REGULAR COUNCIL MEETING, CITY OF STORM LAKE, IOWA, CITY HALL, MAY 17, 2010, 5:00 P.M.

Present: Mayor Jon Kruse, Council Members Dan Anderson, Jim Treat, David Walker, Sara Huddleston, and Mike Porsch. Absent: None. Staff present: City Manager Jim Patrick, Assistant City Attorney Phil Havens, Public Safety Director Mark Prosser, Infrastructure Superintendent Pat Kelly, Library Director Misty Gray, Project Manager/Community Development Director Mike Wilson, and Justin Yarosevich City Clerk.

Mayor Kruse called the meeting to order at 5:03 p.m.

Hear the Public – None

Consent Agenda – Moved by Council Member Treat to approve the consent agenda which included checks #32896 through #33030, minutes from the May 3, 2010 council meeting, 5-day liquor license with outdoor service for Buddhist Temple, tobacco settlement agreement with Fareway, and reappointment of Mike Wilson to the Landfill Commission. Seconded by Council Member Walker. Vote: All ayes. Motion carried.

FY 2009-2010 Budget Amendment – Mayor Kruse opened the public hearing on the proposed FY 2009-2010 Budget Amendment station that this was the time and place for any comments. Hearing no comments the Mayor then closed the public hearing.

Sign Regulations – Mayor Kruse opened the public hearing on the proposed revisions to the sign regulations in the Storm Lake Zoning Code stating that this was the time and place for any comments. Hearing no comments the Mayor then closed the public hearing.

Veolia Contract – Moved by Council Member Walker to approve the contract with Veolia Water for the operations, maintenance and management services for the water and wastewater treatment plants. Contract is a ten year contract. Seconded by Council Member Porsch. Vote: All ayes. Motion carried.

Lake Avenue Street Project – Moved by Council Member Anderson to set the public hearing on the plans and specifications for the Lake Avenue HMA Overlay Project for June 7, 2010 at 5:00pm. Seconded by Council Member Huddleston. Vote: All ayes. Motion carried.

Water Line Loop – Moved by Council Member Porsch to approve the second amendment to the engineering agreement with Veenstra and Kimm for the Southeast Water Line Loop project. Seconded by Council Member Huddleston. Vote: All ayes. Motion carried.

Cottages & Campground – Moved by Council Member Walker to approve the contract with Amani for installation of telephone and cable TV electronics to the rental cottages

and Sunrise Campground. Cost of the contract is $23,308.14. Seconded by Council Member Anderson. Vote: All ayes. Motion carried.

Moved by Council Member Huddleston to approve the contract with Professional Electronics for the installation of surveillance cameras to the cottages and campground office. Cost of the contract is $41,850. Seconded by Council Member Porsch. Vote: All ayes. Motion carried.

Noise Variance – Moved by Council Member Walker to approve a noise variance for the Buddhist Temple located at 6018 Rothmoor Road for Friday, June 11, 2010 and Saturday, June 12, 2010 between the hours of 11:00am and 1:00am. Seconded by Council Member Huddleston. Vote: All ayes. Motion carried.

Bulletproof Vest Grant – Moved by Council Member Treat to approve the submission of an application to the Office of Justice Programs, "Bulletproof Vest Partnership" to replace seven bulletproof vests. Seconded by Council Member Huddleston. Vote: All ayes. Motion carried.

On-Line Utility Bill Payments – Moved by Council Member Huddleston to approve an agreement with Springbrook Software for on-line utility billing payments. Seconded by Council Member Walker. Vote: All ayes. Motion carried.

Labor Day Events – Moved by Council Member Huddleston to adopt Resolution No. 74-R-2009-2010 approving the requests for the 2010 Kiwanis car show and Santa's Castle events for Labor Day weekend. Seconded by Council Member Walker. Vote: All ayes. Motion carried.

RESOLUTION NO. 74-R-2009-2010

A RESOLUTION APPROVING REQUESTS FOR THE 2010 KIWANIS CAR SHOW AND SANTA'S CASTLE EVENTS ON LABOR DAY WEEKEND

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STORM LAKE, IOWA:

To approve the use of Chautauqua Park on September 5, 2010 between the hours of 8:00am and 5:00pm for the Hy-Noon Kiwanis Car Show and Santa's Castle fundraising events.

To further approve the closing of Chautauqua Park Road from the park maintenance building west to Lakeshore Drive on Sunday, September 5, 2010 between the hours of 8:00am and 5:00pm.

To further approve a noise variance on Sunday, September 5, 2010 between the hours of 8:00am and 5:00pm.

And to further give permission to fence off the area west of the shelter house to create the car show venue boundaries and the use of the City's snow fence.

PASSED AND APPROVED this 17th day of May, 2010.

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Jon F. Kruse, Mayor

ATTEST:

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Justin Yarosevich, City Clerk

Budget Amendment – Moved by Council Member Walker to adopt Resolution No. 75-R-2009-2010 adopting the FY 2009-2010 Budget Amendment and transfers. Seconded by Council Member Treat. Vote: All ayes. Motion carried.

RESOLUTION NO. 75-R-2009-2010

A RESOLUTION AMENDING THE CURRENT BUDGET FOR THE FISCAL YEAR ENDING JUNE 30, 2010

Be it Resolved by the Council of the City of Storm Lake:

Section 1. Following notice published and the public hearing held, May 17, 2010 the current budget is amended as set out herein and in the detail by fund type and activity that supports this resolution which was considered at that hearing:

		Total Budget as certified or last amended	Current Amendment	Total Budget after Current Amendment
Revenues & Other Financing Sources				
Taxes Levied on Property	1	2,967,759	0	2,967,759
Less: Uncollectted Property Taxes-Levy Year	2	0	0	0
Net Current Property Taxes	**3**	2,967,759	0	2,967,759
Delinquent Property Taxes	4	0	0	0
TIF Revenues	5	448,297	0	448,297
Other City Taxes	6	1,297,305	0	1,297,305
Licenses & Permits	7	138,250	20,000	158,250
Use of Money and Property	8	213,670	0	213,670
Intergovernmental	9	6,072,912	0	6,072,912
Charges for Services	10	10,287,699	0	10,287,699
Special Assessments	11	0	0	0
Miscellaneous	12	359,656	0	359,656
Other Financing Sources	13	5,716,743	5,608,557	11,325,300
Total Revenues and Other Sources	**14**	27,502,291	5,628,557	33,130,848

Expenditures & Other Financing Uses				
Public Safety	15	2,296,161	111,000	2,407,161
Public Works	16	985,906	148,000	1,133,906
Health and Social Services	17	7,500	0	7,500
Culture and Recreation	18	1,556,329	0	1,556,329
Community and Economic Development	19	514,807	102,000	616,807
General Government	20	342,110	51,000	393,110
Debt Service	21	1,376,199	35	1,376,234
Capital Projects	22	1,891,722	165,000	2,056,722
Total Government Activities Expenditures	23	8,970,734	577,035	9,547,769
Business Type / Enterprises	24	12,321,848	405,000	12,726,848
Total Gov Activities & Business Expenditures	**25**	21,292,582	982,035	22,274,617
Transfers Out	26	5,716,743	3,118,522	8,835,265
Total Expenditures/Transfers Out	**27**	27,009,325	4,100,557	31,109,882
Excess Revenues & Other Sources Over (Under) Expenditures/Transfers Out Fiscal Year	**28**	492,966	1,528,000	2,020,966
Continuing Appropriation	**29**	0	N/A	0
Beginning Fund Balance July 1	30	8,465,912	0	8,465,912
Ending Fund Balance June 30	**31**	8,958,878	1,528,000	10,486,878

Section 2. Whereas, there is a need to transfer resources between funds to provide for capital projects, debt service, and fund future reserves according to the certified budget for fiscal year 2009-2010 as follows:

(1) General Fund Operations
From Emergency Levy Fund to General Fund $63,637

(2) Economic Development
From Water Fund to General Fund $33,595

(3) Economic Development
From Sewer Fund to General Fund $34,462

(4) Golf Course Roof
From Local Option Sales Tax to General Fund $23,420

(5) Frank Starr Park Shelter House Roof
From Local Option Sales Tax to General Fund $3,680

(6) Portable Stage
From Local Option Sales Tax to General Fund $25,536

(7) Golf Course Lights
From Local Option Sales Tax to General Fund $4,500

(8)	CSO Program From General Government Donations to General Fund	$46,140
(9)	Police Department Supervisors Vehicle Damage From Tort Fund to General Fund	$3,390.07
(10)	Census 2010 From General Fund to Capital Project Fund	$3,000
(11)	Fire Truck Debt – Township Share From General Fund to Debt Service Fund	$11,885
(12)	Comp Plan From General Fund to Capital Project Fund	$66,000
(13)	Waterpark Replacement Reserve From Waterpark Fund to Waterpark Replacement Reserve	$27,923.25
(14)	Alley Approaches From Road Use Tax to Capital Project Fund	$18,000
(15)	2009 Street Project From Road Use Tax to Capital Project Fund	$188,092.47
(16)	Lake Avenue Trail From Road Use Tax to Capital Project Fund	$30,250
(17)	2010 Street Project From Road Use Tax to Capital Project Fund	$41,774
(18)	Driveway Approach Assessment From Road Use Tax to Capital Project Fund	$38,800
(19)	Asphalt Crushing From Road Use Tax to Capital Project Fund	$44,035
(20)	Police and Fire Pension From Special Levy Fund to Police/Fire Pension Fund	$156,165
(21)	AWAYSIS Bond Payment From Local Option Sales Tax Fund to Debt Sinking Fund	$451,473
(22)	Paying Agent Fee – 5.4M Bond From Local Option Sales Tax Fund to Debt Reserve Fund	$650

(23)	2009 Street Project From Local Option Sales Tax to Capital Project	$50,000
(24)	Campground From Local Option Sales Tax to Campground Capital Project	$1,000,000
(25)	AWAYSIS Bond Payment From Hotel/Motel Fund to Debt Reserve Fund	$95,822.50
(26)	Paying Agent Fee From Hotel/Motel Fund to Debt Reserve Fund	$415
(27)	AWAYSIS Bond Payment From TIF Fund to Debt Reserve Fund	$132,805
(28)	Paying Agent Fee From TIF Fund to Debt Reserve Fund	$418
(29)	Hotel Tax Reserve From TIF Fund to Hotel Tax Reserve Fund	$242,814
(30)	Waterpark GO Bond From Waterpark Debt Reserve to Waterpark Sinking Fund	$258,432.50
(31)	Paying Agent Fee From Waterpark Debt Reserve to Debt Reserve Fund	$217
(32)	AWAYSIS Bond Payment From Hotel/Motel Debt Reserve to Debt Sinking Fund	$89,685.50
(33)	Paying Agent Fee From Hotel/Motel Debt Reserve to Debt Sinking Fund	$415
(34)	AWAYSIS Bond Payment From TIF Debt Reserve to Debt Sinking Fund	$125,520
(35)	Paying Agent Fee From TIF Debt Reserve to Debt Sinking Fund	$418
(36)	Airport Parking Lot From Capital Project Fund to Capital Projects Fund	$5,124.77
(37)	Airport Electrical Vault From Capital Project Fund to Capital Projects Fund	$17,797.92
(38)	Close Hwy. 7 Project	

	From Capital Project Fund to Capital Projects Fund	$13,274.90
(39)	Close West Lakeshore Drive Project From Capital Project Fund to Capital Projects Fund	$9,936.68
(40)	2010 Street Project From Capital Project Fund to Capital Projects Fund	$75,279.81
(41)	Comp Plan From Capital Project Fund to Capital Projects Fund	$2,494.36
(42)	Close Park Donations From Capital Project Fund to Capital Projects Fund	$1,670.37
(43)	Large Format Scanning From Water Fund to Capital Projects Fund	$3,500
(44)	Large Format Scanning From Sewer Fund to Capital Projects Fund	$3,500
(45)	Close Indoor Waterpark Capital Project From Capital Project Fund to Capital Projects Fund	$183,531.20
(46)	Close Outdoor Waterpark Capital Project From Capital Project Fund to Capital Projects Fund	$78,798.14
(47)	Close Great Lawn Capital Project From Capital Project Fund to Capital Projects Fund	$25,696.71
(48)	Close Family Playground Capital Project From Capital Project Fund to Capital Projects Fund	$33,326.54
(49)	Close Golf Course Capital Project From Capital Project Fund to Capital Projects Fund	$5,000
(50)	Close Senior Center Capital Project From Capital Project Fund to Capital Projects Fund	$960.66
(51)	Close Lighthouse Capital Project From Capital Project Fund to Capital Projects Fund	$41,426.23
(52)	Close Business District Capital Project From Capital Project Fund to Capital Projects Fund	$139.99
(53)	Water Fund – King's Pointe Cash Call Refund From Hotel Fund to Water Fund	$86,018.85

(54)	SRF Note Payments From Water Fund to Water Sinking Fund	$575,961
(55)	Well Service From Water Fund to Water Capital Project	$45,000
(56)	McKenna Addition From Water Fund to Water Capital Project	$119,300
(57)	Development Reserve From Water Fund to Water Capital Project	$80,700
(58)	Water Depreciation From Water Fund to Water Capital Project	$425,000
(59)	Leisure Settlement From Water Fund to Hotel Operations	$280,000
(60)	Well 19 From Water Capital Project to Water Capital Project	$74,647.31
(61)	Close Water Plant Project From Water Capital Project to Water Capital Project	$117,678.16
(62)	Well Service From Water Capital Project to Water Capital Project	$12,902.71
(63)	Close Water Rate Study From Water Capital Project to Water Capital Project	$1,425.32
(64)	Hotel Operations From Water Capital Projects to Hotel Reserve Fund	$517,215
(65)	SRF Note Payments From Sewer Fund to Sewer Sinking Fund	$304,776
(66)	Development Reserve From Sewer Fund to Sewer Capital Projects	$84,000
(67)	McKenna Addition From Sewer Fund to Sewer Capital Projects	$116,000
(68)	Close Wastewater Rate Study From Sewer Capital Projects to Sewer Capital Projects	$4,277.78

(69)	Close Odor Control Capital Project From Sewer Capital Projects to Sewer Capital Projects	$24,739.54
(70)	SRF Note Payments From Storm Water Fund to Storm Water Sinking Fund	$51,265
(71)	Storm Water Depreciation From Storm Water Fund to Storm Water Capital Projects	$26,700
(72)	$2.5M Bond Legal Fees From Hotel Debt Reserve to Hotel Operations	$58,225.70
(73)	AWAYSIS Bond Payment From Hotel Operations to Hotel Debt Reserve	$493,941
(74)	Hotel Insurance From Hotel Operations to Hotel Insurance Reserve	$106,125
(75)	Hotel Taxes From Hotel Operations to Hotel Tax Reserve	$72,326.33
(76)	Paying Agent Fee From Hotel Operations to Hotel Debt Reserve	$1,435
(77)	Hotel Replacement Reserve From Hotel Operations to Hotel Replacement Reserve Fund	$177,483.11
(78)	Hotel Operations From Hotel Operating Reserve Fund to Hotel Operating Fund	$517,215
(79)	AWAYSIS Bond Payments From Hotel Debt Reserve to Hotel Bond Sinking Fund	$417,741.50
(80)	Paying Agent Fee From Hotel Debt Reserve to Hotel Sinking Fund	$800
(81)	Hotel Replacement Reserve – Cash Call Pay Back From Hotel Debt Reserve to Hotel Replacement Reserve	$78,600
(82)	Hotel Operations From Hotel Debt Reserve to Hotel Operations	$61,000
(83)	Special Levy From Health Benefit Trust to Special Levy Fund	$110,000

NOW THEREFORE be it resolved by the City Council of the City of Storm Lake, Iowa,

to approve the above said budget amendment and transfers of funds for the 2009-2010 Fiscal Year.

PASSED AND APPROVED this 17th day of May, 2010.

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Jon F. Kruse, Mayor

ATTEST:

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Justin Yarosevich, City Clerk

Water Revenue Bonds – Moved by Council Member Walker to adopt Resolution No. 76-R-2009-2010 amending Resolution No. 58-R-2009-2010 concerning interest payment dates for the $250,000 series of Water Revenue Capital Loan Notes. Seconded by Council Member Huddleston. Vote: All ayes. Motion carried.

RESOLUTION NO. 76-R-2009-2010

RESOLUTION AMENDING RESOLUTION NO. 58-R-2009-2010, APPROVED FEBRUARY 15, 2010, AUTHORIZING THE ISSUANCE OF $250,000 WATER REVENUE CAPITAL LOAN NOTES, SERIES 2010, TO CORRECT THE FIRST INTEREST PAYMENT DATE THEREFOR

WHEREAS, by Resolution No. 58-R-2009-2010, approved on February 15, 2010 (the "Note Resolution"), the City Council has heretofore authorized and provided by the issuance and payment of $250,000 Water Revenue Capital Loan Notes, Series 2010 (the "Notes"); and

WHEREAS, Section 5 of the Note Resolution provides that interest on the Notes shall first be payable on June 1, 2010; and

WHEREAS, it is now deemed necessary and desirable that the Note Resolution be amended to provide that interest on the Notes first be payable as of December 1, 2010.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STORM LAKE, IN THE COUNTY OF BUENA VISTA, STATE OF IOWA AS FOLLOWS:

Section 1. Amendment of Section 5. Section 5 of the Note Resolution is hereby amended to read as follows:

Section 5. Note Details. Water Revenue Capital Loan Notes, Series 2010, of the City in the amount of $250,000, shall be issued to evidence the

obligations of the Issuer under the Agreement pursuant to the provisions of Section 384.83 of the Code of Iowa for the aforesaid purpose. The Notes shall be designated "WATER REVENUE CAPITAL LOAN NOTE, SERIES 2010", be dated the date of delivery, and bear interest at the rate of 3.0% per annum from the date of each advancement made under the Agreement, until payment thereof, at the office of the Paying Agent, said interest payable on December 1, 2010, and semi-annually thereafter on the 1st day of June and December in each year until maturity as set forth on the Debt Service Schedule attached to the Agreement as Exhibit B and incorporated herein by this reference. As set forth on said Debt Service Schedule, principal shall be payable on June 1, 2011 and annually thereafter on the 1st day of June in the amounts set forth therein until principal and interest are fully paid, except that the final installment of the entire balance of principal and interest, if not sooner paid, shall become due and payable on June 1, 2030. Notwithstanding the foregoing or any other provision hereof, principal and interest shall be payable as shown on said Debt Service Schedule until completion of the Project, at which time the final Debt Service Schedule shall be determined by the Trustee based upon actual advancements, final costs and completion of the Project, all as provided in the administrative rules governing the Program. Payment of principal and interest on the Notes shall at all times conform to said Debt Service Schedule and the rules of the Program.

The Notes shall be executed by the manual or facsimile signature of the Mayor and attested by the manual or facsimile signature of the Clerk, and impressed or imprinted with the seal of the City and shall be fully registered as to both principal and interest as provided in this Resolution; principal, interest and premium, if any, shall be payable at the office of the Paying Agent by mailing of a check, wire transfer or automated clearing house system transfer to the registered owner of the Note. The Notes may be in the denomination of $1,000 or multiples thereof and shall at the request of the Original Purchaser be initially issued as a single Note in the denomination of $250,000 and numbered R-1.

Section 2. Section 13. Form of Note is hereby amended to correct the first interest payment date. The reference to June 1, 2010 is hereby amended to state December 1, 2010.

Section 3. Ratification. The Note Resolution, as modified herein, and all actions of the City Treasurer in paying interest on the Notes as of December 1, 2010 are hereby ratified, confirmed and approved.

PASSED AND APPROVED this 17th day of May, 2010.

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Jon F. Kruse, Mayor

ATTEST:

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Justin Yarosevich, City Clerk

Hazard Mitigation Plan – Moved by Council Member Huddleston to adopt Resolution No. 77-R-2009-2010 amending the 2009 Hazard Mitigation Plan. Seconded by Council Member Porsch. Vote: All ayes. Motion carried.

RESOLUTION NO. 77-R-2009-2010

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF STORM LAKE IOWA, AMENDING THE CURRENT HAZARD MITIGATION PLAN FOR THE CITY

WHEREAS, the City Council of the City of Storm Lake, Iowa, adopted a hazard Mitigation Plan for the City on May 4, 2009, and;

WHEREAS, said Hazard Mitigation Plan was subsequently certified by the Federal Emergency Management Agency, for five-year period, on June 8, 2009, and;

WHEREAS; City wishes to amend said Plan by adding the following action step to the Future Hazard Mitigation Activities and Analysis of Mitigation Activities segments:

Action Step #1.1.6	Create additional capacity within the sanitary sewer system (Collection and treatment sides) to convey and treat storm water infiltration during heavy rain events
Analysis:	The proposed project would eliminate bottlenecks within the existing system and create additional carrying capacity within the collection system to convey the increased amounts of sanitary sewer flow caused when the City of Storm Lake experiences heavy rain events and rain events during periods of high ground saturation. This project will eliminate the impact of these events and eliminate the flooding of streets due to sanitary sewer backups and the flooding of basements due to sanitary sewer backups.
Timeline:	The proposed project once funding would be available would take 36 months to complete (3 years)
Estimated Cost:	$15,000,000 to $18,000,000
Responsible Party:	City of Storm Lake - Administration

NOW THEREFORE BE IT RESOLVED THAT the City Council of the City of Storm Lake, Iowa hereby amends said Hazard Mitigation Plan, accordingly.

PASSED AND ADOPTED this 17th day of May, 2010.

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Jon F. Kruse, Mayor

ATTEST:

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Justin Yarosevich, City Clerk

FEMA Mitigation Grant – Moved by Council Member Anderson to adopt Resolution No. 78-R-2009-2010 approving the FEMA hazard mitigation grant program local match. The amount for the local match is $2,500,000. Seconded by Council Member Walker. Vote: All ayes. Motion carried.

LOCAL MATCH RESOLUTION NO. 78-R-2009-2010 FOR THE HAZARD MITIGATION GRANT PROGRAM

WHEREAS, City of Storm Lake (hereinafter called "the Subgrantee"), County of Buena Vista, has made application through the Iowa Homeland Security and Emergency Management Division (HSEMD) to the Federal Emergency Management Agency (FEMA) for funding from the Hazard Mitigation Grant Program, in the amount of $16,298,000.00 for the total project cost,

and

WHEREAS, the Subgrantee recognizes the fact that this grant is based on a cost share basis with the federal share not exceeding 75%, the state share not exceeding 10% and the local share being a ***minimum*** of 15% of the total project cost. The ***minimum*** 15% local share can be either cash or in-kind match;

and

The subgrantee understands that the application submitted for HMGP funding is for Phase I design funds. The subgrantee is committed to funding the Phase II construction of the project even though detailed costs are not available to determine Phase II costs. Should Phase II construction costs exceed what the sub-grantee can fund for their required 15% local share, the subgrantee is still responsible for gathering the funds necessary to cover the 15% local match requirement for this Phase I design.

THEREFORE, the subgrantee agrees to provide and make available up to $2,500,000.00 (Two-million and five-hundred-thousand dollars) of local monies to be used to meet the ***minimum*** 15% match requirement for this mitigation grant application.

The resolution was passed and approved this 17th day of May, 2010.

Signatures of Council or Board Members:

David Walker, Council Member	Jim Treat, Council Member
Mike Porsch, Council Member	Sara Huddleston, Council Member
Dan Anderson, Council Member	

I submit this form for inclusion with the HMGP Project Application.

James H. Patrick, Authorized Representative

Authorized Representative's Signature and Date

Sign Regulations – Moved by Council Member Walker to pass on 1st reading Ordinance No. 20-O-2009-2010 amending Article 10, sign regulations of the zoning ordinance updating the regulations relating to signs. Seconded by Council Member Huddleston. Vote: All ayes. Motion carried.

Adjourn – Moved by Council Member Porsch to adjourn the meeting at 5:45pm. Seconded by Council Member Huddleston. Vote: All ayes.

Jon F. Kruse, Mayor

ATTEST:

Justin Yarosevich, City Clerk