

Agenda: Newton City Council

City Council Meeting

Council Chambers, 101 W 4th St S. or via Zoom
(<https://us02web.zoom.us/j/83564044015>), Join zoom via
phone: (call 312-626-6799 & enter ID # 83564044015),
Mediacom Channels: 12/85/121.12, Website Streaming:
Newtongov.org / I want to “view” Livestream of City
Council Meetings.

January 18, 2021 6:00 p.m.
Newton, Iowa 50208

You can participate in the meeting or you can comment on an agenda item by joining the Zoom meeting and raising your hand to be recognized (must remain on mute until recognized/via phone dial *9 (star 9), this will notify City staff that you have “raised your hand” for public comment), submitting via email to cityofnewton@newtongov.org before 5:00 PM the day of the meeting or, during the meeting, you can call 641-792-2787, extension 2007.

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|----------------------------------|--|
| Pledge | Pledge of Allegiance |
| Call to Order | 1. Roll Call |
| State of the City Address | 2. Mayor Michael L. Hansen |
| Citizen Participation | 3. This is the time of the meeting that a citizen may address the Council on matters that are included in the consent agenda or a matter that is not on the regular agenda. After being recognized by the Mayor, each person will be given three (3) minutes to speak. Comments and/or questions must be related to City policies or the provision of City services and shall not include derogatory statements or comments about any individual. Except in cases of legal emergency, the City Council cannot take formal action at the meeting, but may ask the City staff to research the matter or have the matter placed on a subsequent agenda. |
| Consent Agenda | 4. January 04, 2021 Regular City Council Meeting Minutes |
| | 5. January 04, 2021 Budget Workshop Minutes |
| | 6. Approve Liquor Licenses for the following: Cardinal Lanes, Renewal, LC0046516, 1300 S 5 th Ave E, Class C Liquor License (LC) (Commercial), Sunday Sales, pending directors’ approval; American Legion Post No. 111, Renewal, LC0018906, 1101 W 4 th St S, Class C Liquor License (LC) (Commercial), Outdoor Service, Sunday Sales, pending directors’ approval; New Star Mart, Renewal, LE0002579, 702 1 st Ave E, Class E Liquor License (LE), Class B Wine Permit (Carryout Beer), Sunday Sales, pending directors’ approval. |
| | 7. Resolution appointing Jane Johnson to the City of Newton Planning and Zoning Commission for an unexpired term ending December 31, 2023. (No Council Report) |
| | 8. Resolution voluntarily extending Emergency Paid Sick Leave for city employees in conjunction with federal coronavirus related legislation- Families First Coronavirus Response Act. (Council Report 21-006) |

9. Resolution accepting completion of the PW Office building #18 tenant improvements. (Council Report 21-007)
10. Resolution awarding contract for the 2021 Highway and Symbol Painting Project. (Council Report 21-008)
11. Resolution approving a Telecommunications Licensing Agreement with Windstream Iowa Communications, LLC – 2125 W 20th St S. (Council Report 21-009)
12. Resolution accepting completion of the 2020 Tree Removal Project No. 6 – Newton Parks Misc. (Council Report 21-010)
13. Resolution approving change order #1 for the Iowa Speedway Drive Restoration Project (400-1400 Blocks). (Council Report 21-011)
14. Resolution approving change order #2 for the 1st Ave E (Hwy 6) HMA Resurfacing Project. (Council Report 21-012)
15. Resolution setting a public hearing and inviting proposals for the sale of property at 602 East 13th Street North. (Council Report 21-013)
16. Resolution Adjusting the Fee Schedule for the Newton Fire Department Ambulance Service. (Council Report 21-014)
17. Approve Bills

Ordinance

18. First Consideration of an Ordinance amending the City of Newton Code of Ordinances, Title XV, Chapter 150, Electrical Code for the City of Newton. (Council Report 21-015)
 - The State of Iowa has updated the electrical code with an effective date of January 1, 2021. This ordinance amendment updates the local code to match the changes at the State Level.
 - In addition to updating to the 2020 edition of the National Electrical Code, a few housekeeping corrections are also included.

Resolutions

19. Resolution authorizing economic development forgivable loan agreement with Cindy Rogers-Sell. (Council Report 21-016)
 - Cindy Rogers-Sell has purchased 107 1st Avenue West for a new retail business, Farmhouse Creations. Ms. Rogers-Sell plans significant renovations to the building and has requested assistance for the project.
 - The economic development agreement provides a \$20,000 forgivable loan to Cindy Rogers-Sell.
20. Resolution authorizing economic development forgivable loan agreement with CRH Properties, LLC. (Council Report 21-017)
 - CRH Properties, LLC has purchased 117 1st Avenue West. This will be the new location of Crazy Redhead Quilting. The owners have requested financial assistance from the City in the form of a forgivable loan for the purpose of beginning a rehabilitation of the building.
 - The economic development agreement provides a \$30,000 forgivable loan to CRH Properties, LLC.

21. Resolution expressing intent to provide economic development support to Hopkins Properties LLC. (Council Report 21-018)
- Hopkins Properties, LLC has made an offer on 1801 1st Avenue East and plans to redevelop the building. City incentives in the form of a forgivable loan and minimum assessment/tax rebates are needed.
 - The resolution of intent provides understanding to the developer during the due diligence phase and expresses intent to provide a \$30,000 forgivable loan and to enter into a minimum assessment/tax rebate agreement.

Mayor/Council Comments 22.

Adjourn

The City of Newton is pleased to provide reasonable accommodations, in compliance with the Americans with Disabilities Act, for those individuals or groups who require assistance to be able to participate in the public meeting. Should special accommodations be required, please contact the City Clerk's Office at least 48 hours in advance of the meeting, at 641-792-2787 to arrange for accommodations to be provided.

www.NewtonGov.org

REGULAR CITY COUNCIL MEETING MINUTES
JANUARY 04, 2021, 6:00 P.M.
CITY COUNCIL CHAMBERS

The City Council of Newton, Iowa met in regular session at 6:00 P.M. on the above date via an electronic meeting (pursuant to Iowa Code section 21.8) because a meeting in person is impossible or impractical due to concerns for the health and safety of council members, staff, and the public due to COVID-19. Mayor Hansen presided. Present Council Members: Hallam, Stonner, George, Ervin, Trotter, Mullan. Absent: None.

Mayor Hansen asked everyone present to join in saying the Pledge of Allegiance.

There was no citizen participation.

Moved by Stonner, seconded by Mullan to approve consent agenda items 3-10.

3. December 21, 2020 Regular City Council Meeting Minutes
4. December 21, 2020 Budget Workshop Minutes
5. Approve Liquor Licenses for the following: Okoboji Grill, Renewal, LC0038895, 600 N 2nd Ave W, Class C Liquor License (LC) (Commercial), Catering; Montana Mike's, Renewal, LC0041393, 1400 W 18th St S, Class C Liquor License (LC) (Commercial), Sunday Sales.
6. Resolution appointing an additional participant to The Housing Steering Committee supporting The Rural Housing Readiness Assessment Program. Resolution 2021-001 adopted.
7. Resolution accepting completion of the 2020 Tree Removal Project No. 5 – Maytag Park. Resolution 2021-002 adopted.
8. Resolution accepting completion of the Arbor Estates Rough Grading Project. Resolution 2021-003 adopted.
9. Resolution accepting completion of the Maytag Pool Main Drain Rehabilitation Project. Resolution 2021-004 adopted.
10. Approve Bills

AYES: Six. NAYS: None. Consent agenda items approved.

Moved by Trotter, seconded by Ervin to adopt a Resolution Amending the City of Newton Public Works and Community Services Fee Schedule. AYES: Six. NAYS: None. Resolution 2021-005 adopted.

Moved by George, seconded by Mullan to adopt a Resolution accepting Real Estate easements for the Casey's General Stores sanitary sewer construction. AYES: Six. NAYS: None. Resolution 2021-006 adopted.

During Mayor/Council comments the Mayor and Council acknowledged staff for their great work clearing snow during the storm.

Moved by Mullan, seconded by Hallam to adjourn the meeting at 6:07 P.M. Motion unanimously carried by voice vote.

Michael L. Hansen, Mayor

Katrina Davis, City Clerk

BUDGET WORKSHOP MEETING MINUTES
JANUARY 04, 2021, IMMEDIATELY FOLLOWING THE CITY COUNCIL MEETING @ 6:08
P.M.
ELECTRONIC MEETING

The City Council of Newton, Iowa met in special session at 6:08 P.M. on the above date via an electronic meeting (pursuant to Iowa Code section 21.8) because a meeting in person is impossible or impractical due to concerns for the health and safety of council members, staff, and the public due to COVID-19. Mayor Mike Hansen presided. Present Council Members: Hallam, Stonner, George, Ervin, Trotter, Mullan. Absent: None.

Each Department presented on changes to their proposed budget from the previous year.

- a) Police Department – Rob Burdess, Police Chief
- b) Fire Department – Jarrod Wellik, Fire Chief
- c) Library – Nicole Terry, Library Director
- d) Community Services – Brian Laube, Community Services Director
- e) Public Works – Jody Rhone, Public Works Director
- f) Community Development – Erin Chambers, Community Development Director
- g) Administration - Administrative Services – Katrina Davis, Administrative Services Manager
- h) Administration – Finance/Executive – Lisa Frasier, Finance Officer

Moved by Stonner, seconded by Trotter to adjourn the meeting at 6:47 PM.

Michele Heisdorfer, Financial Analyst, presented on the initial general fund revenue estimate from the County.

Lisa Frasier, Finance Officer, then presented on Special revenue funds/partner contributions & Tax Increment Financing.

Moved by Trotter, seconded by Stonner, to adjourn the meeting at 7:32 P.M. Motion unanimously carried by voice vote.

Michael L. Hansen, Mayor

Katrina Davis, City Clerk

RESOLUTION NO. 2021 – _____

**RESOLUTION APPOINTING JANE JOHNSON TO THE CITY
OF NEWTON PLANNING AND ZONING COMMISSION FOR AN
UNEXPIRED TERM ENDING DECEMBER 31, 2023.**

WHEREAS, Vicki Wade resigned from the Planning and Zoning Commission on June 30, 2020; and

WHEREAS, Jane Johnson, 706 W 9th St S, Newton, has expressed an interest in serving on the Planning and Zoning commission and is qualified to do so; and

NOW THEREFORE, BE IT RESOLVED by the City Council of Newton, Iowa, that Jane Johnson is hereby appointed to the Planning & Zoning Commission for a term ending December 31, 2023.

PASSED this _____ day of January 2021.

APPROVED this _____ day of January 2021.

ATTEST:

Michael L. Hansen, Mayor

Katrina Davis, City Clerk

City of Newton Council Report



Item: Resolution voluntarily extending Emergency Paid Sick Leave for city employees in conjunction with federal coronavirus related legislation-Families First Coronavirus Response Act

Report Number: 21-006

Date: January 18, 2021

Summary:

Council would voluntarily extend the Emergency Paid Sick Leave Policy as previously established between January 1, 2021 and March 31, 2021.

Lead Department:
Administration

Recommendation:
Approve

Financial Impact:

Unknown-based on Covid-19 spread

Background: The Families First Coronavirus Response Act (FFCRA) was among several pieces of legislation passed through the United States Congress intended to help families endure the pandemic. In addition to mandated sick time for those recovering from the disease, the act also provides up to 80 hours of paid sick leave at two-thirds salary to care for ill family members or to care for a child whose school or childcare provider is closed due to the disease. Up to 10 weeks of paid expanded family and medical leave at two-thirds pay is also available for taking care of a child. Furthermore, the City approved an amended Emergency Paid Leave Policy for our police and fire employees providing emergency paid sick leave to the extent that the employee is unable to work because the employee has confirmed COVID-19 and capped the amount of emergency paid leave to the number of hours during a two week consecutive period that the employee was scheduled to work.

Congress has now passed legislation that allows employers to voluntarily continue these paid leaves through March 31, 2021. The mandate to provide the leave, however, ended on December 31, 2020.

Recommendation: The City does recognize that it is critical that staff are cared for and allowed to remove themselves from service due to COVID-19 issues. Therefore, by passing the resolution, the City Council would voluntarily be extending the Emergency Paid Sick Leave Policy as previously established to City employees between the dates of January 1, 2021 and March 31, 2021.

A handwritten signature in black ink, appearing to read "Matt Muckler", is written in a cursive style.

Matt Muckler,
City Administrator

RESOLUTION NO. 2021 - _____

**RESOLUTION VOLUNTARILY EXTENDING EMERGENCY PAID SICK
LEAVE FOR CITY EMPLOYEES IN CONJUNCTION WITH FEDERAL
CORONAVIRUS RELATED LEGISLATION-FAMILIES FIRST
CORONAVIRUS RESPONSE ACT**

WHEREAS, The Families First Coronavirus Response Act (FFCRA) and the Emergency Paid Sick Leave were among several pieces of legislation passed through the United States Congress that were intended to help families endure the pandemic, and

WHEREAS, the city amended its leave policy which allows the city to also provide emergency paid sick leave to police and fire employees to the extent that the employee is unable to work because the employee has confirmed COVID-19 and caps the amount of emergency paid leave to the number of hours during a two week consecutive period that the employee was scheduled to work., and

WHEREAS, Congress has now passed legislation that allows employers to voluntarily continue these paid leaves through March 31, 2021. The mandate to provide the leave, however, ended on December 31, 2020.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Newton, Iowa, that the Emergency Paid Sick leave policy be voluntarily extended from January 1, 2021 to March 31, 2021, allowing the city to provide emergency paid sick leave as previously established.

PASSED this _____ day of January, 2021

APPROVED this _____ day of January, 2021

Michael L. Hansen, Mayor

ATTEST:

Katrina Davis, City Clerk

City of Newton Council Report

Item: Resolution accepting completion of the PW Office building #18 tenant improvements.

Summary: Accept completion of contract for the PW Office building #18 tenant improvements.

Financial Impact: Council previously approved a contract for \$199,900.00 on July 6, 2020 and approved a change order in the amount of \$7,989.00 on December 21, 2020; and this action would accept the project and authorize payment of the retainage amount of \$10,394.47.



Report Number: 21-007

Date: January 18, 2021

Lead Department: Public Works Department

Recommendation:
Approve

Background:

The City of Newton has entered into a lease agreement with DMACC for Public Works, Community Development and Community Services Office space on the 5th floor of building #18 at Legacy Plaza. As part of the lease agreement the tenant has agreed to complete the tenant improvements; these include construction of customer service lobby, interior offices, conference rooms, copy room, mail room, file & plat storage rooms. Other improvements include LED lighting upgrades, fire sprinkler modifications, electrical, phone & data wiring, office furnishings and numerous other construction related activities.

City Council passed a resolution on July 6, 2020 awarding a contract to Edge Commercial, LLC - Grimes, Iowa in the amount of \$199,900.00. The project architect has signed the Statement of Completion Form stating that the project has been substantially completed in general compliance with the terms, conditions and stipulations of said contract. The final contract amount, based on actual measured quantities of work completed and the issuance of one change order is \$207,889.00.

Recommendation:

City staff recommends accepting the completion of the PW Office building #18 tenant improvements, and authorizing the retainage amount of \$10,394.47 to be paid to the contractor no sooner than 30 days after approval of this resolution should no claims be on file.

A handwritten signature in black ink, appearing to read "Matt Muckler".

Matt Muckler
City Administrator

RESOLUTION NO. 2021 – _____

**RESOLUTION ACCEPTING COMPLETION OF THE PW OFFICE BUILDING #18
TENANT IMPROVEMENTS.**

WHEREAS, The City of Newton has entered into a lease agreement with DMACC for Public Works, Community Development, and Community Services Office space on the 5th floor of building #18 at Legacy Plaza.; and

WHEREAS, As part of the lease agreement the tenant has agreed to complete the tenant improvements for their office needs; these include construction of customer service lobby, interior offices, conference rooms, copy room, mail room, and file & plat storage rooms. Other improvements include LED lighting upgrades, fire sprinkler modifications, electrical, phone & data wiring, office furnishings, and numerous other construction related activities; and

WHEREAS, OPN Architects has completed plans and specifications and put said project out to bid; and

WHEREAS, the City Council of the City of Newton awarded a contract to Edge Commercial, LLC of Grimes, Iowa in the amount of \$199,900 on July 6, 2020 for the PW Office building #18 Tenant Improvements Project; and

WHEREAS, Edge Commercial, LLC has completed their work, and the project architect has signed the Statement of Completion Form stating that the project has been substantially completed in general compliance with the terms, conditions, and stipulations of said contract.

WHEREAS, The final contract amount, based on actual measured quantities of work completed and the issuance of one change order is \$207,889.00 which will be paid utilizing 2019B and 2020A bond funds.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Newton, Iowa that the City of Newton hereby accepts completion of the project, and authorizes Edge Commercial, LLC no sooner than 30 days after approval of this resolution, should no claims be on file.

PASSED this _____ day of January, 2021.

APPROVED this _____ day of January, 2021.

Michael L. Hansen, Mayor

ATTEST:

Katrina Davis, City Clerk

City of Newton Council Report

Item: Resolution awarding contract for the 2021 Highway and Symbol Painting Project

Summary: Contract painting of highway center lines, edge lines and symbols.

Financial Impact: \$23,084.28 from the 2021 traffic control budget.



Report Number: 21-008

Date: January 18, 2021

Lead Department: Public Works Department

Recommendation: Approve

Background:

The City has a need for painting highway center lines, edge lines and symbols every two years. This is the year to repaint the highway center lines, edge lines and symbols to promote safe navigation of the motoring public. Federal regulations mandate minimum standards for traffic control such as painted divider lines, edge lines and symbols.

Bids for painting and line striping were sought from several contractors and two bids were received:

<u>Company</u>	<u>Bid Amount</u>
Vogel Traffic Services, Orange City, Iowa	\$23,084.28
Iowa Plains Signing, Slater, Iowa	\$28,499.94

The painting project will be paid utilizing Road Use Tax funds in the 2021 Traffic Control Budget.

Recommendation:

City Staff recommend approval to the attached resolution for the contract painting of highway center lines, edge lines and symbols by Vogel Traffic Services of Orange City, Iowa for the bid amount of \$23,084.28.

Matt Muckler
City Administrator

RESOLUTION NO. 2021 – _____

**RESOLUTION AWARDING CONTRACT FOR THE 2021 HIGHWAY AND SYMBOL
PAINTING PROJECT**

WHEREAS, the City has a need for painting highway divider lines, edge lines, and symbols to be completed every two years; and

WHEREAS, this is the year to repaint the highway lines and symbols to promote safe navigation of the motoring public; and

WHEREAS, the federal regulations mandate minimum standards for traffic control such as painting divider lines, edge lines, and symbols; and

WHEREAS, the City of Newton obtained sealed bids for painting the divider lines, edge lines, and symbols; and

WHEREAS, Vogel Traffic Services of Orange City, Iowa was the lowest responsive, responsible bidder in the amount of \$23,084.28; and

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Newton, Iowa, that the Public Works Director is authorized to execute a contract with Vogel Traffic Services of Orange City, Iowa for the painting of highway divider lines, edge lines, and symbols. The contract amount of \$23,084.28 will be paid from the 2021 traffic control budget, funded by Road Use Tax funds.

PASSED this _____ day of January 2021.

APPROVED this _____ day of January 2021.

Michael L. Hansen, Mayor

ATTEST:

Katrina Davis, City Clerk

City of Newton Council Report

**Item:**

Resolution approving a Telecommunications Licensing Agreement with Windstream Iowa Communications, LLC – 2125 W 20th St S

Report Number: 21-009

Date:

January 18, 2021

Summary:

An agreement with Windstream Iowa Communications, LLC to utilize public right-of-way for the extension of an existing communications network.

Lead Department:

Community Services

Recommendation:

Approve

Financial Impact:

\$1,406.10 agreement fee to be paid to the City by Windstream.

Background:

Windstream Iowa Communications, LLC of Little Rock, Arkansas is proposing an extension of their existing telecommunications system in Newton. The proposed route begins at an existing pedestal on the south side of S 24th Ave W at W 18th St S, then runs west along the south side of S 24th Ave W to the west side of W 20th St S, then turns north and runs along the west and south side of W 20th St S to a proposed pedestal before continuing south onto private property.

The proposed underground portion of the route includes 1,229 LF of improvements in the City of Newton right-of-way. Based on the rates City Council established in Resolution No. 2012-034 passed on April 16, 2012, the licensing fee for the portion of this line in City of Newton right-of-way is \$1,406.10.

The Community Services Department has reviewed the route of the proposed improvements, and will be working with Windstream Iowa Communications, LLC and their installation contractor to eliminate conflicts with existing utilities and other possible future improvements. All construction work and surface restoration proposed on this project will be subject to this agreement, along with a separate right-of-way excavation permit issued by the Community Services Department.

Recommendation:

City staff recommends approval of the telecommunications licensing agreement with Windstream Iowa Communications, LLC of Little Rock, Arkansas.

Matt Muckler
City Administrator

RESOLUTION 2021- _____

**RESOLUTION APPROVING A TELECOMMUNICATIONS LICENSING AGREEMENT
WITH WINDSTREAM IOWA COMMUNICATIONS, LLC –
2125 W 20TH ST S**

WHEREAS, Windstream Iowa Communications, LLC of Little Rock, Arkansas has requested the use of City owned right-of-way for the construction and maintenance of a telecommunications system; and

WHEREAS, said telecommunications system would be an extension of an existing communications system installed previously; and

WHEREAS, said telecommunications system begins at an existing pedestal on the south side of S 24th Ave W at W 18th St S, then runs west along the south side of S 24th Ave W to the west side of W 20th St S, then turns north and runs along the west and south side of W 20th St S to a proposed pedestal before continuing south onto private property.; and

WHEREAS, the proposed underground portion of the route includes 1,229 LF of improvements in the City of Newton right-of-way; and

WHEREAS, the City of Newton has prepared a licensing agreement for the construction and maintenance of said telecommunications system based on that portion of said telecommunications system inside the City right-of-way; and

WHEREAS, based on the rates City Council established in Resolution No. 2012-034 passed on April 16, 2012; the licensing fee for the portion of this line in City of Newton right-of-way is \$1,406.10.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Newton, Iowa, that the City hereby authorizes the Mayor and City Clerk to execute the attached Licensing Agreement with Windstream Iowa Communications, LLC of Little Rock, Arkansas.

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PASSED this _____ day of January, 2021.

APPROVED this _____ day of January, 2021.

Michael L. Hansen, Mayor

ATTEST:

Katrina Davis, City Clerk

A LICENSE TO UTILIZE PUBLIC RIGHT-OF-WAYS FOR THE INSTALLATION, OPERATION AND MAINTENANCE OF A FIBER OPTIC NETWORK

SECTION 1. DEFINITIONS

- a. "City" shall mean the City of Newton, Iowa and, where appropriate, shall include its officers, employees and agents.
- b. "Public Improvements" shall mean any improvements as defined in Code of Iowa Section 384.95, including but not limited to paving, sidewalks, grass, vegetation, trees, street lights, traffic signals, water mains, sewers, electric transmission lines and equipment related thereto, and in addition public utilities, on Public Property.
- c. "Public Property" shall mean City-owned or controlled public rights-of-way, easements, bridges, squares or commons.
- d. "Licensee" shall mean Windstream Iowa Communications, LLC and shall include all equipment owned, operated, leased or subleased in connection with the operation of the network, and shall include but not be limited to poles, overhead or underground wires, pipes, overhead or underground cables, underground conduits, ducts, manholes, vaults, fiber optic cables, and other structures or appurtenances.

SECTION 2. BASIC GRANT

Licensee is hereby granted a license to construct, maintain, inspect, protect, repair, replace and retain a communications system in, under, upon, along and across the Public Property shown and identified in Exhibit A hereto, subject to the regulatory powers of the City and subject to the conditions hereinafter set forth.

SECTION 3. TERM OF LICENSE

This License shall consist of two separate duration periods, a construction period and a maintenance period. Both periods commence on the execution of the license by both parties.

Construction – Licensee shall have a period of 18 months to put into place the utilities, which Licensee has provided the details on pursuant to other sections of this License.

Maintenance - Licensee shall have the right under this License, after providing proper notice to the City, to maintain/repair its existing utilities. The expansion of (either in geography or in size/capacity) or upgrading of the utility is not considered maintenance/repair.

SECTION 4. FEES REQUIRED

a. Licensee shall pay the City an administrative license fee in the amount of \$2,161.20 (Two Thousand One Hundred and Sixty-One dollars and Twenty cents) for locations of new underground infrastructure, payable upon execution of this License, for use of the public property as shown in Exhibit "A" during the term of this License.

b. If during the term of this License the City enacts an Ordinance requiring compensation from telecommunications providers on a competitively neutral and

nondiscriminatory basis for use of public property Licensee shall within sixty (60) days after request by City pay the fees required by such Ordinance, with the effective date of said ordinance being the starting date for the accrual of fees. Any fees paid during the term of this License, however, shall be credited toward the fees required by the Ordinance. If the Ordinance enacted requires fees for this transaction which are less than \$2,161.20, the City shall refund the excess of \$2,161.20 over the fees required under such Ordinance, provided, however, that in no event shall the amount refunded exceed the sum of \$2,000.00.

SECTION 5. PERMIT PROCESS FOR INSTALLATION, REPAIR, EXTENSION OR EXPANSION OF THE NETWORK

Before commencing any extension or expansion of its system, or any major repair work, or the installation of any new system in the City, the Licensee shall file with the Public Works Department of the City a written statement verifying the Public Property under which or upon which it proposes to extend, expand, install or repair its system. The statement shall be accompanied by a map, plan or specifications showing the proposed location of the system components with reference to streets and alleys and the location of other utilities, the size and dimensions of all facilities, and the distance above or beneath the surface of the ground it is proposed to repair or to lay the same. If the proposed locations of any facilities shall interfere with the reasonable and proper use, construction, reconstruction and maintenance of any public improvements or any existing public utility system component, or other structure upon or under public property, the Public Works Director shall within 30 days after the filing of such plan, map or specifications, note the changes necessary, eliminate all interference with a public improvement or existing public utility system facility and refer the same back to the Licensee for amendment. Such map, plan or specifications, when properly changed and corrected, shall be filed in the Public Works Department, and after the approval of the same by the Public Works Director, a permit shall be issued authorizing the Licensee to proceed in accordance with the approved maps, plans or specifications. No such excavation, construction or erection shall be commenced before the issuance of the permit herein provided for, unless it is an emergency as described in the Newton City Code, and all work shall be in accordance with the approved maps, plans or specifications.

SECTION 6. CONSTRUCTION AND REPAIR OF NETWORK

In the process of location, construction, reconstruction, replacement, or repair of any system component, the excavation or obstruction made or placed in public property at any time or for any purpose by the Licensee shall, to protect the public and to assure the safe and efficient movement of traffic, be properly barricaded to comply, at a minimum, with requirements set forth in the Manual on Uniform Traffic Control Devices (MUTCD). All pavement taken up or damaged or other disturbed areas shall be properly and speedily replaced in accordance with the City's Regulations. As a condition to use of Public Property, the Licensee shall at its own expense repair any private property, utility system component, public improvement or Public Property damaged by such location, construction, reconstruction, replacement or repair work, in a manner reasonably acceptable to City. If the Licensee fails to repair or arrange with the City for the proper repair of any Public Property after excavations have been made, and after seven days' notice in writing to do so is given to its designated representative, the City may make such repairs at the expense of the Licensee.

SECTION 7. EXCAVATIONS

The Licensee is authorized to make excavations in City streets, avenues, alleys and public property for purposes of routine repair, replacement, and maintenance of poles, wires, or other excavations. The Licensee shall obtain a permit pursuant to City Ordinances and Regulations, shall not unnecessarily obstruct the use of streets, avenues, alleys or public places, shall provide the Public Works Director with notice prior to the actual commencement of the work and shall comply with all provisions, requirements, and regulations in accordance with the existing City Ordinance in performing such work. In emergencies which require immediate excavation the Licensee may proceed with the work without first applying for the permit, provided, however, that the Licensee shall apply for and obtain the permit as soon as possible after commencing such emergency work.

If the Licensee fails to comply with the provisions of the City Code the City may repair or restore the public property to a condition as good as the condition of the property prior to the disturbance by the Licensee and the Licensee shall pay the costs of such repair or restoration. The Licensee shall pay to the City its costs and charges for such work within thirty days after receipt of the City's billing.

SECTION 8. WORK BY OTHERS, ALTERATION TO CONFORM WITH PUBLIC IMPROVEMENTS

The City reserves the right to lay, and permit to be laid, wires, pipes, cables, conduits, ducts, manholes and other appurtenances, and to do, or permit to be done, any underground and overhead installation or improvement that may be deemed necessary or proper by the City in, across, along, over or under any public property occupied by the Licensee and to change any curb or sidewalk or the grade of any street. In permitting others to do such work the City shall not be liable to the Licensee for any damages arising out of the performance of such work by other parties. Nothing in this License shall be construed as to relieve any other person or corporation from liability for damage to the Licensee's facilities.

SECTION 9. LICENSEE CONTRACTORS

The requirements of the License shall apply to all persons, firms or corporations performing work for the Licensee under a contract, subcontract or other type of work order.

SECTION 10. CONDITIONS OF STREET OCCUPANCY

This fiber optic cable systems and other components of the facilities erected by the Licensee within the City shall conform to established grades of streets, alleys, and sidewalks, and be so located as to cause minimum interference with other public utilities located in or upon public property, and to cause minimum interference with the rights or reasonable convenience of property owners who adjoin public property.

The Licensee shall conduct its work hereunder in such manner as to cause as little interference as possible with pedestrian and vehicular traffic, and shall abide by scheduling directions, if any, given by the Public Works Director.

The Licensee shall, upon reasonable notice and at its sole cost and expense, remove, locate and relocate its facilities in, on, over or under public property in such manner as the City may at any time require for the purpose of facilitating the construction, reconstruction,

maintenance, repair or change in grade of any public improvement on, in or about any such public property, for the purpose of promoting the efficient operation of any such improvement, or for the purposes of facilitating the vacation and/or redevelopment of public right-of-way by the City. In the event the Licensee fails to act within a reasonably allocated time, the City may cause the Licensee facilities to be relocated or removed, and the costs thereof shall be to the Licensee and shall be paid as provided in Section 6 hereof.

The Licensee shall not place its facilities in the public property where the same will interfere with the normal use or maintenance of any public improvement including but not limited to streets, alleys, sidewalks, traffic control devices, sanitary sewers, storm sewers, storm drains or water mains, or electrical transmission lines, or any public utility facility.

Upon request, the Licensee agrees to assist in locating underground facilities which are part of its system. Such assistance will be provided in a timely manner, but not more than forty-eight hours after the time of request. As a condition of this License the Licensee shall enroll as a member of the 'Iowa One-Call System' and shall respond to all requests and notifications placed to the toll free 'One-Call' number.

Installation, repair, or replacement work completed by the Licensee on any facilities requiring excavation of public property or public right-of-way shall require restoration and replacement of surface vegetation with sod in conformance with city ordinances and in accordance with standard local practices for placing sod.

SECTION 11. POWERS OF CITY

Nothing in this License shall be construed to abridge the right or power of the City to make further regulations relative to the use of the streets, alleys and public grounds by anyone using the same for the erection and maintenance of utility systems.

SECTION 12. PLANS AND COORDINATION

Upon completion of the work the Licensee shall promptly furnish to the City copies of 'as-built' plans related to its facilities located on Public Property.

The Licensee shall keep complete and accurate maps and records on the locations and operations of its facilities in connection with this License.

SECTION 13. VIOLATIONS OF LICENSE

Upon evidence being received by the City that a violation or breach of this License or violation of codes or ordinances lawfully regulating the Licensee in the operation of its facilities, or in the use of public property therefore is occurring or has occurred, (hereinafter referred to as a "default") the City shall cause an investigation to be made. If the City finds that a default exists or has occurred the City may take appropriate steps to secure compliance with the terms of this License or the codes or ordinances.

The City shall notify the Licensee of the default and the Licensee shall cure such default within thirty days after receipt of such notice; provided, however, where any such default cannot reasonably be cured within such thirty (30) day period, if Licensee shall proceed promptly to cure the same and prosecute such cure with due diligence, the time for

curing such default shall reasonably be extended for such period of time as may be necessary to complete such cure, as mutually agreed upon by the parties.

If the Licensee fails to cure a default within the time allowed the City shall have the right to:

- (i) seek specific performance; or
- (ii) remedy the default by doing the act itself, or through a contractor, and charge the costs of such work to the Licensee; or
- (iii) seek damages for such default; or
- (iv) any combination of (i), (ii) and (iii).

SECTION 14. LIABILITY, INDEMNIFICATION AND INSURANCE

The Licensee covenants to indemnify, defend, and save the City and its officers, agents and employees, harmless from any and all damages arising directly from the exercise of the rights granted herein. The Licensee agrees to require contractors and subcontractors engaged in work for the Licensee within the public rights-of-way or on public property to maintain in effect during the term of work liability insurance in comprehensive form and in the amounts to be set by the City. Licensee agrees to accept the risk of having its communications systems and equipment upon the public right-of-way, including the possible risk of damage or injury to its system or equipment, and agrees to release and discharge the City of any liability for damage or injury to Licensee's equipment, except to the extent caused by the City's gross negligence. In no event shall the City be liable for any consequential damages arising out of any damage or injury to Licensee's equipment placed in the right-of-way.

SECTION 15. SEVERABILITY

In the event that a court of competent jurisdiction shall adjudge any provision or provisions hereof invalid or illegal, or direct a change by the Licensee in any matter or thing herein contained, such invalidity or illegality or change shall in no way affect the remaining provisions of this License or their validity or legality, and this License in all other respects shall continue in full force and effect, as if said provision or provisions had not been so adjudged invalid or illegal, or such change had not been directed, or shall at the City's option, cause a termination of this License.

SECTION 16. ASSIGNMENT

Neither party shall assign or otherwise transfer this License or any of its rights and interest to any firm, corporation or individual without the prior written consent of the other party, except either party shall have the right to assign, convey or otherwise transfer its rights, title, interest and obligations under this License, in whole or in part, to any entity controlled by, controlling or under common control with a party hereto, or any entity into which a party may be merged or consolidated or which purchases all or substantially all of the assets of such party, or any lease, sublease, indefensible right of use, or sale or transfer of, conduit, fiber or similar facilities with Licensee's telecommunication system to any third party users of such facilities.

SECTION 17. VACATION OF STREETS AND ALLEY

So long as the Licensee exercises the rights granted to it hereunder the City will not, by

ordinance or otherwise, vacate any street, alley or public way in which the Licensee has installed its facilities without reserving such rights as necessary to allow continued use of such property for the said facilities in accordance with the terms of this License, provided that nothing herein shall limit the City's right to require the Licensee to relocate its facilities as provided in Section 10 hereof.

SECTION 18. DELIVERY OF NOTICES

Except as may be expressly provided herein, any notices hereunder shall be in writing and shall be delivered via certified mail and addressed as follows, unless indicated otherwise in the future:

If to City:

Newton Public Works Director
403 W 4th St N - Suite 501
Newton, Iowa 50208

If to Licensee:

Windstream Iowa Communications, LLC
4001 N Rodney Parham Rd.
Little Rock, AR 72212

Provided, however, that in the case of an emergency, notices may be given verbally to the above named persons. In such case written confirmation should be provided. Nothing contained herein shall prevent other forms of notice if actually received by the addressee. Notice shall be deemed given on the date of mailing in done by certified mail, or otherwise on the date actual notice is received.

SECTION 19. TELECOMMUNICATIONS ACT

This License is subject to all applicable federal, state and local laws, regulations and orders of governmental agencies as amended, including but not limited to the Communications Act of 1934 as amended, the Telecommunications Act of 1996 as amended and the Rules and Regulations of the FCC. Neither City nor Licensee waive any rights they may have under any such laws, rules or regulations.

This LICENSE is entered into as of the _____ day of _____, 20____.

LICENSEE

CITY OF NEWTON

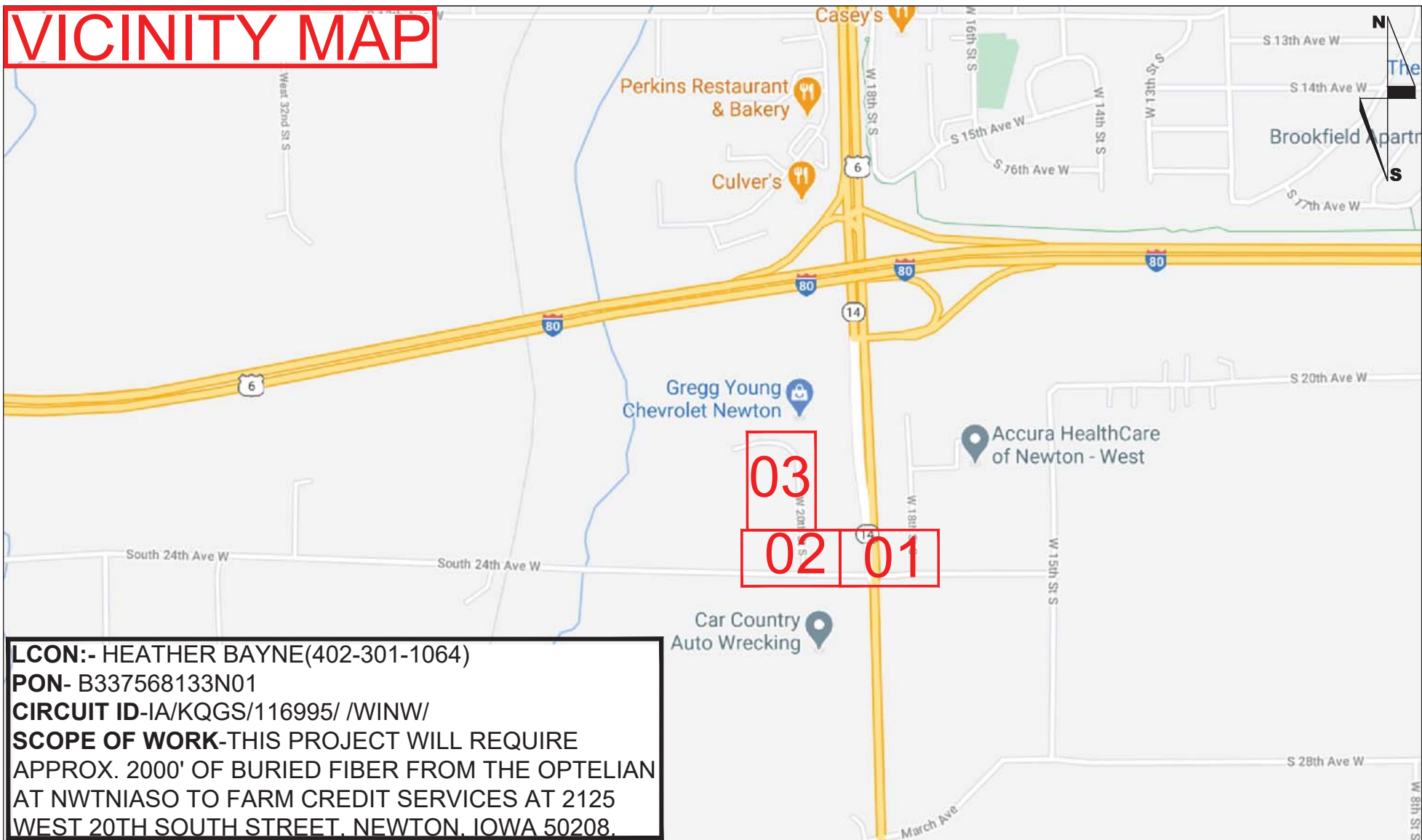
By: _____

By: _____
Michael L. Hansen, Mayor

Title: _____

Attest: _____
City Clerk

VICINITY MAP



LCON:- HEATHER BAYNE(402-301-1064)
PON- B337568133N01
CIRCUIT ID-IA/KQGS/116995/ /WINW/
SCOPE OF WORK-THIS PROJECT WILL REQUIRE APPROX. 2000' OF BURIED FIBER FROM THE OPTELIAN AT NWTNIAO TO FARM CREDIT SERVICES AT 2125 WEST 20TH SOUTH STREET. NEWTON. IOWA 50208.

ADDRESS:-2125 W 20TH ST S NEWTON, IA,50208
 JASPER COUNTY,IA
 PERMIT REQUIRED - COUNTY, IA DOT & CITY
 LOCATE ALL FACILITIES PRIOR TO DIGGING
 IA - IOWA ONE CALL - 811 - 1800-292-8989

SCALE: NTS



ENGINEER: WINDSTREAM - OTTO BRIAN
FIELD ENGINEER: PEARCE SERVICES KEVIN KANNUAN
DRAWN BY: PEARCE SERVICES CHHAVIKANT SIWACH

PROJECT: 713402213
PROJECT TITLE: CW20154947

EXCHANGE: NWTNIAOX
SHEET: VICINITY MAP **DATE:** 12/11/2020



EXCHANGE	NWTNIAXC			W.O. #713402213
W.O.TITLE	CW20154947			
	SHEET # 01	SHEET # 02	SHEET # 03	TOTAL
UNIT CODE:	EST. QUANTITY	EST. QUANTITY	EST. QUANTITY	EST. QUANTITY
HO1(B)	2		12	14
HBFO(48)	1			1
BFOV(1)(1.25)T	10			10
PM21F(24)130	1			1
BM2P	1		1	2
BM60(1)(1.25)PF>100	200	170	618	988
BFO48I	200	170	1094	1464
BM53F	1	1	1	3
BFO48	1130			1130
PM21F			1	1
PM21FW(12)200			1	1
FIBERTEST&TAG			2	2
XXBD			1	1
BDO			1	1
BM2			1	1

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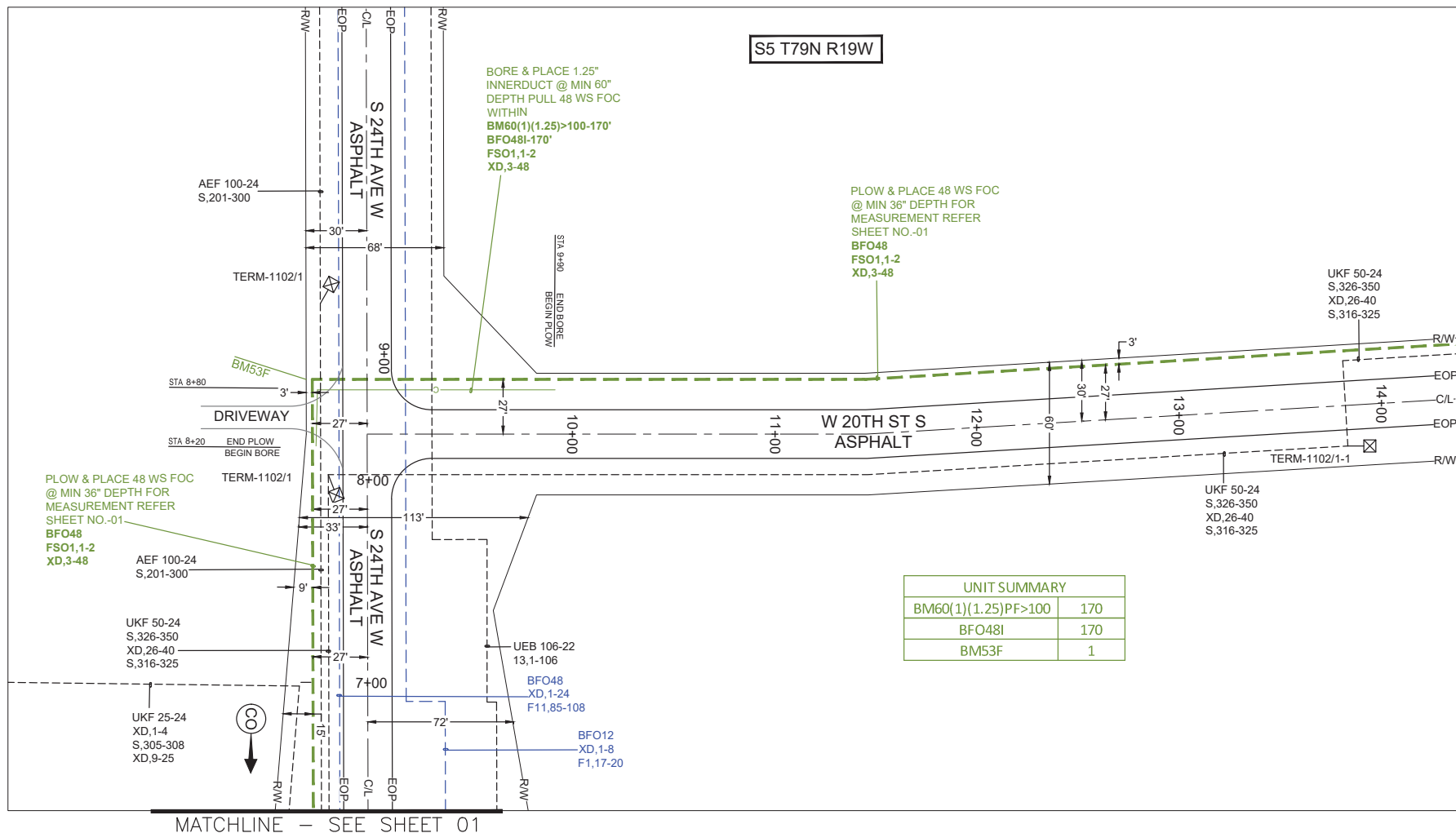


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 DRAWN BY: PEARCE SERVICES CHHAVIKANT SIWACH

PROJECT: 713402213
 PROJECT TITLE: CW20154947

EXCHANGE: NWTNIAXC
 SHEET: UNIT SUMMARY DATE: 12/11/2020





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SCALE: 1:50



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DRAWN BY: PEARCE SERVICES CHHAVIKANT SIWACH

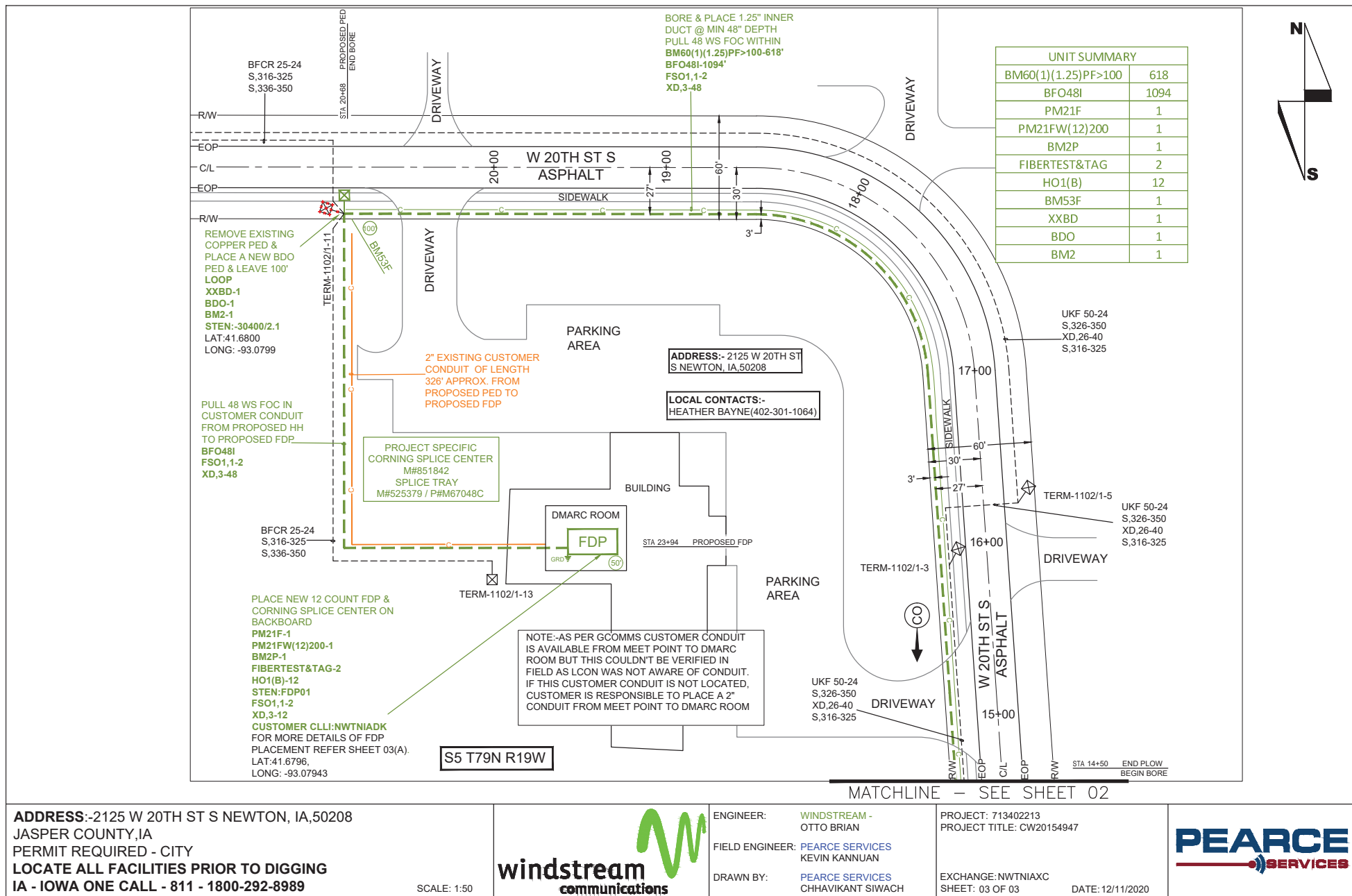
PROJECT: 713402213
PROJECT TITLE: CW20154947

EXCHANGE: NWTNIXC
SHEET: 02 OF 03

DATE: 12/11/2020

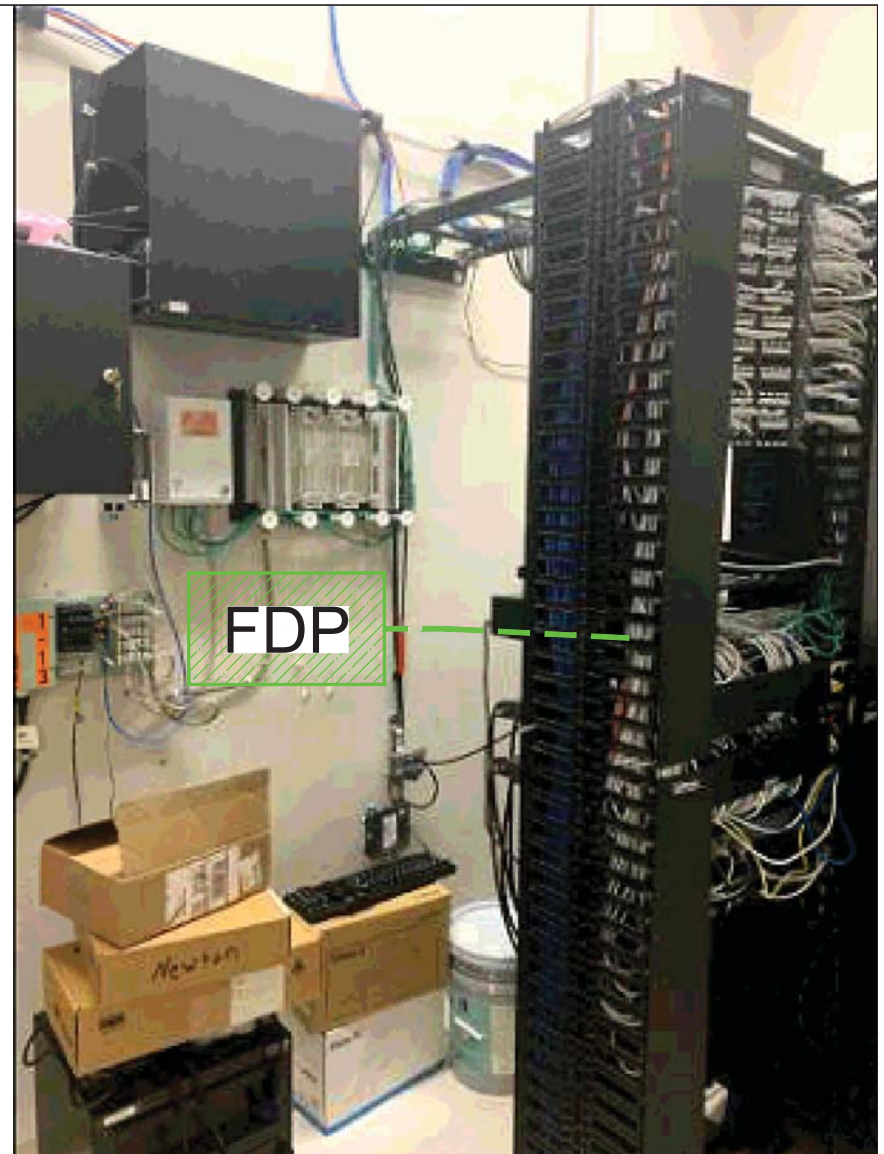


MATCHLINE - SEE SHEET 03



ADDRESS:- 2125 W 20TH ST
S NEWTON, IA,50208

LOCAL CONTACTS:-
HEATHER BAYNE(402-301-1064)



ADDRESS:-2125 W 20TH ST S NEWTON, IA,50208
JASPER COUNTY,IA
PERMIT REQUIRED - NO
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SCALE: NTS



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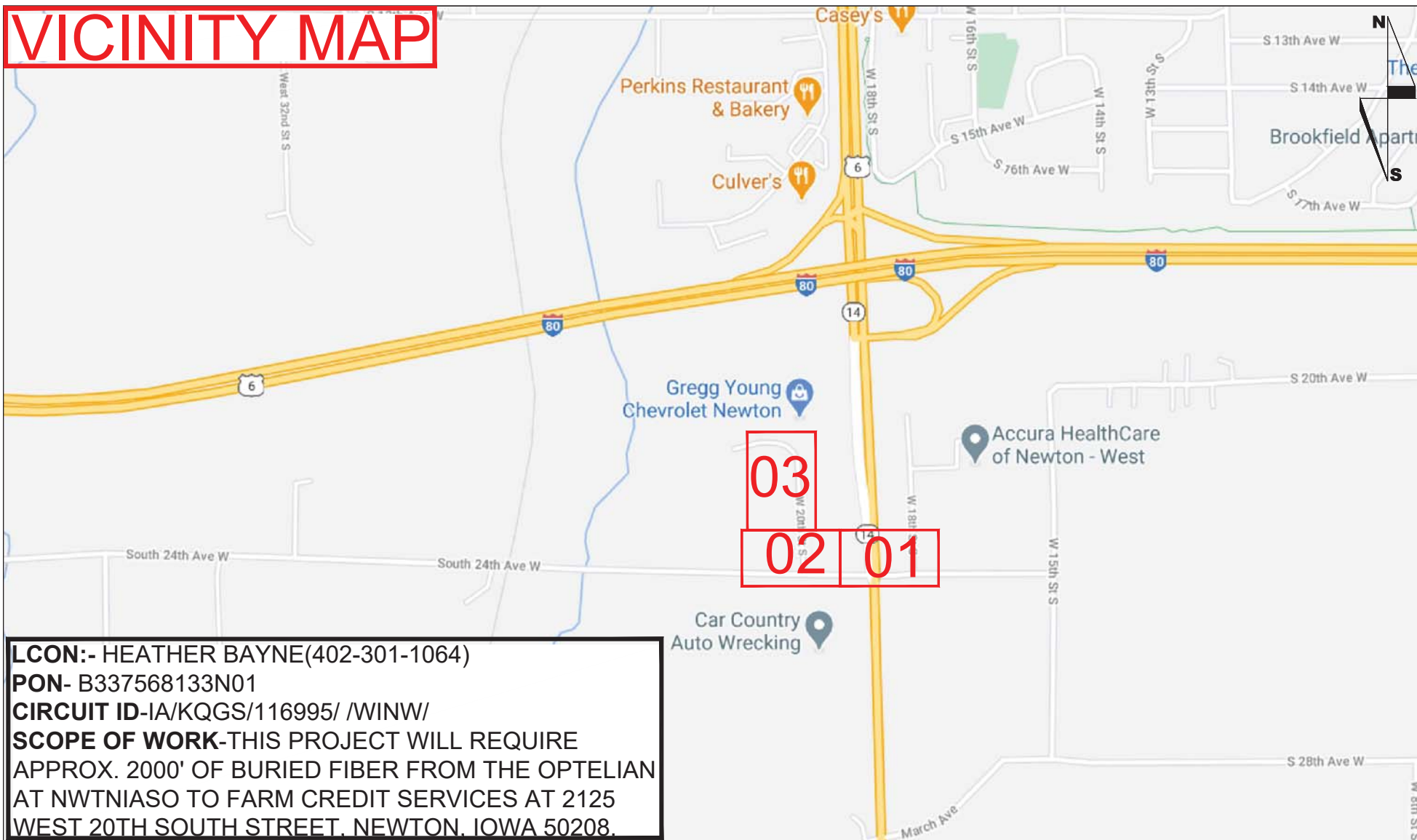
PROJECT: 713402213
PROJECT TITLE: CW20154947

EXCHANGE: NWTNIXC
SHEET: 03(A) OF 03

DATE: 12/11/2020



VICINITY MAP



LCON:- HEATHER BAYNE(402-301-1064)
PON- B337568133N01
CIRCUIT ID-IA/KQGS/116995/ /WINW/
SCOPE OF WORK-THIS PROJECT WILL REQUIRE APPROX. 2000' OF BURIED FIBER FROM THE OPTELIAN AT NWTNIAO TO FARM CREDIT SERVICES AT 2125 WEST 20TH SOUTH STREET. NEWTON. IOWA 50208.

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PROJECT TITLE: CW20154947

EXCHANGE: NWTNIAOX
SHEET: VICINITY MAP **DATE:** 12/11/2020



EXCHANGE	NWTNIAXC			W.O. #713402213
W.O.TITLE	CW20154947			
	SHEET # 01	SHEET # 02	SHEET # 03	TOTAL
UNIT CODE:	EST. QUANTITY	EST. QUANTITY	EST. QUANTITY	EST. QUANTITY
HO1(B)	2		12	14
HBFO(48)	1			1
BFOV(1)(1.25)T	10			10
PM21F(24)130	1			1
BM2P	1		1	2
BM60(1)(1.25)PF>100	200	170	618	988
BFO48I	200	170	1094	1464
BM53F	1	1	1	3
BFO48	1130			1130
PM21F			1	1
PM21FW(12)200			1	1
FIBERTEST&TAG			2	2
XXBD			1	1
BDO			1	1
BM2			1	1

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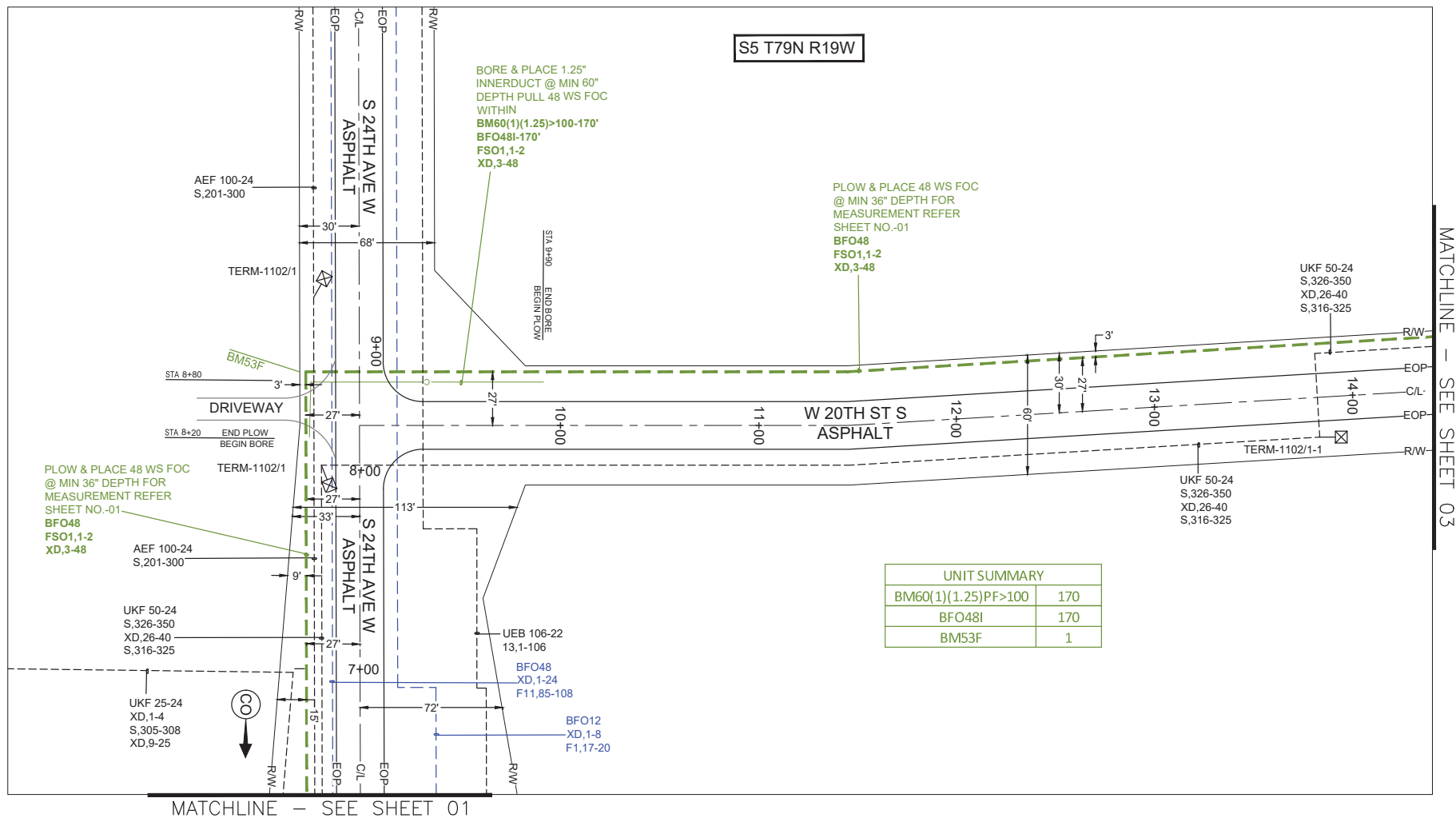


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PROJECT: 713402213
 PROJECT TITLE: CW20154947

EXCHANGE: NWTNIAXC
 SHEET: UNIT SUMMARY DATE: 12/11/2020





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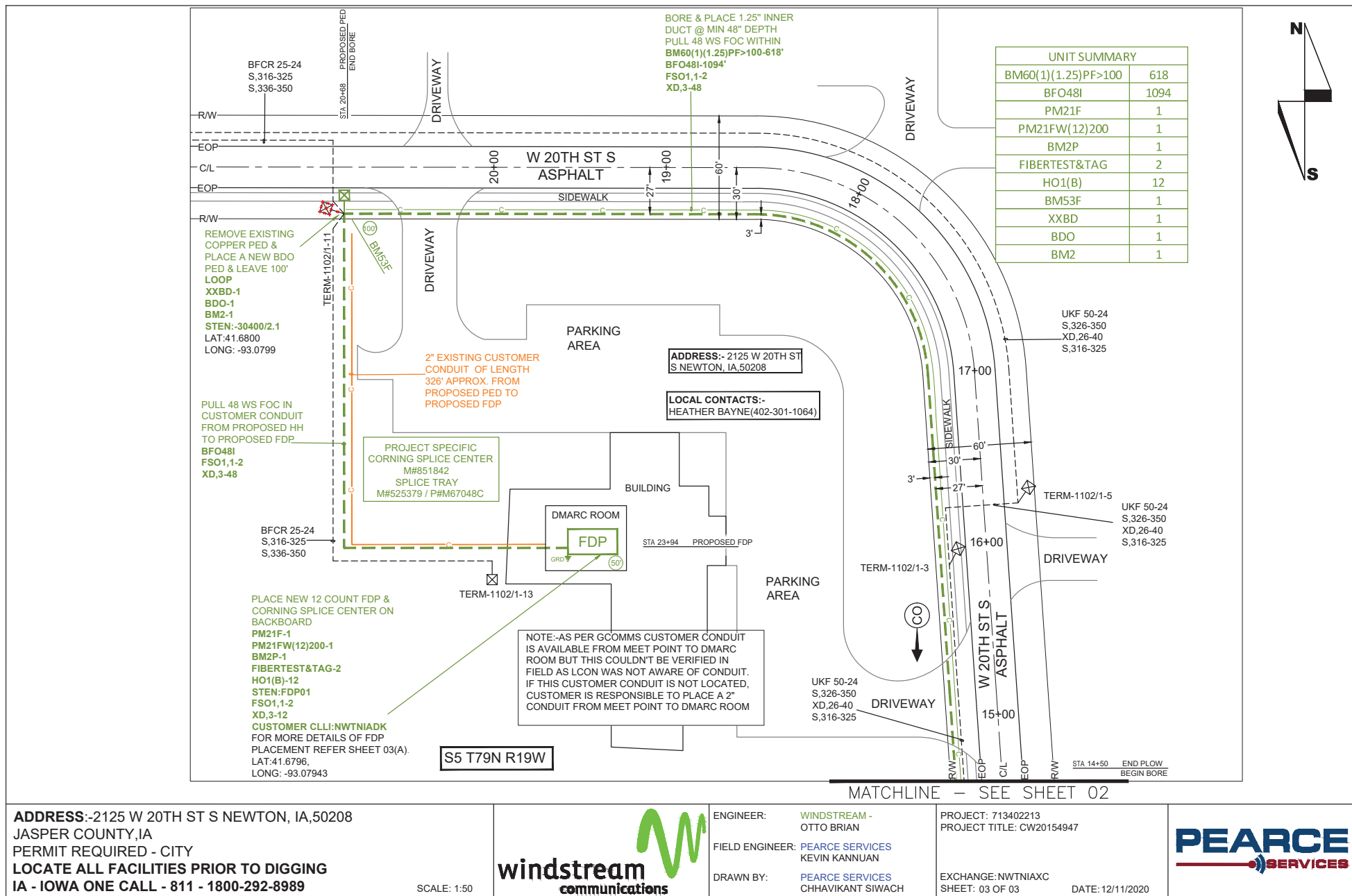
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PROJECT: 713402213
PROJECT TITLE: CW20154947

EXCHANGE: NWTNIXC
SHEET: 02 OF 03

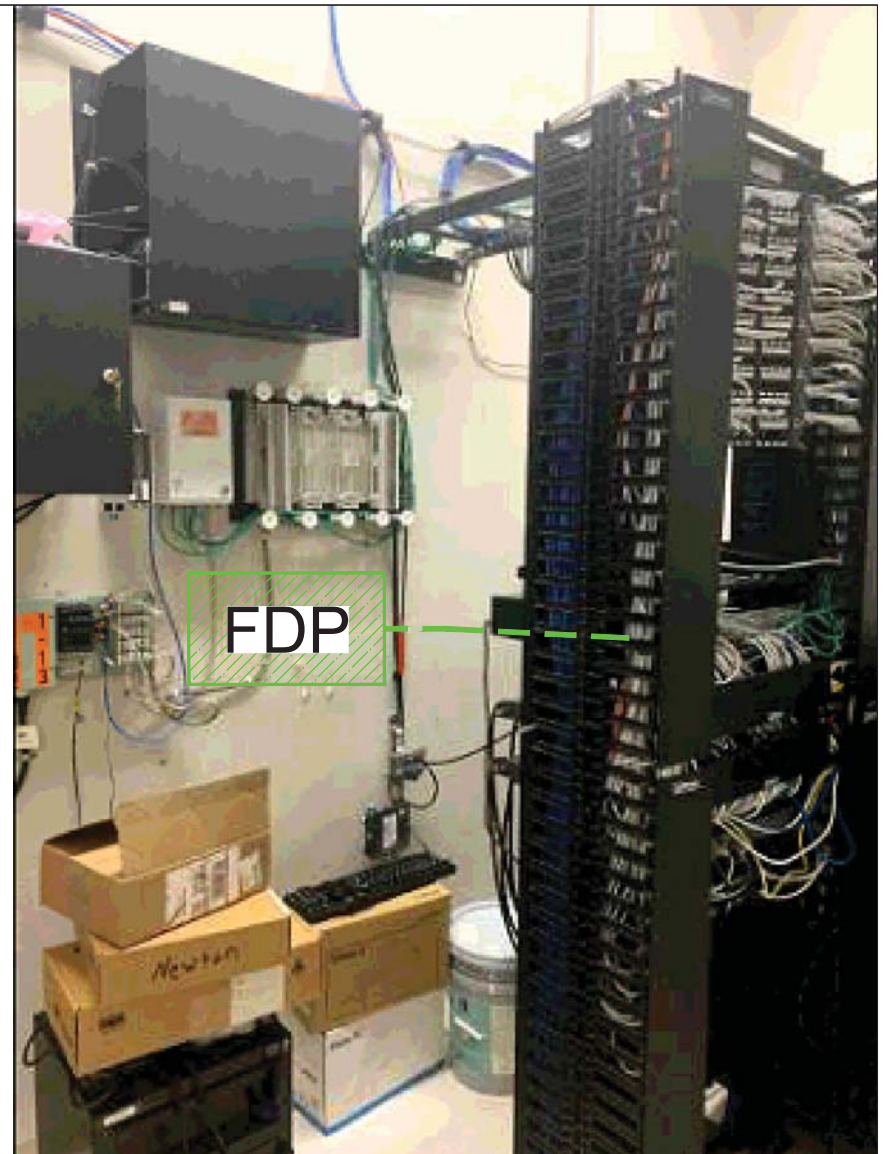
DATE: 12/11/2020





ADDRESS:- 2125 W 20TH ST
S NEWTON, IA,50208

LOCAL CONTACTS:-
HEATHER BAYNE(402-301-1064)



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JASPER COUNTY,IA
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SCALE: NTS



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FIELD ENGINEER: PEARCE SERVICES KEVIN KANNUAN
DRAWN BY: PEARCE SERVICES CHHAVIKANT SIWACH

PROJECT: 713402213
PROJECT TITLE: CW20154947

EXCHANGE: NWTNIXC
SHEET: 03(A) OF 03

DATE: 12/11/2020



City of Newton Council Report

**Item:**

Resolution accepting completion of the 2020 Tree Removal Project No. 6 – Newton Parks Misc.

Report Number: 21-010

Summary:

Accept completion of a contract to complete the removal of, or trimming on, 72 trees in the Adult Softball Complex, Hillcrest, Sunset and Woodland Park.

Date:

January 18, 2021

Lead Department:

Public Works

Financial Impact:

Council previously approved a contract for \$79,980.00 on October 19, 2020; and this action would accept the project and authorize payment of the retainage amount of \$3,999.00.

Recommendation:

Approve

Background:

The Derecho Storm on Monday August 10, 2020 devastated trees located within the Maytag Park. The damaged trees created a safety hazard to park guests, and also left an unsightly appearance.

This project included the complete removal of, or trimming work on, 72 trees in the Adult Softball Complex, Hillcrest, Sunset and Woodland Parks. Tree removal on this scale would require more time and equipment than City of Newton staff possess.

City Council passed a resolution on October 19, 2020 awarding a contract to Joe Hindman of Prairie City, Iowa in the amount of \$79,980.00. The Public Works Director has signed the Statement of Completion Form stating that the project has been substantially completed in general compliance with the terms, conditions and stipulations of said contract. The final contract amount, based on actual measured quantities of work completed is \$79,980.00

Recommendation:

City staff recommends accepting the completion of the 2020 Tree Removal Project No. 6 – Newton Parks Misc. and authorizing the retainage amount of \$3,999.00 to be paid to the contractor no sooner than 30 days after approval of this resolution should no claims be on file.

Matt Muckler
City Administrator

RESOLUTION 2021- _____

**RESOLUTION ACCEPTING COMPLETION OF THE 2020 TREE
REMOVAL PROJECT NO. 6 – NEWTON PARKS MISC.**

WHEREAS, the Derecho Storm on Monday August 10, 2020 devastated trees located within several Newton parks; and

WHEREAS, the damaged trees created a safety hazard to park guests, and also left an unsightly appearance; and

WHEREAS, this project included the complete removal of, or trimming work on, 72 trees in the Adult Softball Complex, Hillcrest, Sunset and Woodland Park; and

WHEREAS, tree removal on this scale would require more time and additional equipment than City of Newton staff possess; and

WHEREAS, after Community Services staff identified the trees needing removed and trimmed, plans and specifications for the proposed 2020 Tree Removal Project No. 6 – Newton Parks Misc. were placed out to bid; and

WHEREAS, bids were received and opened on October 13, 2020; and

WHEREAS, the City Council of the City of Newton awarded a contract to Joe Hindman of Prairie City, Iowa in the amount of \$79,980.00 on October 19, 2020 for the 2020 Tree Removal Project No. 6 – Newton Parks Misc.; and

WHEREAS, Joe Hindman has completed their work, and the Public Works Director has signed the Statement of Completion Form stating that the project has been substantially completed in general compliance with the terms, conditions, and stipulations of said contract.

WHEREAS, the final contract amount, based on actual measured quantities of work completed, is \$79,980.00 which will be paid utilizing FEMA reimbursement for 75% at \$59,985.00; State reimbursement 10% at \$7,998.00; and the remaining \$11,997.00 will be paid from City of Newton Capital funds.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Newton, Iowa that the City of Newton hereby accepts completion of the project, and authorizes the Public Works Director to execute payment of the retainer in the amount of \$3,999.00 to Joe Hindman no sooner than 30 days after approval of this resolution, should no claims be on file.

PASSED this _____ day of January, 2021.

APPROVED this _____ day of January, 2021.

Michael L. Hansen, Mayor

ATTEST:

Katrina Davis, City Clerk

City of Newton Council Report

**Item:**

Resolution approving change order #1 for the Iowa Speedway Drive Restoration Project (400-1400 Blocks).

Report Number: 21-011

Summary:

Approving change order #1 to Manatt's Inc. for the Iowa Speedway Dr. Restoration Project.

Date:

January 18, 2021

Lead Department:

Public Works

Financial Impact:

Council previously approved a contract for \$1,281,154.61 on August 6, 2018; the action would approve a change order for an additional \$74,409.92. STP projects are 80% federal funded with 20% local match. Making the Cities share of this change order \$14,881.98. Local match shall be paid from residual 2018-A bond funds and the remaining from RUT funds.

Recommendation:

Approve

Background:

Iowa Speedway Dr. has been identified as needing pavement restoration in the Community Investment Plan. Iowa Speedway Dr. is a federal-aid classified road in Newton and is qualified to receive Surface Transportation Program (STP) funds from the Federal Highway Administration. STP projects are 80% federal funded with 20% local match

During construction there were a number of items that were either unforeseen in the design of this project, overran the estimated quantity or are incentives required per Iowa DOT specifications which requires a change order to the contract. This is very standard for a project of this size and complexity. This change order only accounts for 5.81% of the total project cost.

Change order items are as follows:

0030 - Remove Bid Item 2121-742502 Granular Shoulders, Type B

Class A crushed stone meeting Grad. #11 was specified in the contract documents. Contractor proposed using recycled PCC meeting Grad. #11 at a lower per ton price for the base lift and the Class A crushed stone for the surface lift. The original bid item will be removed and two new bid items (one for base material and one for surface material) will be added.

0060 - Adjust Bid Item 2310-5151040 PCC Overlay, Furnish Only

Item overran by 26% due to imperfections in roadway surface and the need to maintain a minimum overlay thickness of 7 inches.

0120 - Adjust Bid Item 2515-2475008 Driveway, PCC, 8 IN.

Item overran by 30% due to the addition of one additional driveway for new commercial building that was started after the construction plans were completed and for one driveway to be lengthened to improve performance.

8001 - Add Bid Item 2121-742502 Granular Shoulders, Type B, Base

Replace Line Item 0030 which was removed to modify the specified material

8002 - Add Bid Item 2121-742502 Granular Shoulders, Type B, Surface

Replace Line Item 0030 which was removed to modify the specified material

8004 - Add Bid Item 6100-2301010 PCC Cold Weather Protection

Per Specifications Cold Weather Protection was required

8005 - Add Bid Item 2599-9999010 Asphalt Milling Traffic Wedge

Asphalt millings were needed to construct a wedge to allow traffic up onto the new PCC overlay surface from a heavily traveled side road.

8006 - Add Bid Item 2316-0000110 Payment Adjustment Incentive For PCC Pavement Smoothness (By Schedule)

Pavement Smoothness Incentive required per specifications

This project is qualified to receive Surface Transportation Program (STP) funds from the Federal Highway Administration. STP projects are 80% federal funded with 20% local match. Making the Cities share of this change order \$14,881.98. Local match shall be paid from residual 2018-A bond funds and the remaining from RUT funds.

After review of the change orders, City staff recommends approval of the change order #1 from Manatt's Inc. of Brooklyn, IA in the amount of \$74,409.92.

Recommendation:

City staff recommends approving change order #1 from Manatt's Inc. of Brooklyn, Iowa.

A handwritten signature in dark ink, appearing to read "Matt Muckler". The signature is fluid and cursive, with the first name "Matt" and last name "Muckler" clearly distinguishable.

Matt Muckler
City Administrator

RESOLUTION 2021- _____

**RESOLUTION APPROVING CHANGE ORDER #1 FOR THE
IOWA SPEEDWAY DRIVE RESTORATION PROJECT (400-1400
BLOCKS)**

WHEREAS, Iowa Speedway Dr. has been identified as needing pavement restoration in the Community Investment Plan. Iowa Speedway Dr. is a federal-aid classified road in Newton and is qualified to receive Surface Transportation Program (STP) funds from the Federal Highway Administration. STP projects are 80% federal funded with 20% local match; and

WHEREAS, during construction there were a number of items that were either unforeseen in the design of this project, overran the estimated quantity or are incentives required per Iowa DOT specifications which requires a change order to the contract. This is very standard for a project of this size and complexity. This change order only accounts for 5.81% of the total project cost; and

WHEREAS, this project is qualified to receive Surface Transportation Program (STP) funds from the Federal Highway Administration. STP projects are 80% federal funded with 20% local match. Making the Cities share of this change order \$14,881.98. Local match shall be paid from residual 2018-A bond funds and the remaining from RUT funds.

NOW, THEREFORE, BE IT RESOLVED, that change order #1 to Manatt's Inc. of Brooklyn, IA in the amount of Seventy-Four Thousand, Four Hundred and Nine Dollars and Ninety-Two Cents (\$74,409.92) for the Iowa Speedway Drive Restoration Project (400-1400 Blocks), is hereby accepted.

PASSED this _____ day of January, 2021.

APPROVED this _____ day of January, 2021.

Michael L. Hansen, Mayor

ATTEST:

Katrina Davis, City Clerk

City of Newton Council Report

**Item:**

Resolution approving change order #2 for the 1st Ave E (Hwy 6) HMA Resurfacing Project.

Report Number: 21-012

Summary:

Approving change order #1 to InRoads LLC for the 1st Ave E (Hwy 6) HMA Resurfacing Project.

Date:

January 18, 2021

Lead Department:

Public Works

Financial Impact:

Council previously approved a contract for \$770,818.87 on October 19, 2020; the action would approve a change order for an additional \$42,449.32.

Recommendation:

Approve

Background:

The section of 1st Ave E from the 1300 Block to E 28th Street was last overlaid with asphalt pavement in 1987 and is in need of new surfacing. Along with resurfacing, the 1st Ave corridor between E 14th St and Iowa Speedway Dr. is in need of a continuous sidewalk for pedestrian use. The proposed 5-foot wide sidewalk will be constructed on the south side of 1st Ave E to E 28th St S. Beginning at E 28th St S the sidewalk will transition to an 8-foot wide hike & bike trail, which will be the continuation of an on-street bike path from Aurora Park.

During construction there were a number of items that were either unforeseen in the design of this project or are incentives required per Iowa DOT specifications which requires a change order to the contract. This is very standard for a project of this size and complexity. This change order only accounts for 5.51% of the total project cost.

Change order items are as follows:

8002 Add bid item 2101-0850002 CLEARING AND GRUBBING

To keep current sidewalk alignment an existing tree on city property needed to be removed and the stump ground to below grade.

8003 Add bid item 2518-6910000 SAFETY CLOSURE

During milling operations a large number of motorists ignored traffic control and road closed signs and entered the work zone putting construction personnel and themselves at risk. To ensure traffic is kept out of the work zone during paving operations safety closures meeting DOT Specification Section 2518 are proposed for the BOP and EOP, all side streets and all businesses with side street and 1st Ave/ Hwy 6 entrances.

8004 Add bid item 2212-5075001 HOT MIX ASPHALT SURFACE PATCHES

Surface patching was required after milled surface began to deteriorate causing a hazard condition for vehicular traffic. Additional patching completed prior to paving to help ensure the roadway does not fail prematurely

8005 Add bid item 2512-175206 CURB & GUTTER, PCC, 2.0'

Replace missing curb at two locations

8006 Add bid item 2303-7000610 PAY ADJUSTMENT INCENTIVE-HMA MIXTURE LAB VOIDS

Payment incentive for HMA Mixture Laboratory Voids per Iowa DOT Specifications

8007 Add bid item 2303-7000620 PAY ADJUSTMENT INCENTIVE-HMA MIXTURE FIELD VOIDS

Payment incentive for HMA Mixture Field Voids per Iowa DOT Specifications

Per the project funding agreements \$14,480.96 of the change order will be the Cities responsibility and will be paid using federal aid SWAP funds with no local match. The remaining cost will be paid from the Iowa DOT's committed share of \$600,000.00

Change Order No. 1 had been previously processed for temporary pavement markings that are to be paid 100% by the Iowa DOT.

After review of the change orders, City staff recommends approval of the change order #2 from InRoads, LLC of Des Moines, Iowa in the amount of \$42,449.32.

Recommendation:

City staff recommends approving change order #2 from InRoads, LLC of Des Moines, Iowa.

A handwritten signature in black ink, appearing to read "Matt Muckler".

Matt Muckler
City Administrator

RESOLUTION 2021- _____

**RESOLUTION APPROVING CHANGE ORDER #2 FOR THE 1ST
AVE E (HWY 6) HMA RESURFACING PROJECT**

WHEREAS, the section of 1st Ave E from the 1300 Block to E 28th Street was last overlaid with asphalt pavement in 1987 and is in need of new surfacing. Along with resurfacing, the 1st Ave corridor between E 14th St and Iowa Speedway Dr. is in need of a continuous sidewalk for pedestrian use; and; and

WHEREAS, during construction there were a number of items that were either unforeseen in the design of this project or are incentives required per Iowa DOT specifications which requires a change order to the contract. This is very standard for a project of this size and complexity. This change order only accounts for 5.51% of the total project cost; and

WHEREAS, per the project funding agreements \$14,480.96 of the change order will be the Cities responsibility and will be paid using federal aid SWAP funds with no local match. The remaining cost will be paid from the Iowa DOT's committed share of \$600,000.00; and

WHEREAS, change Order No. 1 had been previously processed for temporary pavement markings that are to be paid 100% by the Iowa DOT.

NOW, THEREFORE, BE IT RESOLVED, that change order #2 to InRoads, LLC of Des Moines, IA in the amount of Forty-Two Thousand, Four Hundred and Forty-Nine Dollars and Thirty-Two Cents (\$42,449.32) for the 1st Ave E (Hwy 6) HMA Resurfacing Project, is hereby accepted.

PASSED this _____ day of January, 2021.

APPROVED this _____ day of January, 2021.

Michael L. Hansen, Mayor

ATTEST:

Katrina Davis, City Clerk

City of Newton Council Report

Item: Resolution setting a public hearing and inviting proposals for the sale of property at 602 East 13th Street North.

Summary: The City acquired 602 East 13th Street North through the D&D program. The home is of a quality that could be rehabilitated. In order to sell the property, City Council must first set a public hearing to consider proposals from the public.

Financial Impact: No cost.



Report Number: 21-013

Date: January 18, 2021

Lead Department: Community Development Department

Recommendation:
Approve

Summary: The City acquired 602 East 13th Street North through the D&D program. There has been expressed interest in the property as a rehabilitation project. Staff believes the property is of a quality where it should be rehabilitated rather than demolished. A new foundation would be necessary as part of a rehabilitation.

Iowa Code Chapter 364.7 requires cities to set public hearings before disposing of any property. Public notice would then be published in the *Newton Daily News* and all interested parties would be able to submit proposals.

The attached Resolution sets a public hearing for the regular Council meeting on February 1, 2020 for the sale of property at 602 East 13th Street North. Proposals will be accepted until 4:00 pm on January 29th.

Recommendation:

City Staff recommends approval.

A handwritten signature in black ink, appearing to read "Matt Muckler".

Matt Muckler
City Administrator

RESOLUTION NO. 2021 – _____

**RESOLUTION SETTING A PUBLIC HEARING AND INVITING PROPOSALS FOR
THE SALE OF PROPERTY AT 602 EAST 13TH STREET NORTH IN NEWTON**

WHEREAS, the City of Newton owns property located at 603 East 13th Street North, Newton, legally described as: LOT 14, BLOCK C, EMERSON HOUGH PLACE SUBDIVISION, CITY OF NEWTON, JASPER COUNTY, IOWA

WHEREAS, said real estate is not needed for public purposes, and

WHEREAS, Iowa Code Chapter 364.7 requires cities to set and hold a public hearing before selling or disposing of real estate, and,

NOW, THEREFORE, BE IT RESOLVED by the City Council of Newton, Iowa:

Section 1: That the Public Notice in substantially the following form shall be given that a Public Hearing be held at 6:00 pm on February 1, 2021, in the City Council Chambers of City Hall, 101 West 4th Street South, and/or via Zoom to consider the sale of property at 602 East 13th Street North in Newton:

PUBLIC NOTICE

The City Council of Newton, Iowa will hold a Public Hearing at 6:00 p.m. on February 1, 2021, at City Hall, 101 West 4th Street South, and/or via Zoom to consider proposals for purchase of the property located at 602 East 13th Street North, Newton. The property is legally described as: LOT 14, BLOCK C, EMERSON HOUGH PLACE SUBDIVISION, CITY OF NEWTON, JASPER COUNTY, IOWA. Proposals shall be submitted by 3:00 p.m., January 29, 2021, to the Newton Community Department; 403 West 4th Street North, Suite 501; Newton, Iowa 50208. Additional information about the property and the process for submitting a proposal is available at the Community Development Department, (641)-792-6622. The City Council will consider all proposals received, but reserves the right to reject any or all proposals received or to accept any proposal it deems in the best public interest. At said Hearing, interested persons may be heard in support of or opposition to said sale or the price or terms of a proposed agreement.

Section 2: That following the Public Hearing, City Council may select the proposal to purchase the described property which is in the best interest of the City Newton and shall thereafter sell said property at the price and under such terms as it shall determine, subject to an Agreement for Purchase with the selected Purchaser.

PASSED this _____ day of January 2021.

APPROVED this _____ day of January 2021.

Michael L. Hansen, Mayor

ATTEST:

Katrina Davis, City Clerk

City of Newton Council Report

Item: Resolution Adjusting the Fee Schedule for the Newton Fire Department Ambulance Service

Summary: Each year the ambulance rates are adjusted to align with Medicare rates.

Financial Impact: Minimal.



Report Number: 21 -014

Date: January 18, 2021

Lead Department:
Fire Department

Recommendation:
Approve

BACKGROUND

The Newton Fire Department provides ambulance service for a fee to the citizens and visitors of Newton. Each year the fee schedule is reviewed and revised based on increases or decreases to the Medicare fee schedule. Medicare releases the new rate schedule each year around the 1st of January. Rates this year increased by approximately 0.25%. Wellmark is the largest insurance provider that reimburses the Newton Fire Department for ambulance service. Wellmark establishes their rate schedule based on a factor of 1.7 times the established Medicare rates. The proposed charges for the Newton Fire Department Ambulance Services are based on 1.75 times the established Medicare rates which is a factor approved by City Council in 2012. The last time the rates were adjusted was 1/2/2020 by City Council. The Newton Fire Department requests that Council adopt the proposed changes to the fee schedule to be place in effect immediately upon approval:

AMBULANCE RATES PROPOSAL

Last Updated through Council - 1/2/2020

Level of Service	Current Rate	Wellmark Reimb. 7/1/2020	Medicare Reimb. 1/1/2021	Charges Proposed Upon App.
BLS (Non-Emergency)	\$391.00	\$387.00	\$223.83	\$392.00
BLS (Emergency)	\$625.00	\$620.00	\$358.12	\$627.00
ALS (Non-Emergency)	\$469.00	\$465.00	\$268.59	\$470.00
ALS (Emergency)	\$743.00	\$735.00	\$425.27	\$744.00
ALS-2	\$1,075.00	\$1,065.00	\$615.53	\$1,077.00
SCT	\$1,271.00	\$1,258.00	\$727.44	\$1,273.00
Mileage (Per Loaded Mile)	\$13.50	\$13.00	\$ 7.69/\$11.54	\$13.50

RECOMMENDATION

Staff recommends City Council approval of the Resolution adjusting rates charged for ambulance service as presented.

A handwritten signature in black ink, appearing to read "Matt Muckler". The signature is fluid and cursive, with the first name "Matt" and last name "Muckler" clearly distinguishable.

Matt Muckler
City Administrator

RESOLUTION NO 2021 - _____

RESOLUTION ADJUSTING THE FEE SCHEDULE FOR THE NEWTON FIRE DEPARTMENT AMBULANCE SERVICE.

WHEREAS, the Newton Fire Department provides ambulance service to the citizens of the City of Newton; and

WHEREAS, the Newton Fire Department has developed a list of base charges for this service; and

WHEREAS, each year the Newton Fire Department reviews these rates and adjusts them accordingly in congruence with Medicare and established insurance company reimbursement rates; and

WHEREAS, the rates are to be adjusted per the following fee schedule:

AMBULANCE RATES PROPOSAL

Last Updated through Council - 1/2/2020

Level of Service	Current Rate	Wellmark Reimb. 7/1/2020	Medicare Reimb. 1/1/2021	Charges Proposed Upon App.
BLS (Non-Emergency)	\$391.00	\$387.00	\$223.83	\$392.00
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ALS-2	\$1,075.00	\$1,065.00	\$615.53	\$1,077.00
SCT	\$1,271.00	\$1,258.00	\$727.44	\$1,273.00
Mileage (Per Loaded Mile)	\$13.50	\$13.00	\$ 7.69/\$11.54	\$13.50

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Newton, Iowa, to accept the fee schedule for ambulance service from the Newton Fire Department for the fiscal year beginning immediately upon approval.

PASSED this _____ day of January 2021.

APPROVED this _____ day of January 2021.

Michael L. Hansen, Mayor

(SEAL)

ATTEST:

Katrina A. Davis, City Clerk

City of Newton Disbursements 1-19-21

Vendor	Department	Description	Amount
AESSEAL Midwest Inc	Water Pollution Control	Supplies	\$ 1,291.78
Airgas USA LLC	Fire	Supplies	\$ 53.45
Alliant Energy/IPL	Disaster Services	Utilities	\$ 53.71
Allspach, Marilyn	Fire	Reimbursement	\$ 98.84
Amazon Capital Services	All	Supplies	\$ 973.67
American Legal Publishing Corporation	Administration	Service	\$ 319.20
ASCAP	Parks	Service	\$ 367.00
Axon Enterprise Inc	Police	Equipment	\$ 819.60
Bound Tree Medical LLC	Fire	Supplies	\$ 171.11
Brick Gentry P.C.	Legal Services/WPC	Service	\$ 6,910.00
Brisel, Dustin	Police	Reimbursement	\$ 586.50
Burdess, Rob	Police	Reimbursement	\$ 2,800.17
Caldwell Brierly & Chalupa PLLC	Commercial D&D/Economic Dev	Service	\$ 2,700.13
Card Services	All	Supplies	\$ 1,823.01
Carolina Software	Landfill	Service	\$ 500.00
CCL Supply LLC	Water Pollution Control	Supplies	\$ 197.83
Cintas	All	Service	\$ 569.91
Civic Systems LLC	Finance	Service	\$ 6,355.00
Clapsaddle-Garber Assoc	Airport	Service	\$ 9,159.67
Computer Resource Specialists	Administration/Golf	Service	\$ 5,090.20
D&W Tree Service	Parks	Service	\$ 127,357.00
Des Moines Stamp Mfg	Police	Supplies	\$ 28.30
Diagnostic Imaging Associates	Police	Service	\$ 23.00
Dive Rescue International	Fire	Supplies	\$ 1,417.95
Dodd Trash Hauling & Recycling	Public Works Administration	Service	\$ 2,476.78
Electrical Eng & Equipment	Street Lighting	Supplies	\$ 159.00
EZ Lease	Water Pollution Control	Service	\$ 102.00
Falcone, Bill	Administration	Reimbursement	\$ 48.88
Forbes Office Solutions	All	Supplies	\$ 573.07
Fox Engineering	Water Pollution Control	Service	\$ 18,090.00
Galls LLC	Fire	Supplies	\$ 110.13
Gettysburg Flag Works	Fire	Supplies	\$ 22.95
Grainger Inc	Water Pollution Control	Supplies	\$ 64.71
Gregg Young Auto Center	Fire/Police	Service	\$ 2,282.20
Gronewold Bell Kyhnn & Co PC	Finance	Service	\$ 5,800.00
Hamilton Glass	Landfill	Supplies	\$ 260.00
Hillyard / Des Moines	Fire	Supplies	\$ 417.24
Hindman, Joe	Parks	Service	\$ 47,728.00
Hoya Vision - Dept 2454	Administration	Supplies	\$ 148.00
IMWCA	All	Insurance	\$ 24,257.41
Iowa Department of Transportation	Street	Supplies	\$ 3,014.00
Iowa Emergency Vehicle Installs	Police	Equipment	\$ 11,599.13
Iowa Law Enforcement Academy	Police	Service	\$ 125.00

Iowa League of Cities	Administration	Training	\$ 240.00
Iowa One Call	Engineering/WPC	Service	\$ 566.20
Iowa Park & Recreation Association	Maytag Pool	Training	\$ 215.00
Iowa Prison Industries	Street	Supplies	\$ 803.00
Isolved Benefit Services	Finance	Service	\$ 98.03
Jasper County Engineer	Fire	Supplies	\$ 22.08
Jerico Services Inc	Snow Removal	Supplies	\$ 1,260.00
John Lee Photography	Community Marketing	Supplies	\$ 100.00
Johnson Aviation	Airport	Reimbursement	\$ 48.14
Journal of Light Construction	Building	Supplies	\$ 39.95
Kellogg Fire Department	Fire	Reimbursement	\$ 77.79
Key Cooperative	All	Supplies	\$ 6,824.57
Law Enforcement Targets Inc	Police	Training	\$ 38.85
Lessin Supply Co	Water Pollution Control	Service	\$ 1,581.28
Liberty Tire Services LLC	Landfill	Service	\$ 125.00
Lyman, Rick	Commercial D&D/Parks	Service	\$ 740.00
Magnum Automotive	Police	Service	\$ 53.59
Manatts - D.M.	Street	Supplies	\$ 2,939.15
Mercy Medical Center-Newton PP	Police	Service	\$ 163.68
Metro Waste Authority	Landfill	Supplies	\$ 8,017.80
MG Laundry Corporation	City Center	Service	\$ 76.10
Midland Prairie Veterinary Services	Police	Service	\$ 49.95
Mid-States Organized Crime Inf	Police	Dues	\$ 150.00
Murphy Tractor & Equipment	Landfill	Supplies	\$ 111.12
NAPA Auto Parts	All	Supplies	\$ 749.40
National Recreation and Park Association	Parks	Membership	\$ 175.00
National Tactical Offcs	Police	Training	\$ 1,354.00
News Printing Company	All	Service	\$ 625.92
Norrish, Rick	Fire	Reimbursement	\$ 121.98
O'Halloran International	Snow Removal	Supplies	\$ 545.99
O'Keefe Elevator Co Inc	City Center	Service	\$ 198.65
O'Reilly Auto Parts	Landfill/Parks	Supplies	\$ 138.94
Parkview Animal Hospital	Animal Control	Service	\$ 1,256.66
Partsmaster	Water Pollution Control	Supplies	\$ 280.38
Pitney Bowes	Finance	Service	\$ 180.00
Premier Office Equipment	Executive/Police	Service	\$ 321.38
Quill Corporation	All	Supplies	\$ 158.66
Shomo-Madsen-Woythaler Insurance	Golf	Service	\$ 2,815.88
Spahn & Rose Lumber Co	Parks	Supplies	\$ 470.00
State Hygienic Laboratories	Water Pollution Control	Service	\$ 100.50
Terracon Consultants Inc	North Central TIF	Service	\$ 552.50
Theisen's	All	Supplies	\$ 128.66
Theisen's Marshalltown	Street/WPC	Supplies	\$ 416.97
True Value Hardware	All	Supplies	\$ 198.19
Two Rivers Cooperative	All	Supplies	\$ 6,744.16
United States Cellular	All	Utilities	\$ 1,348.64
USABlueBook	Water Pollution Control	Supplies	\$ 411.17

Van Maanen Electric Inc	Street Lighting	Supplies	\$ 684.26
Van Meter Inc	Street Lighting	Supplies	\$ 78.48
Van Wall Equipment	Community Beautification	Supplies	\$ 1,088.19
Verizon Wireless	Disaster Services	Service	\$ 35.01
Water Department	All	Utilities	\$ 11,012.69
Total			\$ 343,479.07

Pre-Authorized Payments

Alliant Energy	WPC	Utilities	\$ 564.44
AT & T Mobility	Landfill/Police	Utilities	\$ 501.08
Forbes	North Central TIF	Supplies	\$ 642.69
Mediacom	Golf	Utilities	\$ 168.24
Poindexter Flooring	North Central TIF	Service	\$ 1,315.20
Water Department	All	Utilities	\$ 64.18
Windstream	Airport/City Center	Utilities	\$ 104.35
Total			\$ 3,360.18

City of Newton Council Report

Item: An ordinance amending the City of Newton Code of Ordinances, Title XV, Chapter 150, Electrical Code for the City of Newton.

Summary: The State of Iowa has updated the electrical code with an effective date of January 1, 2021. This ordinance amendment amends the local code to match the changes at the State Level.

Financial Impact: None.



Report Number: 21-015

Date: January 18, 2021

Lead Departments:
Community Development
Department

Recommendation:
Approve

Background: In 2018, the City of Newton adopted the 2014 National Electrical Code (NEC) as adopted by the State of Iowa. Historically, the City has followed the same electrical code as the State of Iowa. Effective January 1, 2021, the State of Iowa has updated their electrical code to the 2020 National Electrical Code.

The attached ordinance updates the current local code language, to align with the State of Iowa. The effective date is after the final passage, approval, and publication as provided by law.

City staff finds that is in the community's best interest to be consistent with the State codes. In addition, the consistency with the State codes makes it easier for electrical contractors to know the required standards. It is important to note that the City of Newton cannot be less restrictive than the State of Iowa in the adopted building and trades codes. There are a couple changes found in the 2020 NEC:

- Exterior emergency disconnect(s) for dwellings are now required at the electric meter enclosure. (230.85)
- Surge protection is now required for dwellings at the electric service panel. (230.67)
- Maximum number of disconnects remains at 6, but now they are required to be in individual enclosure. (230.71 (A) and (B))
- Disconnects for signs must be clearly marked. (600.25)

In addition to updating to the 2020 edition of the National Electrical Code, a few housekeeping corrections are also included and are as follows:

- 150.002(E) correct a misspelling of the word "and"
- 150.002(G) "United States of American Standards Institue" changed to "American National Standards Institute"

- 150.002(H) “of” changed to “or” in first sentence
- 150.002(L) Insert “Master” before “electrician’s license” and add “in the State of Iowa” after “license” in first sentence. Insert “Master” in front of “electrician” in second sentence.
- 150.002(M) Insert “Master” in front of “electrician securing such permit”
- 150.002(R)(1) “in the office of the Electrical Inspector” changed to “at the Community Development Department”
- 150.002(V) all instances of the word “conductor” changed to “contractor”

Recommendation: Staff recommends approval of the ordinance.

A handwritten signature in black ink, appearing to read "Matt Muckler".

Matt Muckler
City Administrator

ORDINANCE NO. _____

AN ORDINANCE AMENDING THE CITY OF NEWTON CODE OF ORDINANCES, TITLE XV, CHAPTER 150, BUILDING CODE, ELECTRICAL CODE, PLUMBING CODE, FIRE CODE, AND MECHANICAL CODE FOR THE CITY OF NEWTON

WHEREAS, the Newton City Council identified updating the building and fire codes as a priority project in the 2017-2019 City Council Goals, established on February 5, 2018;

WHEREAS, the Newton Building Trades Board reviewed the Building, Electrical, Plumbing, Fire, and Mechanical Codes and unanimously recommended approval at their May 2, 2018 of code updates;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NEWTON, IOWA:

Section 1. Title XV, 150.002 *Electrical Code* is hereby modified by adding (underlined) and deleting (~~striketrough~~) as follows:

§ 150.002 ELECTRICAL CODE.

(A) *Title.* Pursuant to the authority of Iowa Code § 380.10, the National Electrical Code, 2020~~14~~ Edition, as amended by the state, except as hereinafter amended by this section, is hereby adopted by reference for the purpose of providing minimum provisions to safeguard life or limb, health, property and public welfare by regulating, licensing and controlling the design, installation, quality of materials, location and maintenance of all electrical installations and uses within the city. The provisions of said Code, except as amended herein, shall be controlling in all matters contemplated therein within the city. The provisions of this section shall be known as the "Electrical Code".

(2011 Code, § 20.0201)

(B) *Copies on file.* An official copy of said Code, including amendments as adopted, is on file in the office of the Building Official.

(2011 Code, § 20.0202)

(C) *Available for public inspection.* A copy of said Code, as amended, shall be kept available at the Building Official's office for public inspection.

(2011 Code, § 20.0203)

(D) *Local amendments to the National Electrical Code.* None.

(2011 Code, § 20.0204)

(E) *Scope.*

(1) The provisions of the Electrical Code shall apply to the electrical conductors and equipment installed within or on public and private structures and other premises; also the conductors that connect the installations to a supply of electricity and other outside conductors adjacent to the premises; also mobile homes and travel trailers.

(2) Additions to, alterations thereof, and repairs to existing electrical equipment, if covered by the Electrical Code, shall comply with the provisions of the Electrical Code; and, further, the Electrical Inspector may, when such additions, alterations or repairs are made, order further reasonable additions or alterations in a building, structure or on premises, when a danger to life or property may result if such further additions or alterations were not made.

(3) Installations which were in compliance with the Electrical Code in existence at the time such installations were made shall be presumed to be safe and proper, which presumption can be rebutted by evidence that the installation may be dangerous to life or property.

(4) For the purposes of the Electrical Code, the term **ELECTRICAL WORK** shall apply to all uses, installations, alterations, repairs, removals, replacements, connections, disconnections and maintenance of all electrical equipment.

(5) The term **ELECTRICAL EQUIPMENT** shall include all electrical materials, wiring, conductors, fittings, apparatus, devices, appliances, fixtures, signs or parts thereof, used in electrical work.

(2011 Code, § 20.0205)

(E) *Application to moved buildings.* Structures moved into or within the city shall comply with the provisions of the Electrical Code for new structures.

(2011 Code, § 20.0206)

(F) *Existing buildings.* If an existing building is damaged by fire, or otherwise, or altered in a manner to require the replacement of 50% or more of the wiring equipment, the entire building shall be made to conform to the requirements of the Electrical Code for new buildings. If the type of occupancy of an existing building is partially or entirely changed, the electrical wiring shall be made to conform to the requirements of the Electrical Code for the new type of occupancy.

(2011 Code, § 20.0207)

(G) *Conformity with standards.* Conformity with the standards of the Underwriters' Laboratories Incorporated as approved by the ~~United States of American~~ National Standards Institute shall be evidence of conformity with approved standards for electrical equipment.

(2011 Code, § 20.0208)

(H) *Furnishing current prior to approval of wiring.* No person or corporation generating current for electric light, heat or power in the city shall connect its system ~~of~~ or furnish current for electrical purposes to any building or premises which has not been inspected and approved by the Electrical Inspector. Any person or corporation shall, upon written notice from the Electrical Inspector to do so, immediately disconnect such building or premise from its source of current.

(2011 Code, § 20.0209)

(I) *Violations.* It shall be unlawful for any person to install, alter, repair, maintain, improve or use any electrical equipment, or to perform any electrical work in the city, or cause the same to be done, contrary to or in violation of any of the provisions of the Electrical Code.

(2011 Code, § 20.0210)

(J) *Violation and penalty.* Any violation of this section, in addition to any other penalty provided, shall constitute a municipal infraction and shall be punishable as provided in § [10.99](#)(A) of this code of ordinances.

(2011 Code, § 20.0212)

(K) *Permits; required.* No person shall perform any electrical work, nor install electrical equipment, in or upon any building or property without first securing from the office of the Electrical Inspector a permit therefor; nor shall any alteration or change be made in the wiring of any building; or in any electrical installation therein or thereon, either before or after inspection, nor shall any electric current be connected to any wires, or apparatus, without notifying the Electrical Inspector and securing a permit therefor. A separate permit shall be obtained for each structure.

(2011 Code, § 20.0221)

(L) *Issuance.* After proper application on forms provided by the Electrical Inspector, permits shall be issued in the name of the person holding an active Master electrician's license in the State of Iowa and the name of the firm the electrician represents. All applications for electrical permits shall be signed by the licensed Master electrician, or the homeowner doing homeowner's own work.

(2011 Code, § 20.0222)

(M) *Non-transferable; permit restrictions.* Permits are not transferable. Electrical work performed under permits issued under the provisions of this section must be done under the direction of the Master electrician securing such permit, the electrician's firm or corporation.

(2011 Code, § 20.0223)

(N) *Double fee for failure to obtain permit before starting work.*

(1) Except in emergency situations, as determined by the Electrical Inspector, where work for an electrical permit is required by the Electrical Code is started or proceeded with by any person prior to obtaining a required permit, the regular fees as specified in the Electrical Code for such work shall be doubled. The payment of such double fee shall not relieve any persons

from fully complying with the requirements of the Electrical Code in the execution of the work, nor from any other penalties prescribed herein.

(2) No additional permits shall be issued to any person who owes the city the double fee described in this section.

(2011 Code, § 20.0224)

(O) *Home owner.* In cases where an owner-occupant of a single-family dwelling desires to install wiring or electrical equipment or perform any electrical work in an existing owner-occupant single-family structure, the owner-occupant may appear before the Electrical Inspector and show that the owner-occupant is competent to do the specific work for which the owner-occupant desires an electrical permit, and after each showing, may obtain an electrical permit by paying the proper fee. In cases of new construction of any scale, an owner-occupant is not eligible to install wiring or electrical equipment or perform any electrical work. For purposes of this division (O), a **SINGLE-FAMILY STRUCTURE** shall mean a detached residence designed for or occupied by one family only.

(2011 Code, § 20.0225)

(P) *Revocation of permit; expiration of permit.*

(1) Any permit required by the provisions of the Electrical Code may be revoked by the Electrical Inspector upon the violation of any provisions of the Electrical Code.

(2) Every permit issued under the provisions of the Electrical Code shall expire by limitation and become null and void if the work authorized by such permit is not commenced within 60 days from the date of issuance of such permit, or if the work authorized by such permit is suspended or abandoned at any time after the work is commenced for a period of 120 days. Before such work can be recommenced, a new permit shall first be obtained, and the fee therefor shall be one-half the amount required for a new permit for such work; provided that, such suspension or abandonment has not exceeded one year.

(2011 Code, § 20.0226)

(Q) *Fees, fee exemption, re-inspection fees.* There shall be paid to the city for the issuance of each electrical permit a fee as established by resolution of the City Council. The schedule shall be periodically amended as deemed appropriate by the Council.

(1) At the discretion of the Electrical Inspector, a reinspection fee in the amount established by resolution of the City Council may be charged to the holder of a permit if a reinspection is necessary due to permit holder calling for an inspection before the work is ready for inspection or if corrections must be made that require reinspection.

(2011 Code, § 20.0227)

(R) *Collection of fees for permits; refund of permit fees.*

(1) All fees due the city for permits shall be collected ~~in the office of the Electrical Inspector~~ at the Community Development Department and paid thereafter to the City of Newton.

(2) If, within 30 days of the date of issuance, the holder of an electrical permit decides not to commence the work described in such permit, the holder of the permit may, upon application to the Electrical Inspector, be refunded that portion of the permit fee which is in excess of the basic fee. The refund of any fee less than the basic fee shall not be made.

(2011 Code, § 20.0228)

(S) *Inspections.*

(1) It shall be the duty of the person to whom the permit was issued, for which a permit is required, to notify the Electrical Inspector that said work is ready for inspection. The Electrical Inspector shall, without undue delay, perform the required inspection.

(2011 Code, § 20.0229)

(T) *Covering or concealing work.* No electrical work for which a permit is required shall be concealed in any manner from access or sight until such work has been inspected and approved by the Electrical Inspector.

(2011 Code, § 20.0230)

(U) *Removal of covering.* The Electrical Inspector shall have the authority to remove or cause to remove the lath, plaster, boarding or other obstruction which may prevent the proper inspection of wires or electrical equipment.

(2011 Code, § 20.0231)

(V) *Correcting defective work.* When an electrical ~~conductor~~ contractor is notified that defects exist in contractor's ~~conductor's~~ electrical work, the ~~conductor~~ contractor shall make corrections promptly. Corrections shall be made within 30 days after notification and, if not so made, the electrical contractor shall not be issued any other permits until such defects are corrected and approval given by the Electrical Inspector.

(2011 Code, § 20.0232)

(W) *Annual inspection; notice of defects, failure to remedy defects.* The Electrical Inspector is hereby empowered to make an annual inspection of all electrical wires and equipment in the city and shall keep an accurate record of inspections and the conditions of electrical equipment, and whenever it shall be ascertained by inspection, as provided in this section, that any electrical installation or part thereof in any building is so defective as to render the same dangerous to person or property, the Electrical Inspector shall at once cause notice to be given served upon the owner or person in charge, or the occupant of the same to remedy the defects within a reasonable time, to be stated in such notice, and if defects are not remedied within the time fixed by such notice, the Electrical Inspector may cause the electric current to be disconnected from such building and the electric current shall not again be turned on until all defects or improper conditions have been removed or repaired in conformance with the provisions of the Electrical Code.

(2011 Code, § 20.0233)

(X) *Appointment of inspectors.* The Electrical Inspectors shall be appointed by the City Administrator and be the Building Official or under supervision of the Building Official for the enforcement of the Electrical Code and regulations of the city.

(2011 Code, § 20.0234)

(Y) *Electrical inspectors; powers, duties and authority.* Inspectors shall have the following powers, duties and authority.

(1) *Entry and power to disconnect.* Electrical inspectors shall have the right to enter upon any property during reasonable hours in the discharge of their official duties and shall have the authority to cause the disconnection of any wiring or equipment where such wiring or equipment is dangerous to life or property or may interfere with the work of the Fire Department.

(2) *Inspection authorized.* The Electrical Inspectors are hereby authorized, directed and empowered to inspect any and all electrical installations within the city, to condemn and order removed or remodeled and put in proper and safe condition for the prevention of fire and the safety of life, all electrical heating and lighting apparatus, motors, machinery, fixtures and connections, electrical equipment used in the utilization of electrical current for light, heat or power purposes and to control the disposition and arrangements of the same so that persons and property shall not be in danger therefrom.

(2011 Code, § 20.0235)

(Z) *Conflict of interest prohibited.* The Electrical Inspector and inspector's assistants shall not engage in the business of the sale, installation or maintenance of electrical equipment, either directly or indirectly, and they shall have no financial interest in any form engaged in such business in the city while holding office.

(2011 Code, § 20.0236)

(AA) *Electrician's license required.*

(1) No person shall engage in the activity, or represent himself or herself to the public as engaging in the activity, of installing, altering, maintaining or repairing any electrical equipment within the scope of this section unless such person shall have first obtained from the State of Iowa an electrical contractor's license.

(2) A licensed electrician shall be on the job at all times while electrical work is in progress.

(2011 Code, § 20.0251) (Ord. 2185, passed 2-16-2012; Ord. 2336, passed 6-18-2018)

Section 6. Repealer Clause. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 7. Severability Clause. If any section, provision or part of this Ordinance shall be adjudged invalid or unconstitutional, such adjudication shall not affect the validity of the Ordinance as a whole or any section, provision or part thereof not adjudged invalid or unconstitutional.

Section 8. Effective. This ordinance shall be effective after the final passage, approval and publication as provided by law.

PASSED this ____ day of _____, 2021.

APPROVED this ____ day of _____, 2021.

(SEAL)

Michael L. Hansen, Mayor

ATTEST:

Katrina Davis, City Clerk

I, Katrina Davis, City Clerk of the City of Newton, Iowa, do hereby certify that the foregoing Ordinance was passed and approved by the City Council of the City of Newton, Iowa on the ____ day of _____, 2021 and was published in the Newton Daily News, a newspaper of general circulation in the said City of Newton on the ____ day of _____, 2021.

Dated this ____ day of _____, 2021.

Katrina Davis, City Clerk

City of Newton Council Report

Item: Resolution authorizing economic development forgivable loan agreement with Cindy Rogers-Sell.

Summary: Cindy Rogers-Sell has purchased 107 1st Avenue West for a new retail business. Ms. Rogers-Sell plans significant renovations to the building and has requested assistance for the project. The agreement provides a \$20,000 forgivable loan to Cindy Rogers-Sell.

Financial Impact: \$20,000 of already bonded funds for this purpose.



Report Number: 21-016

Date: January 18, 2021

Lead Department:
Community Development

Recommendation:
Approval

Downtown development/redevelopment has long been a focus of the City of Newton, recognizing that the Downtown serves as the heart of the community. A vibrant downtown yields a vibrant community.

In December 2020, Cindy Rogers-Sell purchased the former Computer Pro building at 107 1st Avenue West for the purpose of opening her retail shop, Farmhouse Creations. Farmhouse Creations began operating right away for the 2020 Holiday Season, but the new owners have rehabilitation plans for not only the first floor retail space, but also for a residential in the upper level.

In order to jump-start this project, Ms. Rogers-Sell has sought assistance from the City in the form of a forgivable loan. This agreement requires performance by the property owner to complete the following improvements no later than September 30, 2021: new heating and air conditioning, bathroom improvements, flooring, wall restorations, electrical work, painting, and interior tin ceiling restoration. The City will provide a \$20,000 forgivable loan to assist with accomplishing this work.

The agreement also recognizes a desire to enter into a minimum assessment agreement at a later date. With a number of economic development projects in the works, it is more efficient and cost effective to amend the urban renewal plan only a couple times per year, batching together several projects. Thus, the reason a minimum assessment/tax rebate agreement is not part of this forgivable loan agreement at this time. The forgivable loan agreement, which is the subject of this action, can move ahead as the funds are already bonded for and listed as a general project in the urban renewal plan.

Recommendation: Staff recommends approval of the Resolution.

A handwritten signature in black ink, appearing to read "Matt Muckler", is written in a cursive style.

Matt Muckler
City Administrator

RESOLUTION NO. 2021-_____

Resolution Authorizing Economic Development Forgivable Loan Agreement with
Cindy Rogers-Sell

WHEREAS, Chapter 15A of the Code of Iowa (“Chapter 15A”) declares that economic development is a public purpose for which a city may provide grants, loans, guarantees and other financial assistance to or for the benefit of private persons; and

WHEREAS, Chapter 15A requires that before public funds are used for grants, loans or other financial assistance, a city council must determine that a public purpose will reasonably be accomplished by the spending or use of those funds; and

WHEREAS, Chapter 15A requires that, in determining whether funds should be spent, a city council must consider any or all of a series of factors; and

WHEREAS, the City has proposed to undertake an urban renewal project in the North Central Urban Renewal Area consisting of funding an economic development forgivable loan (the “Forgivable Loan”) to Cindy Rogers-Sell in connection with the redevelopment of an existing building situated at 107 1st Avenue West for use as a retail store (the “Project”);

NOW, THEREFORE, IT IS RESOLVED by the City Council of the City of Newton, Iowa, as follows:

Section 1. Pursuant to the factors listed in Chapter 15A, the City Council hereby finds that:

- (a) The Project will add diversity and generate new opportunities for the Newton and Iowa economies;
- (b) The Project will generate public gains and benefits, particularly in the creation of new jobs, which are warranted in comparison to the amount of the proposed Forgivable Loan.

Section 2. The City Council further finds that a public purpose will reasonably be accomplished by funding the Forgivable Loan to Cindy Rogers-Sell.

Section 3. The Forgivable Loan in an amount not to exceed \$20,000 is hereby approved, subject to the terms and conditions set out in the Economic Development Forgivable Loan Agreement (the “Agreement”) to be entered into by Cindy Rogers-Sell and the City. The City Administrator, with advice from bond counsel to the City, is hereby authorized and directed to prepare any additional documentation and to make such changes to the Agreement as are deemed necessary to carry out the purposes of this Resolution. The Mayor and the City Clerk are hereby authorized execute such documents as may be necessary to implement the Forgivable Loan approved herein, including the Agreement, in substantially the form as has been presented to this City Council.

Section 4. All resolutions or parts thereof in conflict herewith, are hereby repealed, to the extent of such conflict.

Passed and Approved this January 18, 2021.

Mayor

Attest:

City Clerk

ECONOMIC DEVELOPMENT FORGIVABLE LOAN AGREEMENT

This Agreement is entered into between the City of Newton, Iowa (the “City”) and Cindy Rogers-Sell (the “Developer”) as of the ____ day of _____, 2021 (the “Commencement Date”).

WHEREAS, the City has established the North Central Urban Renewal Area (the “Urban Renewal Area”), and has adopted a tax increment ordinance for the Urban Renewal Area; and

WHEREAS, the Developer owns certain real property which is situated at 107 1st Avenue West and lies within the Urban Renewal Area (the “Property”); and

WHEREAS, the Developer has proposed to undertake the renovation (the “Project”) of an existing building (the “Existing Building”) situated on Property for use in the business operations of a retail store; and

WHEREAS, the Developer has requested that the City provide financial assistance in the form of an economic development forgivable loan (the “Forgivable Loan”) to be used by the Developer in paying the costs of constructing the Project; and

WHEREAS, Chapter 15A of the Code of Iowa authorizes cities to provide grants, loans, guarantees, tax incentives and other financial assistance to or for the benefit of private persons;

NOW THEREFORE, the parties hereto agree as follows:

A. Developer’s Covenants

1. Project Construction and Operation. The Developer agrees to construct the Project on the Property. The Developer hereby agrees that the Project will minimally include the following improvements (the “Required Improvements”): (1) the installation of a new heating, ventilation and air conditioning system; (2) the construction of bathroom improvements; (3) the installation of new flooring; (4) wall restorations; (5) electrical work; (6) painting; and (7) interior first level tin ceiling restoration. The Developer agrees to complete the Project by September 30, 2021.

Upon completion of the Project, the Developer agrees to continuously operate a retail store in the Existing Building throughout the Term (as hereinafter defined). Further, the Developer agrees to maintain, preserve, and keep the Property, including but not limited to the Existing Building, useful and in good repair and working order, ordinary wear and tear excepted, and from time to time will make all necessary repairs, replacements, renewals, and additions.

2. Property Taxes. The Developer agrees to make timely payment of all property taxes as they come due with respect to the Property throughout the Term (as hereinafter defined) and to submit a receipt or cancelled check in evidence of each such payment.

3. Ownership of Property; Use of Project; Developer’s Annual Report. The Developer agrees to submit an annual report (the “Annual Report”) to the satisfaction of the City

by no later than each June 1 during the Term (as hereinafter defined) commencing June 1, 2022, demonstrating that (i) the Developer is using the Existing Building in the ongoing business operations of a retail store; and (ii) the Developer owns the Property, including the Existing Building. The Developer agrees to provide such supporting documentation as may be requested by the City as an accompaniment to the Annual Report. The first Annual Report submitted by the Developer shall also include documentation demonstrating, to the satisfaction of the City, that the Developer has completed the Required Improvements.

4. Forgivable Loan. The Developer agrees that the City will advance the proceeds (the “Forgivable Loan Proceeds”) of the Forgivable Loan to the Developer in accordance with Section B.1 of this Agreement. The Developer further agrees that the City will not advance any Forgivable Loan Proceeds until this Agreement has been executed in-full and the Developer has submitted the Promissory Note (as hereinafter defined) to the City.

The Developer agrees to apply the Forgivable Loan Proceeds to the payment and/or reimbursement of the costs of the Required Improvements.

The Developer’s obligation to repay the Forgivable Loan shall be evidenced by a promissory note (the “Promissory Note”) to be executed by the Developer and delivered to the City. The Promissory Note shall be in substantially the form as set forth on Exhibit A hereto.

All principal advanced under the Forgivable Loan shall be due and owing to the City at City Hall by Noon on June 30, 2026, unless sooner forgiven in accordance with the terms of this Agreement or made subject to acceleration in accordance with Section A.5 of this Agreement.

Nothing herein shall prohibit the Developer from forfeiting the right to loan forgiveness, as set forth in Section B.1 of this Agreement by prepaying on the Forgivable Loan at any time.

5. Default Provisions.

A. Events of Default. The following shall be “Events of Default” under this Agreement, and the term “Event of Default” shall mean, whenever it is used in this Agreement (unless otherwise provided), any one or more of the following events:

- I. Failure by the Developer to complete construction of the Project and to continuously operate a retail store in the Existing Building pursuant to the terms and conditions of this Agreement.
- II. Failure by the Developer to file an Annual Report demonstrating the information required in Section A.3 to the satisfaction of the City.
- III. Failure by the Developer to observe or perform any other material covenant on its part, to be observed or performed hereunder.

B. Notice and Remedies. Whenever any Event of Default described in this Agreement occurs, the City shall provide written notice to the Developer describing the cause of the default and the steps that must be taken by the Developer in order to cure the default. The Developer shall have thirty (30) days after receipt of the notice to cure the default or to provide assurances

satisfactory to City that the default will be cured as soon as reasonably possible. If the Developer fails to cure the default or provide assurances, City shall then have the right to:

I. Pursue any action available to it, at law or in equity, in order to enforce the terms of this Agreement.

II. Accelerate the due date of the then unforgiven principal amount of the Forgivable Loan, which amount shall become due and owing within 30-days of the provision of a written notice of such acceleration from the City to the Developer. In the event of acceleration of the Forgivable Loan, the provisions with respect to loan forgiveness as set forth in section B.1 of this Agreement shall not apply.

B. City's Obligations

1. Forgivable Loan; Loan Forgiveness. The City hereby agrees to advance the Forgivable Loan Proceeds to the Developer in an amount equal to \$20,000 within thirty (30) days of the Commencement Date of this Agreement.

Upon receipt of a satisfactory Annual Report from the Developer demonstrating that the Developer is in compliance with required elements set forth in Section A.3 of this Agreement, the City shall forgive \$4,000 of the principal amount of the Forgivable Loan. If the Developer fails to submit an Annual Report as required in Section A.3 above in any given fiscal year, then no principal of the Forgivable Loan will be forgiven in such fiscal year.

C. Administrative Provisions

1. Amendment and Assignment. Neither party may cause this Agreement to be amended, assigned, assumed, sold or otherwise transferred without the prior written consent of the other party.

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

3. Term. The term (the "Term") of this Agreement shall commence on the Commencement Date and end on June 30, 2026.

4. Choice of Law. 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 laws of the State of Iowa.

5. Minimum Assessment Agreement; Additional Incentives. To the extent that the Developer will agree to enter into a Minimum Assessment Agreement with the City and the Jasper County Assessor establishing a minimum taxable valuation for the Property, the City shall consider, in good faith, the negotiation of a subsequent development agreement with respect to the corresponding provision of incentives to the Developer including incremental property tax payments funded with incremental property tax revenues to be derived from the Property.

The City and the Developer have caused this Agreement to be signed, in their names and on their behalf by their duly authorized officers, all as of the day and date written above.

CITY OF NEWTON, IOWA

By: _____
Mayor

Attest:

City Clerk

CINDY ROGERS-SELL

EXHIBIT A
PROMISSORY NOTE

MAXIMUM PRINCIPAL AMOUNT: \$20,000

Dated: _____, 2021

Maturity Date: June 30, 2026

Cindy Rogers-Sell (the “Borrower”) for value received, promises to pay, to the City of Newton Iowa (the “City”), its successors or assigns, the principal sum of Twenty Thousand Dollars (\$20,000), in lawful money of the United States of America, on June 30, 2026.

The City has made a forgivable loan to the Borrower in the principal amount of Twenty Thousand Dollars (\$20,000) (the “Forgivable Loan”) under this Promissory Note (the “Note”) and under a certain Development Agreement (the “Agreement”) between the City and the Borrower dated _____, 2021, and reference is hereby made to the Agreement for a more complete description of the rights and obligations of the parties hereof.

The Forgivable Loan shall be forgiven by the City in accordance with the terms set forth in the Agreement, and all amounts forgiven shall be recorded on the Schedule of Forgiveness hereon.

Payment of principal of the Forgivable Loan shall be made to the City of Newton at the Office of the City Clerk, City Hall, 101 W. 4th Street, Newton, Iowa 50208 by Noon on June 30, 2026, unless sooner forgiven in accordance with the Agreement.

The Borrower reserves the right to prepay principal of this Note, in whole or in part, without penalty, at any time prior to maturity.

In the event of a default under the Agreement which has not been cured in accordance with the terms of the Agreement, including the failure to make repay principal of the Forgivable Loan under the terms of the Agreement, the Borrower agrees to pay all costs and expenses of collection, including reasonable attorney’s fees. The Borrower waives demand, presentment, notice of non-payment, protest, notice of protest and notice of dishonor.

This Note is secured, and its maturity is subject to acceleration in each case upon the terms provided in the Agreement.

The validity, construction and enforceability of this Note shall be governed by the internal laws of the State of Iowa without giving effect to the conflict of laws principles thereof.

CINDY ROGERS-SELL

SCHEDULE OF FORGIVENESS

<u>Date of Forgiveness</u>	<u>Amount Forgiven</u>	<u>Signature of City Clerk</u>
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	

City of Newton Council Report

Item: Resolution authorizing economic development forgivable loan agreement with CRH Properties, LLC.

Summary: CRH Properties, LLC has purchased 117 1st Avenue West. This will be the new location of Crazy Redhead Quilting. The owners have requested financial assistance from the City in the form of a \$30,000 forgivable loan.

Financial Impact: \$30,000 of already bonded funds for this purpose.



Report Number: 21-017

Date: January 18, 2021

Lead Department:
Community Development

Recommendation:
Approval

Downtown development/redevelopment has long been a focus of the City of Newton, recognizing that the Downtown serves as the heart of the community. A vibrant downtown yields a vibrant community.

In December 2021, CRH Properties, LLC purchased the former Bridal Store building at 117 1st Avenue West for the purpose of relocating Crazy Redhead Quilting to Downtown Newton. The building suffered damage during its vacancy and the derecho storm. The building is a "double-width" downtown store and has greater square footage than others in this same area.

CRH Properties, LLC has sought assistance from the City in the form of a forgivable loan. This agreement requires performance by the property owner to complete the following improvements no later than September 30, 2021: replace missing sub-floor, carpeting, vinyl flooring, replacing baseboard, LED lighting, ceiling tile, and electrical work.

The agreement also recognizes a desire to enter into a minimum assessment agreements at a later date. With a number of economic development projects in the works, it is more efficient and cost effective to amend the urban renewal plan only a couple times per year, batching together several projects. Thus, the reason a minimum assessment/tax rebate agreement is not part of this forgivable loan agreement at this time. The forgivable loan agreement, which is the subject of this action, can move ahead as the funds are already bonded for and listed as a general project in the urban renewal plan.

Recommendation: Staff recommends approval of the Resolution.

A handwritten signature in black ink, appearing to read "Matt Muckler", is written in a cursive style.

Matt Muckler
City Administrator

RESOLUTION NO. 2021-_____

Resolution Authorizing Economic Development Forgivable Loan Agreement with CRH Properties, LLC

WHEREAS, Chapter 15A of the Code of Iowa (“Chapter 15A”) declares that economic development is a public purpose for which a city may provide grants, loans, guarantees and other financial assistance to or for the benefit of private persons; and

WHEREAS, Chapter 15A requires that before public funds are used for grants, loans or other financial assistance, a city council must determine that a public purpose will reasonably be accomplished by the spending or use of those funds; and

WHEREAS, Chapter 15A requires that, in determining whether funds should be spent, a city council must consider any or all of a series of factors; and

WHEREAS, the City has proposed to undertake an urban renewal project in the North Central Urban Renewal Area consisting of funding an economic development forgivable loan (the “Forgivable Loan”) to CRH Properties, LLC in connection with the redevelopment of an existing building situated at 117 1st Avenue West for use as a retail store (the “Project”);

NOW, THEREFORE, IT IS RESOLVED by the City Council of the City of Newton, Iowa, as follows:

Section 1. Pursuant to the factors listed in Chapter 15A, the City Council hereby finds that:

- (a) The Project will add diversity and generate new opportunities for the Newton and Iowa economies;
- (b) The Project will generate public gains and benefits, particularly in the creation of new jobs, which are warranted in comparison to the amount of the proposed Forgivable Loan.

Section 2. The City Council further finds that a public purpose will reasonably be accomplished by funding the Forgivable Loan to CRH Properties, LLC.

Section 3. The Forgivable Loan in an amount not to exceed \$30,000 is hereby approved, subject to the terms and conditions set out in the Economic Development Forgivable Loan Agreement (the “Agreement”) to be entered into by CRH Properties, LLC and the City. The City Administrator, with advice from bond counsel to the City, is hereby authorized and directed to prepare any additional documentation and to make such changes to the Development Agreement as are deemed necessary to carry out the purposes of this Resolution. The Mayor and the City Clerk are hereby authorized execute such documents as may be necessary to implement the Forgivable Loan approved herein, including the Agreement, in substantially the form as has been presented to this City Council.

Section 4. All resolutions or parts thereof in conflict herewith, are hereby repealed, to the extent of such conflict.

Passed and Approved this January 18, 2021.

Mayor

Attest:

City Clerk

ECONOMIC DEVELOPMENT FORGIVABLE LOAN AGREEMENT

This Agreement is entered into between the City of Newton, Iowa (the “City”) and CRH Properties, LLC (the “Developer”) as of the ____ day of _____, 2021 (the “Commencement Date”).

WHEREAS, the City has established the North Central Urban Renewal Area (the “Urban Renewal Area”), and has adopted a tax increment ordinance for the Urban Renewal Area; and

WHEREAS, the Developer owns certain real property which is situated at 117 1st Avenue West and lies within the Urban Renewal Area (the “Property”); and

WHEREAS, the Developer has proposed to undertake the renovation (the “Project”) of an existing building (the “Existing Building”) situated on Property for use in the business operations of a retail store; and

WHEREAS, the Developer has requested that the City provide financial assistance in the form of an economic development forgivable loan (the “Forgivable Loan”) to be used by the Developer in paying the costs of constructing the Project; and

WHEREAS, Chapter 15A of the Code of Iowa authorizes cities to provide grants, loans, guarantees, tax incentives and other financial assistance to or for the benefit of private persons;

NOW THEREFORE, the parties hereto agree as follows:

A. Developer’s Covenants

1. Project Construction and Operation. The Developer agrees to construct the Project on the Property. The Developer hereby agrees that the Project will minimally include the following improvements (the “Required Improvements”): (1) the replacement of missing sub-floor; (2) the installation of new carpet and vinyl flooring; (3) the replacement of missing baseboard; (4) the installation of LED lighting; (5) the installation of ceiling tile; and (6) electrical work. The Developer agrees to complete the Project by September 30, 2021.

Upon completion of the Project, the Developer agrees to continuously operate a retail store in the Existing Building throughout the Term (as hereinafter defined). Further, the Developer agrees to maintain, preserve, and keep the Property, including but not limited to the Existing Building, useful and in good repair and working order, ordinary wear and tear excepted, and from time to time will make all necessary repairs, replacements, renewals, and additions.

2. Property Taxes. The Developer agrees to make timely payment of all property taxes as they come due with respect to the Property throughout the Term (as hereinafter defined) and to submit a receipt or cancelled check in evidence of each such payment.

3. Ownership of Property; Use of Project; Developer's Annual Report. The Developer agrees to submit an annual report (the "Annual Report") to the satisfaction of the City by no later than each June 1 during the Term (as hereinafter defined) commencing June 1, 2022, demonstrating that (i) the Developer is using the Existing Building in the ongoing business operations of a retail store; and (ii) the Developer owns the Property, including the Existing Building. The Developer agrees to provide such supporting documentation as may be requested by the City as an accompaniment to the Annual Report. The first Annual Report submitted by the Developer shall also include documentation demonstrating, to the satisfaction of the City, that the Developer has completed the Required Improvements.

4. Forgivable Loan. The Developer agrees that the City will advance the proceeds (the "Forgivable Loan Proceeds") of the Forgivable Loan to the Developer in accordance with Section B.1 of this Agreement. The Developer further agrees that the City will not advance any Forgivable Loan Proceeds until this Agreement has been executed in-full and the Developer has submitted the Promissory Note (as hereinafter defined) to the City.

The Developer agrees to apply the Forgivable Loan Proceeds to the payment and/or reimbursement of the costs of the Required Improvements.

The Developer's obligation to repay the Forgivable Loan shall be evidenced by a promissory note (the "Promissory Note") to be executed by the Developer and delivered to the City. The Promissory Note shall be in substantially the form as set forth on Exhibit A hereto.

All principal advanced under the Forgivable Loan shall be due and owing to the City at City Hall by Noon on June 30, 2026, unless sooner forgiven in accordance with the terms of this Agreement or made subject to acceleration in accordance with Section A.5 of this Agreement.

Nothing herein shall prohibit the Developer from forfeiting the right to loan forgiveness, as set forth in Section B.1 of this Agreement by prepaying on the Forgivable Loan at any time.

5. Default Provisions.

A. Events of Default. The following shall be "Events of Default" under this Agreement, and the term "Event of Default" shall mean, whenever it is used in this Agreement (unless otherwise provided), any one or more of the following events:

- I. Failure by the Developer to complete construction of the Project and to continuously operate a retail store in the Existing Building pursuant to the terms and conditions of this Agreement.
- II. Failure by the Developer to file an Annual Report demonstrating the information required in Section A.3 to the satisfaction of the City.
- III. Failure by the Developer to observe or perform any other material covenant on its part, to be observed or performed hereunder.

B. Notice and Remedies. Whenever any Event of Default described in this Agreement occurs, the City shall provide written notice to the Developer describing the cause of the default and the steps that must be taken by the Developer in order to cure the default. The Developer shall

have thirty (30) days after receipt of the notice to cure the default or to provide assurances satisfactory to City that the default will be cured as soon as reasonably possible. If the Developer fails to cure the default or provide assurances, City shall then have the right to:

I. Pursue any action available to it, at law or in equity, in order to enforce the terms of this Agreement.

II. Accelerate the due date of the then unforgiven principal amount of the Forgivable Loan, which amount shall become due and owing within 30-days of the provision of a written notice of such acceleration from the City to the Developer. In the event of acceleration of the Forgivable Loan, the provisions with respect to loan forgiveness as set forth in section B.1 of this Agreement shall not apply.

B. City's Obligations

1. **Forgivable Loan; Loan Forgiveness.** The City hereby agrees to advance the Forgivable Loan Proceeds to the Developer in an amount equal to \$30,000 within thirty (30) days of the Commencement Date of this Agreement.

Upon receipt of a satisfactory Annual Report from the Developer demonstrating that the Developer is in compliance with required elements set forth in Section A.3 of this Agreement, the City shall forgive \$4,000 of the principal amount of the Forgivable Loan. If the Developer fails to submit an Annual Report as required in Section A.3 above in any given fiscal year, then no principal of the Forgivable Loan will be forgiven in such fiscal year.

C. Administrative Provisions

1. **Amendment and Assignment.** Neither party may cause this Agreement to be amended, assigned, assumed, sold or otherwise transferred without the prior written consent of the other party.

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

3. **Term.** The term (the "Term") of this Agreement shall commence on the Commencement Date and end on June 30, 2026.

4. **Choice of Law.** 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 laws of the State of Iowa.

5. **Minimum Assessment Agreement; Additional Incentives.** To the extent that the Developer will agree to enter into a Minimum Assessment Agreement with the City and the Jasper County Assessor establishing a minimum taxable valuation for the Property, the City shall consider, in good faith, the negotiation of a subsequent development agreement with respect to the corresponding provision of incentives to the Developer including incremental property tax payments funded with incremental property tax revenues to be derived from the Property.

The City and the Developer have caused this Agreement to be signed, in their names and on their behalf by their duly authorized officers, all as of the day and date written above.

CITY OF NEWTON, IOWA

By: _____
Mayor

Attest:

City Clerk

CRH PROPERTIES, LLC

By: _____
Its: _____

EXHIBIT A
PROMISSORY NOTE

MAXIMUM PRINCIPAL AMOUNT: \$30,000

Dated: _____, 2021

Maturity Date: June 30, 2026

CRH Properties, LLC (the “Borrower”) for value received, promises to pay, to the City of Newton, Iowa (the “City”), its successors or assigns, the principal sum of Thirty Thousand Dollars (\$30,000), in lawful money of the United States of America, on June 30, 2026.

The City has made a forgivable loan to the Borrower in the principal amount of Thirty Thousand Dollars (\$30,000) (the “Forgivable Loan”) under this Promissory Note (the “Note”) and under a certain Development Agreement (the “Agreement”) between the City and the Borrower dated _____, 2021, and reference is hereby made to the Agreement for a more complete description of the rights and obligations of the parties hereof.

The Forgivable Loan shall be forgiven by the City in accordance with the terms set forth in the Agreement, and all amounts forgiven shall be recorded on the Schedule of Forgiveness hereon.

Payment of principal of the Forgivable Loan shall be made to the City of Newton at the Office of the City Clerk, City Hall, 101 W. 4th Street, Newton, Iowa 50208 by Noon on June 30, 2026, unless sooner forgiven in accordance with the Agreement.

The Borrower reserves the right to prepay principal of this Note, in whole or in part, without penalty, at any time prior to maturity.

In the event of a default under the Agreement which has not been cured in accordance with the terms of the Agreement, including the failure to make repay principal of the Forgivable Loan under the terms of the Agreement, the Borrower agrees to pay all costs and expenses of collection, including reasonable attorney’s fees. The Borrower waives demand, presentment, notice of non-payment, protest, notice of protest and notice of dishonor.

This Note is secured, and its maturity is subject to acceleration in each case upon the terms provided in the Agreement.

The validity, construction and enforceability of this Note shall be governed by the internal laws of the State of Iowa without giving effect to the conflict of laws principles thereof.

CRH PROPERTIES, LLC

By: _____

Its: _____

SCHEDULE OF FORGIVENESS

<u>Date of Forgiveness</u>	<u>Amount Forgiven</u>	<u>Signature of City Clerk</u>
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____

City of Newton Council Report

Item: Resolution expressing intent to provide economic development support to Hopkins Properties, LLC.

Summary: Hopkins Properties, LLC has made an offer on 1801 1st Avenue East and plans to redevelop the building. City incentives in the form of a forgivable loan and minimum assessment/tax rebates are needed. The resolution of intent provides understanding to the developer during the due diligence phase.

Financial Impact: \$30,000 forgivable loan



Report Number: 21-018

Date: January 18, 2021

Lead Department:
Community Development

Recommendation:
Approval

As the primary commercial corridor in the community, First Avenue East reflects the health of Newton's economy. There are a handful of long vacant properties that the community desires to see redeveloped. The property at 1801 1st Avenue East is one such property.

Hopkins Properties, LLC has made an offer on the building with the intention of acquiring it for redevelopment into modern commercial space. While in a due diligence phase, the developer would like to have an understanding with the City on available incentive for the building's redevelopment.

The building is located within the First Avenue East Urban Renewal Area, which provides for a mechanism for the City to participate and encourage a high-level rehabilitation of the structure. The subject property is not listed as a specific project, and thus the City must take steps to amend the urban renewal area, a process which takes time. The developer is ready to move forward with the purchase, providing any unknown circumstances, conditions or issues don't otherwise arise, as long as there is an understanding that the City is able to assist in the project. In order to provide the developer assurance in a more timely manner, the attached resolution expressing future intent is presented for action.

The resolution expressing intent provides for a \$30,000 forgivable loan to the property and stipulates a desire to enter into a minimum assessment/tax rebate agreement in the future.

An amendment to the urban renewal plan as well as redevelopment agreement between the City and the developer requires City Council action at a future meeting.

Recommendation: Staff recommends approval of the Resolution.

A handwritten signature in black ink, appearing to read "Matt Muckler", is written in a cursive style.

Matt Muckler
City Administrator

RESOLUTION NO. _____

Resolution expressing intent to provide economic development support to Hopkins Properties LLC

WHEREAS, the City Council of the City of Newton, Iowa by resolution previously established the 1st Avenue East Urban Renewal Area (the “Urban Renewal Area”) and adopted an urban renewal plan (the “Plan”) for the governance of initiatives and projects therein; and

WHEREAS, Hopkins Properties LLC (the “Developer”) has proposed to undertake the acquisition of certain real property situated at 1801 1st Avenue East in the Urban Renewal Area and the redevelopment of the former Flooring Gallery building (the “Project”) thereon for use in retail business operations and climate controlled storage; and

WHEREAS, the Company has requested that the City provide financial support to help to defray the costs of the Project; and

WHEREAS, the City intends to provide such financial support by entering into a development agreement (the “Development Agreement”) with the Company and thereby making provision for (i) the funding of an economic development forgivable loan (the “Forgivable Loan”) to the Company; and (ii) the funding of annual appropriation incremental property tax payments (the “Payments”) to the Company; and

WHEREAS, prior to entering into the Development Agreement, the City Council must undertake the statutory process for (1) approving the Project as an urban renewal project under the Plan for the Urban Renewal Area; and (2) authorizing the Development Agreement, the funding of the Forgivable Loan and the Payments, but the City desires to convey its intent to pursue these actions to the Company in order to facilitate progress on the development of the Property through the adoption of this Resolution;

NOW, THEREFORE, Be It Resolved by the City Council of the City of Newton, Iowa, as follows:

Section 1. The City hereby expresses its intent to support the Project in the future. The City will in good faith negotiate the Development Agreement with respect to the development of the Property and the undertaking of the Project, such proposed Agreement to minimally include the following terms:

A) The Company will commit to acquiring the Property and undertaking the Project thereon, such Project to minimally include the construction of a retail store front and the construction of sidewalk, parking lot and façade improvements; and

B) The Company will commit to entering into a minimum assessment agreement pursuant to Section 403.6 of the Code of Iowa establishing a minimum assessed taxable valuation of the Property.

C) The City will agree to fund the Forgivable Loan in the maximum amount of \$30,000, and the City will agree to forgive repayment of the Forgivable Loan over a period of five (5) years if the Company is in compliance with the Agreement.

D) The Developer will agree to submit an annual report to the City demonstrating certain information with respect to the operation and use of the Project.

E) The City will agree to fund the Payments to the Company from incremental property tax revenues to be derived from the Property. All Payments under the Development Agreement will be made subject to annual appropriation by the City Council.

F) The Developer will agree to assist the City with the payment of legal and administrative fees incurred in connection with the amendment to its urban renewal plan and the authorization and approval of the Development Agreement; and

Section 2. The City hereby agrees to use its best efforts to complete the statutory requirements of Chapter 403 of the Code of Iowa in order to amend the Plan and to authorize the Development Agreement. Both the City and the Company acknowledge that the City's commitment in this Section is merely a present statement of intent and that the City Council must exercise its ordinary political discretion in the completion of the statutory processes referenced herein. The City will not be held liable in the event that the City Council, through the exercising of its ordinary political discretion, determines to not approve any of the actions outlined herein.

Section 3. Nothing in this Resolution shall prevent the parties from negotiating additional terms, not set forth herein, for inclusion in the Development Agreement.

Section 4. All resolutions and orders or parts thereof in conflict with the provisions of this resolution, to the extent of such conflict, are hereby repealed.

Passed and approved this January 18, 2021.

Mayor

Attest:

City Clerk