

Mayor
NELSON P.
CRABB

April 12, 2024

City
Administrator
SCOTT
FLORY

HONORABLE MAYOR & CITY COUNCIL MEMBERS

The next regular meeting of the Clear Lake City Council is scheduled for **Monday, April 15, 2024**, at 5:30 p.m., in the Council Chambers, at City Hall. Please refer to the attached agenda for the items discussed below:

COUNCIL
MEMBERS

MARK
EBELING
Ward 1

ITEM #6A. **FY 2024 (amended) & FY 25 (proposed) Municipal Budget.** At the February 19, 2024, meeting, the City Council set the proposed property tax levy and established April 1st, at 5:15 p.m. for the hearing required by HF 718 on that matter. Notice of that hearing was published and posted, as proscribed by law.

BENNETT
SMITH
Ward 2

On April 1st, the Council conducted the hearing required by HF 718 on the proposed property tax levy for FY 25. After adjourning that meeting, at the "subsequent" City Council meeting on April 1st, the City Council once again reviewed the budget proposal and established April 15th, at 5:30 p.m., for the public hearing on the proposal. Notice of hearing was published in the newspaper on April 4th and otherwise posted as required by law.

BETH ANN
SCHUMACHER
Ward 3

CREIGHTON
SCHMIDT
At Large

The proposed tax rate for the City of Clear Lake for the 2025 Fiscal Year, which begins on July 1, 2024 and ends on June 30, 2025, is proposed to increase to \$9.85 in taxable valuation. The rate was previously set at \$9.65/\$1,000 of taxable valuation.

DANA
BRANT
At Large

The taxable valuation for the 2025 fiscal year (1/1/23 values) continues the positive trend of growth in the community. The taxable valuation for FY 25 is \$808,011,653, which is an \$69,031,656 increase (8.54%) from FY 24. This is despite a commercial, industrial, and multi-family residential rollback. The residential rollback for FY 25 is set at 46.34%, which is a significant decrease from FY 24's rate of 54.65%.

The amended FY 24 budget and the proposed FY 25 budget reflect total expenditures among the various programs of \$23.4 million and \$25.9 million, respectively. For FY25, \$11.9 million is directed towards operations and maintenance; \$13.1 million towards capital; and roughly \$900,000 to debt service. Projected ending cash balance for June 30, 2025, in the General Fund is \$6,859,662, which is roughly 62% of General Fund operating budget.

The single largest source of revenue for the City is, of course, the property tax. The property tax is based on the value of property owned. It is often called an ad valorem tax because it is set according to physical value. In FY 2025, property taxes will represent roughly 58% of General Fund revenues.



The City's Constitutional debt limit for FY 25 is \$84,702,500 and, effective June 30, 2024, the City will have used only 4.9%, or \$4,149,500, of its General Obligation borrowing capacity – one of the lowest levels of debt in the State of Iowa. Generally, municipal finance advisors suggest operating in the 60-70% range.

The proposed tax rate for FY 25 will increase to \$9.85/\$1,000 of taxable valuation. For FY 24, Clear Lake had the 4th lowest tax rate in the State of Iowa for cities with a population of greater than 4,000. The recommended tax rate of \$9.85 /\$1,000 of taxable valuation would result in a tax bill for City government services of \$878 in 2024-25, for a residential property with an assessed valuation of \$200,000 (with Homestead Credit). Consequently, the property tax impact, resulting from the proposed FY 25 tax rate would be approximately \$142.50 a year less for a residential property with an "assessed" valuation of \$200,000 in Clear Lake. This is primarily attributable to the very significant decrease by the State in the residential rollback to 46.34%.

The remaining schedule for budget consideration is as follows:

April 15th Conduct public hearing/adopt FY 24 amended and FY 25 budget proposal.

April 24th Director of Finance & Admin Services certify budget to County Auditor.

ITEM #6C. 4th Ave S. Multimodal Corridor Planning Project. In June of 2023, the City of Clear Lake was awarded a \$300,000 planning grant from the US DOT through the RAISE grant program. Since that time, there have been a number of processes that the City has had to go through in terms of funding agreement reviews, transportation plan (regional and state) updates, consultant RFP; and so on. All of these required extensive oversight by state and federal officials.

The planning project includes community engagement, a corridor study, alternatives analysis, final design and environmental review for a project to evaluate the 4th Avenue South corridor. The project will evaluate approaches to modernize infrastructure connecting downtown Clear Lake and I-35, including the deployment of electric vehicle charging infrastructure and further development of the regional trail network.

The City selection committee, following an extensive RFP process, settled on the selection of SEH (Mason City) as the consultant for the project. The total cost of the professional services agreement is a not to exceed \$300,000 and includes all sub-consultants.

As a result of the extended delays in receiving approvals for various aspects of the necessary State and Federal approvals, the City has requested an extension to the completion date identified in the RAISE Funding agreement, which was originally March, 2025. The proposed completion date is now November 28, 2025.

ITEM #6D. **North Iowa Children's Museum Feasibility Study**. Earlier this year, the City Council approved a Letter of Intent with the North Iowa Children's Museum (NICM) that outlined parameters of support for various aspects of the proposed project. One topic identified within the LOI was a feasibility study. The Council agreed to participate in an amount not to exceed \$15,000 towards completion of such a study. The LOI requires both NICM and City Council approval of the consultant.

The City and NICM jointly issued a Request for Proposals (RFP). There were 3 responses received to that solicitation. A committee of comprised of members of the NICM and City reviewed the proposals and selected to firms to interview.

Following completion of the interview, it was the committee's conclusion that the firm of ConsultEcon was the preferred consultant. The NICM Board of Directors has approved the selection and now has requested that the City Council also approve the selection of the consultant and funding participation of \$15,000.

Smart Quote: *"Everyone is necessarily the hero of his own life story."* – John Barth, writer

CITY OF CLEAR LAKE

Scott L. Flory
City Administrator
slawrenceflory@cltel.net

PUBLIC NOTICE IS HEREBY GIVEN that the following governmental body will meet at the date, time, and place herein set out. The tentative agenda for said meeting is as follows:

TENTATIVE AGENDA
CLEAR LAKE CITY COUNCIL
CITY HALL – 15 N. 6TH STREET
MONDAY, APRIL 15, 2024
5:30 P.M.

1. Call to Order and Pledge of Allegiance led by Mayor Nelson P. Crabb
2. Approval of Agenda.
3. Consent Agenda:
 - A. Minutes –April 1st (regular) and 1st (special), 2024”.
 - B. Approval of Change Order #1 for 122 & 122 ½ Beach Drive Demolition Project with Navratil Excavation for 126 ½ & 141 Beach Drive in the amount of \$32,086.
 - C. Approval of a private Well Agreement with Donna Monson 2512 S. Shore Drive for a non-potable well for landscape and irrigation purposes only.
 - D. Approval of the bills & claims.
 - E. Licenses & Permits:
 - Tree Trimmers License:** Arbor Xperts, (renewal).
 - Solid Waste Haulers License:** Thompson Sanitation, (renewal).
 - Cigarette Permits:** Casey’s #1896 & 1427; Lake Liquors Wine & Spirits, (renewals).
 - Street Closing Requests:** Clear Lake Chamber, Splash & Dash & TRI Clear Lake, May 24th & 25th; Clear Lake Chamber, Thursdays on Main, May 30th through August 15th (excluding July 4th).
4. Citizens opportunity to address the Council on items **not** on the agenda:
 - In conformance with the *City Council’s Rules of Procedure and Iowa Open Meetings law*, no action or discussion can occur on items presented during the Citizens forum.
 - Please walk to the lectern, state your name (spell last name), address, and subject of your discussion.
 - Speakers are limited to a maximum of five (5) minutes per person.
5. Unfinished Business:

A. Surf District Destination Iowa Creative Placemaking Music Enrichment & Immersive Center Project:

- **Motion to take Resolution #24-34**, “A Resolution authorizing execution of a Guaranteed Maximum Price Construction (GMP) Agreement for the Music Enrichment Center Project” off the table by City Council.
- Discussion and consideration of Motion by City Council
- **Motion to approve Resolution #24-34**, “A Resolution authorizing execution of a Guaranteed Maximum Price Construction (GMP) Agreement for Music Enrichment Center Project” by City Council.
- Discussion and consideration of Motion by City Council

B. Surf District Destination Iowa Creative Placemaking Streetscape Project:

- Review of Change Order #1, Scott L. Flory City Administrator and Matt Steding, P.E., City Engineer
- **Motion to approve Change Order #1** by City Council
- Discussion and consideration of Motion by City Council

6. New Business:

A. FY 24 (amended) and FY 25 (proposed) Municipal Budget:

- Introduction by Scott L. Flory, City Administrator
- Review of budget proposal, Jacob Widman, Director of Finance & Administrative Services
- Open Public Hearing by Mayor Nelson P. Crabb
- **Motion to close Public Hearing** by City Council.
- Discussion and consideration of Motion by City Council
- **Motion to approve Resolution #24-35**, “A Resolution adopting the FY 24 (amended) and FY 25 (proposed) Budget” by City Council.
- Discussion and consideration of Motion by City Council

B. City Hall Remodeling (Administrative Side) & Security/Accessibility Improvement Project:

- Project update and review of Pay Estimate #5 and Change Order #3, Matt Steding, P.E., City Engineer
- **Motion to approve Pay Estimate #5 and Change Order #3** by City Council.
- Discussion and consideration of **Motion** by City Council.

C. 4th Avenue S. Multimodal Corridor Planning Project:

- Introduction by Scott L. Flory, City Administrator
- Review of Professional Service Agreement, Becky Schwab, P.E., SEH Engineering
- **Motion** to approve **Resolution #24-36**, “A Resolution approving and authorizing the execution of a Professional Services Agreement with SEH Engineering for the 4th Ave S. Multimodal Corridor Planning Project” by City Council.
- Discussion and consideration of **Motion** by City Council.

D. 2024 Alley Improvement Project (between N.8th and N. 9th Streets & Main Avenue and 1st Ave N.):

- Introduction by Scott L. Flory, City Administrator
- Review of proposed plans & specifications, Matt Steding, P.E., City Engineer
- **Motion** to approve **Resolution #24-37**, “A Resolution setting the date for a public hearing for May 6th at 5:30 p.m. and bid letting for May 2nd at 11:00 a.m.” by City Council.
- Discussion and consideration of Motion by City Council

E. North Iowa Children’s Museum – Feasibility Study proposal:

- Introduction by Scott L. Flory, City Administrator
- Review of request by Lorena Malecha, North Iowa Children’s Museum
- **Motion** to approve selection of ConsultEcon as consultant for feasibility study and funding participation in the amount not to exceed \$15,000 by City Council
- Discussion and consideration of Motion by City Council

7. Chief of Police’s Report:

8. Public Works Director’s Report:

9. Mayor’s Report:

10. City Administrator’s Report:

- Groundbreaking on April 17th, at 10:00 a.m. for Surf District Projects.
- Groundbreaking on May 6th for Emerald Cove Housing Project
- Interviews with Art Studios for Surf District Sculpture
- CAT Award from Enhance Iowa for Music Enrichment Center Project

- Watershed Coordinator position update, Jacob Widman, Director of Finance & Administrative Services

11. Motion to Adjourn.

NEXT REGULAR MEETING –MAY 6, 2024 at 5:30 p.m.

This notice is given pursuant to Chapter 21.4(1) of the Code of Iowa and the local rules of said governmental body