

City of
CRESTON, IOWA

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Creston's Restored Depot and City Hall

MAYOR: Gary Lybarger
COUNCIL: Randy White, Rich Madison, Gabe Carroll, Marsha Wilson, Dave Koets, VACANT, Steve Wintermute
CITY CLERK: Lisa Williamson
CITY ADMINISTRATOR: Mike Taylor
CO-CITY ATTORNEYS: Skip Kenyon & Marion James

Regular Meeting Agenda
City Hall/Restored Depot
Council Chambers
Tuesday, January 19, 2016
6:00 p.m.
01/15/2016 10:27:26 AM

1. **Call Meeting to Order**
2. **Pledge of Allegiance**
3. **Roll Call**
4. **Consideration of Agenda**
5. **Consider Adoption of the Consent Agenda** – *NOTE: These items are routine items and will be enacted by one motion without separate discussion unless a Council member requests an item be removed for separate consideration.*
 1. **Minutes:** January 5, 2016 – Regular Meeting
 2. **Claims & Fund Transfers:**
 - i) **Total Claims** - \$151,705.71
 - ii) **Fund Transfers** - \$68,699.45
 3. **Liquor License:** Dollar General – Class BC w/Sunday Sales; Hayes Concession Service – Class C w/Catering, Outdoor Service and Sunday Sales
6. **Public Forum** – *the Mayor and City Council welcome comments from the public on any subject pertaining to City business, including items on this agenda. You are asked to state your name and address for the record and to limit your remarks to 3 minutes in order that others may be given the opportunity to speak. The Order of Business is at the discretion of the Chair. No action will be taken.*
7. **New Business**
 1. **Resolution** to make appointment to Council-at-Large seat with term expiring December 31, 2017
 2. **Public Hearing** to accept public comment on Amendment No. 1 to Urban Renewal Area 2005 (Highway 34)
 3. **Resolution** to approve Amendment No. 1 to Urban Renewal Area 2005 (Highway 34)
 4. **Appointment** with Independent Public Advisers (Tionna Pooler) to review Operational and Capital Improvement Financial Plan for WWTP
 5. **Resolution** to approve waste water rate increase due to mandated Waste Water Treatment Facility Improvements
 6. **Appointment** with Independent Public Advisers (Tionna Pooler) to review bonding for Street Improvement Projects
 7. **Resolution** to set a Public Hearing for February 2, 2016 at 6:00 p.m. to accept public comment on the amendment to Ordinance 16-165 – AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF CRESTON, IOWA, 1996, PERTAINING TO SEWER USE SERVICE CHARGES

8. **Appointment** with Robin Sexton, Jeffrey Sterling regarding Notice to Abate Nuisance: Dangerous Building – 105 S Jarvis
 - Possible Action

8. **Other**

9. **Adjournment**

REGULAR MEETING OF THE CRESTON CITY COUNCIL JANUARY 5, 2016

The Creston City Council met in regular session at 6:00 o'clock p.m. on the above date in the Council Chambers of the City Hall Complex with Mayor Lybarger presiding.

Roll call being taken with the following Council members present: Wintermute, Koets, Wilson, Madison and White. Carroll was absent. One At-Large seat is vacant.

Wilson moved seconded by White to approve the agenda. All voted aye. Carroll was absent. One At-Large seat is vacant. Motion declared carried.

Wilson moved seconded by Koets to approve the consent agenda, which included approval of minutes of December 15, 2015, regular meeting; claims of \$106,443.20 and fund transfers of \$20,510.40. All voted aye. Carroll was absent. One At-Large seat is vacant. Motion declared carried.

No one spoke during Public Forum.

Mayor Lybarger announced Council appointments to boards and commissions. White to Airport, Finance, Mayor Pro-tem and alternate to Library; Madison to Chamber/Image Enhancement, Historic Preservation and Park & Recreation; Carroll to Cemetery, Park & Recreation and alternate to Emergency Management; Wilson to Chamber/Image Enhancement, Finance and LEC; Koets to Emergency Management and Water; Wintermute to Landfill and LEC; Mayor Lybarger will serve on ATURA, Finance, Historic Preservation, Public Funding, UCDA and alternate to Landfill.

A resolution was offered by Wilson seconded by Wintermute to approve Organization Resolutions with First National Bank and authorize the Mayor and Clerk to execute the proper documentation. Madison, White, Wintermute, Koets and Wilson voted aye. Carroll was absent. One At-Large seat is vacant. Resolution declared passed.

A resolution was offered by Wilson seconded by White to provide for surety bond/blanket position bond and authorize the Mayor and Clerk to execute the proper documentation. Wintermute, Koets, Wilson, Madison and White voted aye. Carroll was absent. One At-Large seat is vacant. Resolution declared passed.

Mayor Lybarger announced that now was the time for a Public Hearing on the matter of the City making application for a Community Development Block Grant for a Housing Rehabilitation Program. He asked if anyone wished to speak in favor of the application; no one did. He asked if there was any written correspondence in favor of the application; there was none. He asked if anyone wished to speak against the application; no one did. He asked if there was any written correspondence against the application; there was none. He then called the Public Hearing to a close.

A resolution was offered by Wilson seconded by White to approve the City making application for a Community Development Block Grant for a Housing Rehabilitation Program and commit local financial support of \$24,000 to be used for rehabilitation of homes owned and occupied by the assisted owners and authorize the Mayor and Clerk to execute the proper documentation. Wintermute, Koets, Wilson, Madison and White voted aye. Carroll was absent. One At-Large seat is vacant. Resolution declared passed.

Fire Chief Todd Jackson gave Council an update on the nuisance abatements at 803 S. Cedar. The house and shed have been torn down and removed and the shop has been fixed up and painted. He feels the situation has been taken care of and there should be no further action.

A resolution was offered by Wintermute seconded by Wilson to set a Public Hearing for January 19, 2016 at 6:00 p.m. to amend the Urban Renewal Area 2005 (Highway 34) and authorize the Mayor and Clerk to execute the proper documentation. Madison, White, Wintermute, Koets and Wilson voted aye. Carroll was absent. One At-Large seat is vacant. Resolution declared passed.

Mike Eischeid and Bill Eads of Waste Management spoke to Council regarding the waste pick up process and said they could go back to the way it was seven years ago, picking up in the alleys for those that have alley access, with exception to three locations that Waste Management would not have safe access to. Those locations would be the 100 block of East Irving Street, the 400 block of South Maple Street and the 600 and 700 blocks of South Pine Street.

A resolution was offered by Wilson seconded by White to have Waste Management go back to alley pick-up where accessible and authorize the Mayor and Clerk to execute the proper documentation. Koets, Wilson, Madison and White voted aye. Wintermute voted nay. Carroll was absent. One At-Large seat is vacant. Resolution declared passed.

Forrest Aldridge of Veenstra & Kimm gave Council an update and reviewed the IDNR discharge permit requirements and probable changes needed at the Waste Water Treatment Plant. Mr. Aldridge gave estimated costs (using today's prices) of \$4,750,000 for the recommended improvements over the next five years, and stated there are Community Development Block Grants and State Revolving Fund loans with low interest rates available for application. However, at this time there are no state or federal grants available.

Motion was made by Wilson seconded by White to adjourn the meeting. All voted aye. Carroll was absent. One At-Large seat is vacant. Council adjourned at 6:48 p.m.

Mayor

Attest:

City Clerk

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT		
POLICE PROTECTION	GENERAL FUND	MOCIC	MEMBERSHIP DUES-2016	150.00		
			CARPENTER UNIFORM CO &	RADIO EAR PIECES	49.95	
				CPD COLLAR BRASS	33.00	
				SHIPPING	7.25	
		GALLS LLC	Boots & Baker Clips	254.16		
		CRESTON MOTOR SUPPLY INC	OIL FILTERS #15	7.28		
			HEADLIGHT #19	4.59		
			SPOTLIGHT BULBS #19	7.96		
			BATTERY #19	166.01		
			OIL, FILTERS	140.92		
			HEADLIGHT, BATTERY	220.55		
		PETTY CASH - POLICE	POSTAGE-POLICE	9.28		
		PETZNICK'S PRINTING CO	250 TIME CARDS	78.50		
		SUPREME CLEANERS	UNIFORM CLEANING	63.75		
			TOTAL:	1,193.20		
		DETENTION & CORRECTNS	GENERAL FUND	UNION CO AUDITOR	LEC BILLING-DEC'15	3,718.57
					TOTAL:	3,718.57
FIRE PROTECTION	GENERAL FUND	US CELLULAR	TABLET DATA PLANS-JAN'16	77.64		
			CRESTON CITY WATER WORKS	WATER-FIRE STATION	16.20	
		FASTENAL	SHOVELS	75.68		
			SHOVELS	35.28		
		ROBERT WINTERMUTE	MAT/FRAME DEPT PICTURE	122.00		
		ALLIANT ENERGY-INT PWR&LGHT	GAS-FIRE	118.99		
			ELECTRIC-FIRE	494.09		
		MUNICIPAL EMERGENCY SERVICES	TURN OUT BOOTS-BURTON	344.50		
		CRESTON MOTOR SUPPLY INC	GEAR OIL	191.63		
			TOTAL:	1,476.01		
BUILDNG & HSNQ SAFETY	GENERAL FUND	CHAT MOBILITY	WIFI HOTSPOT	22.66		
			CRESTON AUTOMOTIVE	DGNS/RPR M BRUCE'S TRK	238.22	
		CRESTON MOTOR SUPPLY INC	OXYGEN SENSOR	37.49		
	TOTAL:	298.37				
ANIMAL CONTROL	GENERAL FUND	GILES, MARY	SUCCESSFUL ADOPTION	20.00		
			JENSEN, JACKIE	SUCCESSFUL ADOPTION	20.00	
		JEROME, KATEY	SUCCESSFUL ADOPTION	20.00		
		CRESTON VET CLINIC PC	EUTHANIZE CAT	6.95		
			ALLIANT ENERGY-INT PWR&LGHT	GAS-POUND	31.32	
			ELECTRIC-POUND	41.35		
	TOTAL:	139.62				
STREET LIGHTING	GENERAL FUND	ENERGYFICIENT SYSTEMS	ACORN POLYCARBONATE	702.50		
			ALLIANT ENERGY-INT PWR&LGHT	ELECTRIC-STREET LIGHT	8,713.41	
			TOTAL:	9,415.91		
TRAFFIC SAFETY	GENERAL FUND	BROWN TRAFFIC PRODUCTS INC	STOP LIGHT CONTROLLER	2,975.00		
			ALLIANT ENERGY-INT PWR&LGHT	ELECTRIC-TRAFFIC LIGHT	2,000.67	
			TOTAL:	4,975.67		
AIRPORT	GENERAL FUND	DISH	DISH TV-FEB'15	55.27		
			ALLIANT ENERGY-INT PWR&LGHT	ELECTRIC-AIRPORT	428.56	
		WEST AVIATION INC	PER FBO CONTRACT	1,354.17		
			FUEL PROFIT-DEC'15	541.26		
	TOTAL:	2,379.26				

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT	
SOLID WASTE CLCT/DSPSL	GENERAL FUND	WASTE MANAGEMENT	RECYCLE COLLECTION-9X'S	900.00	
			GARBAGE COLLECTION-DEC'15	<u>38,946.96</u>	
			TOTAL:	39,846.96	
LIBRARY SERVICES	GENERAL FUND	COPY SYSTEMS INC	MONTHLY DUES	29.91	
			HGTV MAGAZINE	2 YR MAGAZINE SUB	25.00
			CRESTON CITY WATER WORKS	WATER-LIBRARY	14.90
			ED M FELD EQUIP CO INC	QTR SECURITY MONITORING	90.00
			GALE CENGAGE LEARNING	BESTSELLER 3 PLAN	47.72
			ALLIANT ENERGY-INT PWR&LGHT	GAS-LIBRARY	162.30
				ELECTRIC-LIBRARY	537.14
			INGRAM	BOOKS	815.23
				BOOKS	54.86
			MICROMARKETING LLC	Audiobooks	85.98
				Audiobooks	36.99
			KONE INC (DES MOINES)	QTR ELEVATOR MAINT	239.70
			NEW LORIMORIAN	2016 ANNUAL SUBSCRIPTION	24.50
			LEON J DOROTHY	UPDATE SVRS, MAIN BACKUP	<u>48.00</u>
				TOTAL:	2,212.23
PARKS	GENERAL FUND	CROP PRODUCTION SERVICES	8 QUARTS TORDON	119.47	
			ARAMARK UNIFORM & CAREER APPAREL GROUP	UNIFORMS-PARK	8.00
				UNIFORMS-PARK	8.00
				UNIFORMS-PARK	8.00
			NORTHLAND PRODUCTS CO	SERVICE CLEANING UNIT	55.48
			AGRIVISION EQUIPMENT GROUP	SHAFT KEYS	10.68
			ALLIANT ENERGY-INT PWR&LGHT	ELECTRIC-PARK	968.46
			CRESTON MOTOR SUPPLY INC	HYD RESTRICTOR, ALTE	<u>217.99</u>
				TOTAL:	1,396.08
RECREATION	GENERAL FUND	BSN SPORTS	HOMEPLATES	185.98	
			ALLIANT ENERGY-INT PWR&LGHT	ELECTRIC-RECREATION	<u>160.35</u>
				TOTAL:	346.33
CEMETERY	GENERAL FUND	ARAMARK UNIFORM & CAREER APPAREL GROUP	UNIFORMS-CEMETERY	4.00	
				UNIFORMS-CEMETERY	4.00
				UNIFORMS-CEMETERY	4.00
			AGRIVISION EQUIPMENT GROUP	Supplies	56.66
			CJ COOPER & ASSOCIATES INC	RANDOM DRUG SCREEN-KRANTZ	35.00
			ALLIANT ENERGY-INT PWR&LGHT	ELECTRIC-CEMETERY	172.39
			PETTY CASH - CEMETERY	SUPPLIES	26.07
				LAWN TIRE REPAIR	10.00
				PAINT FOR MOWER DECK	9.49
				SNOW BLOWER SUPPLIES	<u>2.01</u>
	TOTAL:	323.62			
SWIMMING POOL	GENERAL FUND	CRAIG, STEVE	CONTINUING ED CLASS	90.00	
			ALLIANT ENERGY-INT PWR&LGHT	ELECTRIC-POOL	<u>119.41</u>
				TOTAL:	209.41
ECONOMIC DEVELOPMENT	GENERAL FUND	UNION CO DEVELOPMENT ASSOCIATION	1/2 VISITOR CENTER EXPENSE	<u>451.79</u>	
				TOTAL:	451.79
AD	TRATIVE	GENERAL FUND	UNION CO DEVELOPMENT ASSOCIATION	BOARD MEALS	<u>80.00</u>
				TOTAL:	80.00

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
FINANCIAL ADMINISTRATN	GENERAL FUND	INFO DOG SECURITY, LLC	SHRED SERVICES	30.00
		BANKERS LEASING CO	COPIER LEASE MAINT	209.03
		CRESTON CITY WATER WORKS	WATER-1001 W JEFFERSON	9.07
		CRESTON PUBLISHING CO	OPEN HOUSE AD-WOODS, LOUD	62.10
			ADVERTISING	328.57
		ALLIANT ENERGY-INT PWR&LGHT	1001 W JEFFERSON-ELEC & GA	928.08
		IOWA CODIFICATION INC	ORDINANCE 16-163 & 16-164	204.00
	TOTAL:		1,770.85	
LEGAL SERVICES	GENERAL FUND	JAMES LAW OFFICE, P.C.	LEGAL SERVICES	160.00
		LEGAL DIRECTORIES PUBLISHING CO INC	2015 LEGAL DIRECTORY	59.75
		LYNCH DALLAS, PC	PROF SERVICES-JAN'16	691.68
	TOTAL:		911.43	
CITY HALL	GENERAL FUND	ALLIANT ENERGY-INT PWR&LGHT	GAS-CITY HALL	816.23
			ELECTRIC-CITY HALL	645.27
		INNOVATIVE INDUSTRIES INC	JANITORIAL SERVICES	500.00
	TOTAL:		1,961.50	
ROAD MAINTENANCE	ROAD USE TAX	ARAMARK UNIFORM & CAREER APPAREL GROUP	UNIFORMS-STREET	63.24
			UNIFORMS-STREET	64.85
			UNIFORMS-STREET	63.24
		NORTHLAND PRODUCTS CO	SERVICE CLEANING UNIT	110.95
		CHARLIE BROWN AUTO	USED SEAT, LH DOOR HANDLE	125.00
		EASTERN IOWA TIRE, INC	FRONT END WORN #39	5,341.76
		ZEE MEDICAL INC	First Aid Supplies	25.35
		GRIMES ASPHALT & PAVING CORP	7.52T COLD PATCH	1,097.92
			6.85T COLD PATCH	1,000.10
			6.77T COLD PATCH	988.42
		MARK IDE	MISC STEEL	9.80
			MISC STEEL	66.93
		ALLIANT ENERGY-INT PWR&LGHT	GAS-SREEET	140.79
			ELECTRIC-STREET	310.19
		CRESTON MOTOR SUPPLY INC	BEARING TRUCK #48	31.98
			5" STARTER ROPE	1.40
			WIRE TERMINAL, WIRE	75.25
			WIPERS, BRAKE LINE	100.63
			SHOP SUPPLIES	93.52
AGRILAND FS INC	560G #1, 560G #2, 976G UNL	6,206.36		
	TOTAL:		15,917.73	
SNOW AND ICE CONTROL	ROAD USE TAX	CENTRAL SALT LLC	25T ROCK SALT	1,542.24
		HALLETT MATERIALS	29.93T ICE CONTROL SAND	264.87
			170.04T ICE CONTROL SAND	1,504.86
			7.95T ICE CONTROL SAND	70.36
	TOTAL:		3,382.33	
POLICE FORFEITURE	POLICE FORFEITURE	K & J HARDWARE INC	DOG FOOD	31.99
			TOTAL:	31.99
LIBRARY(RESTRICTED GIF	RESTRICTED GIFTS-L	UPSTART	PRIZES-SUMMER RDNG PRGM	719.89
			TOTAL:	719.89
SA' Y SEWER/WASTWTR	SEWER OPERATING FU	ARAMARK UNIFORM & CAREER APPAREL GROUP	UNIFORMS-WWTP	28.50
			UNIFORMS-WWTP	28.50
		D J GONGOL & ASSOC INC	SPRING	18.21

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
		ALLIANT ENERGY-INT PWR&LGHT	GAS-WWTP	1,489.43
			ELECTRIC-WWTP	6,618.34
		ECHO GROUP INC	GFI PLUGINS	25.70
		JETCO INC	REPAIR EAST LIFT STATION	509.20
		PETTY CASH - SANITATION	ICE	3.98
			PETTY CASH - SANITATION	2.78
			TOTAL:	8,724.64
ANIMAL CONTROL	ANIMAL SHELTER *AG	CRESTON PUBLISHING CO	CARE ADS	295.77
		CRESTON VET CLINIC PC	CREDIT DISCOUNT-DEC'15	118.70-
			SPAY CAT-JACKIE JENSEN	98.95
			DNA BLOOD TEST-UNO & DOS	135.00
			MEDICAL-S. DRAMAN CAT	87.28
			MEDICAL-J. GONZALES CAT	100.00
			NEUTER, MEDICAL-POUND DOG	183.45
			MEDICAL-DOG-HUNTER	256.95
			SPAY DOG-M. BOYCE	112.00
		DOWNEY, MYCALE	REIMBURSEMENT-ARL	75.00
		SOUTHERN HILLS VET SVC INC	TNR #14 -B. NORTON	100.00
			TNR #15 -B. NORTON	100.00
			TEST/VACC POUND CAT	117.55
			TOTAL:	1,543.25

===== FUND TOTALS =====

001	GENERAL FUND	73,106.81
110	ROAD USE TAX	19,300.06
120	POLICE FORFEITURE	31.99
167	RESTRICTED GIFTS-LIBRARY	719.89
610	SEWER OPERATING FUND	8,724.64
953	ANIMAL SHELTER *AGENCY FU	1,543.25

	GRAND TOTAL:	103,426.64

CITY OF CRESTON
MANUAL CHECKS/DEBITS - PERIOD ENDING 01/19/16

SELF FUNDING INSURANCE		
SISCO	MONTHLY PREMIUM	46,481.48
SISCO	CLAIMS	785.56
SISCO	CLAIMS	749.03
KABEL	ANNUAL FEE	200.00
SELF FUNDING INSURANCE	TOTAL	48,216.07
FINANCE DEPARTMENT		
UNION COUNTY RECORDER	RECORDING FEES	
FINANCE DEPARTMENT	TOTAL	0.00
BUILDING DEPARTMENT		
UNION COUNTY RECORDER	RECORDING FEES	
BUILDING DEPARTMENT	TOTAL	0.00
RECREATION DEPARTMENT		
IA DEPARTMENT OF REVENUE	QTR SALES TAX	63.00
RECREATION DEPARTMENT	TOTAL	63.00
MANUAL CHECKS/DEBITS TOTAL		<u>48,279.07</u>

FUND TRANSFERS FOR PERIOD ENDING:

12/31/15

1/20/16
POSTING DATE

THE FOLLOWING TRANSFERS ARE SCHEDULED TO BE MADE AFTER COUNCIL APPROVAL:

AMOUNT	FROM	TO	-G/L ACCT-	DR	CR
\$ 14,478.66	610 SEWER OPERATING FUND FOR: HEALTH INS PREM-QTR END 12/31/15 VENDOR: CITY OF CRESTON	112 PAYROLL TAX BENEFIT	610 -5-815-6150	14,478.66	
			610 1110		14,478.66
			112 1110	14,478.66	
			112 -5-670-6150		14,478.66
\$ 54,220.79	610 SEWER OPERATING FUND FOR: 100% TAYLOR/WILLIAMSON/JOHNSON/ WAGES-QTR END 12/31/15 VENDOR: CITY OF CRESTON	001 GENERAL FUND	610 -3-6910	54,220.79	
			610 1110		54,220.79
			001 1110	54,220.79	
			001 -3-4830		54,220.79

Creston, Iowa
URBAN RENEWAL PLAN
AMENDMENT
CRESTON ECONOMIC DEVELOPMENT
URBAN RENEWAL AREA
(also known as R-2005)
Amendment #1 – 2016

The Urban Renewal Plan (the “Plan”) for the Creston, Iowa Urban Renewal Area (the “Area”) is being amended for the purposes of (1) identifying a new economic development project to be undertaken within the Area.

1) Economic Development Project. The following economic development project is hereby added to the list of authorized projects under the Urban Renewal Plan:

(A) The City may use its urban renewal authority, including the use of tax increment financing to provide financial assistance for eligible public and private development for the promotion and implementation of economic development in the Area.

(B) The City intends to enter into a Development Agreement with Dollar Tree with respect to the Project for a one-time economic development payment funded with incremental property tax revenues to be derived from the Development Area. It is anticipated that the City’s total commitment of incremental property tax revenues under the Development Agreement with respect to the Project will not exceed \$30,000.

2) Financial Data. The following information is provided in accordance with the requirements of Section 403.17 of the Code of Iowa:

- As of January 1, 2014, Valuation: \$318,746,250.
- July 1, 2015 Constitutional debt limit: \$15,773,249.
- July 1, 2015, Current outstanding general obligation debt: \$3,115,000.
- Proposed debt to be incurred in Urban Renewal Area: \$30,000

**CITY OF CRESTON, IOWA
PROPOSED SEWER RATE PLAN MEMORANDUM**

TO: MIKE TAYLOR, CITY ADMINISTRATOR, CITY OF CRESTON
SUBJECT: PROPOSED SEWER RATE PLAN
DATE: JANUARY 19, 2016
FROM: TIONNA POOLER, PRESIDENT, IPA, LLC

SUMMARY

An evaluation of both current and future sewer operations has been undertaken to aid in the development of a long-term rate plan. Relevant assumptions, observations, and recommendations are detailed below. A cash flow summary is attached for your reference as Exhibit 1.

ASSUMPTIONS

The City is preparing to fund significant capital investment in its sewer system. The proposed rate plan contemplates approximately \$5.4 million in projects (future dollars) to occur through FY 2021, funded through State Revolving Fund ("SRF") Loans. It is assumed that the SRF Loans are amortized over 20 years.

Future revenues are calculated assuming current estimates for annual sewer cubic feet sold, as well as the current number of customers; no growth is assumed. Further, it is assumed that proposed rate adjustments are applied only to the per cubic feet charge, which will minimize impact to fixed-income residents.

In addition to funding the proposed capital project, the recommended rate plan is sufficient to fund recurring capital projects and transfers of approximately \$440,000 annually.

Changes in the assumptions noted above will result in modifications to the rate plan; it is anticipated that the plan of finance will be revised at least annual to reflect updated historical performance, any changes to the customer profile, and modifications to the timing and/or amount of capital projects.

OBSERVATIONS

A summary of the recommended rate plan is provided as Exhibit 1. The proposed plan contemplates initial annual increases to the per gallon charge of approximately 4.50% (for fiscal years 2017-2019), with 4.00% annual increases thereafter. The result is an average monthly bill for a 474 cf/ 3,353 gallon user that increases from \$20.26 in the current fiscal year to an estimated \$20.91 in fiscal year 2017. Additional annual increases are estimated to result in an average monthly bill of \$26.69 by fiscal year 2025.

The plan is evaluated by its ability to generate sufficient revenue after the payment of operating expenses (line 5) to provide debt service coverage (line 11) and to pay for other non-operating expenses (lines 13 and 14) while maintaining sufficient liquidity (lines 19 and 20).

RECOMMENDATION

The recommended rate plan above provides sufficient financial flexibility to execute the currently defined capital plan. It is understood that the City may receive approximately \$1.2 million in grants over two fiscal years. If grants were used to partially fund projects, the avoided debt service would generate an average of \$62,000 of annual revenue that would become available for projects. Once grant contributions are known, we can adjust the plan of finance accordingly, potentially further reducing future borrowings.

CITY OF CRESTON, IOWA
Sewer Fund Summary

Exhibit 1

Rate Increase Date:		07/01/13	07/01/14	07/01/15	07/01/16	07/01/17	07/01/18	07/01/19	07/01/20	07/01/21	07/01/22	07/01/23	07/01/24
Rate/100 Increases:		0.00%	0.00%	0.00%	4.50%	4.50%	4.50%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Fiscal Year Ending:		Audit:		Budget:		Projected:		Projected:		Projected:		Projected:	
		06/30/14	06/30/15	06/30/16	06/30/17	06/30/18	06/30/19	06/30/20	06/30/21	06/30/22	06/30/23	06/30/24	06/30/25
1	Rate/100 CF	\$3.24	\$3.24	\$3.24	\$3.39	\$3.54	\$3.70	\$3.85	\$4.00	\$4.16	\$4.33	\$4.50	\$4.68
2	Monthly Meter Rate	\$5.78	\$5.78	\$5.78	\$5.78	\$5.78	\$5.78	\$5.78	\$5.78	\$5.78	\$5.78	\$5.78	\$5.78
3	Average Monthly Bill	\$20.26	\$20.26	\$20.26	\$20.91	\$21.60	\$22.31	\$22.97	\$23.66	\$24.37	\$25.11	\$25.89	\$26.69
4	Revenues	\$1,367,613	\$1,373,883	\$1,309,000	\$1,357,051	\$1,406,005	\$1,457,467	\$1,505,745	\$1,556,135	\$1,608,297	\$1,662,571	\$1,718,777	\$1,777,316
5	Expenses	\$ 590,121	\$ 662,709	\$ 644,433	\$ 724,039	\$ 737,185	\$ 750,594	\$ 764,272	\$ 778,223	\$ 792,453	\$ 806,968	\$ 821,773	\$ 836,874
6	Net Revenues	\$ 777,492	\$ 711,174	\$ 664,567	\$ 633,013	\$ 668,820	\$ 706,872	\$ 741,473	\$ 777,912	\$ 815,844	\$ 855,603	\$ 897,004	\$ 940,442
7	Sewer Debt Service												
8	Existing Debt	\$ 396,075	\$ 399,701	\$ 294,510	\$ 303,212	\$ 125,620	\$ 64,110	\$ 64,648	\$ 64,120	\$ 64,560	\$ 64,935	\$ 64,245	\$ 64,523
9	Proposed Debt					12,733	101,368	151,040	169,497	293,740	293,680	293,540	294,320
10	Total Revenue Debt	\$ 396,075	\$ 399,701	\$ 294,510	\$ 303,212	\$ 138,353	\$ 165,478	\$ 215,688	\$ 233,617	\$ 358,300	\$ 358,615	\$ 357,785	\$ 358,843
11	Debt Service Coverage	1.96	1.78	2.26	2.09	4.83	4.27	3.44	3.33	2.28	2.39	2.51	2.62
12	Cash After Debt	\$ 381,417	\$ 311,473	\$ 370,057	\$ 329,801	\$ 530,467	\$ 541,394	\$ 525,785	\$ 544,295	\$ 457,544	\$ 496,988	\$ 539,219	\$ 581,599
13	Routine Capital Outlays	(94,421)	(235,314)	(385,427)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
14	Other Rev / Transfers	(338,218)	(9,227)	(181,246)	(313,651)	(317,724)	378,121	(326,116)	(330,439)	(334,847)	(339,344)	(343,931)	(348,610)
15	Major Capital					(1,511,783)	(1,557,136)		(2,318,548)				
16	Debt Proceeds					1,511,783	927,136		2,318,548				
17	Annual Surplus/(Deficit)	\$ (51,222)	\$ 66,932	\$ (196,616)	\$ (83,850)	\$ 112,743	\$ 189,515	\$ 99,669	\$ 113,857	\$ 22,696	\$ 57,644	\$ 95,288	\$ 132,990
18	Beginning Cash Balance	\$ 278,209	\$ 226,986	\$ 293,919	\$ 97,303	\$ 13,453	\$ 126,195	\$ 315,711	\$ 415,380	\$ 529,236	\$ 551,933	\$ 609,576	\$ 704,864
19	Ending Cash Balance	\$ 226,986	\$ 293,919	\$ 97,303	\$ 13,453	\$ 126,195	\$ 315,711	\$ 415,380	\$ 529,236	\$ 551,933	\$ 609,576	\$ 704,864	\$ 837,854
20	Cash Balance as % O&M	38%	44%	15%	2%	17%	42%	54%	68%	70%	76%	86%	100%
21	Major Capital Detail												
22	Disinfection:	\$ -	\$ -	\$ -	\$ -	\$ 397,838	\$ 409,773	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23	Nutrient Reduction:								2,318,548				
24	Plant Upgrades:					1,113,945	1,147,363						
25	Totals	\$ -	\$ -	\$ -	\$ -	\$ 1,511,783	\$ 1,557,136	\$ -	\$ 2,318,548	\$ -	\$ -	\$ -	\$ -

City of Creston

Levy Impact Estimator (\$5MM Project)

Valuation Growth¹: 0%

Residential Rollback: 55.7335%

Fiscal Year	Taxable Valuation	Project Amount: \$5,000,000				\$100,000 Homeowner Impact
		Par Amount	Interest Amount ²	Debt Service	Levy Impact	
2017	202,464,728	\$190,000	\$121,442	\$311,442	\$1.53825	\$85.73
2018	202,464,728	210,000	130,051	340,051	1.67955	93.61
2019	202,464,728	215,000	126,838	341,838	1.68838	94.10
2020	202,464,728	215,000	123,247	338,247	1.67065	93.11
2021	202,464,728	220,000	119,399	339,399	1.67633	93.43
2022	202,464,728	225,000	115,219	340,219	1.68038	93.65
2023	202,464,728	230,000	110,696	340,696	1.68274	93.79
2024	202,464,728	235,000	105,682	340,682	1.68267	93.78
2025	202,464,728	240,000	100,183	340,183	1.68021	93.64
2026	202,464,728	245,000	94,231	339,231	1.67551	93.38
2027	202,464,728	250,000	87,886	337,886	1.66886	93.01
2028	202,464,728	260,000	81,136	341,136	1.68491	93.91
2029	202,464,728	265,000	73,908	338,908	1.67391	93.29
2030	202,464,728	275,000	66,302	341,302	1.68574	93.95
2031	202,464,728	280,000	58,162	338,162	1.67023	93.09
2032	202,464,728	290,000	49,650	339,650	1.67758	93.50
2033	202,464,728	300,000	40,660	340,660	1.68256	93.78
2034	202,464,728	310,000	31,210	341,210	1.68528	93.93
2035	202,464,728	320,000	21,290	341,290	1.68568	93.95
2036	202,464,728	330,000	10,890	340,890	1.68370	93.84
Total:		\$5,105,000	\$1,668,079	\$6,773,079		

Notes:

¹ Valuation growth does not reflect changes that may occur due to multi-residential rollback.

² Assumes AAA MMD as of January 14, 2016 plus 30 basis points credit spread and 50 basis points for timing.

**NOTICE TO ABATE NUISANCE:
DANGEROUS BUILDING**

COPY

TO: Robin Sexton, Jeffrey Sterling
105 South Jarvis St
Creston, IA 50801

1. ORDER TO ABATE NUISANCE OR REQUEST HEARING

You are hereby notified to abate the nuisance as specified below, or file a written request with the Mayor for a hearing before the City Council of the City of Creston, Iowa, within ten (10) days from the date of the receipt of this notice.

2. LOCATION OF NUISANCE

The nuisance described below is located upon the following real estate, to-wit:

- A. Street address: 105 South Jarvis St. Creston, Iowa
- B. Legal description:
W C SEC A S 22 FT LOT 169 & N 28 FT LOT 170
Creston, Iowa
- _____
- _____

3. DESCRIPTION OF NUISANCE

A. Dangerous/unsafe Building

The structure located on the above property is dangerous and constitutes a public nuisance as an unsafe building in violation of the Code of Ordinances of the City of Creston, Iowa, 1996, Building and Property Regulations, Chapter 145, Dangerous Buildings, Section 145.03, Unsafe Building.

B. The specific violations of Section 145.03 are as follows (check applicable section):

X 1. Various Inadequacies. Section 145.03 (1)

X a. Dilapidation, deterioration, or decay, including but not limited to exterior surfaces of any structure with holes, breaks, unpainted or peeling surfaces, loose or rotting materials, areas of exterior walls not maintained weatherproof and properly surface coated or sided to prevent deterioration and/or roofs or flashing with defects that admit rain. Describe (shown in attached photograph(s)): Rotted porch, fascia, soffit, flooring, gutters, and windows.
Roof areas. Siding needs painted.

_____ b. Faulty or unfinished construction. Describe (shown in attached photograph(s)):



_____ c. The removal, movement or instability of any portion of the ground necessary for the purpose of supporting such building. Describe (shown in attached photograph(s)): _____

_____ d. The deterioration, decay or inadequacy of its foundation. Describe (shown in attached photograph(s)): _____

_____ e. Any other cause, is likely to partially or completely collapse. Describe (shown in attached photograph(s)): _____

_____ 2. Manifestly Unsafe; Section 145.03 (2)

The building or structure, or any portion thereof, is manifestly unsafe for the purpose for which it is being used. Describe (shown in attached photograph(s)): _____

_____ 3. Inadequate Maintenance; Section 145.03 (3)

A building or structure, used or intended to be used for dwelling purposes, because of dilapidation, decay, damage, faulty construction, or otherwise, that is determined by any health officer to be unsanitary, unfit for human habitation or in such condition that is likely to cause sickness or disease. Describe (shown in attached photograph(s)): _____

_____ 4. Fire Hazard: Section 145.03 (4)

Any building or structure, because of dilapidated condition, deterioration, damage, or other cause, is determined by the Fire Marshall or Fire Chief to be a fire hazard. Describe (shown in attached photograph(s)): _____

_____ 5. Abandoned; Section 145.03 (5)

Any portion of a building or structure that remains on a site after the demolition or destruction of the building or structure or any building or structure abandoned for a period in excess of six (6) months so as to constitute such building or portion thereof an attractive nuisance or hazard to the public. Describe (shown in attached photograph(s)): _____

4. ABATEMENT OF NUISANCE

The nuisances described above must be abated by repair, rehabilitation, demolition, or removal of the building located on the above premises.

5. TIME LIMIT FOR ABATEMENT OF NUISANCES

You are required under Chapter 130 of the Code of Ordinances of the City of Creston, Iowa, 1996, to commence abatement of the foregoing nuisance within forty-eight (48) hours of the service of this notice upon you or such reasonable time as the circumstances require, and to complete all such work within ninety (90) days from the date of the service of this notice upon you, unless a hearing is requested before the Creston City Council, as stated above.

Vacation of Building Required: Yes/No

6. FAILURE TO ABATE NUISANCE

A. Criminal charges

In the event you fail to abate or cause to be abated the above nuisance as directed, or file written request for a hearing within the time prescribed herein, you may also be prosecuted, and upon conviction, fined as much as \$625.00 and also imprisoned for as long as 30 days. Each day the nuisances remain unabated may be charged as a separate and distinct offense for which punishment may be imposed accordingly. Code of Ordinances of the City of Creston, Iowa, 1996, Section 1.10.

B. Municipal infraction

In the alternative, the City may treat failure to comply with a final order as a municipal infraction for which you can be subject to a civil penalty not to exceed \$500.00 for the first offense and not to exceed \$750.00 for each repeat offense. Code of Ordinances of the City of Creston, Iowa, 1996, Section 4.03.

C. Removal by the City and assessment of costs

If you fail to abate or cause to be abated the nuisance, as directed above, or fail to file a written request for a hearing within the time prescribed, the City of Creston may take such steps as are necessary to abate the nuisance or cause it to be abated. The costs will be assessed against you, or the real estate described above, as authorized by Sections 145.07 and 145.08 of the Code of Ordinances of the City of Creston, Iowa, 1996, and Iowa Code Section 364.12 (3h) (2015).

D. Petition for title to abandoned property pursuant to Iowa Code Section 657A.10A (2015)

Failure to abate the nuisance as directed above or to file a written request for a hearing within the time prescribed, may result in the commencement of an action in the Iowa District Court by the City of Creston, Iowa, to obtain title to the above property pursuant to Iowa Code Section 657A.10A (2015).

Date: 01/04/2016

CITY OF CRESTON, IOWA
City Hall
116 W. Adams St.
P.O. Box 449
Creston, Iowa 50801

By: 
Authorized Municipal Officer





Summary

Parcel ID 2401034017750
Alternate ID 0512126016
Property Address 105 S Jarvis
Sec/Twp/Rng 40
Brief Tax Description W C SEC A S 22 FT LOT 169 & N 28 FT LOT 170
 (Note: Not to be used on legal documents)
Deed Book/Page
Contract Book/Page 1111-99 (9-28-15)
Gross Acres 0.00
Net Acres 0.00
Class R - Residential
 (Note: This is for tax purposes only. Not to be used for zoning.)
Taxing District 24010 - CRESTON CITY/CRESTON SCH
School District CRESTON COMMUNITY

Owners

Deed Holder
 Seals, Brian
Contract Holder
 Sexton, Robin
 Sterling, Jeffrey
Mailing Address
 Sexton, Robin
 Sterling, Jeffrey
 105 S Jarvis
 Creston IA 50801

Land

Lot Dimensions Regular Lot: 50.00 x 125.00
Lot Area 0.14 Acres; 6,250 SF

Residential Dwellings