AGENDA OF THE REGULAR SESSION OF THE
COUNCIL OF THE CITY OF WASHINGTON, IOWA
TO BE HELD IN THE NICOLA-STOUFER ROOM
AT 115 W. WASHINGTON STREET
AT 6:00 P.M., TUESDAY, JANUARY 2, 2018

Call to Order

Pledge of Allegiance

Swearing in of New Mayor and Councilpersons

Roll call

Agenda for the Regular Session to be held at 6:00 P.M., Tuesday, January 2, 2018 to be approved as proposed or amended.

Consent:

1. Council Minutes December 19, 2017
2. Chamber of Commerce, 2018 Membership Renewal, $1,091.20
3. Bolton & Menk, Airport Parking Apron, 465.00
4. Bolton & Menk, Water Tower Survey, $1,040.00
5. A & R Land Services, East Adams Street Improvements Project, $455.00
6. EOR Iowa, LLC, 2017 Wetland Mitigation Monitoring, $2,034.00
7. Garden & Associates, Sanitary Sewer Extension (Old Pamida Bldg), $1,506.00
8. Garden & Associates, East Washington St. Sidewalk Extension Concepts, $1,502.02
9. Washington County Conservation Board, Kewash Nature Trail Upgrade, $60,000.00
10. Department Reports

Consent - Other:

Claims and Financial Reports:

Claims as Presented.

SPECIAL PRESENTATION

PRESENTATION FROM THE PUBLIC - Please limit comments to 3 Minutes.

OLD BUSINESS

Discussion and Consideration of a Development Agreement with David and Lisa Nacos. **(Tabled 10-17-2017)**

NEW BUSINESS

Mayoral Appointments:

DeLong – Mayor Pro Tem
Rosien – Emergency Management, E911, Communications, and SEMCO
Janecek – Historic Preservation Commission
Moore – Main Street Washington
Youngquist – Chamber of Commerce

Discussion and Consideration of Appointments – City Clerk and City Attorney.

Discussion and Consideration of Setting a Public Hearing for Amendment of FY17-2018 Budget.

Discussion and Consideration Setting a Public Hearing on FY19-23 Capital Improvements Plan.

CONSIDERATION OF HEARINGS, ORDINANCES & RESOLUTIONS

Discussion and Consideration of a Resolution Approving Downtown Investment Grant Agreement (Greiner Buildings)

Discussion and Consideration of a Resolution Approving Downtown Investment Grant Agreement (Frontier Family Restaurant)

Discussion and Consideration of a Resolution Setting Consultation Meeting and Public Hearing on Amendment #2 to Washington Downtown Urban Renewal Plan.

Discussion and Consideration of a Resolution Approving and Authorizing a Form of Loan and Disbursement Agreement and Tax Exemption Certificate with Iowa Finance Authority for $4,378.000 Water Revenue Capital Loan Notes, Series 2018 (Water Plant).

Discussion and Consideration of a 2017 Riverboat Foundation Annual Report.

DEPARTMENTAL REPORT

Police Department
City Attorney
City Administrator

MAYOR & COUNCILPERSONS

Jaron Rosien, Mayor
Brendan DeLong
Steven Gault
Kerry Janecek
Elaine Moore
Fran Stigers
Millie Youngquist

ADJOURNMENT

Illa Earnest, City Clerk

Council Minutes 12-19-2017

The Council of the City of Washington, Iowa, met in Regular Session in the Nicola-Stoufer Room, 115 W. Washington Street, at 6:00 P.M., Tuesday, December 19, 2017. Mayor Johnson in the chair. On roll call present: DeLong, Gault, Janecek, Rosien, Salazar, Youngquist. Absent: none.

Motion by Youngquist, seconded by Gault, that the agenda for the Regular Session to be held at 6:00 P.M., Tuesday, December 19, 2017 be approved as proposed. Motion carried.

Consent:

1. Council Minutes December 5, 2017
2. Rebecca Lawin McCarley (SPARK Consulting) W. Side Residential Historic District Nomination to National Register of Historic Places, $5,569.58
3. MSA Professional Services, Regional Trails & Recreational Plan, $2,500.00
4. Fox Engineering, SE Basin I & I Reduction, $12,096.00
5. Fox Engineering, City Hall Interceptor Reroute, $1,872.00
6. Fox Engineering, Water Treatment Plant Improvements, $37,704.85
7. Fox Engineering, S. Water Tower Improvements, $2,760.00
8. Fox Engineering, WWTP Nutrient Reduction Strategy, $3,281.53
9. Fox Engineering, Well #6 Pump Replacement, $1,960.00
10. Design Alliance, Fire Station Project, $2,456.61
11. Stoutner Property Management, Tree Removals, $6,500.00
12. Mark A. Jackson, Strategic Goal Setting Fee, $1,718.71
13. Department Reports

Consent - Other:

1. Terracon, Water Treatment Plant Improvements, $2,102.75

Motion by Rosien, seconded by Salazar, to approve consent agenda items 1-13. Motion carried.

Motion by Rosien, seconded by DeLong, to approve consent other. Motion carried.

Motion by Rosien, seconded by Youngquist, to approve payment of the claims as presented. Motion carried.

Motion by Salazar, seconded by DeLong, to accept the November 2017 financial reports. Motion carried.

Chamber of Washington Director Michelle Redlinger gave council an update on the Chamber's activities and some of the accomplishments from this year.

Presentations from the Public:
Ron and Julie See came before council to thank the council for their support of the Washington Volunteer Fire Department and they thanked the Fire Department for the great job they did at a recent fire call at the See home.

Mayor Johnson said that her brother also sent compliments to the Fire Department for their service on a call at his property.

Discussion and Consideration of a Resolution Approving Development Agreement with David and Lisa Nacos. **(Tabled 10-17-2017)** remains tabled.

Motion by Salazar, seconded by Rosien, to proceed with the recommendation by City Staff to change the intersection at E. Main Street and 2nd Avenue to a 4-way stop with flashing red lights all directions and to paint crosswalk stripping in the Spring. Motion carried.

Motion by Rosien, seconded by Salazar, to affirm the Mayoral Appointments to the Fire Department:

Fire Chief Tom Wide
1st Asst. Chief Craig Rembold
2nd Asst. Chief Jim Williams
Secretary Tom Beauchamp

Motion carried.

Motion by Rosien, seconded by Janecek, to approve Work Change Task Directive #4 in the amount of $64,644.95. Motion carried.

Discussion and Consideration Directing Sale of an Interest in Real Property (208 E. Jefferson Street – House). **(Tabled 11-21-2017)**.

Motion by Rosien, seconded by Salazar, to remove from the table -Discussion and Consideration Directing Sale of an Interest in Real Property (208 E. Jefferson Street – House). Roll call on motion: Ayes: DeLong, Gault, Janecek, Rosien, Salazar, Youngquist. Nays: none. Motion carried.

Mayor Johnson announced that council will take no action on this item.

Motion by Rosien, seconded by DeLong, to approve the Resolution Approving Offer to Buy Real Estate and Acceptance (202 E. Jefferson Street) and adding to the motion that a video of the interior of 208 E. Jefferson Street will be made prior to the house moving and correction of a typo in the agreement. Roll call on motion: Ayes: DeLong, Gault, Janecek, Rosien, Salazar, Youngquist. Nays: none. Motion carried. **(Resolution No. 2017-078)**

Motion by DeLong, seconded by Gault, to approve the Resolution Accepting Donated Property (302 S. 2nd Avenue). Roll call on motion: Ayes: DeLong, Gault, Janecek, Rosien, Salazar, Youngquist. Nays: none. Motion carried. **(Resolution No. 2017-079)**

Motion by Rosien, seconded by Youngquist, to approve the Resolution Approving Strategic Priorities Work Plan for 2018 and 2019. Roll call on motion: Ayes: DeLong, Gault, Janecek, Rosien, Salazar, Youngquist. Nays: none. Motion carried. **(Resolution No. 2017-080)**

Motion by DeLong, seconded by Youngquist, to approve the Resolution Authorizing Levy, Assessment, and Collection of Costs to the Washington County Treasurer. Roll call on motion: Ayes: DeLong, Gault, Janecek, Rosien, Youngquist. Nays: none. Salazar abstained with conflict. Motion carried. **(Resolution No. 2017-081)**

Motion by Salazar, seconded by Rosien, that the Regular Session held at 6:00 P.M., Tuesday, December 19, 2017 be adjourned. Motion carried.

Illa Earnest, City Clerk

Sandra Johnson, Mayor

WASHINGTON CHAMBER OF COMMERCE

205 W. Main Street
Washington, IA
52353

"One of THE BEST Small Towns in America"

City of Washington
215 E Washington St
PO Box 516
Washington, IA 52353

Phone (319) 653-3272

E-mail:michelle@washingtoniowa.org

INVOICE

Invoice Date: 12/20/2017

Invoice Number: 2017-2823

DESCRIPTION	PRICE EACH	QUANTITY	AMOUNT
2018 Chamber Base Investment - First 2 People in Business - Renewal	188.00		188.00
Employees 3-10 - plus $38 per Employee	38.00	8	304.00
Employees 11-20 - plus $15 per Employee	15.00	10	150.00
Employees 21-35 - plus $10 per Employee	10.00	15	150.00
Balance of Employees - plus $8 per Employee	8.00	25	200.00
Subtotal			992.00
10% Voluntary Increase for Website Development/Business Directory Improvement	10.00%		99.20
Payment Enclosed_____ or Please Bill: Semi-Annually_____Quarterly_____ If you wish to pay this bill with a credit card please contact the Chamber office 319-653-3272			0.00

Thank you for your continued support
Michelle

Please mark your billing preference

I prefer standard MAIL

Save a stamp, please E-MAIL invoices!

Send invoices to this email:

www.chamber.washingtoniowa.org

Balance Due $1,091.20

INVOICE

BOLTON & MENK

Real People. Real Solutions.

Please Remit To: Bolton & Menk, Inc.
1960 Premier Drive | Mankato, MN 56001-5900
507-625-4171 | 507-625-4177 (fax)
www.Bolton-Menk.com
To Ensure Proper Credit, Provide Invoice Numbers with Payment

2017 *0211533* *T51.109617*

City of Washington
Washington Airport Commission
Kevin Erpelding, Chairman
215 East Washington
Washington, IA 52353

November 30, 2017
Project No: T51.109617
Invoice No: 0211533

Washington Airport/Construct Apron

Design and Construct Aircraft Parking Apron

Construction Phase (004)
Description: Assist with Grant Application, Grant Administration, and Construction Observation

Professional Services

	Hours	Amount	
Administrative Assistant	2.00	120.00	
Project Engineer	3.00	345.00	
Totals	5.00	465.00	
Total Labor			**465.00**
		Total this Task	**$465.00**
		Total this Invoice	**$465.00**

301-6-6020-6791
~~002-6-2080~~ _____ Initials 9 RA
EXP. Ramp
Vender # _____ Date Rec. 12-19-17
Due Date _____ Inv # _____

Notice: A finance charge of 1.5% per month (annual percentage of 18%) is charged on balances 30 days or over.

INVOICE

BOLTON & MENK

Real People. Real Solutions.

Please Remit To: Bolton & Menk, Inc.
1960 Premier Drive | Mankato, MN 56001-5900
507-625-4171 | 507-625-4177 (fax)
www.Bolton-Menk.com
To Ensure Proper Credit, Provide Invoice Numbers with Payment

2017 *0211534* *T51.113568*

City of Washington
Washington Airport Commission
Kevin Erpelding, Chairman
215 East Washington
Washington, IA 52353

November 30, 2017
Project No: T51.113568
Invoice No: 0211534

Washington Airport/General Engineering

Professional Services

	Hours	Rate	Amount	
Survey Technician				
Ahrens, Luke	3.50	100.00	350.00	
Shot the Water Tower Ground Elevation				
Project Surveyor				
Dreyer, Eugene	1.00	130.00	130.00	
Project Manager				
Byers, Carl	3.50	160.00	560.00	
Water Tower Obstruction Issue				
Totals	8.00		1,040.00	
Total Labor				**1,040.00**
		Total this Invoice		**$1,040.00**

002-6-2080 6907 Initials JEA
EXP. Water Tower Survey
Vender # _____ Date Rec. 12-19-17
Due Date _____ Inv # _____

Notice: A finance charge of 1.5% per month (annual percentage of 18%) is charged on balances 30 days or over.

A & R Land Services, Inc.

1609 Golden Aspen Drive, Suite 104
Ames, IA 50010
515-337-1197

Invoice No. WASH-ADAMS-17-7

INVOICE

Customer

Name: City of Washington, Iowa, c/o Brent D. Hinson
Address: 215 East Washington Street
City: Washington State: IA ZIP: 52353
Phone: 319-653-6584

Date: 12/20/2017
Order No.: WASH-ADAMS-17

Qty	Description	Unit Price	TOTAL
	NOVEMBER 2017		
7	ROW Services for City of Washington, Iowa East Adams Street Improvement Project	$65.00	$455.00
	Mileage for project trips taken.	$0.540	
	Color copies/printing.	$0.50	
	Black and white copies/printing.	$0.10	
	Abstractor/Courthouse Fees	$1.00	
	Postage	$1.00	
	Recording Fees	$1.00	

SubTotal	$455.00
Shipping & Handling	$0.00
Taxes Iowa	
TOTAL	$455.00

Payment Details

- ○ Cash
- ◉ Check
- ○ Credit Card

Name _____
CC # _____
Expires _____

Office Use Only: Customer will be charged 1.5% interest per month for any invoices past due over 30 days.

Agreed expenses include: mileage at current the Federal rate, lodging at GSA's current rate, per diem at GSA's current rate, postage, copies/printing at 10 cents per black & white page and 50 cents per color page, telephone calls, and any other project-related expenses to be billed to client based on actual expense.

Your Expert Right of Way Resource

EOR IOWA LLC
2335 230th Street
Ames, IA 50014 US
(515) 230-7044
kgriggs@eorinc.com

EOR IOWA
water · ecology · community

INVOICE

INVOICE # 12-357-009
DATE 12/14/2017
DUE DATE 01/13/2018
TERMS Net 30

BILL TO
City of Washington
David Hinson, City
Administrator
215 East Washington Street
Washington, Iowa 52353

Please detach top portion and return with your payment.

ACTIVITY	QTY	RATE	AMOUNT
2017 Wetland Mitigation Monitoring	1	2,034.00	2,034.00

It has been our pleasure working with you!

BALANCE DUE **$2,034.00**

GARDEN & ASSOCIATES, LTD.

1701 3rd Avenue East, Suite 1 • P.O. Box 451 • Oskaloosa, IA 52577
Phone: 641.672.2526 • Fax: 641.672.2091

INVOICE

City of Washington
P. O. Box 516
215 East Washington
Washington, IA 52353

December 19, 2017
Invoice No: 36113

Project 3017207 Santiary Sewer Extension to Proposed Office Building.
Client ID# 20040

Professional Services for the Period: November 17, 2017 to December 14, 2017

Professional Services

	Hours	Rate	Amount	
Principal Engineer	4.00	137.00	548.00	
Surveyor 2	5.50	108.00	594.00	
Technician #2	3.00	86.00	258.00	
Technician #6	2.00	53.00	106.00	
Totals	14.50		1,506.00	
Total Professional Services				**1,506.00**
		Total Project Invoice Amount		**$1,506.00**

GARDEN & ASSOCIATES, LTD.

Jack Pope

JACK POPE, PE

GARDEN & ASSOCIATES, LTD.

1701 3rd Avenue East, Suite 1 • P.O. Box 451 • Oskaloosa, IA 52577
Phone: 641.672.2526 • Fax: 641.672.2091

INVOICE

City of Washington
P. O. Box 516
215 East Washington
Washington, IA 52353

December 19, 2017
Invoice No: 36112

Project 5017312 Washington - East Washington Sidewalk Extension (Concepts).
Client ID# 20040

Professional Services for the Period: November 17, 2017 to December 14, 2017

Professional Services

	Hours	Rate	Amount	
Principal Engineer	5.00	137.00	685.00	
Surveyor 2	7.00	108.00	756.00	
Totals	12.00		1,441.00	
Total Professional Services				**1,441.00**
Unit Billing				
Mileage			61.02	
Total Units			**61.02**	**61.02**
		Total Project Invoice Amount		**$1,502.02**

GARDEN & ASSOCIATES, LTD.

JACK POPE, PE

WASHINGTON COUNTY CONSERVATION BOARD
Steven P. Anderson, Executive Director
2943 Highway 92
Ainsworth, Iowa 52201
Telephone: (319) 657-2400
FAX: (319) 657-2500
Wccbdirector1981@gmail.com

INVOICE FOR KEWASH NATURE TRAIL UPGRADE PROJECT

TO: CITY OF WASHINGTON

As Per Agreement: City of Washington commitment towards the Kewash Nature Trail Upgrade Which Includes Creating A Trail Spur Between The Kewash Nature Trail, Through Willow Pond, And Thence To The Kirkwood Regional Learning Center As Well As Paving West From The Intersection With Highway 1 As Far As The Funding Allows.

AMOUNT OF INVOICE: $60,000

REMIT TO:
Washington County Conservation Board
2943 Highway 82
Ainsworth, Iowa 52201

WWTP report
January 2, 2018
Council meeting

- **After hour alarm and dog call outs** –
  23rd WWTP alarm, SBR decanter #3 VFD fault, 4:27a.m. Parker
  23rd WWTP alarm, SBR decanter #3 VFD fault, 9:15 a.m. Parker
  23rd WWTP alarm, communications failure alarm, 5:46 p.m. Parker
  25th WWTP alarm, SBR decanter #3 VFD fault, 12:01a.m. Parker
  27th WWTP alarm, SBR decanter #1 VFD fault, 2:06 a.m. Parker
  27th WWTP alarm, SBR decanter #4 VFD fault, 5:45 a.m. Parker
  28th dog call, Safety Center reported dog to be picked up at Paws & More, 6:17 p.m. Parker
  28th WWTP alarm, SBR decanter #1 VFD fault, 11:07 p.m. Parker

- **Dept Head meetings -** I attended the meeting on the 19th.

- **2018/2019 WWTP budget** – I've been working on the WWTP budget for 2018/2019.

- **Cold weather problems** – Parker had several early morning hour SBR decanter VFD faults over the Christmas weekend. The decanters let the discharge flow out of the SBR treatment tanks. On the 27th we purchased sleeping bags to cover the decanter motors to try to help keep them warm during this cold snap. Time will tell if this helps to prevent the VFD faults or not. On the 27th & 28th the motorized gate wouldn't open when we got work. We had to crawl under the fence to disengage the gate motor so we could open it manually. On the 28th Jason purchased a mailbox to cover the keypad. He put insulation in the mailbox and also installed an old sampler heater inside the mailbox to provide a little heat. On the 29th the keypad worked just fine and the gate opened properly. Hopefully this will keep the keypad from freezing and continue to work properly. The heater in the Parkside Estates pump house was found not working on the 27th. We purchased a propane heater to get things thawed out. After it was thawed we installed a new electrical heater in the pump house. Had to replace the heat tape on the effluent sampler suction hose as it was froze and wouldn't collect samples like it was suppose to.

- **City generators** – I was tasked by Mayor Johnson to put together a preventative maintenance contract for all the City generators in hopes of receiving discounted prices since all the generators would be bundled under one (1) contact. The City has four (4) generators located at the WWTP, Lexington Blvd lift station, Water Treatment Plant, and City Hall/Fire Station. I sent out five (5) quote letters to generator companies. I asked them to have the quotes back to me by January 19, 2018. On the 27th I took the service manager from the 3E Company around to look at the generators so he could get necessary info to submit a quote. I have two (2) different generator company reps coming after the New Year to look at the generators so they can provide quotes.

- **John Deere riding mower** – The mower has been serviced and cleaned up for winter storage. It's ready to mow next spring

- **WWTP discharge channel at the creek** – Checked out the discharge channel at the creek for obstructions since the crops were out. Everything looked good in the channel. Also checked the manholes to make sure the lids were on.

Fred E Doggett
12/29/2017 10:05 AM

Washington Park Board Meeting

12-14-17 5:00pm

City Hall, Washington, Iowa

Attending: Nick Pacha, Trent Stout, Gabriela Conchola, Shawn Loy

Absent: Genie Davis, Don Pfeiffer

Discussion was had on Parks Budget. As of Nov. 30th budget report 42% of the year is complete. Budget line items are looking good. No major purchases were discussed or planned for the next couple months. Nick is looking into a windshield for the Gator to make it better for winter time use. Price is expected to be around $500. Nick will continue to monitor budget and look into replacing damaged shelter shingled roofs with Metal roofs similar to last year if funds allow.

Future meeting dates were discussed. 2nd Thursday of the month will be the date for the time being. It was suggested that going a little bit later in the evening would help people attend the meetings easier. Group decided to try 6:00pm for the next meetings.

Nick gave update on Ash tree removal in the City and parks. Stoutner has topped and will be taking down several ash trees in the next couple weeks which are large/Dangerous and need bucket truck. Nick will be removing several trees this winter in Sunset park. City tree committee has decided not to treat any of the Ash trees as it is expensive and most Ash trees are already too far infested with Ash borer to have a good chance of working.

Other business was discussed such as Wellness Park update, Nick will send out list of properties park maintains and does snow removal on so new board members are up to date.

Next meeting is scheduled for Thursday January 11 @ 6:00pm.

Submitted by: Nick Pacha

Maintenance & Construction Department Report

12/2/17 12/15/17

STREETS: Personnel cold mixed around town. Personnel installed a new post at South 10th Ave-East Washington St for a "No Parking" sign that got struck by a vehicle. The leaf vac concluded on December 15, total loads, 118 for the season. The street sweeper made it back out with warmer temperatures.

WATER DISTRIBUTION: Personnel repaired a rod on a water box located at 921 North 6th Ave.

SEWER COLLECTION: Personnel jetted a sewer west from North 2nd Ave in the 100 block in an alley 180 ft. Personnel flushed 1000 gallons of water in a sanitary sewer on West Madison St, also sprayed out a manhole with soap build up and flushed an additional 700 gallon of water upstream. Personnel assisted Hydro-Klean on the three manholes to be rehabbed.

STORM SEWER COLLECTION: Personnel set a concrete lid back on a storm inlet at North 6th Ave-East 17th St, which had been struck by a truck.

MECHANIC/SHOP: Personnel installed a salt spreader in #119. Personnel serviced #104 (remove and install new brake booster), CAT loader (oil), #611 (Manufacture plow plug in bracket), PD 905 (service & rear light bar), FD Eng #2 (air leak), #301 (tranny filter), PD Durango (service & rotate tires), 005 (replace brake booster & cleaned air duct-tested blend air door and actuators), PD 96 (service & rotate tires), #144 (new battery) and PD 97 (new tires).

OTHER: Personnel hauled a load of winter cold mix to the stockpile. Personnel responded to 39 One Call Locates. Yard waste and bag pick up continued, total YTD 15,850 bags.

Please note that this report does not include every task M/C personnel performed, but shall be a highlight of our work performed as a department.

CITY OF WASHINGTON, IA **CLAIMS REPORT FOR JANUARY 2, 2018**

DEPARTMENT	VENDOR NAME	DESCRIPTION	AMOUNT
CAPITAL PROJECTS	WALLACE, KATHY	W 7TH ST EXTENSION-PR	10000.00
		TOTAL	**10000.00**
WATER PLANT	POSTMASTER	DECEMBER 2017- BULKY	802.30
	BELIUS, BRITTNEY	DEPOSIT REFUND	18.72
	ARTE, MIGUEL ANGEL	DEPOSIT REFUND	104.52
	RRISON, RACHAEL M.	DEPOSIT REFUND	20.58
	DING, MAQUEL	DEPOSIT REFUND	43.93
	MER, STEPHANIE	DEPOSIT REFUND	64.52
	LMERE, JULIE & JER	DEPOSIT REFUND	36.45
	RRIER, GERRY	DEPOSIT REFUND	28.22
	NES, JESSICA	DEPOSIT REFUND	75.26
	BERG, STEVEN	DEPOSIT REFUND	154.79
	ALLIANT ENERGY	ALLIANT ENERGY	5947.41
	IOWA RURAL WATER ASSN	MEMBERSHIP DUES	375.00
	JENNINGS, ELAINE	MILEAGE REIMBURSMENT	27.29
	CARROLL, SUSAN	MILEAGE REIMBURSMENT	14.45
		TOTAL	**7713.44**
SEWER PLANT			
	IOWA GROW, INC.	BIO-SOLID APPLICATION	38298.00
	ELECTRICAL ENGINEERING EQUIPMENT	WWTP GENERATOR-PM CON	5161.00
	ALLIANT ENERGY	ALLIANT ENERGY	22.32
	CENTRAL IOWA DISTRIBUTING	NITRILE GLOVES	123.00
	TESTAMERICA LABORATORY	TESTING FEES	1557.36
	USA BLUEBOOK	LAB SUPPLIES	219.19
	CINTAS FIRST AID & SAFETY	1ST AID SUPPLIES & GLOVES	138.10
		TOTAL	**45518.97**
SANITATION			
	WASH CO HUMANE SOCIETY	DECEMBER COLLECTIONS	397.37
	LUKE WASTE MANAGEMENT	REFUSE-RECYCLING SERV	28471.25
		REFUSE-RECYCLING SERV	96.00
		TOTAL	**28964.62**
POLICE			
	ELECTRONIC APPLICATIONS	CAR KEY ENCRYPTION	40.00
	ALLIANT ENERGY	ALLIANT ENERGY	220.76
	QUILL	OFFICE SUPPLIES	21.02
	O'REILLEY AUTOMOTIVE	WHEEL NUT	48.20
	MOORE'S BP AMOCO	TOWING- PONTIAC/FORD FUSION	405.00
	WALMART	CABLES AND SUPPLIES	329.33
	HYVEE	SUPPLIES	6.60
	ALTENHOFEN, BEN	REIMBURSMENT	104.96
	UPS	UPS CHARGES	9.72
	AMAZON CAPITOL	SUPPLIES	41.99
	PRO-VISION	MOUNTING CLIPS	192.37
		TOTAL	**1419.95**

FIRE			
	BUSINESS RADIO SALES	ANTENNA/BATTERY	115.60
	GALLS LLC	FIRE BOOTS/SHIRT	829.88
	ALLIANT ENERGY	ALLIANT ENERGY	441.52
	WASH CO HOSPITAL	NEW FIREFIGHTERS PHYSICALS	1864.00
	GRAINGER	SUPPLIES	10.36
	WINDSTREAM IOWA	TELEPHONE SERVICE	173.74
	GAZETTE COMMUNICAITON	SUBSCRIPTION	317.20
	HEIMAN FIRE EQUIPMENT	LIGHTS	93.25
		TOTAL	**3845.55**
DEVELOPMENT SERVICES			
	HIWAY SERVICE CENTER	PARTS	20.87
	IAPMO- IOWA CHAPTER	MEMBERSHIP DUES	25.00
	IMPRESSIONS COMPUTERS	COMPUTER MAINTENANCE	400.00
	WALMART	SUPPLIES	67.74
		TOTAL	**513.61**
LIBRARY			
	ALL AMERICAN PEST CONTROL	PEST CONTROL	44.00
	DEMCO	BOOK PROCESSING SUPPL	99.08
	GALE/CENGAGE LEARNING	WESTERNS	67.06
	STAPLES	OFFICE SUPPLIES	84.45
		TOTAL	**294.59**
PARKS			
	ALLIANT ENERGY	ALLIANT ENERGY	82.60
	WALMART	SUPPLIES	122.79
		TOTAL	**205.39**
CEMETERY	ALLIANT ENERGY	ALLIANT ENERGY	282.34
		TOTAL	**282.34**
FINANCIAL ADMINISTRATION			
	ALL AMERICAN PEST CONTROL	PEST CONTROL	44.00
	ALLIANT ENERGY	ALLIANT ENERGY	462.90
	QUILL	OFFICE SUPPLIES	84.29
	EBERT SUPPLY CO	PAPER TOWELS	57.00
	CINTAS CORP	RUG SERVICE	58.39
	TYLER TECHNOLIGIES	MAINTENANCE CHARGE	1112.00
	FRAN STIGERS	MILEAGE REIMBURSEMENT	29.96
		TOTAL	**1848.54**
AIRPORT			
	EASTERN AVIATION FUELS	FUEL	10543.42
		TOTAL	**10543.42**
ROAD USE	WALMART	SUPPLIES	49.49
		TOTAL	**49.49**
STREET LIGHTING	ALLIANT ENERGY	ALLIANT ENERGY	322.45
	WALMART	SUPPLIES	24.88
		TOTAL	**347.33**

TREE COMMITTEE	WMPF GROUP (JOURNAL)	ADVERTISING-TREE COMM	148.62
	IOWA CITY LANDSCAPING	TREES	121.00
	ACE-N-MORE	ELECTRIC FENCE	191.40
		TOTAL	**461.02**
WATER DISTRIBUTION			
	ALLIANT ENERGY	ALLIANT ENERGY	337.49
	WALMART	SUPPLIES	35.94
	HYVEE	MEETING	62.28
		TOTAL	**435.71**
		GRAND TOTAL	**112443.97**

NOTICE OF PUBLIC HEARING
AMENDMENT OF FY2017-2018 CITY BUDGET

Form 653.C1

The City Council of Washington in WASHINGTON County, Iowa
will meet at Washington Free Public Library, 115 W Washington Street
at 6:00 PM (hour) on 1/16/2018 (Date)
,for the purpose of amending the current budget of the city for the fiscal year ending June 30, 2018 (year)
by changing estimates of revenue and expenditure appropriations in the following programs for the reasons given. Additional detail is available at the city clerk's office showing revenues and expenditures by fund type and by activity.

		Total Budget as certified or last amended	Current Amendment	Total Budget after Current Amendment
Revenues & Other Financing Sources				
Taxes Levied on Property	1	3,477,181	0	3,477,181
Less: Uncollected Property Taxes-Levy Year	2	0	0	0
Net Current Property Taxes	3	3,477,181	0	3,477,181
Delinquent Property Taxes	4	0	0	0
TIF Revenues	5	257,820	0	257,820
Other City Taxes	6	872,158	0	872,158
Licenses & Permits	7	122,375	0	122,375
Use of Money and Property	8	158,065	0	158,065
Intergovernmental	9	2,715,978	214,340	2,930,318
Charges for Services	10	5,091,797	0	5,091,797
Special Assessments	11	30,000	0	30,000
Miscellaneous	12	336,991	0	336,991
Other Financing Sources	13	6,920,630	0	6,920,630
Tranfers In	14	7,396,185	756,226	8,152,411
Total Revenues and Other Sources	15	27,379,180	970,566	28,349,746
Expenditures & Other Financing Uses				
Public Safety	16	1,885,460	0	1,885,460
Public Works	17	1,309,041	0	1,309,041
Health and Social Services	18	0	0	0
Culture and Recreation	19	872,399	10,000	882,399
Community and Economic Development	20	69,666	0	69,666
General Government	21	1,104,693	0	1,104,693
Debt Service	22	1,231,668	0	1,231,668
Capital Projects	23	5,007,471	243,350	5,250,821
Total Government Activities Expenditures	24	11,480,398	253,350	11,733,748
Business Type / Enterprises	25	10,505,833	803,501	11,309,334
Total Gov Activities & Business Expenditures	26	21,986,231	1,056,851	23,043,082
Transfers Out	27	7,396,185	0	7,396,185
Total Expenditures/Transfers Out	28	29,382,416	1,056,851	30,439,267
Excess Revenues & Other Sources Over (Under) Expenditures/Transfers Out for Fiscal Year	29	-2,003,236	-86,285	-2,089,521
Beginning Fund Balance July 1	30	6,103,895	6,766,246	12,870,141
Ending Fund Balance June 30	31	4,100,659	6,679,961	10,780,620

Explanation of increases or decreases in revenue estimates, appropriations, or available cash:
Capital projects carryover, park bench purchases

There will be no increase in tax levies to be paid in the current fiscal year named above. Any increase in expenditures set out above will be met from the increased non-property tax revenues and cash balances not budgeted or considered in this current budget. This will provide for a balanced budget.

Kelsey Brown
City Clerk/Finance Officer

Jaron P. Rosien, Mayor
Illa Earnest, City Clerk
Kevin Olson, City Attorney
Brent Hinson, City Administrator

215 East Washington Street
Washington, Iowa 52353
(319) 653-6584 Phone
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Memorandum

December 29, 2017

To: Mayor & City Council
Cc: Illa Earnest, City Clerk

From: Brent Hinson
City Administrator

Re: Capital Improvements Plan (CIP) Update for FY19-23

The City Council last adopted the CIP in March 2017. Attached is a proposed update to that plan, as we get ready for budget time. While the total for the plan is $27 million, slightly more than half of that amount involves projects already in motion, including the Water Plant, Fire Station, Wellness Park, and Southeast Basin Sewer I/I improvements.

The overall plan is very similar to what was adopted in March. However, here is a quick year-by-year summary of the changes proposed:

FY18/Carryover

- South Tower: as previously approved but not reflected in the March update (the change hadn't happened yet), move West Washington Water Main back to FY21 and move this project up to FY18. This was necessary based on DNR direction.

FY19

- East Washington Sidewalk: include this project in FY19 as per direction from Council in the goal-setting process. We should have a cost estimate from the engineer in time for adoption of the final CIP, but at this point I have assumed a $150,000 construction project, with the City paying 2/3 of the construction costs plus engineering.

FY20

- North 4th Improvements Project: We had planned to include this project in FY21 in last year's CIP. However, with the discovery of major sanitary sewer inflow in the same block as will be reconstructed with this project, it makes more sense to move this up to FY20 and do it as one big project with the Egg Basin I/I improvements we had already planned for FY20. This moves the planned South 12th project to FY21 (see more below).

- South Avenue B Water Main: I moved this back from FY18 to FY20 due to the practical limits of our time to do in-house projects. We have several projects to take care of in-house in FY18 and early FY19, and we have not had as many breaks on this line in the past couple years as we did previous to that. Moving this project back also pushed the East 3rd Water Main projects back one year (to take place FY21 through FY23).

FY21

- South 12th/ East Adams Street Improvements: Last year at this time, we had talked about doing $1 million street bond issuances every other year, instead of doing a $500,000 issuance every year, in order to get more "bang for the buck" with bigger projects. This project would be the first test of that policy, as instead of doing a South 12th paving project in FY20 and an East Adams paving project in FY22, we would do them both in FY21.

- Re-Light Runway 18/36: The Airport Commission is requesting that we include re-lighting the main runway in FY21. This requires a $40,000 local match (on a $400,000 project), but they did downsize their apron project for the current fiscal year from a $600,000 project ($60,000 local match) to a $300,000 project ($30,000 local match).

FY22

- Contracted Street Patching: While we tend to do extra contracted street patching in the second half of the fiscal year as funds allow, I wanted to have a line for this to give us a chance to do a little more, and possibly even consider some asphalt mill & overlay work in this time period. We have no shortage of places to do this type of work in town.

FY23 (Newly Added to Plan)

- Downtown Streetscape: Looking at the updated numbers, I now feel confident that we can do this project a year earlier than projected by doing this as our street project for FY23 (thus meaning that we wouldn't finish the southeast collector system with the last East Adams project in FY25).

- North 2nd Underpass Engineering: There are various issues involved with the underpass, and this envisions hiring an engineer to properly diagnose the issues and propose a schedule of improvements.

- Old WWTP Demolition: We left the demolition of the old structures at the WWTP out of the contract for the construction of the new one, and five years after the new plant opened, they are still there due to the need to shift to doing I/I examination and projects. With presumably several major I/I projects under our belts by FY23, this seems like the right time in the plan to re-examine the removal of the structures to clear the way for future improvements to our property.

Future Years

New projects listed in the "Future Years" of the plan are:

- Runway 18/36 Approach Lighting- not to be confused with the project to replace the lights along the runway in FY21 of the plan, this includes the Precision Approach Path Indicators (PAPI) and Runway End Identifier Lights (REIL) at the ends of the runway to allow for safer approaches and landings.

- Wellness Park Phases 2-4: Now that we have numbers for the future phases of the Wellness Park, I have included this as a future year project or projects.

- West Sewer Basin I/I Project: Following the completion of the West Sewer Basin evaluation, this envisions a $1 million project somewhere in that basin. This project is programmed for FY24.

If you can reach consensus on the CIP update at this meeting, you are set up to hold the hearing and adopt the updated plan on January 16.

I look forward to discussion at the meeting.

City of Washington
FY19-23 CIP Funding Analysis
DRAFT 12/28/17

	Proj #	Proj Type	Amount Budgeted	GO Debt	SRF Debt	Water	Sewer	Road Use	TIF	Quarterly Riverboat	Special Assess	Grant	Other	Notes
Council Previously Approved/Discussed Projects														
FY18 Budgeted/Council Approved/Carryover														
Water Plant RO Conversion & Upgrades	102	W	$5,500,000	$129,237	$4,378,000	$412,763						$580,000		Apply for $600k CDBG
New Large Hangar	105	A	$300,000									$150,000	$150,000	Airport 002 match
South Tower Roof Repairs & Upgrades	128	W	$425,000			$425,000								
Well #6 & #7 Upgrades	106	W	$689,110			$689,110								
Fire Station Construction	108	B	$2,971,579	$700,000						$777,170			$1,494,409	
South 15th Paving & Subdivision	109	R/SS/S/W	$775,000	$500,000				$125,000	$120,000		$30,000			
S. 14th St. and S. 15th St. Storm Sewer	110	SS												Incl w/S. 15th Subdiv.
Enlarge Pavement Apron- Phase 2	112	A	$300,000					$30,000				$270,000		Phase 2
Wellness Park Phase I	113	P/RSW	$1,628,000	$1,000,000						$400,000			$228,000	Gift,WP310,RUT match
Willow Pond Trail/Kewash Improvements	115	P	$160,000							$60,000		$100,000		Joint with WCCB
I/I Project (SE Basin)/Egg Relocation	116	S	$1,300,000	$1,100,000			$200,000							Possible $600k CDBG
		FY18 Totals	$14,048,689	$3,429,237	$4,378,000	$1,526,873	$200,000	$155,000	$120,000	$1,237,170	$30,000	$1,100,000	$1,872,409	
Fiscal 2019														
S. Avenue E Reconst (Sitler to Lincoln)	117	R/SS	$803,200	$500,000				$125,000	$138,200		$40,000			
E. Main Watermain- 12th to 15th	118	W	$25,000			$25,000								In-House FY19
Woodlawn Gates & Building	119	B	$50,000									$25,000	$25,000	
Egg Sewer Basin Evaluation	120	S	$200,000				$200,000							
East Washington Sidewalk	136	R	$177,500					$127,500			$50,000			
		FY19 Totals	$1,255,700	$500,000	$0	$25,000	$200,000	$252,500	$138,200	$0	$90,000	$25,000	$25,000	
Fiscal 2020														
City Hall/Police Construction	122	B	$1,606,305	$700,000		$50,000							$856,305	
New Fuel Farm	123	A	$200,000									$160,000	$40,000	Airport 002 match
Sunset Park Main Pavilion Remodel	124	P	$50,000										$50,000	
I/I Project (Egg Basin)	125	S	$1,100,000	$1,000,000			$100,000							Partner with N. 4th Proj
N 4th Street/Water/Sewer Rep- 5th to 7th	127	R/S/W	$650,000	$500,000		$50,000	$100,000							Partner with Egg Sewer
S Ave B Watermain- Adams to Tyler	111	W	$35,000			$35,000								In-House Project
		FY20 Totals	$3,641,305	$2,200,000	$0	$135,000	$200,000	$0	$0	$0	$0	$160,000	$946,305	
Fiscal 2021														
W. Washington Watermain Replacement	107	W	$487,108			$487,108								Bore Line & Patch Brick
E. 3rd Watermain- 4th to 12th	126	W	$75,000			$75,000								In-House FY21-23
S. 12th to Adams, Adams 12th to 15th Pvg	121/133	R/SS	$1,380,400	$1,000,000			$100,000	$200,400			$80,000			
Biz Park Phase II/W. Buchanan	129	R/SS/S/W	$2,558,289						$121,851	$610,000		$1,826,438		
North Park Restrooms	130	P	$75,000							$75,000				
Re-Light Runway 18/36	137	A	$400,000					$40,000				$360,000		
		FY21 Totals	$4,975,797	$1,000,000	$0	$562,108	$100,000	$240,400	$121,851	$685,000	$80,000	$2,186,438	$0	
Fiscal 2022														
Water Tower Park Play Structure	132	P	$30,000							$30,000				
S. 4th Watermain- Wash to Madison	135	W	$302,500			$302,500								Top Priority in Fac Plan
West Sewer Basin Evaluation	134	S	$200,000				$200,000							
Contracted Street Patching	131	R	$125,000					$125,000						
		FY22 Totals	$657,500	$0	$0	$302,500	$200,000	$125,000	$0	$30,000	$0	$0	$0	

City of Washington
FY19-23 CIP Funding Analysis
DRAFT 12/28/17

	Proj #	Proj Type	Amount Budgeted	GO Debt	SRF Debt	Water	Sewer	Road Use	TIF	Quarterly Riverboat	Special Assess	Grant	Other	Notes
Fiscal 2023														
Downtown Streetscape Expansion	138	R/SS/S/W	$3,000,000	$1,000,000		$350,000			$680,000	$970,000				
Old WWTF Demo	139	S	$200,000				$200,000							
N 2nd Underpass Engineering Evaluation	140	R	$25,000					$25,000						
		FY23 Totals	$3,225,000	$1,000,000	$0	$350,000	$200,000	$25,000	$680,000	$970,000	$0	$0	$0	
	Programmed Totals		$27,803,991	$8,129,237	$4,378,000	$2,901,481	$1,100,000	$797,900	$1,060,051	$2,922,170	$200,000	$3,471,438	$2,843,714	
Future Years or Unscheduled														
Parallel Taxiway for 18/36 & N End 13/31		A	$2,100,000											Requested for FY28
18/36 Approach Lighting (PAPI/REIL)		A	$165,000											Requested for FY24
Sunset Park New Play Structure		P	$30,000											
Wellness Park Phases 2-4		P	$2,675,588											
S. 4th Mill & Overlay- Wash to Van Buren		R	$265,000											
S. Ave B Mill & Overlay- Sitler to Madison		R	$430,000											
N. Marion Mill & Overlay- 5th to 8th		R	$200,000											
N. Iowa Mill & Overlay- 5th to 11th		R	$260,000											
W. Main Paving (Hwy 1 to S Ave H)		R/SS	$596,800											Programmed for FY25
Adams St Paving- S. 9th to S. 12th		R/SS	$468,000											
S. 6th Paving- Van Buren to Monroe +SRTS		R/SS	$436,000											
S. 6th Paving- Mon to Mad + Mon 4th to 6th		R/SS	$377,250											Fed Aid after W. Buch?
N. 2nd Street Improv Phase 1- 5th to 11th		R/SS	$1,000,000											Main Possible In-House
E 2nd Watermain Replacement		W	$227,250											Per Facility Plan
Jefferson Watermn- D to C, B to Cul-de-Sac		W	$1,340,500											
S. 2nd Watermain- Madison to Tyler		W	$317,250											
S. 4th Watermain- Madison to Van Buren		W	$436,200											Programmed for FY24
West Sewer Basin I/I Project		S	$1,000,000											
Parkside Estates Lift Station		S	$200,000											
S. 2nd Sewer- Monroe to Jackson		S	$150,000											
N. 2nd Underpass Lift Station Upgrade		S	$100,000											
	Future Years Total		$12,774,838	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	

Project Types				
	R= Road	S= Sewer	B= Building	P= Parks
	W= Water	SS= Storm Sewer	A= Airport	

Project Cost Key

Blank- no cost estimate
FOX- engineer preparing cost estimates

Jaron P. Rosien, Mayor
Illa Earnest, City Clerk
Kevin Olson, City Attorney
Brent Hinson, City Administrator

City of Washington
215 East Washington Street
Washington, Iowa 52353
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FY19-23 Capital Improvements Plan
Project Summaries- Draft

#	Project Name	Brief Summary
Carryover/Incomplete FY2018 Projects		
102	Water Plant RO Conversion & Upgrades	Upgrade treatment plant to Reverse Osmosis (RO) process and construct related improvements.
105	New Large Hangar	Construct new hangar to separate main business users of airport, relieve traffic congestion and improve safety for users.
128	South Water Tower Roof Repairs	Sandblast, weld and recoat in roof area of tower to ensure continued integrity of 50-year old tank. Install mixing system and communications improvements to match new north tower & compliment water plant improvements.
106	Well #6 & #7 Upgrades	Improvements to existing wells to resolve existing issues. Both wells will receive electric & communications upgrades and new pump & motors, and Well #6 will be re-cased.
108	Fire Station Construction	Construction of new fire station as per "campus plan".
109/ 110	South 15th Avenue Paving & Subdivision	Paving of new street from Adams to Madison and reconstruction of existing street from Madison to Washington. Installation of new sewer and water main and cooperation with property owner to create new 10-12 lot residential subdivision. Joint project with #26. Also, install storm sewer on S. 14th & S. 15th Avenue south of E. Washington/Highway 92 to address drainage issues.
112	Enlarge Pavement Apron	Phase 2 of a project to enlarge pavement apron near new hangar. Proposed by Airport Commission to take place in FY18. 90% FAA-funded project, subject to $30,000 City funds match.
113	Wellness Park	Use of $1 million in G.O. bonded debt to construct Phase I improvements to sports complex.

City of Washington CIP FY19-23 Project Summaries

#	Project Name	Brief Summary
115	Willow Pond/Kewash Trail Improvements	Partnership with Washington County Conservation, utilizing Federal TAP and Iowa DNR REAP grant funds and local match funds from both entities to pave a portion of the Kewash Nature Trail west of Highway 1 and construct a new trail segment from the Kewash to the Kirkwood Regional Center.
116	I/I & Egg Sewer Relocation Project	Use of $1.1 million in G.O. bonded debt to address sanitary sewer inflow/infiltration as per report to be issued by FOX Engineering based on extensive study of Southeast Sanitary Sewer basin. The City plans to apply for a $600,000 Community Development Block Grant (CDBG) to supplement this project. Relocate egg sewer in new Fire Station block.
FY2019 Projects		
117	S. Avenue E Reconst. (Sitler to Lincoln)	Reconstruct S. Avenue E from Sitler to Lincoln & extend 12" water main to West Buchanan; extend sidewalk from High School campus to Timber Ridge subdivision.
118	East Main Street Water Main- 12th to 15th	Replace water main that is both a main break and water pressure problem. Upsize from 4" to 8" main. In-house project.
119	Woodlawn Gates & Building	Following TAN assistance report/ cost estimate completion, consider improvements to National Historic Register cemetery property.
120	Egg Sewer Basin Evaluation	With guidance of FOX Engineering, conduct detailed analysis of "Egg" sewer basin.
136	East Washington Sidewalk	Construct sidewalk along East Washington Street (Highway 92) from its current terminus to the area of Walmart/Pizza Ranch/Hills Bank to improve safety.
FY2020 Projects		
122	City Hall/Police Station Construction	Construction of City Hall/Police Station in existing Municipal Building as per "campus plan", pending sale of Former Library.
123	New Fuel Farm	Pending state funding, consider location of a 2nd fuel farm at the Airport to better serve business aviation traffic and protect safety of users.
124	Remodel of Main Pavilion at Sunset Park	Rehabilitate main pavilion, including electrical, lighting, repair and painting of structure.
125	Egg Basin I/I Project	Use of $1 million in G.O. bonded debt to address sanitary sewer inflow/infiltration as per investigation

#	Project Name	Brief Summary
		conducted by City staff and FOX Engineering. Main project will be to perform sewer separation in the Water Plant block together with the North 4th Avenue improvements project.
127	North 4th Avenue Street/ Water Main Project- E. 5th to E. 7th	Completely reconstruct street and curb & gutter; upgrade water main to 8" as per 2013 Water Facility Plan; conduct point repairs to sewer; line sewer following point repairs; remove intakes from sanitary sewer.
111	South Avenue B Water Main- Adams to Tyler	Replace water main that is extremely prone to main breaks, and portions are transite pipe. Upsize 4" main to 6". Joins up relatively new main ending at Adams with new main starting at Tyler. In-house project.
FY2021 Projects		
107	W. Washington Water Main Replacement	Replace water main from Avenue D to Avenue F, upsizing from 4" existing to 8" PVC. To remove main from brick street, water main must be bored at additional expense. Project includes patching of historic brick in spots with past water main breaks.
126	East 3rd Water Main- 4th to 12th	As per 2013 Water Facility Plan, replace water main that is a significant water pressure problem. Upsize from 4" to 8" main. In-house project over 2-3 fiscal years.
121/ 133	South 12th Paving- Tyler to Adams & East Adams- 12th to 15th	Construct concrete street with curb & gutter from current end of pavement to East Adams, and pave East Adams from 12th to 15th. Construction of sidewalk along South 12th and around Case Field block, pending concurrence of Washington Community School District. Construct sidewalk loop around Water Tower Park. Partial special assessment project.
129	Business Park Phase II/ West Buchanan Paving	Pave West Buchanan from WWTP road to South Avenue E to create a paved route from Highway 1 to the southwest area of town. Develop additional industrially-zoned lots. Federal aid (80%) project.
130	North Park Restrooms	Construction of new restrooms/storage building at North Park/Stewart ballfields to provide actual restroom facilities to site.
137	Re-Light Runway 18/36	Replace existing 25 year-old lighting with a MIRL (Medium-Intensity Runway Lighting) system to help eliminate runway closures at night and increase

#	Project Name	Brief Summary
		safety. 90% FAA-funded project, with projected $40,000 local match.
FY2022 Projects		
132	Water Tower Park Play Structure	Construct a new playground area at Water Tower Park.
134	West Sewer Basin Evaluation	With guidance of FOX Engineering, conduct detailed analysis of west sewer basin.
135	South 4th Water Main-Washington to Madison	As per 2013 Facility Plan, first phase of a high-priority project to construct new water main to boost water pressure in the central part of town.
131	Contracted Street Patching	Using RUT budget, conduct full-depth PCC or partial depth HMA patching, to be determined by Council.
FY2023 Projects		
138	Downtown Streetscape Expansion	Continue streetscape to "Supersquare" area of downtown, including replacement of utility lines & sidewalks and pavement improvements as needed. Projected $3 million project.
139	Old WWTP Demolition	Demolish obsolete structures at WWTP. A few minor structures may be able to be handled in-house, but a contractor with appropriate equipment will be needed for most of them.
140	North 2nd Underpass Evaluation	Conduct structural and drainage analysis of railroad underpass to determine any improvements needed.
Future Years or Unscheduled Projects		
Type	Project Name	Brief Summary
A	Parallel Taxiway for Runway 18/36 and N. End of 13/31	Construct parallel taxiway along main runway so that planes do not have to taxi back to the terminal on the runway itself. 90% FAA-funded project, subject to $210,000 City funds match.
A	18/36 Approach Lighting	Replace Precision Approach Path Indicators (PAPI) and Runway End Identifier Lights (REIL) to improve main runway safety. $165,000 project with 90% FAA funding.
P	Sunset Park New Play Structure	Reconstruct a playground area in City's most-used park to meet modern safety standards and improve appeal of park.
P	Wellness Park Phases 2-4	Following successful completion of Phase I, construct additional phases to final build-out as per the developed plan, including construction of a Parks

City of Washington CIP FY19-23 Project Summaries

#	Project Name	Brief Summary
		Maintenance Facility.
R	South 4th Asphalt Overlay	Mill & asphalt overlay from Washington to Madison to restore pavement surface, and overlay of concrete street from Madison to Van Buren to maintain street integrity in busy area connecting schools.
R	South Avenue B Mill & Overlay	Mill & asphalt overlay of South Avenue B from Madison to Sitler to restore pavement surface in busy area leading to High School.
R	North Iowa Mill & Overlay	Mill & asphalt overlay of North Iowa from 5th to 11th Streets to restore pavement surface.
R	North Marion Mill & Overlay	Mill & asphalt overlay of North Marion from 5th to 8th Streets to restore pavement surface.
R/SS	West Main Paving	Pave West Main Street from Highway 1 to current end of pavement at South Avenue H.
R/SS	East Adams Street Paving- S. 9th to S. 12th	Pave East Adams to complete paved collector system in southeast area of town. Proposed as an FY23 project.
R/SS	South 6th Paving- Van Buren to Madison and Monroe from 4th to 6th / Lincoln Safe Routes to School	Pave streets around Lincoln Elementary School and construct sidewalks along Monroe and Van Buren in blocks adjacent to school as per 2013 Safe Routes to School plan.
R/SS	North 2nd Avenue Street Improvement, Phase 1	Reconstruct or patch concrete as needed and add curb & gutter to significant collector route. Possible federal aid project following West Buchanan.
W	E. 2nd Street Water Main Replacement	Replace existing 4" main with 8" PVC to eliminate small main and water pressure issue.
W	Jefferson Water Main- Avenue D to Avenue C and Avenue B to Cul-de-Sac in East 1100 block	As per 2013 Water Facility Plan, project to boost water pressure along Jefferson. Upsize 4" main to 6".
W	South 2nd Avenue Water Main- Madison to Tyler	Replace water main to address line with water main breaks and tie into dead-end main at 3rd & Tyler to create new loop.
W	South 4th Water Main- Madison to Van Buren	As per 2013 Water Facility Plan, project to boost water pressure on south end of town. Upsize main from 4" to 10".
S	West Sewer Basin I/I Project	Use of $1 million in G.O. bonded debt to address sanitary sewer inflow/infiltration as per investigation to be conducted by City staff and FOX Engineering.
S	Parkside Estates Lift Station Upgrades	Upgrade lift station with 1970's-era pumps & add backup power. Need for project was somewhat reduced by West Side Interceptor project significantly

City of Washington CIP FY19-23 Project Summaries

#	Project Name	Brief Summary
		reducing distance sewage needed to be pumped.
S	South 2nd Avenue Sewer-Monroe to Jackson	Clay sewer pipe that is partially blocked/ collapsed and cannot be fully cleaned or televised.
S	North 2nd Underpass Lift Station Upgrade	Replace pumps and conduct other upgrades to improve stormwater lift station at underpass and eliminate flooding during major rain events.

Jaron P. Rosien, Mayor
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Memorandum

December 28, 2017

To: Mayor & City Council
Cc: Illa Earnest, City Clerk

From: Brent Hinson
City Administrator

Re: Downtown Investment Grants (DIG) Program Grants

Main Street Washington's Design Committee has processed the first DIG applications under the procedures approved by the City Council back in June, and two grants are recommended under the program. As a bit of history for our newer members, the DIG program was set up to replace using tax increment financing (TIF) to incentivize downtown building renovations. We had used this method for two major building renovations, but found that it was ineffective due to the relatively small amount of new tax base produced for every dollar invested in renovation. Therefore, we were able to partner with the Washington County Riverboat Foundation to utilize some of our municipal grant dollars to establish a grant program to provide up-front incentives for major building projects. This is much easier administratively for us, and provides funding to these projects at the time of the investment, rather than paying out over 10-20 years as with the TIF.

The Design Committee recommends approval of a $50,000 grant to Greiner Buildings for their renovation of the old library at 120 East Main Street and $40,000 to the Frontier Family Restaurant at 112 North Iowa Avenue for their project. The Frontier project also received a Main Street Iowa Challenge Grant. Both of these projects will provide the types of major investment envisioned when this program was set up, for a total investment of $594,115 in the downtown between the two applications.

Brent Hinson

From: Sarah Grunewaldt
Sent: Friday, December 22, 2017 2:59 PM
To: Illa Earnest; Brent Hinson
Subject: DIG Applications for Council Consideration on January 2nd.
Attachments: GreinerBldgs.Application.11.2017.pdf; Frontier.App.11.2017.pdf

Here are the applications for Greiner Buildings and Frontier Family Restaurant.

The Main Street Design committee is recommending to Council to accept their requests for a $50,000 and $40,000 grant respectively. Their projects meet our criteria.

Thank you

Sarah

Sarah Grunewaldt, Executive Director

Main Street WASHINGTON

205 W. Main Street
Washington, IA 52353-1722
cell (319) 653-3918
fax (888) 833-3529
sarah@washingtoniowa.org
mainstreetwashington.org

Main Street Washington by the numbers. Since 2008: 27 Business Starts, relocations, or expansions, 37 Net New Jobs, 63 Building Rehabbed, $7.6 million in Private dollars invested in Building Rehab & Acquisition, 17,440 Volunteer Hours

RESOLUTION NO. _____

A RESOLUTION APPROVING A DOWNTOWN INVESTMENT GRANT AGREEMENT WITH GREINER BUILDINGS, INC

WHEREAS, the City Council created the Downtown Investment Grants (DIG) program, in partnership with the Washington County Riverboat Foundation and Main Street Washington, to incentivize major building improvements in downtown Washington in accordance with Main Street guidelines; and

WHEREAS, as per the policies and procedures previously established by this Council, the Main Street Design Committee has recommended a forgivable loan/grant be awarded to Greiner Buildings, Inc. to assist with an estimated $432,750 investment in the building it owns at 120 East Main Street.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WASHINGTON, IOWA:

Section 1. The City Council hereby approves the attached Downtown Investment Grant Agreement and Promissory Note, providing a forgivable loan/grant to Greiner Buildings, Inc. in the amount of $50,000.

Section 2. All Resolutions or parts of Resolutions in conflict herewith are hereby repealed to the extent of such conflict.

PASSED AND APPROVED this 2nd day of January, 2018.

_____

Jaron P. Rosien, Mayor

ATTEST:

_____

Illa Earnest, City Clerk

Main Street
WASHINGTON

205 West Main Street • Washington, IA 52353 • (319) 653-3918 • Fax (888) 833-3529

Building/Business: Greiner Buildings Address: 120 East Main

Contact Person Shawn Redlinger Phone 319 461 3142

Email sredlinger@gbinc.net

Application is for: (check all that apply)

A. X Building Improvement

B. ___ Low Interest Loan

The DIG Committee made a site visit on this date 10/4/17.

Proposed Project Old Library Renovation

IMPORTANT: Work started before receipt of a signed contract with MSW is not eligible for funding, *Main Street Washington, as Grantor, is not liable for any contracts or agreements nor for any damage incurred as a result of this project. MSW reserves the right to withhold payment of said grant for work that does not comply with the scope of work as contracted between the grantee and MSW.*

Describe each element of the project in detail including methods and materials. Please address each building element you checked on the Letter of Intent to Participate. If you have decided not to do any items you checked, please mention it below. Attach additional sheets if necessary.

Attach any bids or estimates for each element of the project.

Remember to obtain necessary city permits and to contact asbestos and lead paint specialists, if needed.

Example: Scrape prime and paint exterior trim around windows on first and second floor using Amazing Brand exterior oil based primer and topcoat, caulk, cracks and voids – colors and bid attached - $1000. Scrape, prime, paint caulk cracks and voids and install new weather stripping on front door; replace cracked glass in door with tempered glass – same paint and colors as windows - $1500. (Needs to be updated for higher dollar value)

Description of Project

_____

_____

_____

_____

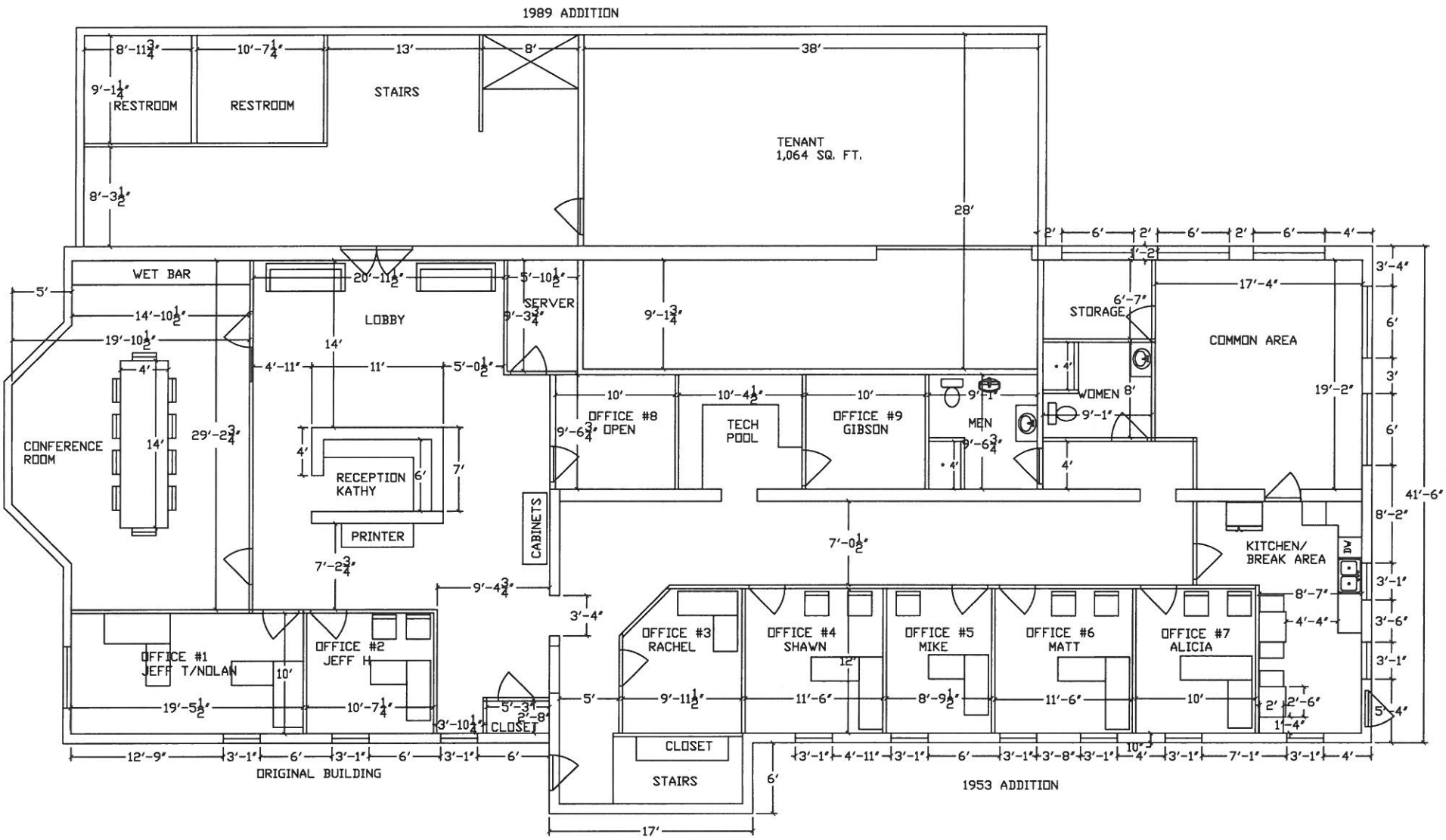
_____

_____

Greiner Buildings Inc.

Desciption of Work	Budget Numbers
New truss system/Fix existing roof	$20,000.00
Exterior painting, patching and fixtures	$3,000.00
Interior office build out	
Framing	$8,000.00
Drywall/Wall Coverings	$15,000.00
Electrical	$20,000.00
Interior Trims, Millwork, Glass, Finish Carpentry:	$50,000.00
Plumbing:	$25,000.00
HVAC:	$60,000.00
Suspened Ceilings:	$10,000.00
Sound Proofing:	$5,000.00
Floor Coverings:	$25,000.00
Waste Removal/Disposal:	$5,000.00
Carpet Cleaning, upper level:	$3,000.00
General Cleaning	$3,000.00
Window Repairs	$8,000.00
Logos/Signage:	$5,000.00
5% Contingency/Overrun:	$13,250.00
Construction Subtotal:	**$278,250.00**
Furniture/Computers:	$15,000.00
Misc. Office Expense:	$6,000.00
Logos/Signage:	$3,000.00
Landscaping	$3,000.00
Initial Purchase:	$127,500.00
Project Grand Total:	**$432,750.00**
Cost Per Square Foot:	$48.08

Greiner Buildings, Inc. has been recognized by the National Frame Building Association as an Accredited Post-Frame Builder,for its commitment to ethical business practices, safety, training and quality service.



MAIN LEVEL

GREINER BUILDINGS INC.

2088 250TH ST. WASHINGTON, IA

JOB NAME: LIBRARY-FINAL **SHEET:** 1 OF 1

DRAWN BY: NOLAN GERBER **DATE:** 10-12-17

Prepared by: Kevin D. Olson, Washington City Attorney, 1400 5th Street, Coralville, Iowa 52241 (319) 351-2277
Return document to: City Clerk, City of Washington, Iowa, 215 E. Washington Street, Washington, Iowa 52353

MAIN STREET WASHINGTON/CITY OF WASHINGTON DOWNTOWN INVESTMENT GRANT AGREEMENT

In consideration of Fifty Thousand Dollars (the "Grant Amount"), received from the Downtown Investment Grant Program for rehabilitation assistance for property generally referred to as 120 East Main Street, Washington, Iowa, and legally described as:

Lot 8, Block 9, Original Plat, Washington, Washington County, Iowa

(the "Property")

The undersigned owner, Greiner Buildings, Inc. (collectively the "Owner"), hereby states that the Owner is lawfully seized of the Property described above, and hereby gives consent to the creation and imposition of a lien to, and in favor of the City of Washington, Iowa, as lien holder upon the Property, subject to the terms and conditions outlined below:

1. Construction of the Improvements. After approval of the application of a Downtown Investment Grant by the Washington City Council to rehabilitate the Owner's Property (the "Improvements"), the Owner shall submit appropriate plans and specifications to the City and obtain all necessary permits to construct the improvements listed in the grant application at the Property in strict compliance with all applicable laws, regulations and ordinances.

2. Required Expenditure. Prior to the disbursement of the Grant Amount by the City, the Owner shall submit documentation showing to the City's satisfaction that the Owner has spent at least three (3) times the Grant Amount on the Improvements (the "Owner Threshold"). The Grant Amount will be reduced accordingly if the Owner Threshold does not show at least a three to one ratio of Owner expenses as compared to the Grant Amount.

3. Disbursement of Grant Amount. After the issuance of a Certificate of Occupancy, the City will disburse the Grant Amount to the Owner (the "Disbursement Date").

4. Repayment of the Grant Amount. If any of following circumstances should occur prior to the Third (3rd) Anniversary of the Disbursement Date, the Repayment Schedule listed in Section 3 of this Agreement shall become effective:

a. If the Property is sold or transferred to another party, including via real estate contract, sale of the corporate entity holding title to the real estate or any other transfer; or

b. If the Property is abandoned or is otherwise in violation of any applicable law pertaining to occupancy of the Property.

c. If however, the transfer occurs because of the death of the Owner, then Section 5 shall not be triggered.

5. Repayment Schedule. If any of the events listed in Section (3)(a) or (3)(b) above occur prior to the 3rd Anniversary of the Disbursement Date, the Owner shall repay to the City, the following amounts:

a. Event occurs within 0-1 years from Disbursement: 100%

b. Event occurs within 1-2 years from Disbursement: 50%

c. Event occurs within 2-3 years from Disbursement: 25%

6. Forgiveness of Grant. If the Repayment Schedule is not triggered prior to the 3rd Anniversary of the Disbursement Date, then the entire Grant is hereby forgiven and no longer remains a lien on the Property.

7. Promissory Note. To evidence the obligation to repay the Grant Amount, the Owner and City shall execute the Promissory Note in the form listed on Appendix 1 to this Agreement.

8. The provisions of this Agreement shall inure to the benefit of the parties and shall run with the land.

Dated this _____ day of _____, 2018.

OWNER:

By:_____
Matt Greiner, President

CITY:

_____
Jaron P. Rosien, Mayor

ATTEST:

_____
Illa Earnest, City Clerk

STATE OF IOWA, COUNTY OF WASHINGTON, ss:

This instrument was acknowledged before me on this ____ day of _____, 2018, by Matt Greiner, as President of Greiner Buildings, Inc.

_____
Notary Public

STATE OF IOWA, COUNTY OF WASHINGTON, ss:

This instrument was acknowledged before me on this ____ day of _____, 2018, by Jaron P. Rosien and Illa Earnest, as Mayor and City Clerk of the City of Washington, Iowa.

_____
Notary Public

CITY OF WASHINGTON
CITY FORGIVABLE LOAN
PROMISSORY NOTE

Dated this _____ day of _____, 2018.

$50,000.00 Washington, Iowa

FOR VALUE RECEIVED, the undersigned (hereafter called the "Maker") promises to pay to the order of the City of Washington, Iowa (hereafter called the "Payee"), at its office at City Hall, 215 E. Washington Street, Washington, Iowa, or upon notice to the Maker, at such other place as may be designated from time to time by the holder, the principal sum of Fifty Thousand Dollars ($50,000), to be paid as follows:

A 3-year $50,000 loan at three percent (3%) interest per annum.

1. Payments. All payments under the Note shall be applied in this order:

(1) to interest, and

(2) to principal.

2. Loan Agreement; Acceleration Upon Default. This Note is issued by Maker to evidence an obligation to repay a loan according to the terms of that certain Downtown Investment Grant Agreement, dated January 2, 2018, between the Payee and Maker and, at the election of the holder without notice to the Maker, shall become immediately due and payable in the event that any of the events in Section 4 of the Downtown Investment Grant Agreement should occur prior to the 3rd Anniversary of the issuance of an Occupancy Permit by the City of Washington.

3. Security. Payment of this Note is secured by a lien created by the recording of the Downtown Investment Grant Agreement.

4. Waiver. No delay or omission on the part of the holder in exercising any right under this Note shall operate as a waiver of that right or of any other right under this Note. A waiver on any one occasion shall not be construed as a bar to or waiver of any right and/or remedy on any future occasion.

5. Waiver of Protest. Each maker, surety indorser and guarantor of this Note, expressly waives presentment, protest, demand, notice of dishonor or default, and notice of any kind with respect to this Note.

6. Costs of Collection. The Maker will pay on demand all costs of collection, maintenance of collateral, legal expenses, and attorneys' fees incurred or paid by the holder in collecting and/or enforcing this Notice on default.

7. Meaning of Terms. As used in this Note, "holder" shall mean the Payee or other indorsee of this Note, who is in possession of it, or the bearer hereof, if this Note is at the time payable to the bearer. The word "Maker" shall mean each of the undersigned. If this Note is signed by more than one person, it shall be the joint and several liabilities of such persons.

8. Miscellaneous. The captions of paragraphs in this Promissory Note are for the convenience of reference only, shall not define or limit the provisions hereof, and shall not have any legal or other significance whatsoever.

ACCEPTED & AGREED:

(SEAL)

Payee:
CITY OF WASHINGTON, IOWA

By:_____
Jaron P. Rosien, Mayor

ATTEST:

By:_____
Illa Earnest, City Clerk

Maker:
Greiner Buildings, Inc.

By:_____
Matt Greiner, President

LOAN FORGIVENESS SCHEDULE

Upon the passage of one (1) year from the issuance of the Occupancy Permit, if the Developer is in compliance with the terms of the Development Agreement, the City shall forgive 50% of the Note amount.

Upon the passage of two (2) years from the issuance of the Occupancy Permit, if the Developer is in compliance with the terms of the agreement, the City shall forgive 25% of the Note amount.

Upon the passage of three (3) years from the issuance of the Occupancy Permit, if the Developer is in compliance with the terms of the Development Agreement, the entire Note amount shall be forgiven by the City.

RESOLUTION NO. _____

A RESOLUTION APPROVING A DOWNTOWN INVESTMENT GRANT AGREEMENT WITH ROYAL MIDWEST, INC

WHEREAS, the City Council created the Downtown Investment Grants (DIG) program, in partnership with the Washington County Riverboat Foundation and Main Street Washington, to incentivize major building improvements in downtown Washington in accordance with Main Street guidelines; and

WHEREAS, as per the policies and procedures previously established by this Council, the Main Street Design Committee has recommended a forgivable loan/grant be awarded to Royal Midwest, Inc. to assist with an estimated $161,365 investment in the building it owns at 112 North Iowa Avenue.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WASHINGTON, IOWA:

Section 1. The City Council hereby approves the attached Downtown Investment Grant Agreement and Promissory Note, providing a forgivable loan/grant to Royal Midwest, Inc. in the amount of $40,000.

Section 2. All Resolutions or parts of Resolutions in conflict herewith are hereby repealed to the extent of such conflict.

PASSED AND APPROVED this 2nd day of January, 2018.

_____

Jaron P. Rosien, Mayor

ATTEST:

_____

Illa Earnest, City Clerk

Main Street WASHINGTON

205 West Main Street • Washington, IA 52353 • (319) 653-3918 • Fax (888) 833-3529

Building/Business: Frontier Family Restaurant Address: 112 N Iowa Avenue

Contact Person Matt Guran Phone 319-541-9112

Email matt.guran@termodinamik.com.tr

Application is for: (check all that apply)

A. X Building Improvement

B. ___ Low Interest Loan

The DIG Committee made a site visit on this date 8/22/17.

Proposed Project Frontier Family Restaurant Rehab in partnership with Challenge Grant

IMPORTANT: Work started before receipt of a signed contract with MSW is not eligible for funding, *Main Street Washington, as Grantor, is not liable for any contracts or agreements nor for any damage incurred as a result of this project. MSW reserves the right to withhold payment of said grant for work that does not comply with the scope of work as contracted between the grantee and MSW.*

Describe each element of the project in detail including methods and materials. Please address each building element you checked on the Letter of Intent to Participate. If you have decided not to do any items you checked, please mention it below. Attach additional sheets if necessary.

Attach any bids or estimates for each element of the project.

Remember to obtain necessary city permits and to contact asbestos and lead paint specialists, if needed.

Example: Scrape prime and paint exterior trim around windows on first and second floor using Amazing Brand exterior oil based primer and topcoat, caulk, cracks and voids – colors and bid attached - $1000. Scrape, prime, paint caulk cracks and voids and install new weather stripping on front door; replace cracked glass in door with tempered glass – same paint and colors as windows - $1500. (Needs to be updated for higher dollar value)

Description of Project

Frontier will be redoing the exterior facade of the building including new storefront brick, larger windows, raising facia to match neighboring buildings, adding decorative vinyl window decals and lighting as well as new entry vestibule and awnings. On the interior the entry vestibule and bathrooms will be made larger and ADA compliant.

For more detail see attached estimate from Wood Construction totalling $161,365.00

Wood Construction, Inc.
2105 Tulip Ave.
Ainsworth, Iowa 52201
Voice: 1-319-461-2902
Fax: 1-319-653-2402
matt.woodconstruction@gmail.com

September 22, 2017

Frontier Family Restaurant
112 North Iowa Ave.
Washington, Iowa 52353

This is an Estimate for the remodel of the exterior of restaurant following picture provided and remodeling restrooms to meet ADA requirements..

Estimate for remodel includes but is not limited to: removing existing siding and awning, removing existing windows, making openings larger for new windows, moving existing entrance to make room for larger restroom and installing a new door. Lay brick veneer and stone sills and cap similar to provided picture, make and install window and door trim to match picture, provide two awnings. Interior work includes: removing existing restrooms, frame, sheetrock, finish and paint new larger ADA compliant restrooms, patch walls and trim around new windows and doors.

Estimate material and labor *$161,365.00*

Estimate includes flooring, electrical work and plumbing.

Respectfully submitted,

Matthew Wood, President

Gmail by Google

Brent Hinson <bhinson@washingtoniowa.gov>

Letter of Support for Challenge Grant

Sarah Grunewaldt <sarah@washingtoniowa.org> Tue, Aug 22, 2017 at 4:37 PM
To: Brent Hinson <bhinson@washingtoniowa.net>
Cc: Illa Earnest <iearnest@washingtoniowa.net>

The full application is being put together but the basic scope of work is that Frontier Family Restaurant is doing a full facade renovation to their building. They are using the attached drawings from Main Street Iowa as the foundation of their plan and will be seeking bids from local contractors to complete this project. They will include the awnings from #4 and the gooseneck lighting, historic Washington images on the bathroom windows for privacy, and a vintage inspired sign as well as restoration (or addition depending on what's behind the existing siding).

They will also be renovating the entry vestibule and restrooms to make them fully ADA compliant as part of phase 1 of their project. Phase 2 which isn't part of this request would be a facelift of the dining room.

They would like to utilize DIG and the MSI Challenge Grant as well as their own financial resources to achieve this Phase 1 portion.

If there is anything else that I can clarify let me know. I also can revisit this with you when the scope is more detailed if you'd prefer.

Sarah

Sarah Grunewaldt, Executive Director

Main Street WASHINGTON

205 W. Main Street
Washington, IA 52353-1722
cell (319) 653-3918
fax (888) 833-3529
sarah@washingtoniowa.org
mainstreetwashington.org

Main Street Washington by the numbers. Since 2008: 27 Business Starts, relocations, or expansions, 37 Net New Jobs, 63 Building Rehabbed, $7.6 million in Private dollars invested in Building Rehab & Acquisition, 17,440 Volunteer Hours

[Quoted text hidden]

2 attachments

05116DRWG2.pdf
361K

05116DRWG4.pdf
380K

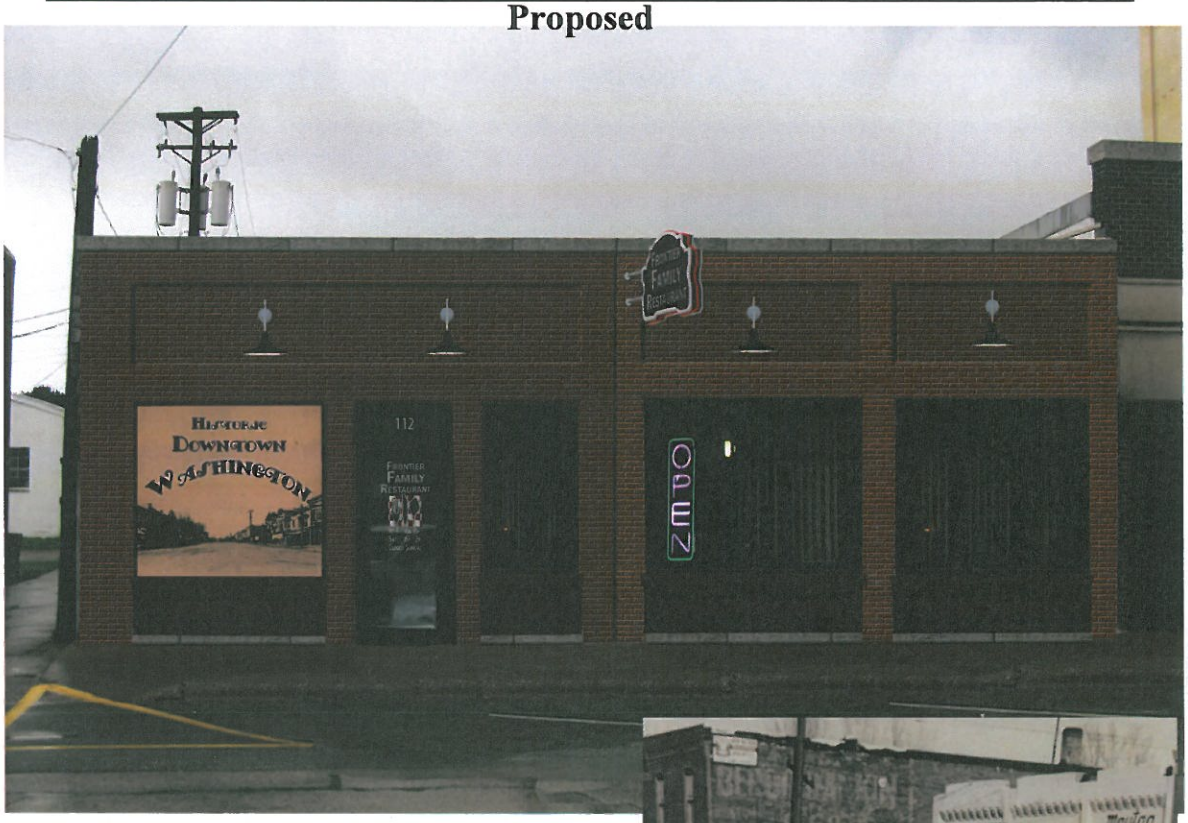
MAIN STREET IOWA

IOWA economic development

Main Street Iowa
Proposed Rehabilitation
Frontier Cafe
Washington, Iowa
Project #05116
October 4, 2016

Existing

Proposed



Historic image of the alley half of the building. (above) Sign is inspired by the "Casey's Café" historic sign.

NOTES:

>This rendering shows on possible look for the business. The design is based on the historic photo (inset right) and uses that as the basis for the façade treatment for the addition/infill portion to the south (right side).
>Until the existing siding and shingle mansard roof are removed, the most feasible treatments for the building cannot be determined. Revisions may be necessary based on the actual conditions. Please confer for best solutions to any issues uncovered during the façade rehab.
>The historic image shows a simple brick building with a simple storefront. The original openings should be visible as the existing wood siding system is removed. These openings should be integrated into the new façade treatment as much as feasible.
>The treatment of the south (right) half is much more speculative since no good older photos can be found to date. It is assumed that the façade has a similar layout to the original historic building that is now part of the bank and the original café along the alley. The existing window openings hint that this may indeed be the situation.
>Using the existing openings as a guiding element, install new larger storefront style windows that fill these openings. The windows are similar to those that currently exist in layout and pattern. A simple recessed center bulkhead is shown filling the bottom portion of each of the openings. A similar brick veneer is shown here. If there is any original brick, it should be repaired as needed and retained.
>With the installation of the restrooms on the north (left side) storefront area, restoring this area to a functioning storefront is not likely. This option shows that area filled with a mural/historic sign. This can be installed as a vinyl "cling" on opaque glass. The graphic can also be more directly related to the business that what is shown. If opaque black glass is used, the graphic element does not need to completely fill the opening which would leave some of the glass exposed. This helps to more closely mimic the traditional storefront appearance than just a sign that covers the entire space.
>A new projecting neon sign is shown. The sign is inspired by the historic sign from the café immediately to the south and reflects the pre-war era appearance similar to the historic photo. The exact design of the sign can be altered if desired.
>Additional gooseneck lights have been added for architectural character as well as function.

DRAWN BY: T. Reinders | SHEET NUMBER 2 of 2 | REVISIONS

CONCEPTUAL DRAWING ONLY

MAIN STREET IOWA

IOWA economic development

Main Street Iowa
Proposed Rehabilitation
Frontier Cafe
Washington, Iowa
Project #05116
October 17, 2016

Existing

Proposed

NOTES:

Historic image of the alley half of the building. (above) Sign is inspired by the "Casey's Café" historic sign.

>This rendering shows on possible look for the business. The design is based on the historic photo (inset right) and uses that as the basis for the façade treatment for the addition/infill portion to the south (right side).
>Until the existing siding and shingle mansard roof are removed, the most feasible treatments for the building cannot be determined. Revisions may be necessary based on the actual conditions. Please confer for best solutions to any issues uncovered during the façade rehab.
>The historic image shows a simple brick building with a simple storefront. The original openings should be visible as the existing wood siding system is removed. These openings should be integrated into the new façade treatment as much as feasible.
>The treatment of the south (right) half is much more speculative since no good older photos can be found to date. It is assumed that the façade has a similar layout to the original historic building that is now part of the bank and the original café along the alley. The existing window openings hint that this may indeed be the situation.
>Using the existing openings as a guiding element, install new larger storefront style windows that fill these openings. The windows are similar to those that currently exist in layout and pattern. Simple transom windows are incorporated into the storefront windows across the entire façade of both buildings. A simple recessed center bulkhead is shown filling the bottom portion of each of the openings. A similar brick veneer is shown here. If there is any original brick, it should be repaired as needed and retained.
>With the installation of the restrooms on the north (left side) storefront area, restoring this area to a functioning storefront is not likely. This area is shown filled with storefront windows, but with opaque glass at the lower level. (The transoms can be traditional glass.) On this rendering the panels are left solid opaque glass. Opaque glass does not quite match "real" glass. This is most obvious at night when the interior lighting allows views into the restaurant space. Overall, the storefront doe have a traditional rhythm and appearance.
>Retractable awnings are shown on this option (extended/out). Sunbrella brand, style #4818 "Cordell Redwood" are shown. Adding awnings creates more visual interest and some sun protection, but clearance is limited. Check local code requirements before installing awnings.
>A new projecting neon sign is shown. The sign is inspired by the historic sign from the café immediately to the south and reflects the pre-war era appearance similar to the historic photo. The exact design of the sign can be altered if desired.
>Additional gooseneck lights have been added for architectural character as well as function.

DRAWN BY: T. Reinders | SHEET NUMBER 4 of 4 | **REVISIONS 10/17/16**

CONCEPTUAL DRAWING ONLY

Prepared by: Kevin D. Olson, Washington City Attorney, 1400 5th Street, Coralville, Iowa 52241 (319) 351-2277
Return document to: City Clerk, City of Washington, Iowa, 215 E. Washington Street, Washington, Iowa 52353

MAIN STREET WASHINGTON/CITY OF WASHINGTON DOWNTOWN INVESTMENT GRANT AGREEMENT

In consideration of Forty Thousand Dollars (the "Grant Amount"), received from the Downtown Investment Grant Program for rehabilitation assistance for property generally referred to as 112 North Iowa Avenue, Washington, Iowa, and legally described as:

The North 44 feet of Lot 5, Block 9, Original Plat, Washington, Washington County, Iowa

(the "Property")

The undersigned owner, Royal Midwest, Inc. (collectively the "Owner"), hereby states that the Owner is lawfully seized of the Property described above, and hereby gives consent to the creation and imposition of a lien to, and in favor of the City of Washington, Iowa, as lien holder upon the Property, subject to the terms and conditions outlined below:

1. Construction of the Improvements. After approval of the application of a Downtown Investment Grant by the Washington City Council to rehabilitate the Owner's Property (the "Improvements"), the Owner shall submit appropriate plans and specifications to the City and obtain all necessary permits to construct the improvements listed in the grant application at the Property in strict compliance with all applicable laws, regulations and ordinances.

2. Required Expenditure. Prior to the disbursement of the Grant Amount by the City, the Owner shall submit documentation showing to the City's satisfaction that the Owner has spent at least three (3) times the Grant Amount on the Improvements (the "Owner Threshold"). The Grant Amount will be reduced accordingly if the Owner Threshold does not show at least a three to one ratio of Owner expenses as compared to the Grant Amount.

3. Disbursement of Grant Amount. After the issuance of a Certificate of Occupancy, the City will disburse the Grant Amount to the Owner (the "Disbursement Date").

4. Repayment of the Grant Amount. If any of following circumstances should occur prior to the Third (3rd) Anniversary of the Disbursement Date, the Repayment Schedule listed in Section 3 of this Agreement shall become effective:

a. If the Property is sold or transferred to another party, including via real estate contract, sale of the corporate entity holding title to the real estate or any other transfer; or

b. If the Property is abandoned or is otherwise in violation of any applicable law pertaining to occupancy of the Property.

c. If however, the transfer occurs because of the death of the Owner, then Section 5 shall not be triggered.

5. Repayment Schedule. If any of the events listed in Section (3)(a) or (3)(b) above occur prior to the 3rd Anniversary of the Disbursement Date, the Owner shall repay to the City, the following amounts:

a. Event occurs within 0-1 years from Disbursement: 100%

b. Event occurs within 1-2 years from Disbursement: 50%

c. Event occurs within 2-3 years from Disbursement: 25%

6. Forgiveness of Grant. If the Repayment Schedule is not triggered prior to the 3rd Anniversary of the Disbursement Date, then the entire Grant is hereby forgiven and no longer remains a lien on the Property.

7. Promissory Note. To evidence the obligation to repay the Grant Amount, the Owner and City shall execute the Promissory Note in the form listed on Appendix 1 to this Agreement.

8. The provisions of this Agreement shall inure to the benefit of the parties and shall run with the land.

Dated this _____ day of _____, 2018.

OWNER:

By:_____
Matt Guran, President

CITY:

_____
Jaron P. Rosien, Mayor

ATTEST:

_____
Illa Earnest, City Clerk

STATE OF IOWA, COUNTY OF WASHINGTON, ss:

This instrument was acknowledged before me on this ____ day of _____, 2018, by Matt Guran, as President of Royal Midwest, Inc.

_____
Notary Public

STATE OF IOWA, COUNTY OF WASHINGTON, ss:

This instrument was acknowledged before me on this ____ day of _____, 2018, by Jaron P. Rosien and Illa Earnest, as Mayor and City Clerk of the City of Washington, Iowa.

_____
Notary Public

CITY OF WASHINGTON
CITY FORGIVABLE LOAN
PROMISSORY NOTE

Dated this _____ day of _____, 2018.

$40,000.00 Washington, Iowa

FOR VALUE RECEIVED, the undersigned (hereafter called the "Maker") promises to pay to the order of the City of Washington, Iowa (hereafter called the "Payee"), at its office at City Hall, 215 E. Washington Street, Washington, Iowa, or upon notice to the Maker, at such other place as may be designated from time to time by the holder, the principal sum of Forty Thousand Dollars ($40,000), to be paid as follows:

A 3-year $40,000 loan at three percent (3%) interest per annum.

1. Payments. All payments under the Note shall be applied in this order:

(1) to interest, and

(2) to principal.

2. Loan Agreement; Acceleration Upon Default. This Note is issued by Maker to evidence an obligation to repay a loan according to the terms of that certain Downtown Investment Grant Agreement, dated January 2, 2018, between the Payee and Maker and, at the election of the holder without notice to the Maker, shall become immediately due and payable in the event that any of the events in Section 4 of the Downtown Investment Grant Agreement should occur prior to the 3rd Anniversary of the issuance of an Occupancy Permit by the City of Washington.

3. Security. Payment of this Note is secured by a lien created by the recording of the Downtown Investment Grant Agreement.

4. Waiver. No delay or omission on the part of the holder in exercising any right under this Note shall operate as a waiver of that right or of any other right under this Note. A waiver on any one occasion shall not be construed as a bar to or waiver of any right and/or remedy on any future occasion.

5. Waiver of Protest. Each maker, surety indorser and guarantor of this Note, expressly waives presentment, protest, demand, notice of dishonor or default, and notice of any kind with respect to this Note.

6. Costs of Collection. The Maker will pay on demand all costs of collection, maintenance of collateral, legal expenses, and attorneys' fees incurred or paid by the holder in collecting and/or enforcing this Notice on default.

7. Meaning of Terms. As used in this Note, "holder" shall mean the Payee or other indorsee of this Note, who is in possession of it, or the bearer hereof, if this Note is at the time payable to the bearer. The word "Maker" shall mean each of the undersigned. If this Note is signed by more than one person, it shall be the joint and several liabilities of such persons.

8. Miscellaneous. The captions of paragraphs in this Promissory Note are for the convenience of reference only, shall not define or limit the provisions hereof, and shall not have any legal or other significance whatsoever.

ACCEPTED & AGREED:

(SEAL)

Payee:
CITY OF WASHINGTON, IOWA

By:_____
Jaron P. Rosien, Mayor

ATTEST:

By:_____
Illa Earnest, City Clerk

Maker:
Royal Midwest, Inc.

By:_____
Matt Guran, President

LOAN FORGIVENESS SCHEDULE

Upon the passage of one (1) year from the issuance of the Occupancy Permit, if the Developer is in compliance with the terms of the Development Agreement, the City shall forgive 50% of the Note amount.

Upon the passage of two (2) years from the issuance of the Occupancy Permit, if the Developer is in compliance with the terms of the agreement, the City shall forgive 25% of the Note amount.

Upon the passage of three (3) years from the issuance of the Occupancy Permit, if the Developer is in compliance with the terms of the Development Agreement, the entire Note amount shall be forgiven by the City.

Jaron P. Rosien, Mayor
Illa Earnest, City Clerk
Kevin Olson, City Attorney
Brent Hinson, City Administrator

215 East Washington Street
Washington, Iowa 52353
(319) 653-6584 Phone
(319) 653-5273 Fax

Memorandum

December 29, 2017

To: Mayor & City Council
Cc: Illa Earnest, City Clerk

From: Brent Hinson
City Administrator

Re: Downtown Urban Renewal Plan Amendment

As you are aware, the City has been approached by Andy Drahota and Dave Waite regarding their plan to purchase and tear down the Goncho Apartments building and redevelop the site, including the adjacent lot, into six townhouse units. In order to facilitate this possibility, the City needs to undertake an Urban Renewal (UR) Plan amendment. The basic outlines of the deal that have been discussed are that the City would provide a TIF grant in the amount of not more than $47,000 to reimburse the developer for asbestos abatement and demolition costs, and would also allow the developer to market the units for sale with a 3-year tax abatement on the first $75,000 of value, as per our adopted Urban Revitalization (tax abatement) plan. Even with these abatements, the numbers we have put together indicate the City could pay itself back from incremental taxes created by the project in around five years. See attached for details on the financial aspects of this proposed deal.

As per our amended Historic Preservation ordinance, the developer must go through a process with the Historic Preservation Commission and then the City Council to obtain permission to tear down Goncho Apartments, which is listed as a contributing property in the Downtown Historic District, with this permission contingent on the weighing of economic factors.

At this point, the various processes that need to occur for the development to happen are converging at the January 30 special meeting. This includes consideration of the Historic Preservation Commission's recommendation regarding demolition, public hearing and consideration of the UR plan amendment, and public hearing and consideration of the development agreement. A tentative schedule is attached.

City of Washington
Schedule for Goncho Site Redevelopment Process- As of 12/29/17

Step	Task	Responsible Parties	Tentative Date	Complete?
1	Securing of option on property	Developer	By December 1, 2017	X
2	Submission of historic building demolition permit	Developer	By December 8, 2017	X
3	Preparation/review of Urban Renewal (UR) Plan amendment	City Staff	By December 29, 2017	X
4	Preparation of legal proceedings for approval of UR Plan	City Staff	By December 29, 2017	X
5	Council sets date for public hearing on UR Plan for January 30 at 6 PM	City Council	January 2, 2018	
6	Mailing to affected taxing entities, including copy of UR Plan	Hinson	January 3, 2018	
7	Consultation with Board of Supervisors and Board of Education	Hinson	January 9, 2018 at 9 AM	
8	Finalization of DA	City Staff/ Developer	By January 10, 2018	
9	Preparation of legal proceedings for approval of DA	City Staff	By January 12, 2018	
10	Historic Preservation Commission reviews & provides recommendation regarding demolition permit	HP Commission	By January 15, 2018	
11	Developer retains engineer to develop minor site plan drawing	Developer	By January 16, 2018	
12	Council sets date for public hearing on DA for January 30 at 6 PM	City Council	January 16, 2018	
13	Hearing notices submitted for publication	City Staff	By January 17, 2018	
14	Review of Historic Preservation Commission findings and consideration of demolition permit	City Council	January 30, 2018 at 6 PM	
15	Hearing on UR Plan & adoption of plan	City Council	January 30, 2018 at 6 PM	

City of Washington
Schedule for Goncho Site Redevelopment Process- As of 12/29/17

Step	Task	Responsible Parties	Tentative Date	Complete?
16	Hearing on DA & adoption of agreement	City Council	January 30, 2018 at 6 PM	
17	City issues demolition permit	City Staff	January 31, 2018	
18	Site plan (minor) submitted to City	Developer	By February 7, 2018	
19	Hearing & consideration of site plan	P&Z Commission	February 13, 2018	
20	Final consideration of site plan	City Council	February 20, 2018	
21	Issuance of building permit	City Staff	March 2018	

Goncho Apartments Site Redevelopment
Analysis of Possible New Construction Value & Tax Impact
December 2017

	Sq Footage	Constructed	Bldg Value	Bldg Value/Sq Ft	Land Value/Bldg
Current Situation					
Goncho	8,000		$28,200.00	$3.53	$20,500.00
Comparable Units					
128 Aspen Lane, Hills	1,586	2008	$152,400.00	$96.09	$10,000.00
130 Aspen Lane, Hills	1,576	2011	$138,800.00	$88.07	$19,400.00
535 E. Goldfinch Dr, Tiffin	1,761	2004	$147,900.00	$83.99	$12,000.00
222 Will Dr, Solon	1,539	2014	$157,400.00	$102.27	$20,000.00
Projection of Renovated Value					
Townhomes (Proposed per Unit)	1,641		$151,965.80	$92.61	$15,350.00
Townhomes (Proposed Total)	**9,846**		**$911,794.83**		**$92,100.00**

Projected Tax Value	$1,003,894.83
Less: Existing	$48,700.00
Tax Increment	$955,194.83

TIF Calculations		Tax Abatement	
Tax Increment	$955,194.83	Abate/Unit	$75,000.00
Residential Rollback	55.00%	Res. Rollback	55.00%
Effective TIF Rate ($/1,000 Val)	18.15000	Eff. Total Rate	22.55000
Annual TIF Taxes	$17,336.79	Val of Tax Abate	$10,147.50
TIF Taxes/Unit	$2,889.46	Val Att to TIF	$8,167.50
		TIF Available (Yrs 1-3)	$9,169.29
Payback on TIF Grant			
TIF Grant Amount	$47,000.00		
Internal Interest Rate	5.00%		
Paid Back by 6/1/24			

2018 W. 3rd Townhouses TIF Internal Loan Repayment Schedule

12/29/2017

DATE	PYMT	PRINC	INT	BAL	DATE PD
Beginning:				47,000.00	
6/1/18	-	(2,350.00)	2,350.00	49,350.00	
6/1/19	-	(2,467.50)	2,467.50	51,817.50	
6/1/20	9,169.29	6,578.41	2,590.88	45,239.09	
6/1/21	9,169.29	6,907.34	2,261.95	38,331.76	
6/1/22	9,169.29	7,252.70	1,916.59	31,079.06	
6/1/23	17,336.79	15,782.84	1,553.95	15,296.23	
6/1/24	16,061.04	15,296.23	764.81	-	
Totals:	60,905.68	51,817.50	9,088.18		

Internal Loan

Loan Terms

5 Years (Variable Pymt)

5.00%

47,000.00

RESOLUTION NO. _____

RESOLUTION SETTING A DATE FOR CONSULTATION AND A DATE FOR A PUBLIC HEARING ON THE PROPOSED AMENDMENT NO. 2 TO THE WASHINGTON DOWNTOWN URBAN RENEWAL PLAN.

WHEREAS, the City Council of the City of Washington has heretofore deemed it necessary and desirable to prepare Amendment No. 2 (the "Amendment") to the Washington Unified Commercial Urban Renewal Plan (the "Urban Renewal Plan"); and

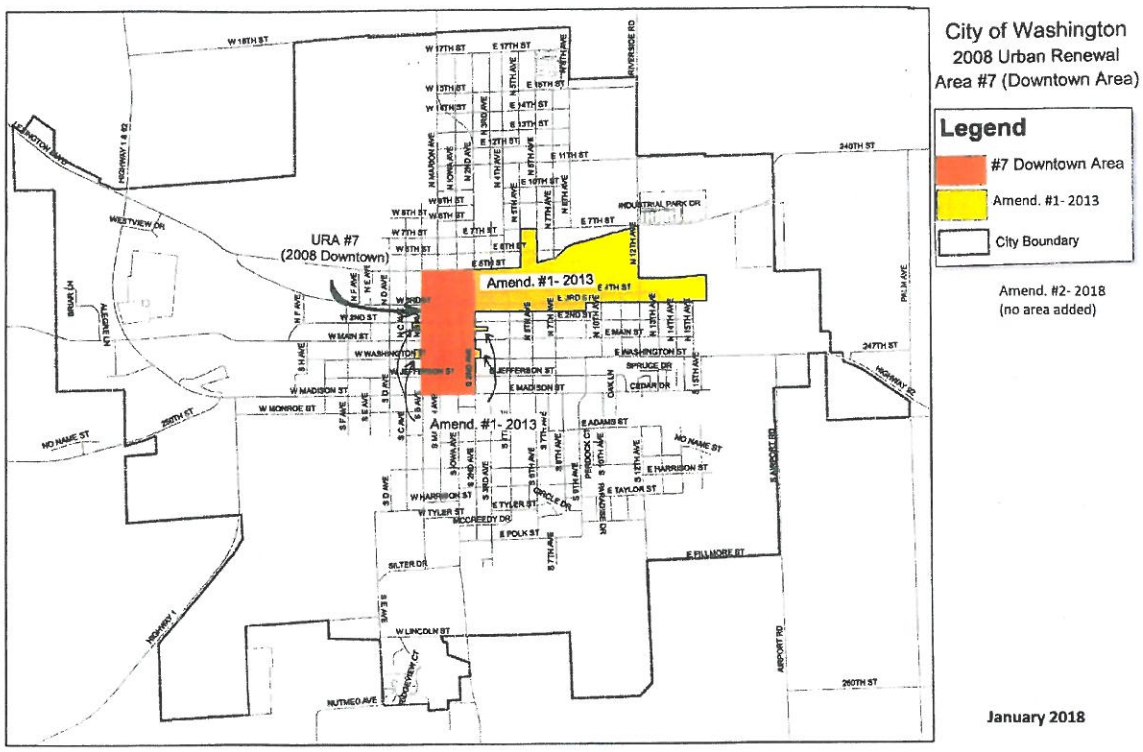
WHEREAS, the City Administrator, with advice from the City Attorney, has prepared said Amendment to the Urban Renewal Plan; and

WHEREAS, Chapter 403 of the Code of Iowa requires prior to passage of an Urban Renewal Plan Amendment, the holding of a consultation among the affected taxing entities and the publication and holding of a public hearing.

WHEREAS, the form of Public Notice shall be in substantially the following form:

NOTICE OF PUBLIC HEARING TO CONSIDER APPROVAL OF A PROPOSED AMENDMENT NO. 2 TO THE WASHINGTON DOWNTOWN URBAN RENEWAL PLAN FOR AN URBAN RENEWAL AREA IN THE CITY OF WASHINGTON, STATE OF IOWA

The City Council of the City of Washington, State of Iowa, will hold a public hearing before itself at its meeting which commences at 6:00 o'clock P.M. on January 30, 2018 in the Nicola-Stoufer Room, Washington Free Public Library, 115 West Washington Street, Washington, Iowa, to consider adoption of a proposed Amendment No. 2 to the Washington Downtown Urban Renewal Plan (the "Amendment") concerning an Urban Renewal Area in the City of Washington, State of Iowa, generally depicted in the following map:



which land is to be included as part of this amended Urban Renewal Area.

A copy of the Amendment is on file for public inspection in the office of the City Clerk, City Hall, City of Washington, Iowa.

The City of Washington, State of Iowa is the local public agency which, if such Amendment is approved, shall undertake the urban renewal activities described in such Amendment.

The general scope of the urban renewal activities under consideration in the Amendment is to promote blight removal and the redevelopment of a site located at 306 North Marion Avenue and 116 East 3rd Street for multi-family development purposes in the Urban Renewal Area through various public purpose and special financing activities outlined in the Amendment. To accomplish the objectives of the Amendment, and to encourage the further development of the Urban Renewal Area, the Amendment provides that such special financing activities may include, but not be limited to, the making of loans or grants of public funds to private entities under Chapter 15A of the Code of Iowa. The City also may reimburse or directly undertake the installation, construction and reconstruction of public improvements, including, but not limited to, street, water, sanitary sewer, storm sewer or other public improvements. The City also may acquire and make land available for development or redevelopment by private enterprise as authorized by law. The Amendment provides that the City may issue bonds or use available funds for purposes allowed by the Plan, as amended, and that tax increment reimbursement of such costs may be sought if and to the extent incurred by the City. The Amendment initially proposes specific public infrastructure or site improvements to be undertaken by the City, and provides that the Amendment may be amended from time to time.

The proposed Amendment No. 2 would not add any additional land to the Urban Renewal Area.

Other provisions of the Plan not affected by the Amendment would remain in full force and effect.

Any person or organization desiring to be heard shall be afforded an opportunity to be heard at such hearing.

This notice is given by order of the City Council of the City of Washington, State of Iowa, as provided by Section 403.5 of the Code of Iowa.

Dated this 2nd day of January, 2018.

/s/_____

Illa Earnest, City Clerk

By order of the Washington City Council

NOW, THEREFORE, the City Council of the City of Washington, Washington County, Iowa, hereby set a consultation date with affected taxing entities for Tuesday, January 9, 2018 at 9:00 a.m. at City Hall, 215 E. Washington Street, Washington, Iowa 52353. Further, the City Clerk is directed that said Notice of Consultation be sent to the affected taxing entities, along with a proposed copy of said proposed Amendment to the Urban Renewal Plan.

BE IT FURTHER RESOLVED, that the City Council shall hold a public hearing at 6:00 p.m. on Tuesday, January 30, 2018 on the proposed Amendment to said Urban Renewal Plan. Further, the City Clerk is directed to publish notice of said public hearing as required by law.

Passed and approved this 2nd day of January, 2018.

_____

Jaron P. Rosien, Mayor

ATTEST:

_____

Illa Earnest, City Clerk

Amendment No. 2 to
Washington Downtown Urban Renewal Plan

Washington Urban Renewal Area #7 (a/k/a Downtown)- December, 2008
Amendment No. 1 to Downtown Urban Renewal Plan 2013
Amendment No. 2 to Downtown Urban Renewal Plan 2018

AMENDMENT NO. 2 TO THE WASHINGTON DOWNTOWN URBAN RENEWAL PLAN

REFERENCE is hereby made to Amendment No. 1 to the City of Washington Downtown Urban Renewal Plan, (the "Urban Renewal Plan") which was passed and adopted by the Washington City Council on June 5, 2013; and

WHEREAS, pursuant to Chapter 403 of the Code of Iowa, cities need to specifically list the Urban Renewal Projects that will be funded using incremental tax revenues; and

WHEREAS, Section J, Paragraph 3 of said Urban Renewal Plan contemplates direct City involvement in removal of dilapidated buildings and preparation of sites for redevelopment; and

WHEREAS, Section K, Paragraph 3 of said Urban Renewal Plan contemplates that the City may enter into Development Agreements to develop an Urban Renewal Project; and

WHEREAS, Andrew Drahota intends to demolish a blighted building located at 306 North Marion Avenue and construct six townhouse units for sale to the public on the cleared site and an adjacent lot located at 116 East 3rd Street (the "Project"); and

WHEREAS, the City Council establishes intent to enter into a development agreement for the Project, with the intent of making an Urban Renewal grant in the amount of $47,000; and

WHEREAS, the projects envisioned are in conformance with the general plan of the City of Washington as required by Iowa Code 403.17(24)(a); and

WHEREAS, it is now necessary to amend the Urban Renewal Plan to include these Projects.

NOW, THEREFORE, the Urban Renewal Plan is hereby amended as follows:

1. In Section K, Paragraph 3 of the Urban Renewal Plan, the following Development Agreement is hereby added and incorporated into the Urban Renewal Plan:

Andrew Drahota Demolition of former Goncho Apartments building and development of six townhouse units on the cleared site at 306 North Marion Avenue and 116 East 3rd Street	Grants not to exceed $47,000

2. The current debt and financial information of the City of Washington, as required to be listed in this Plan by Iowa Code 403.17(24)(c), is as follows:

July 1, 2017 Constitutional Debt Limit:	$18,498,484
Outstanding General Obligation Debt as of January 1, 2018:	$5,456,927
Proposed amount of indebtedness to be incurred:	$47,000

3. Except as modified by this Amendment No. 2, the original provisions of the Urban Renewal Plan are hereby ratified, affirmed and approved and shall remain in full force and effect.

4. This Amendment No. 2 to the Urban Renewal Plan shall be in full force and effect upon adoption by the City Council.

5. Any parts of the previous Urban Renewal Plan in conflict with the provisions of this Amendment No. 2 are hereby repealed.

6. The City continues to designate the urban renewal area as a blighted area. This Amendment makes no change to the urban renewal area designation.

EXHIBIT B
Map of the Washington Downtown Urban Renewal Area
(including Original Area and Amendments No. 1 & 2)

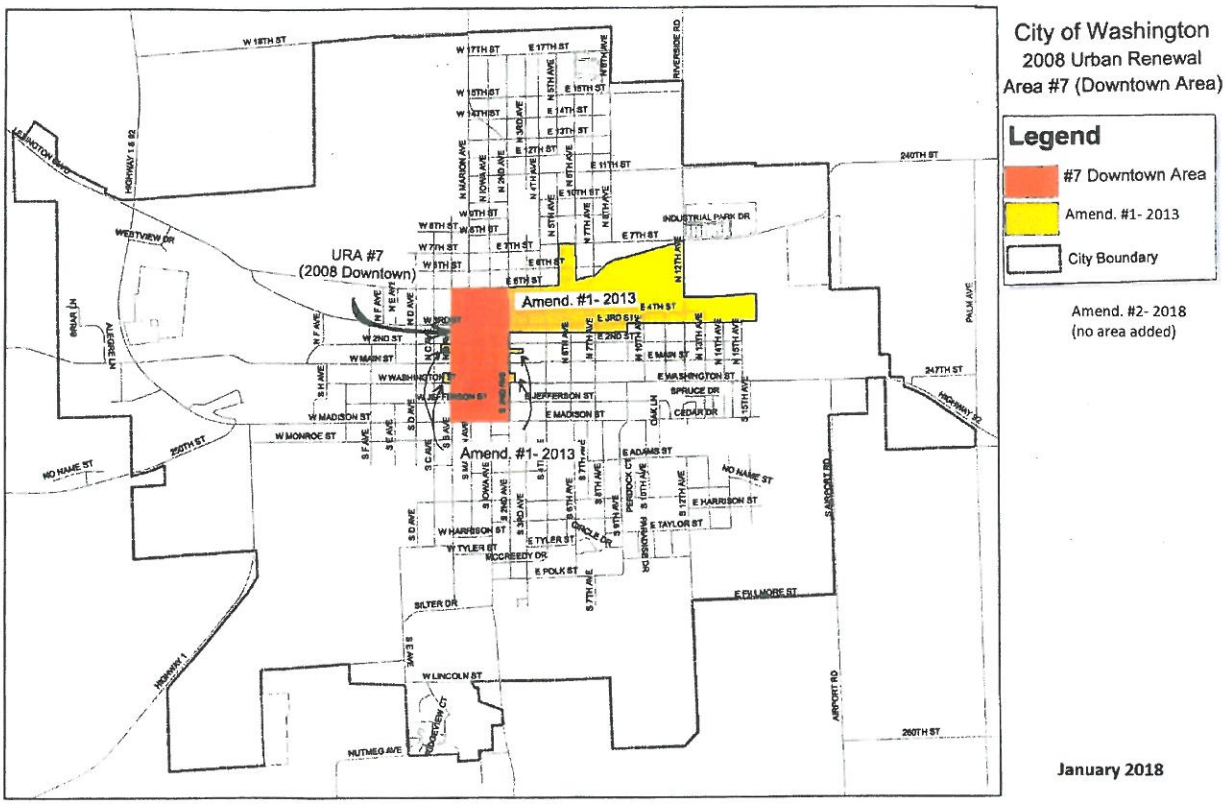
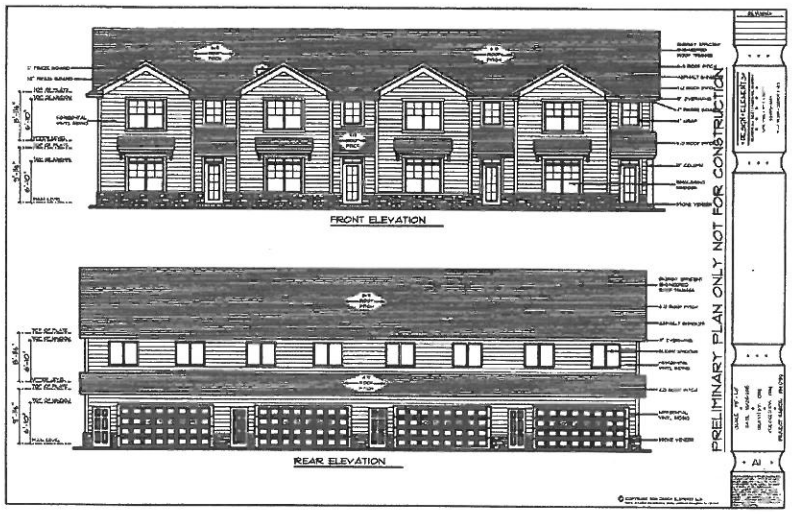


Exhibit J: Project Summary
Washington Downtown Urban Renewal Area



Project Name:	Goncho Apartments Site Redevelopment
Location:	306 North Marion; 116 East 3rd Street
Type of Project:	Urban Renewal Grant
Purpose:	Assist in removal of blighted structure and redevelopment of site into multi-family development.
Project Description:	The project will involve demolition of the Goncho Apartments building and construction of six townhouse units on the site for sale to the public. Townhouse units will be no less than 1,500 square feet in size, with two-car garages for each unit.
Cost not to Exceed Estimate:	$47,000
Potential Sources of Funding	Incremental taxes
Need for TIF Project:	To promote economic development.
Time Table for Project:	2018
Date of Amendment:	January 2018

AHLERS COONEY
ATTORNEYS

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

R. Mark Cory
515.246.0378
rcory@ahlerslaw.com

December 19, 2017

Via E-mail and Overnight Delivery
Mr. Brent Hinson
City Administrator
215 E. Washington Street
Washington, Iowa 52353

RE: City of Washington, State of Iowa
$4,378,000 Water Revenue Capital Loan Notes, Series 2018
(Iowa Drinking Water Facilities Financing Program)

Dear Brent:

With this letter I am enclosing a resolution approving and authorizing the form of Loan and Disbursement Agreement and authorizing the issuance of the above Note to the Iowa Finance Authority (the "Authority"). The resolution also incorporates by reference the form of the Tax Exemption Certificate and Loan and Disbursement Agreement, copies of which are enclosed for filing in your office. The Tax Exemption Certificate sets out in detail a number of facts, promises and obligations which must be met and agreed to by the City in order to maintain this Note as tax exempt. The Loan and Disbursement Agreement also sets forth a number of covenants and agreements on the part of the City with respect to the repayment of the Loan.

I am also enclosing the final closing certificates. The Transcript Certificate can be completed and dated as soon as final action has been taken. The Delivery Certificate and the Tax Exemption Certificate should be executed but left undated (you will need to complete the financial data for the City in the Delivery Certificate on page 1). Similarly, all copies of the Loan and Disbursement Agreement should be signed and sealed but left undated. The dates will be added pursuant to authorization from the City at the time of final closing and delivery of the Note to the Authority. Please return these certificates and all copies of the Agreement to me for holding and review before closing.

An original form of Note R-1 is enclosed as well. The Note should be manually signed by the Mayor and City Clerk on the lines indicated on page 2, the seal of the City should be impressed as indicated and the City Clerk/Treasurer should manually execute as the Registrar where indicated. The date of authentication and date of delivery will be inserted as of the actual closing date of the Loan. The completed Note also should be returned to us for holding prior to closing. Tabs have been affixed to the Note to illustrate the various spaces where a signature or seal is needed.

The Tax Exemption Certificate is an important document and contains important information concerning the calculated yield on the Notes and a number of covenants and obligations on the part of the City. This certificate should be retained as a part of your permanent records. I will not attempt to summarize all of the matters which are included in this certificate but I do want to point out some important ones.

Tax exemption is based in part upon the fact that the use of the facilities to be acquired by the City with the proceeds of the Loan will be for the benefit of the public and will not be used in the private trade or business of any business or non-tax-exempt entity. The properties acquired with the proceeds must not be sold or diverted to any private or nonpublic use unless the significance of that action is reviewed by bond counsel.

We understand that the proceeds of the loan will be used for the purpose of paying costs of construction of certain improvements and extensions to the Municipal Water Utility of the City. All of the financed facilities are expected to be owned by the City and used by the public generally, including commercial and industrial users. We understand that there are no contractual arrangements or agreements of any sort between the City and any commercial or industrial user of the municipal utility with respect to rates or use of any part of the Utility. We recognize that larger customers of the Utility may be subject to charges or rates that are different from the current residential charges, depending on the volume of the water they purchase. However, any such charges must be imposed by virtue of City ordinances and apply to all entities meeting the standards set forth therein. No other charges or payments should be imposed or paid to the City by any commercial or industrial user for water services or Project-related construction and acquisition activities beyond those mandated by ordinance for certain classes of users. These understandings are reflected in the Tax Exemption Certificate, so please let me know immediately if our understandings are not correct in any respect.

In addition, the Tax Exemption Certificate sets forth the best knowledge and belief which the City has as of today concerning the timely expenditure of the proceeds as the City reasonably expects expenditures to occur. If for any reason the City finds it will be prevented from expending the proceeds fully within three years, that matter should be referred to us.

There are a number of other general promises and commitments by the City to take or refrain from action, which are necessary to maintain the tax exemption of this Note. You should recognize that these promises and commitments are required of the City on an ongoing basis and that the possibility of some additional future action does exist.

Also enclosed is IRS Form 8038-G -- Information Return for Tax Exempt Governmental Bond Issues. Please sign, do not date and return to our office for completion. We will send you a completed copy for your file at closing.

Extra copies of the proceedings are enclosed to be completed as the original and certified back to our office.

If any questions arise, please don't hesitate to call.

Very truly yours,

R. Mark Cory
FOR THE FIRM

RMC:csm
Enclosures
cc: Owen Gerard
Jon Burmeister
Illa Earnest

01436343-1\11307-057

January 2, 2018

The City Council of the City of Washington, State of Iowa, met in _____ session, in the Nicola-Stoufer Room, Washington Public Library, 115 W. Washington Street, Washington, Iowa, at _____ o'clock _____.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 "A RESOLUTION APPROVING AND AUTHORIZING A FORM OF LOAN AND DISBURSEMENT AGREEMENT BY AND BETWEEN THE CITY OF WASHINGTON AND THE IOWA FINANCE AUTHORITY, AND AUTHORIZING AND PROVIDING FOR THE ISSUANCE AND SECURING THE PAYMENT OF $4,378,000 WATER REVENUE CAPITAL LOAN NOTES, SERIES 2018, OF THE CITY OF WASHINGTON, IOWA, UNDER THE PROVISIONS OF THE CODE OF IOWA, AND PROVIDING FOR A METHOD OF PAYMENT OF SAID NOTES AND APPROVING THE FORM OF TAX EXEMPTION CERTIFICATE", 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 No. _____

A RESOLUTION APPROVING AND AUTHORIZING A FORM OF LOAN AND DISBURSEMENT AGREEMENT BY AND BETWEEN THE CITY OF WASHINGTON AND THE IOWA FINANCE AUTHORITY, AND AUTHORIZING AND PROVIDING FOR THE ISSUANCE AND SECURING THE PAYMENT OF $4,378,000 WATER REVENUE CAPITAL LOAN NOTES, SERIES 2018, OF THE CITY OF WASHINGTON, IOWA, UNDER THE PROVISIONS OF THE CODE OF IOWA, AND PROVIDING FOR A METHOD OF PAYMENT OF SAID NOTES; AND APPROVING THE FORM OF TAX EXEMPTION CERTIFICATE

WHEREAS, the City Council of the City of Washington, Iowa, sometimes hereinafter referred to as the "Issuer", has heretofore established charges, rates and rentals for services which are and will continue to be collected as system revenues of the municipal water system, sometimes hereinafter referred to as the "System", and said revenues have not been pledged and are available for the payment of Water Revenue Capital Loan Notes, Series 2018, subject to the following premises; and

WHEREAS, Issuer proposes to issue its Water Revenue Capital Loan Notes, Series 2018, to the extent of $4,378,000, for the purpose of defraying the costs of the Project as set forth in Section 1 of this Resolution; and, it is deemed necessary and advisable and in the best interests of the City that a form of Loan and Disbursement Agreement by and between the City and the Iowa Finance Authority, be approved and authorized; and

WHEREAS, the notice of intention of Issuer to take action for the issuance of $4,378,000 Water Revenue Capital Loan Notes, Series 2018, has heretofore been duly published and no objections to such proposed action have been filed.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WASHINGTON, IN THE COUNTY OF WASHINGTON, STATE OF IOWA:

Section 1. Definitions. The following terms shall have the following meanings in this Resolution unless the text expressly or by necessary implication requires otherwise:

- "Additional Bonds" shall mean any water revenue bonds or notes or other obligations issued on a parity with the Notes in accordance with the provisions of Section 21 hereof.

- "Agreement" shall mean a Loan and Disbursement Agreement dated as of the Closing between the City and the Original Purchaser, relating to the Loan made to the City under the Program;

- "City Clerk" shall mean the City Clerk or such other officer of the successor Governing Body as shall be charged with substantially the same duties and responsibilities;

- "Closing" shall mean the date of delivery of the Note to the Original Purchaser and the funding of the Loan by the Trustee;

- "Corporate Seal" shall mean the official seal of Issuer adopted by the Governing Body;

- "Fiscal Year" shall mean the twelve months' period beginning on July 1 of each year and ending on the last day of June of the following year, or any other consecutive twelve-month period adopted by the Governing Body or by law as the official accounting period of the System; provided, that the requirements of a fiscal year as expressed in this Resolution shall exclude any payment of principal or interest falling due on the first day of the fiscal year and include any payment of principal or interest falling due on the first day of the succeeding fiscal year;

- "Governing Body" shall mean the Council of the City, or its successor in function with respect to the operation and control of the System;

♦ "Independent Auditor" shall mean an independent firm of certified public accountants or the Auditor of State;

♦ "Issuer" and "City" shall mean the City of Washington, Iowa;

♦ "Loan" shall mean the principal amount allocated by the Original Purchaser to the City under the Program, equal in amount to the principal amount of the Notes;

♦ "Net Revenues" shall mean gross earnings of the System after deduction of Current Expenses; "Current Expenses" shall mean and include the reasonable and necessary cost of operating, maintaining, repairing and insuring the System, including purchases at wholesale, if any, salaries, wages, and costs of materials and supplies, but excluding depreciation and principal of and interest on the Notes and any Parity Obligations or payments to the various funds established herein; capital costs, depreciation and interest or principal payments are not System expenses;

♦ "Notes" or "Note" shall mean $4,378,000 Water Revenue Capital Loan Notes, Series 2018, authorized to be issued by this Resolution;

♦ "Original Purchaser" shall mean the Iowa Finance Authority, as the purchaser of the Notes from Issuer at the time of their original issuance;

♦ "Parity Obligations" shall mean notes or bonds payable solely from the Net Revenues of the System on an equal basis with the Notes herein authorized to be issued and shall include Additional Bonds as authorized to be issued under the terms of this Resolution;

♦ "Paying Agent" shall be the City Clerk/Treasurer, or such successor as may be approved by Issuer as provided herein and who shall carry out the duties prescribed herein as Issuer's agent to provide for the payment of principal of and interest on the Notes as the same shall become due;

♦ "Permitted Investments" shall mean:

- direct obligations of (including obligations issued or held in book entry form on the books of) the Department of the Treasury of the United States of America;

- cash (insured at all times by the Federal Deposit Insurance Corporation or otherwise collateralized with obligations described in the above paragraph);

- obligations of any of the following federal agencies which obligations represent full faith and credit of the United States of America, including:

-Export - Import Bank
-Farm Credit System Financial Assistance Corporation
-USDA - Rural Development
-General Services Administration
-U.S. Maritime Administration
-Small Business Administration
-Government National Mortgage Association (GNMA)
-U.S. Department of Housing & Urban Development (PHA's)
-Federal Housing Administration

- repurchase agreements whose underlying collateral consists of the investments set out above if the Issuer takes delivery of the collateral either directly or through an authorized custodian. Repurchase agreements do not include reverse repurchase agreements;

- senior debt obligations rated "AAA" by Standard & Poor's Corporation (S&P) or "Aaa" by Moody's Investors Service Inc. (Moody's) issued by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation;

- U.S. dollar denominated deposit accounts, federal funds and banker's acceptances with domestic commercial banks which have a rating on their short-term certificates of deposit on the date of purchase of "A-1" or "A-1+" by S&P or "P-1" by Moody's and maturing no more than 360 days after the date of purchase (ratings on holding companies are not considered as the rating of the bank);

- commercial paper which is rated at the time of purchase in the single highest classification, "A-1+" by S&P or "P-1" by Moody's and which matures not more than 270 days after the date of purchase;

- investments in a money market fund rated "AAAm" or "AAAm-G" or better by S&P;

- pre-refunded Municipal Obligations, defined as any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and (a) which are rated, based on an irrevocable escrow account or fund (the "escrow"), in the highest rating category of S&P or Moody's or any successors thereto; or (b)(i) which are fully secured as to principal and interest and redemption premium, if any, by an escrow consisting only of cash or direct obligations of the Department of the Treasury of the United States of America, which escrow may be applied only to the payment of such principal of and

interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate; and (ii) which escrow is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates specified in the irrevocable instructions referred to above, as appropriate;

- tax exempt bonds as defined and permitted by section 148 of the Internal Revenue Code and applicable regulations and only if rated within the two highest classifications as established by at least one of the standard rating services approved by the superintendent of banking by rule adopted pursuant to chapter 17A Code of Iowa;

- an investment contract rated within the two highest classifications as established by at least one of the standard rating services approved by the superintendent of banking by rule adopted pursuant to chapter 17A Code of Iowa; and

- Iowa Public Agency Investment Trust.

♦ "Program" shall mean the Iowa Drinking Water Facilities Financing Program undertaken by the Original Purchaser;

♦ "Project" shall mean the acquisition, construction, reconstruction, extending, remodeling, improving, repairing and equipping of the System, including those costs associated with refunding the Water Revenue Capital Loan Anticipation Project Note, Series 2016, dated November 18, 2016;

♦ "Project Fund" shall mean the Loan Account maintained by the Trustee under the Program for the benefit of the Issuer, into which the proceeds of the Loan and the Note shall be allocated and held until disbursed to pay Project costs;

♦ "Rebate Fund" shall mean the fund so defined in and established pursuant to the Tax Exemption Certificate;

♦ "Registrar" shall be the City Clerk/Treasurer, or such successor as may be approved by Issuer as provided herein and who shall carry out the duties prescribed herein with respect to maintaining a register of the owners of the Notes. Unless otherwise specified, the Registrar shall also act as Transfer Agent for the Notes;

♦ "System" shall mean the municipal water utility of the Issuer and all properties of every nature hereinafter owned by the Issuer comprising part of or used as a part of the System, including all water treatment facilities, storage facilities, pumping stations and all related property and improvements and extensions made by Issuer while

any of the Notes or Parity Obligations remain outstanding; all real and personal property; and all appurtenances, contracts, leases, franchises and other intangibles;

♦ "Tax Exemption Certificate" shall mean the Tax Exemption Certificate executed by the City Clerk/Treasurer and delivered at the time of issuance and delivery of the Notes; and

♦ "Treasurer" shall mean the City Clerk/Treasurer or such other officer as shall succeed to the same duties and responsibilities with respect to the recording and payment of the Notes issued hereunder.

♦ "Trustee" shall mean Wells Fargo Bank, National Association, with its principal office located in the City of Chicago, Illinois, and its successors and any corporation resulting from or surviving any consolidation or merger to which it or its successors may be a party and any successor trustee under the Program.

♦ "Yield Restricted" shall mean required to be invested at a yield that is not materially higher than the yield on the Notes under Section 148(a) of the Internal Revenue Code or regulations issued thereunder.

Section 2. Authority. The Agreement and the Notes authorized by this Resolution shall be issued pursuant to Sections 384.24A, 384.82 and 384.83 of the Code of Iowa, and in compliance with all applicable provisions of the Constitution and laws of the State of Iowa. The Agreement shall be substantially in the form attached to this Resolution and is authorized to be executed and issued on behalf of the Issuer by the Mayor and attested by the City Clerk.

Section 3. Authorization and Purpose. There are hereby authorized to be issued, negotiable, serial, fully registered Revenue Notes of the City of Washington, in the County of Washington, State of Iowa, each to be designated as "Water Revenue Capital Loan Note, Series 2018", in the aggregate amount of $4,378,000, for the purpose of paying costs of the Project. The City Council, pursuant to Sections 384.24A, 384.82 and 384.83 of the Code of Iowa, hereby finds and determines that it is necessary and advisable to issue said Notes authorized by the Agreement and this Resolution.

Section 4. Source of Payment. The Notes herein authorized and Parity Obligations and the interest thereon shall be payable solely and only out of the net earnings of the System and shall be a first lien on the future Net Revenues of the System. The Notes shall not be general obligations of the Issuer nor shall they be payable in any manner by taxation and the Issuer shall be in no manner liable by reason of the failure of the said Net Revenues to be sufficient for the payment of the Notes.

Section 5. Note Details. Water Revenue Capital Loan Notes, Series 2018, of the City in the amount of $4,378,000, shall be issued to evidence the obligations of the Issuer under the Agreement pursuant to the provisions of Sections 384.24A, 384.82 and 384.83 of the Code of Iowa for the aforesaid purpose. The Notes shall be designated "WATER REVENUE CAPITAL LOAN NOTE, SERIES 2018", be dated the date of delivery, and bear interest at the rate of

1.75% per annum from the date of each advancement made under the Agreement, until payment thereof, at the office of the Paying Agent, said interest payable on June 1, 2018, and semi-annually thereafter on the 1st day of June and December in each year until maturity as set forth on the Debt Service Schedule attached to the Agreement as Exhibit A and incorporated herein by this reference. As set forth on said Debt Service Schedule, principal shall be payable on June 1, 2019 and annually thereafter on the 1st day of June in the amounts set forth therein until principal and interest are fully paid, except that the final installment of the entire balance of principal and interest, if not sooner paid, shall become due and payable on June 1, 2038. Notwithstanding the foregoing or any other provision hereof, principal and interest shall be payable as shown on said Debt Service Schedule until completion of the Project, at which time the final Debt Service Schedule shall be determined by the Trustee based upon actual advancements, final costs and completion of the Project, all as provided in the administrative rules governing the Program. Payment of principal and interest on the Notes shall at all times conform to said Debt Service Schedule and the rules of the Program.

The Notes shall be executed by the manual or facsimile signature of the Mayor and attested by the manual or facsimile signature of the Clerk, and impressed or imprinted with the seal of the City and shall be fully registered as to both principal and interest as provided in this Resolution; principal, interest and premium, if any, shall be payable at the office of the Paying Agent by mailing of a check, wire transfer or automated clearing house system transfer to the registered owner of the Note. The Notes may be in the denomination of $1,000 or multiples thereof and shall at the request of the Original Purchaser be initially issued as a single Note in the denomination of $4,378,000 and numbered R-1.

Section 6. Initiation Fee and Servicing Fee. In addition to the payment of principal of and interest on the Notes, the Issuer also agrees to pay the Initiation Fee and the Servicing Fee as defined and in accordance with the terms of the Agreement.

Section 7. Redemption. The Notes are subject to optional redemption at a price of par plus accrued interest (i) on any date upon receipt of written consent of the Original Purchaser or (ii) in the event that all or substantially all of the Project is damaged or destroyed. Any optional redemption of the Notes may be made from any funds regardless of source, in whole or from time to time in part, in inverse order of maturity, by giving not less than thirty (30) days' notice of redemption by certified or registered mail to the Original Purchaser (or any other registered owner of the Note). The terms of redemption shall be par, plus accrued interest to date of call. The Notes are also subject to mandatory redemption as set forth in Section 5 of the Agreement.

Section 8. Registration of Notes; Appointment of Registrar; Transfer; Ownership; Delivery; and Cancellation.

(a) Registration. The ownership of Notes may be transferred only by the making of an entry upon the books kept for the registration and transfer of ownership of the Notes, and in no other way. The City Clerk/Treasurer is hereby appointed as Note Registrar under the terms of this Resolution. Registrar shall maintain the books of the Issuer for the registration of ownership of the Notes for the payment of principal of and interest on the Notes as provided in this Resolution. All Notes shall be negotiable as

provided in Article 8 of the Uniform Commercial Code subject to the provisions for registration and transfer contained in the Notes and in this Resolution.

(b) Transfer. The ownership of any Note may be transferred only upon the Registration Books kept for the registration and transfer of Notes and only upon surrender thereof at the office of the Registrar together with an assignment duly executed by the holder or his duly authorized attorney in fact in such form as shall be satisfactory to the Registrar, along with the address and social security number or federal employer identification number of such transferee (or, if registration is to be made in the name of multiple individuals, of all such transferees). In the event that the address of the registered owner of a Note (other than a registered owner which is the nominee of the broker or dealer in question) is that of a broker or dealer, there must be disclosed on the Registration Books the information pertaining to the registered owner required above. Upon the transfer of any such Note, a new fully registered Note, of any denomination or denominations permitted by this Resolution in aggregate principal amount equal to the unmatured and unredeemed principal amount of such transferred fully registered Note, and bearing interest at the same rate and maturing on the same date or dates shall be delivered by the Registrar.

(c) Registration of Transferred Notes. In all cases of the transfer of the Notes, the Registrar shall register, at the earliest practicable time, on the Registration Books, the Notes, in accordance with the provisions of this Resolution.

(d) Ownership. As to any Note, the person in whose name the ownership of the same shall be registered on the Registration Books of the Registrar shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal of any such Notes and the premium, if any, and interest thereon shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note, including the interest thereon, to the extent of the sum or sums so paid.

(e) Cancellation. All Notes which have been redeemed shall not be reissued but shall be cancelled by the Registrar. All Notes which are cancelled by the Registrar shall be destroyed and a Certificate of the destruction thereof shall be furnished promptly to the Issuer; provided that if the Issuer shall so direct, the Registrar shall forward the cancelled Notes to the Issuer.

(f) Non-Presentment of Notes. In the event any payment check representing payment of principal of or interest on the Notes is returned to the Paying Agent or if any note is not presented for payment of principal at the maturity or redemption date, if funds sufficient to pay such principal of or interest on Notes shall have been made available to the Paying Agent for the benefit of the owner thereof, all liability of the Issuer to the owner thereof for such interest or payment of such Notes shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the owner of such

Notes who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Resolution or on, or with respect to, such interest or Notes. The Paying Agent's obligation to hold such funds shall continue for a period equal to two years and six months following the date on which such interest or principal became due, whether at maturity, or at the date fixed for redemption thereof, or otherwise, at which time the Paying Agent, shall surrender any remaining funds so held to the Issuer, whereupon any claim under this Resolution by the Owners of such interest or Notes of whatever nature shall be made upon the Issuer.

Section 9. Reissuance of Mutilated, Destroyed, Stolen or Lost Notes. In case any outstanding Note shall become mutilated or be destroyed, stolen or lost, the Issuer shall at the request of Registrar authenticate and deliver a new Note of like tenor and amount as the Note so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Note to Registrar, upon surrender of such mutilated Note, or in lieu of and substitution for the Note destroyed, stolen or lost, upon filing with the Registrar evidence satisfactory to the Registrar and Issuer that such Note has been destroyed, stolen or lost and proof of ownership thereof, and upon furnishing the Registrar and Issuer with satisfactory indemnity and complying with such other reasonable regulations as the Issuer or its agent may prescribe and paying such expenses as the Issuer may incur in connection therewith.

Section 10. Record Date. Payments of principal and interest, otherwise than upon full redemption, made in respect of any Note, shall be made to the registered holder thereof or to their designated Agent as the same appear on the books of the Registrar on the 15th day of the month preceding the payment date. All such payments shall fully discharge the obligations of the Issuer in respect of such Notes to the extent of the payments so made. Upon receipt of the final payment of principal, the holder of the Note shall surrender the Note to the Paying Agent.

Section 11. Execution, Authentication and Delivery of the Notes. Upon the adoption of this Resolution, the Mayor and City Clerk shall execute the Notes by their manual or authorized signature and deliver the Notes to the Registrar, who shall authenticate the Notes and deliver the same to or upon order of the Original Purchaser. No Note shall be valid or obligatory for any purpose or shall be entitled to any right or benefit hereunder unless the Registrar shall duly endorse and execute on such Note a Certificate of Authentication substantially in the form of the Certificate herein set forth. Such Certificate upon any Note executed on behalf of the Issuer shall be conclusive evidence that the Note so authenticated has been duly issued under this Resolution and that the holder thereof is entitled to the benefits of this Resolution.

Section 12. Right to Name Substitute Paying Agent or Registrar. Issuer reserves the right to name a substitute, successor Registrar or Paying Agent upon giving prompt written notice to each registered noteholder.

Section 13. Form of Note. Notes shall be printed in substantial compliance with standards proposed by the American Standards Institute substantially in the form as follows:

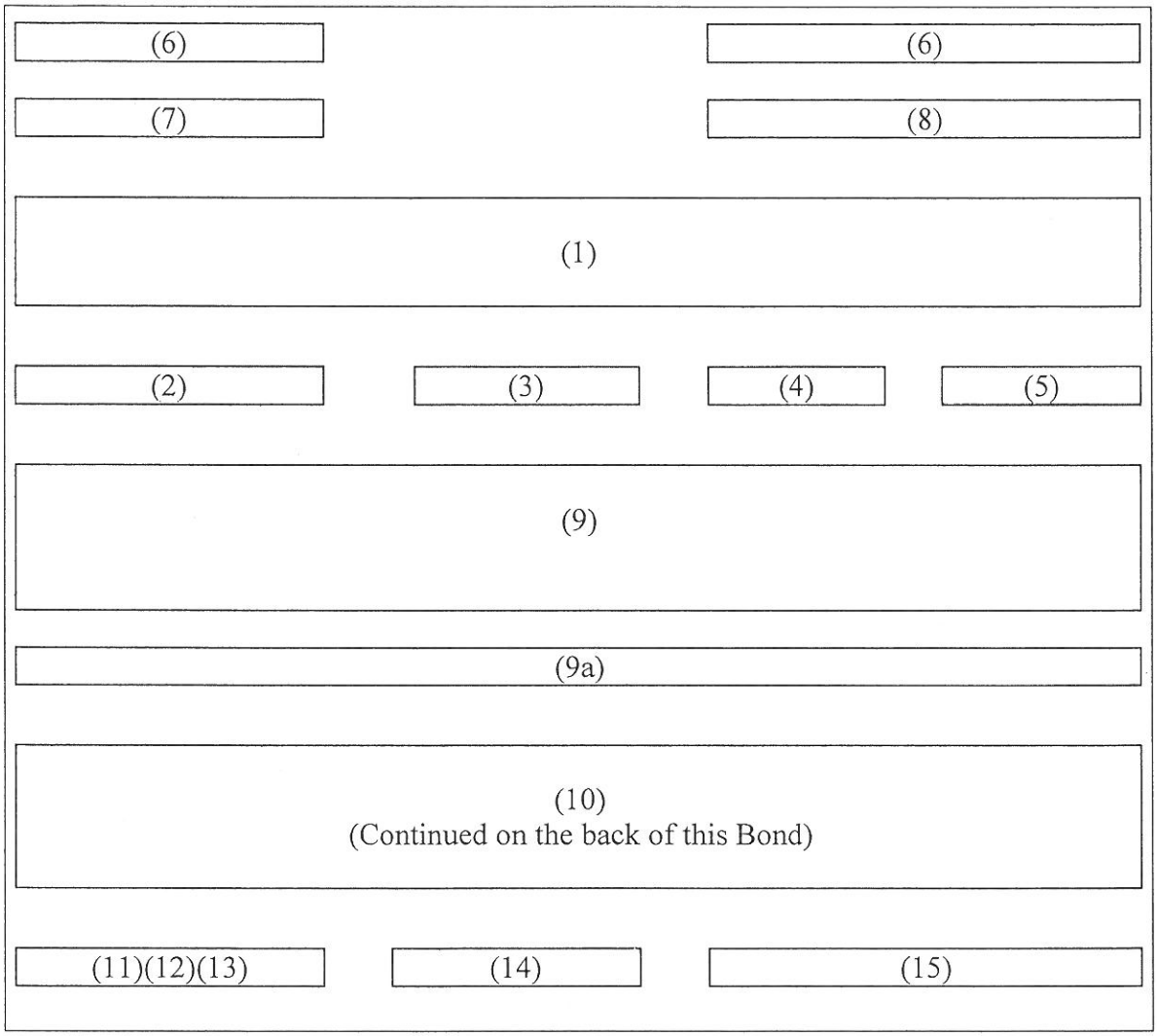


FIGURE 1
(Front)

(10) (Continued)		(16)

FIGURE 2
(Back)

The text of the Notes to be located thereon at the item numbers shown shall be as follows:

Item 1, figure 1 = "STATE OF IOWA"
"COUNTY OF WASHINGTON"
"CITY OF WASHINGTON"
"WATER REVENUE CAPITAL LOAN NOTE"
"SERIES 2018"

Item 2, figure 1 = Rate: 1.75%
Item 3, figure 1 = Final Maturity: _____
Item 4, figure 1 = Note Date: _____
Item 5, figure 1 = CUSIP # _____
Item 6, figure 1 = "Registered"
Item 7, figure 1 = Certificate No. R-1
Item 8, figure 1 = Principal Amount: $_____

Item 9, figure 1 = The City of Washington, Iowa, a municipal corporation organized and existing under and by virtue of the Constitution and laws of the State of Iowa (the "Issuer"), for value received, promises to pay from the source and as hereinafter provided, to

IOWA FINANCE AUTHORITY

Item 10, figure 1 = or registered assigns, the principal sum of (principal amount written out) in lawful money of the United States of America, on the maturity dates and in the principal amounts set forth on the Debt Service Schedule attached hereto and incorporated herein by this reference, with interest on said sum from the date of each advancement made under a certain Loan and Disbursement Agreement dated as of the date hereof until paid at the rate of 1.75% per annum, payable on June 1, 2018, and semi-annually thereafter on the 1st day of June and December in each year. As set forth on said Debt Service Schedule, principal shall be payable on June 1, 2019 and annually thereafter on the first day of June in the amounts set forth therein until principal and interest are fully paid, except that the final installment of the entire balance of principal and interest, if not sooner paid, shall become due and payable on June 1, 2038. Notwithstanding the foregoing or any other provision hereof, principal and interest shall be payable as shown on said Debt Service Schedule until completion of the Project, at which time the final Debt Service Schedule shall be determined by the Trustee and attached hereto based upon actual advancements, final costs and completion of the Project, all as provided in the administrative rules governing the Iowa Drinking Water Facilities Financing Program. Payment of principal and interest of this Note shall at all times conform to said Debt Service Schedule and the rules of the Drinking Water State Revolving Fund Program.

Interest and principal shall be paid to the registered holder of the Note as shown on the records of ownership maintained by the Registrar as of the 15th day of the month next preceding such interest payment date. Interest shall be computed on the basis of a 360-day year of twelve 30-day months.

This Note is issued pursuant to the provisions of Sections 384.24A, 384.82 and 384.83 of the Code of Iowa, for the purpose of paying costs of acquisition, construction, reconstruction, extending, remodeling, improving, repairing and equipping all or part of the System, including those costs associated with refunding the Water Revenue Capital Loan Anticipation Project Note, Series 2016, dated November 18, 2016, and evidences amounts payable under a certain Loan and Disbursement Agreement dated as of the date hereof, in conformity to a Resolution of the City Council of said City duly passed and approved. For a complete statement of the revenues and funds from which and the conditions under which this Note is payable, a statement of the conditions under which additional notes or bonds of equal standing may be issued, and the general covenants and provisions pursuant to which this Note is issued, reference is made to the above-described Loan and Disbursement Agreement and Resolution.

This Note is subject to optional redemption at a price of par plus accrued interest (i) on any date upon receipt of written consent of the Iowa Finance Authority or (ii) in the event that all or substantially all of the Project is damaged or destroyed. Any optional redemption of this Note may be made from any funds regardless of source, in whole or from time to time in part, in inverse order of maturity, by lot by giving thirty (30) days' notice of redemption by certified or registered mail, to the Iowa Finance Authority (or any other registered owner of the Note). This Note is also subject to mandatory redemption as set forth in Section 5 of the Agreement.

Ownership of this Note may be transferred only by transfer upon the books kept for such purpose by the City Clerk/Treasurer, City of Washington, Iowa the Registrar. Such transfer on the books shall occur only upon presentation and surrender of this Note at the office of the Registrar, together with an assignment duly executed by the owner hereof or his duly authorized attorney in the form as shall be satisfactory to the Registrar. Issuer reserves the right to substitute the Registrar and Paying Agent but shall, however, promptly give notice to registered Noteholders of such change. All Notes shall be negotiable as provided in Article 8 of the Uniform Commercial Code and subject to the provisions for registration and transfer contained in the Note Resolution.

This Note and the series of which it forms a part and any additional obligations which may be hereafter issued and outstanding from time to time on a parity with said Notes, as provided in the Resolution and Loan and Disbursement Agreement of which notice is hereby given and which are hereby made a part hereof, are payable from and secured by a pledge of the net revenues of the municipal water utility (the "System"), as defined and provided in said Resolution. There has heretofore been established and the City covenants and agrees that it will maintain just and equitable rates or charges for the use of and service rendered by said System in each year for the payment of the proper and reasonable expenses of operation and maintenance of said System and for the establishment of a sufficient sinking fund to meet the principal of and interest on this series of Notes, and other obligations ranking on a parity therewith, as the same become due. This Note is not payable in any manner by taxation and under no circumstances shall the City be in any manner liable by reason of the failure of said net earnings to be sufficient for the payment hereof.

And it is hereby represented and certified that all acts, conditions and things requisite, according to the laws and Constitution of the State of Iowa, to exist, to be had, to be done, or to

be performed precedent to the lawful issue of this Note, have been existent, had, done and performed as required by law.

IN TESTIMONY WHEREOF, said City by its City Council has caused this Note to be signed by the manual or facsimile signature of its Mayor and attested by the manual or facsimile signature of its City Clerk, with the seal of said City impressed hereon, and authenticated by the manual or facsimile signature of an authorized representative of the Registrar, the City Clerk/Treasurer of the City of Washington, Iowa, all as of the _____ day of _____, 2018.

Item 11, figure 1 = Date of authentication:
Item 12, figure 1 = This is one of the Notes described in the within mentioned Resolution, as registered by the City Clerk/Treasurer.

CITY CLERK/TREASURER

By: _____
Registrar

Item 13, figure 1 = Registrar and Transfer Agent: City Clerk/Treasurer
Paying Agent: City Clerk/Treasurer

SEE REVERSE FOR CERTAIN DEFINITIONS

Item 14, figure 1 = (Seal)
Item 15, figure 1 = (Signature Block)

CITY OF WASHINGTON, STATE OF IOWA

By: (manual or facsimile signature) _____
Mayor

ATTEST:

By: (manual or facsimile signature) _____
City Clerk

Item 17, figure 2 = [Assignment Block]
[Information Required for Registration]

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ (Social Security or Tax Identification No. _____) the within Note and does hereby irrevocably constitute and appoint _____ attorney in fact to transfer the said Note on the books kept for registration of the within Note, with full power of substitution in the premises.

Dated: _____

_____

_____
(Person(s) executing this Assignment sign(s) here)

SIGNATURE)
GUARANTEED)_____

IMPORTANT - READ CAREFULLY

The signature(s) to this Power must correspond with the name(s) as written upon the face of the Certificate(s) or Note(s) in every particular without alteration or enlargement or any change whatever. Signature guarantee must be provided in accordance with the prevailing standards and procedures of the Registrar and Transfer Agent. Such standards and procedures may require signature to be guaranteed by certain eligible guarantor institutions that participate in a recognized signature guarantee program.

INFORMATION REQUIRED FOR REGISTRATION OF TRANSFER

Name of Transferee(s) _____
Address of Transferee(s) _____
Social Security or Tax Identification
Number of Transferee(s) _____
Transferee is a(n):
Individual* _____ Corporation _____
Partnership _____ Trust _____

*If the Note is to be registered in the names of multiple individual owners, the names of all such owners and one address and social security number must be provided.

The following abbreviations, when used in the inscription on the face of this Note, shall be construed as though written out in full according to applicable laws or regulations:

TEN COM - as tenants in common
TEN ENT - as tenants by the entireties

JT TEN - as joint tenants with rights of survivorship and not as tenants in common
IA UNIF TRANS MIN ACT - ..... Custodian .....
(Cust) (Minor)
Under Iowa Uniform Transfers to Minors Act.....
(State)

Section 14. Equality of Lien. The timely payment of principal of and interest on the Notes and Parity Obligations shall be secured equally and ratably by the revenues of the System without priority by reason of number or time of sale or delivery; and the revenues of the System are hereby irrevocably pledged to the timely payment of both principal and interest as the same become due.

Section 15. Application of Note Proceeds - Project Fund. Proceeds of the Notes shall be credited to the Project Fund and expended therefrom for the purposes of issuance. Any amounts on hand in the Project Fund shall be available for the payment of the principal of or interest on the Notes at any time that other funds of the System shall be insufficient to the purpose, in which event such funds shall be repaid to the Project Fund at the earliest opportunity. Any balance on hand in the Project Fund and not immediately required for its purposes may be invested not inconsistent with limitations provided by law, the Internal Revenue Code and this Resolution.

Section 16. User Rates. There has heretofore been established and published as required by law, just and equitable rates or charges for the use of the service rendered by the System. Said rates or charges shall be paid by the owner of each and every lot, parcel of real estate, or building that is connected with and uses the System, by or through any part of the System or that in any way uses or is served by the System.

Any revenue paid and collected for the use of the System and its services by the Issuer or any department, agency or instrumentality of the Issuer shall be used and accounted for in the same manner as any other revenues derived from the operations of the System.

Section 17. Application of Revenues. From and after the delivery of any Notes, and as long as any of the Notes or Parity Obligations shall be outstanding and unpaid either as to principal or as to interest, or until all of the Notes and Parity Obligations then outstanding shall have been discharged and satisfied in the manner provided in this Resolution, the entire income and revenues of the System shall be deposited as collected in a fund to be known as the Water Revenue Fund (the "Revenue Fund"), and shall be disbursed only as follows:

- Operation and Maintenance Fund. Money in the Revenue Fund shall first be disbursed to make deposits into a separate and special fund to pay current expenses. The fund shall be known as the Water Utility Operation and Maintenance Fund (the "Operation and Maintenance Fund"). There shall be deposited in the Operation and Maintenance Fund each month an amount sufficient to meet the current expenses of the month plus an amount equal to 1/12th of expenses payable on an annual basis such as insurance. After the first day of the month, further deposits may be made to this account

from the Revenue Fund to the extent necessary to pay current expenses accrued and payable to the extent that funds are not available in the Surplus Fund.

- Sinking Fund. Money in the Revenue Fund shall next be disbursed to make deposits into a separate and special fund to pay principal of and interest on the Notes and Parity Obligations. The fund shall be known as the Water Revenue Note Principal and Interest Sinking Fund (the "Sinking Fund"). The required amount to be deposited in the Sinking Fund in any month shall be an amount equal to 1/6th of the installment of interest coming due on the next interest payment date on the then outstanding Notes and Parity Obligations, plus 1/12th of the installment of principal coming due on such Notes on the next succeeding principal payment date until the full amount of such installment is on hand. If for any reason the amount on hand in the Sinking Fund exceeds the required amount, the excess shall forthwith be withdrawn and paid into the Revenue Fund. Money in the Sinking Fund shall be used solely for the purpose of paying principal of and interest on the Notes and Parity Obligations as the same shall become due and payable.

- Subordinate Obligations. Money in the Revenue Fund may next be used to pay principal of and interest on (including reasonable reserves therefor) any other obligations which by their terms shall be payable from the revenues of the System, but subordinate to the Notes and Parity Obligations, and which have been issued for the purposes of extensions and improvements to the System or to retire the Notes or Parity Obligations in advance of maturity, or to pay for extraordinary repairs or replacements to the System.

- Surplus Revenue. All money thereafter remaining in the Revenue Fund at the close of each month may be deposited in any of the funds created by this Resolution, to pay for extraordinary repairs or replacements to the System, or may be used to pay or redeem the Notes or Parity Obligations, any of them, or for any lawful purpose.

Money in the Revenue Fund shall be allotted and paid into the various funds and accounts hereinbefore referred to in the order in which said funds are listed, on a cumulative basis on the 10th day of each month, or on the next succeeding business day when the 10th shall not be a business day; and if in any month the money in the Revenue Fund shall be insufficient to deposit or transfer the required amount in any of said funds or accounts, the deficiency shall be made up in the following month or months after payments into all funds and accounts enjoying a prior claim to the revenues shall have been met in full.

Section 18. Investments. Moneys on hand in the Project Fund and all of the funds provided by this Resolution may be invested only in Permitted Investments or deposited in financial institutions which are members of the Federal Deposit Insurance Corporation, or its equivalent successor, and the deposits of which are insured thereby and all such deposits exceeding the maximum amount insured from time to time by FDIC or its equivalent successor in any one financial institution shall be continuously secured in compliance with Iowa Code chapter 12C, or otherwise by a valid pledge of direct obligations of the United States Government having an equivalent market value. All investments shall mature before the date on

which the moneys are required for the purposes for which the fund was created or otherwise as herein provided. The provisions of this Section shall not be construed to require the Issuer to maintain separate accounts for the funds created by this Section.

The Sinking Fund shall be segregated in a separate account but may be invested in the same manner as other funds of the Issuer but designated as a trust fund on the books and records of the Issuer. The Sinking Fund shall not be available for any other purposes other than those specified in this Resolution.

All income derived from such investments shall be deposited in the Revenue Fund and shall be regarded as revenues of the System. Investments shall at any time necessary be liquidated and the proceeds thereof applied to the purpose for which the respective fund was created.

Section 19. Covenants Regarding the Operation of the System. The Issuer hereby covenants and agrees with each and every holder of the Notes and Parity Obligations:

(a) Maintenance and Efficiency. The Issuer will maintain the System in good condition and operate it in an efficient manner and at reasonable cost.

(b) Sufficiency of Rates. On or before the beginning of each Fiscal Year the Governing Body will adopt or continue in effect rates for all services rendered by the System determined to be sufficient to produce Net Revenues for the next succeeding Fiscal Year which are (i) adequate to pay the principal and interest requirements thereof and to create or maintain the reserves as provided in this Resolution, and (ii) not less than 110 percent of the principal and interest requirements of the next succeeding Fiscal Year. No free use of the System by the Issuer or any department, agency or instrumentality of the Issuer shall be permitted except upon the determination of the Governing Body that the rates and changes otherwise in effect are sufficient to provide Net Revenues at least equal to the requirements of this subsection.

(c) Insurance. The Issuer shall maintain insurance for the benefit of the Noteholders on the insurable portions of the System of a kind and in an amount which normally would be carried by private companies engaged in a similar kind of business. The proceeds of any insurance, except public liability insurance, shall be used to repair or replace the part or parts of the System damaged or destroyed, or if not so used shall be placed in an improvement fund for the benefit of the System.

(d) Accounting and Audits. The Issuer will cause to be kept proper books and accounts adapted to the System and in accordance with generally accepted accounting practices and will diligently act to cause the books and accounts to be audited and reported upon by an Independent Auditor and will provide copies of the audit report to the Department, all as provided in the Agreement. The Original Purchaser and holders of any of the Notes and Parity Obligations shall have at all reasonable times the right to inspect the System and the records, accounts and data of the Issuer relating thereto.

(e) State Laws. The Issuer will faithfully and punctually perform all duties with reference to the System required by the Constitution and laws of the State of Iowa, including the making and collecting of reasonable and sufficient rates for services rendered by the System as above provided, and will segregate the revenues of the System and apply said revenues to the funds specified in this Resolution.

(f) Property. The Issuer will not sell, lease, mortgage or in any manner dispose of the System, or any capital part thereof, including any and all extensions and additions that may be made thereto, until satisfaction and discharge of all of the Notes and Parity Obligations shall have been provided for in the manner provided in this Resolution; provided, however, this covenant shall not be construed to prevent the disposal by the Issuer of property which in the judgment of its Governing Body has become inexpedient or unprofitable to use in connection with the System, or if it is to the advantage of the System that other property of equal or higher value be substituted therefor, and provided further that the proceeds of the disposition of such property shall be placed in a revolving fund to be used in preference to other sources for capital improvements to the System. Any such proceeds of the disposition of property acquired with the proceeds of the Notes or Parity Obligations shall not be used to pay principal or interest on the Notes and Parity Obligations or for payments into the Sinking Fund.

(g) Fidelity Bond. That the Issuer shall maintain fidelity bond coverage in amounts which normally would be carried by private companies engaged in a similar kind of business on each officer or employee having custody of funds of the System.

(h) Additional Charges. The Issuer will require proper connecting charges and/or other security for the payment of service charges.

(i) Budget. The Governing Body of the Issuer shall approve and conduct operations pursuant to a system budget of revenues and current expenses for each Fiscal Year. Such budget shall take into account revenues and current expenses during the current and last preceding Fiscal Years. Copies of such budget and any amendments thereto shall be mailed to the Original Purchaser and to the Noteholders upon request.

(j) Loan and Disbursement Agreement. The Issuer will comply with the terms and conditions of the Loan and Disbursement Agreement and perform as provided thereunder.

Section 20. Remedies of Noteholders. Except as herein expressly limited the holder or holders of the Notes and Parity Obligations 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 their Notes and interest thereon, and of the pledge of the revenues made hereunder, and of all covenants of the Issuer hereunder.

Section 21. Prior Lien and Parity Obligations. The Issuer will issue no other notes, bonds or obligations of any kind or nature payable from or enjoying a lien or claim on the property or revenues of the System having priority over the Notes or Parity Obligations.

Additional Bonds may be issued on a parity and equality of rank with the Notes with respect to the lien and claim of such additional obligations to the revenues of the System and the money on deposit in the funds adopted by this Resolution, for the following purposes and under the following conditions, but not otherwise:

(a) For the purpose of refunding any of the Notes or Parity Obligations which shall have matured or which shall mature not later than three months after the date of delivery of such refunding obligation and for the payment of which there shall be insufficient money in the Sinking Fund and the Reserve Fund;

(b) For the purpose of making extensions, additions, improvements or replacements to the System, or refunding any outstanding Notes, Parity Obligations or other obligations issued for such extensions, additions and improvements, if all of the following conditions shall have been met:

(i) before any such Additional Bonds ranking on a parity are issued, there will have been procured and filed with the Clerk, a statement of an Independent Auditor or independent financial advisor, not a regular employee of the Issuer, reciting the opinion based upon necessary investigations that the Net Revenues of the System for the preceding Fiscal Year (with adjustments as hereinafter provided) were equal to at least 1.10 times the maximum amount that will be required in any Fiscal Year prior to the longest maturity of any of the then outstanding Notes or Parity Obligations for both principal of and interest on all Notes or Parity Obligations then outstanding which are payable from the net earnings of the System and the Additional Bonds then proposed to be issued.

For the purpose of determining the Net Revenues of the System for the preceding Fiscal Year as aforesaid, the amount of the gross revenues for such year may be adjusted by an independent consulting engineer, the Independent Auditor or the independent financial advisor, so as to reflect any changes in the amount of such revenues which would have resulted had any revision of the schedule of rates or charges imposed at or prior to the time of the issuance of any such Additional Bonds been in effect during all of such preceding Fiscal Year.

(ii) the Additional Bonds must be payable as to principal and as to interest on the same month and day as the Notes herein authorized.

(iii) for the purposes of this Section, principal and interest falling due on the first day of a Fiscal Year shall be deemed a requirement of the immediately preceding Fiscal Year.

(iv) for the purposes of this Section, general obligation bonds or notes shall be refunded only upon a finding of necessity by the Governing Body and only to the extent the general obligation bonds or notes were issued or the proceeds thereof were expended for the System.

(v) for purposes of this Section, "preceding Fiscal Year" shall be the most recently completed Fiscal Year for which audited financial statements prepared by a certified public accountant are issued and available, but in no event a Fiscal Year which ended more than eighteen months prior to the date of issuance of the Additional Bonds.

Sections 22. Approval of Tax Exemption Certificate. Attached hereto is a form of Tax Exemption Certificate stating the Issuer's reasonable expectations as to the use of the proceeds of the Bonds. The form of Tax Exemption Certificate is approved. The Issuer hereby agrees to comply with the provisions of the Tax Exemption Certificate and the provisions of the Tax Exemption Certificate are hereby incorporated by reference as part of this Resolution. The City Clerk/Treasurer is hereby directed to make and insert all calculations and determinations necessary to complete the Tax Exemption Certificate at issuance of the Bonds to certify as to the reasonable expectations and covenants of the Issuer at that date.

Section 23. Disposition of Proceeds; Arbitrage Not Permitted. The Issuer reasonably expects and covenants that no use will be made of the proceeds from the issuance and sale of the Notes issued hereunder which will cause any of the Notes to be classified as arbitrage bonds within the meaning of Section 148(a) and (b) of the Internal Revenue Code of the United States, and that throughout the term of said Notes it will comply with the requirements of said statute and regulations issued thereunder.

To the best knowledge and belief of the Issuer, there are no facts or circumstances that would materially change the foregoing statements or the conclusion that it is not expected that the proceeds of the Notes will be used in a manner that would cause the Notes to be arbitrage bonds. Without limiting the generality of the foregoing, the Issuer hereby agrees to comply with the provisions of the Tax Exemption Certificate and the provisions of the Tax Exemption Certificate are hereby incorporated by reference as part of this Resolution. The City Clerk/Treasurer is hereby directed to make and insert all calculations and determinations necessary to complete the Tax Exemption Certificate in all respects and to execute and deliver the Tax Exemption Certificate at issuance of the Notes to certify as to the reasonable expectations and covenants of the Issuer at that date.

The Issuer covenants that it will treat as Yield Restricted any proceeds of the Notes remaining unexpended after three years from the issuance and any other funds required by the Tax Exemption Certificate to be so treated. If any investments are held with respect to the Notes and Parity Obligations, the Issuer shall treat the same for the purpose of restricted yield as held in proportion to the original principal amounts of each issue.

The Issuer covenants that it will exceed any investment yield restriction provided in this Resolution only in the event that it shall first obtain an opinion of recognized bond counsel that the proposed investment action will not cause the Notes to be classified as arbitrage bonds under Section 148(a) and (b) the Internal Revenue Code or regulations issued thereunder.

The Issuer covenants that it will proceed with due diligence to spend the proceeds of the Notes for the purpose set forth in this Resolution. The Issuer further covenants that it will make no change in the use of the proceeds available for the construction of facilities or change in the use of any portion of the facilities constructed therefrom by persons other than the Issuer or the general public unless it has obtained an opinion of bond counsel or a revenue ruling that the proposed project or use will not be of such character as to cause interest on any of the Notes not to be exempt from federal income taxes in the hands of holders other than substantial users of the project, under the provisions of Section 142(a) of the Internal Revenue Code of the United States, related statutes and regulations.

Section 24. Additional Covenants, Representations and Warranties of the Issuer. The Issuer certifies and covenants with the purchasers and holders of the Notes from time to time outstanding that the Issuer through its officers, (a) will make such further specific covenants, representations and assurances as may be necessary or advisable; (b) comply with all representations, covenants and assurances contained in the Tax Exemption Certificate, which Tax Exemption Certificate shall constitute a part of the contract between the Issuer and the owners of the Notes; (c) consult with bond counsel (as defined in the Tax Exemption Certificate); (d) pay to the United States, as necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Notes; (e) file such forms, statements and supporting documents as may be required and in a timely manner; and (f) if deemed necessary or advisable by its officers, to employ and pay fiscal agents, financial advisors, attorneys and other persons to assist the Issuer in such compliance.

Section 25. Amendment of Resolution to Maintain Tax Exemption. This Resolution may be amended without the consent of any owner of the Notes if, in the opinion of bond counsel, such amendment is necessary to maintain tax exemption with respect to the Notes under applicable Federal law or regulations.

Section 26. Discharge and Satisfaction of Notes. The covenants, liens and pledges entered into, created or imposed pursuant to this Resolution may be fully discharged and satisfied with respect to the Notes and Parity Obligations, or any of them, in any one or more of the following ways:

(a) By paying the Notes or Parity Obligations when the same shall become due and payable; and

(b) By depositing in trust with the City Clerk/Treasurer, or with a corporate trustee designated by the Governing Body, for the payment of said obligations and irrevocably appropriated exclusively to that purpose an amount in cash or direct obligations of the United States the maturities and income of which shall be sufficient to retire at maturity, or by redemption prior to maturity on a designated date upon which said obligations may be redeemed, all of such obligations outstanding at the time, together with the interest thereon to maturity or to the designated redemption date, premiums thereon, if any that may be payable on the redemption of the same; provided that proper notice of redemption of all such obligations to be redeemed shall have been previously published or provisions shall have been made for such publication.

Upon such payment or deposit of money or securities, or both, in the amount and manner provided by this Section, all liability of the Issuer with respect to the Notes or Obligations shall cease, determine and be completely discharged, and the holders thereof shall be entitled only to payment out of the money or securities so deposited.

Section 27. Resolution a Contract. The provisions of this Resolution shall constitute a contract between the Issuer and the holder or holders of the Notes and Parity Obligations, and after the issuance of any of the Notes no change, variation or alteration of any kind in the provisions of this Resolution shall be made in any manner, except as provided in the next succeeding Section, until such time as all of the Notes and Parity Obligations, and interest due thereon, shall have been satisfied and discharged as provided in this Resolution.

Section 28. Amendment of Resolution Without Consent. The Issuer may, without the consent of or notice to any of the holders of the Bonds and Parity Obligations, amend or supplement this Resolution for any one or more of the following purposes:

(a) to cure any ambiguity, defect, omission or inconsistent provision in this Resolution or in the Notes or Parity Obligations; or to comply with any applicable provision of law or regulation of federal or state agencies; provided, however, that such action shall not materially adversely affect the interests of the holders of the Notes or Parity Obligations;

(b) to change the terms or provisions of this Resolution to the extent necessary to prevent the interest on the Notes or Parity Obligations from being includable within the gross income of the holders thereof for federal income tax purposes;

(c) to grant to or confer upon the holders of the Notes or Parity Obligations any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the holders of the Notes;

(d) to add to the covenants and agreements of the Issuer contained in this Resolution other covenants and agreements of, or conditions or restrictions upon, the Issuer or to surrender or eliminate any right or power reserved to or conferred upon the Issuer in this Resolution; or

(e) to subject to the lien and pledge of this Resolution additional pledged revenues as may be permitted by law.

Section 29. Amendment of Resolution Requiring Consent. This Resolution may be amended from time to time if such amendment shall have been consented to by holders of not less than two-thirds in principal amount of the Notes and Parity Obligations at any time outstanding (not including in any case any Notes which may then be held or owned by or for the account of the Issuer, but including such Refunding Obligations as may have been issued for the purpose of refunding any of such Notes if such Refunding Obligations shall not then be owned by the Issuer); but this Resolution may not be so amended in such manner as to:

(a) Make any change in the maturity or interest rate of the Notes, or modify the terms of payment of principal of or interest on the Notes or any of them or impose any conditions with respect to such payment;

(b) Materially affect the rights of the holders of less than all of the Notes and Parity Obligations then outstanding; and

(c) Reduce the percentage of the principal amount of Notes, the consent of the holders of which is required to effect a further amendment.

Whenever the Issuer shall propose to amend this Resolution under the provisions of this Section, it shall cause notice of the proposed amendment to be filed with the Original Purchaser and to be mailed by certified mail to each registered owner of any Note as shown by the records of the Registrar. Such notice shall set forth the nature of the proposed amendment and shall state that a copy of the proposed amendatory Resolution is on file in the office of the City Clerk.

Whenever at any time within one year from the date of the mailing of said notice there shall be filed with the City Clerk an instrument or instruments executed by the holders of at least two-thirds in aggregate principal amount of the Notes then outstanding as in this Section defined, which instrument or instruments shall refer to the proposed amendatory Resolution described in said notice and shall specifically consent to and approve the adoption thereof, thereupon, but not otherwise, the Governing Body of the Issuer may adopt such amendatory Resolution and such Resolution shall become effective and binding upon the holders of all of the Notes and Parity Obligations.

Any consent given by the holder of a Note pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of the instrument evidencing such consent and shall be conclusive and binding upon all future holders of the same Note during such period. Such consent may be revoked at any time after six months from the date of such instrument by the holder who gave such consent or by a successor in title by filing notice of such revocation with the City Clerk.

The fact and date of the execution of any instrument under the provisions of this Section may be proved by the certificate of any officer in any jurisdiction who by the laws thereof is authorized to take acknowledgments of deeds within such jurisdiction that the person signing such instrument acknowledged before him the execution thereof, or may be proved by an affidavit of a witness to such execution sworn to before such officer.

The amount and numbers of the Notes held by any person executing such instrument and the date of his holding the same may be proved by an affidavit by such person or by a certificate executed by an officer of a bank or trust company showing that on the date therein mentioned such person had on deposit with such bank or trust company the Notes described in such certificate.

Notwithstanding anything in this Section to the contrary, the holder or holders of 100% of the Notes and Parity Obligations may consent to any amendment of this Resolution, or waive any notices required hereunder, on such terms and under such conditions as said holders shall determine to be appropriate.

Section 30. Severability. If any section, paragraph, or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions.

Section 31. Repeal of Conflicting Ordinances or Resolutions and Effective Date. All other Ordinances, Resolutions and orders, or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed; and this Resolution shall be in effect from and after its adoption.

Section 32. Rule of Construction. This Resolution and the terms and conditions of the Notes authorized hereby shall be construed whenever possible so as not to conflict with the terms and conditions of the Loan and Disbursement Agreement. In the event such construction is not possible, or in the event of any conflict or inconsistency between the terms hereof and those of the Loan and Disbursement Agreement, the terms of the Loan and Disbursement Agreement shall prevail and be given effect to the extent necessary to resolve any such conflict or inconsistency.

PASSED AND APPROVED this 2nd day of January, 2018.

_____
Mayor

ATTEST:

_____
City Clerk

Jaron P. Rosien, Mayor
Illa Earnest, City Clerk
Kevin Olson, City Attorney
Brent Hinson, City Administrator

215 East Washington Street
Washington, Iowa 52353
(319) 653-6584 Phone
(319) 653-5273 Fax

January 3, 2018

James Logan, Executive Assistant
Washington County Riverboat Foundation
205 W. Main Street
Washington, IA 52353

Dear Mr. Logan:

On behalf of the City of Washington, I am writing to provide you an annual report on usage of the municipal grant funds provided to us by the Washington County Riverboat Foundation for calendar year 2017. The City greatly appreciates receiving this funding, and we are doing everything we can to ensure that it is spent in the wisest manner possible to meet important community needs. Should you ever need more detailed information on the usage of grant funds allocated to the City of Washington, please let me know and I will provide it promptly.

I have attached a spreadsheet detailing the City's usage of municipal grant monies to date. The format is slightly different to reflect the new Municipal Grant application process, so there is one summary for all monies received prior to 6/30/17, and a different summary for monies received since 7/1/17. We continue to track all monies received through a distinct Riverboat Foundation Capital Projects Fund.

Thank you for your generous support.

Sincerely,

Brent Hinson
City Administrator

Cc: Kelsey Brown, Finance Director

City of Washington
Uses of Riverboat Foundation Municipal Grant Funds
December 31, 2017

DATE	Revenues	Expenditures	Use of Riverboat Grant Funds
Previous Plan			
Prior to 6/30/17	$ 4,670,407.46	$ (1,225,382.74)	**Street Construction Program**
Interest Allocation	$ 13.09	$ (1,100,000.00)	**Washington Free Public Library Project**
		$ (853,550.17)	**Municipal Building Land Acquisition & Facilities Planning**
		$ (694,808.93)	**Wellness Park Land Acqusition & Expenses**
		$ (200,000.00)	**Washington Business Park**
		$ (170,000.00)	**Airport Runway Reconstruction- Local Share**
		$ (166,584.94)	**Demolition of derelict properties**
		$ (165,300.00)	**Community Development Programming Support**
		$ (39,793.77)	**Water Facility Plan**
		$ (30,000.00)	**High School Auditorium Pledge**
		$ (25,000.00)	**Downtown Investment Grants**
	$ 4,670,420.55	$ (4,670,420.55)	
Fund Balance at 6/30/17		$ -	

Since Introduction of Application Process (Effective 7/1/17)

FY18 Projects	Total Project Funding	Expended To Date	Percentage Complete	Post 7/1/17 Municipal Grant Funds Approved	Post 7/1/17 Mun Grant Funds Allocated to Date	Status
Downtown Investment Grants	$ 128,500.00	$ 90,000.00	70.04%	$ 128,500.00	$ 90,000.00	Includes 2 grants for approval 1/2/18
WAPAEC Auditorium Pledge	$ 50,000.00	$ 50,000.00	100.00%	$ 20,000.00	$ 20,000.00	
Central Park Fountain	$ 16,500.00	$ 14,101.49	85.46%	$ 16,500.00	$ 14,101.49	
Wellness Park	$ 1,200,000.00	$ 9,000.00	0.75%	$ 213,000.00	$ 27,339.23	
Kewash Trail Paving/New Spur	$ 160,000.00	$ 60,000.00	37.50%	$ 60,000.00	$ 60,000.00	Being designed/joint with WCCB
FY18 Totals	$ 1,555,000.00	$ 223,101.49		$ 438,000.00	$ 211,440.72	

W · C · R · F

WASHINGTON COUNTY
RIVERBOAT FOUNDATION

December 14, 2017

City of Washington

Enclosed is your check in the amount of **$98,899.94** for the 4th quarter municipal grant. This brings your total for 2017 to **$436,289.64** and the total of your municipal grants since our inception to **$4,881,848.18**.

As you may or may not be aware of our agreement to give 25% of our grant money to the cities specifies that we receive a written accounting annually of how your city has used the grant money. If you have not all ready done it I would appreciate getting the report on how you spent your municipal grant money for 2017. I need that report by January 3rd so I can present it to my board at our annual meeting in January.

Please send your response to me electronically in Microsoft Word format so I can put it in my annual report to the board.

I would also appreciate it if you would pass these figures on to your city council at their next meeting.

Thanks

Jim Logan
Washington County Riverboat Foundation
205 W Main
Washington, Iowa 52353

Illa Earnest

From: Jaron Rosien
Sent: Tuesday, December 19, 2017 2:30 PM
To: Illa Earnest
Cc: Brent Hinson; Sandra Johnson
Subject: Appointments / Agenda Items for Jan 2 Meeting

Illa,

I need to confirm several of these appointments still but if you would like to begin the prep for the Jan 2nd agenda I believe I need to do the following/have the following on the agenda as needed:

1. Have approval of appointment of Brendan DeLong for Mayor Pro-tem.

2. I need to e-mail Kara Sorrells and let her know I will serve on Emergency, E911, and Communications for the time being. Brendan will remain the second person for Communications, but that needs to be official becuase it isn't official beyond him being an alternate as of now.

3. Appoint Kerry Jancek to Historic Preservation Commission as the council liason.

4. Have Elaine Moore appointed to be the liason to Main Street Washington.

5. Have Millie Youngquist appointed to serve as liason to the Chamber of Commerce.

Thanks! If I'm missing something, or missing something with how this process takes place please let me know!

I'll be touching base with all those people in the next week and if there are any changes we'll go from there.

Thanks,

Jaron

Jaron P. Rosien
Mayor-Elect
City of Washington (Pop. 7,266)
215 East Washington Street
Washington, IA 52353
(319) 321-5365 (cell)
(319) 653-6584 (city hall)

NOTE: Effective immediately my email has changed to the same first initial and last name @washingtoniowa.gov - Please change your address book to reflect the change.