

# City of Monticello, Iowa

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Posted on September 26, 2017 at 7:50 p.m.

Monticello City Council Regular Meeting October 02, 2017 @ 6:00 p.m.  
Monticello Renaissance Center, 220 E. 1<sup>st</sup> Street, Monticello, Iowa

<b>Mayor:</b>	Dena Himes	<b>City Administrator:</b>	Doug Herman
<b>City Council:</b>		<b>Staff:</b>	
At Large:	Dave Goedken	City Clerk/Treas.:	Sally Hinrichsen
At Large:	Brian Wolken, Mayor Pro Tem	Public Works Dir.:	Brant LaGrange
Ward #1:	Rob Paulson	City Engineer:	Patrick Schwickerath
Ward #2:	Johnny Russ	Police Chief:	Britt Smith
Ward #3:	Chris Lux	Ambulance Dir.:	C.J. Johnson
Ward #4:	Tom Yeoman		

- **Call to Order – 6:00 P.M.**
- Pledge of Allegiance
- Roll Call
- Agenda Addition/Agenda Approval

**Open Forum:** If you wish to address the City Council on subjects pertaining to today's meeting agenda please wait until that item on the agenda is reached. If you wish to address the City Council on an item not on the agenda, please approach the lectern and give your name and address for the public record before discussing your item.

**Consent Agenda** (These are routine items and will be enacted by one motion without separate discussion unless someone requests an item removed to be considered separately.)

<b>Approval</b> of Council Mtg. Minutes	September 18, 2017
<b>Approval</b> of Payroll	September 28, 2017
<b>Approval</b> of Bill List	

**Motions:** None

## **Public Hearing:**

1. **Public Hearing** on Proposed Amendments to Urban Renewal Area and Urban Renewal Plan.
2. **Public Hearing** on Proposed Development Agreement between the City of Monticello and B & J Hauling & Excavation, Inc.

## **Resolutions:**

3. **Resolution** to approve Amendments to Urban Renewal Area and Urban Renewal Plan.
4. **Resolution** to approve Development Agreement between City of Monticello and B & J Hauling and Excavation, Inc.
5. **Resolution** to approve proposal related to City owned lot located at 224 N. Chestnut Street and to direct staff to negotiate agreement with party associated with chosen proposal.

6. **Resolution** to Finally Accept Water Tower Project, release Retainage, and approve Change Order #1
7. **Resolution** to approve Pay Request #1 from Schaus-Vorhies related to the Monticello Airport Ten-T Hangar project in the amount of \$31,192.30
8. **Resolution** to approve Eastern Iowa Excavating & Concrete, LLC Pay Request #1 related to the 2017 Main Street HMA Project.
9. **Resolution** to approve Taylor Construction, Inc. Pay Request #2, Re: 2017 E. 1<sup>st</sup> Street Bridge replacement project.
10. **Resolution** to approve approve Eastern Iowa Excavating and Concrete Pay Request #6 Re: South Street Reconstruction Project.
11. **Resolution** to schedule Public Hearing on Re-Zoning of properties located in Faust's 1<sup>st</sup> Addition, located on Breckenridge Dr. from Multi-Family Residential, R-3, to Single Family Residential R-1 and or Two-Family Residential, R-2.
12. **Resolution** to approve Plat of Survey to Parcel 2017-71 (Schoon Property)
13. **Resolution** to approve Plat of Survey to Parcel 2017-70 (Adams Property, Two-Mile Jurisdiction)

**Ordinances:**

14. **Ordinance** to amend Chapter 63.01 of the Code Re: Speed Limits. (S. Cedar St.) (2<sup>nd</sup> Reading)

**Reports / Potential Action:**

- Urban Chicken training October 12, 2017
- Milkweed Update
- Engineer's Report
- Garbage / Recycling
- Bradley properties (Nuisance)
- Fire Dpt. Hydrant Repair List, 2016

**Adjournment:** Pursuant to §21.4(2) of the Code of Iowa, the City has the right to amend this agenda up until 24 hours before the posted meeting time.

Communication Pages not yet complete

Further  
Detail  
to come

Regular Council Meeting – Official  
September 18, 2017 - 6:00 P.M.  
Community Media Center

Mayor Dena Himes called the meeting to order. Council present: Dave Goedken, Brian Wolken, Rob Paulson, Johnny Russ and Tom Yeoman. Also present were City Administrator Doug Herman, Deputy City Clerk Cheryl Clark, Public Works Director Brant LaGrange and Police Chief Britt Smith. Council member Chris Lux arrived later in the meeting.

Herman noted that the agenda was posted with the addition of Item 5(a); however, the packets were sent out prior to the addition. Yeoman moved to approve the agenda, Russ seconded, roll call unanimous.

Renee and Chad Adams were present during Open Forum to discuss the hog barn they plan to construct on a piece of land they purchased along Highway 38 North. Council member Chris Lux arrived. Herman stated that the proposed construction is within the 2-mile jurisdiction of Monticello, so it will go before Planning & Zoning within the next week or so, then to Council for official action on October 2<sup>nd</sup>. Herman stated that it's not likely that the City will expand that direction and Council agreed with that sentiment.

Russ moved to approve the consent agenda, Wolken seconded, roll call unanimous.

Mayor Himes opened the public hearing on the proposed amendment to the Electric Franchise Agreement. Herman reported that Alliant has no justification to take the administrative fee any longer, so it will be reduced to zero. No public comments were received, and City Staff reported that they had not received any oral or written comments. Mayor Himes closed the public hearing. Wolken moved to suspend the requirement that a proposed ordinance be considered and voted on for passage at two prior meetings prior to the meeting at which it is to be finally acted upon, as provided by Section 380.3 of the Code of Iowa, and place Ordinance #706 to Amend the Electric Franchise Agreement upon final passage, Paulson seconded, roll call unanimous.

Yeoman moved to approve Resolution #17-105 to approve payment of retainage to B & J Hauling and Excavating related to 10 T Hangar grading and paving project, Goedken seconded, roll call unanimous.

Goedken moved to approve Resolution #17-106 to approve partial abatement of South Street Assessments for Calvin Zimmerman and Michael Elkin, Russ seconded, roll call unanimous.

Council heard from parties interested in purchasing and redeveloping the City owned property located at 224 N. Chestnut Street. After much discussion, Russ moved to approve Resolution #17-107 to approve proposal related to City owned lot located at 224 N. Chestnut Street and to direct staff to negotiate an agreement with Norm Zimmerman, Goedken seconded. Ayes: Russ, Goedken and Yeoman. Nays: Wolken, Paulsen and Lux. Consensus of the Council was to place the item on the next agenda for additional consideration.

Yeoman moved to approve Resolution #17-108 to approve Urban Chicken Permit Application and related fees, Russ seconded, roll call unanimous.

Yeoman moved to approve Resolution #17-109 to schedule Public Hearing on consideration of Development Agreement between City of Monticello and B & J Hauling & Excavation, Inc., Russ seconded, roll call unanimous. Public Hearing is set for October 2, 2017 at 6 PM.

Smith recommended enacting the business district speed limit of 20 miles per hour on South Cedar Street from First Street to Washington Street. Goedken introduced and moved Ordinance #707 amending Monticello Code of Ordinances 63.01 Re: Speed Limits, first reading and in title only, Russ seconded, Roll call unanimous.

Herman reported that there will be Urban Chicken Training on October 12, 2017.

Herman is working with the Extension Office to set up a meeting with Mike Felton and a Master Gardener in regard to the significant growth of milkweed in his yard. Wolken stated that he spoke with representatives from the Dubuque Arboretum and Mines of Spain who stated that they may be willing to help if a Master Gardener is unavailable.

Herman reported that he has been made aware of discussions related to the center turn lane painted arrows on South Main Street. Even though it appears that the turning arrows shouldn't be pointing westward in the Oak/Main area, if it is a turning lane, both arrow directions are required.

LaGrange stated that the contractor was supposed to be back to finish up South Main Street last Thursday but they haven't returned yet. He will contact them to determine their plan and estimated completion date.

Herman generally discussed the written engineer's report that was provided to the City Council.

Herman reported that Dave Lumpa was penalized \$5,000 but that \$4,250 was suspended, contingent upon him coming into full compliance with City requirements related to a rear yard fence and nuisance issues related to his rear yard within ninety (90) days. Herman has been directed to file a progress report with the Court every 30 days. If Lumpa fails to come into compliance, the Court may impose the suspended portion of the penalty.

Herman reported that after withholding rent during the water tower project, ComElec paid when questioned about it and they are totally up to date at this time.

Herman met with Jared Lasley, REM Electric, about library lot lighting and Lasley will have a lighting supplier here late this week to look at options. Kaye Junion, 245 North Arminda Avenue, indicated that she fell in that area last year and that it was very dark.

Wolken moved to take a five minute recess, then go into closed session under §21.5(1)(i) of the Iowa Code to "evaluate the professional competency of an individual whose appointment, hiring, performance, or discharge is being considered when necessary to prevent irreparable

injury to that individual's reputation and that individual requests a closed session, Russ seconded. Ayes: Wolken, Russ, Lux, Yeoman, Goedken and Paulson. Nays: None. Carried.

Russ moved, Wolken seconded to end the closed session and return to open session. Ayes: Russ, Wolken, Yeoman, Goedken, Paulson and Lux. Nays: None. Carried. Herman was directed to proceed as discussed.

Russ moved to adjourn the Council meeting at 7:56 P.M., roll call vote unanimous.

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Dena Himes, Mayor

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Cheryl Clark, Deputy City Clerk

Regular Council Meeting – Unofficial  
September 18, 2017 - 6:00 P.M.  
Community Media Center

Mayor Dena Himes called the meeting to order. Council present: Dave Goedken, Brian Wolken, Rob Paulson, Johnny Russ and Tom Yeoman. Also present were City Administrator Doug Herman, Deputy City Clerk Cheryl Clark, Public Works Director Brant LaGrange and Police Chief Britt Smith. Council member Chris Lux arrived later in the meeting.

Herman noted that the agenda was posted with the addition of Item 5(a); however, the packets were sent out prior to the addition. Yeoman moved to approve the agenda, Russ seconded, roll call unanimous.

Renee and Chad Adams were present during Open Forum to discuss the hog barn that they plan to construct on a piece of land they purchased along Highway 38 North. Renee Adams stated that the property has been surveyed off and is all up to code, so they are ready to move forward. They spoke with neighboring property owner Russ Hughes, who had no concerns on the project. Chad Adams stated that the property has been re-zoned to agricultural use. Council member Chris Lux arrived. Herman stated that the proposed construction is within the 2-mile jurisdiction of Monticello, so it will go before Planning & Zoning within the next week or so, then to Council for official action on October 2<sup>nd</sup>. Renee Adams stated that they have two other hog barns on Jones-Delaware Road and Goedken didn't feel it would be an issue, if there were already two in the area. Herman stated that it's not likely that the City will expand that direction. Council acknowledged that their only right to review was related to the new plat of survey, not in regard to the issue of property use.

Russ moved to approve the consent agenda, Wolken seconded, roll call unanimous.

Mayor Himes opened the public hearing on the proposed amendment to the Electric Franchise Agreement. Herman reported that Alliant has no justification to take the administrative fee any longer, so it will be reduced to zero. The same franchise fee will be collected, but the portion that used to go to Alliant will now come to the City. No public comments were received, and City Staff reported that they had not received any oral or written comments. Mayor Himes closed the public hearing. Wolken moved to suspend the requirement that a proposed ordinance be considered and voted on for passage at two prior meetings prior to the meeting at which it is to be finally acted upon, as provided by Section 380.3 of the Code of Iowa, and place Ordinance #706 to Amend the Electric Franchise Agreement upon final passage. Paulson seconded, roll call unanimous.

Herman reported that the City retained some of the money due to B & J Hauling and Excavating for the 10 T Hangar project until final seeding and rock clean-up on the site was complete. Herman, Airport Manager Paul Elmegreen and Brian Monk with B & J Hauling and Excavating reached an agreement to have the City remove the silt fence and mow the areas of concern with Monk agreeing to hire a contractor to apply fertilizer to the area. This agreement included a reduction in the retainage amount by \$500.00, due to work being done by City staff with City equipment. The retainage withheld since December totals \$3,871.28, this payment totals

\$3,371.28 after a \$500.00 reduction. It will be paid after application of fertilizer by B & J's contractor and receipt of any applicable lien waivers from B & J's independent contractors. Yeoman moved to approve Resolution #17-105 to approve payment of retainage totaling \$3,371.28 after \$500.00 reduction to B & J Hauling and Excavating related to 10 T Hangar grading and paving project, Goedken seconded, roll call unanimous.

Herman stated that Calvin Zimmerman and Michael Elkin both appear eligible for partial abatements of the final assessment schedule based upon recent concrete improvements associated with their property. In the past, the City has allowed a partial abatement of the proposed assessments if the property owner has replaced the same concrete now being removed and replaced within the last ten years. Both property owners installed new driveways in the 2013-2014 time frame, which would provide an abatement of 70%, with a 10% assessment for each of the three years that the concrete had been at least partially in use. Goedken moved to approve Resolution #17-106 to approve a 70% abatement for the driveway approach assessments for Calvin Zimmerman and Michael Elkin on South Street, Russ seconded, roll call unanimous.

Herman stated that the final decision for the lot at 224 N. Chestnut Street won't be made tonight, that the Council needs to look at the proposals and determine if either should be looked at, then give Herman permission to work with the selected party. Goedken questioned what the status of the sidewalk repairs is. Herman stated that the panels that need repaired may be damaged during construction. Goedken felt that the panels should be replaced and Herman stated the City will look into those few panels. Tom Harmon from 234 N. Chestnut St. stated that he got his bid in on time and felt that the other party had two weeks to get their bid submitted. He didn't feel that tax revenue should be solely looked at, as the Council approves tax abatements on projects. The addition to his home would make his wife's life easier, due to some medical issues. Herman stated that Norm Zimmerman's bid was submitted timely, but Lux requested more information, which was submitted later, that Zimmerman provided what was initially required on a timely basis. Bill Hosch, husband of Patrice Lambert, of Cascade stated that he believes that Zimmerman could build the proposed home on a different lot in the community. Pat Lambert stated that their family has owned the property next to Al's garage his entire life and he feels the right decision is to sell the property to the neighbors. He stated that tax money is important but felt the difference would be minimal and the neighbors he talked to think Harmon should get the property. Lambert stated that he felt the City didn't do anything with the Hughes property for 40 years and Himes disagreed, saying the City has been vocal about doing something since at least 1995. Lambert stated Harmon's initial price is higher than Zimmerman's, so he feels they should be given a fair chance. Herman stated that the Jones County Assessor estimated the rough value of the Harmon addition to be \$50,000 and the rough value of the home proposed by Zimmerman to be \$200,000. Michelle Lambert-Glanz from Marion stated that Harmon has resided in his home since 1979 and questioned Zimmerman's plan. She felt very disappointed and stabbed in the back. Himes stated that no decision has been made yet and Lambert-Glanz requested that the Council consider more than the financial aspect and keep an open mind. Russ asked Herman for an estimate of tax revenues assuming the Assessor's estimate was accurate. Herman estimated that the annual taxes on the Zimmerman proposed house would be approximately \$3,100 while the Zimmerman proposed addition would be approximately \$770 per year. Patrice Lambert stated that she

formerly owned the neighboring property and had submitted many complaints on the Hughes property. Yeoman stated that there is a system that has to be followed, the City just couldn't go in and fix issues. She stated that they would not allow the property to go to shambles. Norm Zimmerman stated that he proposes to construct a family home on the lot, and that he is committed to the architectural design of the area. Construction would start in 2018 and be finished in early 2019. He may not reside there, but it would be family. Yeoman stated that the Council has a fiduciary responsibility to the community. Goedken questioned if Harmon's could add on in any other direction and Harmon stated not really, as there is a cement retaining wall in the alley, which makes it not very practical. Lisa Harmon stated that there is no way to gain entry level access on the back side of the home and she has safety concerns for herself. Tom Harmon stated that he started off \$5,000 higher than Zimmerman, so feels it's petty to just look at tax money. Wolken stated that he was unaware that neighbors were interested in the property. Goedken stated that he has to look out for the best interest of the community, though it's tough. Russ moved to approve Resolution #17-107 to approve proposal related to City owned lot located at 224 N. Chestnut Street and to direct staff to negotiate an agreement with Norm Zimmerman, Goedken seconded. Ayes: Russ, Goedken and Yeoman. Nays: Wolken, Paulsen and Lux. Moving forward, Herman stated Council could ask for proposals again and could possibly get more or lose what they already have. Wolken felt it should be sold to the neighbors and Paulson agreed, stating that they lived next to the mess for years. Goedken questioned the status of the garage and Herman stated that the City needs to hire a contractor to get it taken down. Lux questioned if Zimmerman could build a house on the lot and Lambert could have the garage. Wayne Peach of 108 Monk Court stated that a house could be constructed anywhere, but the Harmon's home addition could only be done on that lot. Goedken stated that history and preservation is important to Zimmerman and Zimmerman agreed, inviting the Council out to his farm to see what he has done. Herman stated this item could be approved as a motion and in that event the Mayor could choose to break the tie vote but didn't have to. However, Herman pointed out that the Council could continue to be at an impasse down the road when a resolution transferring the property was necessary. Yeoman stated that until a decision is made, the City needs to make the sidewalk repairs and keep the lawn mowed. Consensus of the Council was to place the item on the next agenda for consideration again.

Paulson questioned if there was much interest in urban chickens and Wolken felt there is. Himes stated many raise them for health reasons and hobby and stated that the limit is 6 so they're not in competition with the farmers markets or grocery stores. Goedken questioned if their deposit would be kept on file in case there are problems and Himes asked if the deposit should be lower. Wolken felt that the higher deposit makes people really consider their decision to have urban chickens and also makes them more responsible. Gerry Muller stated that the chickens carry diseases and Herman stated the ability to have chickens in the City has already passed; the issue on tonight's issue being tied to the permitting process and fees. Himes expressed that if there are already chicken owners in town that they must now follow the rules. Yeoman moved to approve Resolution #17-108 to approve Urban Chicken Permit Application and related fees, Russ seconded, roll call unanimous.



Yeoman moved to approve Resolution #17-109 to schedule Public Hearing on consideration of Development Agreement between City of Monticello and B & J Hauling & Excavation, Inc., Russ seconded, roll call unanimous. Public Hearing is set for October 2, 2017 at 6 PM.

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Russ moved, Wolken seconded to end the closed session and return to open session. Ayes: Russ, Wolken, Yeoman, Goedken, Paulson and Lux. Nays: None. Carried. Herman was directed to proceed as discussed.

Russ moved to adjourn the Council meeting at 7:56 P.M., roll call vote unanimous.

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Dena Himes, Mayor

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Cheryl Clark, Deputy City Clerk

# PAYROLL - SEPTEMBER 28, 2017

DEPARTMENT	GROSS PAY	OT PAY	COMP HRS. ACCRUED	COMP TOTAL	NET PAY
<b>AMBULANCE</b>	<b>Sept. 11 - 24, 2017</b>				
Dawn Brus	\$ 781.20	\$ -	0.00	48.38	\$ 568.90
Mary Intlekofer	1,822.80	-	9.00	132.50	974.13
C.J. Johnson	1,923.08	-	0.00	0.00	1,209.23
Brandon Kent	1,855.35	32.55	0.00	0.00	1,179.00
Matthew Kunkle	248.40	-	0.00	0.00	191.10
Lori Lynch	2,734.20	390.60	0.00	0.00	1,444.62
Christopher Moore	279.45	-	0.00	0.00	235.05
Shelly Searles	1,822.80	-	0.00	18.00	1,361.40
Brenda Surom	520.80	-	0.00	0.00	385.40
Christopher Ward	1,738.80	-	0.00	0.00	1,343.81
<b>TOTAL AMBULANCE</b>	<b>\$ 13,726.88</b>	<b>\$ 423.15</b>	<b>9.00</b>	<b>198.88</b>	<b>\$ 8,892.64</b>
<b>CEMETERY</b>	<b>Sept. 9 - 22, 2017</b>				
Dan McDonald	\$ 1,572.00	\$ -	0.00	0.00	\$ 1,099.15
<b>TOTAL CEMETERY</b>	<b>\$ 1,572.00</b>	<b>\$ -</b>	<b>0.00</b>	<b>0.00</b>	<b>\$ 1,099.15</b>
<b>CITY HALL</b>	<b>Sept. 10 - 23, 2017</b>				
Cheryl Clark	\$ 1,667.50	\$ 67.50	0.00	0.00	\$ 1,062.24
Doug Herman	3,970.71	-	0.00	0.00	2,794.52
Sally Hinrichsen	2,368.18	-	0.00	0.00	1,618.20
Nanci Tuel	1,360.00	-	0.00	0.00	883.49
Amanda Wygle	112.50	-	0.00	0.00	91.97
<b>TOTAL CITY HALL</b>	<b>\$ 9,478.89</b>	<b>\$ 67.50</b>	<b>0.00</b>	<b>0.00</b>	<b>\$ 6,450.42</b>
<b>COUNCIL / MAYOR</b>					
Dave Goeden	\$ 100.00	\$ -	0.00	0.00	\$ 92.60
Dena Himes	300.00	-	0.00	0.00	233.95
Chris Lux	100.00	-	0.00	0.00	92.60
Rob Paulson	100.00	-	0.00	0.00	92.35
Johnny Russ	100.00	-	0.00	0.00	92.35
Brian Wolken	100.00	-	0.00	0.00	92.60
Tom Yeoman	100.00	-	0.00	0.00	92.35
<b>TOTAL COUNCIL / MAYOR</b>	<b>\$ 900.00</b>	<b>\$ -</b>	<b>0.00</b>	<b>0.00</b>	<b>\$ 788.80</b>
<b>LIBRARY</b>	<b>Sept. 11 - 24, 2017</b>				
Kyle Gassman	\$ 268.52	\$ -	0.00	0.00	\$ 231.00
Molli Hunter	342.00	-	0.00	0.00	289.49
Penny Schmit	935.20	-	0.00	0.00	676.74
Madonna Thoma-Kremer	648.55	-	0.00	0.00	540.35
Michelle Turnis	1,517.58	-	0.00	0.00	945.12
Amanda Wygle	57.50	-	0.00	0.00	47.00
<b>TOTAL LIBRARY</b>	<b>\$ 3,769.35</b>	<b>\$ -</b>	<b>0.00</b>	<b>0.00</b>	<b>\$ 2,729.70</b>
<b>MBC</b>	<b>Sept. 11 - 24, 2017</b>				
Jacob Oswald	\$ 1,846.15	\$ -	0.00	0.00	\$ 1,359.76
Casey Reyner	1,538.46	-	0.00	0.00	1,040.77
Amanda Wygle	45.00	-	0.00	0.00	36.79
<b>TOTAL MBC</b>	<b>\$ 3,429.61</b>	<b>\$ -</b>	<b>0.00</b>	<b>0.00</b>	<b>\$ 2,437.32</b>

# PAYROLL - SEPTEMBER 28, 2017

DEPARTMENT	GROSS PAY	OT PAY	COMP HRS. ACCRUED	COMP TOTAL	NET PAY
<b>POLICE</b>	<b>Sept. 11 - 24, 2017</b>				
Dawn Graver	\$ 2,174.76	\$ -	0.00	0.00	\$ 1,471.37
Erik Honda	1,837.84	-	0.00	11.25	1,346.22
Jordan Koos	1,997.40	-	0.00	31.50	1,419.87
Britt Smith	2,443.56	-	0.00	0.00	1,742.98
Madonna Staner	1,414.40	-	0.00	0.00	1,049.27
Brian Tate	2,063.04	-	0.00	0.00	1,511.93
Robert Urbain	2,103.24	-	0.00	38.50	1,446.00
<b>TOTAL POLICE</b>	<b>\$ 14,034.24</b>	<b>\$ -</b>	<b>0.00</b>	<b>81.25</b>	<b>\$ 9,987.64</b>
<b>ROAD USE</b>	<b>Sept. 9 - 22, 2017</b>				
Billy Norton	\$ 1,586.75	\$ 14.74	0.00	0.00	\$ 981.78
Wayne Yousse	1,572.01	-	0.00	0.00	1,037.94
<b>TOTAL ROAD USE</b>	<b>\$ 3,158.76</b>	<b>\$ 14.74</b>	<b>0.00</b>	<b>0.00</b>	<b>\$ 2,019.72</b>
<b>SANITATION</b>	<b>Sept. 9 - 22, 2017</b>				
Michael Boyson	\$ 1,524.00	\$ -	0.00	0.00	\$ 1,016.96
Nick Kahler	1,572.00	-	0.00	0.00	1,026.82
Chris Taylor	1,572.00	-	0.00	0.00	1,008.70
<b>TOTAL SANITATION</b>	<b>\$ 4,668.00</b>	<b>\$ -</b>	<b>0.00</b>	<b>0.00</b>	<b>\$ 3,052.48</b>
<b>SEWER</b>	<b>Sept. 9 - 22, 2017</b>				
Tim Schultz	\$ 1,635.19	\$ 15.19	0.00	0.00	\$ 1,108.31
Jim Tjaden	1,900.00	-	0.00	0.00	1,332.02
<b>TOTAL SEWER</b>	<b>\$ 3,535.19</b>	<b>\$ 15.19</b>	<b>0.00</b>	<b>0.00</b>	<b>\$ 2,440.33</b>
<b>WATER</b>	<b>Sept. 9 - 22, 2017</b>				
Brant LaGrange	\$ 2,020.38	\$ -	0.00	0.00	\$ 1,369.58
Jay Yanda	1,888.25	68.25	0.00	0.00	1,319.95
<b>TOTAL WATER</b>	<b>\$ 3,908.63</b>	<b>\$ 68.25</b>	<b>0.00</b>	<b>0.00</b>	<b>\$ 2,689.53</b>
<b>TOTAL - ALL DEPTS.</b>	<b>\$ 62,181.55</b>	<b>\$ 588.83</b>	<b>9.00</b>	<b>280.13</b>	<b>\$ 42,587.73</b>

**ACCOUNTS PAYABLE ACTIVITY  
CLAIMS REPORT**

VENDOR NAME	REFERENCE	VENDOR TOTAL	CHECK#	CHECK DATE
<b>ACCOUNTS PAYABLE CLAIMS</b>				
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	GENERAL			
	POLICE DEPARTMENT			
BAKER PAPER CO INC	PD BUILDING SUPPLIES	10.56		
KONICA MINOLTA BUSINESS	PD OFFICE SUPPLIES	72.98		
		=====		
	POLICE DEPARTMENT	83.54		
	AQUATIC CENTER			
RYLEE BAUER	POOL LIFEGUARD CERTIFICATION	160.00		
JOHN DEERE FINANCIAL	POOL EQUIP REPAIR/MAINT	17.38		
RILEIGH LAMBERT	POOL LIFEGUARD CERTIFICATION	250.00		
MOUNT VERNON CONSTRUCTION INC	POOL CAULKING CONTRACT	10,100.00		
		=====		
	AQUATIC CENTER	10,527.38		
	CEMETERY			
IBEN CONSTRUCTION CO INC	CEM GRAVE OPENINGS - AUG.	650.00		
INNOVATIVE AG SERVICES CO	CEMETERY GROUNDS SUPPLIES	135.20		
LINDA KAHLER	PUBLIC WORKS CLOTHING	142.50		
		=====		
	CEMETERY	927.70		
	ENGINEER			
SNYDER & ASSOCIATES, INC	ORBIS REVIEW FEES	1,040.14		
		=====		
	ENGINEER	1,040.14		
	CITY HALL/GENERAL BLDGS			
ALMOST FAMOUS DANCE STUDIO	CH AUDIT DEPOSIT REFUND	500.00		
BAKER PAPER CO INC	CH BUILDING SUPPLIES	136.14		
BOSS OFFICE SUPPLIES & SYS INC	CH OFFICE SUPPLIES	12.94		
IMFOA	CH TRAINING - CLARK	125.00		
JOHN DEERE FINANCIAL	CH BUILDING REPAIR/MAINT	39.67		
BRIAN KRAMER	CH MISC CONTRACT WORK	45.00		
WELTER STORAGE EQUIP CO., INC.	CH FOLDING CHAIRS/CARTS	5,732.50		
		=====		
	CITY HALL/GENERAL BLDGS	6,591.25		
	GENERAL	=====		
	GENERAL	19,170.01		
	MONTICELLO BERNDES CENTER			

**ACCOUNTS PAYABLE ACTIVITY  
CLAIMS REPORT**

VENDOR NAME	REFERENCE	VENDOR TOTAL	CHECK#	CHECK DATE
BAKER PAPER CO INC	MBC BUILDING SUPPLIES	146.00		
BLADE PEST CONTROL INC	MBC PEST CONTROL	68.00		
FAREWAY STORES #840-1	MBC CONCESSIONS	17.16		
FREESE MOTORS INC	MBC RANGER REPAIR/MAINT	48.26		
JOHN DEERE FINANCIAL	MBC BUILDING SUPPLIES	9.99		
SPAHN & ROSE LUMBER CO INC	MBC SUPPLIES	6.79		
		=====		
	PARKS	296.20		
		=====		
	MONTICELLO BERNDES CENTER	296.20		
	AMBULANCE			
	AMBULANCE			
AIRGAS USA, LLC	AMB MEDICAL SUPPLIES	216.27		
AMERIGROUP	AMB OVERPAYMENT REFUND	151.89		
BAKER PAPER CO INC	AMB BUILDING SUPPLIES	10.57		
FREESE MOTORS INC	AMB VEHICLE REPAIR/MAINT	1,629.87		
STERICYCLE, INC.	AMB PHARMACEUTICAL DISPOSAL	79.35		
		=====		
	AMBULANCE	2,087.95		
		=====		
	AMBULANCE	2,087.95		
	HOTEL/MOTEL TAX			
	HOTEL/MOTEL			
WINDSTREAM IOWA-COMM. INC.	HOTEL/MOTEL PHONE	49.44		
		=====		
	HOTEL/MOTEL	49.44		
		=====		
	HOTEL/MOTEL TAX	49.44		
	LIBRARY IMPROVEMENT			
	LIBRARY			
DEMCO INC	LIB IMP PROGRAMS/PROMOTIONS	160.22		
		=====		
	LIBRARY	160.22		
		=====		
	LIBRARY IMPROVEMENT	160.22		
	LIBRARY			
	LIBRARY			
BAKER & TAYLOR BOOKS	LIB BOOKS	566.29		

**ACCOUNTS PAYABLE ACTIVITY  
CLAIMS REPORT**

VENDOR NAME	REFERENCE	VENDOR TOTAL	CHECK#	CHECK DATE
CENTER POINT PUBLISHING	LIB BOOKS	46.74		
DEMCO INC	LIB SHIPPING	14.42		
FAREWAY STORES #840-1	LIB PROGRAMS/PROMOTIONS	40.51		
JOHN DEERE FINANCIAL	LIB BUILDING SUPPLIES	5.69		
MICRO MARKETING LLC	LIB AUDIO RECORDINGS	159.96		
MADONNA THOMA-KREMER	LIB TRAVEL/CONFERENCE	68.01		
		=====		
	LIBRARY	901.62		
		=====		
	LIBRARY	901.62		
	AIRPORT			
	AIRPORT			
WEBER STONE CO INC	AIRPORT BLDG ENGRAVING	1,510.00		
		=====		
	AIRPORT	1,510.00		
		=====		
	AIRPORT	1,510.00		
	ROAD USE			
	STREETS			
BITUMINOUS MATERIALS & SUPPLY	RU STREET MAINTENANCE SUPPLIES	9,526.27		
CINTAS CORPORATION	OSHA SUPPLIES	11.12		
JOHN DEERE FINANCIAL	RU SUPPLIES	71.95		
LINDA KAHLER	PUBLIC WORKS CLOTHING	467.00		
KERP'S SERVICE CENTER, INC.	RU VEHICLE REPAIR/MAINT	657.24		
NEXT GENERATION PLBG & HTG	BUILDING REPAIR/MAINT	183.00		
L.L. PELLING CO	RU STREET MAINTENANCE SUPPLIES	2,316.25		
		=====		
	STREETS	13,232.83		
		=====		
	ROAD USE	13,232.83		
	TRUST/SLAVKA GEHRET FUND			
	LIBRARY			
BAKER & TAYLOR BOOKS	LIB GEHRET BOOKS	53.68		
MICRO MARKETING LLC	LIB GEHRET BOOKS	38.49		
		=====		
	LIBRARY	92.17		
		=====		
	TRUST/SLAVKA GEHRET FUND	92.17		
	CAPITAL IMPROVEMENT			

**ACCOUNTS PAYABLE ACTIVITY  
CLAIMS REPORT**

VENDOR NAME	REFERENCE	VENDOR TOTAL	CHECK#	CHECK DATE
	STREETS			
SNYDER & ASSOCIATES, INC	CAP IMP - 2016 S MAIN REHAB	49,171.85		
	STREETS	49,171.85		
	CAPITAL IMPROVEMENT	49,171.85		
	MARY MAXINE REDMOND TRUST			
	LIBRARY			
MONTICELLO CHAMBER OF COMMERCE	LIB REDMOND PROGRAMMING	100.00		
	LIBRARY	100.00		
	MARY MAXINE REDMOND TRUST	100.00		
	POCKET PARK			
	PARKS			
JOSH IBEN	POCKET PARK MAINTENANCE	217.50		
	PARKS	217.50		
	POCKET PARK	217.50		
	WATER			
	WATER			
BEHREND'S CRUSHED STONE	WATER SYSTEM	65.75		
BOSS OFFICE SUPPLIES & SYS INC	WATER SUPPLIES	1.79		
CINTAS CORPORATION	OSHA SUPPLIES	11.13		
IOWA ONE CALL	WATER SYSTEM	31.50		
LINDA KAHLER	PUBLIC WORKS CLOTHING	266.00		
KERP'S SERVICE CENTER, INC.	WATER VEHICLE REPAIR/MAINT	421.24		
LASLEY ELECTRIC LLC	WATER METERS	37.91		
MUNICIPAL SUPPLY INC	WATER METERS	928.00		
NEXT GENERATION PLBG & HTG	BUILDING REPAIR/MAINT	183.00		
WHITE HAWK PLUMBING & HEATING	WATER SYSTEM	336.00		
	WATER	2,282.32		
	WATER	2,282.32		
	WATER CAPITAL IMPROVEMENT			
	WATER			



**ACCOUNTS PAYABLE ACTIVITY  
CLAIMS REPORT**

VENDOR NAME	REFERENCE	VENDOR TOTAL	CHECK#	CHECK DATE
SNYDER & ASSOCIATES, INC	2016 WATER TOWER PAINTING	5,108.32		
	WATER	5,108.32		
	WATER CAPITAL IMPROVEMENT	5,108.32		
	SEWER			
	SEWER			
CINTAS CORPORATION	OSHA SUPPLIES	11.13		
HACH COMPANY	SEWER SUPPLIES	164.12		
IOWA ONE CALL	SEWER SYSTEM	31.50		
JOHN DEERE FINANCIAL	SEWER OSHA - GLOVES	11.99		
LINDA KAHLER	PUBLIC WORKS CLOTHING	275.00		
KROMMINGA MOTORS INC	SEWER EQUIP REPAIR/MAINT	33.00		
MC2, INC.	SEWER UV BULBS	11,709.20		
MUNICIPAL SUPPLY INC	SEWER SYSTEM	419.00		
NEXT GENERATION PLBG & HTG	BUILDING REPAIR/MAINT	183.00		
WHITE HAWK PLUMBING & HEATING	SEWER SYSTEM	125.00		
WINDSTREAM IOWA-COMM. INC.	SEWER PHONE	49.44		
	SEWER	13,012.38		
	SEWER	13,012.38		
	SANITATION			
	SANITATION			
CINTAS CORPORATION	OSHA SUPPLIES	11.13		
LINDA KAHLER	PUBLIC WORKS CLOTHING	273.00		
JEAN KRUEGER	SANITATION ELEC TAG REFUND	15.00		
MIDWEST ELECTRONIC RECOVERY	SANITATION E-WASTE	691.50		
NEXT GENERATION PLBG & HTG	BUILDING REPAIR/MAINT	183.00		
	SANITATION	1,173.63		
	SANITATION	1,173.63		
**** SCHED TOTAL ****		108,566.44		
***** REPORT TOTAL *****		108,566.44		

### ACCOUNTS PAYABLE ACTIVITY CLAIMS FUND SUMMARY

FUND	FUND NAME	TOTAL	CHECK#	DATE
001	GENERAL	19,170.01		
005	MONTICELLO BERNDES CENTER	296.20		
016	AMBULANCE	2,087.95		
018	HOTEL/MOTEL TAX	49.44		
030	LIBRARY IMPROVEMENT	160.22		
041	LIBRARY	901.62		
046	AIRPORT	1,510.00		
110	ROAD USE	13,232.83		
178	TRUST/SLAVKA GEHRET FUND	92.17		
332	CAPITAL IMPROVEMENT	49,171.85		
339	MARY MAXINE REDMOND TRUST	100.00		
375	POCKET PARK	217.50		
600	WATER	2,282.32		
604	WATER CAPITAL IMPROVEMENT	5,108.32		
610	SEWER	13,012.38		
670	SANITATION	1,173.63		

City Council Meeting  
Prep. Date: 09/26/17  
Preparer: Doug Herman



Agenda Item: 1+3  
Agenda Date: 10/02/2017

**Agenda Items Description:** Public Hearing on proposed Amendment of Urban Renewal Area and Amendment of Urban Renewal Plan to include property commonly known as 218 W. 1<sup>st</sup> Street within Urban Renewal Area and to include the building demolition and renovation within the Urban Renewal Plan as an authorized project. **Resolution** to Approve Amendments to follow Public Hearing.

**Type of Action Requested:** Motion; **Resolution**; Ordinance; Report; **Public Hearing**; Closed Session

**Attachments & Enclosures:**

Proposed Resolution
Area and Plan Amendment

**Fiscal Impact:**

Budget Line Item:	
Budget Summary:	
Expenditure:	
Revenue:	

**Synopsis:** The Public Hearing is a necessary step in adding this property to the Urban Renewal Area and the project to the Urban Renewal Plan.

**Background Information:** The property, formerly owned by Ron and Diana Digman, located at 218 W. 1<sup>st</sup> Street had become quite dilapidated and in need of significant upgrade or demolition. Brian Monk, owner of B & J Excavating, owns the building next door and had interest in seeing the building next to him addressed, cleaned up, or removed. In discussions with Brian and the prior owner a deal was worked out for B & J to acquire the property. It came clear very quickly that the building needed to go. Brian has put a plan together to demolish the building and to erect a new brick storefront for three commercial entities. He was not prepared to move forward unless and until he could get at least two commitments to the new buildings which will be set up as condo type units to be individually owned by the occupants.

Based upon my discussions with Brian I put together proposed/potential incentives to assist him with the demolition and development of the property. The potential incentives, obviously tied to Council consideration and approval, would benefit both B & J as the developer and the subsequent owners who will have “build out” responsibilities related to their portion of the structure. The City Council preliminarily supported said incentives subject to public input tonight and further Council consideration.

We have not had an agreement just like this in the past, however, we have not had a project just like this in the past either. The proposal is kind of a hybrid, with provisions similar to those in the Welter Addition. (In the Welter Addition new, undeveloped ground was being purchased and the TIF Grant bought down the purchase price per acre. In this case, the ground being bought has a dilapidated building located on it that needs to be removed before redevelopment and the lot is much smaller than an acre as it is a “downtown” lot.)

The total current property valuation of the existing building and lot is \$45,810 producing taxes in the amount of \$1,076. I would estimate the new structure to be valued similar to the N. Main offices that house Dr. Woken, Family Chiropractic, Edward Jones or Armin Plaza locations that house Subway, Kelehers, Edward Jones and Pure Image Salon. The total valuation of the four units that comprise Armin Plaza is \$572,420. Because that amount is based upon 4 units, not three, I will reduce the total valuation by 25% which takes it to \$429,315. Now, because those units are also served by off street parking and may be a bit larger, I will reduce that total by 20%, bringing the total valuation to \$343,452. If my calculations are in the ballpark, which I believe they are, the total valuation increase of the 218 W. 1<sup>st</sup> Street property would climb from right at \$45,000 to \$345,000, a \$300,000 increase or an increase of approximately 7 times the current valuation. Taxes could rise from \$1,076 per year to over \$7,000 per year.

I have discussed two grants payable to the developer of the lot, B & J, totaling \$20,000, \$5,000 when the buildings are demolished and the lot is clear and \$15,000 when the new 3 unit building is constructed and ready for build-out by the owners of each unit. Each unit would then also be eligible for a ten year partial tax rebate.

So, if my above math is correct we could collect \$70,000 in taxes over ten years. During that time frame we would pay the developer \$20,000 and approximately \$37,500 in rebates, a total payout of \$57,500, leaving the City with \$12,500 in tax receipts that were not rebated or granted. (Assuming approximate current tax rates and laws) (I have reduced my estimated valuations in the communication page from the estimates I used in the attached letter to Brian Monk.) If the existing building stands and the valuation remains the same, the City at current tax rates and laws will receive right at \$11,000 over ten years. If the building is demolished and the lot remains vacant the City will receive right at \$6,000, just over half of the tax payment, over the next ten years. Therefore, even with the rebates and grants the new building will create more new taxes to the City than either of the other options over the next ten year.

**Staff Recommendation:** I recommend that the Mayor open the Public Hearing, accept public comment if any, close the Public Hearing, and that the Council then consider the proposed Resolution to amend the Urban Renewal Area and Plan to allow this project to move forward with potential incentives.

2017 ADDITION (Amendment #2) TO  
THE MONTICELLO URBAN RENEWAL  
AREA DESIGNATION AND  
AMENDMENT TO URBAN RENEWAL  
PLAN HEARING

Monticello, Iowa

October 02, 2017

The City Council of the City of Monticello, Iowa, met on October 02, 2017, at 6:00 o'clock, p.m., at the Mary Lovell LeVan, Monticello Renaissance Center, Community Media Center, 220 East First Street, Monticello, Iowa for the purpose of conducting a public hearing on a proposed amendment to the Monticello Urban Renewal Area and the Monticello Urban Renewal Plan that would designate additional grounds or areas to become subject to the terms and provisions of the Monticello Urban Renewal Plan and would specifically add the B & J Hauling and Excavation project at 218 W. 1<sup>st</sup> Street to the plan. The Mayor presided and the roll being called the following members of the Council were present and/or absent:

Present:

Absent:

The City Council investigated and found that notice of the intention of the Council to conduct a public hearing on the proposed amendment to the Monticello Urban Renewal Area and the Monticello Urban Renewal Plan that would designate additional grounds or areas to become subject to the terms and provisions of the Monticello Urban Renewal Plan and would specifically add the B & J Hauling and Excavation project at 218 W. 1<sup>st</sup> Street to the plan had been published according to law and as directed by the Council and that this is the time and place at which the Council shall receive oral or written objections from any resident or property owner of the City. All written objections, statements, and evidence heretofore filed were reported to the City Council, and all oral objections, statements, and all other exhibits presented were considered.

The following named persons presented oral objections, statements, or evidence as summarized below; filed written objections or statements, copies of which are attached hereto; or presented other exhibits, copies of which are attached hereto:

None.

There being no further objections, comments, or evidence offered, the Mayor announced the hearing closed.

RESOLUTION NO. 17-\_\_

A resolution to declare necessity and establish an urban renewal area by amending the current Urban Renewal Area, pursuant to Section 403.4 of the Code of Iowa, and to approve the 2017 Addition (Amendment #2) to the Monticello Urban Renewal Area, adding the B & J Hauling and Excavation project at 218 W. 1<sup>st</sup> Street to the plan.

**WHEREAS**, as a preliminary step to exercising the authority conferred upon Iowa cities by Chapter 403 of the Code of Iowa (the "Urban Renewal Law"), a municipality must adopt a resolution finding that one or more slums, blighted or economic development areas exist in the municipality and that the development of such area or areas is necessary in the interest of the public health, safety or welfare of the residents of the municipality; and

**WHEREAS**, the City Council (the "Council") of the City of Monticello (the "City") has previously created the Monticello Urban Renewal Area (the "Urban Renewal Area"); and

**WHEREAS**, a proposal has been made which shows the desirability of expanding the Urban Renewal Area to add and include all the property within the following legal description:

**B & J Hauling & Excavation property** located at 218 W. 1<sup>st</sup> Street, Monticello, Iowa legally described as follows: Lot 429; and that part of LOT 430 lying South and West of a line commencing at the Southeast corner thereof, and running thence Northwesterly to a point on the West line thereof 25 feet South of the Northwest corner thereof; ALL IN RAILROAD ADDITION TO MONTICELLO, IOWA. EXCEPTING FROM ALL OF THE ABOVE THE FOLLOWING: Commencing at the Southeast corner of Lot 429 of Railroad Addition to the City of Monticello, Iowa, thence Westerly along the South line of said lot 50 feet; thence north at a right angle to a point on a line in Lot 430 of Railroad Addition, said line being described as commencing at the Northeast corner of Lot 429 Railroad Addition thence running Westerly to a point on the West line of Lot 430, 25 feet South of the Northwest corner thereof; thence Easterly from said point to the Northeast corner of said Lot 429; thence Southerly along the East line of said Lot to point of beginning.

-and-

**WHEREAS**, the proposal demonstrates that sufficient need exists to warrant the finding that the area described above is a blighted area and an area prime for economic development; and that the development of such area is necessary and in the interest of the public health, safety or welfare of the residents of the municipality

**WHEREAS**, notice of a public hearing by the City Council of the City on the question of establishing said area as an urban renewal area and on a proposed urban renewal plan amendment for the 2017 Addition, Amendment #2, to the Monticello Urban Renewal Area, adding the B & J Hauling and Excavation project at 218 W. 1<sup>st</sup> Street to the plan, was heretofore given in strict compliance with the provisions of Chapter 403 of the Code of Iowa, and the Council has conducted said hearing; and

**WHEREAS**, the Planning and Zoning Commission of the City has reviewed and commented on the proposed urban renewal plan amendment; and

**WHEREAS**, copies of the urban renewal plan amendment, notice of public hearing and notice of a consultation meeting with respect to the urban renewal plan amendment were mailed to the Jones County Board of Supervisors through the County Auditor and the Monticello Community School District through the School District Superintendent; the consultation meeting was held on the 27<sup>th</sup> day of September, 2017; and responses to any comments or recommendations received following the consultation meeting were made as required by law;

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

Section 1. An economic development area as defined in Chapter 403 of the Code of Iowa, is found to exist in the City of Monticello within the boundaries of the property, the legal description of same being set out previously within the body of this Resolution.

Section 2. The area identified in Section 1 hereof is hereby declared to be an urban renewal area, in conformance with the requirements of Chapter 403 of the Code of Iowa, and is hereby designated the 2017 Addition, Amendment #2, to the Monticello Urban Renewal Area.

Section 3. The development of this area is necessary in the interest of the public health, safety or welfare of the residents of the City.

Section 4. The amendment to the urban renewal plan for the Monticello Urban Renewal Area, adding the B & J Hauling and Excavation project at 218 W. 1<sup>st</sup> Street to the plan, a copy of said Amendment being attached hereto and made a part hereof, is hereby in all respects approved.

Section 5. All resolutions or parts thereof in conflict herewith are hereby repealed, to the extent of such conflict.

Passed and approved October 02, 2017.

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Dena Himes, Mayor

Attest:

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Sally Hinrichsen, City Clerk

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Upon motion and vote, the meeting adjourned.

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Dena Himes, Mayor

Attest:

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Sally Hinrichsen, City Clerk



STATE OF IOWA )  
COUNTY OF JONES )§  
CITY OF MONTICELLO )

I, the undersigned, do hereby certify that I am the duly appointed, qualified and acting City Clerk of the City aforementioned, and that as such I have in my possession or have access to the complete corporate records of the City and of its officers; and that I have carefully compared the transcript hereto attached with the aforesaid records and that the attached is a true, correct and complete copy of the corporate records relating to the action taken by the Council preliminary to and in connection with designating an urban renewal area and approving the urban renewal plan amendment for the 2017 Addition, Amendment #2, to the Monticello Urban Renewal Area in the City.

WITNESS MY HAND and the seal of the City hereto affixed this \_\_\_ day of \_\_\_\_\_, 2017.

\_\_\_\_\_  
Sally Hinrichsen, City Clerk

(Seal)

(Please attach to this certificate a copy of the minutes or a resolution of the Planning and Zoning Board showing the consideration of the proposed amendments by the Board.)

**CITY OF MONTICELLO**  
**2017 Amendment Number 2**  
**to the**  
**MONTICELLO URBAN RENEWAL PLAN**

**Approved by Resolution No. 17-\_\_\_\_**  
**\_\_\_\_\_, 2017**

The Urban Renewal Plan (the “Plan”), for the Monticello Urban Renewal Area (the “Area”), is being amended for the purpose of identifying a new urban renewal project to be undertaken therein.

- 1. Identification of Projects.** By virtue of this amendment, the list of authorized urban renewal projects in the Plan is hereby amended to include the following project description:

**Name of Project:** 218 W. 1<sup>st</sup> Street Commercial Redevelopment Project, an Urban Renewal and Economic Development Project.

**Name of Urban Renewal Area:** Monticello Urban Renewal Area

**Year of Establishment of Urban Renewal Area:** 1992 as amended in 1996, 2000, 2001, 2007, 2010, 2011, and 2015

**Date of Council Approval of Project:** \_\_\_\_\_, 2017

**Location and Description of Economic Development Project:** The project is proposed to include the demolition of existing structures located on 218 W. 1<sup>st</sup> Street, said building having been the subject of Nuisance, Dangerous Building, and Building Maintenance Code violations and being in a general state of disrepair and decay, and the construction of a one story steel frame with brick front commercial building, same to house three individual storefronts.

**Description of Use of TIF:** The City has preliminarily approved the use of incentives to facilitate this project, including a grant to the Developer and tax rebates to the owner of each of the three units.

**Grant:** The City has preliminarily agreed to pay the developer the sum of \$5,000 upon demolition of the existing structures and \$15,000 upon the final construction of the building, which shall not include interior build out that will be the responsibility of the purchaser of each unit.

**Tax Rebates:** Tax rebates are tied to the taxable valuation of finished improvements and are, therefore, hard to estimate at this time. However, the rebates are based upon the following ten-year schedule: 85%, 80%, 75%, 70%, 65%, 60%, 55%, 50%, 45% and

40%. Under this provision, the news taxes created by the development reduced by the debt service levies of all taxing jurisdictions, the school physical plant and equipment levy, and the other protected levies, if any, will be rebated to the developer consistent with the above schedule and percentage. The rebated sums will be paid from tax increment received by the City and deposited into the City TIF fund. The following estimated total rebates assume a taxable value of \$343,452, based solely on estimated construction costs, with a 10% tax rollback, and a consistent millage rate of \$35.18460, with no reduction in value associated with the commercial property tax credit that currently exists, protected portions of the tax levy, value of the property prior to the construction of the improvement, or any increases in valuation that may occur over the ten year rebate period. Based upon those assumptions the tax rebates would total approximately: \$37,500 (It is estimated, based upon the same assumptions noted above, that tax receipts over said ten (10) year period would total \$70,000)

The maximum economic development grant totals \$20,000 and the total rebates are estimated to not exceed \$37,500, a total of \$57,500 between the grant and rebates.

**2. Required Financial Information.** The following information is provided in accordance with the requirements of Section 403.17 of the Code of Iowa:

Constitutional debt limit of the City:	\$11,426,224
Outstanding general obligation debt of the City <sup>1</sup> :	\$ 4,685,000
Proposed debt to be incurred in connection with this Amendment <sup>2</sup> :	\$ 57,500

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<sup>1</sup> After June 1, 2017 principal payments the General Obligation Debt of the City equals \$4,535,000. Rebate agreement payments due in FY '18 total approximately \$ 150,000. Those two obligations together total \$ \_\_\_\_\_.

<sup>2</sup> The debt incurred herein shall be subject to annual appropriation by the City Council.

**NOTICE OF PUBLIC HEARING ON DESIGNATION OF EXPANDED AND AMENDED  
MONTICELLO URBAN RENEWAL AREA AND ON PROPOSED URBAN RENEWAL  
PLAN AMENDMENT**

Notice Is Hereby Given: That at 6:00 o'clock p.m. on the 2<sup>nd</sup> day of October, 2017, at the Mary Lovell LeVan, Monticello Renaissance Center, Community Media Center, 220 East First Street, Monticello, Iowa, there will be conducted a public hearing on the question of designating an expanded Monticello Urban Renewal Area, pursuant to Chapter 403, Code of Iowa, by adding and including the property described as follows: Property commonly known as 218 W. 1<sup>st</sup> Street, Monticello, Iowa legally described as follows: Lot 429; and that part of LOT 430 lying South and West of a line commencing at the Southeast corner thereof, and running thence Northwesterly to a point on the West line thereof 25 feet South of the Northwest corner thereof; **ALL IN RAILROAD ADDITION TO MONTICELLO, IOWA. EXCEPTING FROM ALL OF THE ABOVE THE FOLLOWING:** Commencing at the Southeast corner of Lot 429 of Railroad Addition to the City of Monticello, Iowa, thence Westerly along the South line of said lot 50 feet; thence north at a right angle to a point on a line in Lot 430 of Railroad Addition, said line being described as commencing at the Northeast corner of Lot 429 Railroad Addition thence running Westerly to a point on the West line of Lot 430, 25 feet South of the Northwest corner thereof; thence Easterly from said point to the Northeast corner of said Lot 429; thence Southerly along the East line of said Lot to point of beginning. The proposed amendment to the Urban Renewal Area brings the property described above under the plan and makes it subject to the provisions of the plan. The subject matter of the Public Hearing will also include a proposed amendment to the Urban Renewal Plan for the Monticello Urban Renewal Area pursuant to Chapter 403, Code of Iowa, a copy of said amendment being on file for public inspection in the office of the City Clerk. The proposed amendment to the Urban Renewal Plan provides that the City of Monticello will offer a grant to the Developer of a new three storefront commercial structure on this property and tax rebates, on a sliding percentage scale over ten years, to the owners of each of the individual three commercial storefronts. At said hearing any interested person may file written objections or comments and may be heard orally with respect to the subject matters of the hearing.

Sally Hinrichsen  
City Clerk

**City Council Meeting**  
**Prep. Date:** 09/26/17  
**Preparer:** Doug Herman



**Agenda Item:** 2 & 4  
**Agenda Date:** 10/02/2017

**Agenda Items Description:** Public Hearing on proposed Development Agreement between the City of Monticello and B & J Hauling and Excavation related to project at 218 W. 1<sup>st</sup> Street and Resolution approving same.

**Type of Action Requested:** Motion; Resolution; Ordinance; Report; Public Hearing; Closed Session

**Attachments & Enclosures:**

Proposed Resolution
Development Agreement

**Fiscal Impact:**

Budget Line Item:  
Budget Summary:  
Expenditure:  
Revenue:


**Synopsis:** The Public Hearing is a necessary step in the Development Agreement process.

**Background Information:** The draft development agreement is consistent with earlier discussions of the City Council that supported moving forward with a potential agreement.

Based upon my discussions with Brian I put together proposed/potential incentives to assist him with the demolition and development of the property. The potential incentives, obviously tied to Council consideration and approval, would benefit both B & J as the developer and the subsequent owners who will have “build out” responsibilities related to their portion of the structure.

We have not had an agreement just like this in the past, however, we have not had a project just like this in the past either. The proposal is kind of a hybrid, with provisions similar to those in the Welter Addition. (In the Welter Addition new, undeveloped ground was being purchased and the TIF Grant bought down the purchase price per acre. In this case, the ground being bought has a dilapidated building located on it that needs to be removed before redevelopment and the lot is much smaller than an acre as it is a “downtown” lot.)

The total current property valuation of the existing building and lot is \$45,810 producing taxes in the amount of \$1,076. I would estimate the new structure to be valued similar to the N. Main offices that house Dr. Woken, Family Chiropractic, Edward Jones or Armin Plaza locations that house Subway, Kelehers, Edward Jones and Pure Image Salon. The total valuation of the four units that comprise Armin Plaza is \$572,420. Because that amount is based upon 4 units, not three, I will reduce the total valuation by 25% which takes it to \$429,315. Now, because those units are also served by off street parking and may be a bit larger, I will reduce that total by 20%, bringing the total valuation to \$343,452. If my calculations are in the ballpark, which I believe they are, the total valuation increase of the 218 W. 1<sup>st</sup> Street property would climb from right at \$45,000 to \$345,000, a \$300,000 increase

or an increase of approximately 7 times the current valuation. Taxes could rise from \$1,076 per year to over \$7,000 per year.

I have discussed two grants payable to the developer of the lot, B & J, totaling \$20,000, \$5,000 when the buildings are demolished and the lot is clear and \$15,000 when the new 3 unit building is constructed and ready for build-out by the owners of each unit. Each unit would then also be eligible for a ten year partial tax rebate.

So, if my above math is correct we could collect \$70,000 in taxes over ten years. During that time frame we would pay the developer \$20,000 and approximately \$37,500 in rebates, a total payout of \$57,500, leaving the City with \$12,500 in tax receipts that were not rebated or granted. (Assuming approximate current tax rates and laws) (I have reduced my estimated valuations in the communication page from the estimates I used in the attached letter to Brian Monk.) If the existing building stands and the valuation remains the same, the City at current tax rates and laws will receive right at \$11,000 over ten years. If the building is demolished and the lot remains vacant the City will receive right at \$6,000, just over half of the tax payment, over the next ten years. Therefore, even with the rebates and grants the new building will create more new taxes to the City than either of the other options over the next ten years.

**Staff Recommendation:** I recommend that the Mayor open the Public Hearing, accept public comment if any, close the Public Hearing, and that the Council then consider the proposed Resolution to approve the proposed Development Agreement.

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DATE FOR HEARING ON  
DEVELOPMENT AGREEMENT AND  
TAX INCREMENT PAYMENTS

(B & J Hauling & Excavation)

Monticello, Iowa

October 02, 2017

A meeting of the City Council of the City of Monticello, Iowa, was held at the Monticello Renaissance Center, Community Media Room, Monticello, Iowa, 6:00 o'clock p.m., on October 02, 2017 pursuant to the rules of the Council.

The Mayor presided and the roll was called, showing members present and absent as follows:

Present:

Absent:

Council Member \_\_\_\_\_ introduced the resolution next hereinafter set out and moved its adoption, seconded by Council Member \_\_\_\_\_; and after due consideration thereof by the Council, the Mayor put the question upon the adoption of said resolution, and the roll being called, the following named Council Members voted:

Ayes:

Nays:

Abstained:

Whereupon, the Mayor declared said resolution duly adopted, as follows:

RESOLUTION NO. 17-\_\_

Approving a Development Agreement with B & J Hauling and Excavation,  
including tax increment payments in an amount not to exceed \$57,500

**WHEREAS**, the City of Monticello, Iowa (the “City”), pursuant to and in strict compliance with all laws applicable to the City, and in particular the provisions of Chapter 403 of the Code of Iowa, has adopted an Urban Renewal Plan for the Monticello Urban Renewal Area (the “Urban Renewal Area”); and

**WHEREAS**, this City Council has adopted an ordinance providing for the division of taxes levied on taxable property in various Urban Renewal Areas pursuant to Section 403.19 of the Code of Iowa and establishing the fund referred to in Subsection 2 of Section 403.19 of the Code of Iowa, which fund and the portion of taxes referred to in that subsection may be irrevocably pledged by the City for the payment of the principal and interest on indebtedness incurred under the authority of Section 403.9 of the Code of Iowa to finance or refinance in whole or in part projects in the Urban Renewal Area; and

**WHEREAS**, the City proposes to enter into an agreement (the “Development Agreement”) with B & J Hauling and Excavation (the “Developer”) with respect to the demolition of a dilapidated structure located at 218 W. 1<sup>st</sup> Street and the construction of a three unit storefront on said lot, and

**WHEREAS**, the Development Agreement would provide financial incentives to the Developer in the form of incremental property tax payments in an amount not to exceed \$57,500, including \$20,000 in grants and up to \$37,500 in tax rebates to the Developer, or successor owners of the storefronts, under the authority of Section 403.9(1) of the Code of Iowa, rebating a portion of real estate taxes paid for a number of years, and

**WHEREAS**, the City Council scheduled a public hearing on the proposed Development Agreement for tonight’s meeting, October 02, 2017, at 6:00 p.m., and

**WHEREAS**, The City Council has held the public hearing as scheduled.



**NOW THEREFORE, IT IS RESOLVED** by the City Council of the City of Monticello, Iowa, on this 2<sup>nd</sup> day of October, 2017, by the approval of this Resolution, does hereby approve the proposed Development Agreement and incentives offered therein.

**IN TESTIMONY WHEREOF**, I have hereunto subscribed my name and caused the Great Seal of the City of Monticello, Iowa to be affixed hereto. Done this 2<sup>nd</sup> day of October, 2017.

---

Dena Himes, Mayor

Attest:

---

Sally Hinrichsen, Monticello City Clerk

## **DEVELOPMENT AGREEMENT**

This Agreement is entered into between the City of Monticello, Iowa (the "City") and B & J Hauling & Excavation, Inc. ("Developer") as of the \_\_\_\_\_ day of \_\_\_\_\_, 2017.

**WHEREAS**, the City has previously established the Monticello Urban Renewal Area (the "Urban Renewal Area"), and has adopted a tax increment ordinance for the Urban Renewal Area; and

**WHEREAS**, the Developer has acquired certain real property which is currently located adjacent to the Urban Renewal Area and more specifically described on Exhibit A hereto (the "Property"), with the Developer intending to undertake the demolition of the existing structure and the construction of a new commercial steel frame building with a brick/stone front and three independent storefronts (the "Project"); and

**WHEREAS**, the Developer has requested tax increment financing assistance with respect to the Project and the City Council finds that the benefits of the project to the community are substantial and that the use of incentives, including TIF, to entice the construction of the project, are appropriate; and

**WHEREAS**, Chapter 15A of the Code of Iowa authorizes cities to provide grants, loans, guarantees, tax incentives and other financial assistance to or for the benefit of private persons; and the City Council specifically finds as follows:

1. That a public purpose will reasonably be accomplished by the dispensing or use of proposed grant funds. That the removal and replacement, or significant renovation, of decrepit, decayed, and/or outdated structures in the downtown area should be promoted by the City Council and that without City promotion and involvement it is much less likely that said efforts will be undertaken.
2. The Council has considered the overall impact the proposed development will have on the community, weighing the overall benefits of the business, including the receipt of taxes, and finds that the benefits to the citizens, local businesses, and tax base of the City warrant the incentives, and outweigh the amount of funds to be granted and/or rebated pursuant to the terms of this Development Agreement.
3. This grant, and development agreement in general, is not being used to attract a business presently located within the state to relocate to another portion of the state.

**NOW THEREFORE**, the parties hereto agree as follows:

**A. Developer's Covenants**

1. The Developer, as owner of the property, agrees to the demolition of the existing structures within forty-five (45) days of the approval of this Development Agreement.
2. The Developer agrees to obtain a building permit to construct the proposed improvements within thirty (30) days of the approval of this Development Agreement.
3. The Developer agrees to commence construction of the proposed three storefront one story commercial building within sixty (60) days of the approval of this Development Agreement.
4. The Developer agrees to comply with all Ordinances of the City of Monticello, including Zoning Ordinances and other applicable building regulations.
5. The Developer agrees to make timely payment of all property taxes as they come due throughout the term of this Agreement with respect to the Property and to submit proof of payment to the City Clerk when requested.

**B. City's Covenants**

1. **Rebate Payments.** In recognition of the Developer's obligations set out above, the City agrees to make 20 semi-annual economic development tax increment payments (the "Rebate Payments") to the Owner of each of the three units, pursuant to Chapters 15A and 403 of the Code of Iowa and as described below.

This Agreement assumes that the taxable valuation of the completed Project will go on the property tax rolls as of January 1, 2019. Based thereon, the first tax payment based upon 100% valuation would be made in September, 2020. Accordingly, the Rebate Payments will be made on or about the 1<sup>st</sup> of December and the 1<sup>st</sup> of June each fiscal year, beginning on December 1, 2020 and continuing to and including June 1, 2030 or until such earlier time as the aggregate amount of Total Payments (as hereinafter defined) made under this Agreement equals \$57,500.

Each Rebate Payment shall be in an amount which represents a percentage (the "Annual Percentage") of the Incremental Property Tax Revenues available to the City with respect to the Property during the 6 months immediately preceding each Payment date reduced by the Repayment Deduction (as hereinafter set forth). Incremental Property Tax Revenues are produced by multiplying the consolidated property tax levy (city, county, school, etc.) times the incremental valuation of the Property, then subtracting debt service

levies of all taxing jurisdictions, subtracting the school district physical plant and equipment levy and subtracting any other levies which may be exempted from such calculation by action of the Iowa General Assembly, all of said deductions being generally referred to as the "Repayment Deduction". The Annual Percentages shall be as follows:

- Year 1: 85%
- Year 2: 80%
- Year 3: 75%
- Year 4: 70%
- Year 5: 65%
- Year 6: 60%
- Year 7: 60%
- Year 8: 50%
- Year 9: 45%
- Year 10: 40%

2. **Grant Payments.** The City further agrees to make a series of economic development grants. (The "Grant Payments") The Grant Payments and the Rebate Payments are collectively referred to as the Total Payments. The Grant Payments shall be made to the Developer as follows:

a. **Grant Payments related to Agreement to Demolish Existing Structures and to rebuild:** The City will provide a grant, payable in two installments, to the developer, as follows:

- 1). \$5,000 TIF Grant to the Developer upon completion of demolition of existing structures and lot grading.
- 2). \$15,000 TIF Grant to the Developer upon satisfactory completion of new structure, to include three storefronts as presented, to be a steel frame building with brick/stone building front, with purchasers of each unit being responsible for build out.

3. **Security and Debt Certification.** The Total Payments shall not constitute general obligations of the City, but shall be made solely and only from incremental property taxes received by the City from the Jones County Treasurer which are attributable to the Property, in the case of the Rebate Payments, and the Monticello Urban Renewal Area with respect to the Grant Payments.

Each Payment shall be subject to annual appropriation by the City Council. Prior to December 1 of each year during the term of this Agreement, the City Council shall consider the question of obligating for appropriation to the funding of the Payments due in the following fiscal year, an amount of tax increment revenues to be collected in the following fiscal year equal to or less than the most recent Developer's Estimate factored by the Annual Percentage to be in effect in the next succeeding fiscal year (the "Appropriated Amount").

If in any given fiscal year the City Council determines to not obligate the then-considered Appropriated Amount, the City will be under no obligation to fund the Payments scheduled to become due in the following fiscal year, and the Developer will have no rights whatsoever to compel the City to make such Payments or to seek damages relative thereto. A determination by the City Council to not obligate funds for any particular fiscal year's Payments shall not render this Agreement null and void and the Developer may make future requests for appropriation.

In any given fiscal year, if the City Council determines to obligate the then-considered Appropriated Amount, then the City Clerk will certify by December 1 of each such year to the Jones County Auditor an amount equal to the most recently obligated Appropriated Amount.

It is the intention and desire of the City Council, at the passage of this Developer's Agreement, that funds will be annually appropriated as contemplated herein absent a finding by the City Council of severe hardship to the City.

**C. Administrative Provisions**

1. This Agreement may not be amended or assigned by either party without the written consent of the other party.
2. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties.
3. This Agreement shall be deemed to be a contract made under the laws of the State of Iowa and for all purposes shall be governed by and construed in accordance with laws of the State of Iowa.

The City and the Developer have caused this Agreement to be signed, and the City's seal to be affixed, in their names and on their behalf by their duly authorized officers, all as of the day and date written above.

**City of Monticello, Iowa**

By \_\_\_\_\_  
Dena Himes, Mayor

Attest:

\_\_\_\_\_  
Sally Hinrichsen, City Clerk

**B & J Hauling and Excavation, Inc.**

---

Brian Monk, President

**EXHIBIT A**

**LEGAL DESCRIPTION OF THE PROPERTY**

**Certain real property in the City of Monticello, County of Jones, State of Iowa more particularly described as follows:**

Lot 429; and that part of LOT 430 lying South and West of a line commencing at the Southeast corner thereof, and running thence Northwesterly to a point on the West line thereof 25 feet South of the Northwest corner thereof; ALL IN RAILROAD ADDITION TO MONTICELLO, IOWA. EXCEPTING FROM ALL OF THE ABOVE THE FOLLOWING: Commencing at the Southeast corner of Lot 429 of Railroad Addition to the City of Monticello, Iowa, thence Westerly along the South line of said lot 50 feet; thence north at a right angle to a point on a line in Lot 430 of Railroad Addition, said line being described as commencing at the Northeast corner of Lot 429 Railroad Addition thence running Westerly to a point on the West line of Lot 430, 25 feet South of the Northwest corner thereof; thence Easterly from said point to the Northeast corner of said Lot 429; thence Southerly along the East line of said Lot to point of beginning.

<b>City Council Meeting</b> <b>Prep. Date:</b> 09/26/17 <b>Preparer:</b> Doug Herman		<b>Agenda Item: # 5</b> <b>Agenda Date:</b> 10/02/17
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***Communication Page***

**Agenda Items Description:** Resolution to approve proposal related to City owned lot located at 224 N. Chestnut Street and to direct staff to negotiate agreement with chosen proposal.

<b>Type of Action Requested:</b> Motion; Resolution; Ordinance; Report; Public Hearing; Closed Session								
<b>Attachments &amp; Enclosures:</b> <table border="1" style="width: 100%;"> <tr><td>Resolution</td></tr> <tr><td>Proposals from Harmon and Zimmerman</td></tr> <tr><td> </td></tr> </table>	Resolution	Proposals from Harmon and Zimmerman		<b>Fiscal Impact:</b> <table border="1" style="width: 100%;"> <tr><td>Budget Line Item:</td></tr> <tr><td>Budget Summary:</td></tr> <tr><td>Expenditure:</td></tr> <tr><td>Revenue:</td></tr> </table>	Budget Line Item:	Budget Summary:	Expenditure:	Revenue:
Resolution								
Proposals from Harmon and Zimmerman								
Budget Line Item:								
Budget Summary:								
Expenditure:								
Revenue:								

**Synopsis:** At direction of Council two proposals have been received with regard to the Al Hughes lot.

**Background Information:** Council sought proposals from interested parties to purchase and “redevelop” the Al Hughes lot at 224 N. Chestnut Street. Two proposals have come in, generally as follows:

1. Tom & Lisa Harmon: Neighbor to Al Hughes lot proposes to purchase lot for \$25,000. His plan includes an addition to his home which would include a bathroom, utility/laundry room, and 2.5 stall garage, with siding to match existing home and driveway to Chestnut Street. They propose to sell of the property on the east side of the alleyway to the Lambert family who will either remodel or demolish the existing structure. Construction planned for calendar year 2018.
  
2. Norm Zimmerman: Norm proposes to build a new craftsman style house with a carriage style two story building on the back lot. The house to include three bedrooms on the second floor with a main floor of approximately 1300 square feet with a basement to include a family room and two car garage. The Carriage house would be approximately 30’ x 30’ with a work shop on the main level and a studio on the upper level. The house would be built with insulated concrete forms (ICF) from basement to the attic. Construction planned for calendar year 2018

Both parties indicate a plan to buy materials locally. Both have presented their proposals to the City Council.



The Council previously indicated that it was interested in the following considerations;

1. Highest and Best Use of the lot.
2. Sale price of the lot.
3. Taxable basis of the lot.
4. Fit with the neighborhood.
5. Timing of improvements.

Because the Council has commented that one of the considerations will be potential future taxable basis I shared the two proposals with the County Assessor and asked him for feedback on potential tax basis of each proposed project. Generally, he indicated that he would expect the Zimmerman proposal to result in taxable valuation of \$200,000 and the Harmon proposal to result in taxable valuation of \$50,000.

Comments made at the last meeting and other potential considerations from and since last meeting:

1. Harmon/Lambert have lived next to Hughes lot for years and deserve the opportunity to buy it.
2. Harmon/Lambert have offered \$5,000 more than Zimmerman.
3. Zimmerman proposal will net significantly more taxes than the Harmon/Lambert proposal. (\$2,400 per year plus or minus)
4. Zimmerman proposal will add a user to water/sewer/sanitation services.
5. Zimmerman proposal will add a new home to an older neighborhood which should increase overall value to other properties in the neighborhood.

Pursuant to past direction of the City Council the Hughes Garage and remaining contents should be removed and gone by tonight's meeting.

**Recommendation:** I recommend that the Council approve the proposed Resolution directing staff to move forward with one of the proposals, meeting with the party associated with the chosen proposal to work on the terms of an agreement. (Thereafter, a public hearing will be scheduled where additional public comment can be received before a final decision is made.)

# The City of Monticello, Iowa

IN THE NAME AND BY THE AUTHORITY OF THE CITY OF MONTICELLO,  
IOWA

RESOLUTION # 17-\_\_\_\_\_

Resolution to approve proposal related to City owned lot located at 224 N. Chestnut Street and to direct staff to negotiate agreement with party associated with chosen proposal.

**WHEREAS**, the City Council previously directed that proposals be sought from parties interested in the purchase of the City owned property located at 224 N. Chestnut Street, and

**WHEREAS**, notice was published for two consecutive weeks in the Monticello Express seeking proposals, and

**WHEREAS**, two proposals were received, and the Council having considered the positive impacts to the community of both projects, including but not limited to the following considerations:

1. Highest and Best Use of the lot.
2. Sale price of the lot.
3. Taxable basis of the lot.
4. Fit with the neighborhood.
5. Timing of improvements.

finds that the proposal presented by \_\_\_\_\_ will bring the greatest return to the City and that the City Administrator should be directed to proceed with the negotiation of a purchase agreement with \_\_\_\_\_.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of Monticello, Iowa does hereby direct the City Administrator to negotiate the terms of a purchase agreement between the City of Monticello and \_\_\_\_\_ related to the City owned property at 224 N. Chestnut Street, Monticello, Iowa.

**IN TESTIMONY WHEREOF**, I have hereunto subscribed my name and caused the Great Seal of the City of Monticello, Iowa to be affixed hereto.  
Done this 2<sup>nd</sup> day of October, 2017.

Attest:

\_\_\_\_\_  
Dena Himes, Mayor

\_\_\_\_\_  
Sally Hinrichsen, City Clerk

## Sale or Public Owned Property

The sale of Public Owned property must follow the guidelines set forth within Iowa Code §364.7 (Disposal of Property)

Where are we at and what steps remain with regard to the potential sale of the 224 N. Chestnut Street Property?

1. City owns the property.
2. City desires to sell property.
  - a. City may have preferences for use to which property is to be put by potential buyer?
    - i. For Ex.: Home addition, new home that fits character of neighborhood, not a vacant lot, time of improvement, likely tax valuation of improvement.
  - b. Sale Price: Council will consider sale price but has no obligation to sell to the party offering the highest amount.
3. City advertised for proposals and received two proposals.
4. Council gave initial consideration to proposals, desired more information from Zimmerman.
5. Council to give further consideration to proposals tonight.
  - a. May or may not have additional Zimmerman information. I have contacted him to let him know that the Council requested additional information and he reported that an architect had been working on a plan set and that he was promised the plan set by Monday the 18<sup>th</sup> at the latest.
6. Council may take action tonight or defer to a future meeting. (Keep in mind that neither proposal involves immediate construction, both looking to 2018. Time is not of the essence.)
7. The action proposed last meeting and again tonight, if the Council chooses to take action, is to direct the City Administrator to work with either Harmon or Zimmerman on an agreement related to their proposed purchase of the property.
  - a. Terms may include a commitment to build "X" within a certain timeframe, may include a provision that allows the City to reacquire the property if "X" has not occurred within an agreed upon timeframe. Others....
8. Once the terms of an "agreement" are reached I will ask the City Council to schedule a Public Hearing on the proposed sale as required by Iowa Code §364.7 "Disposal of Property"
9. The Council will hold the Public Hearing, accept public comment on the proposed sale, after which the Council may take action on the proposed sale.
10. If approved, final steps would be taken to update the abstract, get it to the buyer's atty. for review, prepare documents to transfer the property, finalize and sign any agreement related to the sale, and then transfer the property, recording necessary documents.

**Note:** Depending upon the direction taken by the City Council a decision needs to be firmed up whether or not to tear down the existing garage. (My understanding is that the Council desires to have said garage removed, but confirmation of that point is sought. That confirmation can be added to tonight's Resolution should the Council desire to do so.)

TO: CITY COUNCIL MONTICELLO, IOWA

FROM: TOM & LISA HARMON  
234 NORTH CHESTNUT MONTICELLO

PROPOSAL FOR PROPERTY AT 224 NORTH CHESTNUT:

OUR PLAN IF WE ARE ABLE TO BUY THE PROPERTY IS TO ATTACH AN ADDITION TO OUR HOUSE ON THE SOUTH SIDE CONSISTING OF A BATHROOM, UTILITY/LAUNDRY ROOM, AND 2 1/2 STALL GARAGE. THE DESIGN IS NOT YET SET IN STONE, BUT THE TOTAL DIMENSION WILL BE AROUND 48X24 FEET. WE WILL RAISE THE GRADE TO OUR FLOOR LEVEL TO MAKE ENTRY ZERO STEPS. THE GARAGE WILL FACE WEST AND CONNECT TO N. CHESTNUT VIA CEMENT DRIVEWAY. THE ADDITION WILL BE SIDED AND ROOFED TO MATCH OUR HOUSE.

THE PART OF THE PROPERTY EAST OF THE ALLEY WE WILL SELL OFF TO THE LAMBERT FAMILY. THEY HAVE INDICATED THEY WILL TEAR DOWN OR REMODEL THE GARAGE ON THE EAST SIDE . IF WE GET THE PROPERTY WE PLAN CONSTRUCTION IN THE CALENDAR YEAR 2018.

ALL CONSTRUCTION MATERIAL WILL BE BOUGHT LOCALLY.

AT THIS TIME WE ARE OFFERING \$25,000.00 FOR THE PROPERTY.

Harmans

234 <sup>N ↑</sup> N Chestnut

Hall  
Kickout

Utility Room

Bathroom

Cement Drive  
to N. Chestnut

Garage 24' x 36'



Norm: (319)480-6676  
Office: (319)465-4472  
Fax: (319)465-7058

19243 Stone Bridge Road, Monticello, Iowa 52310

August 31, 2017

RE: Lot at 224 North Chestnut Street, Monticello, IA  
Including Front Lot 59 x 122  
And Back Lot 50 x 88

**BID**

We plan on building a Craftsman style home with a Carriage style two story building on the back lot.

The house to include 3 bedrooms on the second floor, the main floor of approx. 1,300 sq. ft., and a basement family room and 2 car garage. The Carriage house to be approx. 30' x 30' with a work shop on the main level and a studio on the second level.

The house will be constructed of insulated concrete forms (ICF) from the basement floor to the rafters.

Offer Price for both lots..... \$20,000.00

Thank you.

A handwritten signature in black ink, appearing to read "Norm Zimmerman".

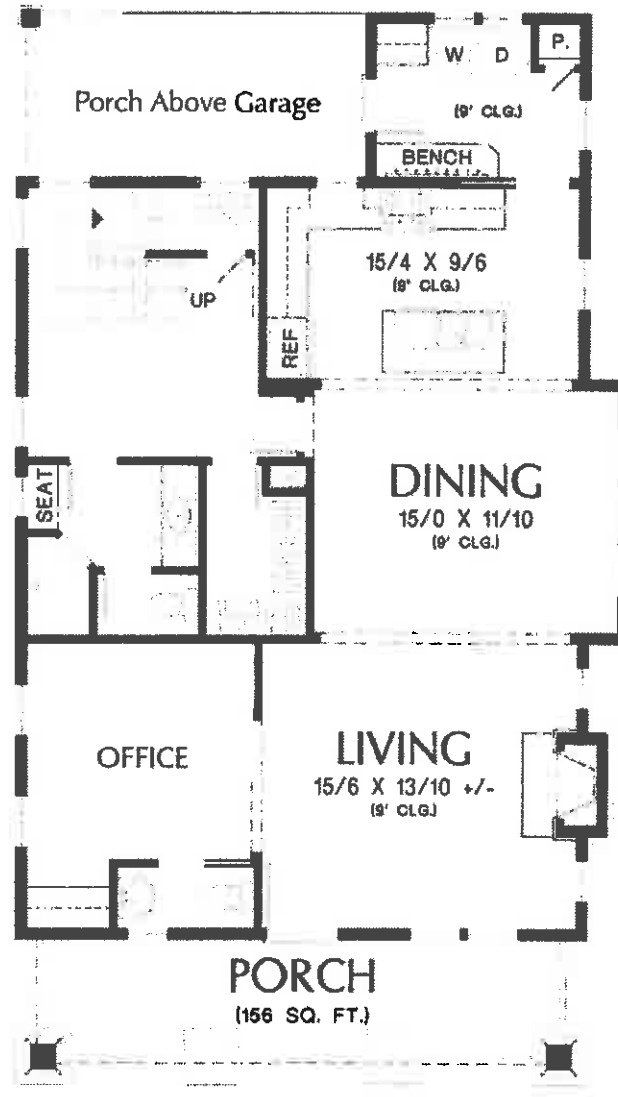
Norm Zimmerman  
Zimmerman Buildings Inc.  
19243 Stone Bridge Road  
Monticello, IA 52310  
Cell # 319-480-6676  
TAX ID # 38-3664664



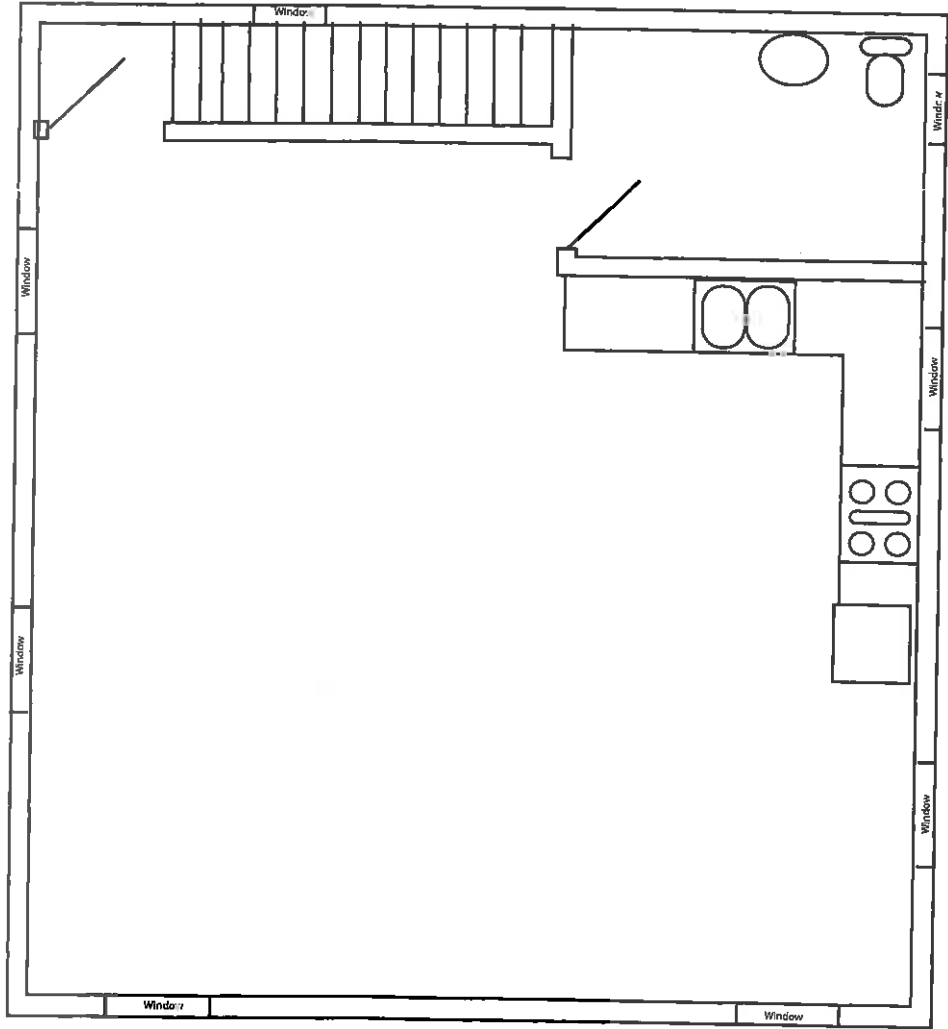
photo courtesy of James Lowe







⊗ Couple needs to come up w/ a plan.



<p>City Council Meeting          Prep. Date: 09/26/17          Preparer: Doug Herman</p>		<p>Agenda Item: # <b>6</b>          Agenda Date: 10/02/17</p>
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**Communication Page**

**Agenda Items Description:** Resolution to finally Accept Water Tower Project, release Retainage, and approve Change Order #1

**Type of Action Requested:** Motion; **Resolution**; Ordinance; Report; Public Hearing; Closed Session

<p><b>Attachments &amp; Enclosures:</b></p> <table border="1" style="width: 100%;"> <tr><td>Resolution</td></tr> <tr><td>Pav Estimate/Request #2</td></tr> <tr><td> </td></tr> </table>	Resolution	Pav Estimate/Request #2		<p><b>Fiscal Impact:</b></p> <table border="1" style="width: 100%;"> <tr><td>Budget Line Item:</td><td> </td></tr> <tr><td>Budget Summary:</td><td>Water Tower Cap. Project</td></tr> <tr><td>Expenditure:</td><td>\$19,329</td></tr> <tr><td>Revenue:</td><td> </td></tr> </table>	Budget Line Item:		Budget Summary:	Water Tower Cap. Project	Expenditure:	\$19,329	Revenue:	
Resolution												
Pav Estimate/Request #2												
Budget Line Item:												
Budget Summary:	Water Tower Cap. Project											
Expenditure:	\$19,329											
Revenue:												

**Synopsis:** Final acceptance of project, release of retainage in amount of \$19,329, and approval of Change Order reducing project cost by \$8,820.

**Background Information:** The City Engineer recommends that the water tower project be closed out and accepted and that the retainage be released with approval of a change order to recognize a deduct of \$8,820 which represents funds budgeted for repairs that were not needed.

**Recommendation:** I recommend that the Council approve the proposed Resolution finally accepting the project, authorizing payment to Utility Services Co., Inc. in the amount of \$19,329, and approving change order #1, a deduct of \$8,820.

# The City of Monticello, Iowa

IN THE NAME AND BY THE AUTHORITY OF THE CITY OF MONTICELLO, IOWA

## RESOLUTION #17-\_\_

To finally Accept Water Tower Project, release Retainage, and approve Change Order #1

- WHEREAS,** The City of Monticello, Iowa is an incorporated city within Jones County, Iowa; and
- WHEREAS,** Utility Service Company, Inc. contracted with the City to sand blast, prime, and paint the water tower on W. 1<sup>st</sup> Street, and
- WHEREAS,** Utility Service Company, Inc. has completed the project and the City Engineer has recommended that the City accept the project as complete, release the retainage in the amount of \$19,329, and approve Change Order #1 in the negative amount of \$8,820, and
- WHEREAS,** The Council finds it appropriate to recognize the project as complete and to accept same, to release the retainage in the amount of \$19,329, and to approve the negative change order in the amount of \$8,820, reflecting savings on the project.

**NOW THEREFORE, BE IT RESOLVED** that the City Council of Monticello, Iowa does hereby finally accept the Water Tower Project, approve payment of retainage to Utility Services Co. in the amount of \$19,329, and approve Change Order #1 in the negative amount of \$8,820.

**IN THE TESTIMONY WHEREOF,** I have hereunto subscribed my name and caused the Great Seal for the City of Monticello, Iowa to be affixed. Done this 2<sup>nd</sup> day of October 2017.

\_\_\_\_\_  
Dena Himes, Mayor

*Attest:*

\_\_\_\_\_  
Sally Hinrichsen, City Clerk

City Council Meeting  
Prep. Date: 09/26/17  
Preparer: Doug Herman



Agenda Item: # 7  
Agenda Date: 10/02/17

**Communication Page**

**Agenda Items Description:** Resolution to approve Pay Request #1 from Schaus-Vorhies related to the Monticello Airport Ten-T Hangar project in the amount of \$31,192.30

**Type of Action Requested:** Motion; Resolution; Ordinance; Report; Public Hearing; Closed Session

**Attachments & Enclosures:**

Resolution

Pay Estimate/Request #1 (to be provided)

**Fiscal Impact:**

Budget Line Item:

Budget Summary:

Expenditure:

Revenue:

Ten-T Hangar Project

\$31,192.30

**Synopsis:** Approval of Pay Request #1 related to Ten-T Hangar project in the amount of \$31,192.30.

**Background Information:** The City Engineer recommends that Pay Request #1 be approved. The basis for the payment is that costs have been incurred in relation to traffic control and the preparation of shop drawings by Erect-A-Tube.

**Recommendation:** I recommend that the Council consider the approval of Pay Request #1 from Schaus-Vorhies in relation to the Monticello Airport Ten-T Hangar project.

# The City of Monticello, Iowa

IN THE NAME AND BY THE AUTHORITY OF THE CITY OF MONTICELLO, IOWA

## RESOLUTION #17-\_\_

To approve Pay Request #1 related to the Monticello Airport Ten-T Hangar project, to Schaus-Vorhies in the amount of \$31,192.30

**WHEREAS,** The City of Monticello, Iowa is an incorporated city within Jones County, Iowa; and

**WHEREAS,** Schaus-Vorhies was hired to construct a Ten-T Hangar at the Monticello Airport, and

**WHEREAS,** The City Engineer has reviewed the first pay request from Schaus-Vorhies related to said project and recommends that it be paid in the amount of \$31,192.30, and

**WHEREAS,** The Council finds, based upon the recommendation of the City Engineer, that said pay request should be approved.

**NOW THEREFORE, BE IT RESOLVED** that the City Council of Monticello, Iowa does hereby approve Pay Request #1 from Schaus-Vorhies and authorizes payment in the amount of \$31,192.30.

**IN THE TESTIMONY WHEREOF,** I have hereunto subscribed my name and caused the Great Seal for the City of Monticello, Iowa to be affixed. Done this 2<sup>nd</sup> day of October 2017.

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Dena Himes, Mayor

*Attest:*

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Sally Hinrichsen, City Clerk

City Council Meeting  
Prep. Date: 09/26/17  
Preparer: Doug Herman



Agenda Item: 8  
Agenda Date: 10/02/2017

**Communication Page**

**Agenda Items Description:** Resolution to approve Eastern Iowa Excavating & Concrete, LLC Pay Request #1 related to the 2017 Main Street HMA Project.

<b>Type of Action Requested:</b> Motion; <b>Resolution;</b> Ordinance; Report; Public Hearing; Closed Session	
<b>Attachments &amp; Enclosures:</b>	<b>Fiscal Impact:</b>
Resolution	Budget Line Item: S. Main Project
	Budget Summary: n/a
	Expenditure: \$493,503.54
	Revenue: n/a

**Synopsis:** Eastern Iowa was hired to perform the 2017 Main Street HMA project.

**Background Information:** Eastern Iowa has submitted their first pay request in relation to the 2017 Main Street HMA Project and the engineer has recommended that it be approved.

**Staff Recommendation:** I recommend that the Council consider approval of Eastern Iowa's Pay Request #1 related to the 2017 Main Street HMA Project.

WAITING ON ADDITIONAL INFORMATINO FROM THE CITY ENGINEER

# The City of Monticello, Iowa

IN THE NAME AND BY THE AUTHORITY OF THE CITY OF MONTICELLO, IOWA

## RESOLUTION #17-\_\_

**Approving Pay Request #1 in the amount of \$\_\_\_\_\_ submitted by Eastern Iowa Excavating & Concrete Re: 2017 Main Street HMA Project.**

**WHEREAS,** Eastern Iowa Excavating & Concrete contracted with the City to perform the 2017 Main Street HMA project, and

**WHEREAS,** Eastern Iowa Excavating & Concrete has submitted their 1<sup>st</sup> pay request in the amount of \$\_\_\_\_\_ which reflects 5% retainage, with total retainage held to date after this payment in the amount of \$\_\_\_\_\_, and

**WHEREAS,** The City will be reimbursed a large portion of this expense after the submission of a request for reimbursement through the IDOT, and

**WHEREAS,** The City Engineer has reviewed pay request #1 and recommends its approval.

**NOW THEREFORE, BE IT RESOLVED** that the City Council of Monticello, Iowa does hereby approve Pay Request #1 submitted by Eastern Iowa Excavating & Concrete, Re: 2017 Main Street HMA project, and authorizes payment in the amount of \$\_\_\_\_\_, maintaining a 5% retainage in the amount of \$\_\_\_\_\_.

**IN THE TESTIMONY WHEREOF,** I have hereunto subscribed my name and caused the Great Seal for the City of Monticello, Iowa to be affixed. Done this 2<sup>nd</sup> day of October, 2017.

\_\_\_\_\_  
Dena Himes, Mayor

*Attest:*

\_\_\_\_\_  
Sally Hinrichsen, City Clerk



City Council Meeting  
 Prep. Date: 09/26/17  
 Preparer: Doug Herman



Agenda Item: # 9  
 Agenda Date: 10/02/17

**Communication Page**

**Agenda Items Description:** Resolution to approve Taylor Construction, Inc. Pay Request #2, Re: 2017 E. 1<sup>st</sup> Street Bridge replacement project.

**Type of Action Requested:** Motion; Resolution; Ordinance; Report; Public Hearing; Closed Session

**Attachments & Enclosures:**

Resolution
Pav Estimate/Request #2

**Fiscal Impact:**

Budget Line Item:	
Budget Summary:	E. 1 <sup>st</sup> St. Bridge Cap. Project
Expenditure:	\$
Revenue:	

**Synopsis:** Approval of Taylor Construction, Inc. Pay Request #1 related to E. 1<sup>st</sup> Street Bridge project.

**Background Information:** Taylor Construction submits its' second pay request associated with the E. 1<sup>st</sup> Street Bridge project. The City Engineer has reviewed the pay request and recommends that it be approved.

The total value of completed work comes in at \$\_\_\_\_\_. This project has a 3% retainer. The original contract amount totals \$\_\_\_\_\_.

After withholding retainage in the amount of \$\_\_\_\_\_ the amount recommended for payment totals \$\_\_\_\_\_. (The City will file for reimbursement through the State IDOT for the share of this project to be covered by Federal Bridge funding.)

**Recommendation:** I recommend that the Council approve the proposed Resolution authorizing payment to Taylor Construction, Inc. in the amount of \$\_\_\_\_\_.

AWAITING INFORMATION FROM CITY ENGINEER

# The City of Monticello, Iowa

IN THE NAME AND BY THE AUTHORITY OF THE CITY OF MONTICELLO, IOWA

## RESOLUTION #17-\_\_

**Approving Pay Request #2 in the amount of \$\_\_\_\_\_ submitted by Taylor Construction, Inc. Re: 2017 E. 1<sup>st</sup> Street Bridge Replacement Project.**

**WHEREAS,** Taylor Construction, Inc. contracted with the City to replace the E. 1<sup>st</sup> Street Bridge lying over Kitty Creek, and

**WHEREAS,** Taylor Construction, Inc. has submitted their 1<sup>st</sup> pay request in the amount of \$\_\_\_\_\_ which reflects 3% retainage, with total retainage held to date after this payment in the amount of \$\_\_\_\_\_, and

**WHEREAS,** The City will be reimbursed a large portion of this expense after the submission of a request for reimbursement through the IDOT, with the funding coming from Federal Bridge Funds, and

**WHEREAS,** The City Engineer has reviewed pay request #2 and recommends its approval.

**NOW THEREFORE, BE IT RESOLVED** that the City Council of Monticello, Iowa does hereby approve Pay Request #2 submitted by Taylor Construction, Inc. Re: 2017 E. 1<sup>st</sup> Street Bridge Replacement Project, and authorizes payment in the amount of \$\_\_\_\_\_, maintaining a 3% retainage in the amount of \$\_\_\_\_\_.

**IN THE TESTIMONY WHEREOF,** I have hereunto subscribed my name and caused the Great Seal for the City of Monticello, Iowa to be affixed. Done this 2<sup>nd</sup> day of October, 2017.

\_\_\_\_\_  
Dena Himes, Mayor

*Attest:*

\_\_\_\_\_  
Sally Hinrichsen, City Clerk

City Council Meeting  
Prep. Date: 09/26/17  
Preparer: Doug Herman



Agenda Item: # 10  
Agenda Date: 10/02/17

**Communication Page**

**Agenda Items Description:** Resolution to approve Eastern Iowa Excavating and Concrete Pay Request #6 Re: South Street Reconstruction Project.

**Type of Action Requested:** Motion; Resolution; Ordinance; Report; Public Hearing; Closed Session

**Attachments & Enclosures:**

Resolution

**Fiscal Impact:**

Budget Line Item:

Budget Summary:

Expenditure:

Revenue:

E. South Street

\$

**Synopsis:** Approval of Eastern Iowa Pay Request #6.

**Background Information:** Eastern Iowa submits its' sixth pay request related to the E. South Street project and the City Engineer recommends that it be approved.

The final pay request is related to \_\_\_\_\_ and totals \$\_\_\_\_\_.

**Recommendation:** I recommend that the Council consider approval of the proposed Resolution authorizing payment to Eastern Iowa Excavating & Concrete in the amount of \$\_\_\_\_\_.

WAITING ON INFORMATINO FROM CITY ENGINEER

# The City of Monticello, Iowa

IN THE NAME AND BY THE AUTHORITY OF THE CITY OF MONTICELLO, IOWA

## RESOLUTION #17-

**Approving Pay Request #6 in the amount of \$ \_\_\_\_\_ submitted by Eastern Iowa Excavating & Concrete related to the E. South Street Reconstruction project.**

**WHEREAS,** The City of Monticello, Iowa is an incorporated City within Jones County, Iowa; and

**WHEREAS,** Eastern Iowa Excavating & Concrete, Inc. contracted with the City to perform specified improvements associated with the reconstruction of E. South Street, and

**WHEREAS,** Eastern Iowa has submitted their 6<sup>th</sup> pay request in the amount of \$ \_\_\_\_\_, and

**WHEREAS,** The City Engineer has reviewed pay request #6 and recommends its approval.

**NOW THEREFORE, BE IT RESOLVED** that the City Council of Monticello, Iowa does hereby approve Pay Request #6 submitted by Eastern Iowa Excavating & Concrete, Inc. and authorizes payment in the amount of \$ \_\_\_\_\_.

**IN THE TESTIMONY WHEREOF,** I have hereunto subscribed my name and caused the Great Seal for the City of Monticello, Iowa to be affixed. Done this 2<sup>nd</sup> day of October, 2017.

\_\_\_\_\_  
Dena Himes, Mayor

*Attest:*

\_\_\_\_\_  
Sally Hinrichsen, City Clerk