion carried unanimously.

ATTEST:

Barbara Smith, City Administrator/Clerk

Byron Ruitter, Mayor