

MINUTES TO SET DATE FOR HEARING  
ON ENTERING INTO A LOAN  
AGREEMENT

435926-33 (N/I)

Monticello, Iowa

December 18, 2023

The City Council of the City of Monticello, Iowa, met on December 18, 2023, at 6:00 o'clock p.m., at the Monticello Renaissance Center, 220 E. 1<sup>st</sup> Street, in the City.

The Mayor presided and the roll was called showing the following members of the Council present and absent:

Present: Candy Langerman, Wayne Peach, Scott Brighton, Chris Lux, Tom Yeoman, and Brenda Hanken

Absent: none.

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

Ayes: Brighton, Hanken, Langerman, Peach, Lux and Yeoman

Nays: None.

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

RESOLUTION NO. 2023-189

Resolution to fix a date for a public hearing on proposal to enter into a Sewer Revenue Loan Agreement and to borrow money thereunder in a principal amount not to exceed \$2,500,000

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

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

WHEREAS, the City heretofore proposed to enter into a Sewer Revenue Loan Agreement (the “Original Loan Agreement”) and to borrow money thereunder in a principal amount not to exceed \$21,000,000, pursuant to the provisions of Section 384.24A of the Code of Iowa, for the purpose of paying the cost, to that extent, of planning, designing, and constructing improvements and extensions to the Utility (the “Project”), and pursuant to law and a notice duly published, the City Council has held a public hearing on such proposal on December 19, 2022; and

WHEREAS, to pay additional costs of the Project, the City proposes to enter an additional loan agreement (the “Additional Loan Agreement”) in a principal amount not to exceed \$2,500,000; and

WHEREAS, it is necessary to fix a date of meeting of the Council at which it is proposed to take action to enter into the Additional Loan Agreement and to give notice thereof as hereinafter provided;

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

Section 1. This City Council shall meet on January 3, 2024, at the Monticello Renaissance Center, 220 E. 1<sup>st</sup> Street, in the City, at 6:00 o’clock p.m., at which time and place a hearing will be held and proceedings will be instituted and action taken to enter into the Additional Loan Agreement.

Section 2. The City Clerk is hereby directed to give notice of the proposed action on the Additional Loan Agreement setting forth the amount and purpose thereof, the time when and place where the said meeting will be held, by publication at least once, not less than four (4) and not more than twenty (20) days before the meeting, in a legal newspaper which has a general circulation in the City. The notice shall be in substantially the following form:

NOTICE OF PROPOSED ACTION TO INSTITUTE PROCEEDINGS  
TO ENTER INTO A LOAN AGREEMENT AND TO BORROW MONEY THEREUNDER IN  
A PRINCIPAL AMOUNT NOT TO EXCEED \$2,500,000

(SEWER REVENUE)

The City Council of the City of Monticello, Iowa, will meet on January 3, 2024, at the Monticello Renaissance Center, 220 E. 1<sup>st</sup> Street, in the City, at 6:00 o'clock p.m., for the purpose of instituting proceedings and taking action to enter into a loan agreement (the "Loan Agreement") and to borrow money thereunder in a principal amount not to exceed \$2,500,000, for the purpose of paying the cost, to that extent, of planning, designing and constructing improvements and extensions to the Municipal Sanitary Sewer System (the "Utility") of the City.

The Loan Agreement will not constitute a general obligation of the City, nor will it be payable in any manner by taxation but, together with any additional obligations of the City as may be hereafter issued and outstanding from time to time ranking on a parity therewith, will be payable solely and only from the net revenues of the Utility.

At the aforementioned time and place, oral or written objections may be filed or made to the proposal to enter into the Loan Agreement. After receiving objections, the City may determine to enter into the Loan Agreement, in which case, the decision will be final unless appealed to the District Court within fifteen (15) days thereafter.

By order of the City Council of the City of Monticello, Iowa.

Sally Hinrichsen  
City Clerk

Section 3. Pursuant to Section 1.150-2 of the Income Tax Regulations (the “Regulations”) of the Internal Revenue Service, the City declares (a) that it intends to undertake the Project which is reasonably estimated to cost approximately \$24,393,000, (b) that other than (i) expenditures to be paid or reimbursed from sources other than the issuance of bonds, notes or other obligations (the “Bonds”), or (ii) expenditures made not earlier than 60 days prior to the date of this Resolution or a previous intent resolution of the City, or (iii) expenditures amounting to the lesser of \$100,000 or 5% of the proceeds of the Bonds, or (iv) expenditures constituting preliminary expenditures as defined in Section 1.150-2(f)(2) of the Regulations, no expenditures for the Project have heretofore been made by the City and no expenditures will be made by the City until after the date of this Resolution or a prior intent resolution of the City, and (c) that the City reasonably expects to reimburse the expenditures made for costs of the City out of the proceeds of the Bonds. This declaration is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 4. All resolutions or parts of resolutions in conflict herewith are hereby repealed to the extent of such conflict.

Section 5. This resolution shall be in full force and effect immediately upon its adoption and approval, as provided by law.

Passed and approved this December 18, 2023.

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David Goedken, Mayor

Attest:

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Sally Hinrichsen, City Clerk

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On motion and vote, the meeting adjourned.

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David Goedken, Mayor

Attest:

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Sally Hinrichsen, City Clerk

**ATTESTATION CERTIFICATE:**

STATE OF IOWA  
COUNTY OF JONES  
CITY OF MONTICELLO

SS:

I, the undersigned, City Clerk of the aforementioned City, do hereby certify that attached hereto is a true and correct copy of the proceedings of the City Council relating to fixing a date for hearing on the City Council's proposal to take action in connection with a Sewer Revenue Loan Agreement.

WITNESS MY HAND this \_\_\_\_ day of \_\_\_\_\_, 2023.

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

**ORGANIZATION AND ESTABLISHMENT CERTIFICATE:**

STATE OF IOWA  
COUNTY OF JONES  
CITY OF MONTICELLO

SS:

I, the undersigned City Clerk, do hereby certify that the aforementioned City is organized and operating under the provisions of Title IX of the Code of Iowa and not under any special charter and that such City is operating under the Mayor-Council form of government and that there is not pending or threatened any question or litigation whatsoever touching the incorporation of the City, the inclusion of any territory within its limits or the incumbency in office of any of the officials hereinafter named.

And I do further certify that the following named parties are officials of the City as indicated:

- |                       |                              |
|-----------------------|------------------------------|
| David Goedken_____    | Mayor                        |
| Russ Farnum_____      | City Administrator           |
| Sally Hinrichsen_____ | City Clerk                   |
| Sally Hinrichsen_____ | City Treasurer               |
| Wayne Peach_____      | Council Member/Mayor Pro Tem |
| Candy Langerman_____  | Council Member               |
| Tom Yeoman_____       | Council Member               |
| Scott Brighton_____   | Council Member               |
| Brenda Hanken_____    | Council Member               |
| Chris Lux_____        | Council Member               |

I further certify that the City established the Municipal Sanitary Sewer System (the "Utility") and that the Utility has been in continuous operation by the City since its establishment as aforesaid in supplying sanitary sewer service to the City and its inhabitants.

I further certify that the management and control of the Utility are vested in the City Council of the City, and that no board of trustees exists which has any part of the control and management of such Utility.

WITNESS MY HAND this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

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

**OUTSTANDING DEBT CERTIFICATE:**

STATE OF IOWA  
COUNTY OF JONES  
CITY OF MONTICELLO

SS:

I, the undersigned, City Clerk of the City of Monticello, Iowa (the “City”), do hereby certify that the City has no bonds or other obligations of any kind now outstanding which are secured by and payable from the revenues derived from the operation of the Municipal Sanitary Sewer System (the “Utility”), except as follows:

<u>Date</u>	<u>Type</u>	<u>Principal Amount Outstanding</u>	<u>Maturity</u>
NONE			

**(Attach here a separate sheet listing any outstanding obligations of the City secured by and payable from the revenues of the Utility excluding the proposed issue, if any.)**

WITNESS MY HAND this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

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

**PUBLICATION CERTIFICATE:**

**(PLEASE NOTE: Please do not date and return this certificate until you have received the publisher's affidavit and have verified that the notice was published on the date indicated in the affidavit, but please return all other completed pages to us as soon as they are available.)**

STATE OF IOWA  
COUNTY OF JONES  
CITY OF MONTICELLO

SS:

I, the undersigned, City Clerk of the aforementioned City, do hereby certify that pursuant to the resolution of its City Council fixing a date of meeting at which it is proposed to take action to enter into a loan agreement, the notice, of which the printed slip attached to the publisher's affidavit hereto attached is a true and complete copy, was published on the date and in the newspaper specified in such affidavit, which newspaper has a general circulation in the City.

WITNESS MY HAND this \_\_\_\_ day of \_\_\_\_\_, 2023.

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

**(Attach here the publisher's original affidavit with clipping of the notice, as published.)**