

City of Monticello, Iowa

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Posted on February 22, 2024 at 5:00 p.m.

Monticello City Council Meeting February 26, 2024 at 6:00 p.m.

Monticello Renaissance Center, 220 E. 1st Street, Monticello, Iowa

| | | | |
|----------------------|-----------------|---------------------------------|----------------------|
| Mayor: | Wayne Peach | Staff: | |
| City Council: | | City Administrator: | Russell Farnum |
| At Large: | Josh Brenneman | City Clerk/Treas.: | Sally Hinrichsen |
| At Large: | Scott Brighton | Police Chief: | Britt Smith |
| At Large: | Jake Ellwood | Library Director: | Faith Brehm |
| At Large: | Dave Goedken | Public Works Dir.: | Nick Kahler |
| At Large: | Candy Langerman | Water/Wastewater Sup.: | Jim Tjaden |
| At Large: | Mary Phelan | Park & Rec Director: | Jacob Oswald |
| | | Ambulance Director: | Lori Lynch |
| | | City Engineer: | Patrick Schwickerath |

- **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. Individuals are normally limited to speaking for no more than three (3) minutes on a topic and the Open Forum is by rule limited to a total of twenty (20) minutes.

Work Sessions:

1. Work Session – Sewer Extension for Freye vet clinic
2. Work Session - FY 2024-2025 budget
 - a. Remaining items/other issues/wrap up
3. Work Session – Compensation Committee findings/recommendations
 - a. Resolution Adopting FY '25 Salary for the non-hourly employees
 - b. Resolution Acknowledging Monticello Library Director and Library Staff wages for FY '25
4. Work Session - Budget Amendments
 - a. Resolution Scheduling Public Hearing on City of Monticello Fiscal Year 2023/2024 budget amendments for March 18, 2024 at 6:00 p.m.

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.

City Council Meeting
Prep. Date: 02/21/2024
Preparer: Russell Farnum



Agenda Item: # 1
Agenda Date: 02/26/2024

Communication Page

Agenda Items Description: Work session on Sewer Extension for Freye vet clinic

Type of Action Requested: Discussion and Direction

Attachments & Enclosures:

Maps and information

| | |
|------------------------------|--|
| <u>Fiscal Impact:</u> | |
| Budget Line Item: | |
| Budget Summary: | |
| Expenditure: | |
| Revenue: | |

Synopsis and Discussion: City Administrator was working with Tyler Freye and Roger Stephen to provide sanitary sewer to the Freye proposed vet clinic.

The proposal was to annex a portion of the Stephen property including the Freye proposed lot, create an Urban Renewal district to provide TIF funding to either pay for, or reimburse, the cost of extending the sewer. Freye also requested tax rebates to offset the additional taxes that would be part of the annexation. These are found in the draft development agreement that Freye shared in his e-mail.

Due to the way the process of annexation and creation of an Urban Renewal District (for TIF funding) is required to proceed, there was not a way that the City could have the sewer in place to accommodate Freye’s aggressive construction schedule, which started construction in March and leading to opening the business in the fall. I do believe that the engineering design and actual construction of the sewer could still be done by late fall of this year, if the property was not planned to be in a TIF.

Since that time, I’ve consulted with Derek Lumsden about the possibility of getting grants for the sewer, and this project does not meet the requirements of the grants that are available.

The sewer route shown on the concept plan was estimated at \$320,000. The estimate, the route, and the construction timeline, were provided by Stephen’s surveyor.

There are many options to address this if the Council wishes to consider bringing sewer to this property. Some highlights and points for discussion are below:

1. Annexation should be a pre-requisite to the City bringing sewer to the property. The question becomes how much of the Stephen property should be annexed ... i.e. annex the entire property now, or allow it to be annexed in phases, as it develops?

2. How much is the City's share of the cost of the sewer, as opposed to Stephen or Freye? How should the City pay for its share? (Funding options include using cash in the sewer fund, doing a TIF, charging per-acre or per-household fees to recapture the costs, revenue bond, GO bond, simple bank financing...)
3. If the City participates in paying for the sewer, is the Council going to provide other incentives as well (i.e. tax rebates)?
4. Should we work with Stephen on the overall concept plan and negotiate a pre-annexation agreement for the entire property now, or let him develop in phases as the market unfolds?
5. What about water mains, fire hydrants, storm sewer, streets, curb and gutter, sidewalks, street lighting, parks, and other development details? Who builds all of that, and when?

The City can leverage this economic development project to bring services to an area that is very ready for residential development. This project can bring with it additional residential lots for homes in our community, as well as commercial lots along South Main Street.

Recommendation: Council discussion and direction is requested.

DEVELOPMENT AGREEMENT

This Agreement is entered into between the City of Monticello, Iowa (the “City”), and Tyler Freye dba BMR Investments LLC (the “Owner” (Contract Purchaser?)) as of the th day of , 2024.

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 Owner intends to acquire certain real property which is situated within the Urban Renewal Area and more specifically described on Exhibit A hereto (the “Property”), and the Owner will undertake the construction of a Veterinary Clinic (the “Project”) on the Property; and

WHEREAS, the Owner is responsible for the payment of the property taxes and has requested tax increment financing assistance with respect to the Project for Economic Development in a Commercial or Industrial Area; 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 provision of tax incentives, grants, and other financial assistance to the Owner, including the expansion of the tax base of the community.
2. That the construction of the Project will provide new tax base to the community, even if a portion of those taxes are rebated for a period of time.
3. That the proposed use will create jobs, provide local option sales tax proceeds, and provide necessary supplies and services to the community’s agricultural economic base.
4. The City Council has considered the overall impact the Project will have on the community, weighing the overall benefits of the business, and finds that the benefits to the citizens, local businesses, and tax base of the City warrants and justifies the incentives and easily outweighs the amount of funds dispensed by way of and consistent with the terms of this Development Agreement.

NOW THEREFORE, the parties hereto agree as follows:

A. Owner Covenants

1. The Owner agrees to acquire the Property and agrees to construct (or cause to be constructed) the Project on the Property, and to use the completed facilities as part of its business operations throughout the term of this Agreement.

2. The Owner 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 a receipt or cancelled check in evidence of each such payment.

3. The Owner agrees to the following: (a) Begin construction said facility within one (1) year of this Agreement or after all three of the following conditions are complete: (i) the subdivision of the Property from its parent parcel (ii) the annexation to the City and (iii) closing and title transfer of Property to Owner and diligently prosecute the same to completion; (b) construct all improvements as required by City Ordinances.

4. The Owner agrees to certify to the City by no later than October 15th of each year during the Term, as hereinafter defined, commencing October 15, 2024¹, an amount (The “Owner’s Estimate”) equal to the estimated Incremental Property Tax Revenues anticipated to be paid in the fiscal year immediately following such certification with respect to the taxable valuation of the Property. For purposes of this Agreement, Incremental Property Tax Revenues are calculated by:

- (1) Determining the consolidated property tax levy (City, County, School, Etc.) then in effect with respect to taxation of the Property;
- (2) Reducing the Consolidated Tax Rate by the following to create an “Adjusted Levy Rate”:
 - (a) the debt service levies of all taxing jurisdictions, and
 - (b) the school district instructional support and physical equipment plant levies, and
 - (c) any other levies which may be exempted from such calculation by action of the Iowa General Assembly.
- (3) Multiplying the resulting Adjusted Levy Rate by any incremental growth in the taxable valuation of the Property, as shown on the property tax rolls of Jones County, above and beyond the “Base Valuation” which is agreed to total \$25,000, resulting in the “Estimated Incremental Property Tax Revenues”, and then
- (4) Deducting property tax credits, if any, applicable to the Property from the “Estimated Incremental Property Tax Revenues”, to create the “Actual Incremental Property Tax Revenues”.

¹ The Owner’s Certification by October 15, 2024 will allow the City Clerk to include the amount estimated to be due for FY ‘25 in the TIF Certification due by 12/1/2024. The Certification will allow the City to receive necessary increment for payments to the Owner in FY ‘25.

The calculations resulting in the Owner's Estimate will be set forth on the worksheet attached hereto, marked Exhibit B, and submitted to the City for review. The City reserves the right to review and request revisions to the Owner's Estimate to ensure the accuracy of the figures submitted. Any disagreement with regard to the calculations used to arrive at the Owner's Estimate, and/or the final estimate itself, that cannot be resolved by the Parties, shall be decided by and in the sole discretion of the City. The City will provide reasonable assistance to the Owner in the completion of this worksheet upon request.

5. Minimum Assessment Agreement. The Owner agrees to enter into an "Assessment Agreement" in substantially the form attached hereto, marked Exhibit C, pursuant to §403.6 of the Iowa Code fixing the minimum assessed valuation of the Property, in contemplation of the value to be added by the proposed project, at not less than _____ dollars (\$00,000), hereafter referenced as the "Minimum Assessed Valuation" as of January 1, 2025, the first valuation date. It is the stated intention of the Owner that the Minimum Assessed Valuation shall be established on the Jones County property tax rolls as of the First Valuation Date regardless of the then-current degree of completion or incompleteness of the Project. The Assessment Agreement shall remain in effect throughout the Term of this Agreement, as hereinafter defined.

6. Default Provisions. The following shall be "Events of Default" under this Agreement, and the term "Event of Default" shall mean, whenever it is used in this Agreement (unless otherwise provided), any one or more of the following events:

- A. Failure by the Owner to own and maintain the Project pursuant to the terms and conditions of this Agreement.
- B. Failure by the Owner to fully and timely remit payment of property taxes when due and owing.
- C. Failure by the Owner to maintain a use of the property for "veterinary clinic" or similar purpose.
- D. Failure of the Owner to comply with Sections A(1) through A(6) of this Agreement.

In the event of a default the City shall provide written notice to the Owner, describing the default and the steps necessary to remedy or cure the Default. The Owner shall be given thirty (30) days from the date of mailing or personal service, including the date of mailing or personal service as the case may be, to remedy or cure the default or to provide adequate assurances to the City that the Default will be cured on a schedule that is agreeable to the City. If the Owner fails to cure the default or provide assurances, the City shall then be authorized to:

- i. Pursue any action available to it, at law or in equity, in order to enforce the terms of this agreement.
- ii. Withhold the Payments provided for under Section B, below.

7. Water and Sewer Connections. Owners agree to connect the Project to City water and sanitary sewer at Owners' expense. City water is on the west side of South Main Street. The City shall construct a public sewer as shown on exhibit 'Monticello Concept 2023.pdf' provided by City abutting to Owners property to provide said connection availability to the Property by August 1, 2024 or other mutually agreed upon date as determined to not delay Project construction.

B. City's Covenants

1. Property Tax Rebate Payments. In recognition of the obligations set out above, the City agrees to make semi-annual economic development tax increment payments (the "Rebate Payments") to the Owner, pursuant to Chapters 15A and 403 of the Code of Iowa and as described below, provided, however, that the aggregate total amount of the Payments shall not exceed \$ **XYZ** (The "Maximum Payment Total"), and all payments under this Agreement shall be subject to annual appropriation by the City Council, as further described herein.

It is estimated the Project shall go on the tax rolls as of January 1, 2025. Based thereon, the first tax payment for the fully-assessed Project would be made in September, 2025. Accordingly, the Rebate Payments will be made on or about the 1st of December and the 1st of June each fiscal year, beginning on December 1, 2025 and continuing thereafter until all semi-annual payments have been made or until such earlier time as the aggregate amount of Total Payments (as hereinafter defined) made under this Agreement equals \$ **XYZ**. All payments made under this Agreement shall be subject to annual appropriation by the City Council as provided hereunder.

No payment shall exceed an amount which represents the Incremental Property Tax Revenues available to the City with respect to the Property during the six (6) months immediately preceding each Payment date.

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). The Annual Percentages shall be as follows:

- FY 2025-2026: 100%
- FY 2026-2027: 100%
- FY 2027-2028: 100%
- FY 2028-2029: 100%
- FY 2029-2030: 100%
- FY 2030-2031: 90%
- FY 2031-2032: 85%
- FY 2032-2033: 80%
- FY 2033-2034: 75%

FY 2034-2035: 70%

2. 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.

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 Owner'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 Owner 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 Owner 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 Development Agreement, that funds will be annually appropriated as contemplated herein absent a finding by the City Council of severe hardship to the City.

3. Sanitary Sewer

City will provide sanitary sewer to the Property by August 1, 2024 or other mutually agreed upon date as determined to not delay Project construction.

C. Administrative Provisions

1. **Amendment and Assignment:** This Agreement may not be amended, assigned, assumed, sold or otherwise transferred without the prior written consent of the other party. However, the City hereby gives its permission that the Owner's rights to receive the Payments hereunder may be assigned by the Owner to a private lender, as security on a credit facility taken with respect to the Project, without further action on the part of the City.

2. **Successors:** This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties.

3. Term: The term of this agreement shall commence on the Commencement Date and end after payment of the anticipated 20 semi-annual payments or on such earlier date upon which the aggregate sum of Payments made to the Company equals the Maximum Payment Total.

4. Choice of Law: 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.

5. Force Majeure: Neither Party is responsible for any failure to perform its obligations of satisfy a condition under this agreement upon the occurrence of a Force Majeure Event. When the nonperforming party is able to resume performance or satisfy the conditions, it will promptly give the other party written notice to that effect and shall resume performance under this agreement. For the purposes of this agreement, a “Force Majeure Event” is an act or event that (i) prevents the nonperforming party from performing its obligations under this agreement or satisfying any conditions to the performing party under this agreement; (ii) is beyond the reasonable control of and not the fault of the nonperforming party; and (iii) is beyond the nonperforming party’s ability to avoid or overcome by the exercise of commercially reasonable due diligence. A Force Majeure Event includes the following, without limitation: an act of war (whether declared or not), hostilities, invasion, act of foreign enemies, terrorism, or civil disorder; extraordinary shortages in labor or materials; a strike or strikes or other industrial action or blockade or embargo or any other form of civil disturbance (whether lawful or not); exceptional weather conditions; and discontinuation of electricity supply or other necessary utilities to the Property.

The City and the Owner 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 _____
Wayne Peach, Mayor

Attest:

Sally Hinrichsen, City Clerk

By _____
Tyler Freye, Owner
dba BMR Investments LLC

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:

BEGINNING at the Northeast Corner of Parcel 2005-173, in accordance with the Plat thereof Recorded in Plat Book Q at Page 121 of the Records of the Jones County Recorder's Office; Thence N89°34'49"W, along the North Line of said Parcel 2005-173, a distance of 435.60 feet, to the Northwest Corner thereof, and a Point on the Easterly Right-of-Way Line of South Main Street (U.S. Business 151); Thence N02°51'45"W, along said Easterly Right-of-Way Line, 200.36 feet; Thence S89°34'49"E, 435.60 feet; Thence S02°51'45"E, 200.36 feet, to the POINT OF BEGINNING. Said Rezoning Parcel #2 contains 2.00 Acres, and is subject to easements and restrictions of record.

EXHIBIT B

OWNER'S ESTIMATE WORKSHEET

- 1) Date of Preparation: _____
- 2) Taxable Valuation of the Property as of _____, 202__;
\$ _____
- 3) Base Taxable Valuation of the Property for purposes of the Agreement (September __, 2022) \$ 25,000
- 4) Incremental Taxable Valuation of the Property (2 minus 3) \$ _____
- 5) Current City Fiscal Year consolidated property tax levy rate for purposes of calculating Incremental Property Tax Revenues (the Adjusted Levy Rate) \$ _____ per \$1000
- 6) The TIF Value (4) factored by the Adjusted Levy Rate (5);
\$ _____ x \$ _____ / 1000 = \$ _____ (TIF Estimate)
- 7) Property Tax Credits \$ _____
- 8) TIF Estimate (6) less Property Tax Credits (7) \$ _____ (Owner's Estimate)

Russ Farnum

From: jellwood
Sent: Monday, February 12, 2024 7:17 PM
To: Russ Farnum
Subject: Fwd: Stephen Property Annexation and Sewer Extension for City Growth
Attachments: Final Plat.pdf; Monticello Concept 2023.pdf; City Copy Freye Vet Clinic DRAFT Agreement with City of Monticello.doc

Jake Ellwood

Begin forwarded message:

From: "Freye, Tyler" <TylerFreye@alliantenergy.com>
Date: February 12, 2024 at 3:40:24 PM CST
To: jellwood <jellwood@ci.monticello.ia.us>
Cc: Jayme Freye <jayme.freye@gmail.com>
Subject: **Stephen Property Annexation and Sewer Extension for City Growth**

Council Member Ellwood,

I am writing to discuss a project that my wife, Dr. Jayme Freye, and I have coming up and some of the process we have already went through, the benefits, the assumed and communicated intentions of the city and the road blocks that we have now come across.

We are current Monticello Residents and have made Monticello our home since 2014. My wife has owned a business within Monticello City Limits for 8 of the 10 years we have lived in town. We plan to stay and raise our three daughters in Monticello forever and want to help make positive impact on the community for years to come.

We are planning to build a 5,000 sq. ft. small and large animal veterinary clinic with grooming and boarding. This facility will also have an 1,800 sq. ft. attached garage and 1,800 sq. ft. attached large animal treatment facility. The building total will be around 9,000 sq. ft. The business plan is for around 15 to 20 full time employees and another 10 or more part time employees.

The initial 2 acre subdivision plat that has been approved by the City due to 2 mile jurisdiction is attached. Our planned construction was to break ground this spring for construction and opening in the fall of 2024. Jayme is currently operating at 402 E. 1st St.

and the business is Family Veterinary Services. This facility is too small for the work that Jayme will be doing and her new clinic will have a multitude of services not provided in the local area. She will be expanding the large/production animal capabilities and capacity in the county; Jones County has been identified by USDA National Institute of Food and Agriculture as a Veterinary Services Shortage area that can be understood better at the following links.

1. <https://www.nifa.usda.gov/ia243>
2. <https://www.nifa.usda.gov/grants/programs/veterinary-services-grant-program/veterinarian-shortage-situations>

We have worked extensively with Roger Stephen to acquire this 2 acres. Roger, Jayme and I were/are on board to annex this and the remainder of the 19 acre parcel into city limits. Our conversation of the purchase and annexation started with Russ Farnum on or before October 10th, 2023. Russ has been great to work with and I know he is only able to act within his boundaries. Through our conversations it was understood that the City was on board to annex and extend sewer via the attached 'Monticello Concept' route to support growth for the city and planned development of, at minimum, this 19 acres. The Monticello Concept plan was provided to me by the City. The funding for the sewer was up in the air but we were told that there is a high likelihood Tax Increment Financing district could easily be extended through this area and that this type of growth is exactly what TIF was designed for. Other options of city financing were out there and that wasn't of our concern outside of when would the sewer be available to connect to.

Jayme and I were provided a draft development agreement and worked many hours with our own attorney to get an agreement together that could be executed between us and the City providing details of timelines, owners covenants, city's covenants, etc. and went back and forth on acceptable language to the point we have the attached near final. On January 2, 2024, (near three months after beginning our plans to construct within city limits) I had a meeting with Russ to discuss and finalize details. During this meeting Russ explained that the process of annexing and extending the TIF district was now going to be too long to accommodate a schedule that we were looking for. There wasn't any additional discussion on how long would it take, could we adjust our schedule and does it still make sense to annex because of the next detail; the task of educating and getting the new council on board may be difficult, time consuming and not likely to be approved. Russ explained he had a couple conversations with one council member that was not on board to spend the money to extend the sewer and, in different conversation, came back with some things to consider including depth of sewer at the existing main. All in all the discussion with this one councilmember determined that the annexation and sewer extension conversation was dead and "the city would not stand in our way to subdivide in the county."

Now in February, we have been moving forward with details and developing a plan to construct our project in the county. The largest difference and project changer with regards to constructing in the county is the requirement of a septic system vs. a city sewer system. Due to the estimated usage of around 1,000 gallons per day at this new business, the septic system required is very large and the ground conditions do not allow for a traditional leach field type design. Any non traditional project comes with

extreme costs. We have hired a septic designer (another multi thousand dollar cost) to develop a plan that works with the soil conditions and our water usage. This system cost is estimated to be in the high tens of thousands if not one hundred plus thousand dollars. Russ had also had conversation with the City's sewer consultant and been reassured that the waste water and water usage of our project would be of no concern to the City if there was a sewer extension completed.

As of Friday, February 9, I learned that a councilmember had been notified about our project and they were interested in finding out more about our situation. Understandably, they hadn't previously been aware of all the details. They identified the opportunity for Monticello growth and wanted to make sure all stakeholders had information about the development and need for sewer. We already have city water access and will be connecting to this when construction begins. The sewer vs. septic situation is the hinge pin and determines direction for a lot of other impacts to our project when we were planning construction to start in the spring (4 months after initial discussions started). Council members may be interested in this opportunity for many reasons including this location being, maybe, the best to develop and help the city grow in an extremely positive manner, increasing the draw of non-Monticello residents (the veterinary businesses in town attract clientele from beyond Cedar Rapids to Maquoketa and Dubuque), increasing the tax base and helping reduce the tax burden on the entire community of Monticello.

There are many financial impacts to the City and beneficial intangibles to consider in this project. The following are a few of the numbers and benefits accompanied by the one Con that I can think of.

Pros

1. Tax Liability of one business (Family Veterinary Services) will be \$30,000-\$40,000 annually
 1. Development Agreement comes with a Minimum Assessment Agreement that guarantees a minimum taxable value to protect the City
2. Water payments when fully operational will near \$100/month
3. Sewer payments when fully operational will near \$300/month
4. Trash payments when fully operational will near \$100/month
5. Utility franchise fee for gas and electric to any meter connected in the newly annexed area would increase the payments being made to City by individual utilities (i.e. Alliant Energy 3% of all payments made to the utility by city residents is then paid to the City annually)
 1. These franchise fees are only paid to meters within city limits
6. Estimated fully developed 19 acres will generate \$200,000-300,000 in tax payments per year
 1. Using a very conservative \$5,000 per year per residential home and \$20,000 per year per commercial lot. (City provided concept attached ≈30 residential and 5+ commercial lots)

2. I do understand that somewhere near 30% of these payments go to the City but an additional 40% is going to K-12 schools

Cons

1. Initial sewer main extension (2,400') investment of ≈\$320,000 (estimate provided by Russ Farnum) that could be funded in many different ways

In my opinion, and outside of our plans to build a new highly grossing business in Monticello, if our goal is to make Monticello a destination to Live, Work and Play we need places for people to do just that and we are running out of options. This sewer expansion is the only obstacle that stands between growing Monticello by 19 developable and highly sought after acres that could lead to hundreds of more acres on one of, if not the most highly trafficked road in the community. See the attached Concept provided by the City of Monticello. The green line is the planned sewer main extension but notice the opportunity beyond this initial 19 acres. I know traffic at the school has always been a concern, there is opportunity within this concept.

My goal is to make sure all of the council is aware of what we have planned, the process that we have followed and obstacles within that process. Additionally, if annexing this area into the city and extending the sewer is a project the city wants to undertake, we and Roger Stephen are on board but this will greatly impact our current project and timeline. We will need to agree on how and what to move forward with regarding sanitary and what that means for the future.

I'd be happy to have more discussion with anyone looking for more details.

This is an incredible opportunity to increase growth in Monticello.

I am always available by cell phone at 608-445-7273 and email at tyler.freye@gmail.com.

Thanks,

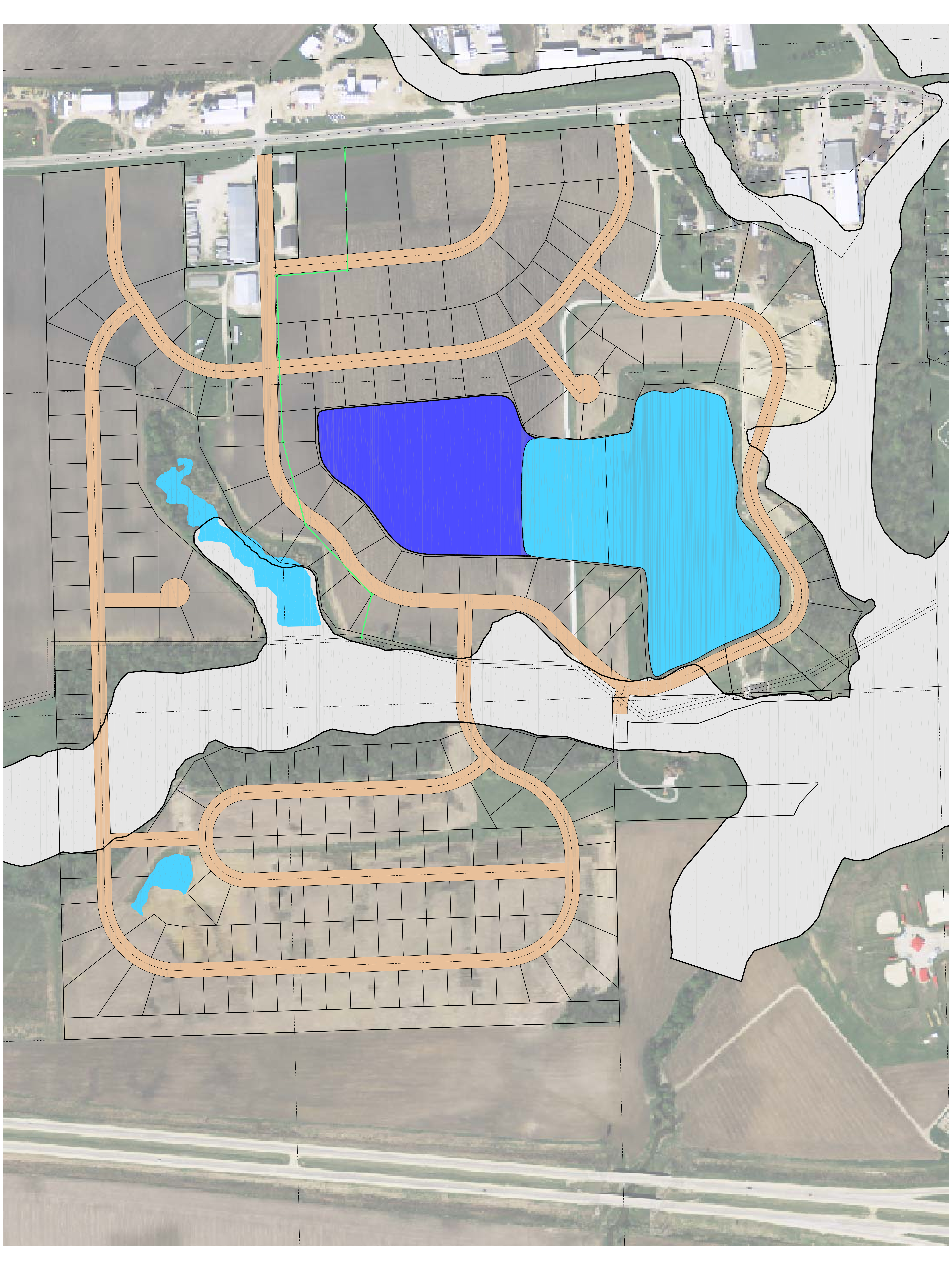
Tyler Freye

Cell: (608) 445-7273

tyler.frey@gmail.com

960 Valley Drive

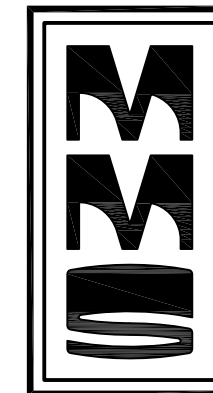
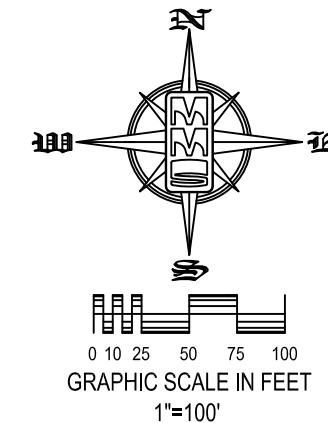
Monticello, Iowa 52310



LEGEND AND NOTES

- ▲ CONGRESSIONAL CORNER, FOUND
 - △ CONGRESSIONAL CORNER, REESTABLISHED
 - △ CONGRESSIONAL CORNER, RECORDED LOCATION
 - PROPERTY CORNER(S), FOUND (as noted)
 - PROPERTY CORNERS SET (5/8" Iron Pin w/ yellow, plastic LS Cap embossed with "MMS")
 - ⊗ CUT "X"
 - (R) RECORDED DIMENSIONS
 - (M) MEASURED DIMENSIONS
- PROPERTY &/or BOUNDARY LINES
 - - - CONGRESSIONAL SECTION LINES
 - - - RIGHT-OF-WAY LINES
 - - - CENTER LINES
 - LOT LINES, INTERNAL
 - LOT LINES, PLATTED OR BY DEED
 - - - EASEMENT LINES, WIDTH & PURPOSE NOTED
 - - - EXISTING EASEMENT LINES, PURPOSE NOTED

UNLESS NOTED OTHERWISE, ALL DIMENSIONS ARE IN FEET AND HUNDREDTHS

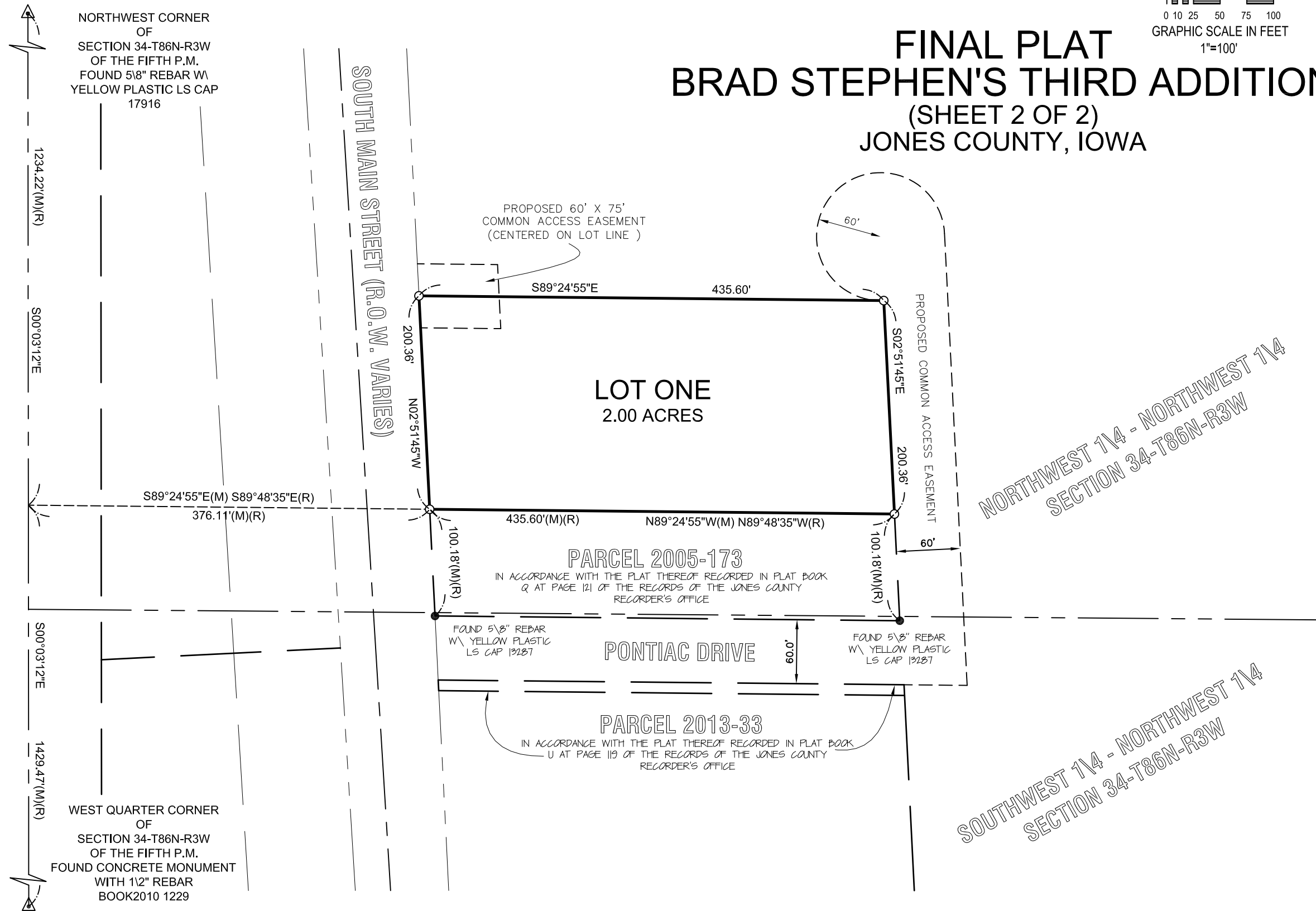


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LAND PLANNERS
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ENVIRONMENTAL SPECIALISTS

1917 S. GILBERT ST.
IOWA CITY, IOWA 52240
(319) 351-8282

www.mmsconsultants.net

FINAL PLAT
BRAD STEPHEN'S THIRD ADDITION
(SHEET 2 OF 2)
JONES COUNTY, IOWA



NORTHWEST 1/4 - NORTHWEST 1/4
SECTION 34-T86N-R3W

SOUTHWEST 1/4 - NORTHWEST 1/4
SECTION 34-T86N-R3W

| Date | Revision |
|------|----------|
| | |

FINAL PLAT
BRAD STEPHEN'S
THIRD ADDITION

JONES COUNTY
IOWA
MMS CONSULTANTS, INC.

| | | |
|--------------|-------------|------------------------|
| Date: | 04-01-2024 | |
| Designed by: | RRN | Field Book No: 1328 |
| Drawn by: | RLW | Scale: 1"=200' |
| Checked by: | RRN | Sheet No: 2 |
| Project No: | IC 7502-003 | of: 2 |

The City of Monticello, Iowa

RESOLUTION

Adopting FY '25 Salary for the non-hourly employees

WHEREAS, most hourly permanent employees were granted 3 years of wage increases and other benefits by Resolution 2023-68, and

WHEREAS, most part-time and seasonal employees were hired and granted wages by prior Resolutions of the Council, and

WHEREAS, the Library staff wages are set by the Library Board, and

WHEREAS, Department Heads and several other employees or positions are not covered by the prior Resolutions and do not have negotiated employment agreements (City Clerk, Public Works Director, Water/Wastewater Director, Park and Rec. Director, Park and Recreation Superintendent, Ambulance on-call personnel and volunteers), and

WHEREAS, Other employees or positions still need salaries set forth annually (City Administrator, Police Chief), and

WHEREAS, The City Council has historically approved wage or salary increases for those positions annually, and

WHEREAS, based upon the recommendation of the City Administrator the wages of On-Call Ambulance staff/volunteers are proposed to be set as follows (in accordance with Resolution 2023-68):

On-Call/Driver: \$8.00/Hour All employees regardless of Certification when **On-Call**
EMT: \$20.42/Hour **When On-A-Call/Treating or Transporting a Patient**
AEMT: \$23.57/Hour **When On-A-Call/Treating or Transporting a Patient**
Paramedic: \$26.72/Hour **When On-A-Call/Treating or Transporting a Patient**

WHEREAS, The Airport Manager is a “contract” position with the manager being paid an annual stipend by the City with the annual increase normally being based upon the recommendation of the Airport Commission, which recommended a stipend of \$30,000 for FY'25, and

WHEREAS, the Council finds that the following positions: City Administrator, Public Works Director, Water/Wastewater Superintendent, City Clerk, Park and Rec. Director, Park and Rec Superintendent, Ambulance Director and Police Chief should receive a salary as stated below to take effect with the 1st pay period including July 1, 2024:

| | |
|--|--------------|
| Russ Farnum (City Administrator) | \$102,772.50 |
| Nick Kahler (Director of Public Works) | \$66,939.51 |
| Sally Hinrichsen (City Clerk) | \$82,081.68 |
| Jacob Oswald (Park and Rec Director) | \$66,823.43 |
| Grace Dupuy (Park and Rec Superintendent) | \$43,665.00 |
| Jim Tjaden (Water/Wastewater Superintendent) | \$75,636.30 |
| Lori Lynch (Ambulance Director) | \$87,330.00 |
| Britt Smith (Police Chief) | \$92,861.61 |

WHEREAS, in Resolutions 2023-68, 2023-81, and 2023-95, the Council granted revisions to the Longevity Pay, which shall apply to all permanent, full-time staff as follows:

Longevity Pay:

- A. Longevity Pay, as outlined in the Employee Handbook, shall herein be modified and apply for all full-time employees, for continuous service to the City, as follows:
 - i. At the beginning of the 10th year of employment, employee will receive an additional \$ 0.25 per hour wage increase, in addition to any steps or other adjustments in effect at the time.
 - ii. At the beginning of the 15th year of employment, employee will receive an additional \$ 0.50 per hour wage increase, in addition to any steps or other adjustments in effect at the time.
 - iii. At the beginning of the 20th year of employment, employee will receive an additional \$ 0.75 per hour wage increase, in addition to any steps or other adjustments in effect at the time.
 - iv. At the beginning of the 25th year of employment, employee will receive an additional \$1.00 per hour wage increase, in addition to any steps or other adjustments in effect at the time.

- B. Longevity Pay shall be subject to the same payroll deductions that are applied to regular wages.

WHEREAS, in Resolution 2023-68, 2023-81, and 2023-95, the Council granted revisions to the City contribution toward health insurance, which shall apply to all permanent, full-time staff as follows:

City Contributions toward Health Insurance:

- A. Beginning July 1, 2023, the City shall provide the following contribution toward employee health insurance coverage:
 - i. For Single coverage, the City shall pay the full premium;

- ii. For Single + Spouse, or Single + Dependent coverage, the City shall pay the equivalent of:
 - a) the Single premium, plus
 - b) \$70.00, plus
 - c) \$250.00.
- iii. For Family coverage, the City shall pay the equivalent of:
 - a) the Single premium, plus
 - b) \$70.00, plus
 - c) \$500.00.

B. The difference between the City contribution and the cost of the selected health insurance coverage shall be the responsibility of the Employee.

C. The City has the right to change insurance plans to provide coverage and deductibles similar to, but not necessarily identical to, the coverage outlined in the Employee Handbook, and

WHEREAS, all of the above wage increases have been accounted for within the proposed FY '25 Budget,

NOW THEREFORE BE IT RESOLVED that the City Council of Monticello, Iowa does hereby approve of the wages and salary increases as set out above, all of said wages and salaries shall be retroactive, if necessary, in order to take effect and be applicable to the first payroll issued during the month of July, 2024.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and caused the Great Seal for the City of Monticello, Iowa to be affixed. Done this 26th day of February, 2024.

Wayne Peach, Mayor

Attest:

Sally Hinrichsen, City Clerk/Treasurer

The City of Monticello, Iowa

RESOLUTION

Acknowledging Monticello Library Director and Library Staff wages for FY '25

WHEREAS, Most City employees' wages are covered by employment agreements where wages and planned increases were bargained for and previously determined, and

WHEREAS, the Library Director and Library staff are not covered by the employment agreement and their wages are set by the Library Board which approved 5% wage increases as part of the FY '25 budget, and Compensation Committee recommended a 6½% increase which is listed below:

| | | |
|--|-------------|----------|
| Faith Brehm (Library Director) | \$46,519.20 | Salary |
| Molli Hunter (Technology and Adult Services) | \$16.55 | per hour |
| Penny Schmit (Youth Services and Outreach) | \$19.65 | per hour |

And

WHEREAS, in Resolution 2023-68, the Council granted revisions to the Longevity Pay, which shall apply to all permanent, full-time staff as follows:

Longevity Pay:

- A. Longevity Pay, as outlined in the Employee Handbook, shall herein be modified and apply for all full-time employees, for continuous service to the City, as follows:
 - i. At the beginning of the 10th year of employment, employee will receive an additional \$ 0.25 per hour wage increase, in addition to any steps or other adjustments in effect at the time.
 - ii. At the beginning of the 15th year of employment, employee will receive an additional \$ 0.50 per hour wage increase, in addition to any steps or other adjustments in effect at the time.
 - iii. At the beginning of the 20th year of employment, employee will receive an additional \$ 0.75 per hour wage increase, in addition to any steps or other adjustments in effect at the time.
 - iv. At the beginning of the 25th year of employment, employee will receive an additional \$1.00 per hour wage increase, in addition to any steps or other adjustments in effect at the time.
- B. Longevity Pay shall be subject to the same payroll deductions that are applied to regular wages.

WHEREAS, in Resolution 2023-68, the Council granted revisions to the City contribution toward health insurance, which shall apply to all permanent, full-time staff as follows:

City Contributions toward Health Insurance:

- A. Beginning July 1, 2023, the City shall provide the following contribution toward employee health insurance coverage:
 - i. For Single coverage, the City shall pay the full premium;
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 - a) the Single premium, plus
 - b) \$70.00, plus
 - c) \$250.00.
 - iii. For Family coverage, the City shall pay the equivalent of:
 - a) the Single premium, plus
 - b) \$70.00, plus
 - c) \$500.00.

- B. The difference between the City contribution and the cost of the selected health insurance coverage shall be the responsibility of the Employee.

- C. The City has the right to change insurance plans to provide coverage and deductibles similar to, but not necessarily identical to, the coverage outlined in the Employee Handbook, and

WHEREAS, the Council recognizes that the Library Board is vested with the power to set library staff wages and that the purpose of the Council approval of this Resolution is to acknowledge the wage increases and to give direction to the City Payroll Clerk.

NOW THEREFORE BE IT RESOLVED that the City Council of Monticello, Iowa does hereby acknowledge the wage increases noted herein.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and caused the Great Seal for the City of Monticello, Iowa to be affixed. Done this 26th day of February, 2024.

Wayne Peach, Mayor

Attest:

Sally Hinrichsen, City Clerk/Treasurer

The City of Monticello, Iowa

RESOLUTION

Scheduling Public Hearing on City of Monticello Fiscal Year 2023/2024 budget amendments for March 18, 2024 at 6:00 p.m.

WHEREAS, The Iowa Code requires that prior to a budget Program will exceed the amount originally budgeted for that Program that the City of Monticello hold a Public Hearing on all proposed budget amendments for the 2023/2024 fiscal year, prior to the final approval of same, and

WHEREAS, Notice of the Public Hearing must be published at least ten but no more than twenty days prior to the Public Hearing, and

WHEREAS, Notice shall be published in the Monticello Express, scheduling Public Hearing for the 18th day of March, 2024 at 6:00 P.M. in the City Council Chambers at the Mary Lovell LeVan Renaissance Center, Monticello, Iowa, and

WHEREAS, The City Clerk is instructed to see to the publication of the appropriate Notice in the Monticello Express, consistent with the above dictates, so that the Public Hearing may be held as scheduled herein.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Monticello, Iowa does hereby schedule Public Hearing on the proposed 2023/2024 budget amendment for the 18th day of March, 2024 at 6:00 p.m. to be held in the City Council Chambers at the Mary Lovell LeVan Renaissance Center in 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 26th day of February, 2024.

Wayne Peach, Mayor

Attest:

Sally Hinrichsen, City Clerk/Treasurer