



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

Call to Order

Pledge of Allegiance

Roll call

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

Consent:

1. Council Minutes January 30, 2018
2. Tricon Construction, Pay Estimate #3, Water Treatment Plant Improvements, \$486,913.59
3. Tricon Construction, Pay Estimate #4, Water Treatment Plant Improvements, \$262,017.64
4. BP One Trip, 1504 E. Washington, Class C Beer Permit (BC), Class B Native Wine Permit, Sunday Sales, **(renewal)**
5. Hy-Vee Food Store, 528 Highway 1 South, Class C Beer Permit (BC), Class B Wine Permit, Sunday Sales, **(renewal)**
6. Department Reports

Consent - Other:

Claims & Financial Reports:

1. Claims for February 6, 2018

SPECIAL PRESENTATION

1. Presentation of FY2017 Audit – Brian Brustkern, State Auditor’s Office
2. Nuisance Abatement Update – Jason Peterson

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

UNFINISHED BUSINESS

1. Discussion and Consideration of a Development Agreement with David and Lisa Nacos. **(Tabled)**

10-17-2017)

2. Discussion and Consideration of Request for 9/11 Memorial Donation

NEW BUSINESS

1. Discussion and Consideration of Fire Station Schematic Design Presentation
2. Discussion and Consideration of Geotechnical Engineering Services for Fire Station Project
3. Discussion and Consideration of a Resolution Awarding Contract for Relocation of a House from 208 E. Jefferson to 415 W. Madison.
4. Discussion and Consideration of Right-of-Way Services Agreement (Pamida Sewer Project)
5. Discussion and Consideration of IDNR Construction Permit Application (Pamida Sewer Project)
6. **Public Hearing:** Proposed Amendment No. 2 to the Washington Downtown Urban Renewal Plan.
7. Discussion and Consideration of a Resolution Approving Amendment No. 2 to the Washington Downtown Urban Renewal Plan.
8. **Public Hearing:** Development Agreement with Andrew Drahota (306 N. Marion)
9. Discussion and Consideration of a Resolution Approving a Development Agreement with Andrew Drahota (306 N. Marion)
10. Discussion and Consideration of a Resolution Adopting a Revised Computer Policy for Elected Officials
11. Discussion and Consideration of a Resolution Canceling a Regular Meeting (February 20, 2018)

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 1-30-2018

The Council of the City of Washington, Iowa, met in Special Session in the Nicola-Stoufer Room, Washington Free Public Library, 115 West Washington Street on January 30, 2018 at 6:00 P.M. Mayor Rosien in the chair. On roll call present: Janecek, Gault, DeLong, Stigers, Moore, Youngquist. Absent: none.

Motion by Stigers, seconded by Youngquist, that the agenda for the Special Session to be held at 6:00 P.M., Tuesday, January 30, 2018 be approved as proposed. Motion carried.

Consent:

1. Council Minutes January 16, 2018
2. Council Minutes January 23, 2018
3. Future Line, Snow Blade and Wiring, \$8,090.00
4. Hydro Klean, Manhole Rehabilitation, \$11,432.40
5. Garden & Associates, E. Washington Street Sidewalk Extension (concepts), \$6,666.16
6. Garden & Associates, Sanitary Sewer Extension to Proposed Office Building, \$3,750.45
7. Ahlers & Cooney, Water Revenue Capital Loan Notes Professional Services, \$10,205.14
8. Department Reports

Motion by DeLong, seconded by Gault, to approve the consent agenda. Motion carried.

Motion by Janecek, seconded by Youngquist, to approve the claims as presented. Motion carried.

Presentations from the Public: None.

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

Mayor Rosien announced that now is the time and place for the public hearing on a Demolition Permit Application for Pennsylvania House (Goncho Apartments), 306 North Marion. One question was received, regarding whether the existing building could be reused without significant renovations. Staff answered that the building has both significant roof issues as well as code compliance issues that would necessitate a major project to make the existing building viable, and this has been determined to be economically infeasible.

Motion by Janecek, seconded by Gault, to close the public hearing. Roll call on motion. Ayes: Janecek, Gault, DeLong, Stigers, Moore, Youngquist. Nays: none. Motion carried.

Motion by Janecek, seconded by Moore, to approve the Resolution Approving the Demolition Permit Application for 306 North Marion Avenue. Roll call on motion. Ayes: Gault, Stigers, Moore, Youngquist, Janecek. Nays: none. Abstain with conflict: DeLong. Motion carried. (**Resolution No. 2018-010**)

Motion by Youngquist, seconded by Stigers, to approve a Resolution Setting a Revised Date for a Public Hearing on the Proposed Amendment No. 2 to the Washington Downtown Urban Renewal Plan (February 6 at 6:00 P.M.). Roll call on motion. Ayes: DeLong, Stigers, Moore, Youngquist, Janecek, Gault. Nays: none. Motion carried. (**Resolution No. 2018-011**)

Motion by DeLong, seconded by Gault, to approve a Resolution Setting a Revised Date for a Public Hearing on the Proposal to Enter into a Development Agreement with Andrew Drahotka for a Proposed Economic Development Grant in the Amount of \$41,000. Roll call on motion. Ayes: Stigers, Moore, Youngquist, Janecek, Gault, DeLong. Nays: none. Motion carried. (**Resolution No. 2018-012**)

Motion by Janecek, seconded by Moore, to approve a Resolution Approving Capital Improvements Plan for Fiscal Year 2019 thru Fiscal Year 2023. Roll call on motion. Ayes: Moore, Youngquist, Janecek, Gault, DeLong, Stigers. Nays: None. Motion carried. **(Resolution No. 2018-013)**

City department heads were present to discuss their Fiscal 2019 budget requests with the Council.

Motion by Youngquist, seconded by DeLong, that the Special Session held at 6:00 P.M., Tuesday, January 30, 2018, be adjourned. Motion carried.

Brent Hinson, Deputy City Clerk



ENGINEERS JOINT CONTRACT DOCUMENTS COMMITTEE

Contractor's Application for Payment No. 3

Application Period:	12/11/2017 - 12/31/17	Application Date:	12/21/2017
To (Owner):	City of Washington	Via (Engineer):	Fox Engineering Inc, 414 South 17th Street, Ste 107, Ames, IA 50010
Project:	Water Treatment Plant Improvements, City of Washington, Washington, Iowa	Contract:	Washington WTP
Owner's Contract No.:		Contractor's Project No.:	17-011-1A
		Engineer's Project No.:	2489-11A

Application For Payment Change Order Summary

Approved Change Orders Number	Additions	Deductions
TOTALS		
NET CHANGE BY CHANGE ORDERS		

1. ORIGINAL CONTRACT PRICE..... \$ \$4,943,000.00
2. Net change by Change Orders..... \$
3. Current Contract Price (Line 1 ± 2)..... \$ \$4,943,000.00
4. TOTAL COMPLETED AND STORED TO DATE
(Column F total on Progress Estimates)..... \$ \$1,003,083.21
5. RETAINAGE:
 - a. 5% X 993,483.21 Work Completed..... \$ \$49,674.16
 - b. 5% X \$9,600.00 Stored Material..... \$ \$480.00
 - c. Total Retainage (Line 5.a + Line 5.b)..... \$ \$50,154.16
6. AMOUNT ELIGIBLE TO DATE (Line 4 - Line 5.c)..... \$ \$952,979.05
7. LESS PREVIOUS PAYMENTS (Line 6 from prior Application)..... \$ \$466,015.46
8. AMOUNT DUE THIS APPLICATION..... \$ \$486,913.59
9. BALANCE TO FINISH, PLUS RETAINAGE
(Column G total on Progress Estimates + Line 5.c above)..... \$ \$3,990,070.95

Contractor's Certification
The undersigned Contractor certifies, to the best of its knowledge, the following:

- (1) All previous progress payments received from Owner on account of Work done under the Contract have been applied on account to discharge Contractor's legitimate obligations incurred in connection with the Work covered by prior Applications for Payment;
- (2) Title to all Work, materials and equipment incorporated in said Work, or otherwise listed in or covered by this Application for Payment, will pass to Owner at time of payment free and clear of all Liens, security interests, and encumbrances (except such as are covered by a bond acceptable to Owner indemnifying Owner against any such Liens, security interest, or encumbrances), and
- (3) All the Work covered by this Application for Payment is in accordance with the Contract Documents and is not defective.

Contractor Signature: Mary K Stone Date: 12-21-17

Payment of: \$ \$486,913.59
(Line 8 or other - attach explanation of the other amount)

is recommended by: R.J. BAKER, P.E.
(Engineer) (Date) 1/30/2018

Payment of: \$ _____
(Line 8 or other - attach explanation of the other amount)

is approved by: _____
(Owner) (Date) _____

Approved by: _____
Funding or Financing Entity (if applicable) (Date) _____



Contractor's Application for Payment No. 4

Application Period 1/01/18 - 1/31/18	Application Date 1/30/2018	
To (Owner) City of Washington	From (Contractor) Tricon Construction	Via (Engineer) Fox Engineering Inc, 414 South 17th Street, Ste107, Ames, IA 50010
Project Water Treatment Plant Improvements, City of Washington, Washington, Iowa	Contract Washington WTP	Engineer's Project No. 2489-11A
Owner's Contract No. 17-011-1A		

Application For Payment Change Order Summary

Approved Change Orders	Number	Additions	Deductions
TOTALS			
NET CHANGE BY			
CHANGE ORDERS			

1. ORIGINAL CONTRACT PRICE..... \$ \$4,943,000.00

2. Net change by Change Orders..... \$ _____

3. Current Contract Price (Line 1 ± 2)..... \$ \$4,943,000.00

4. TOTAL COMPLETED AND STORED TO DATE
(Column F total on Progress Estimates)..... \$ \$1,278,891.26

5. RETAINAGE:

a. 5% X \$1,188,688.58 Work Completed..... \$ \$59,434.43

b. 5% X \$90,202.68 Stored Material..... \$ \$4,510.13

c. Total Retainage (Line 5.a + Line 5.b)..... \$ \$63,944.56

6. AMOUNT ELIGIBLE TO DATE (Line 4 - Line 5.c)..... \$ \$1,214,946.70

7. LESS PREVIOUS PAYMENTS (Line 6 from prior Application)..... \$ \$952,929.05

8. AMOUNT DUE THIS APPLICATION..... \$ _____

9. BALANCE TO FINISH, PLUS RETAINAGE
(Column G total on Progress Estimates + Line 5.c above)..... \$ \$3,728,053.30

Contractor's Certification
The undersigned Contractor certifies, to the best of its knowledge, the following:

(1) All previous progress payments received from Owner on account of Work done under the Contract have been applied on account to discharge Contractor's legitimate obligations incurred in connection with the Work covered by prior Applications for Payment;

(2) Title to all Work, materials and equipment incorporated in said Work, or otherwise listed in or covered by this Application for Payment, will pass to Owner at time of payment free and clear of all Liens, security interests, and encumbrances (except such as are covered by a bond acceptable to Owner indemnifying Owner against any such Liens, security interest, or encumbrances); and

(3) All the Work covered by this Application for Payment is in accordance with the Contract Documents and is not defective.

Contractor Signature
By: Mary K. Stone Date: 1-30-18

Payment of: \$ \$262,017.64
(Line 8 or other - attach explanation of the other amount)

is recommended by: R.S. Baker, P.E. (Engineer) 1/30/2018 (Date)

Payment of: \$ _____
(Line 8 or other - attach explanation of the other amount)

is approved by: _____ (Owner) _____ (Date)

Approved by: _____
Funding or Financing Entity (if applicable) _____ (Date)

Name of Applicant: Cobb Oil Co., Inc.
Name of Business (DBA): bp One Trip
Address of Premises: 1504 E Washington St
City Washington **County:** Washington **Zip:** 52353
Business (319) 653-2243
Mailing 1504 E Washington St
City Washington **State** IA **Zip:** 52353

Contact Person

Name Mark Cobb
Phone: (319) 653-2243 **Email** lcobb@cobboil.com

Classification Class C Beer Permit (BC)

Term: 12 months

Effective Date: 04/01/2017

Expiration Date: 03/31/2018

Privileges:

- Class B Native Wine Permit
- Class C Beer Permit (BC)
- Sunday Sales

Status of Business

BusinessType: Privately Held Corporation
Corporate ID Number: XXXXXXXXXX **Federal Employer ID** XXXXXXXXXX

Ownership

Mark Cobb

First Name: Mark **Last Name:** Cobb
City: Brighton **State:** Iowa **Zip:** 52540
Position: President
% of Ownership: 100.00% **U.S. Citizen:** Yes

Insurance Company Information

Insurance Company: First Western Insurance
Policy Effective Date: _____ **Policy Expiration** _____
Bond Effective _____ **Dram Cancel Date:** _____
Outdoor Service Effective _____ **Outdoor Service Expiration** _____
Temp Transfer Effective Date _____ **Temp Transfer Expiration Date:** _____

Applicant License Application (BC0030371)

Name of Applicant:	<u>Hy-Vee, Inc.</u>				
Name of Business (DBA):	<u>Hy-Vee Food Store</u>				
Address of Premises:	<u>528 Hwy 1 S</u>				
City	<u>Washington</u>	County:	<u>Washington</u>	Zip:	<u>52353</u>
Business	<u>(319) 653-5406</u>				
Mailing	<u>5820 Westown Pkwy</u>				
City	<u>West Des Moines</u>	State	<u>IA</u>	Zip:	<u>50266</u>

Contact Person

Name	<u>Denae Elgin</u>		
Phone:	<u>(515) 267-2874</u>	Email	<u>delgin@hy-vee.com</u>

Classification Class C Beer Permit (BC)

Term: 12 months

Effective Date: 03/17/2018

Expiration Date: 03/16/2019

Privileges:

Class B Wine Permit

Class C Beer Permit (BC)

Sunday Sales

Status of Business

BusinessType:	<u>Privately Held Corporation</u>		
Corporate ID Number:	<u>XXXXXXXXXX</u>	Federal Employer ID	<u>XXXXXXXXXX</u>

Ownership

Randy Edeker

First Name: Randy **Last Name:** Edeker
City: Urbandale **State:** Iowa **Zip:** 50322
Position: CEO, President
% of Ownership: 0.00% **U.S. Citizen:** Yes

Michael Jurgens

First Name: Michael **Last Name:** Jurgens
City: Des Moines **State:** Iowa **Zip:** 50312
Position: Vice President, Secretary
% of Ownership: 0.00% **U.S. Citizen:** Yes

Michael Skokan

First Name: Michael **Last Name:** Skokan
City: Waukee **State:** Iowa **Zip:** 50263

Position: CFO, Treasurer

% of Ownership: 0.00%

U.S. Citizen: Yes

Jeffrey Pierce

First Name: Jeffrey

Last Name: Pierce

City: Waukee

State: Iowa

Zip: 50263

Position: Ass't Treasurer, Financial

Reporting
% of Ownership: 0.00%

U.S. Citizen: Yes

Insurance Company Information

Insurance Company:	
Policy Effective Date:	Policy Expiration
Bond Effective	Dram Cancel Date:
Outdoor Service Effective	Outdoor Service Expiration
Temp Transfer Effective	Temp Transfer Expiration Date:

MAINTENANCE & CONSTRUCTION DEPT. REPORT

1-13-17 1-26-18

STREETS: Personnel took down numerous Emerald Ash trees located in the Park(s). Personnel plowed routes and salted on numerous occasions plus hauled the snow away from downtown.

WATER DISTRIBUTION: Personnel repaired a water main break on South 9th Ave between East Harrison St/East Van Buren St, 4 inch CIP. Also repaired a 6 inch water main break in the 1200 block of North Iowa Ave marking the 5th leak of 2018. Personnel repaired a water service installing a new curb stop valve located at 902 East Main St. Crews also repaired a rod on a curb box at both at 308 West Monroe and 219 West Jefferson St. Personnel shut off 14 water services for nonpayment.

SEWER COLLECTION: Personnel jetted and televised a sewer main in the 200 block of West 3rd St, 150 ft. Personnel worked on updating the sewer camera in PipeTech Scan & View in preparation for televising the Egg sewer basin this year.

STORM SEWER COLLECTION: Personnel N/A

MECHANIC/SHOP: Personnel serviced FD Tanker (replumb water piping & repair air leaks, #115 (cont'd-install injector), PD 79 (battery, thermostat housing & bleed cooling system), #703 (transmission removal), #003 (water pump, alternator, idler and tensioner pulleys), PD 96 (replace batteries) and #302 (repair heater).

OTHER: Personnel responded to 18 One Call Locates. Personnel hauled numerous loads of road stone and clean rock back to the stockpiles. Personnel hauled away the leftover debris from the WWTP (fire).

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, IOWA

CLAIMS REPORT FOR FEBRUARY 6TH, 2018

POLICE	ARNOLD MOTOR SUPPLY	PARTS	414.17
	CUSTOM IMPRESSIONS INC	GOLF CART REGISTRATION STICKERS	2.43
	CINTAS CORP LOC. 342	RUG & TOWEL SERVICE	39.91
	MARCO TECHNOLOGIES LLC.	COPIER MAINT	133.11
	MARCO, INC.	COPIER RENTAL	134.10
		TOTAL	723.72
FIRE	ACE-N-MORE	FIRE TRUCK BATTERY	259.98
	ARMSTRONG HEATING & AIR CONDITIONING I	REPLACE THERMOCOUPLE IN FR	96.95
	ARNOLD MOTOR SUPPLY	PARTS	31.98
	DANKO EMERGENCY EQUIPMENT	FIRE BOOTS	289.43
	GALLS LLC	SHIRTS	55.38
	HAWKEYE FIRE & SAFETY	SUPPLIES	176.50
	MOORE'S BP AMOCO INC	FUEL	15.03
	WINDSTREAM IOWA COMMUNICATIONS	TELEPHONE SERVICE	173.13
		TOTAL	1,098.38
DEVELOP SERV	CDW GOVERNMENT	ADOBE SOFTWARE	380.23
	COLEMAN CONSTRUCTION	SNOW ABATEMENTS	270.00
		TOTAL	650.23
LIBRARY	ALLIANT ENERGY	ALLIANT ENERGY	3,172.56
	ACCESS SYSTEMS	COPIER MAINTENANCE	143.02
	ACE-N-MORE	OFFICE HARDWARE	31.82
	CINTAS CORP LOC. 342	WALK-ON MATS	58.39
	COMPANION CORPORATION	UPDATED RECEIPT PRINTERS	1,099.97
	EBERT SUPPLY CO.	JANITORIAL SUPPLIES	128.82
	KCTC	PHONES & INTERNET	346.60
	RECORDED BOOKS LLC	AUDIOBOOKS	31.50
	STAPLES ADVANTAGE	OFFICE SUPPLIES	70.46
		TOTAL	5,083.14
PARKS	ALLIANT ENERGY	ALLIANT ENERGY	1,538.65
	ACE-N-MORE	SUPPLIES	252.47
	CENTRAL IOWA DISTRIBUTING	RR SUPPLIES/ICE MELT	261.10
	CINTAS FIRST AID & SAFETY	SAFETY SUPPLIES	44.64
	SITLER'S ELECTRIC	MADISON PARK LIGHT REPAIR	15.47
	WASH CO EXTENSION OFFICE	CHEMICAL APPLICATION CLASS	35.00
		TOTAL	2,147.33
POOL	ALLIANT ENERGY	ALLIANT ENERGY	128.58
		TOTAL	128.58
CEMETERY	ACE-N-MORE	NUTS & BOLTS	8.00
	ARNOLD MOTOR SUPPLY	PARTS	182.32
	CERTIFIED LABORATORIES	ENGINE OIL/HYD OIL/GREASE	1,070.95
	CINTAS FIRST AID & SAFETY	FIRST AID CABINET SUPPLIES	62.22
	LENGACHERS SMALL ENGINE SALES AND SERV	MOWER PARTS	227.09
		TOTAL	1,550.58
FINAN ADMIN	ALLIANT ENERGY	ALLIANT ENERGY	24.85
	BAKER PAPER & SUPPLY	COPY PAPER	115.96
	CINTAS CORP LOC. 342	RUG & TOWEL SERVICE	205.74
	CUSTOM IMPRESSIONS INC	HIST DEMO PUBLIC HEARING SIGNS	153.32
	DON'S JEWELRY & DESIGN INC.	ENGRAVING, MAYOR'S GAVEL	22.50
	EBERT SUPPLY CO.	CLEANING SUPPLIES	216.80
	GOOGLE INC	FEBRUARY SERVICE	220.83
	IMFOA	MEMBERSHIP	50.00
	IMPRESSIONS COMPUTERS, INC	COMPUTER MAINTENANCE	265.50
	PURCHASE POWER	SUPPLIES	6.31
		TOTAL	1,281.81

AIRPORT	JAMIESON, JEAN ROE, MIKE VETTER'S INC-CULLIGAN WATER	JANUARY CLEANING REIMBURSEMENT MILEAGE WATER FOR AIRPORT TOTAL	196.00 127.53 14.94 338.47
ROAD USE	MOORE'S BP AMOCO INC HY-VEE	FUEL MEETING TOTAL	109.02 53.69 162.71
STREET LIGHTING	ALLIANT ENERGY	ALLIANT ENERGY TOTAL	10,401.32 10,401.32
TREE COMMITTEE	GOLL, ANN	SERVICE FOR TREE COMMITTEE TOTAL	40.00 40.00
WATER PLANT	ALLIANT ENERGY BELL, MARTHA GEURINK, DREW HALBLOM, RYAN JENNINGS, ELAINE MISCELLANEOUS V JEFFREY L POWELL LAW PECK, MARC POSTMASTER SINGBEIL, COLTON E WATER SOLUTIONS UNLIMITED WHEELER, KRISTINA A. WINDSTREAM IOWA COMMUNICATIONS	ALLIANT ENERGY WATER DEPOSIT REFUND WATER DEPOSIT REFUND WATER DEPOSIT REFUND MILEAGE REIMBURSEMENT WATER DEPOSIT REFUND WATER DEPOSIT REFUND BULK MAILING WATER BILLS WATER DEPOSIT REFUND CHEMICALS WATER DEPOSIT REFUND PHONE SERVICE TOTAL	19,207.26 40.77 89.72 67.56 14.72 52.90 124.69 788.76 91.46 1,596.25 36.48 41.89 22,152.46
WATER DIST	ALLIANT ENERGY	ALLIANT ENERGY TOTAL	719.72 719.72
SEWER PLANT	CERTIFIED LABORATORIES ALLIANT ENERGY	WEED KILLER FOR 2018 ALLIANT ENERGY TOTAL	529.50 819.18 1,348.68
SEWER COLLECT	ALLIANT ENERGY	ALLIANT ENERGY TOTAL	1,932.29 1,932.29
SANITATION	WEMIGA WASTE INC. WASH CO HUMANE SOCIETY LUKE WASTE MANAGEMENT	JANUARY SERVICES HUMANE SOCIETY COLLECTIONS REFUSE AND RECYCLING/BULKY TOTAL	3,500.00 394.02 28,563.25 32,457.27
		TOTAL	82,216.69

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



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

Memorandum

February 1, 2018

To: Mayor & City Council
Cc: City Administrator & City Clerk

From: Kelsey Brown
Finance Director

Re: FY17 Audit Presentation

The State Auditor will be present to discuss the results of the audit. We recently provided copies to everyone.

Overall, the results are good. Please read through the "Management's Discussion and Analysis" section starting on page 9. This is the essentially the executive summary of the audit.

I would also direct your attention to pages 63-67 at the end of the audit document. This section reports any deficiencies or weaknesses in our operations. There are a few items to note: 1) As in all past years, they note segregation of accounting duties as an internal control deficiency; 2) Lack of a disaster recovery plan (which we are currently working on); 3) We exceeded budgeted expenditures in the public safety and governmental functions (due to 27th payroll); and 4) Business transactions with Chief Wide (in the future, we need to bid large expenses). We will continue to work on reducing the above issues.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The City of Washington provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2017. We encourage readers to consider this information in conjunction with the City's financial statements, which follow.

2017 FINANCIAL HIGHLIGHTS

- Receipts of the City's governmental activities decreased 38.7%, or 5,384,530, from fiscal year 2016 to fiscal year 2017. Bond and note proceeds decreased \$6,192,213.
- Disbursements of the City's governmental activities increased 1.8%, or \$186,761, in fiscal year 2017 from fiscal year 2016.
- The City's total cash basis net position decreased 23.9%, or \$2,215,994, from June 30, 2016 to June 30, 2017. Of this amount, the cash basis net position of the governmental activities decreased \$2,220,629 and the cash basis net position of the business type activities increased \$4,635.

USING THIS ANNUAL REPORT

The annual report consists of a series of financial statements and other information, as follows:

Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of the City's financial activities.

The Government-wide Financial Statement consists of a Cash Basis Statement of Activities and Net Position. This statement provides information about the activities of the City as a whole and presents an overall view of the City's finances.

The Fund Financial Statements tell how governmental services were financed in the short term as well as what remains for future spending. Fund financial statements report the City's operations in more detail than the government-wide financial statement by providing information about the most significant funds.

Notes to Financial Statements provide additional information essential to a full understanding of the data provided in the basic financial statements.

Other Information further explains and supports the financial statements with a comparison of the City's budget for the year and the City's proportionate share of the net pension liability and related contributions.

Supplementary Information provides detailed information about the nonmajor governmental funds and the City's indebtedness.

BASIS OF ACCOUNTING

The City maintains its financial records on the basis of cash receipts and disbursements and the financial statements of the City are prepared on that basis. The cash basis of accounting does not give effect to accounts receivable, accounts payable and accrued items. Accordingly, the financial statements do not present financial position and results of operations of the funds in accordance with U.S. generally accepted accounting principles. Therefore, when reviewing the financial information and discussion within this annual report, readers should keep in mind the limitations resulting from the use of the cash basis of accounting.

REPORTING THE CITY'S FINANCIAL ACTIVITIES

Government-wide Financial Statement

One of the most important questions asked about the City's finances is, "Is the City as a whole better off or worse off as a result of the year's activities?" The Cash Basis Statement of Activities and Net Position reports information which helps answer this question.

The Cash Basis Statement of Activities and Net Position presents the City's net position. Over time, increases or decreases in the City's net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Cash Basis Statement of Activities and Net Position is divided into two kinds of activities:

- Governmental Activities include public safety, public works, culture and recreation, community and economic development, general government, debt service and capital projects. Property tax and state and federal grants finance most of these activities.
- Business Type Activities include the waterworks, the sanitary sewer system and sanitation. These activities are financed primarily by user charges.

Fund Financial Statements

The City has two kinds of funds:

- 1) Governmental funds account for most of the City's basic services. These focus on how money flows into and out of those funds and the balances at year-end that are available for spending. The governmental funds include: 1) the General Fund, 2) the Special Revenue Funds, such as Road Use Tax and Local Option Sales Tax, 3) the Debt Service Fund and 4) the Capital Projects Fund. The governmental fund financial statements provide a detailed, short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs.

The required financial statement for governmental funds is a Statement of Cash Receipts, Disbursements and Changes in Cash Balances.

- 2) Proprietary funds account for the City's Enterprise Funds and the Internal Service Fund. Enterprise Funds are used to report business type activities. The City maintains three Enterprise Funds to provide separate information for the Water, Sewer and Sanitation Funds. The Enterprise, Water and Sewer Funds are considered to be major funds of the City. Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the City's various functions.

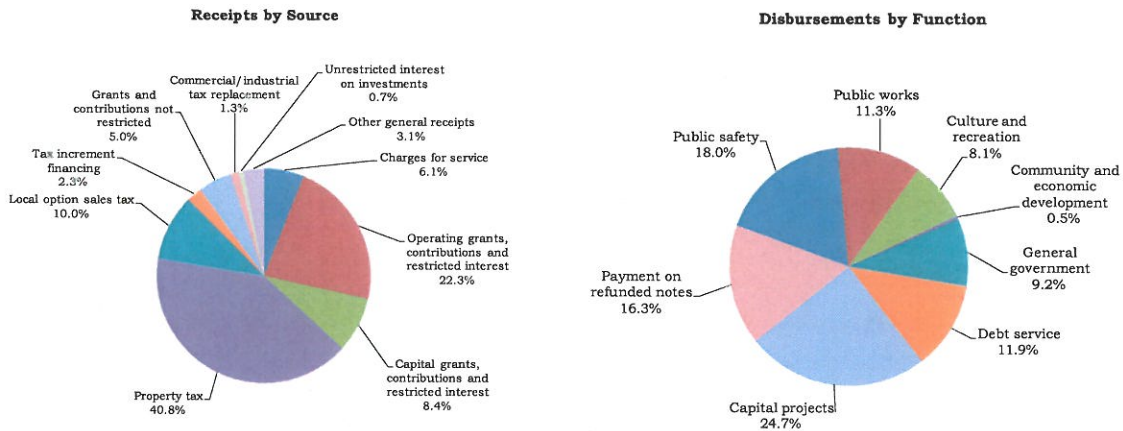
The required financial statement for proprietary funds is a Statement of Cash Receipts, Disbursements and Changes in Cash Balances.

Reconciliations between the government-wide financial statement and the fund financial statements follow the fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of financial position. The City's cash balance for governmental activities decreased sharply from a year ago, decreasing from approximately \$7.049 million to approximately \$4.828 million. The analysis that follows focuses on the changes in cash basis net position of governmental activities.

Changes in Cash Basis Net Position of Governmental Activities		
	Year ended June 30,	
	2017	2016
Receipts:		
Program receipts:		
Charges for service	\$ 520,618	609,753
Operating grants, contributions and restricted interest	1,904,889	1,488,980
Capital grants, contributions and restricted interest	715,885	450,798
General receipts:		
Property tax	3,486,129	3,300,727
Local option sales tax	852,133	805,866
Tax increment financing	199,133	219,550
Grants and contributions not restricted to specific purposes	427,329	424,306
Commercial/industrial tax replacement	113,197	110,532
Unrestricted interest on investments	57,531	33,082
Other general receipts	264,926	290,493
Bond and note proceeds	-	6,192,213
Total receipts	8,541,770	13,926,300
Disbursements:		
Public safety	1,910,847	1,762,948
Public works	1,195,790	1,270,390
Culture and recreation	855,998	865,558
Community and economic development	51,610	17,166
General government	973,978	912,621
Debt service	1,263,462	2,217,055
Capital projects	2,625,901	2,770,192
Payment on refunded notes	1,730,000	-
Payment to refunding escrow agent	-	604,895
Total disbursements	10,607,586	10,420,825
Change in cash basis net position before transfers	(2,065,816)	3,505,475
Transfers, net	(154,813)	(1,414,015)
Change in cash basis net position	(2,220,629)	2,091,460
Cash basis net position beginning of year	7,048,656	4,957,196
Cash basis net position end of year	\$ 4,828,027	7,048,656



The City's total receipts for governmental activities decreased 38.7%, or approximately \$5,385,000, from the prior year. The total cost of all programs and services increased approximately \$187,000, or 1.8%, with no new programs added this year. The significant decrease in receipts was primarily the result of proceeds received from the issuance of general obligation capital loan notes and refunding bonds in the prior year.

The cost of all governmental activities this year was approximately \$10.608 million compared to approximately \$10.421 million last year. However, as shown in the Statement of Activities and Net Position on pages 18-19, the amount taxpayers ultimately financed for these activities was approximately \$5.736 million because some of the cost was paid by those directly benefited from the programs (approximately \$521,000) or by other governments and organizations which subsidized certain programs with grants, contributions and restricted interest (approximately \$2,621,000). The City paid for the remaining "public benefit" portion of governmental activities with property tax (some of which could only be used for certain programs) and with other receipts, such as interest, local option sales tax and miscellaneous receipts. Overall, the City's governmental activities program receipts, including intergovernmental aid and fees for service, increased in fiscal year 2017 from approximately \$2,550,000 to approximately \$3,142,000, principally due to receiving grant proceeds in fiscal year 2017 for airport improvements.

Changes in Cash Basis Net Position of Business Type Activities		
	Year ended June 30,	
	2017	2016
Receipts:		
Program receipts:		
Charges for service:		
Water	\$ 1,746,473	1,718,821
Sewer	2,121,541	2,058,494
Sanitation	452,295	410,918
Operating grants, contributions and restricted interest	7,257	-
Capital grants, contributions and restricted interest	16,810	-
General receipts:		
Unrestricted interest on investments	539	10
Note proceeds	119,029	-
Total receipts	<u>4,463,944</u>	<u>4,188,243</u>
Disbursements:		
Water	2,218,856	2,805,254
Sewer	1,959,817	2,738,210
Sanitation	435,449	402,710
Total disbursements	<u>4,614,122</u>	<u>5,946,174</u>
Change in cash basis net position before transfers	(150,178)	(1,757,931)
Transfers, net	<u>154,813</u>	<u>1,414,015</u>
Change in cash basis net position	4,635	(343,916)
Cash basis net position beginning of year	<u>2,223,291</u>	<u>2,567,207</u>
Cash basis net position end of year	<u>\$ 2,227,926</u>	<u>2,223,291</u>

Total business type activities receipts for the fiscal year were approximately \$4.464 million compared to approximately \$4.188 million last year. This increase was due primarily to an increase in water and sewer billing rates as well as note proceeds from a planning and design debt agreement. The cash balance increased approximately \$4,600 over the prior year. Total disbursements for the fiscal year decreased 22.4% to approximately \$4.614 million, primarily due to a decrease in work on the sewer pump station.

INDIVIDUAL MAJOR GOVERNMENTAL FUND ANALYSIS

As the City of Washington completed the year, its governmental funds reported a combined fund balance of \$4,692,393, a decrease of more than \$2 million from last year's total of \$6,919,329. The following are the major reasons for the changes in fund balances of the major funds from the prior year.

- The General Fund cash balance decreased \$19,682, or 1.6%, from the prior year to \$1,216,984.
- The Special Revenue, Road Use Tax Fund cash balance decreased \$63,069, or 7.8%, from the prior year to \$747,499. This decrease is attributable to an increase in transfers to the Capital Projects Fund to cover the cost of street related projects.
- The Special Revenue, Local Option Sales Tax cash balance stayed at zero for the fiscal year. This is attributable to monthly transfers to the General Fund and the Capital Projects Fund as designated by the local option sales tax ballot.

- The Debt Service Fund cash balance decreased \$1,757,581 to \$3,569. This is primarily attributable to the issuance of \$1,770,000 of general obligation refunding bonds in fiscal year 2016, the proceeds of which were used to redeem \$1,730,000 of general obligation notes in June 2017.
- The Capital Projects Fund cash balance decreased \$437,219, or 18.9%, to \$1,877,366. This is primarily attributable to continued spending on various capital projects.

INDIVIDUAL MAJOR BUSINESS TYPE FUND ANALYSIS

- The Enterprise, Water Fund cash balance decreased \$139,908 to \$1,023,188, due primarily to a decrease in net transfers in to fund capital projects.
- The Enterprise, Sewer Fund cash balance increased \$127,671 to \$1,015,509, due primarily to a decrease in disbursements for capital projects.

BUDGETARY HIGHLIGHTS

Over the course of the year, the City amended its budget two times. The first amendment was approved on December 20, 2016 and resulted in an increase in disbursements related to capital projects and public works. The second amendment was approved on May 16, 2017 to provide for additional disbursements in certain City departments. The City had sufficient cash balances to absorb these additional costs.

The City’s receipts were \$978,452 less than budgeted. This was primarily due to the City receiving less water charges for service and project grant receipts than anticipated, even after the amendments. Grant receipts were less than expected due to delays in the projects.

With the budget amendments, total disbursements were \$8,398,737 less than the amended budget. This was primarily due to the City delaying disbursements related to capital projects.

During the year ended June 30, 2017, disbursements exceeded the amount budgeted in the capital projects function prior to the December 20, 2016 amendment and in the public safety and general government functions at the end of the fiscal year.

DEBT ADMINISTRATION

At June 30, 2017, the City had \$21,088,308 of bonds, notes and other long-term debt outstanding, compared to \$23,903,145 last year, as shown below.

	Outstanding Debt at Year-End	
	June 30,	
	2017	2016
General obligation capital loan notes and bonds	\$ 5,448,498	8,178,390
Revenue capital loan notes	15,576,029	15,623,000
Urban renewal revenue note	49,000	72,500
Bank loan	14,781	29,255
Total	<u>\$ 21,088,308</u>	<u>23,903,145</u>

Debt decreased as a result of calling refunded general obligation bonds originally issued June 2009.

The Constitution of the State of Iowa limits the amount of general obligation debt cities can issue to 5% of the assessed value of all taxable property within the City's corporate limits. The City's outstanding general obligation and tax increment financing (TIF) debt of \$5,512,279 is significantly below its constitutional debt limit of approximately \$18 million. Additional information about the City's long-term debt is presented in Note 3 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The City of Washington's elected and appointed officials and citizens considered many factors when setting the fiscal year 2018 budget, tax rates and fees charged for various City activities. Those factors include the economy, employment rates, operating expenses, capital projects and increases in service and state mandates.

For fiscal year 2018, the City of Washington has projected and budgeted the following major projects: water plant upgrades and designs \$5,156,300, fire station \$2,083,000, Wellness Park \$1,200,000 and sewer lining/separation \$1,300,000. Other projects include South 15th Street Subdivision, West Washington water main replacement, and Kewash Trail improvements.

The City Council passed an ordinance to increase water, sewer and sanitation rates by 5% effective the first day of July 2017.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Brent Hinson, City Administrator, City of Washington, 215 E Washington Street, Washington, Iowa 52353.

*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

February 2, 2018

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

From: Brent Hinson 
City Administrator

Re: 9/11 Memorial Request

Carol Horning came to Council on January 16 to request that the City participate in the effort to bring the travelling 9/11 Memorial to Washington for the County Fair. Jaron plans to get in contact with Carol and will bring a recommended donation amount to the meeting.

*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

February 5, 2018

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

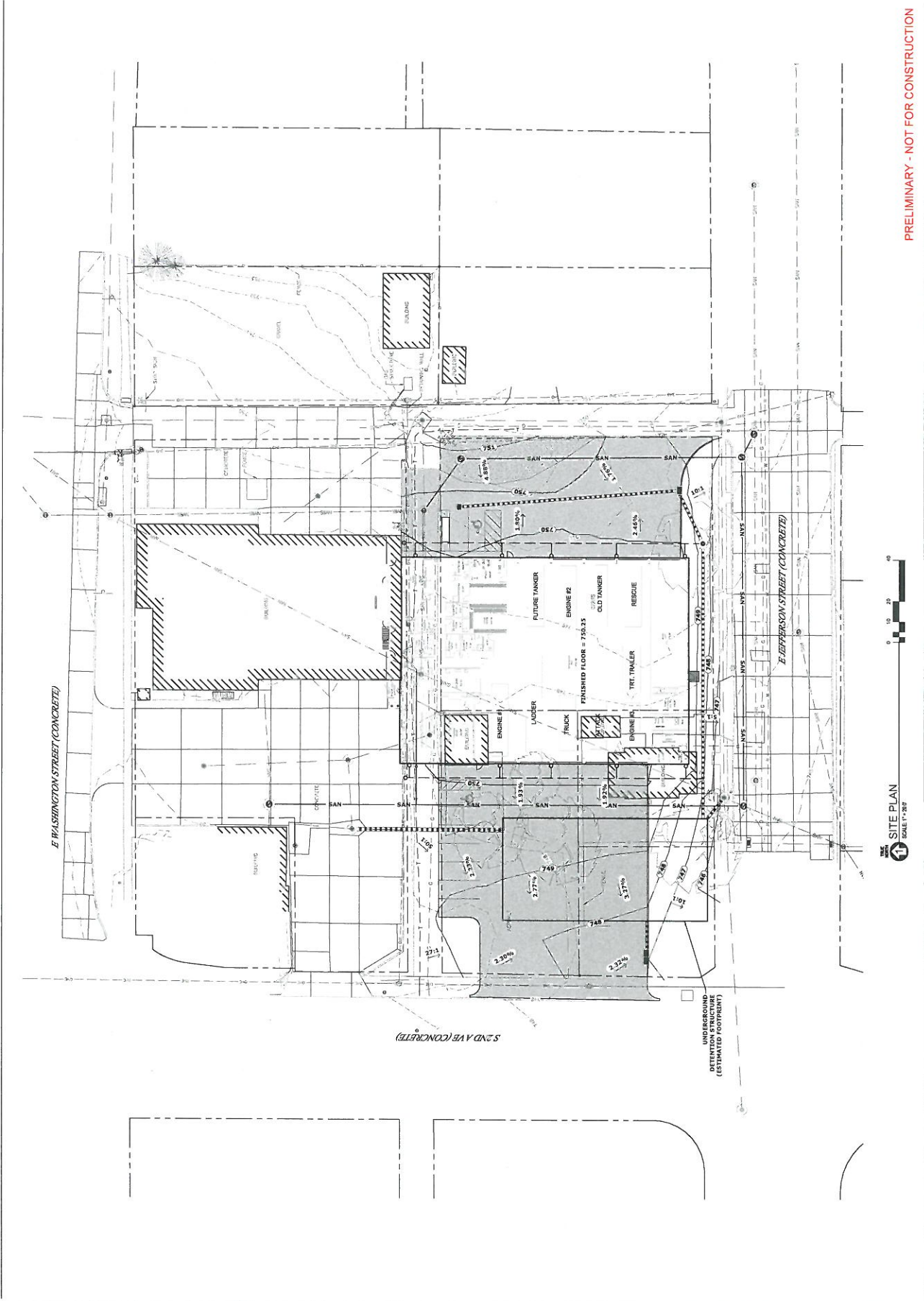
From: Brent Hinson
City Administrator

A handwritten signature in blue ink, appearing to be "Brent Hinson", is written over the printed name and title.

Re: Fire Station Schematic Design Presentation

Kristofer Orth from Design Alliance will be present at the February 6 meeting to discuss the schematic design for the Fire Station. This has not changed much from the conceptual design, but there have been a few tweaks made that Kristofer will explain. We are asking for the Council to formally vote to authorize the schematic design due to the wording in Design Alliance's contract.

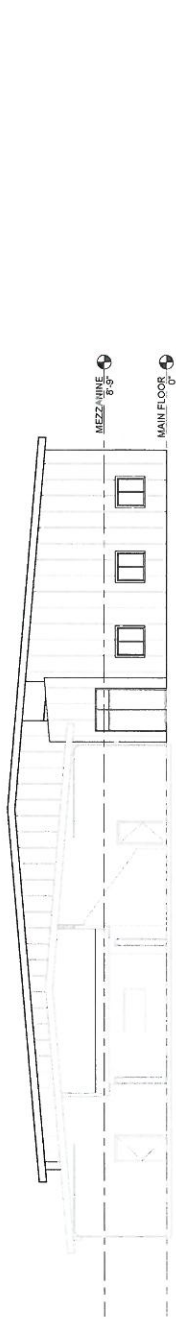
I have attached the most recent drawings I have for your advance information, but Kristofer plans to bring the most up-to-date handouts to the meeting.



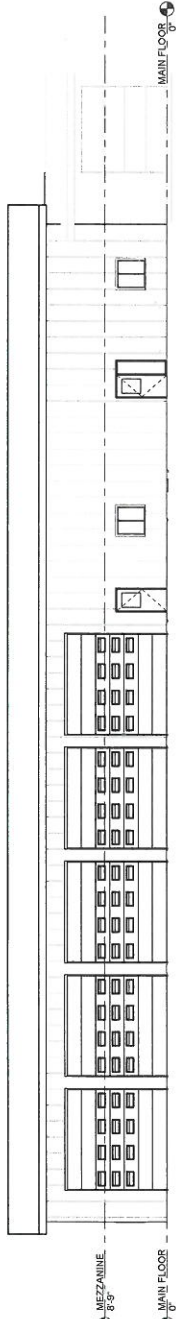
PRELIMINARY - NOT FOR CONSTRUCTION



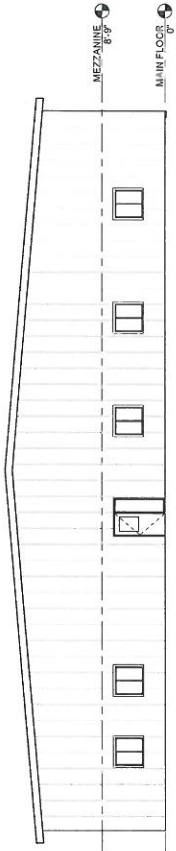
SITE PLAN
 SCALE 1" = 20'



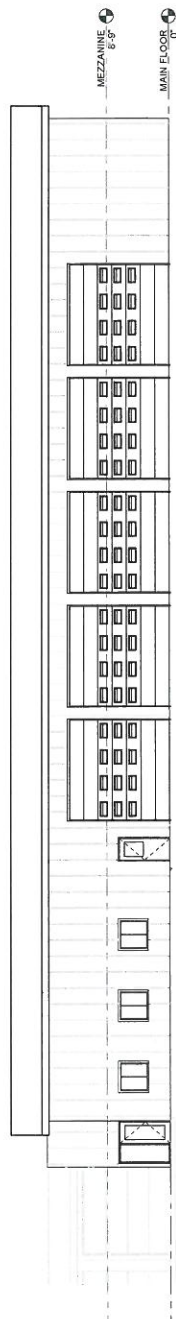
1 NORTH EXTERIOR ELEVATION
 1/8" = 1'-0"



2 EAST EXTERIOR ELEVATION
 1/8" = 1'-0"



3 SOUTH EXTERIOR ELEVATION
 1/8" = 1'-0"



4 WEST EXTERIOR ELEVATION
 1/8" = 1'-0"

*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

February 1, 2018

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

From: Brent Hinson
City Administrator

Re: Fire Station Geotechnical Services

In order to prepare for the Fire Station project, we need to do soils analysis on the site. Our architect, Design Alliance, solicited proposals from Terracon and Team Services for these geotechnical services. Both are highly capable and professional firms capable of doing the work requested. Terracon bid \$4,950 and Team Services bid \$5,940 for these services, so we recommend that Terracon's bid be selected.



January 30, 2018

The City of Washington, Iowa
215 East Washington Street
Washington, Iowa 52353

Attn: Mr. Brent Hinson – City Administrator
P: 319.653.6584
E: bhinson@washingtioniowa.gov

Re: Proposal for Geotechnical Engineering Services
Washington Fire Station
215 East Washington Street
Washington, Iowa
Terracon Proposal No. P06185023

Dear Mr. Hinson:


We appreciate the opportunity to submit this proposal to The City of Washington, Iowa, (The City) to provide Geotechnical Engineering services for the above referenced project. The following are exhibits to the attached Agreement for Services.

Exhibit A	Project Understanding
Exhibit B	Scope of Services
Exhibit C	Compensation and Project Schedule
Exhibit D	Site Location
Exhibit E	Anticipated Exploration Plan


We propose to perform the scope of services described in this proposal for a lump sum fee of \$4,950. See Exhibit C for more details of our fees and consideration of additional services.

Your authorization for Terracon to proceed in accordance with this proposal can be issued by signing and returning a copy of the attached Agreement for Services to our office.

Sincerely,
Terracon Consultants, Inc.



Thomas P. Lisi, P.E.
Senior Project Manager



Justin D. Widdel, P.E.
Geotechnical Department Manager

Terracon Consultants, Inc. 2640 12th Street SW Cedar Rapids, Iowa
P (319) 366 8321 F (319) 366 0032 terracon.com

EXHIBIT C - COMPENSATION AND PROJECT SCHEDULE

Compensation

Based upon our understanding of the site, the project as summarized in **Exhibit A** and our planned scope of services outlined in **Exhibit B**, our lump sum fee and fees for additional drilling, if required, are shown in the following table. We will not exceed the maximum estimated fee without prior written approval.

Task	Lump Sum Fees ^{1, 2}
Subsurface Exploration, Laboratory Testing, and Geotechnical Consulting & Reporting	\$4,950
Additional drilling beyond 20 feet below existing ground surface	\$14.50 per foot (20-40 feet) \$16.00 per foot (40-60 feet)
Additional soil boring(s), and laboratory testing (20 feet)	\$500
Additional soil boring(s), and laboratory testing (30 feet)	\$600

1. The base scope includes a total of 160 linear feet of soil drilling, laboratory testing, and reporting.
2. Fees for additional drilling are based on completing these services the same mobilization as the based scope. Additional fees would apply if separate mobilizations are required.

Our scope of services does not include services associated with site clearing, wet ground conditions, tree or shrub clearing, or repair of/damage to existing landscape. If such services are desired by the owner/client, we should be notified so we can adjust our scope of services.

Unless instructed otherwise, we will submit our invoice(s) to the address shown at the beginning of this proposal. If conditions are encountered that require scope of services revisions and/or result in higher fees, we will contact you for approval, prior to initiating services. A supplemental proposal stating the modified scope of services as well as its effect on our fee will be prepared. We will not proceed without your written authorization.

Project Schedule

We developed a schedule to complete the scope of services based upon our existing availability and understanding of your project schedule. However, this does not account for delays in field exploration beyond our control, such as weather conditions, permit delays, or lack of permission to access the boring locations. In the event the schedule provided is inconsistent with your needs, please contact us so we may consider alternatives.

GeoReport Stage	Posting Date from Notice to Proceed ^{1, 2}
Project Planning	3 business days

GeoReport Stage	Posting Date from Notice to Proceed ^{1, 2}
Site Characterization	15 business days
Geotechnical Engineering	25 business days

1. Upon receipt of your notice to proceed we will activate the schedule component of our **GeoReport** website with specific, anticipated calendar dates for the three delivery points noted above as well as other pertinent events such as field exploration crews on-site, etc.
2. We will maintain a current calendar of activities within our **GeoReport** website. In the event of a need to modify the schedule, the schedule will be updated to maintain a current awareness of our plans for delivery.

*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

February 1, 2018

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

From: Brent Hinson
City Administrator

Re: Relocation of House Request for Quotations (RFQ)

We will receive competitive quotations on Monday, February 5. At this point, we are expecting 2-3 bids. We will bring these to Tuesday's meeting with a recommendation.

All work under the contract is required to be completed by May 31, which fits well into our project schedule.

RESOLUTION NO. _____

A RESOLUTION MAKING AWARD OF CONSTRUCTION CONTRACT

WHEREAS, the construction project known as "Relocation of House from 208 East Jefferson to 415 West Madison" has been designed and publicized for competitive quotations under the process allowed by Iowa law, and said quotations were received on February 5, 2018.

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

Section 1. That the following quotation for the construction of certain public improvements described in general as "Relocation of House from 208 East Jefferson to 415 West Madison" be and is hereby accepted, the same being the lowest responsible quotation received for said work, as follows:

Contractor: _____

Amount of Bid: _____

Section 2. That the Mayor and Clerk are hereby directed to execute the necessary contract & bonds with the contractor for the construction of said public improvements.

PASSED AND APPROVED, this 6th day of February, 2018.

Jaron P. Rosien, Mayor

ATTEST:

Illa Earnest, City Clerk

SAMPLE

Bid for Moving City-Owned House

Original Site: 208 East Jefferson Street; Destination Site: 415 West Madison Street

- House-Moving: _____
- Plumbing: _____
- Electrical: _____
- HVAC: _____
- Concrete: _____
- Excavation: _____
- General Const: _____

TOTAL LUMP-SUM BID:

Please list any local (Washington County) subcontractors or suppliers: _____

____ I acknowledge and agree to all of the requirements detailed in the Request for Quotations, and specifically acknowledge and agree to the requirement to move the house from 208 East Jefferson no later than March 30, 2018 and have the relocated house prepared for occupancy no later than May 31, 2018.

____ I acknowledge and agree to fully comply with the requirements of the Washington Code of Ordinances as it may relate to this project.

____ I acknowledge and agree that the City of Washington has the right to reject any and all bids for any reason whatsoever.

____ I have attached the required Performance and Payment Bond.

Bidder Information:

Name: _____

Address: _____

Contact Phone: _____

Signature: _____ Date: _____

Please seal your bid in an envelope and submit to Washington City Hall at 215 East Washington Street by Monday, February 5 at 2 PM.

*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

February 1, 2018

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

From: Brent Hinson 
City Administrator

Re: Pamida Redevelopment

As the Council is aware, staff has been working with developer Cornerstone Property Management on their project to renovate and reoccupy the former Pamida Building at 1701 East Washington Street. This building has been vacant for the better part of a decade, and it is exciting to see the project move forward.

A major issue contributing to the difficulty of getting the building redeveloped is that it is served by an out-of-compliance septic tank, and the sewer along East Washington is on the other side of the highway, making it cost-prohibitive to connect in that manner. Therefore, we have investigated the option of bringing the sewer from the back of the property from the Southeast Interceptor through the farm fields, and found this to be a good option. Additionally, this plan would increase the ability to residentially develop that area in the future, and we have aligned the proposed sewer main in a way to maximize the benefit for future residential development.

The basic deal with the developer is as follows: The City acquires the necessary easements and pays for the sewer materials, and allows the developer to utilize commercial tax abatement (75% year one, 60% year two, 45% year three, 30% year four, 15% year five). The developer (since they also own an excavating company) would install the sewer improvements with their own labor and at their cost, and make a significant investment into the building and surrounding property. We would like to have the sewer constructed prior to planting this spring. Kevin has advised since we will not be paying the developer directly and are not using TIF, we do not need to set a public hearing (which would normally happen at this time), but we may add the Development Agreement to the February 13 agenda for approval if all terms are finalized by then.

RIGHT OF WAY SERVICES AGREEMENT

THIS AGREEMENT made this _____ day of _____, 20____ by and between **THE CITY OF WASHINGTON, IOWA**, hereinafter referred to as the '**ACQUIRING AGENCY**', and **A & R LAND SERVICES, INC.**, the Consultant, hereinafter referred to as the '**ROW AGENT**'.

WHEREAS, the **Acquiring Agency** requires professional Right of Way Services to be provided by the **ROW Agent** for acquiring sanitary sewer easements for approximately 3 parcels for Pamida in the City of Washington, Iowa.

IN CONSIDERATION OF the mutual covenants and promises between the parties hereto, the **ROW Agent** agrees to provide the following services as required by the **Acquiring Agency**. It is agreed as follows:

I. STANDARDS FOR RIGHT OF WAY SERVICES:

The **ROW Agent** agrees to perform the services required by the terms of this Agreement in accord with the following general standards.

A. Professional Representative: The **ROW Agent** shall serve as the **Acquiring Agency's** professional representative in the performance of the work of this Agreement, and shall give consultation and advice to the **Acquiring Agency** during the performance of these services. The **ROW Agent** shall provide services necessary for compliance with this Agreement and shall endeavor to protect the **Acquiring Agency** against defects and deficiencies in the work of Title Abstractors, Independent Appraisers or Attorneys, and other professionals or specialists, if any, providing professional services for the **ROW Agent** on this project.

B. Professional Responsibility: The **ROW Agent** represents that the Services shall be performed, within the limits prescribed by the terms of this Agreement, in a manner consistent with that level of care and skill ordinarily exercised by other professional consultants under similar circumstances at the time the Services are performed. No other representations, whether express or implied, and no warranty or guarantee is included or intended in this Agreement, or any report, opinion, and document or otherwise.

C. Standards for Work:

1. Law and Administrative Rules: Unless specified otherwise by the terms of this Agreement, all right of way work performed by the **ROW Agent** shall comply with the acquisition policies and requirements of Iowa Code Chapter 6A *Eminent Domain Law (Condemnation)*, Chapter 6B *Procedures Under Eminent Domain*, and Chapter 316 *Relocation Assistance*, and the *Uniform Manual, Real Property Acquisition and Relocation Assistance* adopted by the Iowa Administrative Code 761IAC111, for that segment of projects that lies within the State of Iowa; AND the corresponding laws of the State in which the parcel is located.

2. Policy and Procedure: Misunderstandings between the **ROW Agent** and the **Acquiring Agency** over appropriate policy and procedure for the performance of

right of way work shall be resolved by compliance with the requirement of appropriate and current right of way policy and procedural manuals of the **Acquiring Agency** or, in the absence of an **Acquiring Agency's** manual or policy, the Iowa Administrative Code concerning Real Property Acquisition and Relocation Assistance, Chapter 111, 761IAC111, and the appropriate and current policy and procedure manual or policy of the State in which the parcel is located.

II. GENERAL RIGHT OF WAY SERVICE(S): General Right of Way Services to be provided shall include:

- A. Acquisition Services: The **ROW Agent** shall propose and obtain approval from the **Acquiring Agency's** legal counsel or applicable representative regarding the form and format of options, purchase agreements, contracts, deeds, easements, and other contract acquisition and transfer documents necessary to secure the required property rights needed for projects.

The **Acquiring Agency** or applicable representative will provide the **ROW Agent** with right of way design and engineering advice and assistance in the performance of this acquisition function as necessary.

All available "Reports of Record Ownership and Liens" or other forms of Title Reports and their recertification shall be furnished by the **ROW Agent** to the **Acquiring Agency**, if title services are requested by the **Acquiring Agency**.

The **ROW Agent** shall prepare a parcel file for each property from which a property right is to be acquired and shall prepare and use the approved form of purchase agreement or acquisition document necessary to acquire the property rights required from each parcel.

If necessary to assure receipt of timely possession of real property needed, the **ROW Agent** shall attempt to obtain the landowner's consent to granting the **Acquiring Agency** possession in advance of the landowner's receipt of payment for the acquisition.

The **ROW Agent** shall make and document a Good Faith effort to negotiate the purchase of the land or interests in the land needed for projects as required by the Laws of the State of Iowa. The **ROW Agent** shall make at least three (3) personal contacts with the landowners and property tenants or their representatives to explain the effect of the acquisition, answer questions, and make a written offer to acquire right of way. The **ROW Agent** shall consider and report landowner counteroffers and shall recommend and make approved offers for administrative settlements. Non-resident landowners shall be contacted by mail, return receipt requested.

Negotiations shall be considered complete upon occurrence of one of the following: (1) both the landowner and tenant accept the offer or an administrative settlement; (2) either the landowner or tenant fails or refuses to sign the offer or administrative settlement after a fourth pre-condemnation follow-up negotiation contact; or, (3) in the judgment of the **Acquiring Agency** and the **ROW Agent** negotiation has reached an impasse.

Approved forms of signed and acknowledged purchase offers, acquisition contracts, and agreements shall be submitted by the **ROW Agent** to the **Acquiring Agency's**

legal counsel or applicable representative for approval prior to their approval and acceptance by the **Acquiring Agency**.

Negotiation fees for services to be paid to the **ROW Agent** shall be paid directly to the **ROW Agent** by the **Acquiring Agency**.

For every parcel on which negotiation has reach an impasse or that cannot be acquired by negotiated agreement, the **ROW Agent** shall deliver as much of the file to the **Acquiring Agency** as is necessary to begin preparation for the condemnation of the parcel.

B. Administrative Settlements and Condemnation Hearings and Reports:

1. Administrative Settlements: The **ROW Agent** shall not offer a landowner or tenant an amount in excess of the approved appraisal/compensation estimate without the prior approval of the **Acquiring Agency**.

If an agreement cannot be reached with a landowner through normal negotiation procedures, the **ROW Agent** shall review the parcel giving full consideration to the appraiser's opinion of value, the determination of the review appraiser, recent sales of similar land, recent awards by compensation commissions for similar property in the same area, the amount of probable testimony by other the appraiser and the property owner AND, should the parcel be condemned, to make a recommendation whether a settlement should be attempted at an amount other than that previously offered. No action shall be taken based upon such recommendations until it has been approved by the **Acquiring Agency**.

- C. Litigation Defense and Witness Costs: The **Acquiring Agency** shall be solely responsible for defending against claims or lawsuits brought against the **Acquiring Agency** for work performed on projects. **At the request of the Acquiring Agency**, the **ROW Agent** shall appear and, if called, testify either in court or before administrative bodies as expert witnesses for the **Acquiring Agency** in support of any work contracted for in this Agreement. Payment for appearances and testimony and necessary preparation time is extra work, or work in addition to the work contracted for in this Agreement, and will be paid at the agreed rate per hour or per day for actual hours or days to prepare for and appear, including necessary travel time. Requests for payment for appearances and testimony shall itemize the parcel, date, hours, and travel time for which payment is requested.

III. ADMINISTRATIVE PROVISIONS: This Agreement shall be administered in accord with the following terms.

- A. Beginning of Work: The **ROW Agent** shall not begin work on projects until the **Acquiring Agency** completely executes or approves a copy of this Agreement and it is returned to the **ROW Agent** with notice to proceed.

The **Acquiring Agency** or application representative shall furnish to the **ROW Agent** all engineering and project-related survey data, plans, property plats, acquisition plats, legal descriptions, cross sections, plan changes, or other applicable products or data that are available or that become available and needed by the **ROW Agent** to understand and to complete the work of the **ROW Agent**. The **Acquiring Agency** shall promptly furnish answers to inquiries by the landowner(s) or interest holder(s) and

provide decisions, notices or determinations, and payment warrants required and necessary for the **ROW Agent** to begin, continue, and complete work.

- B. Termination: This Agreement shall terminate when the **Acquiring Agency** and the **ROW Agent** determine that the work of the **ROW Agent** has been completed and the **ROW Agent** has been paid for all completed work. Notwithstanding any of the provisions contained herein, the **Acquiring Agency** and the **ROW Agent** shall have the right to delay or cancel further performance of all or any separable part of this Agreement at any time by written notice to the other party. On the date of such delay or cancellation stated in the notice by either party, the **ROW Agent** shall discontinue all Work pertaining to this Agreement, shall place no additional orders, and shall preserve and protect materials on hand purchased for or committed to this Agreement, Work in progress and completed Work both in the **ROW Agent's** and in its suppliers' offices pending the **Acquiring Agency's** instructions, and shall dispose of same in accordance with the **Acquiring Agency's** instructions.
- C. Work Completion Deadlines: Time is of the essence. Negotiation work shall be completed as scheduled by the **Acquiring Agency** and the **ROW Agent**. The **ROW Agent** agrees to proceed with work immediately. It is anticipated that property will be acquired or the negotiations will have reached an impasse within thirty (30) to sixty (60) days after a written offer has been sent or delivered to the landowner. The **ROW Agent** shall furnish weekly status reports of work completed and a record of contacts made and shall complete negotiations on all parcels to be certified by the completion of projects. The **ROW Agent** shall deliver parcel files for each parcel acquired by negotiated agreement within thirty (30) days from the date the last landowner or tenant signs the contract.
- D. Payment for Right of Way Services: When the **ROW Agent** is to be paid by the **Acquiring Agency**, the **ROW Agent** shall promptly submit an itemized invoice for service(s) to the **Acquiring Agency** on a monthly basis unless a different invoicing schedule is requested by the **Acquiring Agency**. As a condition of payment the **ROW Agent** shall attend meetings and participate in requested conferences with representatives of the **Acquiring Agency** and shall provide information necessary to facilitate work or to the acceptance and payment for work completed.

Payment for the services of the **ROW Agent** shall be:

1. At the agreed hourly rate of **\$75.00** per hour for the **ROW Agent**.
2. For hours worked on each parcel to be acquired, to attend meetings, and participate in conferences with representatives of the **Acquiring Agency**.
3. For **Actual Expenses** which include:
 - (a) Mileage at the current allowable Federal Rate (currently \$0.545/mile);
 - (b) Per Diem at the current allowable rate as authorized by GSA (currently \$51);
 - (c) Lodging at the current allowable rate as authorized by GSA (currently \$93);
 - (d) Postage on an actual basis as incurred on the project(s);
 - (e) Copies and Printing at 10 cents per black and white page and 50 cents per color page;
 - (f) Telephone calls on an actual basis as incurred on projects;
 - (g) Any other project-related expenses based on actual incurrence.

4. Estimated fees for this project are **\$11,400.00**, including expenses, subject to reduction in fees for elimination of specific services required for this project by the **Acquiring Agency**. This estimate is based on the provided *Right of Way Services Prices for A & R Land Services, Inc.* and for the acquisition of 3 parcels.

IV. MISCELLANEOUS PROVISIONS:

A. General Compliance with Laws: The **ROW Agent** shall comply with all Federal, State, and local laws and ordinances applicable to the work.

B. Insurance: **ROW Agent** shall purchase and maintain during the life of this Agreement, insurance coverage which will satisfactorily insure against claims and liabilities which arise because of the execution of this Agreement. Insurance coverage carried by the **ROW Agent** is the following:

<u>Commercial General Liability</u>	<u>Limits of Insurance</u>
Each Occurrence	\$1,000,000
Damage to Rented Premises (Each occur.)	\$300,000
Medical Expenses – Any one person	\$10,000
Personal and Adv. Injury	\$1,000,000
General Aggregate	\$2,000,000
Products – Comp./Op. Agg.	\$2,000,000

<u>Automotive Liability</u>	<u>Limits of Insurance</u>
Combined Single Limit for bodily injury and property damage (Each accident)	\$1,000,000

<u>Workers Compensation Insurance and Employer's Liability Insurance</u>	<u>Limits of Insurance</u>
In accordance with statutory requirements (Each accident)	\$500,000

<u>Real Estate Errors & Omissions Professional Liability</u>	<u>Limits of Insurance</u>
Each claim	\$1,000,000
Aggregate	\$1,000,000

<u>Umbrella Liability</u>	<u>Limits of Insurance</u>
Each Occurrence	\$5,000,000
Aggregate	\$5,000,000

IN WITNESS WHEREOF, the parties hereto have made and executed this Agreement on this _____ day of _____, 20_____.

SIGNATURES:

ROW Agent:
A & R Land Services, Inc.
1609 Golden Aspen Drive, Suite 104
Ames, IA 50010
Phone: 515-337-1197
Fax: 515-337-1274
Email: rgurwell@a-rland.com

Acquiring Agency:
City of Washington, Iowa
215 East Washington Street
Washington, IA 52353
Phone: 319-653-6584
Fax: 319-653-5273
Email: bhinson@washingtioniowa.net

By: _____
Ryan K. Gurwell
President

By: _____
Brent D. Hinson
City Administrator



2018 RIGHT OF WAY SERVICES PRICES FOR A & R LAND SERVICES, INC.

A & R Land Services works under time and material contracts, and submits invoices for services provided on a monthly basis unless the client requests otherwise. Our rate of compensation is **\$75.00** per hour plus expenses. The following is a breakdown of costs for each phase of a project and the estimated cost per parcel.

PER PARCEL COSTS WITH COMPENSATION ESTIMATES ONLY

1.	Project Management (client communications, document review, agent supervision) (2 hours at \$75.00 per hour).....	\$150.00
2.	Survey Consents (prepare forms and acquire consents from owners) (4 hours at \$75.00 per hour).....	\$300.00
3.	Title Search and Preparation of Report of Record Ownership and Liens (6 hours at \$75.00 per hour).....	\$450.00
4.	Preparation of Compensation Estimates (Appraisal Waiver Process) (8 hours at \$75.00 per hour).....	\$600.00
5.	Preparation of Acquisition Documents (4 hours at \$75.00 per hour).....	\$300.00
6.	Acquisition Negotiations with landowners and tenants and file completion (16 hours at \$75.00 per hour).....	\$1,200.00
7.	Completion of Closings (4 hours at \$75.00 per hour).....	\$300.00
8.	Expenses – Include historical averages for mileage, lodging, per diem, parking, postage, printing, and copies, based on actual expenses incurred, with mileage reimbursement at the current federal rate, lodging at GSA’s standard rate for Iowa, per diem at GSA’s standard rate for Iowa, color copies and printing at \$0.50 per page, and black and white copies and printing at \$0.10 per page).....	\$500.00
	TOTAL COST PER PARCEL.....	\$3,800.00

Note, our firm recommends the appraisal waiver process when possible on public improvement projects, as established by Iowa Code Section 6B.54 Subsection 2, which allows for the use of Compensation Estimates for determining Just Compensation for property rights to be acquired for projects. However, if Appraisals and Appraisal Reviews are required for a project, we will provide appraisal fee estimates from our contract appraiser staff which will replace the cost of Compensation Estimates referenced above.

Our firm also has surveying company subconsultants which our firm can hire as needed for public improvement projects.

If you need additional information related to additional services, please contact our President, Ryan K. Gurwell at 515-337-1197.



Exhibit 11A
Iowa Department of Natural Resources
Wastewater Section
Construction Permit Application
SCHEDULE A, Construction Permit Application

APPLICANT	ENGINEER
Owner: <u>City of Washington</u>	Firm: <u>Garden & Associates, LTD.</u>
Address: <u>215 E. Washington Street</u>	Address: <u>1701 3rd Ave. East, P.O. Box 451</u>
Representative: <u>Brent Hinson, City Administrator</u>	Project Officer: <u>Jack Pope, P.E.</u>
Phone Number: <u>319-653-6584</u>	Phone Number: <u>641-672-2526</u>
Email: <u>bhinson@washingtioniowa.gov</u>	Email: <u>jpope@gardenassociates.net</u>
Project Identification: <u>Sanitary Sewer Extension - New Office Building</u>	
Estimated Start Date*: <u>March 2018</u> Estimated Completion Date: <u>April 2018</u>	

PLEASE RESPOND TO ALL QUESTIONS		Yes	No
1. Has an engineering report, facilities plan or other information previously been submitted for this project? If Yes: Project Identity: _____ Date Submitted: _____	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
2. Does the project and construction permit application, as submitted, follow the recommendations, design loadings, construction schedule, permit limits, and conclusions of the approved engineering report or facilities plan? If No: Provide the design basis and technical information justifying all changes.	<input type="checkbox"/>	<input type="checkbox"/>	
3. Are there three complete sets of plans and specifications accompanying this application? For a minor gravity sewer extension within the meaning of 455B.183.3 Code of Iowa and Design Standard 11.1, two complete sets will be adequate for expeditious approval. For more complex projects, three sets of plans and specifications may be requested.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
4. Are approved standard specifications a part of this application? If Yes: Approved Standard Specifications of _____ (municipality or firm): <u>SUDAS 2018</u> Date Approved: <u>October 2017</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
5. Does each set of plans and specifications or engineering report accompanying this application contain a "professional engineering seal" executed in conformance with 542B.16, Code of Iowa? If No: Processing will be delayed pending receipt of applicable design schedules and certified plans, specifications or engineering report.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
6. Is this a joint wastewater and water supply project? If Yes: A construction permit application for the water supply project should be submitted separately to the Water Supply Section. A Water Supply permit fee may be required.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
7. Is the applicant to provide treatment of effluent resulting from this construction? If No: A Sewage Treatment Agreement executed by the authority providing treatment must accompany this form.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
8. Is a new or amended operation permit necessary to use the facilities described in this application? If Yes: A new or amended permit to operate may be requested prior to the receipt of a construction permit.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
9. Is any waterline located within 10 feet; or any private or public well, lake, or public recreation area located within 400 feet of the proposed construction? If Yes: Identify and locate the facility(ies) relative to the proposed construction.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
10. Will construction inspection be conducted by a licensed engineer employed by the applicant? If No: Name of Engineering Firm Conducting Inspection: <u>Garden & Associates</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
11. Will this project utilize CWSRF loan funds?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

APPLICANT	ENGINEER
I certify that I am the authorized representative of the owner and state that the project identified above is approved by the owner.	I certify that all aspects of the design included in this application conform to applicable standards contained in Chapter 567 IAC 64, or that an explanation and justification for any proposed variations from such standards is attached. I am familiar with the information contained in this application and, to the best of my knowledge, such information is complete and accurate.
Signature _____ Date _____	Signature _____ Date _____
*Estimated Construction Start Date: Complete applications must be submitted at least 120 days in advance of the date for starting construction in accordance with Rules 567 IAC 60.4 and 64.2	

Please complete the Schedule Checklist on the following page of this form.



Iowa Department of Natural Resources
Wastewater Section
Construction Permit Application
SCHEDULE C, Lateral Sewer Extension

DNR USE ONLY
Project No. _____
Permit No. _____

Date Prepared <u>1-18-18</u>	Project Identity Sanitary Sewer Extension - New Office Building Washington, Iowa
Date Revised _____	

1. Design Basis

	Initial		Design Year	(2038)
Residential Service Area	<u>2.5</u> Acres		<u>10</u> Acres	
Population	<u>20</u> Persons		<u>80</u> Persons	
Flow (100 GPCD)	<u>2000</u> GPD		<u>8000</u> GPD	
BOD ₅ (0.17/#/d/cap)	<u>4</u> #/day		<u>14</u> #/day	
Industrial Service Area	<u>-</u> Acres		<u>-</u> Acres	
Rated Flow	<u>-</u> GPD		<u>-</u> GPD	
BOD ₅	<u>_____</u> #/day		<u>_____</u> #/day	
Other _____	<u>_____</u> Acres		<u>_____</u> Acres	
Rated Flow	<u>_____</u> GPD		<u>_____</u> GPD	
BOD ₅	<u>_____</u> #/day		<u>_____</u> #/day	
Total BOD ₅	<u>4</u> #/day		<u>14</u> #/day	
Total Flow	<u>2000</u> GPD		<u>8000</u> GPD	
Peak Hourly Flow	<u>700</u> GPD		<u>2800</u> GPD	

2. Pipe

	8 Inch	10 Inch	12 Inch
Diameter	<u>8 Inch</u>	<u>_____</u>	<u>_____</u>
Material	<u>PVC</u>	<u>_____</u>	<u>_____</u>
Joint	<u>Gasket</u>	<u>_____</u>	<u>_____</u>
Minimum Slope	<u>0.40</u> %	<u>_____</u> %	<u>_____</u> %
Maximum Manhole Space	<u>417</u> ft.	<u>_____</u> ft.	<u>_____</u> ft.
Total Sewer Length	<u>1022</u> ft.	<u>_____</u> ft.	<u>_____</u> ft.
Maximum Cover	<u>18</u> ft.	<u>_____</u> ft.	<u>_____</u> ft.
Minimum Cover	<u>12</u> ft.	<u>_____</u> ft.	<u>_____</u> ft.

3. Construction specifications (indicate ASTM Number or other standard included in the specifications). A brief description is required in each part.

A. Bedding class PVC ASTM D2321

B. Pipe laying PVC ASTM D2321

C. Compaction Mechanical Compaction 95% Proctor Spec Section 4060 3.05

D. Manhole ASTM C478

E. Specified maximum infiltration/exfiltration rate 200 GPDPMPI

F. Infiltration/exfiltration test procedures ASTM C969 Spec Section 4060 3.04C

G. Alignment & grade test procedures

(1) During construction Stake & batterboard _____ Laser X

(2) After construction Lamping X Other Televising

H. Deflection test procedures Rigid Ball & Mandrel Spec Section 4060 3.05

4. Are detailed manhole drawings included: Yes No Typical frame and cover assembly Type B SW-601

Are manhole covers nonvented: Yes No Manhole diameter 48 in.

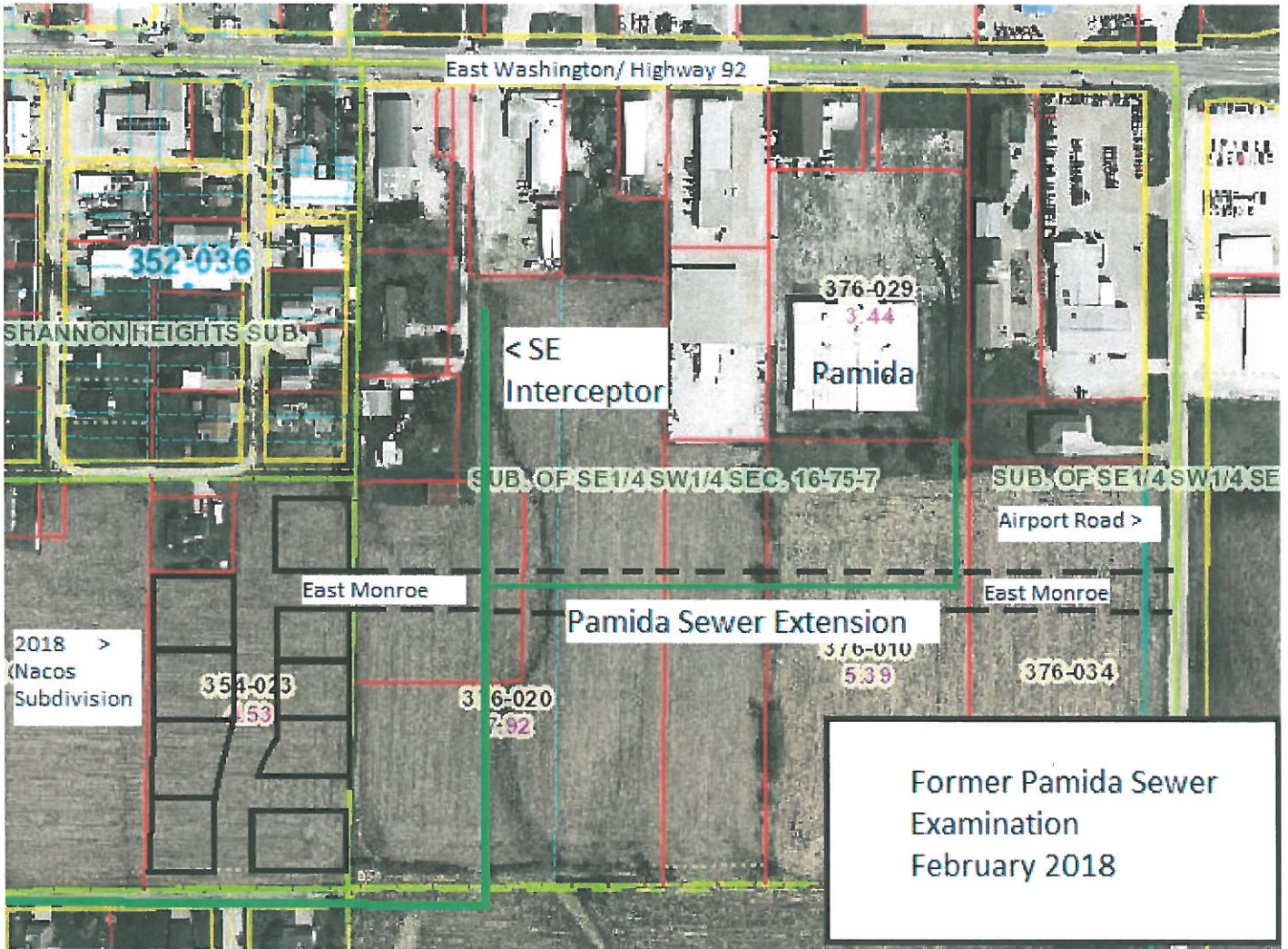
Manhole opening diameter 24 in Material Precast Concrete

5. Minimum sewer & water main separation: Horizontal 10 ft. Vertical 18 in.

Are specifications included Yes

6. Stream, road, or railroad crossing protection N/A

Are specifications included Yes



DRAFT

Prepared by: Kevin D. Olson, Washington City Attorney, PO Box 5640, Coralville, Iowa 52241 (319) 351-2277
Return to: City Clerk, City of Washington, Iowa, 215 E. Washington Street, Washington, Iowa 52353

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (the “Agreement”) entered into by and between the **City of Washington, Iowa**, 215 E. Washington Street, Washington, Iowa 52353, hereafter referred to as “City”; and **Cornerstone Property Management, LLC**, hereafter referred to as “Developer.”

WHEREAS, the Developer has purchased the former Pamida property located at 1701 E. Washington Street, Washington, Iowa, and legally described as:

See Exhibit “A” attached hereto. (hereafter the “Development Property”)

; and

WHEREAS, the Developer desires to redevelop the Development Property to be used for commercial purposes (the “Project”); and

WHEREAS, the Property is located within the Washington Urban Revitalization Area;
and

WHEREAS, it is in the best interests of the City for the vacant Development Property to be redeveloped.

NOW, THEREFORE, ON THE BASIS OF THE PRECEDING RECITALS, AND FOR THE MUTUAL CONSIDERATION OF ENTERING INTO THIS AGREEMENT, THE DEVELOPER AND CITY AGREE AS FOLLOWS:

A. Developer's Obligations.

1. The Developer shall, within two (2) years from the date of the execution of this Agreement, take all necessary steps to remodel the existing building on the Development Property. Developer acknowledges that it will invest \$250,000 in the Development Property as part of the Project.

2. The Developer shall, upon the purchase of appropriate sanitary sewer mains and appurtenances by the City and delivery to the Development Property, install said sanitary sewer at no additional cost to the City, in strict compliance with the plans attached hereto as Exhibit "B" (the "Sewer Project").

3. The Developer will cause the Project and the Sewer Project to be constructed on the Property in strict compliance with the all applicable laws, regulations and ordinances.

B. City's obligations.

1. In recognition of the Developer's investment in a current vacant property for commercial purposes, the City is responsible for the following:

a) The City, upon the advice of the Developer, shall purchase appropriate sanitary sewer mains and appurtenances necessary to construct the Sewer Project and said materials to the Development Property.

b) The City shall, at its sole cost and expense, acquire the appropriate easements necessary from adjoining property owners to construct the Sewer Project.

c) The City shall assist the Developer with necessary clearing and grubbing to facilitate construction of the Sewer Project.

c) The City shall, upon appropriate application by Developer, grant tax abatements to the Developer in accordance with the Washington Urban Revitalization Plan.

C. Administrative Provisions.

1. Each party represents to the other that the party has full power and authority to enter into this Agreement and that this Agreement is a binding Agreement duly authorized by the governing body of each party.

2. This Agreement represents the entire agreement between the parties and may not be amended or assigned without the express permission of the other party.

3. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties.

4. This Agreement shall be deemed to be a contract made under the laws of the State of Iowa, and for all purposes shall be governed by and construed in accordance with the laws of the State of Iowa.

5. If any provision of this Agreement or the application thereof to any person or circumstance shall be invalid, illegal or unenforceable to any extent, the remainder of this Agreement and the application thereof shall not be affected and shall be enforceable to the fullest extent permitted by law.

6. That this Agreement may be executed in counterparts.

Dated this ____ day of _____, 2018.

(The rest of this page left intentionally blank.)

SIGNATURE PAGE FOR THE CITY OF WASHINGTON, IOWA

Jaron P. Rosien, Mayor

ATTEST:

Illa Earnest, City Clerk

STATE OF IOWA, WASHINGTON COUNTY, ss:

On this _____ day of _____, 2018, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared Jaron P. Rosien and Illa Earnest, to me personally known, who, being by me duly sworn, did say that they are the Mayor and City Clerk, respectively, of the City of Washington, Iowa; a municipal corporation; that the seal affixed to the foregoing instrument is the corporate seal of the corporation, and that the instrument was signed and sealed on behalf of the corporation, by authority of its City Council, as passed by Resolution of the City Council; and Jaron P. Rosien and Illa Earnest acknowledged the execution of the instrument to be their voluntary act and deed and the voluntary act and deed of the corporation, by it voluntarily executed.

Notary Public

SIGNATURE PAGE OF DEVELOPER:

By: _____
James A. Zieglofsky, Manager

STATE OF IOWA, COUNTY OF WASHINGTON:

On this ____ day of _____, 2018, this document was executed by James A. Zieglofsky as Manager of Cornerstone Property Management, LLC.

Notary Public

Property Address/Legal Description

Property Address: 1701 E. Washington Street, Washington, Iowa

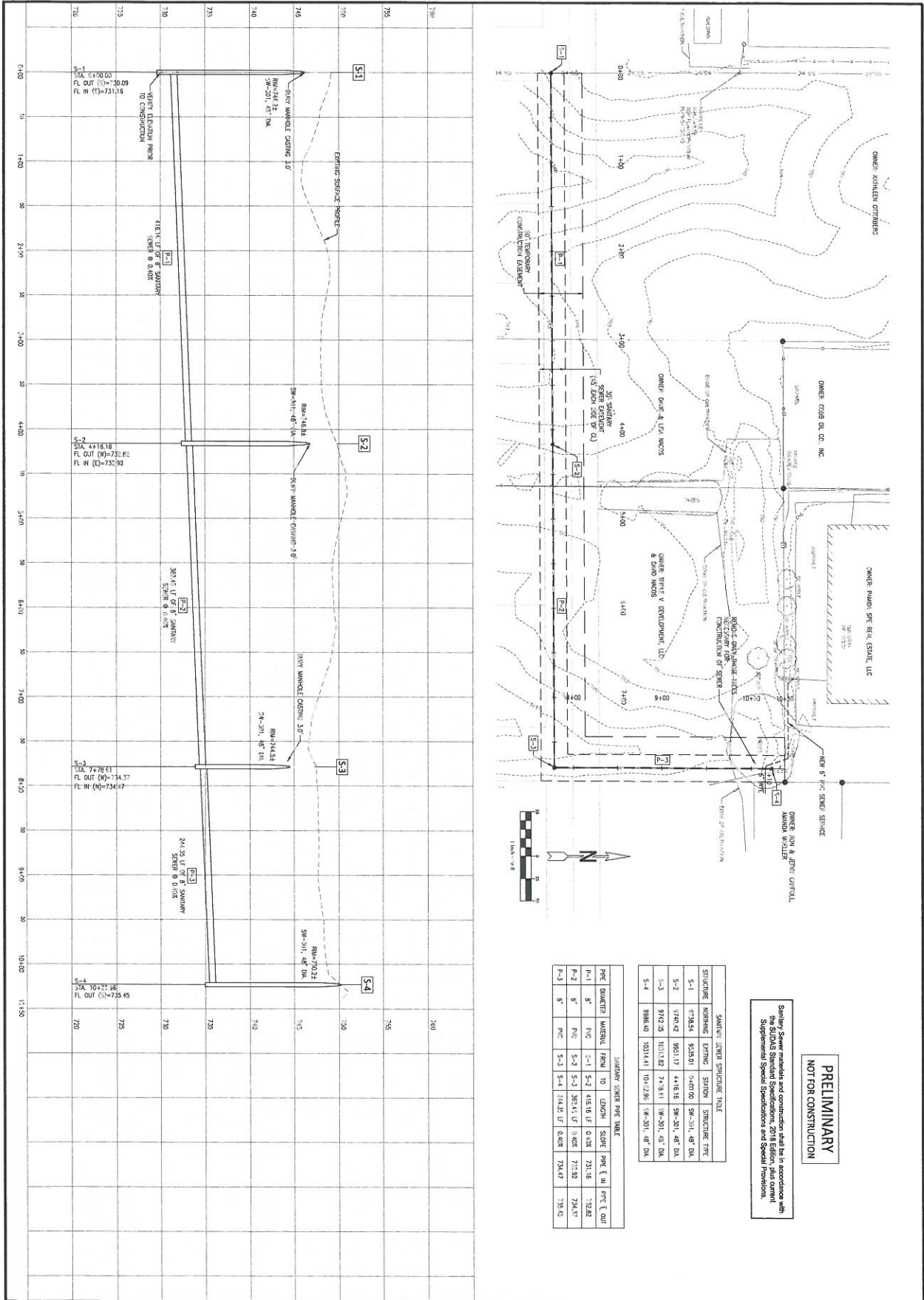
A part of Lot 2 of Auditor's Subdivision of the Southeast 1/4 of the Southwest 1/4 of Section 16, Township 75 North, Range 7 West of the 5th P.M., Washington County, Iowa, more particularly described as follows:

Commencing at the Northeast corner of the Southeast 1/4 of the Southwest 1/4 of said Section 16; thence West along the North line of the Southeast 1/4 of the Southwest 1/4 of said Section 16, a distance of 336.61 feet to the Northeast corner of said Lot 2; thence S 00° 29' 21" W along the East line of said Lot 2 a distance of 42.13 feet to the Southerly line of State Highway 92 right-of-way and the point of beginning; thence S 00° 29' 21" W along the East line of said Lot 2 a distance of 566.89 feet to the South line of the North 609 feet of said Lot 2; thence West along the South line of the North 609 feet of said Lot 2 a distance of 329.74 feet to the West line of said Lot 2; thence N 00° 35' 29" E along the West line of said Lot 2 a distance of 571.94 feet to the Southerly line of State Highway 92 right-of-way; thence S 89° 07' 15" E along the Southerly line of State Highway 92 right-of-way a distance of 328.71 feet to the point of beginning. The North line of the Southeast 1/4 of the Southwest 1/4 of said Section 16 is assumed to bear West.

Excepting from the above described property that portion which was conveyed to the State of Iowa by Deed Recorded September 23, 1993 in Book 137 at Page 16.

Also excepting from the above described property Parcel H and Parcel I as set forth on the Plat of Survey recorded July 22, 2005 in Book 18 at Page 379 as Document No. 05-3125, Washington County, Iowa.

Together with non-exclusive easement rights created by DECLARATION OF CROSS-EASEMENTS AND COVENANTS AND RESTRICTIONS AFFECTING LAND recorded February 3, 2006 as document number 06-0581 in Book 2006, page 0581.



PRELIMINARY
NOT FOR CONSTRUCTION

Sanitary Sewer materials and construction shall be in accordance with the SDGWS Standard Specifications, 2010 Edition, plus current Supplemental Special Specifications and Special Provisions.

STRUCTURE	MANHOLE	DEPTH	STRUCTURE TYPE
S-1	8'x8'x4'	6.55/0.0	SM-301, 48" DIA.
S-2	8'x8'x4'	9.65/1.7	SM-301, 48" DIA.
S-3	8'x8'x4'	10.1/0.2	SM-301, 48" DIA.
S-4	8'x8'x4'	10.1/0.2	SM-301, 48" DIA.

PIPE DIAMETER	MATERIAL	FROM	TO	LENGTH	SLOPE	PIPE E IN	PIPE E OUT
8"	PVC	S-1	S-2	418.16 LF	0.28%	731.92	732.82
8"	PVC	S-2	S-3	362.42 LF	0.40%	722.92	724.87
8"	PVC	S-3	S-4	174.32 LF	0.60%	724.47	725.42

<p>GARDEN & ASSOCIATES, LTD. ENGINEERS & SURVEYORS</p> <p>1701 3rd Avenue East, Suite 1 P.O. Box 451 Oskaloosa, Iowa 52577 641.672.2526 Phone 641.672.2091 Fax 800.491.5124 Iowa Toll Free</p>	<p>500 E. Taylor, Suite C Creighton, Iowa 50801 641.782.4026 Phone 641.782.4118 Fax</p> <p>email@gardenassociates.net</p>	<p>SHEET TITLE PLAN AND PROFILE</p>	<p>SCALE 1"=50' HORIZ, 1"=5' VERT.</p>	<p>DATE NOV. 7, 2017</p>	<p>PROJECT NO. 3017207</p>	<p>SHEET NO. 2 OF 2</p>
		<p>APPROVED: JP</p>	<p>DRAWN BY: RMH</p>	<p>REVISIONS:</p>	<p>PROJECT NO.: 3017207</p>	<p>DATE: NOV. 7, 2017</p>

*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

February 1, 2018

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

From: Brent Hinson 
City Administrator

Re: Goncho Apartments Procedure

Attached are the resolutions for the Urban Renewal (TIF) Plan amendment and the Development Agreement. The Council will need to hold public hearings for each, and then can consider the resolutions in turn.

I have also attached an updated schedule. We look forward to continuing to work with the developer on this exciting project, pending your approval.

City of Washington
Schedule for Goncho Site Redevelopment Process- As of 2/1/18

<u>Step</u>	<u>Task</u>	<u>Responsible Parties</u>	<u>Tentative Date</u>	<u>Complete?</u>
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	X
6	Mailing to affected taxing entities, including copy of UR Plan	Hinson	January 3, 2018	X
7	Consultation with Board of Supervisors and Board of Education	Hinson	January 9, 2018 at 9 AM	X
8	Finalization of DA	City Staff/ Developer	By January 10, 2018	X
9	Preparation of legal proceedings for approval of DA	City Staff	By January 12, 2018	X
10	Historic Preservation Commission reviews & provides recommendation regarding demolition permit	HP Commission	By January 15, 2018	X
11	Developer retains engineer to develop minor site plan drawing	Developer	TBD	
12	Council sets date for public hearing on DA for January 30 at 6 PM	City Council	January 16, 2018	X
13	Demolition permit hearing notice submitted for publication	City Staff	By January 17, 2018	X
14	Submission of public notices for UR Plan & Development Agreement	City Staff	January 26, 2018	X
15	Public hearing on and review of Historic Preservation Commission findings and	City Council	January 30, 2018 at 6 PM	X

City of Washington
Schedule for Goncho Site Redevelopment Process- As of 2/1/18

<u>Step</u>	<u>Task</u>	<u>Responsible Parties</u>	<u>Tentative Date</u>	<u>Complete?</u>
	consideration of demolition permit			
16	Council reschedules hearings for UR Plan & DA	City Council	January 30, 2018	X
17	City issues demolition permit	City Staff	February 2, 2018	X
18	Hearing on UR Plan & adoption of plan	City Council	February 6, 2018 at 6 PM	
19	Hearing on DA & adoption of agreement	City Council	February 6, 2018 at 6 PM	
20	Site plan (minor) submitted to City	Developer	By February 7, 2018	
21	Hearing & consideration of site plan	P&Z Commission	February 13, 2018	
22	Final consideration of site plan	City Council	February 20, 2018	
23	Issuance of building permit	City Staff	March 2018	

Prepared by: Kevin D. Olson, Washington City Attorney, PO Box 5640, Coralville, Iowa 52241 (319)351-2277
Return to: Illa Earnest, Washington City Clerk, 215 E. Washington Street, Washington, Iowa 52353

RESOLUTION NO. _____

RESOLUTION APPROVING AMENDMENT NO. 2 TO THE WASHINGTON DOWNTOWN URBAN RENEWAL PLAN BY ADDING THE REDEVELOPMENT OF 306 N. MARION AVENUE AS A PROJECT IN SAID URBAN RENEWAL PLAN.

WHEREAS, the City Council of the City of Washington, Iowa, has heretofore previously adopted and designated Urban Renewal Areas within the City; and

WHEREAS, the City Council did heretofore combine said Urban Renewal Areas and adopted the Washington Downtown Urban Renewal Plan (the "Urban Renewal Plan") for the Washington Downtown Urban Renewal Area (the "Urban Renewal Area"); and

WHEREAS, the City Council of the City of Washington, Iowa, has heretofore found that it is was necessary to amend said Urban Renewal Plan and said Urban Renewal Area; and

WHEREAS, the City Administrator has prepared Amendment No. 2 to the Washington Downtown Urban Renewal Plan for the Washington Downtown Urban Renewal Area; and

WHEREAS, said amendment adds the redevelopment of 306 N. Marion Avenue as a project in said Urban Renewal Plan; and

WHEREAS, a consultation with the affected taxing entities was held on January 9, 2018 which was preceded by mailed notice to each affected taxing entity; and

WHEREAS, a public hearing has also been heard in accordance with the published notice of the same; and

WHEREAS, in accordance with said public notice, all persons or organizations desiring to be heard on said proposed Amendment No. 2 to the Washington Downtown Urban Renewal Plan have been given an opportunity to be heard.

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

Section 1. That the findings and conclusions set forth or contained in said Amendment No. 2 to the Washington Downtown Urban Renewal Plan for the Washington Downtown Urban Renewal Area described in the preamble thereof, be and the same are hereby ratified and confirmed in all respects as the findings of the Council for this area.

Section 2. This Council further finds:

- a. That as it pertains to the areas or projects to be developed for residential purposes, this Council determines that a shortage of housing of sound standards and design exists in the City, and that the acquisition of the area for residential uses is an integral part of and essential to the program for the City, and the acquisition of the area is necessary for the construction for housing for low to moderate income families.

Section 3. That Amendment No. 2 to the Washington Downtown Urban Renewal Plan for the Washington Downtown Urban Renewal Area be and the same is hereby approved. Further, the City Clerk is hereby directed to file a certified copy of this Resolution and said Amendment No. 2 with the Washington County Recorder's Office.

Section 4. That this Amendment No. 2 to the Washington Downtown Urban Renewal Plan shall remain in full force and effect from the date of this Resolution until the termination of said Urban Renewal Plan as provided by law.

Section 5. That other than as outlined in this Amendment No. 2, all other terms and aspects of the Washington Downtown Urban Renewal Area for the Washington Downtown Urban Renewal Area remain in full force and effect.

Passed and approved this 6th day of February, 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 West 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:

<p>Andrew Drahota</p> <p>Demolition of former Goncho Apartments building and development of six townhouse units on the cleared site at 306 North Marion Avenue and 116 West 3rd Street</p>	<p>Grants not to exceed \$41,000 City internal debt not to exceed \$6,000</p>
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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

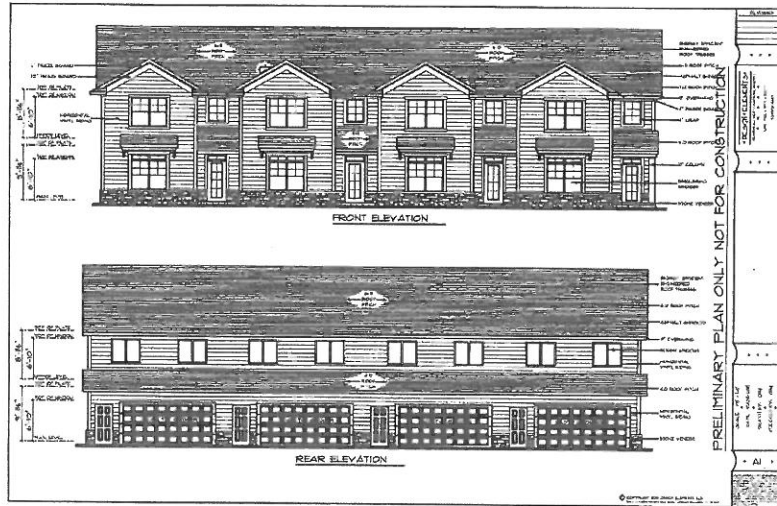
3. Except as modified by this Amendment No. 2, the original provisions of the Urban Renewal Plan are hereby ratified, affirmed and approved and shall remain in full force and effect.

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 J: Project Summary
Washington Downtown Urban Renewal Area**



Project Name: Goncho Apartments Site Redevelopment

Location: 306 North Marion; 116 West 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: February 2018

RESOLUTION NO. _____

RESOLUTION APPROVING A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF WASHINGTON AND ANDREW DRAHOTA.

WHEREAS, on February 6, 2018, the City Council of the City of Washington adopted Amendment No. 2 to the Washington Downtown Urban Renewal Plan (the “Urban Renewal Plan”) and designated the redevelopment of the Goncho Apartments at 306 N. Marion Avenue as an Urban Renewal Project (the “Project”); and

WHEREAS, it is desirable that properties located within said Urban Renewal Areas be redeveloped as part of the plan for overall development covered by this Urban Renewal Plan; and

WHEREAS, Andrew Drahota (the “Developer”) and the City have negotiated a Development Agreement whereby the City would grant to Developer the sum of \$41,000 to provide for asbestos abatement and demolition for the Project, in addition to assistance with water and sewer infrastructure improvements related to the Project; and

WHEREAS, Chapters 15A and 403 of the Iowa Code authorizes cities to make loans and grants for economic development in furtherance of the objectives of an urban renewal project and to appropriate such funds and make such expenditures as may be necessary to carry out the objectives of the urban renewal project and Chapters 15A and 403 of the Code of Iowa; and

WHEREAS, the City Council has heretofore determined that entering into the Development Agreement with the Developer is in the best interests of the citizens of the City and said Project is in furtherance of the goals and objectives of the Urban Renewal Plan.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Washington, Iowa, finds that:

Section 1. That the performance by the City of its obligations under the Development Agreement, including the making of an economic development grant to the Developer under the terms set forth in said Development Agreement is hereby declared by this City Council to be a public purpose and undertaking in furtherance of the goals and objectives of the Urban Renewal Plan.

Section 2. That the performance of the obligations by the City under this Agreement, will:

- a. Assist in the generation of businesses that add diversity and generate new opportunities for the Iowa economy.
- b. That the obligations under this Agreement in dispensing said economic development grant will produce public benefits and gains which benefits and gains are warranted based upon the amount of the economic development grant dispensed to the Developer.
- c. Redevelop slum and blighted properties within the City.

Section 3. That the aforementioned Development Agreement be and the same is hereby approved. Further, the Mayor and City Clerk are hereby directed to execute said Development Agreement on behalf of the City.

Passed and approved this 6th day of February, 2018.

Jaron P. Rosien, Mayor

ATTEST:

Illa Earnest, City Clerk

Prepared by: Kevin D. Olson, Washington City Attorney, PO Box 5640, Coralville, Iowa 52241 (319) 351-2277
Return to: City Clerk, City of Washington, Iowa, 215 E. Washington Street, Washington, Iowa 52353

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (the “Agreement”) entered into by and between the **City of Washington, Iowa**, 215 E. Washington Street, Washington, Iowa 52353, hereafter referred to as “City”; and **Andrew Drahota**, hereafter referred to as “Developer.”

WHEREAS, the Developer has secured an Option to Purchase the former Goncho Apartments property located at 306 N. Marion Avenue and an adjacent lot located at 116 West 3rd Street, Washington, Iowa, and legally described as:

Lots C and D of Auditor’s Subdivision of Block Four (4) of North Addition to Washington, Iowa as shown by Plat Book 4 at page 530, in the Office of the County Recorder of Washington County, Iowa. (hereafter the “Development Property”)

; and

WHEREAS, the Developer desires to demolish the blighted building located on the Development Property and redevelop the Development Property with six (6) townhomes (the “Project”); and

WHEREAS, the Property is located within the Washington Downtown Urban Renewal Area (the “Urban Renewal Area”); and

WHEREAS, Chapter 15A of the Code of Iowa (2017) authorizes cities to provide grants, loan, guarantees, tax incentives and other financial assistance to and for the benefit of private persons.

NOW, THEREFORE, ON THE BASIS OF THE PRECEDING RECITALS, AND FOR THE MUTUAL CONSIDERATION OF ENTERING INTO THIS AGREEMENT, THE DEVELOPER AND CITY AGREE AS FOLLOWS:

A. Developer's Obligations.

1. Within ninety (90) days of the date of execution of this Agreement, the Developer shall cause the existing building on the Development Property to be demolished and debris removed in strict compliance with all applicable laws.

2. The Developer shall submit appropriate plans for approval by the Planning and Zoning Commission and City Council to comply with the City's Site Plan ordinance prior to commencing construction of the Project.

3. The Developer will cause the Project to be constructed on the Property in strict compliance with the all applicable laws, regulations and ordinances. The Project shall be completed no later than December 31, 2019.

4. The Developer, or its assigns shall pay, when due, all real estate taxes to the Washington County Treasurer attributable to the Project. Prior to any Payment by the City to the Developer, the Developer, or its assigns, shall provide receipts to the City evidencing payment of demolition costs to obtain the TIF grant as outlined in Section (B)(1)(a) below.

B. City's obligations.

1. In recognition of the Developer's obligations set out above and in accordance with Section (A) above, the City agrees to maintain the tax increment ordinances in effect and to make economic development tax increment payments (the "Payments") to the Developer as follows:

a) The City shall make an economic development grant to the Developer in the amount of not-to-exceed \$41,000.00 upon demolition of the existing building and removal of debris from the Development Property in accordance with all applicable laws and upon proof of payment.

b) The City shall make available, tax abatements for each unit to the Developer, or its assigns, pursuant to the Washington Urban Revitalization Plan. The Developer shall submit an application for tax abatement on each unit for three years of one hundred percent (100%) tax abatements to the City Council for approval upon the issuance of an occupancy permit for each unit. As long as the Developer is in compliance with the

terms of this Agreement, the City Council shall approve said application for tax abatement pursuant to the Washington Urban Revitalization Plan.

c) The City agrees to supply materials and install water and sewer main and ancillary improvements to facilitate the project, in accordance with the plan agreed to between the Developer and City, at City's sole expense except for required tap fees.

C. Administrative Provisions.

1. Each party represents to the other that the party has full power and authority to enter into this Agreement and that this Agreement is a binding Agreement duly authorized by the governing body of each party.

2. This Agreement represents the entire agreement between the parties and may not be amended or assigned without the express permission of the other party. However, by execution of this Agreement, the City hereby authorizes the Developer to assign the rights to receive the Payments to a private lender, as security, without further action of the City Council and upon receipt of an assignment from the Developer which directs the City to make Payments directly to such lender. The Developer may, however, unilaterally assign this Agreement to a limited liability company or corporation controlled by the Developer, upon providing reasonable notice to the City.

3. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties.

4. This Agreement shall be deemed to be a contract made under the laws of the State of Iowa, and for all purposes shall be governed by and construed in accordance with the laws of the State of Iowa.

5. If any provision of this Agreement or the application thereof to any person or circumstance shall be invalid, illegal or unenforceable to any extent, the remainder of this Agreement and the application thereof shall not be affected and shall be enforceable to the fullest extent permitted by law.

6. That this Agreement may be executed in counterparts.

Dated this ____ day of _____, 2018.

(The rest of this page left intentionally blank.)

SIGNATURE PAGE FOR THE CITY OF WASHINGTON, IOWA

Jaron P. Rosien, Mayor

ATTEST:

Illa Earnest, City Clerk

STATE OF IOWA, WASHINGTON COUNTY, ss:

On this _____ day of _____, 2018, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared Jaron P. Rosien and Illa Earnest, to me personally known, who, being by me duly sworn, did say that they are the Mayor and City Clerk, respectively, of the City of Washington, Iowa; a municipal corporation; that the seal affixed to the foregoing instrument is the corporate seal of the corporation, and that the instrument was signed and sealed on behalf of the corporation, by authority of its City Council, as passed by Resolution of the City Council; and Jaron P. Rosien and Illa Earnest acknowledged the execution of the instrument to be their voluntary act and deed and the voluntary act and deed of the corporation, by it voluntarily executed.

Notary Public

SIGNATURE PAGE OF DEVELOPER:

By: _____

Andrew Drahota, Developer

STATE OF IOWA, COUNTY OF WASHINGTON:

On this ____ day of _____, 2018, this document was executed by Andrew Drahota, known to me to be the Developer listed in this agreement.

Notary Public

*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

February 1, 2018

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

From: Brent Hinson
City Administrator

Re: Computer Use Policy for Elected Officials

I have prepared a revised policy based on different assumptions for the depreciation of the tablets. The original policy was based on straight line depreciation with a salvage value of 20%. Several current and past officials have indicated they feel this does not reflect accurately the amount of depreciation that occurs with technological equipment in this day and age. Thus, I have looked into IRS-approved accelerated depreciation schedules, and come up with two options. The attached resolution is prepared on the basis of the 200DB method, which is the most aggressive schedule. I have also provided numbers for the IRS 150DB method for your information. I have also revised the salvage value to 10%.

RESOLUTION NO. _____

**A RESOLUTION ADOPTING A REVISED COMPUTER USE
POLICY FOR ELECTED OFFICIALS**

WHEREAS, the City has adopted an Electronic Communication Policy in its Personnel Policies; and

WHEREAS, this policy recognizes that computers and the internet are very valuable as a business tool, but clear guidelines need to be established to define and govern usage, and the same applies to issuance of tablet or laptop computers to the Mayor and City Councilors:

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

Section 1. The City Council directs that a revised Computer Usage Policy for Elected Officials be adopted as follows:

COMPUTER USAGE POLICY FOR ELECTED OFFICIALS

This policy is intended to establish guidelines for elected officials regarding City-provided computers.

Usage Standards & Guidelines

As a general matter, elected officials are expected to comply with all applicable provisions of the City's Information Technology Policy.

Issuance of Computers

Computers will be issued to newly elected officials, and are typically expected to be used for at least a four-year elected term. The City retains ownership of any such computers, and purchase shall be coordinated through the City Administrator. Any such computers will be equipped for Wi-Fi usage but typically not 4G/LTE (or successor wireless mobile phone network standard) usage, and the precise brand or model may differ based on the elected official's preferences. The cost of the computers will be reviewed prior to purchase to ensure consistency in cost and capabilities between previously purchased computers and the computer being considered for purchase. By accepting a computer for City use, the elected official agrees to waive receiving printed meeting packets produced by staff, unless specifically requested by the elected official.

Replacement/Return of Computers

Upon completion of an elected official's term of office or resignation from office, the elected official may return the computer to City Hall by the end of their term, or choose to purchase the computer from the City according to the following schedule:

<u>Years from Issuance</u>	<u>Percentage of Original Price Less Salvage Value*</u>
Within six months	90%
Six months to one year	80%
1 year 1 day to 2 years	48%
2 years 1 day to 3 years	28.8%
3 years 1 day to 4 years	17.28%
4 years 1 day to 5 years	5.76%
5 years 1 day to 5 years 6 months	2.88%
5 years 6 months 1 day or more	Salvage value

*Salvage value is defined as 10% of original price included shipping and all related costs. Salvage value would be added to the percentages below to determine the final purchase price.

Section 2. The schedule identified above may also be applied to elected official purchase of any City-owned laptops issued prior to the date of this resolution.

PASSED AND APPROVED this 6th day of February, 2018.

Jaron P. Rosien, Mayor

ATTEST:

Illa Earnest, City Clerk

City of Washington
Examination of Depreciation of Tablet Computers

Example: Tablet Value \$1,046.00
 Salvage Value \$104.60
 Depreciable Asset \$941.40
 10% of original price

	Current %	By Current Method	IRS 200DB Method %	IRS 200BD Method \$	Purchase Price*	IRS 150DB Method %	IRS 150DB Method \$	Purchase Price*
Within 6 Months	100.00%	\$1,046.00	90.00%	\$847.26	\$951.86	92.50%	\$870.80	\$975.40
Within 1 Year	100.00%	\$1,046.00	80.00%	\$753.12	\$857.72	85.00%	\$800.19	\$904.79
1-2 Years	80.00%	\$836.80	48.00%	\$451.87	\$556.47	59.50%	\$560.13	\$664.73
2-3 Years	60.00%	\$627.60	28.80%	\$271.12	\$375.72	41.65%	\$392.09	\$496.69
3-4 Years	40.00%	\$418.40	17.28%	\$162.67	\$267.27	24.99%	\$235.26	\$339.86
4-5 Years	20.00%	\$209.20	5.76%	\$54.22	\$158.82	8.33%	\$78.42	\$183.02
5 Years 6 Months	20.00%	\$209.20	2.88%	\$27.11	\$131.71	4.17%	\$39.21	\$143.81
6 Years or More	20.00%	\$209.20	0.00%	\$0.00	\$104.60	0.00%	\$0.00	\$104.60

* Purchase price includes salvage value

RESOLUTION NO. _____

A RESOLUTION CANCELING A REGULAR COUNCIL MEETING

WHEREAS, the City Council has set the 1st and 3rd Tuesdays of each month as regular meeting dates by previous Resolution; and

WHEREAS, several members have conflicts for the scheduled February 20 meeting.

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

Section 1. The regular Council meeting to be held February 20, 2018, is hereby canceled.

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

PASSED AND APPROVED this 6th day of February, 2018.

Jaron P. Rosien, Mayor

ATTEST:

Illa Earnest, City Clerk