

City of Mt. Vernon, Iowa

Meeting:	Mt. Vernon City Council Meeting
Place:	Mt. Vernon City Hall, 213 First Street NW, Mt. Vernon, Iowa 52314
Date/Time:	January 6, 2020 – 6:30 PM
Web Page:	www.cityofmtvernon-ia.gov
Posted:	January 3, 2020

Mayor:	Jamie Hampton	City Administrator:	Chris Nosbisch
Mayor Pro-Tem:	Tom Wieseler	City Attorney:	Robert Hatala
Councilperson:	Stephanie West	Assis. Admin/City Clerk:	Sue Ripke
Councilperson:	Scott Rose	Deputy City Clerk:	Marsha Dewell
Councilperson:	Deb Herrmann	Chief of Police:	Doug Shannon
Councilperson:	Eric Roudabush		

A. Call to Order

B. Agenda Additions/Agenda Approval

C. Communications:

1. Unscheduled
2. Award Presentation
3. Cedar Rapids Metro Economic Alliance

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 microphone and give your name and address for the public record before discussing your item. Each individual will be granted no more than five (5) minutes.

D. Consent Agenda

Note: These are routine items and will be enacted by one motion without separate discussion unless a Council Member requests separate consideration.

1. Approval of City Council Minutes – December 16, 2019 Regular Council Meeting
2. Approval of Liquor License - Chameleons

E. Public Hearing

1. None

F. Ordinance Approval/Amendment

1. None

G. Resolutions for Approval

1. Resolution #1-6-2020A: Directing the Advertisement for Sale of \$500,000 (Dollar Amount Subject to Change) General Obligation Urban Renewal Bonds, Series 2020, and Approving Bidding Procedures and Term Sheet.
2. Resolution #1-6-2020B: Designating The Sun as the Official Newsletter for the Publication for the City of Mount Vernon

H. Mayoral Proclamation

1. None

I. Old Business

1. None

J. Motions for Approval

1. Consideration of Claims List – Motion to Approve
2. Discussion and Consideration of Pay Application #13 –Lester Buresh Family Community Wellness Center – Council Action as Needed
3. Discussion and Consideration of Pay Application #7 – 2019 Wastewater Treatment Plant Improvements – Council Action as Needed
4. Discussion and Consideration of V&K Change Order #6 – WRH Change Order 14 & 15 – 2019 Wastewater Treatment Plant Improvements – Council Action as Needed
5. Discussion and Consideration of Telephone Equipment Services – Lester Buresh Family Community Wellness Center – Council Action as Needed
6. Discussion and Consideration of Marketing and Grand Opening Events – Lester Buresh Family Community Wellness Center – Council Action as Needed
7. Discussion and Consideration of Iowa Solutions Equipment Proposal – Lester Buresh Family Community Wellness Center – Council Action as Needed
8. Discussion and Consideration of Bleachers – Lester Buresh Family Community Wellness Center – Council Action as Needed
9. Discussion and Consideration of Commercial Refrigerator – Lester Buresh Family Community Wellness Center – Council Action as Needed
10. Discussion and Consideration of Amendment #1 – Shoemaker Haaland – Downtown Streetscape – Council Action as Needed
11. Discussion and Consideration of Development Agreement for John and Amanda Rhomberg – Council Action as Needed
12. Discussion and Consideration of Police Department Improvements – Council Action as Needed

K. Reports to be Received/Filed

1. None

L. Discussion Items (No Action)

1. FY 21 CIP Spreadsheet with Explanations

M. Reports of Mayor/Council/Administrator

1. Mayor's Report
2. Council Reports
3. Committee Reports
4. City Administrator's Report

N. Closed Session - Pursuant to Chapter 21.5 (1)C, the City Council may enter into closed session, "to discuss strategy with Council in matters that are presently in litigation or where litigation is imminent where its disclosure would be likely to prejudice or disadvantage the position of the governmental body in that litigation."

1. Exit Closed Session – Council Action as Needed

O. 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.

If anyone with a disability would like to attend the meeting, please call City Hall at 895-8742 to arrange for accommodations.

D. Consent Agenda

The Mount Vernon City Council met December 16, 2019 at the Mount Vernon City Council Chambers with the following members present: Roudabush, West, Wieseler, Herrmann and Rose.

Call to Order. At 6:30 p.m. Mayor Jamie Hampton called the meeting to order. Agenda changes/corrections: Ordinance ID letter was inadvertently left out on the Agenda and should read as Ordinance #12-2-2019A. Council was given new Agendas showing the change.

Agenda Additions/Agenda Approval. Motion to approve the amended Agenda made by Wieseler, seconded by Herrmann. Motion carries.

Consent Agenda Motion to approve the Consent Agenda made by West, seconded by Herrmann. Motion carries.

Approval of City Council Minutes – December 2, 2019 Regular Council Meeting
Appoint Diana Corcoran – Mt. Vernon Board of Library Trustees

Ordinance Approval/Amendment

Ordinance #12-2-2019A: Providing that General Property Taxes Levied and Collected Each Year on Certain Property Located Within the Stonebrook Urban Renewal Area, In the City of Mount Vernon, County of Linn, State of Iowa, by and for the Benefit of the State of Iowa, City of Mount Vernon, County of Linn, Mount Vernon Community School District, and Other Taxing Districts, be Paid to a Special Fund for Payment of Principal and Interest on Loans, Monies Advance to and Indebtedness, Including Bonds Issued or to be Issued, Incurred by the City in Connection with the Stonebrook Urban Renewal Area (Phase 1 and Phase 2A Parcels). Staff has not received any written or verbal communication on this ordinance. Motion to approve second reading and proceed to the third reading (Council may suspend rules and proceed to the final reading after a vote of the second reading). West motioned to approve the second reading of Ordinance #12-2-2019A, seconded by Rose. Roll call vote. Motion carries. Herrmann motioned to suspend the rules and proceed to the final reading of Ordinance #12-2-2019A, seconded by Wieseler. Roll call vote. Motion carries.

Motions for Approval

Consideration of Claims List – Motion to Approve. Motion to approve the Claims List made by Wieseler, seconded by Rose. Motion carries.

AFFORDABLE HEATING & COOLING	FURNACE MAINT-NEW PD CONSTR	903.99
AIRGAS INC	CYLINDER RENTAL FEE-PW	50.40
ALLIANT IES UTILITIES	ENERGY USAGE-RUT	1,039.06
ALLIANT IES UTILITIES	ENERGY USAGE-FD	849.62
ALLIANT IES UTILITIES	ENERGY USAGE-P&A	723.60
ALLIANT IES UTILITIES	ENERGY USAGE-PD,RUT	506.62
ALLIANT IES UTILITIES	ENERGY USAGE-WAT	500.81
ALLIANT IES UTILITIES	ENERGY USAGE-P&REC	142.05
ALLIANT IES UTILITIES	ENERGY USAGE-ST LIGHTS	88.03
ALLIANT IES UTILITIES	ENERGY USAGE-POOL	71.76
ALLIANT IES UTILITIES	ENERGY USAGE-RUT,P&A,WAT,SEW	40.76
ALLIANT IES UTILITIES	ENERGY USAGE-ST LIGHTS	37.11
ALLIANT IES UTILITIES	ENERGY USAGE-P&REC	25.06

ALLIANT IES UTILITIES	ENERGY USAGE-P&REC	22.68
ALLIANT IES UTILITIES	ENERGY USAGE-SEW	4,305.22
ALLIANT IES UTILITIES	ENERGY USAGE-ST LIGHTS	4,137.55
ALLIANT IES UTILITIES	ENERGY USAGE-WAT	3,818.58
ALLIANT IES UTILITIES	ENERGY USAGE-NEW PD	842.55
ALLIANT IES UTILITIES	ENERGY USAGE-SEW	796.09
ALLIANT IES UTILITIES	ENERGY USAGE-WAT	368.12
ALLIANT IES UTILITIES	ENERGY USAGE-ST LIGHTS	135.57
ALLIANT IES UTILITIES	ENERGY USAGE-ST LIGHTS	83.37
ALLIANT IES UTILITIES	ENERGY USAGE-P&REC	60.60
ALLIANT IES UTILITIES	ENERGY USAGE-EMA	43.90
ALLIANT IES UTILITIES	ENERGY USAGE-ST LIGHTS,P&A,WAT	40.76
ALLIANT IES UTILITIES	ENERGY USAGE-P&REC	21.04
ALLIANT IES UTILITIES	ENERGY USAGE-CEM	20.38
BETHANY CAMPBELL TVEDT	FITNESS MEMBERSHIP-FD	100.00
BROWN SUPPLY COMPANY	SUPPLIES-WAT	187.00
CANINE TACTICAL LLC	TRAINING-K9	550.00
CARQUEST OF LISBON	VEHICLE MAINT-PW	98.28
CARQUEST OF LISBON	VEHICLE MAINT-FD	1.80
CENTRAL IOWA DISTRIBUTING	SUPPLIES-ALL DEPTS	183.80
CENTURY LINK	PHONE CHGS-PD	56.55
COGRAN SYSTEMS	ONLINE REGISTRATION-P&REC	68.00
CONFLUENCE INC	CORRIDOR STUDY	4,413.40
CREATIVE PRODUCT SOURCING	DARE-PD	316.47
DAVID LILJEDAHL	PIANO APPRAISAL-NEW PD CONSTR	158.00
DE NOVO MARKETING	DIGITAL MEMBERSHIP DRIVE CAMPAIGN	3,087.08
DIESEL TURBO SERVICES INC	BATTERIES-RUT	465.15
DIESEL TURBO SERVICES INC	SWING ARM MOTOR/LEAF VAC-SW	278.48
DIESEL TURBO SERVICES INC	WIRELESS TRANSMITTER-SW	253.50
FRANCESCA LEE THOMPSON	CLEANING SERVICE-P&A	75.00
FUTURE LINE TRUCK EQUIPMENT	10' BLADE KICKSTANDS-RUT	118.24
GALLS INC	UNIFORMS-PD	121.57
GARLING CONSTRUCTION INC	WELLNESS CENTER-LOST III	600,646.15
GARY'S FOODS	SUPPLIES-P&REC	17.84
GAZETTE COMMUNICATIONS	PUBLIC HEARING-P&Z	157.94
GROUP SERVICES INC	INSURANCE-ALL DEPTS	5,623.00
INDUSTRIAL TECHNICAL SUPPORT	WELL #9 VFD REPAIR-WAT	500.00
IOWA ASSOC OF MUNICIPAL UTILITIES	MEMBERSHIP-PW	1,159.12
IOWA ONE CALL	LOCATES-WAT,SEW	54.00
IOWA POLICE CHIEFS ASSOCIATION	DUES-PD	125.00
IOWA SOLUTIONS INC	DBR BACKUP,MAINT-PD	558.10
IOWA SOLUTIONS INC	COMPUTER MAINT-P&A	135.00
JACOB MASTERS	REFEREE-P&REC	45.00
JOAN BURGE	CLEANING SERVICE-P&A	75.00
JORDAN AXTELL	REFEREE-P&REC	60.00
JORDAN CULLEN	REFUND-P&REC	70.00
KONE INC	ELEVATOR MAINT CONTRACT-P&A	177.33
KONICA MINOLTA BUSINESS SOLUTIONS	MAINTENANCE PLAN/COPIES-PD	229.35
MACQUEEN EQUIPMENT	RADIATOR,BRACKETS/LEAF VAC-SW	1,057.12
MARKET STREET TECHNOLOGIES INC	WEBSITE HOSTING-MVHPC	180.00
MATT SIDERS	MILEAGE-P&REC	87.00
MEDIACOM	PHONE/INTERNET-WWTP	207.27
MEDIACOM	PHONE/MEDIACOM-POOL	183.02
MEDIACOM	PHONE/INTERNET-RUT	180.96

MENARDS	NEW PD CONSTRUCTION	224.05
MENARDS	CONDUIT-NEW PD	9.24
MIDWEST SAFETY COUNSELOR	CALIBRATION-FD	90.00
MOUNT VERNON ACE HARDWARE	SUPPLIES-FD	1,531.88
MOUNT VERNON ACE HARDWARE	SUPPLIES-ALL DEPTS	778.12
MOUNT VERNON PHARMACY	SUPPLIES-P&REC,P&A	41.59
MOUNT VERNON POLICE RESERVES	SPECIAL EVENTS PAY-PD	14.00
MT VERNON CAR WASH	CAR WASH-PD	16.00
NOLAN JACKSON	REFEREE-P&REC	45.00
OPN ARCHITECTS	WELLNESS CENTER-LOST III	10,000.00
PAYROLL	CLAIMS	73,617.72
PRICE INDUSTRIAL ELECTRIC INC	TRAFFIC SIGNAL INSTALLATION	8,357.95
PRICE INDUSTRIAL ELECTRIC INC	RAB LIGHT REPAIRS-RUT	2,300.00
R.A.D. SYSTEMS	LICENSE RENEWAL-PD	75.00
RED LION RENEWABLES	SOLAR ELECTRIC PRODUCTION	88.92
REXCO EQUIPMENT INC	COUPLER/SKID LOADER-RUT	191.63
RICHARD BURROUGHS	CEMETERY MAINT	120.00
RYAN CROCK	CELL PHONE-RUT	168.75
SIMMERING CORY IOWA CODIFICATICATION	CODE UPDATES-P&A	168.00
STAPLES ADVANTAGE	SUPPLIES-ALL DEPTS	152.62
STATE HYGIENIC LAB	TESTING-SEW	2,333.00
STOREY KENWORTHY	SUPPLIES/TAX FORMS-ALL DEPTS	199.69
SUN LIFE ASSURANCE COMPANY	INSURANCE-ALL DEPTS	1,281.38
TARGET SOLUTIONS	TRAINING-FD	3,167.00
TRI-CITY ELECTRIC CO OF IOWA	WELLNESS CENTER-LOST III	31,466.14
TYLER PANOS	REFEREE-P&REC	45.00
UMB	LONG TERM DEBT	133,312.91
UMB	SRF INTEREST PAYMENT	44.64
UNITYPOINT CLINIC-OCCUPATIONAL	PHYSICAL-RUT	244.00
UNITYPOINT CLINIC-OCCUPATIONAL	DRUG TESTING-RUT	42.00
US CELLULAR	CELL PHONE-PD	163.98
VERIZON CONNECT	INFORMATION SYSTEMS-PW	227.40
WELTER STORAGE EQUIPMENT CO	DESK,CHAIR-RUT	584.00
WEX BANK	FUEL-PD	1,053.29
WOODWARD COMMUNITY MEDIA	ADS/PUBLICATIONS-P&A	1,057.24
WRH INC	WWTP IMPROVEMENTS 2019	274,623.56
TOTAL		1,189,571.50

EXPENSES

2014 STREET IMPROVEMENTS	8,357.95
COMMUNITY CENTER LOST III - CONSTR	642,112.29
DEBT SERVICE FUND	133,357.55
GENERAL FUND	17,197.09
PAYROLL	73,617.72
POLICE STATION CONSTRUCTION	5,329.88
ROAD USE TAX FUND	15,923.75
SEWER FUND	9,358.69
SOLID WASTE	2,205.88
STORM WATER	200.23
WATER FUND	7,286.91
WWTP UV DISIFECTION	274,623.56
TOTAL	1,189,571.50

REVENUE - NOVEMBER

GENERAL FUND	271,628.73
PUBLIC SAFETY	17,509.65
PUBLIC WORKS	221,087.16
CULTURE & RECREATION	3,861.41
COMMUNITY & ECON DEV	20,653.43
DEBT SERVICE	23,012.00
TOTAL	557,752.38

Discussion and Consideration of Pay Application #2 – Security Package – Lester Buresh Family Community Wellness Center – Council Action as Needed. Pay Application #2 is in the amount of \$18,525.00 payable to Tri City Electric for the security package installation at the LBC. Motion to approve Pay Application #2 made by Rose, seconded by Wieseler. Motion carries.

Discussion and Consideration of Skyjack Aerial Lift – Lester Buresh Family Community Wellness Center – Council Action as Needed. Council was asked to approve the purchase of an aerial lift to be used mainly at the LBC but also will be used at the future public works building and the new Police station. Staff researched renting versus buying and decided that a rent payment of \$336.00 per week and 1 or more day request delays would not work. Four purchase quotes were received; Skyjack for \$15,514.99, JLG for \$16,296.99, Snorkel for \$16,515.00 and Genie for \$19,458.90. Staff is recommending purchasing the Skyjack model but are waiting on verification that the unit will not be too heavy and dent the floor. Motion to approve the purchase of the Skyjack aerial lift for an amount not to exceed \$16,000.00 made by Wieseler, seconded by West. Motion carries.

Discussion and Consideration of Portable Basketball Hoops – Lester Buresh Family Community Wellness Center – Council Action as Needed. Staff asked Council not to take action on this purchase because it was determined that the weighted base of the portable hoops was too heavy and would indent the floors. Instead, at a future meeting, Council will be asked to approve the purchase of two motorized hoops that hang from the ceiling.

Discussion and Consideration of Master Ninja System – Lester Buresh Family Community Wellness Center – Council Action as Needed. Council was asked to approve the purchase of a Master Ninja System. The system is made up of twelve pieces including a balance beam, speed bumps, slanted steps and a vertical wall. The cost is \$3,900.00. Motion to approve the purchase of a Master Ninja System made by Rose, seconded by Herrmann. Motion carries.

Discussion and Consideration of Outdoor Musical Instruments – Lester Buresh Family Community Wellness Center – Council Action as Needed. Council was asked to approve the purchase of outdoor musical instruments. Staff recommends the purchase of the Alto Quartet Ensemble which includes Congas Trio, Emperor chimes, Duo-Cupia and Alto Diatonic Chimes. The cost is \$13,750.00. Motion to approve the purchase of Outdoor Musical Instruments made by Rose, seconded by Wieseler. Motion carries.

Discussion and Consideration of Pitching Machines – Lester Buresh Family Community Wellness Center – Council Action as Needed. Council was asked to approve the purchase of two pitching machines. Staff recommended one machine be purchased per cage and will be used for both softballs and baseballs. The cost is \$1,900.00 per machine or \$3,800.00 for two. Motion to approve the purchase of two pitching machines for \$3,800.00 made by Wieseler, seconded by West. Motion carries.

Discussion and Consideration of Tumbling/Wrestling Mats – Lester Buresh Family Community Wellness Center – Council Action as Needed. Council was asked to consider the purchase of five 6'X30' tumbling/wrestling mat rolls that would be used in the yoga, fitness, turf room and gymnasium rooms. Cost would be \$5,200.00. Motion to purchase the mats made by Rose, seconded by West. Motion carries.

Discussion and Consideration of T-Wall Mobile Unit – Lester Buresh Family Community Wellness Center – Council Action as Needed. Council was asked to consider the purchase of a T-Wall Mobile Unit which is a mobile interactive gaming system. Cost for the unit is \$12,500.00. Motion to approve the purchase of a T-Wall Mobile unit was made by Wieseler, seconded by Rose. Motion carries.

Discussion and Consideration of Architecture Proposals – Police Station – Council Action as Needed. Chief Doug Shannon met with the Safety Committee prior to the council meeting and discussed the proposals received for the design of the new police station. Four proposals were received; the Safety Committee discussed the proposals from Shive-Hattery which was not to exceed \$25K and Martin Gardner Architects for \$7,500.00. Others received were from The Squiers Studio and OPN. Rose moved approval of the architectural services contract for the remodel of the Police Station through Martin Gardner Architecture, seconded by Wieseler. Motion carries.

Discussion and Consideration of New Checking Account – Lester Buresh Family Community Wellness Center Funds – Council Action as Needed. Staff asked Council to consider allowing the opening of a new checking account to be used exclusively for the LBC. With the number of transactions staff feels there will be receipted it makes sense from a balancing/auditing standpoint to separate it from the City's main checking account. Motion to approve the new checking account for the Lester Buresh Wellness Center made by Herrmann, seconded by Wieseler. Motion carries.

Discussion and Consideration of Pay Application #1 – Elliot Park Soccer Fields – Council Action as Needed. Pay Application #1 is in the amount of \$11,995.00 to Soil Concepts, Inc. for the seeding of the new Elliot Park soccer fields. This is a budgeted expense to be paid from the Franchise Fee Fund. Motion to approve Pay Application #1 made by Wieseler, seconded by West. Motion carries.

Reports to be Received/Filed

Mt. Vernon Police Report. There were 10 reported collisions and 20 incidents in November. Incident reports included theft, juvenile issue, harassment, public intox and more. Officers worked 12 hours of STEP which resulted in 1 OWI, 4 speed violations, a stop light violation and more. Per the 28E agreement with Lisbon the Police Department provided 2,285 minutes of patrol time and 12 calls for service totaling \$1,676.80.

Mt. Vernon Public Works Report. Four Public Works members helped set up and tear down for Magical Night. Two extra weeks of leaf pickup were completed. Public Works Director Nick Nissen has completed the Certified Public Manager class at Drake University.

Mt. Vernon Parks and Rec Report. Magical Night was a success for the P&Rec cookie decorating. Over 900 cookies were decorated. Holiday gyms will open December 26, 27 and 30 from 1-4:00 p.m. P&Rec Director Siders participated in the Iowa Park and Recreation Association Young Professional Network luncheon in Hiawatha. To date 47 memberships to the LBC have been received.

Discussion Items (No Action)

CIP Questions. There was no discussion.

Reports of Mayor/Council/Administrator

City Administrator's Report. Associate Planner, Heather Flynn has submitted her letter of resignation effective December 20, 2019. The process of finding her replacement will begin immediately. City Hall will be closed December 24 and 25 for the Christmas holiday. MV employee recognition luncheon is scheduled for Friday, December 20, 2019. City Hall will be closed about one hour.

As there was no further business to attend to the meeting adjourned the time being 7:12 p.m., December 16, 2019.

Respectfully submitted,
Sue Ripke
City Clerk

Marsha Dewell

From: Licensing@iowaABD.com
Sent: Friday, December 27, 2019 1:35 AM
To: Marsha Dewell
Cc: Licensing@iowaABD.com
Subject: Liquor License Submitted to Local Authority

Insurance coverage/bond certification has been completed for the following application(s). The application(s) is awaiting local authority review. After local authority approval, the application will be submitted to the Iowa Alcoholic Beverages Division for review.

License #	License Status	Business Name
	Submitted to Local Authority	Chameleons (119 1st St W Mount Vernon Iowa, 52314) <i>owner change</i>

Please do not respond to this email.

To check the status of your application follow these steps:

1. Click <https://elicensing.iowaabd.com>
2. Log in to your eLicensing account
3. After reading the 'Beginning April 1st' statement, click ok
4. Click the View Completed Applications link to see your status

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G. Resolutions for Approval

AGENDA ITEM # G - 1

**AGENDA INFORMATION
MT. VERNON CITY COUNCIL COMMUNICATION**

DATE: January 6, 2020

AGENDA ITEM: Resolution #1-6-2020A

ACTION: Motion

SYNOPSIS: This is the first step in borrowing the remaining \$500,000 allotted for the LBC. To ensure we do not run into a cash flow problem, I am asking the City Council to borrow the remaining funds. The bonds have been established to allow an early call should we not need the funds. The City does not likely need the entire amount although we do not want to pay for a second issuance if they are needed.

BUDGET ITEM: LBC Funds

RESPONSIBLE DEPARTMENT: City Administrator

MAYOR/COUNCIL ACTION: Motion

ATTACHMENTS: Resolution and Supporting Documents

PREPARED BY: Chris Nosbisch

DATE PREPARED: 1/3/20

January 6, 2020

The City Council of the City of Mount Vernon, State of Iowa, met in _____ session, in the Council Chambers, City Hall, 213 First Street NW, Mount Vernon, Iowa, at _____ .M., on the above date. There were present Mayor _____, in the chair, and the following named Council Members:

Absent: _____

Vacant: _____

* * * * *

Council Member _____ introduced the following Resolution entitled "RESOLUTION DIRECTING THE ADVERTISEMENT FOR SALE OF \$500,000 (DOLLAR AMOUNT SUBJECT TO CHANGE) GENERAL OBLIGATION URBAN RENEWAL BONDS, SERIES 2020, AND APPROVING BIDDING PROCEDURES AND TERM SHEET" and moved its adoption. Council Member _____ seconded the Resolution to adopt. The roll was called and the vote was,

AYES: _____

NAYS: _____

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

RESOLUTION DIRECTING THE ADVERTISEMENT FOR SALE OF \$500,000 (DOLLAR AMOUNT SUBJECT TO CHANGE) GENERAL OBLIGATION URBAN RENEWAL BONDS, SERIES 2020, AND APPROVING BIDDING PROCEDURES AND TERM SHEET

WHEREAS, the Issuer is in need of funds to pay costs of aiding in the planning, undertaking, and carrying out of urban renewal projects, including the construction, equipping and furnishing of a community center/recreation facility and associated parking to be located on the Mount Vernon Community School District campus, essential corporate purposes, and it is deemed necessary and advisable that General Obligation Urban Renewal Bonds, to the amount of not to exceed \$500,000 be authorized for said purposes; and

WHEREAS, pursuant to notice published as required by Section 384.25 of the Code of Iowa, this Council has held a public meeting and hearing upon the proposal to institute proceedings for the issuance of the Bonds, and the Council is therefore now authorized to proceed with the issuance of said Bonds for such purposes; and

WHEREAS, in conjunction with its Municipal Advisor, Speer Financial, Inc., the City has caused a Term Sheet to be prepared outlining the details of the proposed sale of the Bonds; and

WHEREAS, the Council has received information from its Municipal Advisor evaluating and recommending the procedure hereinafter described for bidding to maintain the integrity and security of the competitive bidding process and to facilitate the delivery of bids by interested parties; and

WHEREAS, the Council deems it in the best interests of the City and the residents thereof to receive bids to purchase such Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MOUNT VERNON, STATE OF IOWA:

Section 1. That the receipt of electronic bids by facsimile machine described in the Notice of Sale and Term Sheet are hereby found and determined to provide reasonable security and to maintain the integrity of the competitive bidding process, and to facilitate the delivery of bids by interested parties in connection with the offering at public sale.

Section 2. That General Obligation Urban Renewal Bonds, Series 2020, of City of Mount Vernon, State of Iowa, in the amount of \$500,000 (dollar amount subject to change), to be issued as referred to in the preamble of this Resolution, to be dated February 28, 2020, be offered for sale pursuant to the published advertisement.

Section 3. That the preliminary Term Sheet in the form presented to this meeting be and the same hereby is approved as to form and deemed final for purposes of Rule 15c2-12 of the Securities and Exchange Commission, subject to such revisions, corrections or modifications as the Mayor and City Clerk, upon the advice of bond counsel and the City's Municipal Advisor, shall determine to be appropriate, and is authorized to be distributed in connection with the offering of the Bonds for sale.

Section 4. That the Clerk is hereby directed to publish notice of sale of the Bonds at least once, the last one of which shall be not less than four clear days nor more than twenty days before the date of the sale. Publication shall be made in the "Mount Vernon-Lisbon Sun", a legal newspaper, printed wholly in the English language, published within the county in which the Bonds are to be offered for sale or an adjacent county. The notice is given pursuant to Chapter 75 of the Code of Iowa, and shall state that this Council, on the 3rd day of February, 2020, at 6:30 o'clock P.M., will hold a meeting to receive and act upon bids for said Bonds, which bids were previously received and opened by City Officials at 4:00 o'clock P.M. on January 29, 2020. The notice shall be in substantially the following form:

(To be published between January 9, 2020 and January 25, 2020)

NOTICE OF BOND SALE

Time and Place of Sealed Bids: Bids for the sale of Bonds of the City of Mount Vernon, State of Iowa, hereafter described, must be received at the office of the City Clerk, City Hall, 213 First Street NW, Mount Vernon, Iowa 52314; Telephone: 319-895-8742 (the "Issuer") before 4:00 o'clock P.M., on the 29th day of January, 2020. The bids will then be publicly opened and referred for action to the meeting of the City Council in conformity with the TERMS OF OFFERING.

The Bonds: The Bonds to be offered are the following:

GENERAL OBLIGATION URBAN RENEWAL BONDS,
SERIES 2020, in the amount of \$500,000*, to be dated February
28, 2020 (the "Bonds")

*Subject to principal adjustment pursuant to official Terms of Offering.

Manner of Bidding: Open bids will not be received. Bids will be received in any of the following methods:

- Sealed Bidding: Sealed bids may be submitted and will be received at the office of the City Clerk at City Hall, 213 First Street NW, Mount Vernon, Iowa 52314.
- Electronic Facsimile Bidding: Electronic facsimile bids will be received at the office of the City Clerk at City Hall, Mount Vernon, Iowa (facsimile number: 319-895-6108) and/or the City's Municipal Advisor, Speer Financial, Inc., Waterloo, Iowa (facsimile number: 319-291-8628). Electronic facsimile bids will be treated as sealed bids.

Consideration of Bids: After the time for receipt of bids has passed, the close of sealed bids will be announced. Sealed bids will then be publicly opened and announced.

Sale and Award: The sale and award of the Bonds will be held at the Council Chambers, City Hall, 213 First Street NW, Mount Vernon, Iowa at a meeting of the City Council on February 3, 2020 at 6:30 o'clock P.M.

Terms Sheet: The Issuer has issued a Term Sheet of information pertaining to the Bonds to be offered, including a statement of the Terms of Offering and an Official Bid Form, which is incorporated by reference as a part of this notice. The Term Sheet may be obtained by request addressed to the City Clerk, City Hall, 213 First Street NW, Mount Vernon, Iowa 52314; Telephone: 319-895-8742 or the Issuer's Municipal Advisor, Speer Financial, Inc., 531 Commercial Street, Waterloo, Iowa, 50703; Telephone: 319-291-2077 and One North LaSalle Street, Suite 4100, Chicago, Illinois 60602; Telephone: 312-346-3700.

Terms of Offering: All bids shall be in conformity with and the sale shall be in accordance with the Terms of Offering as set forth in the Term Sheet.

Legal Opinion: The Bonds will be sold subject to the opinion of Ahlers & Cooney, P.C., Attorneys of Des Moines, Iowa, as to the legality and their opinion will be furnished together with the printed Bonds without cost to the purchaser and all bids will be so conditioned. Except to the extent necessary to issue their opinion as to the legality of the Bonds, the attorneys will not examine or review or express any opinion with respect to the accuracy or completeness of documents, materials or statements made or furnished in connection with the sale, issuance or marketing of the Bonds.

Rights Reserved: The right is reserved to reject any or all bids, and to waive any irregularities as deemed to be in the best interests of the public.

By order of the City Council of the City of Mount Vernon, State of Iowa.

City Clerk, City of Mount Vernon, State of
Iowa

(End of Notice)

PASSED AND APPROVED this 6th day of January, 2020.

Mayor

ATTEST:

City Clerk

NOTICE OF BOND SALE

Time and Place of Sealed Bids: Bids for the sale of Bonds of the City of Mount Vernon, State of Iowa, hereafter described, must be received at the office of the City Clerk, City Hall, 213 First Street NW, Mount Vernon, Iowa 52314; Telephone: 319-895-8742 (the "Issuer") before 4:00 o'clock P.M., on the 29th day of January, 2020. The bids will then be publicly opened and referred for action to the meeting of the City Council in conformity with the TERMS OF OFFERING.

The Bonds: The Bonds to be offered are the following:

GENERAL OBLIGATION URBAN RENEWAL BONDS,
SERIES 2020, in the amount of \$500,000*, to be dated February
28, 2020 (the "Bonds")

*Subject to principal adjustment pursuant to official Terms of Offering.

Manner of Bidding: Open bids will not be received. Bids will be received in any of the following methods:

- Sealed Bidding: Sealed bids may be submitted and will be received at the office of the City Clerk at City Hall, 213 First Street NW, Mount Vernon, Iowa 52314.
- Electronic Facsimile Bidding: Electronic facsimile bids will be received at the office of the City Clerk at City Hall, Mount Vernon, Iowa (facsimile number: 319-895-6108) and/or the City's Municipal Advisor, Speer Financial, Inc., Waterloo, Iowa (facsimile number: 319-291-8628). Electronic facsimile bids will be treated as sealed bids.

Consideration of Bids: After the time for receipt of bids has passed, the close of sealed bids will be announced. Sealed bids will then be publicly opened and announced.

Sale and Award: The sale and award of the Bonds will be held at the Council Chambers, City Hall, 213 First Street NW, Mount Vernon, Iowa at a meeting of the City Council on February 3, 2020 at 6:30 o'clock P.M.

Terms Sheet: The Issuer has issued a Term Sheet of information pertaining to the Bonds to be offered, including a statement of the Terms of Offering and an Official Bid Form, which is incorporated by reference as a part of this notice. The Term Sheet may be obtained by request addressed to the City Clerk, City Hall, 213 First Street NW, Mount Vernon, Iowa 52314; Telephone: 319-895-8742 or the Issuer's Municipal Advisor, Speer Financial, Inc., 531 Commercial Street, Waterloo, Iowa, 50703; Telephone: 319-291-2077 and One North LaSalle Street, Suite 4100, Chicago, Illinois 60602; Telephone: 312-346-3700.

Terms of Offering: All bids shall be in conformity with and the sale shall be in accordance with the Terms of Offering as set forth in the Term Sheet.

Legal Opinion: The Bonds will be sold subject to the opinion of Ahlers & Cooney, P.C., Attorneys of Des Moines, Iowa, as to the legality and their opinion will be furnished together with the printed Bonds without cost to the purchaser and all bids will be so conditioned. Except to the extent necessary to issue their opinion as to the legality of the Bonds, the attorneys will not examine or review or express any opinion with respect to the accuracy or completeness of documents, materials or statements made or furnished in connection with the sale, issuance or marketing of the Bonds.

Rights Reserved: The right is reserved to reject any or all bids, and to waive any irregularities as deemed to be in the best interests of the public.

By order of the City Council of the City of Mount Vernon, State of Iowa.

City Clerk, City of Mount Vernon, State of
Iowa

PRELIMINARY TERM SHEET



\$500,000

CITY OF MOUNT VERNON

Linn County, Iowa

General Obligation Urban Renewal Bonds, Series 2020

December 31, 2019

The information contained in this term sheet has been assembled for the purpose of obtaining a financing proposal through the issuance of Bonds described herein from prospective purchasers. The information has been provided by the Issuer of the Bonds, the City.

To the best of the City's knowledge this information is accurate, but the information in this packet is not intended to represent all of the information that a prospective purchaser may consider relevant to review in connection with approving and entering into this transaction. It is expected that prospective purchasers will conduct their own review of the proposed transaction and will ask for any other information that they determine is appropriate in making a final decision in connection with this transaction.

The term sheet contained herein summarizes the proposed structure(s) of the transaction. The actual transaction will be as set forth in the final transaction documents prepared by the City's Bond Counsel. These final documents will govern the transaction.

BOND ISSUE SUMMARY

- Issuer:** City of Mount Vernon, Linn County, Iowa (the “City”).
- Issue:** \$500,000 General Obligation Urban Renewal Bonds, Series 2020 (the “Bonds”).
- Proposal Due Date:** **Proposals are due to the City by Wednesday, January 29, 2020 at 4:00 P.M., C.D.T.**
Email: cnosbisch@cityofmtvernon-ia.gov
- Authorization Date:** The City will award and authorize the winning proposal at their meeting on February 3, 2020.
- Dated Date:** Date of delivery (expected to be on or about February 28, 2020).
- Interest Due:** Each June 1 and December 1, commencing December 1, 2020.
- Principal Due:** Serially each June 1, commencing June 1, 2021 through 2026.
- Optional Redemption:** The City reserves the right to prepay the Bonds upon giving notice, not less than thirty (30) days prior to the date fixed for prepayment, at a price of par plus accrued interest.
- Authorization:** The Bonds are being issued pursuant to authority established in Code of Iowa, Chapter 384 and 403, and all laws amendatory thereof and supplementary thereto, and in conformity with a resolution of the City Council duly passed and approved.
- Security:** The Bonds are valid and legally binding obligations of the City payable both as to principal and interest from ad valorem taxes levied against all taxable property therein without limitation as to rate or amount, all except as limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws relating to the enforcement of creditors’ rights generally and except that enforcement by equitable and similar remedies, such as mandamus, is subject to the exercise of judicial discretion.
- No Investment Rating:** The City does not intend to apply for an investment rating on the Bonds.
- Purpose:** The proceeds of the Bonds will be used to: (i) provide funds to pay the costs of aiding in the planning, undertaking and carrying out of urban renewal projects, including the construction, equipping and furnishing of a community center/recreation facility and associated parking to be located on the Mount Vernon Community School District Campus and (ii) pay the costs of issuing the Bonds.
- Tax Matters:** Ahlers & Cooney, P.C., Des Moines, Iowa, will provide an opinion as to the tax exemption of the Bonds as discussed under “**TAX MATTERS**”.
- Bank Qualified:** The City intends to designate the Bonds as “qualified tax-exempt obligations”.
- Bond Registrar/Paying Agent:** City Clerk, City of Mount Vernon, Iowa.
- Delivery:** The Bonds are expected to be delivered on or about February 28, 2020.
- Purchasers Representations:** At closing, the City will deliver one printed Bond with a debt service repayment schedule attached. The City will require certain representations from the successful proposer to establish and acknowledge that registration of the Bonds is currently not required under the Securities Act of 1933, as amended, and the Bonds have not been qualified under the securities laws of Iowa or any other state or jurisdiction. Any sale or transfer of the Bonds may be made by the successful proposer only in accordance with such laws.
- Denomination:** \$100,000 or integrals of \$5,000 in excess thereof.
- Municipal Advisor:** Speer Financial, Inc., Waterloo, Iowa and Chicago, Illinois.

BONDHOLDERS' RISKS

Secondary Market

There can be no guarantee that there will be a secondary market for the Bonds or, if a secondary market exists, that such Bonds can be sold for any particular price. Occasionally, because of general market conditions or because of adverse history of economic prospects connected with a particular issue, secondary marketing practices in connection with a particular bond or note issue are suspended or terminated. Additionally, prices of bond or note issues for which a market is being made will depend upon then prevailing circumstances. Such prices could be substantially different from the original purchase price of the Bonds.

EACH PROSPECTIVE PURCHASER IS RESPONSIBLE FOR ASSESSING THE MERITS AND RISKS OF AN INVESTMENT IN THE BONDS AND MUST BE ABLE TO BEAR THE ECONOMIC RISK OF SUCH INVESTMENT. THE SECONDARY MARKET FOR THE BONDS, IF ANY, COULD BE LIMITED.

Forward-Looking Statements

This Term Sheet contains statements relating to future results that are “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. When used in this Term Sheet, the words “estimate,” “forecast,” “intend,” “expect” and similar expressions identify forward-looking statements. Any forward-looking statement is subject to uncertainty. Accordingly, such statements are subject to risks that could cause actual results to differ, possibly materially, from those contemplated in such forward-looking statements. Inevitably, some assumptions used to develop forward-looking statements will not be realized or unanticipated events and circumstances may occur. Therefore, investors should be aware that there are likely to be differences between forward-looking statements and the actual results. These differences could be material and could impact the availability of funds of the City to pay debt service when due on the Bonds.

Tax Matters, Bank Qualification and Loss of Tax Exemption

As discussed under the heading “**TAX MATTERS**” herein, the interest on the Bonds could become includable in gross income for purposes of federal income taxation retroactive to the date of delivery of the Bonds, as a result of acts or omissions of the City in violation of its covenants in the Resolution. Should such an event of taxability occur, the Bonds would not be subject to a special prepayment and would remain outstanding until maturity or until prepaid under the prepayment provisions contained in the Bonds, and there is no provision for an adjustment of the interest rate on the Bonds.

The City intends to designate the Bonds as “qualified tax-exempt obligations” under the exception provided in Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the “Code”). The City has further covenanted to comply with certain other requirements, which affords banks and certain other financial institutions more favorable treatment of their deduction for interest expense than would otherwise be allowed under Section 265(b)(2) of the Code. Actions, or inactions, by the City in violation of its covenants could affect the designation, which could also affect the pricing and marketability of the Bonds.

It is possible that legislation will be proposed or introduced that could result in changes in the way that tax exemption is calculated, or whether interest on certain securities are exempt from taxation at all. Prospective purchasers should consult with their own tax advisors regarding any pending or proposed federal income tax legislation. The likelihood of any pending or future legislation being enacted or whether the currently proposed terms of any pending legislation will be altered or removed during the legislative process cannot be reliably predicted.

It is also possible that actions of the City after the closing of the Bonds will alter the tax status of the Bonds, and, in the extreme, remove the tax exempt status from the Bonds. In that instance, the Bonds are not subject to mandatory prepayment, and the interest rate on the Bonds does not increase or otherwise reset. A determination of taxability on the Bonds, after closing of the Bonds, could materially adversely affect the value and marketability of the Bonds.

Cybersecurity

The City, like many other public and private entities, relies on a large and complex technology environment to conduct its operations. As such, it may face multiple cybersecurity threats including but not limited to, hacking, viruses, malware and other attacks on computer or other sensitive digital systems and networks. There can be no assurances that any security and operational control measures implemented by the City will be completely successful to guard against and prevent cyber threats and attacks. Failure to properly maintain functionality, control, security, and integrity of the City's information systems could impact business operations and/or digital networks and systems and the costs of remedying any such damage could be significant. Along with significant liability claims or regulatory penalties, any security breach could have a material adverse impact on the City's operations and financial condition. The City has a \$250,000 Cyber-Liability Policy. The City cannot predict whether this policy will be sufficient in the event of a cyberattack. However, the Bonds are secured by an unlimited ad valorem property tax as described herein.

Suitability of Investment

The interest rate borne by the Bonds is intended to compensate the investor for assuming the risk of investing in the Bonds. Each prospective investor should carefully examine this Term Sheet and its own financial condition to make a judgment as to its ability to bear the economic risk of such an investment, and whether or not the Bonds are an appropriate investment for such investor.

Bankruptcy and Insolvency

The rights and remedies provided in the Resolution may be limited by and are subject to the provisions of federal bankruptcy laws, to other laws or equitable principles that may affect the enforcement of creditor's rights, to the exercise of judicial discretion in appropriate cases and to limitations in legal remedies against exercise of judicial discretion in appropriate cases and to limitations on legal remedies against municipal corporations in the State of Iowa. The various opinions of counsel to be delivered with respect to the Bonds, and the Resolution, including the opinion of Bond Counsel, will be similarly qualified. If the City were to file a petition under chapter nine of the federal bankruptcy code, the owners of the Bonds could be prohibited from taking any steps to enforce their rights under the Resolution. In the event the City fails to comply with its covenants under the Resolution or fails to make payments on the Bonds, there can be no assurance of the availability of remedies adequate to protect the interests of the holders of the Bonds.

Under sections 76.16 and 76.16A of the Act, a city, county, or other political subdivision may become a debtor under chapter nine of the federal bankruptcy code, if it is rendered insolvent, as defined in 11 U.S.C. §101(32)(c), as a result of a debt involuntarily incurred. As used therein, "debt" means an obligation to pay money, other than pursuant to a valid and binding collective bargaining agreement or previously authorized bond issue, as to which the governing body of the city, county, or other political subdivision has made a specific finding set forth in a duly adopted resolution of each of the following: (1) that all or a portion of such obligation will not be paid from available insurance proceeds and must be paid from an increase in general tax levy; (2) that such increase in the general tax levy will result in a severe, adverse impact on the ability of the city, county, or political subdivision to exercise the powers granted to it under applicable law, including without limitation providing necessary services and promoting economic development; (3) that as a result of such obligation, the city, county, or other political subdivision is unable to pay its debts as they become due; and (4) that the debt is not an obligation to pay money to a city, county, entity organized pursuant to chapter 28E of the Code of Iowa, or other political subdivision.

Legislation

From time to time, there are proposals pending in Congress and in the Iowa Legislature that could, if enacted, alter or amend one or more of the matters described herein in certain respects or would adversely affect the market value of the Bonds, or otherwise prevent holders of the Bonds from realizing the full benefit of the tax exemption of interest on the Bonds. Further such proposals may impact the marketability or market value of the Bonds simply by being proposed. It cannot be predicted whether or in what forms any of such proposals, either pending or that may be introduced, may be enacted and there can be no assurance that such proposals will not apply to the Bonds. In addition regulatory actions are from time to time announced or proposed, and litigation threatened or commenced, which if implemented or concluded in a particular manner, could adversely affect the market value, marketability or tax status of the Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds would be impacted thereby.

During the 2019 legislative session, the Iowa General Assembly passed Senate File 634 which was later signed into law by the Governor. This bill modifies the process for hearing and approval of the total maximum property tax dollars under certain levies in the City budget, including levies for the General Fund, the Emergency Fund, Trust and Agency Funds for pensions, insurance, transit, civic centers, certain bridges, sanitary disposal, and emergency management. The bill also includes a provision that requires the affirmative vote of 2/3 of the City Council when the maximum property tax dollars under these levies exceed an amount determined under a prescribed formula. The bill does not change the process for hearing and approval of the Debt Service Levy pledged for repayment of the Bonds. It is too early to evaluate the effect this legislation will have on the overall financial position of the City or its ability to fund essential services.

Tax Levy Procedures

The Bonds are general obligations of the City, payable from and secured by a continuing ad valorem tax levied against all of the taxable property valuation within the City. As part of the budgetary process each fiscal year, the City will have an obligation to request a debt service levy to be applied against all of the taxable property within the City. A failure on the part of the City to make a timely levy request or a levy request by the City that is inaccurate or is insufficient to make full payments of the debt service of the Bonds for a particular fiscal year may cause Bondholders to experience delay in the receipt of distributions of principal of and/or interest on the Bonds. In the event of a default in the payment of principal of or interest on the Bonds, there is no provision for acceleration of maturity of the principal of the Bonds. Consequently, the remedies of the owners of the Bonds (consisting primarily of an action in the nature of mandamus requiring the City and certain other public officials to perform the terms of the Resolution for the Bonds) may have to be enforced from year to year.

Federal Funds Orders and State Funds Legislation

Various federal executive orders, and Iowa Code Chapter 825 (collectively "ICE Enforcement Initiatives"), impose requirements intended to ensure compliance with the federal immigration detention processes. The ICE Enforcement Initiatives impose various penalties for non-compliance, including the loss of state and/or federal funding under certain circumstances. The loss of state and/or federal funds in any significant amount could negatively impact the City's overall financial position and may affect its rating.

Other Factors

An investment in the Bonds involves an element of risk. The foregoing is intended only as a summary of certain risk factors attendant to an investment in the Bonds. In order for potential investors to identify risk factors and make an informed investment decision, potential investors should become thoroughly familiar with this entire Term Sheet and the Appendices hereto.

THE CITY

The City is located in east central Iowa and was first incorporated in 1869 and operates under the Home Rule provisions of the Constitution of Iowa. The City is located approximately 13 miles southeast of the City of Cedar Rapids and has a 2010 Census population of 4,506.

Population Comparison(1)

<u>Year</u>	<u>The City</u>	<u>Percent Change</u>	<u>The County</u>	<u>Percent Change</u>	<u>The State</u>	<u>Percent Change</u>
1970	3,018	n/a	163,213	n/a	2,824,376	n/a
1980	3,325	10.17%	169,775	4.02%	2,913,808	3.17%
1990	3,657	9.98%	168,767	(0.59%)	2,776,755	(4.70%)
2000	3,390	(7.30%)	191,701	13.59%	2,926,324	5.39%
2010	4,506	32.92%	211,226	10.19%	3,046,355	4.10%

Note: (1) Source: U.S. Bureau of the Census.

DEBT INFORMATION

The City has a general obligation legal debt limit equal to 5% of Actual Valuation. For the January 1, 2018 Actual Valuation of \$271,252,797 (including tax increment valuation and excluding military exemption valuation) applied to fiscal year 2019/20, the total limit is \$13,562,640. Including the Bonds, the estimated principal amount of bonded and non-bonded debt applicable to this limit is \$11,474,000*, resulting in a net legal debt margin of \$2,088,640*.

**Summary of Outstanding General Obligation Bonded Debt(1)
(Principal Only)**

Series 2007.....	\$ 650,000
Series 2010A	50,000
Series 2013A	810,000
Series 2014.....	1,995,000
Series 2015.....	234,000
Series 2018.....	4,985,000
Series 2019.....	2,250,000
The Bonds*	500,000
Total*	\$11,474,000

AMOUNTS*, MATURITIES, INTEREST RATES, PRICES OR YIELDS

<u>Principal Amount*</u>	<u>Due June 1</u>	<u>Interest Rate</u>	<u>Price or Yield</u>	<u>Principal Amount*</u>	<u>Due June 1</u>	<u>Interest Rate</u>	<u>Price or Yield</u>
\$75,000	2021	____%	____%	\$85,000.....	2024	____%	____%
80,000	2022	____%	____%	90,000.....	2025	____%	____%
80,000	2023	____%	____%	90,000.....	2026	____%	____%

*Subject to change.

TAX MATTERS

Tax Exemption

Federal tax law contains a number of requirements and restrictions that apply to the Bonds, including investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of Bond proceeds and facilities financed with Bond proceeds, and certain other matters. The City has covenanted to comply with all requirements that must be satisfied in order for the interest on the Bonds to be excludable from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest on the Bonds to become includable in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

Subject to the City's compliance with the above referenced covenants, under present law, in the opinion of Bond Counsel, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes. Interest on the Bonds is not an item of tax preference for federal alternative minimum tax purposes.

Prospective purchasers of the Bonds should be aware that ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations. Bond Counsel will not express any opinion as to such collateral tax consequences. Prospective purchasers of the Bonds should consult their tax advisors as to collateral federal income tax consequences.

Qualified Tax-Exempt Obligations

The City does not reasonably expect to issue more than \$10,000,000 in tax-exempt obligations in calendar year 2020 which must be taken into account and accordingly, will designate the Bonds as "qualified tax-exempt obligations" under the exception provided in Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), which affords banks and certain other financial institutions more favorable treatment of their deduction for interest expense than would otherwise be allowed under Section 265(b)(2) of the Code.

State of Iowa Tax Exemption

In the opinion of Bond Counsel, under existing law, the interest on the Bonds are exempt from the taxes imposed by Division II (Personal Net Income Tax) and Division III (Business Tax on Corporations) of Chapter 422 of the Code of Iowa, 2015, as amended (the "Iowa Code"); it should be noted, however that interest on the Bonds are required to be included in adjusted current earnings to be used in computing the "state alternative minimum taxable income" of corporations and financial institutions for purposes of Sections 422.33 and 422.60 of the Iowa Code. Interest on the Bonds are also subject to the taxes imposed by Division V (Taxation of Financial Institutions) of Chapter 422 of the Iowa Code. Bond Counsel expresses no opinion regarding any such collateral consequences arising with respect to the Bonds. Prospective purchasers of the Bonds should consult their tax advisors regarding the applicability of any such state and local taxes.

Ownership of the Bonds may result in other state and local tax consequences to certain taxpayers. Bond Counsel expresses no opinion regarding any such collateral consequences arising with respect to the Bonds. Prospective purchasers of the Bonds should consult their tax advisors regarding the applicability of any such state and local taxes.

Audits

The Internal Revenue Service (the “Service”) has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether or not the Service will commence an audit of the Bonds. If an audit is commenced, under current procedures the Service may treat the City as a taxpayer and the Bondholders may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the Bonds until the audit is concluded, regardless of the ultimate outcome.

Reporting and Withholding

Payments of interest on, and proceeds of the sale, redemption or maturity of, tax-exempt obligations, including the Bonds, are in certain cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any Bond owner who fails to provide an accurate Form W-9 Request for Taxpayer Identification Number and Certification, or a substantially identical form, or to any Bond owner who is notified by the Service of a failure to report any interest or dividends required to be shown on federal income tax returns. The reporting and backup withholding requirements do not affect the excludability of such interest from gross income for federal tax purposes.

Tax Legislation

Legislation affecting tax-exempt obligations is regularly considered by the United States Congress and may be considered by the Iowa legislature. Court proceedings may also be filed, the outcome of which could modify the tax treatment. There can be no assurance that legislation enacted or proposed, or actions by a court, after the date of issuance of the Bonds will not have an adverse effect on the tax status of interest or other income on the Bonds or the market value or marketability of the Bonds. These adverse effects could result, for example, from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), or repeal (or reduction in the benefit) of the exclusion of interest on the Bonds from gross income for federal or state income tax purposes for all or certain taxpayers.

Current and future legislative proposals, including some that carry retroactive effective dates, if enacted into law, court decisions, or clarification of the Code may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation, or otherwise prevent owners of the Bonds from realizing the full current benefit of the tax status of such interest. For example, on December 22, 2017 Public Law 115-97, the Tax Cuts and Jobs Act (“TCJA”) was signed into law. The TCJA and other future legislative proposals may prevent owners of the Bonds from realizing the same benefits as under former law with respect to the tax status of interest on the Bonds. Also, the TCJA and other future legislative proposals, or clarification of the Code, may affect the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding the TCJA and other pending or proposed tax legislation, as to which Bond Counsel expresses no opinion except as expressly set forth in its form of legal opinion attached hereto.

The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any proposed or pending legislation, regulatory initiatives or litigation.

Enforcement

Owners of the Bonds shall have and possess all the rights of action and remedies afforded by the common law, the Constitution and statutes of the State of Iowa and of the United States of America for the enforcement of payment of the Bonds, including, but not limited to, the right to a proceeding in law or in equity by suit, action or mandamus to enforce and compel performance of the duties required by Iowa law and the Resolution authorizing issuance of the Bonds (the "Bond Resolution"). There is no bond trustee or similar person to monitor or enforce the terms of the Bond Resolution. In the event of a default in the payment of principal of or interest on the Bonds, there is no provision for acceleration of maturity of the principal of the Bonds. Consequently, the remedies of the owners of the Bonds may have to be enforced year to year.

The obligation to pay general ad valorem property taxes is secured by a statutory lien upon the taxed property, but is not an obligation for which a property owner may be held personally liable in the event of a deficiency. The owners of the Bonds cannot foreclose on property within the boundaries of the Issuer or sell such property in order to pay the debt service on the Bonds. In addition, the enforceability of the rights and remedies of owners of the Bonds may be subject to limitation as set forth in Bond Counsel's opinion. The opinion to be delivered concurrently with the delivery of the Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by general principles of equity and public policy and by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally, and to the exercise of judicial discretion, which may result in delay, in appropriate cases.

No representation is made, and no assurance is given, that the enforcement of any remedies with respect to such assets will result in sufficient funds to pay all amounts due under the Bond Resolution, including principal of and interest on the Bonds.

Opinion

Bond Counsel's opinion is not a guarantee of a result, or of the transaction on which the opinion is rendered, or of the future performance of parties to the transaction, but represents its legal judgment based upon its review of existing statutes, regulations, published rulings and court decisions and the representations and covenants of the City described in this section. No ruling has been sought from the Service with respect to the matters addressed in the opinion of Bond Counsel and Bond Counsel's opinion is not binding on the Service. Bond Counsel assumes no obligation to update its opinion after the issue date to reflect any further action, fact or circumstance, or change in law or interpretation, or otherwise. See **APPENDIX A** for a draft form of legal opinion for the Bonds.

ALL POTENTIAL PURCHASERS OF THE BONDS SHOULD CONSULT WITH THEIR TAX ADVISORS WITH RESPECT TO FEDERAL, STATE AND LOCAL TAX CONSEQUENCES OF OWNERSHIP OF THE BONDS (INCLUDING BUT NOT LIMITED TO THOSE LISTED ABOVE).

LITIGATION

There is no litigation of any nature now pending or threatened restraining or enjoining the issuance, sale, execution or delivery of the Bonds, or in any way contesting or affecting the validity of the Bonds or any proceedings of the City taken with respect to the issuance or sale thereof. There is no litigation now pending, or to the knowledge of the City, threatened against the City that is expected to materially impact the financial condition of the City.

LEGAL MATTERS

The Bonds are subject to approval as to certain legal matters by Ahlers & Cooney, P.C., Des Moines, Iowa, as Bond Counsel. Bond Counsel has not participated in the preparation of this Term Sheet except for guidance concerning the sections regarding “**TAX MATTERS**”, and will not pass upon its accuracy, completeness, or sufficiency. Bond Counsel has not examined nor attempted to examine or verify any of the financial or statistical statements, or data contained in this Term Sheet, and will express no opinion with respect thereto. A legal opinion in substantially the form set forth in **APPENDIX A**.

The legal opinion to be delivered concurrently with the delivery of the Bonds expresses the professional judgment of the attorneys rendering the opinion as to legal issues expressly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of the result indicated by that expression of professional judgment, or of the transaction on which the opinion is rendered, or of the future performance of parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

In addition, the enforceability of the rights and remedies of owners of the Bonds may be subject to limitation as set forth in the Bond Counsel’s opinion. The opinion will state, in part, that the obligation of the City with respect to the Bonds may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights heretofore or hereafter enacted to the extent constitutionally applicable, and to the exercise of judicial discretion in appropriate cases.

APPENDIX LISTING:

Appendix A – Draft Legal Opinion

Appendix B – Proposal Form

APPENDIX A
DRAFT LEGAL OPINION

APPENDIX B

OFFICIAL PROPOSAL FORM

OFFICIAL PROPOSAL FORM

City of Mount Vernon
 213 First Street N.W.
 Mount Vernon, IA 52314

Dear City Council Members:

For the \$500,000 General Obligation Urban Renewal Bonds, Series 2020 (the "Bonds"), of the City of Mount Vernon, Linn County, Iowa (the "City"), as described in the annexed Official Term Sheet, which is expressly made a part of this proposal, we will pay you \$_____ (no less than \$500,000) bearing interest as follows (each rate a multiple of 1/8 or 1/100 of 1%).

AMOUNTS* AND MATURITIES – JUNE 1

\$75,000	2021	_____ %	\$80,000	2023	_____ %	\$90,000	2025	_____ %
80,000	2022	_____ %	85,000	2024	_____ %	90,000	2026	_____ %

**Subject to principal adjustment in accordance with the Official Terms of Offering.*

The Bonds are to be executed and delivered to us in accordance with the terms of this proposal accompanied by the approving legal opinion of Ahlers & Cooney, P.C., Des Moines, Iowa. The City will pay for the legal opinion.

No good faith deposit is required.

Account Manager Information

Bank _____

Address _____

Authorized Rep _____

City _____ State/Zip _____

Direct Phone (_____) _____

FAX Number (_____) _____

E-Mail Address _____

The foregoing proposal was accepted and the Bonds sold by resolution of the City on February 3, 2020.

ATTEST:

CITY OF MOUNT VERNON
 LINN COUNTY, IOWA

 City Clerk

 Mayor

-----NOT PART OF THE BID-----
 (Calculation of true interest cost)

Gross Interest	\$
Less Premium/Plus Discount	\$
True Interest Cost	\$
True Interest Rate	%
TOTAL BOND YEARS	\$1,948.06
AVERAGE LIFE	3.896 Years

AGENDA ITEM # G - 2

**AGENDA INFORMATION
MT. VERNON CITY COUNCIL COMMUNICATION**

DATE: January 6, 2020

AGENDA ITEM: Resolution #1-6-2020B

ACTION: Motion

SYNOPSIS: Every two years, the City will designate it's "official" newspaper for the posting of legal notices and minutes.

BUDGET ITEM: N/A

RESPONSIBLE DEPARTMENT: City Administrator

MAYOR/COUNCIL ACTION: Motion

ATTACHMENTS: Resolution

PREPARED BY: Chris Nosbisch

DATE PREPARED: 1/3/20

RESOLUTION #1-6-2020B

A Resolution designating The Sun as the official newspaper for publications for the City of Mount Vernon from January 1, 2020 to December 31, 2021.

Motion made by _____, seconded by _____ to _____
Resolution #1-6-2020B

Resolution #1-6-2020B _____ on January 6, 2020, by the following roll call vote:

YES:

NO:

ABSTAIN:

ABSENT:

MOUNT VERNON CITY COUNCIL
MOUNT VERNON, IOWA

Jamie A. Hampton

ATTEST:

Sue Ripke
Assistant City Administrator/Clerk



108 1st St. S.W.
P.O. Box 129
Mount Vernon, IA 52314
319-895-6216

Email: mungs-sogaard@wcinet.com

December 20, 2019

**Application for Appointment
As Official Newspaper for Mount Vernon, Iowa**

To the Honorable Mayor and Council Members:

The undersigned, being the Publisher of the **Mount Vernon-Lisbon Sun**, a newspaper of general circulation that has been established and published regularly, mailed through the post office for more than two years, and which has had for more than two years a bona fide paid circulation recognized by the postal laws and regulations of the United States, and which papers are delivered for the same by the Publisher/General Manager, said newspaper being published in **Mount Vernon, Linn County, Iowa**, does hereby respectfully request your Honorable Board to select and designate the **Mount Vernon-Lisbon Sun** the official newspaper of Mount Vernon, Iowa, for the upcoming year.

This will authorize the **Mount Vernon-Lisbon Sun** to continue to publish the official public notices and required legal documents of the city, meeting the requirements as established by the State of Iowa.

Thank you for your consideration. We hope to continue to serve you and our area well again this New Year.

Respectfully submitted,

Mary Unga-Sogaard
Woodward Communications, Inc.

Dbas: Mount Vernon-Lisbon Sun 108 1st St. S.W. Mount Vernon, IA 52314

J. Motions for Approval

CITY OF MOUNT VERNON
CLAIMS FOR APPROVAL, JANUARY 6, 2020

PAYROLL	CLAIMS	135,397.44
WAPSI WASTE SERVICE	GB,RECY-SW	22,091.91
TRI-CITY ELECTRIC CO OF IOWA	WELLNESS CENTER-LOST III	18,525.00
UNITED HEALTHCARE	INSURANCE-ALL DEPTS	16,286.43
SOIL CONCEPTS INC	HYDRO SEED/NEW ELLIOT PARKLAND	11,995.00
BRAUN INTERTEC CORP	CONSTRUCTION & MATERIALS	10,695.25
VEENSTRA & KIMM INC	WWTP FACILITY IMPROVEMENTS	9,132.04
US BANK	CREDIT CARD PURCHASES	7,200.08
ASI	LBC SIGNAGE-1/2 DEPOSIT-LBC	6,077.00
VEENSTRA & KIMM INC	1ST ST RR BRIDGE REPAIR-DESIGN	5,433.00
VEENSTRA & KIMM INC	1ST ST OVERLY ADA	5,000.00
JEREMY ERIE	WATER MAIN BREAK-WAT	3,238.60
CARGILL INCORPORATED	SALT-RUT	3,084.29
LINN COUNTY TREASURER'S OFFICE	CITY/SCHOOL ELECTION	2,919.39
MARTIN EQUIPMENT	DOZER RENTAL-RUT	2,834.00
LINN CO-OP OIL CO	FUEL-PW	2,824.00
STEINBRONN CONSTRUCTION	FIXED SIDING,WINDOW LEAK-RUT	2,800.00
ALLIANT IES UTILITIES	ENERGY USAGE-LBC	2,635.36
SIMMONS PERRINE MOYER BERGMAN	LEGAL FEES-P&A	2,181.50
VEENSTRA & KIMM INC	WWTP IMPROVEMENTS	2,056.00
MOUNT VERNON LISBON SUN	ADS/PUBLICATIONS-LBC	2,054.40
BRADLEY HAUGE CPA	PROFESSIONAL SERVICES	1,775.00
FRONTLINE WARNING SYSTEMS	SIREN BATTERIES-EMA	1,700.00
VEENSTRA & KIMM INC	WAGON PASS DEMOLITION	1,532.50
UMB	LONG TERM DEBT FEES	1,300.00
SIMMONS PERRINE MOYER BERGMAN	LEGAL FEES-P&A	1,123.50
WENDLING QUARRIES	SAND-RUT,WAT	1,102.89
VEENSTRA & KIMM INC	HWY 30 BYPASS COORDINATION	1,079.50
NELSON & SONS PLUMBING	GAS METER REPAIR-FS	749.99
DIESEL TURBO SERVICES INC	REBUILT RADIATOR/LEAF VAC-SW	730.08
CAMPBELL SUPPLY CEDAR RAPIDS	TOOLS-WAT,SEW	541.65
ESRI INC	SOFTWARE MAINTENANCE AGREEMENT	500.00
WENDLING QUARRIES	ROCK-RUT	460.30
AFFORDABLE HEATING & COOLING	BLOWER MOTOR-NEW PD	431.60
DOORS INC	REPLACE DOOR CLOSER-CITY HALL	401.61
POSTMASTER	UTIL BILL POSTAGE-WAT,SEW,SW	376.53
A TECH INC	DVR-RUT	350.00
GALLS INC	TOOLS-PD	348.48
TITAN MACHINERY	BLADES-RUT	325.00
MARKET STREET TECHNOLOGIES INC	BASIC WORDPRESS MAINT CONTRACT-MVHPC	300.00
MEDIACOM	PHONE/INTERNET-P&A	282.71
KRIS ENGINEEERING	JOMA CURB GUARD-RUT	259.48
KRIS ENGINEEERING	CURB GUARDS-RUT	251.36
MICHAEL WALTER	UNIFORMS-RUT	191.09
UNITED RENTALS	LIFT RENTAL -NEW PD	189.62
LINN CO-OP OIL CO	LP-RUT	185.00
MEDIACOM	PHONE/INTERNET-P&REC	181.01
CAMPBELL SUPPLY CEDAR RAPIDS	HOLE SAW,BITS-RUT	176.96
US CELLULAR	CELL PHONE-P&RE,WAT,SEW	170.89
SIMMONS PERRINE MOYER BERGMAN	LEGAL FEES-P&A	160.00
ST LUKE'S WORK WELL SOLUTIONS	PHYSICAL-PD	160.00
CENTRAL IOWA DISTRIBUTING	SUPPLIES-ALL DEPTS	148.00
HALL & HALL ENGINEERS INC	ELLIOTT PARK MASTER PLAN	138.00
CAMPBELL SUPPLY CEDAR RAPIDS	JACKET,CUT OFF WHEEL-RUT	136.24
VEENSTRA & KIMM INC	8TH AVE QUIET ZONE CONSULTATION	132.00
JORDAN AXTELL	REFEREE-P&REC	120.00

CITY OF MOUNT VERNON
CLAIMS FOR APPROVAL, JANUARY 6, 2020

NOLAN JACKSON	REFEREE-P&REC	120.00
TYLER PANOS	REFEREE-P&REC	120.00
IOWA PRISON INDUSTRIES	EMP APPRECIATION PLAQUES	106.40
MID STATES ORGANIZED CRIME	MEMBERSHIP-PD	100.00
MOUNT VERNON, CITY OF	START UP CASH-LBC	100.00
STAPLES ADVANTAGE	PAPER,FILES-P&A,WAT,SEW	90.10
KONICA MINOLTA BUSINESS SOLUTIONS	MAINTENANCE PLAN/COPIES-PD	89.66
FRANCESCA LEE THOMPSON	CLEANING SERVICE-P&A	75.00
FRANCESCA LEE THOMPSON	CLEANING SERVICE-P&A	75.00
JOAN BURGE	CLEANING SERVICE-P&A	75.00
JOAN BURGE	CLEANING SERVICE-P&A	75.00
GALLS INC	TOOLS-PD	61.20
AAA PEST CONTROL	PEST CONTROL-P&A	30.00
LYNCH FORD	VEHICLE MAINT-RUT	26.33
FUTURE LINE TRUCK EQUIPMENT	VEHICLE MAINT-RUT	25.60
SUE RIPKE	MILEAGE-P&A	20.13
CENTURY LINK	PHONE CHGS-FD	19.69
MOUNT VERNON, CITY OF	POSTAGE-MVHPC	3.25
TOTAL		293,684.04

GENERAL FUND	23,732.47
ROAD USE TAX FUND	30,728.06
DEBT SERVICE	1,300.00
COMMUNITY CENTER LOST III-CONSTR	38,856.32
2014 STREET IMPROVEMENTS	132.00
WWTP UV DISINFECTION	11,188.04
POLICE STATION CONSTRUCTION	1,538.18
CULTURE & RECREATION	11,995.00
WATER FUND	7,854.82
SEWER FUND	4,235.86
STORM WATER FUND	472.31
SOLID WASTE	23,751.14
COMMUNITY CENTER OPERATIONS	2,502.40
PAYROLL	135,397.44
TOTAL	293,684.04

AGENDA ITEM # J - 2

**AGENDA INFORMATION
MT. VERNON CITY COUNCIL COMMUNICATION**

DATE: January 6, 2020
AGENDA ITEM: Pay Application #13 – The LBC
ACTION: Motion

SYNOPSIS: Pay application #13 for the LBC is in the amount of \$404,574.58. Staff is awaiting review by the architect for the final approval of the pay application. This will likely be the last pay application approved until the contractor and City have come to terms on the costs of the outstanding punch list items. After this pay application, \$543,317.83 will remain outstanding (this includes the retainage).

BUDGET ITEM: LBC Funds

RESPONSIBLE DEPARTMENT: City Administrator

MAYOR/COUNCIL ACTION: Motion

ATTACHMENTS: Pay Application #13

PREPARED BY: Chris Nosbisch

DATE PREPARED: 1/3/20

APPLICATION AND CERTIFICATE FOR PAYMENT
AIA DOCUMENT G702

TO (OWNER): CITY OF MT VERNON
213 FIRST ST NW
MT VERNON, IA 52314

PROJECT: Lester Buresh Wellness Center

APPLICATION NO: 13
INVOICE NO: 001027
PROJECT NO: 54086
ARCHITECT PROJECT NO:
OWNER PO NO: 54086

FROM: Jeffrey L Ketels
(CONTRACTOR) Garling Construction, Inc.
1120 11th Street
Belle Plaine, IA 52208

ARCHITECT: OPN ARCHITECTS
200 5TH AVE SE 201
CEDAR RAPIDS, IA 52401

Distribution to:
 OWNER
 ARCHITECT
 LENDOR
 GENERAL CONTRACTOR
 CONSTRUCTION MANAGER
 OTHER

CONTRACT FOR: General Construction

CONTRACT DATE: 12/1/2019
FROM: 12/1/2019
TO: 12/31/2019

CONTRACTOR'S APPLICATION FOR PAYMENT

Change Orders approved in previous months by Owner		APPROVED	DEDUCTIONS
Total		\$139,646.00	
Approved this Month	Date Approved		
07	12/02/2019		(\$9,885.00)
TOTALS			(\$9,885.00)
Net change by Change Orders			\$129,761.00

Application is made for Payment, as shown below, in connection with the Contract.
Continuation Sheet, AIA Document G703, is attached.

1. ORIGINAL CONTRACT SUM \$7,059,000.00
2. Net change by Change Orders \$129,761.00
3. CONTRACT SUM TO DATE (Line 1 + - 2) \$7,188,761.00
4. TOTAL COMPLETED & STORED TO DATE \$6,995,203.35
(Column I on G703)
5. RETAINAGE:
 - a. 5.00% of Completed Work \$349,760.18
(Column F + G on G703)
 - b. 5.00% of Stored Material
(Column H on G703)

Total Retainage (Line 5a + 5b or Total in Column L of G703) \$349,760.18
6. TOTAL EARNED LESS RETAINAGE \$6,645,443.17
(Line 4 less Line 5 Total)

The undersigned contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

CONTRACTOR: GARLING CONSTRUCTION, INC.

BY:  DATE: 12-23-19

7. LESS PREVIOUS CERTIFICATES FOR PAYMENT

8. CURRENT PAYMENT DUE \$6,240,868.59
(Line 6 from prior Certificate)
9. BALANCE TO FINISH, PLUS RETAINAGE \$404,574.58
(Line 3 less Line 6)

State of: IA
Subscribed and sworn to before me this 23rd day of December 2019

Notary Public: 



My Commission Expires: 3-6-20

ARCHITECTS CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising the above application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the **AMOUNT CERTIFIED**.

AMOUNT CERTIFIED
Four Hundred Four Thousand Five Hundred Seventy Four Dollars and Fifty Eight Cents

(Attach explanation if amount certified differs from the amount applied for.)

ARCHITECT:

By: _____ Date: _____
This certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

AIA Document G702, APPLICATION AND CERTIFICATE FOR PAYMENT, containing
 Contractor's signed Certification is attached.
 In tabulations below, amounts are stated to the nearest dollar.
 Use Column L on Contracts where variable retainage for Item

CONTRACT DATE: 12/01/2019
 FROM: 12/31/2019
 TO: 12/31/2019

APPLICATION NO: 13
 INVOICE NO: 001027
 PROJECT NO: 54086
 ARCHITECT PROJECT NO:

ITEM NO	DESCRIPTION OF WORK	BILLING CODES	D SCHEDULED VALUE		E PREVIOUS APPLICATION		G COMPLETED THIS MONTH			I TOTAL COMPLETE AND STORED TO DATE		K BALANCE TO FINISH	
			AMOUNT	PERCENT COMPLETE	AMOUNT	PERCENT COMPLETE	WORK IN PLACE	STORED MATERIALS	PERCENT COMPLETE	AMOUNT	COMPLETE	BALANCE	RETAINAGE
1													
2	General Requirements												
3	General Conditions												
4	Bond	010009	32,875.00	100%	32,875.00	100%					32,875.00	100%	1,643.75
5	Permit	010001	31,000.00	100%	31,000.00	100%					31,000.00	100%	1,550.00
6	Temp Site clean up												
7	Temp fencing		12,500.00	100%	12,500.00	100%					12,500.00	100%	625.00
8	Temp heat/humidity control		85,000.00	90%	76,500.00	90%	8,500.00				85,000.00	100%	4,250.00
9	Dumpster and clean up		28,000.00	90%	25,200.00	90%	2,800.00				28,000.00	100%	1,400.00
10	Equipment rental		36,000.00	90%	32,400.00	90%	3,600.00				36,000.00	100%	1,800.00
11	Mobilization		2,000.00	100%	2,000.00	100%					2,000.00	100%	100.00
12	Site sign		1,000.00	100%	1,000.00	100%					1,000.00	100%	50.00
13	Electronic Submittal		6,500.00	100%	6,500.00	100%					6,500.00	100%	325.00
14	Utilities		1,520.00	90%	1,368.00	90%	152.00				1,520.00	100%	76.00
15	Admin, Sup, PM		200,699.00	90%	180,629.10	90%	20,069.90				200,699.00	100%	10,034.98
16	Site Work												
17	Layout and Staking		19,250.00	100%	19,250.00	100%					19,250.00	100%	962.50
18	Site Fence/Concrete Washout		9,900.00	100%	9,900.00	100%					9,900.00	100%	495.00
19	Site Furnishings		17,109.00	50%	8,554.50	50%	5,132.70				13,687.20	80%	684.36
20	Trash Enclosure/Fence		51,635.00	50%	25,817.50	50%	15,790.50				41,308.00	80%	2,065.40
21	Earthwork Site Utilities												
22	Grading Material		138,788.00	95%	131,848.60	95%					131,848.60	95%	6,939.40
23	Grading Labor		42,958.00	95%	40,810.10	95%					40,810.10	95%	2,147.90
24	Grading Equipment		68,500.00	95%	65,075.00	95%					65,075.00	95%	3,425.00
25	Sanitary Materials		14,036.00	100%	14,036.00	100%					14,036.00	100%	701.80
26	Sanitary Labor		11,350.00	100%	11,350.00	100%					11,350.00	100%	567.50
27	Sanitary Equipment		8,463.00	100%	8,463.00	100%					8,463.00	100%	423.15
28	Water Material		22,688.00	100%	22,688.00	100%					22,688.00	100%	1,134.40
29	Water Labor		8,350.00	100%	8,350.00	100%					8,350.00	100%	417.50
30	Water Equipment		12,960.00	100%	12,960.00	100%					12,960.00	100%	648.00
31	Storm Materials		35,370.00	100%	35,370.00	100%					35,370.00	100%	1,768.51
32	Storm Labor		11,509.00	95%	10,933.55	95%	575.45				11,509.00	100%	575.45
33	Storm Equipment		14,605.00	95%	13,874.75	95%	730.25				14,605.00	100%	730.25
34	Footing Labor		8,124.00	100%	8,124.00	100%					8,124.00	100%	406.20
35	Footing Equipment		9,423.00	100%	9,423.00	100%					9,423.00	100%	471.15
PAGE TOTALS			\$942,112.00	91%	\$858,800.10	91%	\$57,050.80				\$915,850.90	97%	\$45,792.60
REGULAR ITEM TOTALS			\$7,059,000.00	91%	\$6,429,689.38	91%	\$425,867.97				\$6,855,557.35	97%	\$342,777.88
CHANGE ORDERS			\$129,761.00	108%	\$139,646.00	108%					\$139,646.00	108%	\$6,982.30
GRAND TOTALS			\$7,188,761.00	91%	\$6,569,335.38	91%	\$425,867.97				\$6,995,203.35	97%	\$349,760.18

AIA Document G702, APPLICATION AND CERTIFICATE FOR PAYMENT, containing
 Contractor's signed Certification is attached.
 In tabulations below, amounts are stated to the nearest doll:
 Use Column L on Contracts where variable retainage for lin

ITEM NO	DESCRIPTION OF WORK	BILLING CODES	SCHEDULED VALUE		PREVIOUS APPLICATION		COMPLETED THIS MONTH			TOTAL COMPLETE AND		BALANCE TO FINISH	
			AMOUNT	PERCENT COMPLETE	AMOUNT	PERCENT COMPLETE	WORK IN PLACE	STORED MATERIALS	PERCENT COMPLETE	AMOUNT STORED	COMPLETE	BALANCE	RETAINAGE
36	Concrete Pavers	020113	23,358.00	65%	15,182.70	65%				15,182.70	65%	8,175.30	759.14
37	Pavement markings	020090	2,700.00				1,350.00	50%	1,350.00	50%	1,350.00	63,464.00	67.50
38	Plantings	020063	63,464.00									22,057.00	
39	Seeding		22,057.00										
40	Concrete												
41	Cast In Place Concrete												
42	Material	030150	96,210.00	95%	91,399.50	95%	4,810.50	5%	96,210.00	100%			4,810.50
43	Labor		140,000.00	95%	133,000.00	95%	7,000.00	5%	140,000.00	100%			7,000.00
44	Equipment		18,000.00	95%	17,100.00	95%	900.00	5%	18,000.00	100%			900.00
45	Textured Concrete Coating		10,000.00									10,000.00	
46	Concrete Paving												
47	Material		67,000.00	95%	63,650.00	95%	3,350.00	5%	67,000.00	100%			3,350.00
48	Labor		113,000.00	95%	107,350.00	95%	5,650.00	5%	113,000.00	100%			5,650.00
49	Equipment		14,850.00	95%	14,107.50	95%	742.50	5%	14,850.00	100%			742.50
50	Concrete Floor Finishes		12,850.00				12,850.00	100%					642.50
51	Precast Concrete												
52	Wall Panels		319,150.00	100%	319,150.00	100%			319,150.00	100%			15,957.51
53	Hollow Core Deck		171,850.00	100%	171,850.00	100%			171,850.00	100%			8,592.50
54	Masonry												
55	Masonry												
56	Material Block	040325	130,000.00	100%	130,000.00	100%			130,000.00	100%			6,500.00
57	Material Brick		75,000.00	100%	75,000.00	100%			75,000.00	100%			3,750.00
58	Labor		285,000.00	100%	285,000.00	100%			285,000.00	100%			14,250.00
59	Equipment		36,839.00	100%	36,839.00	100%			36,839.00	100%			1,841.95
60	Metals												
61	Structural Steel Materials	050353	448,274.00	100%	448,274.00	100%			448,274.00	100%			22,413.70
62	Metal Hand Rails		87,000.00	95%	82,650.00	95%			82,650.00	95%		4,350.00	4,132.50
63	Structural Steel and Precast Erect.	050350	287,854.00	100%	287,854.00	100%			287,854.00	100%			14,392.70
64	Carpentry												
65	Rough Carpentry												
66	Material	060400	24,217.00	100%	24,217.00	100%			24,217.00	100%			1,210.85
67	Labor		35,000.00	100%	35,000.00	100%			35,000.00	100%			1,750.00
68	Equipment		3,500.00	100%	3,500.00	100%			3,500.00	100%			175.00
69	Wood Casework												
70	Material	060408	32,350.00	100%	32,350.00	100%			32,350.00	100%			1,617.50
	PAGE TOTALS		\$2,519,525.00		\$2,379,473.70	94%	\$36,653.00		\$2,410,126.70	96%	\$109,396.30	\$120,506.35	
	REGULAR ITEM TOTALS		\$7,059,000.00		\$6,429,669.38	91%	\$425,867.97		\$6,855,557.35	97%	\$203,442.65	\$342,777.88	
	CHANGE ORDERS		\$129,761.00		\$139,646.00	108%	\$425,867.97		\$139,646.00	108%	(\$9,885.00)	\$6,982.30	
	GRAND TOTALS		\$7,188,761.00		\$6,569,335.38	91%	\$425,867.97		\$6,995,203.35	97%	\$193,557.65	\$349,760.18	

AIA Document G702, APPLICATION AND CERTIFICATE FOR PAYMENT, containing
 Contractor's signed Certification is attached.
 In tabulations below, amounts are stated to the nearest dollar.
 Use Column L on Contracts where variable retainage for lmr

CONTRACT DATE: 12/01/2019 FROM: 12/01/2019 TO: 12/31/2019

APPLICATION NO: 13
 INVOICE NO: 001027
 PROJECT NO: 54086
 ARCHITECT PROJECT NO:

ITEM NO	DESCRIPTION OF WORK	BILLING CODES	SCHEDULED VALUE		PREVIOUS APPLICATION		COMPLETED THIS MONTH			TOTAL COMPLETE AND STORED TO DATE		BALANCE TO FINISH	
			AMOUNT	PERCENT COMPLETE	AMOUNT	PERCENT COMPLETE	WORK IN PLACE	STORED MATERIALS	PERCENT COMPLETE	STORED TO DATE	COMPLETE	BALANCE	RETAINAGE
71	Labor		32,130.00	100%	32,130.00	100%				32,130.00	100%		1,606.50
72	Countertops		7,500.00	85%	6,375.00	85%	750.00			7,125.00	95%	375.00	356.25
73	Thermal Moisture & Protection												
74	Water Proofing	070476	40,000.00	96%	38,422.80	96%				38,422.80	96%		1,921.14
75	Thermal Insulation	070478	42,236.00	85%	35,900.60	85%	4,223.60			40,124.20	95%	2,111.80	2,006.21
76	Membrane Roofing												
77	Material	070480	206,864.00	90%	186,177.60	90%	10,343.20			196,520.80	95%	10,343.20	9,826.04
78	Labor		100,246.00	90%	90,221.40	90%	5,012.30			95,233.70	95%	5,012.30	4,761.69
79	Equipment		20,000.00	90%	18,000.00	90%	2,000.00			20,000.00	100%		1,000.00
80	Caulking & Firestopping		37,250.00	90%	33,525.00	90%	3,725.00			37,250.00	100%		1,862.49
81	Doors & Windows												
82	Metal Frames & Wood Doors												
83	Hollow Metal Frames	080502	17,144.00	95%	16,286.80	95%	857.20			17,144.00	100%		857.20
84	Doors		20,000.00	75%	15,000.00	75%	5,000.00			20,000.00	100%		1,000.00
85	Hardware		37,800.00	61%	23,000.00	61%	14,800.00			37,800.00	100%		1,890.00
86	Labor		15,000.00	65%	9,750.00	65%	5,250.00			15,000.00	100%		750.00
87	Aluminum Glazing Panels												
88	Material	080500	215,000.00	90%	193,500.00	90%	10,750.00			204,250.00	95%	10,750.00	10,212.50
89	Labor		211,000.00	90%	189,900.00	90%	10,550.00			200,450.00	95%	10,550.00	10,022.50
90	Equipment		16,000.00	90%	14,400.00	90%	800.00			15,200.00	95%	800.00	760.00
91	Skylights		96,870.00	100%	96,870.00	100%				96,870.00	100%		4,843.51
92	Ceiling Door		2,200.00				2,200.00			2,200.00	100%		110.00
93	Finishes												
94	Light Gage Steel Stud Framing	090552	48,975.00	100%	48,975.00	100%				48,975.00	100%		2,448.75
95	Gypsum Wallboard	090550	19,300.00	100%	19,300.00	100%				19,300.00	100%		965.00
96	Tiling												
97	Material	090575	18,000.00	100%	18,000.00	100%				18,000.00	100%		900.00
98	Labor		23,927.00	100%	23,927.00	100%				23,927.00	100%		1,196.35
99	ACT												
100	Material	090564	16,000.00	85%	13,600.00	85%	2,400.00			16,000.00	100%		800.00
101	Labor		45,065.00	85%	38,305.25	85%	6,759.75			45,065.00	100%		2,253.25
102	Sound Panels		19,000.00	10%	1,900.00	10%	17,100.00			19,000.00	100%		950.00
103	Studio Hardwood Floor		12,240.00	60%	7,344.00	60%	4,896.00			12,240.00	100%		612.00
104	Wood Athletic Floor												
105	Material	090563	22,500.00	100%	22,500.00	100%				22,500.00	100%		1,125.00
PAGE TOTALS			\$1,342,247.00		\$1,193,310.45	89%	\$107,417.05			\$1,300,727.50	97%	\$41,519.50	\$65,036.38
REGULAR ITEM TOTALS			\$7,059,000.00		\$6,429,689.38	91%	\$425,867.97			\$6,855,557.35	97%	\$203,442.65	\$342,777.88
CHANGE ORDERS			\$129,761.00		\$139,646.00	108%				\$139,646.00	108%	(\$9,885.00)	\$6,892.30
GRAND TOTALS			\$7,188,761.00		\$6,569,335.38	91%	\$425,867.97			\$6,995,203.35	97%	\$193,557.65	\$349,760.18

AIA Document G702, APPLICATION AND CERTIFICATE FOR PAYMENT, containing
 Contractor's signed Certification is attached.
 In tabulations below, amounts are stated to the nearest doll:
 Use Column L on Contracts where variable retainage for lin

ITEM NO	DESCRIPTION OF WORK	BILLING CODES	SCHEDULED VALUE	PREVIOUS APPLICATION		COMPLETED THIS MONTH			TOTAL COMPLETE AND STORED TO DATE		BALANCE TO FINISH	
				AMOUNT	PERCENT COMPLETE	WORK IN PLACE	STORED MATERIALS	PERCENT COMPLETE	AMOUNT	COMPLETE	BALANCE	RETAINAGE
106	Labor		59,920.00	29,960.00	50%	29,960.00		50%	59,920.00	100%		2,996.00
107	Resilient Floor, Carpet, Turf	090561	25,654.00	4,985.98	19%	20,668.02		81%	25,654.00	100%		1,282.70
108	FRP	090567	524.00	524.00	100%				524.00	100%		26.20
109	Painting											
110	Material	090566	28,000.00	25,200.00	90%	2,800.00		10%	28,000.00	100%		1,400.00
111	Labor		71,800.00	61,030.00	85%	7,180.00		10%	68,210.00	95%	3,590.00	3,410.50
112	Equipment		4,000.00	3,400.00	85%	600.00		15%	4,000.00	100%		200.00
113	Specialties											
114	Specialties Materials	100600	34,200.00	25,650.00	75%	8,550.00		25%	34,200.00	100%		1,710.00
115	Labor		9,797.00	1,959.40	20%	7,837.60		80%	9,797.00	100%		489.85
116	Equipment											
117	Gym Equipment Material	110640	45,000.00	40,500.00	90%	4,500.00		10%	45,000.00	100%		2,250.00
118	Gym Equipment Labor		47,700.00	42,930.00	90%	4,770.00		10%	47,700.00	100%		2,385.00
119	Finishes											
120	Blinds Material	120680	18,120.00	18,120.00	100%				18,120.00	100%	20,000.00	906.00
121	Blinds Labor		20,000.00									
122	Special Construction											
123	Climbing Wall Material	130700	55,000.00	49,500.00	90%	5,500.00		10%	55,000.00	100%		2,750.00
124	Climbing wall Labor		37,405.00	33,664.50	90%	3,740.50		10%	37,405.00	100%		1,870.24
125	Elevators											
126	Passenger Elevator Material	140755	38,000.00	38,000.00	100%				38,000.00	100%		1,900.00
127	Passenger Elevator Labor		45,990.00	41,391.00	90%	4,599.00		10%	45,990.00	100%		2,299.51
128	Mechanical											
129	Plumbing and Piping	150760	53,988.00	53,988.00	100%				53,988.00	100%		2,699.40
130	Labor		100,265.00	100,265.00	100%				100,265.00	100%		5,013.25
131	Plumbing Fixtures		38,000.00	38,000.00	100%				38,000.00	100%		1,900.00
132	Labor		29,650.00	29,650.00	100%				29,650.00	100%		1,482.50
133	HVAC Piping		41,300.00	39,235.00	95%	2,065.00		5%	41,300.00	100%		2,065.00
134	HVAC Equipment		34,000.00	32,300.00	95%	1,700.00		5%	34,000.00	100%		1,700.00
135	Labor		37,500.00	35,625.00	95%	1,875.00		5%	37,500.00	100%		1,875.00
136	Geo Thermal Well Field		50,000.00	50,000.00	100%				50,000.00	100%		2,500.00
137	Labor		37,000.00	37,000.00	100%				37,000.00	100%		1,850.00
138	HVAC Sheetmetal		290,850.00	276,307.50	95%	14,542.50		5%	290,850.00	100%		14,542.49
139	Labor		184,000.00	174,800.00	95%	9,200.00		5%	184,000.00	100%		9,200.00
140	Insulation		45,600.00	43,320.00	95%	2,280.00		5%	45,600.00	100%		2,280.00
PAGE TOTALS												
REGULAR ITEM TOTALS			\$1,483,263.00	\$1,327,305.38	89%	\$137,367.62		9%	\$1,459,673.00	98%	\$23,590.00	\$72,983.64
CHANGE ORDERS			\$7,059,000.00	\$6,429,689.38	91%	\$425,867.97		6%	\$6,855,557.35	97%	\$203,443.65	\$342,777.88
GRAND TOTALS			\$7,188,761.00	\$6,569,335.38	91%	\$425,867.97		6%	\$6,995,203.35	97%	\$193,557.65	\$349,760.18

CONTINUATION SHEET AIA DOCUMENT G703 PROJECT: 54086 REGULAR ITEMS PAGE 6 of 8

AIA Document G702, APPLICATION AND CERTIFICATE FOR PAYMENT, containing
 Contractor's signed Certification is attached.
 In tabulations below, amounts are stated to the nearest doli:
 Use Column L on Contracts where variable retainage for lins

CONTRACT DATE: 12/01/2019
 FROM: 12/01/2019
 TO: 12/31/2019

APPLICATION NO: 13
 INVOICE NO: 001027
 PROJECT NO: 54086
 ARCHITECT PROJECT NO:

ITEM NO	DESCRIPTION OF WORK	BILLING CODES	SCHEDULED VALUE	PREVIOUS APPLICATION		COMPLETED THIS MONTH			TOTAL COMPLETE AND STORED TO DATE		BALANCE TO FINISH	
				AMOUNT	PERCENT COMPLETE	WORK IN PLACE	STORED MATERIALS	PERCENT COMPLETE	AMOUNT	COMPLETE	BALANCE	RETAINAGE
141	Controls		45,800.00	22,900.00	50%	20,610.00		45%	43,510.00	95%	2,290.00	2,175.50
142	Test and Balance		7,715.00			7,329.25		95%	7,329.25	95%	385.75	366.46
143	Mobilization/ Permits		24,385.00	24,385.00	100%				24,385.00	100%		1,219.24
144	Sprinkler	150766	59,305.00	56,339.75	95%	2,965.25		5%	59,305.00	100%		2,965.26
145	Electrical											
146	Mobilization	160800	3,000.00	3,000.00	100%				3,000.00	100%		150.00
147	Temporary Power		7,000.00	7,000.00	100%				7,000.00	100%		350.00
148	Trenching Boring & Pole Bases		35,750.00	35,750.00	100%				35,750.00	100%		1,787.50
149	Power Distribution Materials		43,650.00	41,467.50	95%	2,182.50		5%	43,650.00	100%		2,182.50
150	Labor		41,000.00	38,950.00	95%	2,050.00		5%	41,000.00	100%		2,050.00
151	VFD Materials		4,700.00	4,465.00	95%	235.00		5%	4,700.00	100%		235.00
152	Branch Circuits Material		38,000.00	36,100.00	95%	1,900.00		5%	38,000.00	100%		1,900.00
153	Labor		54,000.00	51,300.00	95%	2,700.00		5%	54,000.00	100%		2,700.00
154	Lighting Material		100,200.00	95,190.00	95%	5,010.00		5%	100,200.00	100%		5,010.00
155	Labor		85,000.00	80,750.00	95%	4,250.00		5%	85,000.00	100%		4,250.00
156	Telecom Material		20,750.00	19,712.50	95%	1,037.50		5%	20,750.00	100%		1,037.45
157	Labor		35,000.00	33,250.00	95%	1,750.00		5%	35,000.00	100%		1,750.00
158	AV Material/Labor		117,500.00	88,125.00	75%	29,375.00		25%	117,500.00	100%		5,875.00
159	Fire Alarm Material		21,500.00	16,125.00	75%	5,375.00		25%	21,500.00	100%		1,075.00
160	Labor		19,000.00	14,250.00	75%	4,750.00		25%	19,000.00	100%		950.00
161	Equipment		8,600.00	7,740.00	90%	860.00		10%	8,600.00	100%		430.00
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PAGE TOTALS			\$771,855.00	\$676,799.75	88%	\$92,379.50		12%	\$769,179.25	100%	\$2,675.75	\$38,458.91
REGULAR ITEM TOTALS			\$7,059,000.00	\$6,429,689.38	91%	\$425,867.97		6%	\$6,855,557.35	97%	\$203,442.65	\$342,777.88
CHANGE ORDERS			\$129,761.00	\$139,646.00	108%				\$139,646.00	108%	(\$9,885.00)	\$6,982.30
GRAND TOTALS			\$7,188,761.00	\$6,569,335.38	91%	\$425,867.97		6%	\$6,995,203.35	97%	\$193,557.65	\$349,760.18

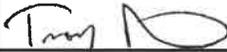
AIA Document G702, APPLICATION AND CERTIFICATE FOR PAYMENT, containing Contractor's signed Certification is attached.
 In tabulations below, amounts are stated to the nearest dollar.
 Use Column L on Contracts where variable retainage for line items may apply.

ITEM NO	DESCRIPTION OF WORK	CHANGE ORDER NUMBER	BILLING CODES	SCHEDULED VALUE	PREVIOUS APPLICATION		COMPLETED THIS MONTH			TOTAL COMPLETE AND TO DATE		BALANCE TO FINISH	
					AMOUNT	PERCENT COMPLETE	WORK IN PLACE	STORED MATERIALS	PERCENT COMPLETE	AMOUNT	COMPLETE	AMOUNT	COMPLETE
1	CO#01	0001		37,932.00	37,932.00	100%				37,932.00	100%		1,896.60
2	CO#02	02		7,659.00	7,659.00	100%				7,659.00	100%		382.95
3	CO#03			18,205.00	18,205.00	100%				18,205.00	100%		910.25
4	CO#04	Change Order 03		20,167.00	20,167.00	100%				20,167.00	100%		1,008.35
5	CO#05			39,191.00	39,191.00	100%				39,191.00	100%		1,959.55
6	CO#06			16,492.00	16,492.00	100%				16,492.00	100%		824.60
7	CO#07			(9,885.00)									(9,885.00)
8													
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				PAGE TOTALS	\$129,761.00	108%				\$139,646.00	108%		\$6,982.30
				CHANGE ORDER TOTAL	\$129,761.00	108%				\$139,646.00	108%		\$6,982.30
				REGULAR ITEMS TOTALS	\$7,959,000.00	91%	\$425,867.97		6%	\$6,555,557.35	97%	\$203,442.65	\$342,777.88
				GRAND TOTALS	\$7,189,761.00	91%	\$425,867.97		6%	\$6,995,203.35	97%	\$193,557.65	\$349,760.18

MODIFIED AIA G703 - CONTINUATION SHEET FOR G702

PARTIAL WAIVER AND RELEASE OF LIENS AND CLAIMS

In consideration of the payment by CITY OF MT VERNON (the Owner) of \$404,574.58 dollars, the Undersigned waives and releases, in accordance with and subject to the terms of this Partial Waiver and Release of Liens and Claims, "any and all lien rights which it may now have or may subsequently acquire under the laws of the State of or any other state or local government. This waiver and release relates to the Undersigned's work "under its Subcontract or Purchase Order with the Owner on the Project known as Lester Buresh Family Community Wellness Center located in Mount Vernon, IA. This waiver and release extends to any and all rights to claims, including bond claims against the Owners' surety, if any, or to claim a lien on the property and/or contract funds or against the Company, or the General Contractor, for any materials furnished or labor performed by us on the Property pursuant to the above-referenced Subcontract with the Owner on or before December 31, 2019, provided that payment for such materials furnished or labor performed has been made to the Undersigned by the Owner in accordance with our Applications for Payment # 1 - M45, previously submitted to the Owner. In addition, for and in consideration of the amount and sums received, the Undersigned hereby waives, releases and relinquishes any and all claims, rights of causes of action whatsoever arising out of or in the course of the work performed on the above-mentioned Project, Contract or event transpiring prior to the date hereof, excepting the right to receive payment for retainage. This Partial Waiver and Release of Liens and Claims does not waive or release any lien rights or rights to file a claim for any work performed or materials furnished to the Project by us after the date noted above.

Subcontractor(typed)	
Garling Construction, Inc.	
Name(typed)	Title(typed)
Troy Pins	President
Signature	Date(mo,day,yr)
	12/30/2019

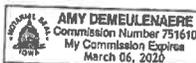
STATE OF IOWA

COUNTY OF BENTON

On this 30 day of December,2019, before me personally appeared Troy Pins who being by me duly sworn, did depose and say that he is the President and is authorized to execute the above instrument.

(Seal)

Notary Public





60032819

**CONDITIONAL WAIVER AND RELEASE
UPON PROGRESS PAYMENT**

Upon receipt by the undersigned of a
check from: Garling Construction, Inc.
in the sum of: \$34,087.45
payable to: Hawkeye Electric

and when the check has been properly endorsed and has been paid by the bank upon which it is drawn, this document shall become effective to release any mechanic's lien, stop notice, or bond right the undersigned has on the job of: Lester Buresh Family Community Wellness Center
Project ID #: 54086

located at:

855 Palisades Dr. SW
Mount Vernon, IA 52314

to the following extent,

This release covers a progress payment for labor, services, equipment or material furnished to: Garling Construction, Inc.
through: December 19, 2019

only and does not cover any retention retained before or after the release date; extras furnished before the release date for which payment has not been received; extras or items furnished after the release date. Rights based upon work performed or items furnished under written change order which has been fully executed by the parties prior to the release date are covered by this release unless specifically reserved by the claimant in the release. This release of any mechanic's lien, stop notice, or bond right shall not otherwise affect the contract rights, including rights between parties to the contract based upon a rescission, abandonment, or breach of the contract, or the right of the undersigned to recover compensation for furnished labor, services, equipment, or material covered by this release if that furnished labor, services, equipment, or material was not compensated by the progress payment. Before any recipient of this document relies on it, said party should verify evidence of payment to the undersigned.

Dated:

12/24/19

Company:

Hawkeye Electric

Signature:

Leeann S. Moore

By (Name):

Leeann S. Moore

Title:

Accounts Receivable

**CONDITIONAL WAIVER AND RELEASE
UPON PROGRESS PAYMENT**

Upon receipt by the undersigned of a
check from: Garling Construction, Inc.
in the sum of: \$28,461.90

payable to: Cable Glass LLC

and when the check has been properly endorsed and has been paid by the bank upon which it is drawn, this document shall become effective to release any mechanic's lien, stop notice, or bond right the undersigned has

on the job of: Lester Buresh Family Community Wellness Center

Project ID #: 54086

located at:

855 Palisades Dr. SW

Mount Vernon, IA 52314

to the following extent.

This release covers a progress payment for labor, services, equipment or material

furnished to: Garling Construction, Inc.

through: December 20, 2019

only and does not cover any retention retained before or after the release date; extras furnished before the release date for which payment has not been received; extras or items furnished after the release date. Rights based upon work performed or items furnished under written change order which has been fully executed by the parties prior to the release date are covered by this release unless specifically reserved by the claimant in the release. This release of any mechanic's lien, stop notice, or bond right shall not otherwise affect the contract rights, including rights between parties to the contract based upon a rescission, abandonment, or breach of the contract, or the right of the undersigned to recover compensation for furnished labor, services, equipment, or material covered by this release if that furnished labor, services, equipment, or material was not compensated by the progress payment. Before any recipient of this document relies on it, said party should verify evidence of payment to the undersigned.

Dated: December 23, 2019
Company: Cable Glass LLC dba FormanFord
Signature: 
By (Name): Kevin Everett
Title: Operations Manager

60032819

**CONDITIONAL WAIVER AND RELEASE
UPON PROGRESS PAYMENT**

Upon receipt by the undersigned of a
check from: Garling Construction, Inc.
in the sum of: \$64,918.37
payable to: Hawkeye Electric

and when the check has been properly endorsed and has been paid by the bank upon which it is drawn, this document shall become effective to release any mechanic's lien, stop notice, or bond right the undersigned has

on the job of: Lester Buresh Family Community Wellness Center

Project ID #: 54086

located at:

855 Pallsades Dr. SW

Mount Vernon, IA 52314

to the following extent.

This release covers a progress payment for labor, services, equipment or material

furnished to: Garling Construction, Inc.

through: November 21, 2019

only and does not cover any retention retained before or after the release date; extras furnished before the release date for which payment has not been received; extras or items furnished after the release date. Rights based upon work performed or items furnished under written change order which has been fully executed by the parties prior to the release date are covered by this release unless specifically reserved by the claimant in the release. This release of any mechanic's lien, stop notice, or bond right shall not otherwise affect the contract rights, including rights between parties to the contract based upon a rescission, abandonment, or breach of the contract, or the right of the undersigned to recover compensation for furnished labor, services, equipment, or material covered by this release if that furnished labor, services, equipment, or material was not compensated by the progress payment. Before any recipient of this document relies on it, said party should verify evidence of payment to the undersigned.

Dated:

11/27/19

Company:

Hawkeye Electric

Signature:

Leeann S. Moore

By (Name):

Leeann S. Moore

Title:

Accounts Receivables

**CONDITIONAL WAIVER AND RELEASE
UPON PROGRESS PAYMENT**

Upon receipt by the undersigned of a
check from: Garling Construction, Inc.

in the sum of: \$34,365.00

payable to: Ametco Mfg Corp

and when the check has been properly endorsed and has been paid by the bank upon which it is drawn, this document shall become effective to release any mechanic's lien, stop notice, or bond right the undersigned has

on the job of: Lester Buresh Family Community Wellness Center

Project ID #: 54086

located at:

855 Palisades Dr. SW

Mount Vernon, IA 52314

to the following extent.

This release covers a progress payment for labor, services, equipment or material

furnished to: Garling Construction, Inc.

through: October 17, 2019

only and does not cover any retention retained before or after the release date; extras furnished before the release date for which payment has not been received; extras or items furnished after the release date. Rights based upon work performed or items furnished under written change order which has been fully executed by the parties prior to the release date are covered by this release unless specifically reserved by the claimant in the release. This release of any mechanic's lien, stop notice, or bond right shall not otherwise affect the contract rights, including rights between parties to the contract based upon a rescission, abandonment, or breach of the contract, or the right of the undersigned to recover compensation for furnished labor, services, equipment, or material covered by this release if that furnished labor, services, equipment, or material was not compensated by the progress payment. Before any recipient of this document relies on it, said party should verify evidence of payment to the undersigned.

Dated:

11-1-19

Company:

Ametco Mfg Corp

Signature:

Lynn Estlinger

By (Name):

Lynn Estlinger

Title:

Office Manager

**CONDITIONAL WAIVER AND RELEASE
UPON PROGRESS PAYMENT**

Upon receipt by the undersigned of a
check from: Garling Construction, Inc.

in the sum of: \$91,393.65

payable to: Bowker Mechanical Contractors LLC

and when the check has been properly endorsed and has been paid by the bank upon which it is drawn, this document shall become effective to release any mechanic's lien, stop notice, or bond right the undersigned has

on the job of: Lester Buresh Family Community Wellness Center

Project ID #: 54086

located at:

855 Palisades Dr. SW
Mount Vernon, IA 52314

to the following extent.

This release covers a progress payment for labor, services, equipment or material

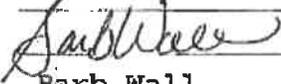
furnished to: Garling Construction, Inc.

through: September 18, 2019

only and does not cover any retention retained before or after the release date; extras furnished before the release date for which payment has not been received; extras or items furnished after the release date. Rights based upon work performed or items furnished under written change order which has been fully executed by the parties prior to the release date are covered by this release unless specifically reserved by the claimant in the release. This release of any mechanic's lien, stop notice, or bond right shall not otherwise affect the contract rights, including rights between parties to the contract based upon a rescission, abandonment, or breach of the contract, or the right of the undersigned to recover compensation for furnished labor, services, equipment, or material covered by this release if that furnished labor, services, equipment, or material was not compensated by the progress payment. Before any recipient of this document relies on it, said party should verify evidence of payment to the undersigned.

Dated: 9-25-2019

Company: Bowker Mechanical Contractors LLC

Signature: 

By (Name): Barb Wall

Title: Accounting

**CONDITIONAL WAIVER AND RELEASE
UPON PROGRESS PAYMENT**

Upon receipt by the undersigned of a
check from: Garling Construction, Inc.
in the sum of: \$124,238.15

payable to: Bowker Mechanical Contractors LLC

and when the check has been properly endorsed and has been paid by the bank upon which it is drawn, this document shall become effective to release any mechanic's lien, stop notice, or bond right the undersigned has

on the job of: Lester Buresh Family Community Wellness Center

Project ID #: 54086

located at:

855 Palisades Dr. SW

Mount Vernon, IA 52314

to the following extent.

This release covers a progress payment for labor, services, equipment or material

furnished to: Garling Construction, Inc.

through: October 18, 2019

only and does not cover any retention retained before or after the release date; extras furnished before the release date for which payment has not been received; extras or items furnished after the release date. Rights based upon work performed or items furnished under written change order which has been fully executed by the parties prior to the release date are covered by this release unless specifically reserved by the claimant in the release. This release of any mechanic's lien, stop notice, or bond right shall not otherwise affect the contract rights, including rights between parties to the contract based upon a rescission, abandonment, or breach of the contract, or the right of the undersigned to recover compensation for furnished labor, services, equipment, or material covered by this release if that furnished labor, services, equipment, or material was not compensated by the progress payment. Before any recipient of this document relies on it, said party should verify evidence of payment to the undersigned.

Dated: 10-31-2019

Company: Bowker Mechanical Contractors LLC

Signature: *Barb Wall*

By (Name): Barb Wall

Title: Accounting

**CONDITIONAL WAIVER AND RELEASE
UPON PROGRESS PAYMENT**

Upon receipt by the undersigned of a
check from: Garling Construction, Inc.

in the sum of: \$38,535.18

payable to: Bowker Mechanical Contractors LLC

and when the check has been properly endorsed and has been paid by the bank upon which it is drawn, this document shall become effective to release any mechanic's lien, stop notice, or bond right the undersigned has

on the job of: Lester Buresh Family Community Wellness Center

Project ID #: 54086

located at:

855 Palisades Dr. SW

Mount Vernon, IA 52314

to the following extent.

This release covers a progress payment for labor, services, equipment or material

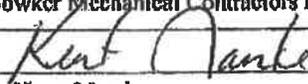
furnished to: Garling Construction, Inc.

through: November 20, 2019

only and does not cover any retention retained before or after the release date; extras furnished before the release date for which payment has not been received; extras or items furnished after the release date. Rights based upon work performed or items furnished under written change order which has been fully executed by the parties prior to the release date are covered by this release unless specifically reserved by the claimant in the release. This release of any mechanic's lien, stop notice, or bond right shall not otherwise affect the contract rights, including rights between parties to the contract based upon a rescission, abandonment, or breach of the contract, or the right of the undersigned to recover compensation for furnished labor, services, equipment, or material covered by this release if that furnished labor, services, equipment, or material was not compensated by the progress payment. Before any recipient of this document relies on it, said party should verify evidence of payment to the undersigned.

Dated: 11-25-2019

Company: Bowker Mechanical Contractors LLC

Signature: 

By (Name): Kent Nanke

Title: CFO

IBM0261 - Nov - #12

**CONDITIONAL WAIVER AND RELEASE
UPON PROGRESS PAYMENT**

Upon receipt by the undersigned of a
check from: Garling Construction, Inc.
in the sum of: \$9,975.00

payable to: Skold Construction Serv

and when the check has been properly endorsed and has been paid by the bank upon which it is drawn, this document shall become effective to release any mechanic's lien, stop notice, or bond right the undersigned has

on the job of: Lester Buresh Family Community Wellness Center

Project ID #: 54086

located at:

855 Palisades Dr. SW
Mount Vernon, IA 52314

to the following extent.

This release covers a progress payment for labor, services, equipment or material

furnished to: Garling Construction, Inc.

through: December 19, 2019

only and does not cover any retention retained before or after the release date; extras furnished before the release date for which payment has not been received; extras or items furnished after the release date. Rights based upon work performed or items furnished under written change order which has been fully executed by the parties prior to the release date are covered by this release unless specifically reserved by the claimant in the release. This release of any mechanic's lien, stop notice, or bond right shall not otherwise affect the contract rights, including rights between parties to the contract based upon a rescission, abandonment, or breach of the contract, or the right of the undersigned to recover compensation for furnished labor, services, equipment, or material covered by this release if that furnished labor, services, equipment, or material was not compensated by the progress payment. Before any recipient of this document relies on it, said party should verify evidence of payment to the undersigned.

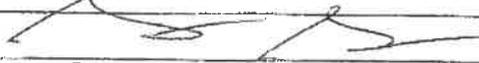
Dated:

12/26/19

Company:

Skold Construction Serv

Signature:



By (Name):

Stanley Steplars

Title:

V.P.

AGENDA ITEM # J - 3

**AGENDA INFORMATION
MT. VERNON CITY COUNCIL COMMUNICATION**

DATE: January 6, 2020

AGENDA ITEM: Pay Application #7 – 2019 Wastewater Improvements

ACTION: Motion

SYNOPSIS: Pay application #7 is in the amount of \$104,986.72, and brings the total paid to just over \$1.1 million. City staff and V&K Engineering are happy with the progress being made on site.

BUDGET ITEM: Sewer Funds

RESPONSIBLE DEPARTMENT: City Administrator

MAYOR/COUNCIL ACTION: Motion

ATTACHMENTS: Pay Application #7

PREPARED BY: Chris Nosbisch

DATE PREPARED: 1/3/20



VEENSTRA & KIMM, INC.

860 22nd Avenue, Suite 4 • Corahville, Iowa 52241-1565
 319-466-1000 • 319-466-1008(FAX) • 888-241-8001(WATS)

December 26, 2019

PAY ESTIMATE NO. 7
WASTEWATER TREATMENT PLANT IMPROVEMENTS 2019
MOUNT VERNON, IOWA

WRH, Inc.
 P.O. Box 256
 Amana, IA 52203

Contract Amount \$1,390,000.00
 Contract Date April 1, 2019
 Pay Period Nov. 23, 2019 - Dec. 26, 2019

BID ITEMS							
	Description	Unit	Estimated Quantity	Unit Price	Extended Price	Quantity Completed	Value Completed
1.1	Bond & Insurance	LS	xxxxx	xxxxx	\$ 27,000.00	100%	\$ 27,000.00
1.2	Mobilization	LS	xxxxx	xxxxx	\$ 139,000.00	65%	\$ 90,000.00
1.3	General Requirements	LS	xxxxx	xxxxx	\$ 152,000.00	78%	\$ 118,000.00
2.1	Demolition	LS	xxxxx	xxxxx	\$ 14,000.00	100%	\$ 14,000.00
2.2	Excavation & Backfill Clarifier	LS	xxxxx	xxxxx	\$ 78,000.00	58%	\$ 45,000.00
2.3	Excavation & Backfill UV	LS	xxxxx	xxxxx	\$ 53,000.00	100%	\$ 53,000.00
2.4	Sidewalks	LS	xxxxx	xxxxx	\$ 7,000.00	86%	\$ 6,000.00
2.5	Underground Pipe	LS	xxxxx	xxxxx	\$ 110,000.00	93%	\$ 102,000.00
2.6	Seeding & Landscaping	LS	xxxxx	xxxxx	\$ 2,000.00	0%	\$ -
3.1	Reinforcing Steel Structures & Slab	LS	xxxxx	xxxxx	\$ 62,000.00	99%	\$ 61,500.00
3.2	#25 Clarifier Splitter Box	LS	xxxxx	xxxxx	\$ 66,000.00	100%	\$ 66,000.00
3.3	#40 UV Disinfection Structure	LS	xxxxx	xxxxx	\$ 41,000.00	100%	\$ 41,000.00
3.4	#40 UV Diversion Structure	LS	xxxxx	xxxxx	\$ 19,000.00	100%	\$ 19,000.00
5.1	Misc. Metals, Handrail & Grating	LS	xxxxx	xxxxx	\$ 36,000.00	36%	\$ 13,000.00
8.1	Doors & Hardware	LS	xxxxx	xxxxx	\$ 4,000.00	100%	\$ 4,000.00
9.1	Painting	LS	xxxxx	xxxxx	\$ 107,000.00	0%	\$ -
11.1	Slide & Sluice Gates	LS	xxxxx	xxxxx	\$ 32,000.00	3%	\$ 1,000.00
11.2	Screw Pump Rehabilitation	LS	xxxxx	xxxxx	\$ 119,000.00	71%	\$ 84,000.00
11.3	UV Disinfection Equipment	LS	xxxxx	xxxxx	\$ 229,000.00	100%	\$ 227,900.00
13.1	Prefab Aluminum Shelter	LS	xxxxx	xxxxx	\$ 29,000.00	88%	\$ 25,425.00
16.1	Electrical	LS	xxxxx	xxxxx	\$ 48,000.00	96%	\$ 46,166.05
16.2	Controls & Instrumentation	LS	xxxxx	xxxxx	\$ 16,000.00	94%	\$ 15,000.00
Contract Price:					\$1,390,000.00		\$ 1,058,991.05

MATERIALS STORED SUMMARY				
	Description	# of Units	Unit Price	Extended Cost
	Slide and Sluice Gate	LS	\$ 27,227.00	\$ 27,227.00
Total				\$ 27,227.00

SUMMARY

		Total Approved	Total Completed
Contract Price		\$ 1,390,000.00	\$ 1,058,991.05
Approved Change Order (list each)	Change Order No. 1	\$ 3,732.43	\$ 1,854.76
	Change Order No. 2	\$ 87,946.89	\$ 38,000.00
	Change Order No. 3	\$ 2,137.16	\$ 2,137.16
	Change Order No. 4	\$ 63,735.59	\$ 45,897.76
Revised Contract Price		\$ 1,547,552.07	\$ 1,146,880.73

Stored \$ 27,227.00

Total Earned \$ 1,174,107.73

Retainage (5%) \$ 58,705.39

Total Earned Less Retainage \$ 1,115,402.34

Total Previously Approved (list each)			
	Pay Estimate No. 1	\$ 45,053.75	
	Pay Estimate No. 2	\$ 38,632.75	
	Pay Estimate No. 3	\$ 126,454.54	
	Pay Estimate No. 4	\$ 417,866.41	
	Pay Estimate No. 5	\$ 107,784.61	
	Pay Estimate No. 6	\$ 274,623.56	

Total Previously Approved \$ 1,010,415.62

Percent Complete 74%

Amount Due This Request \$ 104,986.72

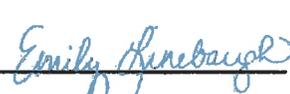
The amount \$104,986.72 is recommended for approval for payment in accordance with the terms of the contract.

Prepared By:
WRH, Inc.

Recommended By:
Veenstra & Kimm, Inc.

Approved By:
Mount Vernon, Iowa

Signature: 

Signature: 

Signature: _____

Name: MARK DROESSLER

Name: Emily Linebaugh

Name: _____

Title: SR. PROJECT MANAGER

Title: Engineer

Title: _____

Date: 12-27-19

Date: December 26, 2019

Date: _____

AGENDA ITEM # J – 4

**AGENDA INFORMATION
MT. VERNON CITY COUNCIL COMMUNICATION**

DATE:	January 6, 2020
AGENDA ITEM:	V&K Change Order #6
ACTION:	Motion

SYNOPSIS: Normally we list the change order according to the number provided by the contractor. In this case, the provided change order is for #'s 14 and 15 according to WRH (the contractor). V&K will group the related change orders together which is why you are seeing V&K change order #6 in the packet. You discussed this gear drive at the November 18, 2019 meeting and agreed to move forward with the cost of the replacement. Change orders 14 and 15 are for the same project. COR 14 is for the gear box and COR 15 is for additional pipe and fittings to complete the project. The third item on the change order request is a credit of \$8,916.18 as WRH was charging a 15% markup on change order requests, when 10% is the maximum allowed by contract. Overall, the change order will increase the project by \$28,862.26.

BUDGET ITEM: Sewer Funds

RESPONSIBLE DEPARTMENT: City Administrator

MAYOR/COUNCIL ACTION: Motion

ATTACHMENTS: V&K Change Order #6

PREPARED BY: Chris Nosbisch

DATE PREPARED: 1/3/20



VEENSTRA & KIMM, INC.

860 22nd Avenue, Suite 4 • Coralville, Iowa 52241-1565
319-466-1000 • 319-466-1008(FAX) • 888-241-8001(WATS)

December 27, 2019

CHANGE ORDER NO. 6

WASTEWATER TREATMENT PLANT IMPROVEMENTS 2019
MOUNT VERNON, IOWA
SRF PROJECT NO. 1920853 01

Change Order No. 6 is for the following modifications to the project:

- 1. WRH CAR 14 – Provide and install new Dorris gear drive along with bushing and backstop kits for the North Screw Pump. This replaces the existing gear drive on the North Screw Pump. LS: \$ 28,123.85
- 2. WRH CAR 15 – Provide and install two additional 24" ductile iron fittings to make pipe connection from UV Diversion Structure to Clarifier 2. LS: \$ 9,654.59
- 3. Adjustment to markup allowed on approved Change Orders 1-5. Contractor markup under contract is 10%, previously approved change orders used 15%. LS: (\$ 8,916.18)

Total: \$ 28,862.26

Change Order No. 6 increases the contract amount by \$ 28,862.26.

WRH, INC.

CITY OF MOUNT VERNON, IOWA

By 

By _____

Title SR PROJECT MANAGER

Title Mayor

Date 12-30-19

Date _____

VEENSTRA & KIMM, INC.

CITY OF MOUNT VERNON, IOWA

By 

By _____

Title Project Engineer

Title City Administrator

Date 12/26/19

Date _____

V&K Job No. 51321

AGENDA ITEM # J - 5

**AGENDA INFORMATION
MT. VERNON CITY COUNCIL COMMUNICATION**

DATE:	January 6, 2020
AGENDA ITEM:	Telephone Proposal - LBC
ACTION:	Motion

SYNOPSIS: As we near the end of the construction project, we will need to review individual equipment purchases that are separate from the building project. The first of these operational expenses will be the telephone system. Staff is asking to utilize the same service that provides telephones to City Hall and the new PD. Technicom is proposing a fee of \$4,080.00 to install the phone and communications system, as well as the training of staff on its use.

BUDGET ITEM: LBC Funds

RESPONSIBLE DEPARTMENT: Parks and Rec

MAYOR/COUNCIL ACTION: Motion

ATTACHMENTS: Supporting Documents

PREPARED BY: Chris Nosbisch

DATE PREPARED: 1/3/20



**Mount Vernon Community Wellness Center
NEC VoIP Communication Server Proposal**

TECHNICOM

COMMUNICATION SYSTEMS

December 31, 2019

Matt Siders
Mount Vernon Community Wellness Center
855 Palisades Road SW
Mount Vernon, IA 52314

Dear Matt:

Thank you for your interest in TechniCom and the opportunity to present my recommendation for your new communications system.

I established TechniCom, Inc. in 1993 to provide businesses in the area with a fresh alternative to their telephone needs. My goal was to provide business owners, managers and employees with a reliable communications system and to provide outstanding customer support with a "Customer First" approach. Twenty-six years later, our goals have not changed. From service calls, to changes to your system, our team will always provide the support your business requires.

TechniCom is an Authorized Solutions Integrator of NEC products. The SV9100 is extremely reliable, offers flexible programming, allows for new technology enhancements and most importantly is easy to use.

I believe with the NEC products and our outstanding customer support and commitment; we can provide you with a communications system that will support your needs today and well into the future.

Matt, I appreciate your consideration and I look forward to working with you and your team.

Sincerely,



Rob Frett
Owner/President

EQUIPMENT ITEMIZATION

TechniCom has analyzed your communication needs and recommends the NEC SV9100S CP20 Communications Server.

QTY DESCRIPTION

- 1 NEC SV9100S CP20 VoIP Communications Server Configured with:
 - (01) 19" Rack Mount Chassis
 - (48) System Resources
 - (04) Essential Licenses
 - (01) IP Phone License
 - (04) Productivity Licenses
 - (01) Voice Mailbox License
 - (01) Email Integration License
 - (04) Analog Outside Line Ports
 - (01) Music on Hold License
- 4 NEC DT920 Gigabit 12 Button Display Endpoints
- 1 CyberPower 1500VA UPS
- 1 Five (5) Year NEC Parts Warranty
- 1 Installation Using Existing Cables
- 1 End-User Training

*Total System Investment: \$4,080.00

Note:

*A managed Gigabit PoE data switch is required but is not included in the purchase price.
A VLAN is required but is not included in the purchase price.*

ENDPOINT



NEC DT920 Gigabit 12 Button Display Endpoint

SYSTEM SERVICE

COVERAGE HOURS

24 hours a day, 7 days a week, including holidays.

SERVICE DESCRIPTION

RESPONSE TIME

Attendant cannot place or receive calls.	No Delay
Multiple telephones cannot place or receive calls.	2 Hours
Multiple outside lines are inoperative.	2 Hours
Isolated telephones or outside lines are inoperative.	24 Hours
Moves, Adds, or Changes	3 Business Days

ONE POINT OF CONTACT

TechniCom will be the **ONLY** contact for all of your service needs. We will isolate your service problems and repair, or report to the responsible vendor to ensure rapid correction.

TRAINING

We will work with you to develop a training schedule that meets the needs of your business and will provide post installation follow-up training as required.

Initial training will include:

- Description of the new telephones
- Introduction to your customized user guide
- Explanation and practice of system features

AGENDA ITEM # J - 6

**AGENDA INFORMATION
MT. VERNON CITY COUNCIL COMMUNICATION**

DATE:	January 6, 2020
AGENDA ITEM:	Marketing/Grand Opening Events - LBC
ACTION:	Motion

SYNOPSIS: City staff is proposing a VIP opening event for the LBC on Saturday, January 25, 2019 (tentatively 5-8 p.m.). Staff would also propose a grand opening event for the general public for the second or third week in February. This would be marketed to a wider metro audience as we look to continue our membership drive into the spring. The VIP event would be a catered event with a short presentation (and possible ribbon cutting) to begin the evening. The grand opening event would be a more casual event designed to showcase membership to the facility. Staff is looking at a marketing, catering and event budget of \$15,000 - \$18,000 (total for both events).

BUDGET ITEM: LBC Funds

RESPONSIBLE DEPARTMENT: City Administrator

MAYOR/COUNCIL ACTION: Motion

ATTACHMENTS: None

PREPARED BY: Chris Nosbisch

DATE PREPARED: 1/3/20

AGENDA ITEM # J - 7

**AGENDA INFORMATION
MT. VERNON CITY COUNCIL COMMUNICATION**

DATE:	January 6, 2020
AGENDA ITEM:	Iowa Solutions Proposal - LBC
ACTION:	Motion

SYNOPSIS: Iowa Solutions will need to purchase and install the proposed equipment for the LBC operations. The total equipment estimate is \$42,137 and includes the installation and setup. There may be additional IT work needed once the facility is totally operational as the building contains a number of automated pieces of equipment.

BUDGET ITEM: LBC Funds

RESPONSIBLE DEPARTMENT: City Administrator

MAYOR/COUNCIL ACTION: Motion

ATTACHMENTS: Iowa Solutions Proposal

PREPARED BY: Chris Nosbisch

DATE PREPARED: 1/3/20



Proposal For:
 Sue Ripke
 City of Mt Vernon
 213 First St West
 Mount Vernon, IA 52314

Prepared By:
 Thomas Phan
 Iowa Solutions, Inc.
 1045 Sherman Rd
 Hiawatha, IA 52233

Rec Center - Network/WiFi Infrastructure
 Prepared Friday, December 13, 2019

One Time Items	Price	Qty	Extended
1 FortiGate 100e w/ Care & UTM Bundle (1YR)	\$3,250.00	2	\$6,500.00
2 FortiGate 8x5 Care 5-Years Adds and additional 5 years of FortiGate Care coverage for two firewalls.	\$12,000.00	1	\$12,000.00
3 Rack Mounted Battery Backup Two rack mounted battery backup units. 1500V	\$1,200.00	1	\$1,200.00
4 Ubiquiti Unifi 48 Port PoE Switch Need 750W	\$1,125.00	4	\$4,500.00
5 Ubiquiti Unifi 8 Port Switch 8-Port Switches for Flex/Game Room	\$125.00	4	\$500.00
6 Ubiquiti HD - Access Point Twice the rate of the PRO Access Point with beam steering.	\$349.00	23	\$8,027.00
7 Ubiquiti Outdoor Pro Weatherproof for outdoor patio wireless.	\$250.00	1	\$250.00
8 MISC Materials Cat6 Cable Cable Management Misc. Materials <i>Cat6 cables</i>	\$1,500.00	1	\$1,500.00
9 Labor \$1,000 - Project Management \$1,000 - Firewall & Internet Configuration \$1,200 - WAPs Configuration *Electricians will mount WAPs* \$1,500 - UPS Battery Backup, Switches & Cabling \$1,500 - Set up 4 computers and copier/printers \$1,000 - Misc. Labor \$300 - Travel - 10 Trips	\$7,500.00	1	\$7,500.00
Recurring Items			
10 Managed Devices - (Bronze)	\$10.00	5	\$50.00

Leading antivirus protection, updates and threat alerts
Windows & application patching and status reporting
Asset/software/hardware reporting

- | | | | | |
|----|---|---------|----|---------|
| 11 | Firewall - (RMM) Remote Monitor & Maint
Provides tracking of internet usage and device firmware updates.
Security services are monitored such as intrusion prevention, antivirus only if the client owns an active subscription to such services.
<i>Automated configuration backups</i>
<i>Near real-time reporting for troubleshooting</i>
<i>Utilize recommended security policies</i> | \$30.00 | 1 | \$30.00 |
| 12 | Infrastructure - (RMM) Remote Monitor & Maint
Infrastructure Remote Monitoring and Maintenance: Providing real time monitoring of critical devices on the network. Includes network reporting and proactive updates.
<i>Up to 5 Devices</i> | \$2.00 | 40 | \$80.00 |

One Time Items: \$41,977.00

Recurring Items: \$160.00

Sales Tax: \$0.00

Total: \$42,137.00

Acceptance: Proposal valid for 30 days. To proceed, please call Thomas at 319-734-5112, send an email to thomas@iowasolutions.com, or sign below and return. After Sunday, January 12, 2020, please contact us for updated pricing.

Acceptance Signature _____

Date _____

AGENDA ITEM # J - 8

**AGENDA INFORMATION
MT. VERNON CITY COUNCIL COMMUNICATION**

DATE: January 6, 2020

AGENDA ITEM: Bleachers - LBC

ACTION: Motion

SYNOPSIS: This was an identified expense as portable bleachers will be needed for sporting events. The total estimated costs associated with the movable bleachers is \$5,000. Staff would ask for permission to spend up to \$5,200 on the bleacher purchase.

BUDGET ITEM: LBC Funds

RESPONSIBLE DEPARTMENT: Parks and Rec

MAYOR/COUNCIL ACTION: Motion

ATTACHMENTS: Supporting Documents (may be handed out at the meeting)

PREPARED BY: Chris Nosbisch

DATE PREPARED: 1/3/20

AGENDA ITEM # J - 9

**AGENDA INFORMATION
MT. VERNON CITY COUNCIL COMMUNICATION**

DATE:	January 6, 2020
AGENDA ITEM:	Commercial Refrigerator - LBC
ACTION:	Motion

SYNOPSIS: Like the bleachers, this was a budgeted expense. The current bids have the purchase and installation at just under \$3,000, but it is right on the border of what I can approve internally.

BUDGET ITEM: LBC Funds

RESPONSIBLE DEPARTMENT: Parks and Rec

MAYOR/COUNCIL ACTION: Motion

ATTACHMENTS: Supporting Documents (may be handed out at the meeting)

PREPARED BY: Chris Nosbisch

DATE PREPARED: 1/3/20



Quote

01/02/2020

Bill to:
City Of Mount Vernon
Sarah

Ship to:
City Of Mount Vernon Concession
..
.. .

From:
Rapids Wholesale
Nick Schmitt
6201 South Gateway Drive
Marion, IA 52302-9430
319-447-1670
(319) 373-7296 (Contact)

Item	Qty	Description	Sell	Sell Total
1	1 ea	REFRIGERATED MERCHANDISER	2,880.00	2,880.00
		 <p>Everest Refrigeration Reach-In Glass Door Merchandiser Refrigerator, two-section, 39-3/8"W, 33.0 cu. ft. capacity, (336) 20 oz. bottle capacity, (2) sliding double-pane glass self-closing removable doors, (8) epoxy coated adjustable wire shelves, digital controls with LED display, +33° to +54°F temperature range, auto defrost, LED interior lighting with on/off switch, overheat protection alarm for compressor & condenser coil, stainless steel interior, stainless steel sides, galvanized steel top, bottom & rear, (4) adjustable screw legs, self-contained bottom mounted refrigeration, R290 Hydrocarbon refrigerant, 1,907 BTU/hr, 1/3 HP, 115v/60/1-ph, 2.5 amps, cord, NEMA 5-15P , NSF, cETLus ETL-Sanitation</p>		
	1 ea	Parts and labor: Total 3 years from installation date (there is no more additional 6 months warranty this time)		
	1 ea	Compressor: Total 5 years from installation date		
			ITEM TOTAL:	2,880.00
			Merchandise	2,880.00
			Freight	95.00
			Total	2,975.00

Rapids Wholesale

01/02/2020

Tax: Unless otherwise indicated, sales prices do not include, and Purchaser is responsible for and agrees to pay (unless Purchaser shall provide Seller at the time an order is submitted with exemption certificate or other documents acceptable to taxing or custom authorities), all sales, use, value added, excise and all other federal, state or local or foreign taxes, import or customs fees and duties associated with an order, however designated, except for Seller's franchise taxes and taxes on Seller's net income. If applicable, a separate charge for taxes will be shown on Seller's invoice. Some taxes may not be known at the time of quotation. These taxes will be added to the final contract amount and Purchaser agrees to pay all such taxes.

Freight: Freight charges unless otherwise noted includes only delivery to dock or curbside, all unloading, set in place and leveling by customer. Lift gate delivery is available at an additional charge.

Inspection of Freight: To protect your investment, the bill of lading must only be signed after the merchandise is inspected. If this step is not taken and damage has occurred, there is no recourse with the freight company for resolution or reimbursement.

Prices: Prices are good for 30 days unless otherwise stated

Returns: No returns will be accepted without prior written authorization of the Seller. Returns are subject to a minimum 30% restocking charge. Purchaser shall be responsible for the cost of freight to return products. Notwithstanding the foregoing, no returns are permitted with respect to custom design and fabricated equipment and furniture.

Specific Exclusions: Unless otherwise stated the pricing on this contract is for equipment only and does not include freight, tax, delivery or set in place. In addition all electrical, mechanical, HVAC, plumbing materials and labor, and the fees permits and licenses associated with such work are excluded unless otherwise indicated. This exclusion includes but is not limited to the following: 1. Plumbing, gas piping, refrigeration drainline installation, hanging of hand sinks, all faucet and garbage disposal installation and setup, 2. Caulking of sinks, tables and other items, 3. Plumbing, electrical and other final connections, 4. Ductwork and all penetrations within building, and all balancing of exhaust hoods and makeup air, 5. Walkin cooler/freezer piping and penetrations, hanging of evaporator coils, condensor and compressor placement, defrost timer connection and all necessary heat tape, 6. Floor tile, grout, concrete, grout leveling, and concrete leveling. 7. Concrete curbs, concrete filler, and/or sand filler. 8. Supports/blocking for FS equipment. 9. Insulation, vapor barrier, and wear slabs at the freezers and coolers.

Terms & Conditions: Our standard terms require 100% payment in advance of merchandise shipping. If buyer chooses to use a credit card for payment 4% will be added to the sell price of the contract. Terms other than this will require credit applications and trade references, which may take up to 3 weeks to complete. Final contract will require signature and completion of our standard contract form which includes all terms and conditions as stated on the face page of the Seller's Conditional Sales Contract or AIA Contract documentation as appropriate.

Acceptance: _____ Date: _____

Printed Name: _____

Project Grand Total: 2,975.00

AGENDA ITEM # J - 10

**AGENDA INFORMATION
MT. VERNON CITY COUNCIL COMMUNICATION**

DATE: January 6, 2020

AGENDA ITEM: Amendment #1 – Shoemaker Haaland

ACTION: Motion

SYNOPSIS: A combination of changeover on the downtown design committee and proposed project design changes has prompted an increase to the South Alley project design budget. Essentially, we are asking Shoemaker Halland to re-design the original layout into a pedestrian park. The fee increase is proposed to be \$19,200 for design and \$2,000 for additional survey work.

BUDGET ITEM: LOST

RESPONSIBLE DEPARTMENT: City Administrator

MAYOR/COUNCIL ACTION: Motion

ATTACHMENTS: Proposed Amendment

PREPARED BY: Chris Nosbisch

DATE PREPARED: 1/3/20



PROPOSAL

December 16, 2019

Chris Nosbisch
City Administrator
Mount Vernon, Iowa

Re: *AMENDMENT #1 STREETScape IMPROVEMENTS – SOUTH ALLEY RECONSTRUCTION
ADDITIONAL SURVEYING, CIVIL AND STRUCTURAL DESIGN SERVICES*

Dear Mr. Nosbisch:

We are pleased to provide a proposal for the additional surveying, civil and structural design services for the Streetscape Improvements – South Alley Reconstruction project located in Mount Vernon, Iowa. It is our understanding that the additional services include revising the project design based on the concept sketch from the Mount Vernon Community Design Group (CDG) emailed on 04/15/19. The project will also include storm sewer for drainage from the proposed planters that will drain from the alley to an existing intake on Highway 1.

SCOPE OF SERVICES

SURVEYING

Shoemaker & Haaland will provide additional surveying services for the South Alley Reconstruction project as outlined below:

1. Topographic Survey
 - a. Request a utility locate through Iowa One Call to mark public utilities.
 - b. Locate above ground features and marked underground utilities for proposed storm sewer work.
 - c. Update basemap to include the revised survey area.

CIVIL AND STRUCTURAL DESIGN

Shoemaker & Haaland will provide additional civil and structural design services for the South Alley Reconstruction project as outlined below:

1. Civil and Structural Design
 - a. Revise site layout based on the concept plan from CDG.

160 Holiday Road
Coralville, IA 52241
Ph. (319) 351-7150
Fax (319) 337-6792

3343 Southgate Court SW, Suite 109
Cedar Rapids, IA 52404
Ph. (319) 286-8888
Fax (319) 286-8889

2021 Main Street
Keokuk, IA 52632
Ph. (319) 524-2883
Fax (319) 524-2888

- b. Provide basic renderings and preliminary plans for CDG review and approval.
 - c. Design raised patios, planters, handrail, guardrail, foundations, and structural details.
 - d. Electrical improvements by performance specifications with design and construction by licensed electrician.
 - e. Revise plans based on CDG and City comments.
 - f. Provide updated cost opinion.
 - g. Provide final plans and specifications for bidding.
2. Meetings
- a. Attend one meeting with CDG and City staff to present and review the revised plans.
 - b. Attend one City Council meeting for project approval.

All specifications will be by plan reference to Iowa SUDAS standard specifications. If additional specification information is required notes will be added to the plan sheets to convey this information.

Shoemaker & Haaland will use AutoCAD Civil 3D to prepare the design. Electronic files in both PDF and AutoCAD drawing format will be made available to the Owner.

CONSTRUCTION PHASE SERVICES

Shoemaker & Haaland will provide construction phase services for the South Alley Reconstruction project as outlined below:

- A. Address contractor questions and perform plan interpretation.
- B. Site visits to review progress by design professional (two trips included).
- C. If requested, Shoemaker & Haaland will provide scope and fee for additional construction phase services including:
 1. Construction staking & layout.

PROJECT SCHEDULE

We can begin working on the project once we have received a signed purchase order or a signed copy of this proposal from the Owner, assuming access to the site is available. The One Call Utility process will take a minimum of ten days to complete. We will provide renderings and preliminary plans two weeks after authorization. We will provide final plans four weeks after CDG approval of preliminary plans.

FEES

We propose a lump sum fee of **\$2,000** for the additional surveying scope of services and a lump sum fee of **\$19,200** for the additional civil and structural design scope of services for the South Alley project. A bill for services rendered will be submitted to the Owner monthly as the project progresses.

OUT OF SCOPE WORK

1. Any disciplinary work not mentioned in this proposal (i.e. mechanical, electrical, plumbing, geotechnical, etc.).
2. Legal and/or boundary survey.
3. Easement research, preparation and/or negotiation.
4. Geotechnical exploration and reports.
5. Anything not explicitly stated in this proposal.

RESPONSIBILITY OF THE OWNER

1. Provide access to the property.
2. Locations of any private utilities wishing to be shown of the final documents.
3. Desired site layout.
4. Geotechnical Report and recommendations, if available.
5. Permit and/or application fees.

GENERAL TERMS OF AGREEMENT

All services will be performed in accordance with the attached terms and conditions. If you wish to authorize us to proceed, please sign one copy of this letter in the space below and return to us.

Please let us know if you have any questions about this proposal or your project. We would be happy to meet with you to review the proposal, our qualifications, or the project in greater detail. Thank you and we look forward to working with you.

Sincerely,

SHOEMAKER & HAALAND PROFESSIONAL ENGINEERS



Robert A. Bang, P.E.

Accepted for The City of Mount Vernon on this ____ day of _____, 20__.

By: _____
Signature

Title

Terms and Conditions

Definition. The use of the term Engineer includes, Shoemaker & Haaland Professional Engineers, its Engineers, officers, directors, shareholders, employees and agents, designees, or assignees.

Scope of Service. The scope of service is included in the attached correspondence. Services not expressly identified are excluded from Engineer's scope of service.

Standard of Care. Services performed by Engineer under this Agreement will be with the level of care and skill ordinarily exercised by members of the profession currently practicing in similar conditions, time, and location. No warranty, express or implied, is made or intended for the services under this Agreement.

Cost Estimates. Any Estimate of the Construction Cost or other costs prepared by Engineer represents his estimate or opinion as a design professional and is supplied for general guidance of Client. Engineer has no control over cost of labor and material or over competitive bidding or market conditions, and Engineer does not guarantee the accuracy of such estimates or have any liability if contractor bids or actual cost to Client exceeds Engineer's cost estimate.

Client Information. Client shall provide all criteria, design parameters, construction standards, and full information as to Client's requirements for the Project including design objectives and constraints, space, capacity and performance requirements, and budgetary limitations. Client shall also provide location information for buried utilities and/or structures, tests of subsurface conditions, and any other pertinent data. Engineer shall be entitled to rely on the accuracy and completeness of all information (electronic or otherwise) provided by Client to Engineer. Accordingly, Client agrees, to the fullest extent permitted by law, to indemnify and hold Engineer and Engineer's officers, directors, shareholders, employees, agents and Engineer's consultant harmless from and against any and all claims, losses, costs or damages of any nature whatsoever for injury or loss arising or allegedly arising from errors, omissions or inaccuracies in documents or other information provided by Client to Engineer.

Access To Sites, Permits and Approvals. Unless otherwise agreed, Client will furnish Engineer with right-of-access to the site(s). Engineer will take reasonable precautions to minimize any damage to the property. Some damage may occur as a result of Engineer's access, and the restoration, repair or cost is not part of this agreement or Engineer's responsibility. Unless otherwise agreed, Client will secure all necessary approvals, permits, licenses and consents necessary to the performance of the services hereunder.

Hidden Conditions. A condition is hidden if concealed by existing earth, facilities or finishes or if it cannot be visually observed without uncovering the condition. If Engineer has reason to believe that such a condition may exist, Engineer shall notify Client who shall authorize and pay for all costs associated with the investigation, repair or remediation of said condition. Client is responsible for all risks associated with this condition, and Engineer shall not be responsible for the existing condition or any resulting damages to persons or property. Client has disclosed to Engineer all data available to Client concerning known or suspected Hazardous Environmental Conditions or has represented to Engineer that, to the best of Client's knowledge, a Hazardous Environmental Condition does not exist at or near the site.

Shop Drawing Review. If, as a part of this Agreement, Engineer reviews and approves Contractor submittals, such as shop drawings, product data, samples and other data, these reviews and approvals shall be only for the limited purpose of checking for conformance with the design concept and the information expressed in the contract documents. This review shall not include review of the accuracy or completeness of details, such as quantities, dimensions, weights or gauges, fabrication processes, construction means or methods, coordination of the work with other trades or construction safety precautions, all of which are the sole responsibility of the Contractor. Engineer's review shall be conducted with reasonable promptness while allowing sufficient time in Engineer's judgment to permit adequate review. Review of a specific item shall not indicate that Engineer has reviewed the entire assembly of which the item is a component. Engineer shall not be responsible for any deviations from the contract documents not brought to the attention of Engineer in writing by Contractor. Engineer shall not be required to review partial submissions or those for which submissions or correlated items have not been received.

On-Site Observation. If on-site observation of Contractor's work is a part of this Agreement, Engineer shall make visits to the site at intervals appropriate to the various stages of construction as Engineer deems reasonable. The site visits are for the limited purpose of becoming generally familiar with the progress and quality of the work completed and to determine in general if the work is being performed in a manner indicating that the work when completed will be in accordance with the contract documents. However, Engineer shall not be required to make exhaustive or continuous on-site inspections to check the quality or quantity of the work. Engineer does not guarantee or warrant the performance of Contractor. Engineer is not responsible for construction means, methods, techniques, sequence or procedures, time of performance, or programs in connection with the construction work. Engineer is not responsible for Contractor's failure to execute the work in accordance with the contract documents. Engineer is not responsible in any way for Contractor's, Subcontractors', or their agents or employee's compliance with OSHA or any federal, state or local laws or regulations. Engineer is not responsible for Project or site safety. Project and site safety shall be the sole responsibility of Contractor. Engineer shall not have control over or charge of acts or omissions of Contractor, Subcontractor, or their agents or employees, or any other persons performing portions of the work. Given the foregoing, Client also shall, to the fullest extent permitted by law, waive any claim against Engineer, and indemnify, defend, and hold Engineer harmless from any claim or liability for injury or loss arising from Engineer's alleged failure to exercise site safety responsibility. Client also shall compensate Engineer for any time spent or expenses incurred by Engineer in defense of any such claim. Such compensation shall be based upon Engineer's prevailing fee schedule and expense reimbursement policy.

Termination. This agreement may be terminated by either party with seven (7) days written notice in the event of substantial failure to perform in accordance with the terms of this agreement by the other party through no fault of the terminating party. In the event of termination, Engineer shall be paid for any and all services performed to the termination notice date plus, direct project expenses and reasonable termination expenses. Expenses of termination or suspension shall include all direct costs of Engineer incurred to complete analyses, records, or files and may also include a report on the services performed to the date of notice of termination or suspension.

Payment. Progress payment shall be made for services performed and shall be due upon receipt of invoice. Compensation for additional services shall be paid at Engineer's standard hourly rates. Payment of any invoice by Client shall mean Client is satisfied with Engineer's services to date of payment and is not aware of any deficiencies in those services. If payments are delinquent after thirty (30) days from invoice date, Client agrees to pay interest on the unpaid balance at the rate of 1-1/2% per month from the date of invoice. Any charges held to be in dispute shall be called to the Engineer's attention in writing within ten (10) days of receipt of invoice. Any dispute not resolved within ten (10) days following receipt of written objection shall be resolved within thirty (30) days in accordance with the Mediation provision of this Agreement. Interest as stated above shall be paid on disputed amounts resolved in Engineer's favor. Client agrees to pay attorney fees and all collection costs associated with past due invoices not brought to Engineer's attention as disputed; or in proportion to the results of the Mediation provision, if used. If Client fails to make monthly payments due Engineer, Engineer may after giving seven (7) days written notice to Client, suspend services under this agreement if disputed charges are not paid within 45 days of receipt of Engineer's invoice, and Client agrees to waive any claim against Engineer, and to indemnify, defend and hold Engineer harmless from and against any claims arising from Engineer's suspension or termination due to Client's failure to provide timely payment. No deductions shall be made from Engineer's Compensation on account of any Claim by Client for alleged errors or omissions in the services provided by Engineer.

Delays. If the Project is delayed or if Engineer's services for the Project are delayed or suspended for more than three (3) months for reasons beyond Engineer's control, Engineer may after giving seven (7) days written notice to Client terminate this Agreement and Engineer shall be paid for services performed to the termination notice date,

including direct project expenses due, plus termination expenses. If the Project continues after a delay or suspension of more than 90 days, Engineer shall be entitled to an equitable adjustment of rates and amounts of compensation to reflect costs incurred as a result of such delay or suspension.

Construction Defects. Engineer shall not be responsible for the defects, deficiencies, or omissions in the work of Contractor, any Subcontractor, any of Contractor's or Subcontractor's employees, or any person or entities responsible for performing work which results from the construction contract documents to be prepared by Engineer. Engineer shall have the authority to recommend to the Client rejection of any work that is not, in the judgment of the Engineer, in conformance with the Construction Documents or work plans. Neither this authority nor Engineer's good-faith judgment to reject or not reject any work shall subject Engineer to any liability or cause of action to Contractor, subcontractors or any other suppliers or persons performing work on this project.

Ownership of Documents. In accepting and utilizing any drawings, specifications, reports, work product, or other data, including data on any form of electronic media (all hereafter referred to as drawings and data) generated and provided by Engineer, Client covenants and agrees that all such drawings and data are instruments of service of Engineer, who shall be deemed the author of the drawings and data, and shall retain all common law, statutory law and other rights, including copyrights, whether the Project is completed or not. In the event of conflict between electronic media and sealed drawings, sealed drawings govern. Client and Engineer agree that any CADD files prepared by Engineer shall conform to Engineer's standard procedure unless noted otherwise in writing. The drawings and data submitted by Engineer to Client are submitted for an acceptance period of 14 days. Any defects Client discovers during this period will be reported to Engineer and will be corrected as part of Engineer's Basic Scope of Services. Correction of defects detected and reported after the acceptance period will be compensated as Additional Services. Client further agrees not to use the drawings and data, in whole or in part, for any purpose or project other than the Project which is the subject of this Agreement. Client shall make no claim against Engineer resulting in any way from any unauthorized changes or reuse of the drawings and data for any other project by anyone. In addition, Client agrees, to the fullest extent permitted by law, to indemnify and hold Engineer harmless from any damage, liability or cost, including reasonable attorney's fees and costs of defense, arising from any changes made by anyone other than Engineer or from any reuse of the drawings and data without the prior written consent of Engineer. Under no circumstances shall transfer of the drawings and data and other instruments of service on electronic media for use by Client be deemed a sale by Engineer, and Engineer makes no warranties, either express or implied, of merchantability and fitness for any particular purpose.

Limitation of Liability. In recognition of the relative risks and benefits of the Project to both Client and Engineer, the risks have been allocated such that Client agrees, to the fullest extent permitted by law, to limit the liability of Engineer and Engineer's officers, directors, shareholders, employees, agents and its consultants to Client and to all construction contractors and subcontractors on the Project for any and all claims, losses, costs, damages of any nature whatsoever, including but not limited to Engineer's negligence, professional errors or omissions, strict liability, breach of contract, warranty express or implied, or claims expenses from any cause or causes, including attorneys' fees and costs and expert witness fees and costs, so that the total aggregate liability of Engineer and Engineer's officers, directors, shareholders, employees, agents and its consultants to all those named shall not exceed Engineer's total fee for services rendered on this Project. It is intended that this limitation apply to any and all liability or cause of action however alleged or arising. In no event shall Engineer be liable for incidental or consequential damages.

Indemnity. Client will require any contractor or subcontractor performing work in connection with drawings and specifications produced under this agreement to indemnify and hold harmless Client and Engineer and Engineer's officers, directors, shareholders, employees, agents and consultants from and against any and all claims, costs, losses, and damages (including but not limited to all fees and charges of Engineers, architects, attorneys and other professionals and all court or arbitration or other dispute resolution costs) arising out of or alleged to arise from the Contractor's or Subcontractor's negligent acts or omissions in the performance of the work described in the construction contract documents, but not including liability that is due to the negligence of Client, Engineer, or Engineer's officers, directors, shareholders, employees, agents or consultants.

To the fullest extent permitted by law, Client shall indemnify and hold harmless Engineer, Engineer's officers, directors, shareholders, employees and agent and Engineer's consultants from and against any and all claims, suits, demands, liabilities, costs, losses and damages (including but not limited to all fees and charges of Engineers, architects, attorneys and other professionals and all court or arbitration or other dispute resolution costs) caused by the negligent acts or omissions of Client or Client's officers, directors, partners, employees, agents and Client's consultants with respect to this Agreement or the Project.

To the fullest extent permitted by law, Client shall indemnify and hold harmless Engineer, Engineer's officers, directors, shareholders, employees and agent from and against any and all claims, suits, demands, liabilities, costs, losses and damages (including but not limited to all fees and charges of Engineers, architects, attorneys and other professionals and all court or arbitration or other dispute resolution costs) arising out of or in any way connected with the detection, presence, handling, removal, abatement, or disposal of any asbestos or hazardous or toxic substances, fungi or bacteria, products or materials that exist on, about or adjacent to the Project site, whether liability arises under breach of contract or warranty, tort, including negligence, strict liability or statutory liability or any other cause of action, except for the sole negligence or willful misconduct of Engineer.

Mediation. In an effort to resolve any conflicts that arise during the design or construction of the Project or following the completion of the Project, Client and Engineer agree that all disputes between them arising out of or relating to this Agreement shall be submitted to nonbinding mediation unless the parties mutually agree otherwise. Client and Engineer further agree to include a similar mediation provision in all agreements with independent contractors and consultants retained for the project and to require all independent contractors and consultants also to include a similar mediation provision in all agreements with subcontractors, subconsultants, suppliers or fabricators so retained, thereby providing for mediation as the primary method for dispute resolution between the parties to those agreements.

Acknowledgment. Client acknowledges that Engineer is a corporation and agrees that any claim made by Client arising out of any act or omission of any officer, director, shareholder or employee of Engineer, in the execution or performance of this Agreement, shall be made against Engineer and not such officer, director, shareholder or employee.

Force Majeure. Engineer shall not be responsible or liable for any damages or delay, including, but not limited to, those which arise from Acts of God, strikes, walkouts, accidents, Government Acts, or other events beyond the control of Engineer.

Laws. This agreement shall be governed by the laws of the State of Iowa.

Severability. In the event any provisions of this agreement shall be held to be invalid and unenforceable, the remaining provisions shall be valid and binding upon the parties. One or more waivers by either party of any provision, term, condition or covenant shall not be construed by the other party as a waiver of a subsequent breach of the same by the other party. All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating responsibility or liability between Client and Engineer, including ownership of documents, shall survive the completion of the services hereunder and the termination of this Agreement.

Assigns. Neither Client nor Engineer shall delegate, assign, substitute or otherwise transfer its duties under this agreement without the written consent of the other party.

AGENDA ITEM # J - 11

**AGENDA INFORMATION
MT. VERNON CITY COUNCIL COMMUNICATION**

DATE:	January 6, 2020
AGENDA ITEM:	Development Agreement
ACTION:	Motion

SYNOPSIS: The City Council agreed to help with 50% of the costs associated with resurfacing the parking lot on the east end of the downtown. This is a simple agreement identifying the dollar amount and terms of the payment.

BUDGET ITEM: LOST

RESPONSIBLE DEPARTMENT: City Administrator

MAYOR/COUNCIL ACTION: Motion

ATTACHMENTS: Handed Out at the Meeting

PREPARED BY: Chris Nosbisch

DATE PREPARED: 1/3/20

AGENDA ITEM # J - 12

**AGENDA INFORMATION
MT. VERNON CITY COUNCIL COMMUNICATION**

DATE: January 6, 2020

AGENDA ITEM: Police Station

ACTION: Motion

SYNOPSIS: Chief Shannon has been looking at various design options for the office area of the new police station. I have asked him to submit a memo outlining the various options, along with staff's recommendation moving forward.

BUDGET ITEM: FF and Operating Budgets

RESPONSIBLE DEPARTMENT: Police Chief

MAYOR/COUNCIL ACTION: Motion

ATTACHMENTS: Supporting Documents (Distributed at the Meeting or via Email)

PREPARED BY: Chris Nosbisch

DATE PREPARED: 1/3/20

L. Discussion Items (No Action)

AGENDA ITEM # L - 1

**AGENDA INFORMATION
MT. VERNON CITY COUNCIL COMMUNICATION**

DATE: January 6, 2020

AGENDA ITEM: CIP

ACTION: None

SYNOPSIS: I have included the final CIP for FY 21 along with a memo explaining the various funding scenarios. The timing of incoming cash will dictate the construction schedule of a number of projects. It may also impact whether the projects receive funding in FY 21 or need to be pushed to FY 22.

BUDGET ITEM: N/A

RESPONSIBLE DEPARTMENT: City Administrator

MAYOR/COUNCIL ACTION: None

ATTACHMENTS: Memo (CIP Spreadsheet in a Separate Email)

PREPARED BY: Chris Nosbisch

DATE PREPARED: 1/3/20

Memorandum

To: Mayor and City Council
From: Chris Nosbisch, City Administrator
Date: 1/3/2020
Re: FY 20 & 21 CIP

There are a number of moving pieces within the latest version of the capital improvement plan as it relates to both projects and funding sources. Many projects will be let in FY 20, but carryover into FY 21. Staff has listed additional projects that could be completed by the Council in FY 21, should revenue collections outpace initial estimates. This memo should serve as the roadmap for Council and staff through the FY 20-21 CIP.

Revenues:

The following table outlines the expected collections for the remainder of FY 20 and anticipated collections for FY 21.

Table 1: Franchise Fees

Existing cash	\$178,537	At the end of the Nov 2019 reconciliation
Remaining FY 20 collections	\$120,000	This accounts for October – March. April – June will be receipted in July, just after the start of FY 21. This is a conservative estimate of \$60,000 per quarter
TIF reimbursement	\$100,000	\$100,000 of FF was used for the police station purchase and will be reimbursed after July 1, 2020
FF collection in FY 21	\$200,000 - \$240,000	This is a conservative estimate of expected FF revenue collections for FY 21

* Conservative estimates for future franchise fee revenue are used by staff as the City has yet to collect a consistent year's worth of revenue. Alliant Energy provided initial revenue estimates of \$30,000 for every 1% collected. The City reached the third and final increase of the franchise fee in October 2019 (the total is now 5%). To date, franchise fee revenues are outpacing Alliant Energy's estimations.

Table 2: Other Revenue Sources

Grant fund reimbursement	\$59,965	This is the money we will receive back from the State for the 1 st St and 5 th Ave traffic signal project
Remaining Street funds	\$160,000.00	A small balance remains from the 2014 bond proceeds that will be utilized for the quiet zone and wagon pass
LOST Trails	\$337,000	This includes \$100,000 that was received from Wellmark for the wellness center trail project
LOST UR and Streetscape	\$220,000 - \$250,000	This project estimate has increased as the design recommendations have become more intricate
Solid Waste and RUT	\$190,000	A majority of the funds will come from solid waste. The fund has become healthier with the City takeover of the leaf program
IaDOT Transition Funds	\$570,000	This is currently a placeholder as the monies listed represent the initial offer from IaDOT
Depreciation Accounts	\$100,000	\$80,000 currently sits in the depreciation accounts of RUT, sewer and water while \$20,000 sits in the police department vehicle fund

Expenses:

The City has a number of projects that are scheduled to begin in FY 20, with some likely to carry over into FY 21. The timing of the projects will determine the funding sources that will be utilized by city staff. The uncertainty of project completion dates, coupled with previously unidentified projects, has led to a more complex CIP plan for FY 20 and FY21. Large scale projects in enterprise funded accounts will require the City to become more reliant on franchise fees moving forward. The projects in table 3 are listed based upon priority and available funding. The projects in table 4 have a designated funding source and should be complete by spring 2021.

Table 3: FF and Limited Resource Projects

Project Name	Budget Estimate	Proposed Construction	Funding Mechanism
Quiet Zone	\$67,000	Spring 2020 (FY 20)	Remaining street funds

Wagon Pass	\$180,000	Winter/Spring 2020 (FY 20)	Remaining street funds, grant reimbursements
1 st Street Overlay	\$440,000	Summer 2020 (FY 20 and FY 21)	\$293,332 in FF for FY 21 and \$146,666 needed in FF for FY 22
1 st Street Bridge	\$180,000	Winter/Spring 2020 (FY 20)	FF
Police Department Building Construction	\$100,000	Money allocated for FY 2021	FF
* Davis Park Concession/Restroom	\$60,000	Fall 2020 or Spring 2021	FF
* Davis Park Lighting	\$40,000	Fall 2020 or Spring 2021	FF
* 10 th and Summit Intersection Improvements	\$45,000	Spring 2021	FF
Total for Table 3	\$1,112,000		
Total for FY 20 & 21	\$973,334		
Total for FY 22	\$146,666		

* These projects have been identified as the lowest priority by city staff. If the conservative estimates for the franchise fees hold, there will not be enough funding sources to complete the projects in FY 21. Should the franchise fee dollars exceed estimates, the Council could reinstate these projects in the spring of 2021.

Table 4: Enterprise Funds and Equipment Purchases

Project Name	Budget Estimate	Proposed Construction	Funding Mechanism
Nature Park Trail	\$100,000	Spring 2020 (FY 20)	LOST
Wellness Center Trail	\$200,000	Spring 2020 (FY 20)	LOST, Grant funding
South Alley Improvements	\$210,000	Summer/Fall 2020 (FY 21 likely)	LOST

PW Site	\$200,000	Summer 2020 (FY 21)	Solid Waste & RUT (Heavy on solid waste reserves to decrease the balance)
Dump Truck	\$220,000	Ordered Spring 2020 (FY 20), Delivered Fall 2020 (FY 21)	laDOT transition funds
Police Vehicle Replacement	\$45,000	Ordered Spring 2020 (FY 20), Delivered Summer 2020 (FY 21)	\$20,000 from FY 20 (Police vehicle depreciation account), and \$25,000 from FY 21 earmarked for the police vehicle depreciation account
F-150 Replacement	\$22,000	Summer/Fall 2020 (FY 21)	RUT Operating
Mini Excavator	\$100,000	Summer/Fall 2020 (FY 21)	RUT, Water, Sewer depreciation accounts (+trade in value)
Mower	\$30,000	Summer/Fall 2020 (FY 21)	Depreciation accounts and RUT Operating
Trailer	\$15,000	Summer/Fall 2020 (FY 21)	Water and Sewer Operating

Funding mechanisms may be shifted slightly, but the dollar amounts and location of funds will remain the same. Meaning depreciation accounts may be used for the F-150 and operational funds form sewer and water may be used for the mini excavator. We will know more as we work to finalize FY 21 budgets.

M. Reports Mayor/Council/Admin.

**CITY OF MT. VERNON
CITY ADMINISTRATOR
REPORT TO THE CITY COUNCIL
January 6, 2020**

- Staff will begin to work through “punch list” items with the contractor and design team at the LBC. The contractor is hoping to get the City a temporary occupancy permit by the week of the January 6, 2020 workweek.
- At the next Council meeting, the agenda will include a change of date for both meetings in February. A number of you indicated a desire to move from caucus Monday and February 17, 2020 is President’s Day.
- Staff is working on preliminary budget numbers, but early indications are that we will be able to keep the levy rate steady at \$12.99 per \$1,000.