

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:	February 4, 2020 – 6:30 PM
Web Page:	www.cityofmtvernon-ia.gov
Posted:	January 31, 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**

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 – January 20, 2020 Regular Council Meeting**
- 2. **Approval of Liquor License – Kernoustie Golf Club**

- E. **Public Hearing**

- 1. **None**

- F. **Ordinance Approval/Amendment**

- 1. **None**

- G. **Resolutions for Approval**

- 1. **Resolution #2-4-2020A: Approving the Disposal of Municipal Property**
- 2. **Resolution #2-4-2020B: Approving the Amended Lease Agreement with LSC Financial Services for Additional Equipment**
- 3. **Resolution #2-4-2020C: Directing the Sale of \$500,000 (Subject to Adjustment per Terms of Offering) General Obligation Urban Renewal Bonds, Series 2020**

- 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 #8 – 2019 Wastewater Treatment Plant Improvements – Council Action as Needed
3. Discussion and Consideration of Membership Donation for Mount Vernon HS Football – Lester Buresh Family Community Wellness Center – Council Action as Needed
4. Discussion and Consideration of Membership Donation for St. John's Church – Lester Buresh Family Community Wellness Center – Council Action as Needed
5. Discussion and Consideration of Fee Reduction for National Resilience Institute – Lester Buresh Family Community Wellness Center – Council Action as Needed
6. Discussion and Consideration of Membership Fees – Lester Buresh Family Community Wellness Center – Council Action as Needed
7. Discussion and Consideration of Setting a Public Hearing Date for March 3, 2020 to Consider the City of Mt. Vernon Fiscal Year 2020-2021 Proposed Budget – Council Action as Needed
8. Discussion and Consideration of Mt. Vernon Bulk Water Sales Policy – Council Action as Needed
9. Discussion and Consideration of Bond Counsel Engagement Agreement – Council Action as Needed

K. Reports to be Received/Filed

1. None

L. Discussion Items (No Action)

1. Possible Budget Discussions

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 20, Exempt Session for Employee Relations

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 January 20, 2020 at the Mount Vernon City Council Chambers with the following members present: Roudabush, West, Wieseler and Rose. Absent: Herrmann.

Call to Order. At 6:30 p.m. Mayor Jamie Hampton called the meeting to order.

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

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

Approval of City Council Minutes – December 16, 2019 Regular Council Meeting

Approval of Liquor License – Wilkie Liquors

Approval of Liquor License – Scorz Bar and Grill

Approval of Liquor License – Yock's Landing

Appoint Mike Buser – EMA

Appoint Mike Buser and Doug Shannon – Linn County E911

Appoint Tom Wieseler – Mayor Pro Tem

Appoint Deb Herrmann and Tom Wieseler – Personnel Committee

Appoint Eric Roudabush and Scott Rose – Safety Committee

Appoint Deb Herrmann and Stephanie West – Finance Committee

Appoint Scott Rose and Eric Roudabush – Infrastructure Committee

Appoint Stephanie West and Deb Herrmann – Economic Development Committee

Appoint Eric Roudabush and Chris Nosbisch – Fire Department Advisory Board

Appoint Tom Wieseler – Liaison to Cole Public Library

Appoint Tom Wieseler – Liaison to Cornell College

Appoint Deb Herrmann - Housing Commission

Appoint Doug Shannon, Derek Boren, Lori Lynch and Lisa Cannon - LMVAS Board.

Resolutions for Approval

Resolution #1-20-2020A: Approving the Disposal of Municipal Property. Public Works and the Police Department listed items for disposal that were no longer needed or were left when the new PD station was purchased. Items will be sold through an auction service or placed on the GovDeals website. Motion to approve Resolution #1-20-2020A made by Rose, seconded by Wieseler. Roll call vote. Motion carries. Absent: Herrmann.

Resolution #1-20-2020B: Scheduling a Public Hearing for the City of Mount Vernon FY 2020-2021 Maximum Property Tax Dollars. As mandated by the State, the City must now provide additional notification and information relating to the City's tax levy. Motion to approve Resolution #1-20-2020B made by West, seconded by Rose. Roll call vote, Motion carries. Absent: Herrmann.

Resolution #1-20-2020C: Resolution Approving an Agreement between the City of Mount Vernon and the Iowa Department of Transportation for the Sign Replacement Program for Cities and Counties. Public Works Department is applying for \$5,000.00 in sign funding from the IDOT to replace old and damaged

signs within the City limits. Motion to approve resolution #1-20-2020C made by Wieseler, seconded by West. Roll call vote. Motion carries. Absent: Herrmann.

Motions for Approval

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

AAA PEST CONTROL	PEST CONTROL-PD CONSTR	110.00
AAA PEST CONTROL	PEST CONTROL-P&A	30.00
AFFORDABLE HEATING & COOLING	HVAC MAINT-P&A	674.28
AIRGAS INC	CYLINDER RENTAL FEE-PW	64.93
ALL SECURE	SECURITY SYST MONITORING-POOL	75.00
ALLIANT IES UTILITIES	ENERGY USAGE-ST LIGHTS	4,175.48
ALLIANT IES UTILITIES	ENERGY USAGE-SEW	3,391.54
ALLIANT IES UTILITIES	ENERGY USAGE-WAT	2,539.59
ALLIANT IES UTILITIES	ENERGY USAGE-RUT	1,151.10
ALLIANT IES UTILITIES	ENERGY USAGE-FD	1,009.54
ALLIANT IES UTILITIES	ENERGY USAGE-P&A	734.06
ALLIANT IES UTILITIES	ENERGY USAGE-SEW	729.73
ALLIANT IES UTILITIES	ENERGY USAGE-RUT,PD	546.83
ALLIANT IES UTILITIES	ENERGY USAGE-WAT	365.84
ALLIANT IES UTILITIES	ENERGY USAGE-ST LIGHTS	226.46
ALLIANT IES UTILITIES	ENERGY USAGE-P&REC	148.01
ALLIANT IES UTILITIES	ENERGY USAGE-ST LIGHTS	146.35
ALLIANT IES UTILITIES	ENERGY USAGE-RUT,P&A,WAT,SEW	78.92
ALLIANT IES UTILITIES	ENERGY USAGE-POOL	69.85
ALLIANT IES UTILITIES	ENERGY USAGE-P&REC	61.55
ALLIANT IES UTILITIES	ENERGY USAGE-EMA	42.99
ALLIANT IES UTILITIES	ENERGY USAGE-CEM	18.41
ALLIANT IES UTILITIES	ENERGY USAGE-WAT	1,716.87
ALLIANT IES UTILITIES	ENERGY USAGE-PD CONSTR	1,147.49
ALLIANT IES UTILITIES	ENERGY USAGE-SEW	72.45
ALLIANT IES UTILITIES	ENERGY USAGE-P&REC	50.90
ALLIANT IES UTILITIES	ENERGY USAGE-WAT	22.68
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-P&REC	622.50
BARNYARD SCREEN PRINTER LLC	UNIFORMS-RUT	217.00
BRADLEY HAUGE CPA	PROFESSIONAL SERVICES-ALL DEPTS	1,805.00
BRADY LANHAM	ELECTRICAL-NEW PD	4,660.00
CARQUEST OF LISBON	VEHICLE MAINT-FD	54.10
COGRAN SYSTEMS	ONLINE REGISTRATION FEES-P&REC	44.00
CUSTOM HOSE & SUPPLIES INC	HYDRAULIC HOSE BELT-RUT	153.24
DE NOVO MARKETING	DIGITAL MEMBERSHIP DRIVE CAMPAIGN	589.85
DELTA DENTAL OF IOWA	INSURANCE-ALL DEPTS	1,465.80
FOSTERS HEATING & AIR CONDITIONING	FURNACE MAINT-PD CONSTR	509.97
FRANCESCA LEE THOMPSON	CLEANING SERVICE-P&A	75.00
FRANCESCA LEE THOMPSON	CLEANING SERVICE-P&A	75.00
GALLS INC	UNIFORMS-PD	33.76
GALLS INC	UNIFORMS-PD	36.80
GALLS INC	UNIFORMS-PD	25.60
GARLING CONSTRUCTION INC	WELLNESS CENTER-LOST III	404,574.58
GROUP SERVICES INC	INSURANCE-ALL DEPTS	6,348.50
IOWA DARE ASSOCIATION	MEMBERSHIP-PD	100.00
IOWA DEPT OF PUBLIC SAFETY	ON LINE WARRANTS-PD	300.00
IOWA LAW ENFORCEMENT ACADEMY	TRAINING-PD	150.00

IOWA PRISON INDUSTRIES	FINISHED STAMP-PD	30.20
IOWA SOLUTIONS INC	COMP, SERVER MAINT-LBC,P&A,RUT	1,380.00
IOWA SOLUTIONS INC	COMP MAINT-PD	558.10
IOWA SOLUTIONS INC	NEW EMAIL SETUP-PD	67.50
JOAN BURGE	CLEANING SERVICE-P&A	75.00
JOAN BURGE	CLEANING SERVICE-P&A	75.00
JOE'S QUALITY WINDOW CLEANING	WINDOW CLEANING-P&A	150.00
KONICA MINOLTA BUSINESS SOLUTIONS	MAINTENANCE PLAN/COPIES	229.35
LINN COUNTY PUBLIC HEALTH	CONC STAND/FOOD SERVICE LICENSE	150.00
LOU'S GLOVES	GLOVES-SEW	86.00
LYNCH FORD	5K MI MAINT-PD	46.68
MACQUEEN EQUIPMENT	SHIM RADIATOR-SW	55.73
MARKET STREET TECH	DEPOSIT-MVHPC	1,000.00
MEDIACOM	PHONE/INTERNET-PD	634.45
MEDIACOM	PHONE/INTERNET-POOL	182.64
MEDIACOM	PHONE/INTERNET-RUT	180.60
MIDWEST STORAGE SOLUTIONS	SHELVING-LBC	14,931.98
MOUNT VERNON ACE HARDWARE	TOOLS-FD	1,586.83
MOUNT VERNON BANK & TRUST CO	DEPOSIT SLIPS-ALL DEPTS	103.57
MOUNT VERNON, CITY OF	POSTAGE-MVHPC	73.50
MOUNT VERNON, CITY OF	REC DESK CC FEE-LBC	12.52
MT VERNON CAR WASH	CAR WASH-PD	40.00
MV ACE HARDWARE	SUPPLIES-ALL DEPTS	1,447.01
OPN ARCHITECTS	WELLNESS CENTER-LOST III	28,619.99
OVERHEAD DOOR CO	BLDG MAINT-FD	152.50
P&K MIDWEST INC	FILTERS-RUT	381.27
PAYROLL	CLAIMS	67,038.32
POSTMASTER	MARKETING MAIL	235.00
RACOM CORPORATION	TOOLS-FD	525.00
RED LION RENEWABLES	SOLAR ELECTRIC PRODUCTION-P&A	93.28
REXCO EQUIPMENT INC	REPAIR HYDRAULIC FAN MOTOR	3,447.18
SHOWBIZ SCREEN PRINTING INC	UNIFORMS-FD	840.00
STAPLES ADVANTAGE	FILES,POST ITS,CLIPS-ALL DEPTS	161.83
STATE HYGIENIC LAB	TESTING-SEW	2,364.50
STORM STEEL	BASE PLATES,SHEETING,LEAF HOOD	4,115.02
SUN LIFE ASSURANCE CO	INSURANCE-ALL DEPTS	1,281.38
THE KERNELS	DEPOSIT-P&REC	500.00
TITAN MACHINERY	SECTIONAL SNOW PUSHER-RUT	19,355.00
UNITED HEALTH CARE	INSURANCE-ALL DEPTS	20,325.52
US CELLULAR	CELL PHONE-PD	165.02
USA BLUE BOOK	SUPPLIES-WAT	392.25
VERIZON CONNECT	INFORMATION SYSTEMS-PW	227.40
WEX BANK	FUEL-PD	1,083.30
WOODWARD COMMUNITY MEDIA	ADS/PUBLICATIONS-P&REC,LBC	2,865.62
WRH INC	WWTP IMPROVEMENTS 2019	104,986.72
ZATYK HOLUB	REFEREE-P&REC	90.00
TOTAL		723,584.31
COMMUNITY CENTER - OPERATIONS		602.37
COMMUNITY CENTER LOST III - CONST		451,237.17
GENERAL FUND		31,610.66
PAYROLL		67,038.32
POLICE STATION CONSTRUCTION		6,643.60

ROAD USE TAX FUND	33,740.31
SEWER FUND	13,539.42
SOLID WASTE	1,276.50
STORM WATER	853.22
WATER FUND	12,056.02
WWTP UV DISINFECTION	104,986.72
TOTAL	723,584.31

REVENUES FOR DECEMBER 2019	
CULTURE & RECREATION	2,435.78
DEBT SERVICE	1,957.05
GENERAL GOVERNMENT	1,830,500.49
PUBLIC SAFETY	7,016.85
PUBLIC WORKS	220,800.57
TOTAL	2,062,710.74

Discussion and Consideration of Change Order #46 – Lester Buresh Family Community Wellness Center – Council Action as Needed. Change Order #46 is for the amount of \$19,430.82 and is for additional basketball hoops. Portable hoops were originally planned but the weight would most likely damage the laminate floors. The alternative is to purchase/install two ceiling mounted hoops. Motion to approve Change Order #46 made by West, seconded by Wieseler. Motion carries. Absent: Herrmann.

Discussion and Consideration of Change Order #49 – Lester Buresh Family Community Wellness Center – Council Action as Needed. Change Order #49 is in the amount of \$5,014.42 and is for the purchase of hand cut mirrors for the south wall of the yoga studio. Motion to approve Change Order #49 made by Rose, seconded by West. Motion carries. Absent: Herrmann.

Discussion and Consideration of Change Order #50 – Lester Buresh Family Community Wellness Center – Council Action as Needed. Change Order #50 is in the amount of \$449.82 and has been approved by staff. The black base board was cut around the steel plates located at the track surface. The plates were originally painted white making them look out of place. They have since been painted black. Motion to approve Change Order #50 made by Wieseler, seconded by Roudabush. Motion carries. Absent: Herrmann.

Discussion and Consideration of Scholarships and Administration – Lester Buresh Family Community Wellness Center – Council Action as Needed. The City uses SE Linn to administer a scholarship program for the swimming pool. Staff asked Council to consider allowing SE Linn to continue with a program similar to that for LBC scholarships. The City would provide the funding and SE Linn would award the funds. There will not be any 100% scholarships. Staff is recommending an initial investment of \$5,000.00. Motion to approve the scholarship and administration proposal for \$5,000.00 to SE Linn for use through the LBC made by Rose, seconded by West, Motion carries. Absent: Herrmann.

Discussion and Consideration of Changing Dates for the February 3, 2020 and February 17, 2020 City Council Meetings – Council Action as Needed. Staff asked Council to consider changing the dates for both meetings in February due to scheduling conflicts. The Iowa Caucus is on February 3rd and President's Day is February 17. Motion to have the 1st meeting in February on the 4th and the second meeting in February on the 18th made by Rose, seconded by West. Motion carries. Absent: Herrmann.

Discussion and Consideration of Pay Application #3 – Security Package – Lester Buresh Family Community Wellness Center – Council Action as Needed. Pay Application #3 is in the amount of

\$17,436.30. Motion to approve Pay Application #3, LBC security package made by Wieseler, seconded by Rose. Motion carries. Absent: Herrmann.

Reports to be Received/Filed

Mt. Vernon Police Report. There were 3 reported collisions and 22 incidents in December. Incident reports included drug investigation, violation of no contact order, identity theft, welfare check and more. In December, 7 arrests were made. Charges include OWI, public intoxication and more. Monster was deployed one time in December alerting on a vehicle. Upon a search of the vehicle marijuana residue was located. Staff and contractors continue work on remodeling the new PD site. Officers worked 13 hours of STEP. Per the 28E agreement with Lisbon, MVPD provided 3,168 minutes of patrol, 13 calls for service and 95 minutes in admin time for a total of \$1,883.20.

Mt. Vernon Public Works Report. City crews continue to deal with snow events. 117 tons of rock salt and 15,060 gallons of brine have been used to date. 250 tons of salt were ordered for the season, 132 tons have been used. Storm damage has been picked up. ROW tree trimming in the SE quadrant has been completed. Also trimmed were the trees along the trails off of 1st Street. PW crews have been working in the new PD site.

Mt. Vernon Parks and Rec Report. Boys Basketball and Youth Wrestling has started. Pool interviews have started and will continue for about one month. 91 participants attended the Holiday Open Gyms over three days.

Discussion Items (No Action)

Possible Budget Discussions. Discussion only; no action taken.

Reports of Mayor/Council/Administrator

City Administrator's Report. The LBC VIP will be held Saturday January 25th from 5:00 p.m. to 8 p.m. At 5:30 p.m. there will be a presentation and ribbon cutting. Representatives from the City of Jefferson will be visiting MV on January 27 to review our Main Street program. Nosbisch will participate on the Regional Development Advisory Council for Iowa Ideas Conference 2020. There will be a future discussion regarding recycling and garbage collection in MV.

Closed Session - Pursuant to Chapter 20, Exempt Session for Employee Relations. Motion to go into Closed Session made by Rose, seconded by West the time being 7:16 p.m. Motion carries. Absent: Herrmann. Exit Closed Session. Motion to come out of Closed Session made by Rose, seconded by Wieseler the time being 8:00 p.m. Motion carries. Absent: Herrmann.

As there was no further business to attend to the meeting adjourned the time being 8:01 p.m., January 20, 2020.

Respectfully submitted,
Sue Ripke
City Clerk

Marsha Dewell

From: Licensing@IowaABD.com
Sent: Wednesday, January 22, 2020 1:38 AM
To: Marsha Dewell
Cc: Licensing@IowaABD.com
Subject: Liquor License Pending Dram Shop

The following application(s) is complete and awaiting dramshop insurance endorsement by the appropriate insurance carrier. After the insurance carrier has endorsed coverage, the application(s) will be submitted to the local authority for review.

License #	License Status	Business Name
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	Pending Dram Shop	Kernoustie Golf Club (203 Country Club Drive SE Mount Vernon Iowa, 52314)
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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

NOTICE: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

G. Resolutions for Approval

AGENDA ITEM # G - 1

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

DATE:	February 4, 2020
AGENDA ITEM:	Resolution #2-4-2020A
ACTION:	Motion

SYNOPSIS: Both the Fire and Police departments have a couple of additional items that we need to dispose of from our inventory. The Fire Department has a willing buyer for their filling station and air compressor (Springville has shown interest). The Police Department has been working with a local expert to appraise the baby grand piano (there are a couple of options that staff will discuss with the Council on Tuesday). The remainder of the items being released for disposal include miscellaneous hardware and fixtures at the new police station.

BUDGET ITEM: N/A

RESPONSIBLE DEPARTMENT: City Administrator

MAYOR/COUNCIL ACTION: Motion

ATTACHMENTS: Resolution

PREPARED BY: Chris Nosbisch

DATE PREPARED: 1/31/20

RESOLUTION #2-4-2020A

RESOLUTION APPROVING THE DISPOSAL OF
MUNICIPAL PROPERTY

WHEREAS; over time the City of Mt. Vernon has accumulated property by various methods and of wide ranging descriptions; and

WHEREAS; the City now has the need to dispose of this property as it is of no use and of no value to maintain; and

WHEREAS; the said property has been inventoried (Exhibit A attached) and is ready for disposal.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MT. VERNON, IOWA: To grant staff permission to dispose of inventoried property by best methods possible while seeking to collect reasonable value.

PASSED and ADOPTED this 4th day of February, 2020.

Jamie Hampton, Mayor

ATTEST:

Sue Ripke, City Clerk

Exhibit “A”

Equipment/Property for Sale

February 4, 2020

1. Fill Station and Air Compressor (minimum bid of \$5000)
2. Baby grand piano (Possible donation to MVCSD)
3. Miscellaneous office furniture, lights, Schlage door locks/knobs and shelving

AGENDA ITEM # G - 2

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

DATE: February 4, 2020

AGENDA ITEM: Resolution #2-4-2020B

ACTION: Motion

SYNOPSIS: We've made some minor changes to the makeup of our cardio equipment and need to resubmit an updated lease. The attached resolution is a part of the updated lease agreement.

BUDGET ITEM: LBC

RESPONSIBLE DEPARTMENT: City Administrator

MAYOR/COUNCIL ACTION: Motion

ATTACHMENTS: Resolution

PREPARED BY: Chris Nosbisch

DATE PREPARED: 1/31/20

RESOLUTION
LEASE NO. 001-0772222-100
DATED AS OF AUGUST 21, 2019

A resolution authorizing the negotiation, execution, and delivery of Lease No. 001-0772222-100 dated August 21, 2019 (the "Lease"), in principal amount not to exceed \$89,882.25, between City of Mount Vernon (IA), 213 1st Street NW, Mount Vernon, IA 52314 and Lease Servicing Center, Inc., 220 22nd Avenue E, Suite 106, Alexandria, MN 56308; and prescribing other details in connection therewith.

WHEREAS, City of Mount Vernon (IA), (the "Lessee") is a political subdivision duly organized and existing pursuant to the Constitution and laws of the State of Iowa; and

WHEREAS, Lessee is duly authorized by applicable law to acquire such items of personal property as are needed to carry out its governmental functions and to acquire such personal property by entering into lease-purchase agreements; and

WHEREAS, Lessee hereby finds and determines that the execution of a Lease for the purpose of leasing with the option to purchase the property designated and set forth in the Lease is appropriate and necessary to the function and operations of the Lessee; and

WHEREAS, Lease Servicing Center, Inc., (the "Lessor") shall act as Lessor under said Lease; and

WHEREAS, the Lease shall not constitute a general obligation indebtedness of the Lessee within the meaning of the Constitution and laws of the State;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF City of Mount Vernon (IA):

Section 1. The Lease, in substantially the form as presently before the governing body of the Lessee, is hereby approved, and the _____ of the Lessee, is hereby authorized to negotiate, enter into, execute, and deliver the Lease and related documents in substantially the form as presently before the governing body of the Lessee, with such changes therein as shall be approved by such officer, and which Lease will be available for public inspection at the offices of Lessee.

Section 2. The Lessee shall, and the officers, agents and employees of the Lessee are hereby authorized and directed to take such further action and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution, and to carry out, comply with and perform the duties of the Lessee with respect to the Lease.

Section 3. The Lessee's obligations under the Lease shall be expressly subject to annual appropriation by Lessee; and such obligations under the Lease shall not constitute a general obligation of Lessee or indebtedness of Lessee within the meaning of the Constitution and laws of the State of Iowa.

Section 4. All other related contracts and agreements necessary and incidental to the Lease are hereby authorized, ratified and approved.

Section 5. This resolution shall take effect immediately upon its adoption and approval.

CERTIFIED AS TRUE AND CORRECT this ____ day of _____, 20 ____.

Signature of Clerk, Secretary or Assistant Secretary

Printed Name of Clerk, Secretary or Assistant Secretary

AGENDA ITEM # G - 3

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

DATE: February 4, 2020

AGENDA ITEM: Resolution #2-4-2020C

ACTION: Motion

SYNOPSIS: We had two local banks bid on our \$500,000 borrowing for the remainder of the LBC funding. In the closest bid I have seen in 20 years, Mt. Vernon Bank and Trust will be the recommended seller. Speer Financial will be on hand at the meeting to answer any questions.

BUDGET ITEM: LBC

RESPONSIBLE DEPARTMENT: City Administrator

MAYOR/COUNCIL ACTION: Motion

ATTACHMENTS: Resolution and Supporting Documents

PREPARED BY: Chris Nosbisch

DATE PREPARED: 1/31/20

February 4, 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 6:30 o'clock P.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 SALE OF \$500,000 (SUBJECT TO ADJUSTMENT PER TERMS OF OFFERING) GENERAL OBLIGATION URBAN RENEWAL BONDS, SERIES 2020," and moved its adoption. Council Member _____ seconded the motion to adopt. The roll was called and the vote was,

AYES: _____

NAYS: _____

Whereupon, the Mayor declared the following Resolution duly adopted:

RESOLUTION DIRECTING SALE OF \$500,000 (SUBJECT TO ADJUSTMENT PER TERMS OF OFFERING) GENERAL OBLIGATION URBAN RENEWAL BONDS, SERIES 2020

WHEREAS, bids have been received for the Bonds described as follows and the best bid received (with permitted adjustments, if any) is determined to be the following:

\$500,000 (SUBJECT TO ADJUSTMENT PER TERMS OF OFFERING) GENERAL OBLIGATION URBAN RENEWAL BONDS, SERIES 2020

Bidder: _____ of _____

The terms of award:

Final Par Amount as adjusted: \$ _____

Purchase Price as adjusted: \$ _____

True Interest Rate: _____ %

Net Interest Cost: \$ _____

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

Section 1. That the bid for the Bonds as above set out is hereby determined to be the best and most favorable bid received and, the Bonds are hereby awarded as described above.

Section 2. That the statement of information for Bond bidders and the form of contract for the sale of the Bonds are hereby approved and the Mayor and Clerk are authorized to execute the same on behalf of the City.

Section 3. That the notice of the sale of the Bonds heretofore given and all acts of the Clerk done in furtherance of the sale of the Bonds are hereby ratified and approved.

PASSED AND APPROVED this 4th day of February, 2020.

Mayor

ATTEST:

City Clerk

CERTIFICATE

STATE OF IOWA)
) SS
COUNTY OF LINN)

I, the undersigned City Clerk of the City of Mount Vernon, State of Iowa, do hereby certify that attached is a true and complete copy of the portion of the records of the City showing proceedings of the Council, and the same is a true and complete copy of the action taken by the Council with respect to the matter at the meeting held on the date indicated in the attachment, which proceedings remain in full force and effect, and have not been amended or rescinded in any way; that meeting and all action thereat was duly and publicly held in accordance with a notice of meeting and tentative agenda, a copy of which was timely served on each member of the Council and posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the Council pursuant to the local rules of the Council and the provisions of Chapter 21, Code of Iowa, upon reasonable advance notice to the public and media at least twenty-four hours prior to the commencement of the meeting as required by law and with members of the public present in attendance; I further certify that the individuals named therein were on the date thereof duly and lawfully possessed of their respective City offices as indicated therein, that no Council vacancy existed except as may be stated in the proceedings, and that no controversy or litigation is pending, prayed or threatened involving the incorporation, organization, existence or boundaries of the City or the right of the individuals named therein as officers to their respective positions.

WITNESS my hand and the seal of the Council hereto affixed this _____ day of _____, 2020.

City Clerk, City of Mount Vernon, State of Iowa

(SEAL)

J. Motions for Approval

CITY OF MOUNT VERNON
CLAIMS FOR APPROVAL, FEBRUARY 4, 2020

PAYROLL	CLAIMS	72,884.85
TRI-CITY ELECTRIC CO OF IOWA	WELLNESS CENTER-LOST III	17,436.30
VEENSTRA & KIMM INC	1ST ST RR BRIDGE REPAIR DESIGN	14,504.50
VEENSTRA & KIMM INC	WWTP FACILITY IMPROVEMENTS	10,951.16
VEENSTRA & KIMM INC	HWY 30 BYPASS COORDINATION	5,915.48
US BANK	CREDIT CARD PURCHASES	5,661.99
BSN SPORTS COLLEGIATE PACIFIC	PORTABLE BLEACHERS-LBC	4,930.00
BRADY LANHAM	ELECTRICAL-PD CONSTR	4,895.62
VEENSTRA & KIMM INC	WAGON PASS DEMOLITION	4,351.80
SIMMONS PERRINE MOYER BERGMAN	LEGAL FEES-SEW	2,420.00
LINN CO-OP OIL CO	FUEL-PW	2,067.66
VEENSTRA & KIMM INC	WWTP IMPROVEMENTS	2,056.00
HOME APPLIANCE CENTER	WASHER, DRYER-LBC	1,988.00
PREMIER CARPET CARE	CLEAN, SEAL FLOOR-FD	1,958.53
VAN METER INC	SUPPLIES-SEW	1,458.72
SIMMONS PERRINE MOYER BERGMAN	LEGAL FEES-P&A	1,359.50
BRAUN INTERTEC CORP	CONSTRUCTION & MATERIALS TESTING	1,339.50
HEIMAN FIRE EQUIPMENT INC	HYDRANT VALVE-FD	1,072.85
PRACTICAL SECURITY SYSTEMS	DVR REPAIR, BATTERY BACKUP SYSTEM	1,053.00
SIMMONS PERRINE MOYER BERGMAN	LEGAL FEES-P&A	895.50
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-LBC	771.52
HENDERSON PRODUCTS INC	CYLINDER-RUT	723.25
VEENSTRA & KIMM INC	NATURE PARK TRAIL DESIGN	643.54
CENTRAL IOWA DISTRIBUTING	SUPPLIES-PD CONSTR	640.20
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-LBC	590.50
RAUD KASHEF	REFEREE-P&REC	582.50
LIBERTY DOORS, INC	INSTALLATION-PD CONSTR	550.00
VEENSTRA & KIMM INC	CITY ENGINEERING GENERAL	352.00
MEDIACOM	PHONE/INTERNET-P&A	281.55
GORDON LUMBER COMPANY	BLDG SUPPLIES-PD, RUT	281.51
DIESEL TURBO SERVICES INC	HAND CRANK OIL PUMP-RUT	250.00
DIESEL TURBO SERVICES INC	HYDRAULIC CYLINDER-RUT	198.00
DIESEL TURBO SERVICES INC	HOSE-RUT	190.29
PITNEY BOWES	POSTAGE METER LEASE-ALL DEPTS	146.61
VEENSTRA & KIMM INC	BRYANT ROAD IMPROVEMENTS	144.00
KONICA MINOLTA BUSINESS SOLUTIONS	MAINTENANCE PLAN/COPIES-PD	142.07
GRAYBILL COMMUNICATIONS	RADIO REPAIR-RUT	138.51
HAWKEYE COMMUNITY COLLEGE	TRAINING-PD	125.00
MEDIACOM	PHONE/INTERNET-PD	106.72
FRANCESCA LEE THOMPSON	CLEANING SERVICE-P&A	75.00
JOAN BURGE	CLEANING SERVICE-P&A	75.00
AIRGAS INC	WELDING SUPPLIES-PW	65.69
JACOB MASTERS	REFEREE-P&REC	60.00
JORDAN AXTELL	REFEREE-P&REC	60.00
NOLAN JACKSON	REFEREE-P&REC	60.00
OLD BRICK MANOR	TABLECLOTHS-LBC	60.00
ZATYK HOLUB	REFEREE-P&REC	60.00
FIRE SERVICE TRAINING BUREAU	HAZMAT CERT FEES-FD	50.00
STOREY KENWORTHY	TAX FORMS-P&A	25.90
IOWA ONE CALL	LOCATES-WAT, SEW	23.40
NEIRL	MEMBERSHIP-P&A	20.00
TOTAL		166,693.72

CITY OF MOUNT VERNON
CLAIMS FOR APPROVAL, FEBRUARY 4, 2020

GENERAL FUND	11,091.94
ROAD USE TAX FUND	28,219.17
COMMUNITY CENTER CONSTR	28,299.44
LOST III TRAILS	643.54
WWTP UV DISINFECTION	13,007.16
POLICE STATION CONSTR	6,423.84
WATER FUND	888.27
SEWER FUND	4,607.00
SOLID WASTE	577.29
PAYROLL	72,884.85
COMMUNITY CENTER OPERATIONS	51.22
TOTAL	166,693.72

AGENDA ITEM # J - 2

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

DATE: February 4, 2020

AGENDA ITEM: Pay Application #8 – Wastewater Plant

ACTION: Motion

SYNOPSIS: V&K Engineering has recommended approval of pay application #8 in the amount of \$61,780.36.

BUDGET ITEM: Sewer Funds

RESPONSIBLE DEPARTMENT: City Administrator

MAYOR/COUNCIL ACTION: Motion

ATTACHMENTS: Pay Application #8

PREPARED BY: Chris Nosbisch

DATE PREPARED: 1/31/20



VEENSTRA & KIMM, INC.

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

January 26, 2020

PAY ESTIMATE NO. 8
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 Dec. 27,2019 - Jan. 22, 2020

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	76%	\$ 105,000.00
1.3	General Requirements	LS	xxxxx	xxxxx	\$ 152,000.00	91%	\$ 138,000.00
2.1	Demolition	LS	xxxxx	xxxxx	\$ 14,000.00	100%	\$ 14,000.00
2.2	Excavation & Backfill Clarifier	LS	xxxxx	xxxxx	\$ 78,000.00	77%	\$ 60,000.00
2.3	Excavation & Backfill UV	LS	xxxxx	xxxxx	\$ 53,000.00	100%	\$ 53,000.00
2.4	Sidewalks	LS	xxxxx	xxxxx	\$ 7,000.00	93%	\$ 6,500.00
2.5	Underground Pipe	LS	xxxxx	xxxxx	\$ 110,000.00	94%	\$ 103,000.00
2.6	Seeding & Landscaping	LS	xxxxx	xxxxx	\$ 2,000.00	0%	\$ -
3.1	Reinforcing Steel Structures & Slab	LS	xxxxx	xxxxx	\$ 62,000.00	100%	\$ 61,750.00
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	42%	\$ 15,000.00
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	100%	\$ 32,000.00
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%	\$ 229,000.00
13.1	Prefab Aluminum Shelter	LS	xxxxx	xxxxx	\$ 29,000.00	100%	\$ 29,000.00
16.1	Electrical	LS	xxxxx	xxxxx	\$ 48,000.00	100%	\$ 48,000.00
16.2	Controls & Instrumentation	LS	xxxxx	xxxxx	\$ 16,000.00	100%	\$ 16,000.00
Contract Price:					\$1,390,000.00		\$ 1,151,250.00

MATERIALS STORED SUMMARY

Description	# of Units	Unit Price	Extended Cost
Total			\$ -

SUMMARY

		Total Approved	Total Completed
Contract Price		\$ 1,390,000.00	\$ 1,151,250.00
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
	Change Order No. 5	\$ 4,094.29	\$ -
	Change Order No. 6	\$ 28,862.26	
	Revised Contract Price	\$ 1,580,508.62	\$ 1,239,139.68

Stored \$ -

Total Earned \$ 1,239,139.68

Retainage (5%) \$ 61,956.98

Total Earned Less Retainage \$ 1,177,182.70

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	
	Pay Estimate No. 7	\$ 104,986.72	

Total Previously Approved \$ 1,115,402.34

Percent Complete 78%

Amount Due This Request \$ 61,780.36

The amount \$61,780.36 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: *Mark Drossler*

Signature: *Emily Linebaugh*

Signature: _____

Name: MARK DROSSLER

Name: Emily Linebaugh

Name: _____

Title: SR. PROJECT MANAGER

Title: Engineer

Title: _____

Date: 1-27-2020

Date: January 26, 2020

Date: _____

AGENDA ITEM # J – 3 and J - 4

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

DATE:	February 4, 2020
AGENDA ITEM:	Membership Donations
ACTION:	Motion

SYNOPSIS: Staff has received two requests for membership donations from local institutions. We are assuming they will be using them for a future fundraising event. As a part of the membership drive with the MVCSD, the City did offer a free one month membership as a raffle drawing prize. This will be a precedent setting issue, so I would like Council to consider the requests until a formal policy can be considered.

BUDGET ITEM: LBC Revenue

RESPONSIBLE DEPARTMENT: City Administrator

MAYOR/COUNCIL ACTION: Motion

ATTACHMENTS: None

PREPARED BY: Chris Nosbisch

DATE PREPARED: 1/31/20

AGENDA ITEM # J - 7

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

DATE: February 4, 2020

AGENDA ITEM: Set Public Hearing Date

ACTION: Motion

SYNOPSIS: The public hearing for the City of Mt. Vernon FY 21 budget is being set for March 3, 2020. The expected levy rate for the City will remain \$12.99 per \$1,000 of valuation.

BUDGET ITEM: N/A

RESPONSIBLE DEPARTMENT: City Administrator

MAYOR/COUNCIL ACTION: Motion

ATTACHMENTS: None

PREPARED BY: Chris Nosbisch

DATE PREPARED: 1/31/20

AGENDA ITEM # J - 8

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

DATE: February 4, 2020

AGENDA ITEM: Bulk Water Sales

ACTION: Motion

SYNOPSIS: The Public Works department receives numerous requests for bulk water sales during the construction season. We do not have a bulk water rate, so we often have to calculate the water used and bill the company for payment. Staff has been researching the practices from other communities, and is recommending the attached flat rates for future sales.

BUDGET ITEM: N/A

RESPONSIBLE DEPARTMENT: City Administrator

MAYOR/COUNCIL ACTION: Motion

ATTACHMENTS: Supporting Documents

PREPARED BY: Chris Nosbisch

DATE PREPARED: 1/31/20



Chris Nosbisch, City Administrator
Douglas Shannon, Chief of Police

Jamie A. Hampton, Mayor

Council:

Eric Roudabush
Scott Rose
Tom Wieseler
Stephanie West
Deb Herrmann

City of Mount Vernon Bulk Water Sales Policy

February 4, 2020

Rates for bulk water purchases:

GALLONS		FEE
0 - 2,000	Flat Fee (minimum bill)	\$100.00
2,000 - 10,000	Flat Fee	Additional \$80.00
10,000 - 30,000	Flat Fee	Additional \$60.00
30,000 - 50,000	Flat Fee	Additional \$40.00

Payment must be made at City Hall prior to receiving water.
Water will be distributed at city shop after showing receipt to public works employee.
Water will not be delivered this is intended for pick up only.

X

Jamie Hampton
Mayor

X

City Clerk

AGENDA ITEM # J - 9

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

DATE:	February 4, 2020
AGENDA ITEM:	Bond Counsel Engagement
ACTION:	Motion

SYNOPSIS: Ahlers & Cooney will be the City's bond Counsel for the \$500,000 borrowing. The Attorney fee associated with this borrowing is estimated at a cost not to exceed \$5,000.

BUDGET ITEM: N/A

RESPONSIBLE DEPARTMENT: City Administrator

MAYOR/COUNCIL ACTION: Motion

ATTACHMENTS: Supporting Documents

PREPARED BY: Chris Nosbisch

DATE PREPARED: 1/31/20



Ahlers & Cooney, P.C.
Attorneys at Law
100 Court Avenue, Suite 600
Des Moines, Iowa 50309-2231
Phone: 515-243-7611
Fax: 515-243-2149
www.ahlerslaw.com
Jason L. Comisky
515.246.0337
jcomisky@ahlerslaw.com

January 30, 2020

Via E-mail and Overnight Delivery

Mr. Chris Nosbisch
City Administrator
213 – 1st Street West
Mount Vernon, Iowa 52314

RE: Mount Vernon, Iowa – Bond Counsel Engagement Agreement
Not to Exceed \$500,000 General Obligation Urban Renewal Bonds

Dear Mayor and City Council:

The purpose of this Engagement Agreement (the "Agreement") is to disclose and memorialize the terms and conditions under which services will be rendered by Ahlers & Cooney, P.C. as bond counsel to the City of Mount Vernon, Iowa (the "City" or "Issuer") in connection with the above-referenced issuance (the "Bonds"). While additional members of our firm may be involved in representing the Issuer on other matters unrelated to the Bonds, this Agreement relates to the agreed-upon scope of bond counsel services described herein (the "Services").

A. SCOPE OF SERVICES -- *Bond Counsel*

As Bond Counsel, we will represent the City and cooperate with the following persons and firms: the underwriters or other bond purchasers who purchase the Bonds from the City (all of whom are referred to as the "Bond Purchasers"), counsel for the Bond Purchasers, the Municipal Advisor, trustee, paying agent and bond registrar and their designated counsel (you and all of the foregoing persons or firms collectively, the "Participants"). We intend to undertake each of the following as are necessary:

1. Review relevant Iowa law, including pending legislation and other recent developments, relating to the legal status and powers of the City or otherwise relating to the issuance of the Bonds.
2. Obtain information about the Bond transaction and the nature of use of the facilities or purposes to be financed (the "Project").
3. Review the proposed timetable and consult with the Participants as to the issuance of the Bonds in accordance with the timetable.
4. Consider issues arising under the Internal Revenue Code of 1986, as amended, and applicable tax regulations and other sources of law relating to the issuance of the Bonds on a tax-exempt basis; these issues include, without limitation, ownership and use of the project, use and investment of Bond proceeds prior to expenditure and security provisions or credit enhancement relating to the Bonds.

5. Prepare or review major Bond documents, including tax compliance certificates, review the bond purchase agreement, if applicable, and, at your request, draft descriptions of the documents which we have drafted. As Bond Counsel, we assist you in reviewing only those portions of an official statement or any other disclosure document to be disseminated in connection with the sale of the Bonds involving the description of the Bonds, the security for the Bonds (excluding forecasts, projections, estimates or any other financial or economic information in connection therewith), the description of the federal tax exemption of interest on the Bonds and the "bank-qualified" status of the Bonds.
6. Prepare or review all pertinent proceedings to be considered by the governing body to the City; confirm that the necessary quorum, meeting and notice requirements are contained in the proceedings and draft pertinent excerpts of minutes of the meetings relating to the financing.
7. Attend or host such drafting sessions and other conferences as may be necessary, including a preclosing, if needed, and closing; and prepare and coordinate the distribution and execution of closing documents and certificates, opinions and document transcripts.
8. Render our legal opinion regarding the validity of the Bonds, the sources of payment for the Bonds and the federal income tax treatment of interest on the Bonds, which opinion (the "Bond Opinion") will be delivered in written form on the date the Bonds are exchanged for their purchase price (the "Closing"). The Bond Opinion will be based on facts and law existing as of its date. Please see the discussion below at Part E. Please note that our opinion represents our legal judgment based upon our review of the law and the facts so supplied to us that we deem relevant and is not a guarantee of a result.
9. Subsequent to the Closing, we will prepare and provide the Participants a bond transcript pertaining to the Bonds and make certain the appropriate Federal Information Reporting Form 8038 is filed for each series.

B. LIMITATIONS

The duties covered by this Agreement are limited to those expressly set forth above. Our fee *does not* include the following services, or any other matter not required to render our Bond Opinion:

- a) Preparing requests for tax rulings from the Internal Revenue Service, or "no action" letters from the Securities and Exchange Commission.
- b) Drafting state constitutional or legislative amendments.
- c) Pursuing test cases or other litigation, such as contested validation proceedings.
- d) Representing the Issuer in Internal Revenue Service examinations or inquiries, or Securities and Exchange Commission investigations.
- e) After Closing, providing continuing advice to the Issuer or any other party concerning actions necessary to assure that interest paid on the Bonds will continue to be excludable from gross income for federal income tax purposes (e.g. this Bond Counsel engagement for the Bonds does not include rebate calculations, nor continuing post-issuance compliance activities).
- f) Opining on a continuing disclosure undertaking pertaining to the Bonds and, after the execution and delivery of the Bonds, providing advice concerning any actions necessary to assure compliance with any continuing disclosure requirements.

- g) After Closing, providing continuing advice to the Issuer or any other party concerning disclosure issues or questions that relate to the Bonds, e.g., questions regarding actions necessary to assure fulfillment of continuing disclosure responsibilities.
- h) Undertaking responsibility as disclosure counsel engaged as recognized counsel specially experienced in Iowa law and federal law relating to disclosure requirements that pertain to governmental debt obligations, whose primary responsibility will be to render objective written advice with respect to the Issuer's issuance and its compliance with applicable rules promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934.

We will provide one or more of the services listed in (a)–(h) upon your request, however, a separate, written engagement or request for services in accordance with Part H - "OTHER ADVICE" herein will be required before we assume one or more of these duties. The remaining services in this list, specifically those listed in subparts (i)–(n) below, are not included in this Agreement, nor will they be provided by us at any time.

- i) Providing any advice, opinion or representation as to the financial feasibility or the fiscal prudence of issuing the Bonds, the financial condition of the Issuer, or to any other aspect of the financing, such as the proposed financing structure, use of a financial advisor, or the investment of proceeds of the Bonds.
- j) Independently establishing the veracity of certifications and representations of the City or the other Participants.
- k) Acting as an underwriter, or otherwise marketing the Bonds.
- l) Acting in a financial advisory role.
- m) Preparing blue sky or investment surveys with respect to the Bonds.
- n) Making an investigation or expressing any view as to the creditworthiness of the Issuer or of the Bonds.

C. ATTORNEY-CLIENT RELATIONSHIP; OTHER REPRESENTATIONS

Upon execution of this Agreement and upon notification by the Issuer that our Bond Counsel services are requested with regard to a specific issue of Bonds, the Issuer will be our client and an attorney-client relationship will exist between us with respect to the issuance of the Bonds. We assume that all other parties will retain such counsel as they deem necessary and appropriate to represent their interests in this transaction. We further assume that all parties understand that in this transaction we represent only the Issuer, we are not counsel to any other party, and we are not acting as an intermediary among the parties. Our services are limited to those contracted for in this Agreement; the Issuer's execution of this Agreement will constitute an acknowledgement of those limitations. Our representation of the Issuer will not affect, however, our responsibility to render an objective Bond Opinion.

Our representation of the Issuer and the attorney-client relationship created by this Agreement with respect to a series of Bonds will be concluded upon issuance of such Bonds. Nevertheless, subsequent to Closing, we will mail the appropriate completed Internal Revenue Service Form 8038 and prepare and distribute to the Participants a transcript of the proceedings pertaining to the Bonds.

As you are aware, our firm represents many political subdivisions, companies and individuals. It is possible that during the time that we are representing the Issuer, one or more of our present or future clients will have transactions with the Issuer. We do not believe such representation, if it occurs, will

adversely affect our ability to represent you as provided in this Agreement, either because such matters will be sufficiently different from the issuance of the Bonds so as to make such representations not adverse to our representation of you, or because the potential for such adversity is remote or minor and outweighed by the consideration that it is unlikely that advice given to the other client will be relevant to any aspect of the issuance of the Bonds. We will decline to participate in any matter where the interests of our clients, including the Issuer, may differ to the point where separate representation is advisable. The firm historically has arranged its practice to hold such occasions to a minimum, and intends to continue doing so. Execution of this Agreement will signify the Issuer's consent to our representation of others consistent with the circumstances described in this paragraph.

D. OTHER TERMS OF THE ENGAGEMENT; CERTAIN OF YOUR UNDERTAKINGS

Please note our understanding with respect to this Agreement and your role in connection with the issuance of the Bonds:

1. In rendering the Bond Opinion and in performing any other Services hereunder, we will rely upon the certified proceedings and other certifications you and other persons furnish us. Other than as we may determine as appropriate to rendering the Bond Opinion, we are not engaged and will not provide services intended to verify the truth or accuracy of these proceedings or certifications. Except by request, we do not ordinarily attend meetings of the governing body of the City at which proceedings related to the Bonds are discussed or passed unless special circumstances require our attendance.
2. The factual representations contained in those documents which are prepared by us, and the factual representations which may also be contained in any other documents that are furnished to us by you are essential for and provide the basis for our conclusions that there is compliance with State law requirements for the issue and sale of valid bonds and with the Federal tax law for the tax exemption of interest paid on the Bonds. Accordingly, it is important for you to read and understand the documents we provide to you because you will be confirming the truth, accuracy and completeness of matters contained in those documents at the issuance of the Bonds.
3. If the documents contain incorrect or incomplete factual statements, you must call those to our attention. We are always happy to discuss the content or meaning of the transaction documents with you. Any untruth, inaccuracy or incompleteness may have adverse consequences affecting either the tax exemption of interest paid on the Bonds or the adequacy of disclosures made in the Official Statement under the State and Federal securities laws, with resulting potential liability for you. During the course of this engagement, we will further assume and rely on you to provide us with complete and timely information on all developments pertaining to any aspect of the Bonds and their security. We understand that you will cooperate with us in this regard.
4. You should carefully review all of the representations you are making in the transaction documents. We are available and encourage you to consult with us for explanations as to what is intended in these documents. To the extent the facts and representations stated in the documents we provide to you appear reasonable to us, and are not corrected by you, we are then relying upon your signed certifications for their truth, accuracy and completeness.
5. Issuing the Bonds as "securities" under State and Federal securities laws and on a tax-exempt basis is a serious undertaking. As the issuer of the Bonds, the City is obligated under the State and Federal securities laws and the Federal tax laws to disclose all material facts. The

City's lawyers, financial advisors and bankers can assist the City in fulfilling these duties, but the City in its corporate capacity, including your knowledge, has the collective knowledge of the facts pertinent to the transaction and the ultimate responsibility for the presentation and disclosure of the relevant information. Further, there are complicated Federal tax rules applicable to the Bonds. The IRS has an active program to audit such transactions. The documents we prepare are designed so that the Bonds will comply with the applicable rules, but this means you must fully understand the documents, including the representations and the covenants relating to the continuing compliance with the federal tax requirements. Accordingly, we want you to ask questions about anything in the documents that is unclear.

6. As noted, the members of the governing body of the City also have duties under the State and Federal Securities and tax laws with respect to these matters and should be knowledgeable as to the underlying factual basis for the bond issue size, use of proceeds and related matters.

E. FEES

It is our practice to bill our fees as Bond Counsel on a transactional basis instead of hourly. Factors which affect our billing include: (a) the amount of the issuance; (b) an estimate of the time necessary to do the work; (c) the complexity of the issue (number of parties, timetable, type of financing, legal issues and so forth); (d) recognition of the partially contingent nature of our fee, since it is customary that in the case no financing is ever completed, we render a greatly reduced statement of charges; and (e) a recognition that we carry the time for services rendered on our books until a financing is completed, rather than billing monthly or quarterly.

We estimate that our fee for Bond Counsel services will not exceed \$5,000. If, at any time, we believe that circumstances require an adjustment of our original fee estimate(s), we will advise you of such requirement. Such adjustment might be necessary in the event: (a) the principal amount of Bonds actually issued differs significantly from the amount anticipated at the time we initially estimated our fee(s); (b) material changes in the structure or schedule of the financing occur; or (c) unusual or unforeseen circumstances arise which require a significant increase or decrease in our time or responsibility, such as personal attendance at meetings, significant travel, or unexpected revision of the issuance documents at the request of the Issuer, any agent acting on your behalf (such as a financial advisor), the purchaser, a bond insurer, other counsel providing services with respect to issuance of a particular issuance of obligations.

In addition to our flat fees, we will charge for any incidental costs (copies, overnight charges, bond printing, travel reimbursement, deliveries, etc.), at actual costs incurred. We estimate that such charges will not exceed \$750. We will contact you prior to incurring expenses that exceed this amount.

The delivery of written advice, or opinions beyond the Bond Opinion, to third parties at the request of the Issuer with respect to a series of Bonds shall be subject to a separate opinion charge in an amount established at the time of the request.

Billing Matters:

We will submit a summary invoice for the professional services described herein after Closing. In the event of a substantial delay in completing the financing, we reserve the right to present an interim statement for payment. Unless other arrangements have been agreed upon in advance, we anticipate our statements to be paid in full within thirty (30) days of receipt.

If, for any reason, the financing represented by an issue of Bonds is not consummated or is completed without the delivery of our Bond Opinion, or our services are otherwise terminated, we will expect to be compensated at our normal hourly rates¹, plus incidental costs, as described above (not to exceed the fee we would have received if we had rendered our Bond Opinion).

F. RISK OF AUDIT BY THE INTERNAL REVENUE SERVICE (IRS)

The IRS has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the IRS, interest on such tax-exempt obligations is excludable from gross income of the owners for federal income tax purposes. We can give no assurances as to whether the IRS might commence an audit of the Bonds or whether, in the event of an audit, the IRS would agree with our opinions. If an audit were to be commenced, the IRS may treat the City as the taxpayer for purposes of the examination. As noted in Part C above, the scope of our representation does not include responding to such an audit. However, if we were separately engaged at the time, and subject to the applicable rules of professional conduct, we may be able to represent the City in the matter.

G. RECORDS

At your request, papers and property furnished by you will be returned promptly upon receipt of payment for outstanding fees and client charges. Our own files, including lawyer work product, pertaining to the transaction will be retained by us. For various reasons, including the minimization of unnecessary storage expenses, we reserve the right to dispose of any documents or other material retained by us after the termination of this Agreement. It is our practice to retain transcripts for each financing for at least the life of the Bonds. We may store some or all client file materials in a digital format. In the process of digitizing such documents, any original paper documents provided by you will be returned to you. Any copies of paper documents provided by you will not be returned to you unless you request such copies in writing. You will be notified prior to destruction of our file, and will have the option to request them, should you desire.

H. OTHER ADVICE

If requested, we will maintain one or more separate accounts for periodic services rendered to the Issuer in connection with other matters unrelated to any particular Bond financing. Such services may involve the rendering of advice, opinions or other assistance in connection with such issues including, but not limited to (i) financing alternatives in connection with a particular project, (ii) compliance with lending programs, (iii) the impact of specified actions on tax-exempt status of outstanding Bonds, (iv) interpretation and/or required actions with regard to other "financial obligations" under a continuing disclosure certificate, or (v) other matters the Issuer may seek advice or guidance upon. Billings for such separate services will be based on our standard hourly rate of the individual attorney at the time of performing such separate services.

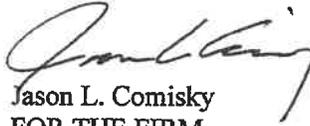
1. The firm reviews hourly rates on an annual basis, and reserves the right to implement rate adjustments. If implemented in any particular year, adjustments generally become effective on January 1. Accordingly, our work on this matter will be billed at the hourly rate in effect at the time services are performed. Our current (2020) hourly rates are as follows:

- a. Attorneys: \$200-\$355/hour (for reference purposes, the undersigned's hourly rate as of 1/1/20 is \$295/hour).
- b. Legal Assistants: \$120/hour.

Please carefully review the terms and conditions of this Agreement. *If the above correctly reflects our mutual understanding, please so indicate by returning a signed and dated copy of this Agreement, retaining an original for your file as well.*

If you have questions regarding any aspect of the above or our representation as Bond Counsel, please do not hesitate to contact me.

Very truly yours,



Jason L. Comisky
FOR THE FIRM

JLC:ks

Accepted:
Mount Vernon, Iowa

By: _____ Date: _____

*Approved by action of the governing body on _____, 2020.

L. Discussion Items (No Action)

AGENDA ITEM # L - 1

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

DATE: February 4, 2020

AGENDA ITEM: Possible Budget

ACTION: None

SYNOPSIS: Staff will send out updated budget numbers for all departments on Friday. I will also provide an update on our current numbers at the meeting.

BUDGET ITEM: N/A

RESPONSIBLE DEPARTMENT: City Administrator

MAYOR/COUNCIL ACTION: None

ATTACHMENTS: None

PREPARED BY: Chris Nosbisch

DATE PREPARED: 1/31/20

M. Reports Mayor/Council/Admin.

**CITY OF MT. VERNON
CITY ADMINISTRATOR
REPORT TO THE CITY COUNCIL
February 4, 2020**

- The LBC is set to open its doors on Friday, January 31, 2020. Full access to the building will likely occur the following Monday.
- The cities of Lisbon and Mt. Vernon will be attending an event hosted by CDG regarding IaDOT sign regulations on Wednesday, February 5, 2020 (Gwen's in Lisbon).
- City Hall will begin reviewing office space when the police department moves to their new location.