CITY OF STORM LAKE
REGULAR COUNCIL SESSION MEETING,
CITY HALL
COUNCIL CHAMBERS
MARCH 4, 2024
5:00 PM

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

AGENDA

Access to the official meeting can also be done through the following ways:

BY TELEPHONE:	BY COMPUTER:
Dial: 1-312-626-6799 or toll-free: 1-888-475-4499 Zoom Meeting ID: 933-2006-3301	https://zoom.us/j/93320063301

Open the Meeting

- **Call to Order**
- **Pledge of Allegiance**
- **Proclamation**

A. **Consideration of Changes in Agenda and Setting the Agenda**

B. **Disclosure by City Council Members**

C. **Hear the Public**

D. **Consent Agenda**

1. Consent Agenda
2. Resolution No. 29-R-2023-2024 To Approve Sunrise Pointe Golf Course Reciprocal Policy
3. Buy Local Information
4. SLPD City Code Enforcement Summary

E. **Unfinished Business**

F. **New Business**

1. Motion to Select Management Firm and Approve Agreements
2. Hearing to Appeal City Manager's Decision Determining a Certain Dog to be a Vicious Animal Pursuant to Section 8-9-7 of the Storm Lake, Iowa Code
3. Motion to Approve a LED Lighting Upgrade Proposal from ROI Energy
4. Public Hearing on The Matter of The Adoption of Plans, Specifications, Form of Contract and Estimate of Cost for the Construction of The Storm Lake Elevated Water Tower No.5.
5. Resolution No. 30-2023-2024 Adopting Plans, Specifications, Form Of Contract And Estimate Of Cost For The Storm Lake Elevated Water Tower No. 5

6. Resolution No. 31-R-2023-2024 Making Award of Construction Contract to Landmark Structures Low Base Bid For Elevated Water Tower No. 5.
7. Resolution No. 32-R-2023-2024 Approving Subaward Agreement with IA Homeland Security and Emergency Management
8. Resolution No. 33-R-2023-2024 Approving Amendment No.4 to the Agreement for Professional Services - Engineering with Bolton & Menk, Inc. on the Storm Lake FEMA HMA Project
9. Resolution No. 34-R-2023-2024 Granting Authorization to Engage Bolton and Menk, Inc. with Task 2 Services related to the Scout Park and Ice House Lift Station Project Subject to Execution of Grant Agreement with IA Homeland Security and Emergency Management
10. Resolution No. 35-R-2023-2024 Granting Authorization to Engage Simmering-Cory with Phase 2 Services Related to the Scout Park and Ice House Lift Station Project Subject to Execution of Grant Agreement with IA Homeland Security and Emergency Management
11. Resolution No. 36-R-2023-2024 Committing Matching Funds and Authorizing Submission of Iowa Energy Efficiency and Conservation Block Grant (EECBG) Application
12. Motion Setting Public Hearing on Setting Tax Levy Rate and Maximum Property Tax Dollars
13. Public Hearing for Contesting Bid Rejections for the Memorial Road Street and Utility Improvement Project
14. Resolution No. 37-R-2023-2024 Awarding Bid to Reding's Gravel & Excavation, Inc. for the 2024 Memorial Road Street & Utilities Improvements Project
15. City Council Requested Items / City Council Updates
16. Fiscal Year 2024-2025 Budget Work Session

G. **Adjourn**

Meeting Protocol
If you wish to speak today, please:
1. To speak on an agenda item please approach the podium when that agenda item is called and upon recognition by the Mayor identify yourself by stating your name and address.
2. If your issue is not a topic on the agenda please approach the podium under the "Hear the Public" agenda item and upon recognition by the Mayor identify yourself by stating your name and address.
3. Please keep your remarks to three (3) minutes or less.
4. If you require accommodation for this meeting including but not limited to translation services, hearing assistance, or accessibility please contact the City Clerk at least four (4) hours prior to the start of the meeting.

**If you have concerns about any of the items on the consent agenda, they may be separated from the consent agenda and voted on individually.*
***Ordinances may be read at three consecutive meetings or readings may be waived and ordinances may be passed at only one or two meetings.*

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Find us on the Web at http://www.stormlake.org

Staff Summary

03/04/2024
Agenda Item # D.1.

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO: Honorable Mayor & Council

FROM: Mayra Martinez City Clerk

SUBJECT: **Consent Agenda**

BACKGROUND: The Consent Agenda Includes:

- List of Bills
- King's Pointe & Sunrise Pointe Disbursements ,
- Approve February 19, 2024 City Council Special Minutes, Closed Session Minutes and Regular City Council Minutes
- Acknowledge the January 2024 Library Minutes
- Acknowledge the January 2024 Airport Minutes
- Approve Sunrise Pointe Golf Course Reciprocal Policy
- Approve New Liquor License for Brew Thirty
- Approve Renewal Liquor Licenses for Sichanh Liquor Store
- Approve New Cigarette Permits for Brew 30 and Carroll's Tobacco Outlet/R Smoke Plus LLC
- Approve Tax Abatement Applications for 1821 West 6th Street Unit #5 and Unit #6 for Brash LLC
- Approve Buy Local Information
- Approve Storm Lake Police Department City Code Enforcement Update

FISCAL IMPACT: City Will Pay The Following Expenditures:

- List of Bills: $475,320.01
- King's Pointe & Sunrise Pointe Golf Course Bills: $196,125.09

City Will Receive The Following Receipts:

- Cigarette Permits: $75.00
- Liquor Licenses: $1,170.00

RECOMMENDATION: Approve Consent Agenda

ATTACHMENTS:

3/4/2024 City Claims Expense Report.pdf
3/4/2024 King's Pointe Claims 2.15.2024 to 2.28.2024.xlsx

02/19/2024 City Council Special Minutes.docx
02/19/2024 City Council Special Minutes - Closed Session.docx
02/19/2024 City Council Minutes.docx
January 2024 Library Minutes.docx
January 2024 Airport Minutes.docx
Tax Abatement Application for 1821 W 6th Street Unit 5 - Brashears LLC.pdf
Tax Abatement Application for 1821 W 6th Street Unit 6 - Brashears LLC.pdf
Carrolls Tobacco Outlet Plus LLC - R Smoke Plus LLC Permit 2023 Application.pdf
Brew Thirty 2023 Cigarette Application.pdf
Brew Thirty Liquor Application 2024.pdf
Sichanh Liquor Store Liquor Application 2024.pdf

Buy Local_v1

Storm Lake, IA

Payment Date Range: 02/22/2024 - 03/06/2024

Vendor Name	Vendor Number	Payable Description		Total Payments
BVC				
Buena Vista County EMS Association	001543	eDispatch Services		452.00
Buena Vista County Solid Waste	001035	Renovation Disposal		158.08
Buena Vista County Treasurer	001155	Property Taxes		113,056.00
Control System Specialists, LLC	001013	Headworks Services		927.00
		BVC Total:	114,593.08	
Contract/Agreement				
Midwestern Mechanical of Iowa, Inc	001819	Boiler Repairs		1,707.63
		Contract/Agreement Total:	1,707.63	
Local				
A & A Automotive	001022	Valve Stems		139.19
Alliant Energy	001173	Gas Services		12,209.12
Arnold Motor Supply, LLP	001007	Supplies		155.25
Bomgaars Supply, Inc	001151	Supplies		2,954.11
Buena Vista University	001659	2.21.2024 Language Test Reimb- Palacios		145.00
BV Vet	002454	Dexmedesed		249.42
Fastenal Company	001033	Supplies		135.77
Graham Tire	001093	Tire Repairs		26.00
Iowa Office Supply Inc	001037	Office Supplies		76.97
Larson Oil & Distributing Co, Inc	001178	Propane		954.00
MidAmerican Energy Company	001074	91230-94002 Electric Services		58,463.67
North Lake Truck Repair	001177	Fuel Supplement		94.05
O'Reilly Automotive Inc	001108	Wipers		11.06
Qwest Corporation	001070	Phone Service		230.08
Reding's Gravel & Excavating Co., Inc	001132	Pay #2 (Retainage) of 610th St Sanitary Sewe		6,412.22
Stanton Electric, Inc	001264	Lighting Replacement		2,590.32
Stille Pierce & Pertzborn	001294	Umbrella Insurance		12,605.71
Storm City Auto Parts, Inc	001501	Supplies		112.96
Storm Lake Hydraulics Co, Inc	001089	Seal Kits		459.64
Vetter Equipment	001098	Light		592.59
Visual Edge Inc	001063	Copier Maintenance Agreement		177.31
WalMart #01-1526	001153	Supplies		29.66
Wiese Plumbing & Heating, Inc	001302	Furnace Repairs		830.41
		Local Total:	99,654.51	
Non-Local				
ABC Pest Control, Inc	001078	Pest Control Services		227.50
Ahlers & Cooney, P.C.	001023	General Legal Services		7,882.32
Alex Air Apparatus 2 LLC	002217	Helmet		395.00
Amerigas	001014	Propane		2,317.95
Boji Portable Toilets Inc	001133	Portable Toilet Rental		420.00
Breanna Nieland	001607	2/19/2024 DMACC Training		77.00
Central Iowa Distributing, Inc	001026	Cleaning Supplies		903.75
Cintas First Aid & Safety	001094	First Aid Supplies		106.68
Core & Main LP	002000	Sensor		1,216.54
Dale Vitito	001061	Uniform- Chase		1,730.50
Dorsey & Whitney LLP	001954	TIF Legal Services		8,250.00
Ed M. Feld Equipment Company, Inc	001031	Boots & Flares		1,029.26
Fire Service Training Bureau	001483	FF1- Espana & Wells		100.00
Foundation Analytical Laboratory, Inc	001100	Testing Services		2,918.00
Getty Images (US), Inc.	001206	Istock Subscription		597.00
Golf Course Superintendents Association	001490	2024 Membership- Ripke		150.00

Buy Local_v1

Vendor Name	Vendor Number	Payable Description		Total Payments
Hallett Materials	001428	Sand		1,286.43
Hawkins, Inc	001112	Chemicals		11,717.17
HD Supply, Inc	001336	Hydrant Adapter		294.88
Iowa Association of Professional Fire Chi	001512	FY2024 Membership- Schlesser		100.00
Iowa Chapter of Plumbing & Mechanical	001515	2024 Membership- Olesen		40.00
Iowa Economic Development Authority	002455	2024 Tourism Conf Reg- Larsen		265.00
Iowa Employment Conference	001830	Conference Registration		495.00
Iowa Radiology	002442	11/28/23 Svc- Chase, Anthony		41.00
Johnston Automotive & Industrial of Spe	001386	Hyd Adapter		23.06
Kasperbauer Cleaners, Inc	002435	Entrance Mat Services		40.62
Laurens House of Print Ltd	002161	Magnet		33.34
Linde Inc	001111	Carbon Dioxide		2,674.59
Marcus Lumber Company Corp	002011	Supplies		21.16
Mississippi Lime Company	001095	Lime		37,214.59
Municipal Supply, Inc	001391	Touch Coupler SPs		7,195.55
Nebraska Serious Injury and Line of Duty	002287	Flags		254.75
NW Iowa Planning & Development Comn	001102	FY2024 SHIELD 4th Draw		3,500.00
Pitney Bowes Inc	001181	Postage		1,600.00
Power Plan	001491	Loader Service		244.71
Schaeffer Manfacturing Company	001469	Oil		2,398.00
SGS, LLC	002126	Garbage Services		1,394.62
Sirchie Acquisition Company, LLC	001437	Evidence Bags		123.10
SmartSights Technologies, LLC	002440	FY2024 WIN 911 Subscription		2,400.00
Sta-Mel Enterprises, Inc	001183	Deicing Salt		4,422.13
Steven A Beeck	001083	Window Cleaning Services		43.00
Streicher's, Inc	002200	Barrel- FoF Training		4,339.86
Twin Rivers Media, LLC	001148	Advertising		500.00
Underground Location Company	001194	Locate Services		70.30
Utility Equipment Co	001096	Flags & Valve Box		2,892.12
Vermeer Sales & Service, Inc	001392	Stump Grinder Teeth		1,312.51
W. W. Grainger, Inc	001085	Ball Valve		277.89
Winther, Stave & Co., LLP	001279	FY2023 Audit Services		5,700.00
		Non-Local Total:	121,236.88	
Payroll/Refunds				
Christopher Chambers	002016	2/14/2024 ICC Training- MN		88.00
Scott Olesen	001563	2/14/2024 ICC Training- MN		48.00
		Payroll/Refunds Total:	136.00	
		Grand Total:	337,328.10	

King's Pointe Resort

Claims Publication

From 2/15/2024 to 2/28/2024

Vendor	Description		Amount
360 Custom Designs, LLC	Services	$	564.28
Achivr Visb Bill Pay	Services	$	655.36
Amazon Capital Services, Inc	Supplies	$	928.35
Amy Von Bank	Reimbursement	$	194.96
Arnold Motor Supply, LLP	Supplies	$	169.98
Buena Vista County Journal	Advertising	$	125.00
Carey's Furniture	Supplies	$	109.98
Cintas Corporation	Supplies	$	3,435.11
Doll Distribution	Beverages	$	816.50
ECOLAB	Supplies	$	1,097.82
Frigitec Inc.	Supplies	$	376.13
Grainger	Supplies	$	992.00
GuestSupply	Supplies	$	3,553.23
Hermel Wholesale	Food	$	154.58
HyVee	Beverages	$	1,042.91
Imagine The Possibilities Inc	Services	$	150.00
Iowa Division of Labor	Services	$	320.00
Iowa Information Inc.	Supplies	$	35.00
Johnson Brothers	Beverages	$	966.50
Joyce's Greenhouse	Services	$	1,000.00
Kelli's Gift Shop Suppliers	Supplies	$	608.58
KTIV	Advertising	$	1,378.00
Loews Carpet One	Supplies	$	8.41
Long Lines LLC	Utilities	$	1,165.72
Marcus Lumber Co	Supplies	$	196.61
Martin Brothers	Food	$	15,431.10
Mediacom	Utilities	$	472.90
MidAmerican Energy	Utilities	$	12,074.71
Midwestern Mechanical, Inc	Services	$	1,792.25
Northern Lights	Supplies	$	678.99
Northwind - Maestro PMS	Subscription	$	15,228.61
Pepsi Beverages Company	Beverages	$	2,932.79
Plumbing and Heating Wholesale	Supplies	$	1,072.95
Quore Systems, LLC	Services	$	619.31
Rebnord Technologies, Inc.	Services	$	2,988.33
RFID Hotel	Supplies	$	902.09
Rolloff Dumpster Rental of Iowa INC.	Utilities	$	1,178.92
Sceptre Hospitality Resources, LLC	Services	$	3,940.83
SESAC LLC	Supplies	$	333.83
SGS, LLC	Utilities	$	63.00
Storm Lake Ace Hardware	Supplies	$	693.98
Symmetry Energy Solutions LLC	Utilities	$	5,761.11
Sysco Iowa, Inc.	Food	$	11,971.23
Verde Outdoor Media LLC	Services	$	3,700.00
Verizon Wireless	Utilities	$	327.68

Vista Paints	Supplies	$	191.80
Visual Edge IT, INC	Services	$	182.73
Vizergy	Services	$	3,724.35
Wells Fargo Financial Leasing, Inc.	Services	$	235.18
W-O Mgmt Fee- Jan 2024	Agreement	$	7,286.92
W-O Payroll 2/15/24	Payroll	$	82,294.49
		$	196,125.09

CITY OF STORM LAKE SPECIAL COUNCIL MEETING, CITY HALL COUNCIL CHAMBERS FEBRUARY 19, 2024, 3:00 PM

Present: Mayor ProTem Matt Ricklefs, Council Members Maria Ramos, Meg McKeon, Kevin McKinney (via Zoom) and Mayor Michael Porsch (via Zoom). Absent: Council Member Maggie Martinez.

Staff Present: City Manager Keri Navratil, Assistant City Manager David Derragon, Finance Director Brian Oakleaf, King's Pointe Manager Amy VonBank, Communications Coordinator Dana Larsen, City Clerck Mayra Martinez, and Staff Accountant Tyler Gibbins.

Media Present: Tom Cullen with The Storm Lake Times Pilot.

Mayor ProTem Ricklefs called the meeting to order at 3:00 pm.

New Business

King's Pointe Management Company Presentation/Interviews

Representatives for S&L Hospitality gave a presentation of the management services they provide to City Council members and staff and answered questions that were asked by the City Council members.

Adjourn – Moved by Council Member Ramos to adjourn at 4:15 pm. Seconded by Council Member McKeon. Vote: All ayes with Council Member Martinez absent. Motion carried.

____
Matthew Ricklefs, Mayor ProTem

ATTEST:

____
Mayra A. Martinez, City Clerk

CITY OF STORM LAKE SPECIAL COUNCIL MEETING, CITY HALL COUNCIL CHAMBERS FEBRUARY 19, 2024, 5:00 PM

Present: Mayor ProTem Matt Ricklefs, Council Members Maggie Martinez, Maria Ramos, Meg McKeon, Kevin McKinney (via Zoom) and Mayor Porsch (via Zoom).

Staff Present: City Manager Keri Navratil, Assistant City Manager David Derragon, Finance Director Brian Oakleaf, City Attorney Maria Brownell and City Clerk Mayra Martinez.

Engineer Present: Josh Pope with Bolton & Menk.

Mayor ProTem Ricklefs called the meeting to order at 5:00 pm.

New Business

Closed Session Reference Iowa Code Chapter 21.5 (c) Matters of Litigation
Moved by Council Member Ramos to go into closed session at 5:00 pm for reference to Iowa Code Chapter 21.5 (c) Matters of Litigation. Seconded by Council Member Martinez. Vote: All ayes. Motion carried.

Moved by Council Member McKinney to go into open session at 5:47 pm. Seconded by Council Member Martinez. Vote: All ayes. Motion carried.

Adjourn - Moved by Council Member McKinney to adjourn @ 5:47 pm. Seconded by Council Member Martinez. Vote: All ayes. Motion carried.

Matthew Ricklefs, Mayor ProTem

ATTEST:

Mayra A. Martinez, City Clerk

CITY OF STORM LAKE REGULAR COUNCIL MEETING, CITY HALL COUNCIL CHAMBERS FEBRUARY 19, 2024, 5:15 PM

Present: Mayo ProTem Matt Ricklefs, Council Members Maria Ramos, Meg McKeon, Maggie Martinez, Kevin McKinney (via Zoom) and Mayor Michael Porsch (via Zoom).

Also Present: City Manager Keri Navratil, Assistant City Manager David Derragon, Police Chief Chris Cole, Fire Chief Glenn Schlesser, King's Pointe Manager Amy VonBank, Building and Code Compliance Director Scott Olesen, Library Director Elizabeth Huff, Development Services Specialist Lee Dutfield, Communications Coordinator Dana Larsen, Public Services Supervisor Scott Bonebrake, Assistant Public Services Supervisor Brandon Ripke, Program Manager/Sunrise Campground Manager Kim Woltman, Public Works Director Matt Beckman, Water Plant Superintendent Kolby Struchen, Water Distribution Supervisor David Huse, Waste Water Treatment Plant Supervisor Jorge Tarin, Finance Director Brian Oakleaf, Staff Accountant Tyler Gibbins, and City Clerk Mayra Martinez.

Media Present: Ryan Thompson with KAYL and Amber Mohmand with The Storm Lake Times Pilot

Mayor ProTem Ricklefs called the meeting to order at 5:52 pm.

Pledge of Allegiance

Agenda - Moved by Council Member Ramos to approve setting the agenda as presented. Seconded by Council Member McKeon. Vote: All ayes. Motion carried.

Disclosure by City Council Members – No items at this time.

Hear the Public - Emily Bodholdt on behalf of Ready Set Grow said they look forward to further collaboration with the City, our community leaders, and business owners to address the childcare shortages in our area. Emily thanked the City of Storm Lake for prioritizing child day care on their strategic planning for the upcoming year.

Consent Agenda - Moved by Council Member Martinez to approve List of Bills Check #'s 80964 through 80968, 81026 through 81071, EFT #'s 1305, 4965 through 5014, DFT #'s 2126 through 2149, King's Pointe & Sunrise Pointe Disbursements, approve February 5, 2024, City Council minutes, approve annual contract with Retail Coach, approve renewal liquor license for Lakeshore Café and Zimmy's Bar & Grill, approve renewal cigarette license for Dollar General #1047, approve Buy Local Information, approve Storm Lake Police Department City Code Enforcement Update. Seconded by Council Member Ramos. Vote: All ayes. Motion carried.

Unfinished Business – None at this time.

New Business

FB Storm Lake II, LLC - Moved by Council Member McKeon to adopt Resolution No. 28-R-2023-2024 approving and authorizing execution of a second amendment to the agreement for private development by and between the City of Storm Lake and FB Storm Lake II, LLC. Seconded by Council Member McKinney. Roll call vote: All ayes. Motion carried.

RESOLUTION NO. 28-R-2023-2024

RESOLUTION APPROVING AND AUTHORIZING EXECUTION OF A SECOND AMENDMENT TO THE AGREEMENT FOR PRIVATE DEVELOPMENT BY AND BETWEEN THE CITY OF STORM LAKE AND FB STORM LAKE II, LLC

WHEREAS, by Resolution No. 33-R-91-92, adopted September 16, 1991, this Council found and determined that certain areas located within the City are eligible and should be designated as an urban renewal area under Iowa law, and approved and adopted the Storm Lake Industrial Park Urban Renewal Plan (the “Plan”) for the Storm Lake Industrial Park Urban Renewal Area (the “Area” or “Urban Renewal Area”) described therein, which Plan is on file in the office of the Recorder of Buena Vista County; and

WHEREAS, the Plan has subsequently been amended nine times, most recently by the adoption of Amendment No. 9 to the Plan in 2023; and

WHEREAS, it is desirable that properties within the Area be redeveloped as part of the overall redevelopment area covered by said Plan; and

WHEREAS, the City of Storm Lake, Iowa ("City") and FB Storm Lake II, LLC ("Developer") previously entered into an Agreement for Private Development dated October 31, 2016 ("Agreement"), as amended by a First Amendment dated as of November 21, 2021, pursuant to which, among other things, the City agreed to sell certain property located within the Urban Renewal Area (the "Development Property") to the Developer, and the Developer agreed to construct certain Minimum Improvements (as defined in the Agreement) on the Development Property; and

WHEREAS, the City and Developer now desire to amend the Agreement pursuant to a proposed Second Amendment to the Agreement (the “Amendment”) to extend the deadline for construction of the Building 2 Minimum Improvements; and

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

WHEREAS, the Council has determined that the Amendment is in the best interests of the City and the residents thereof and that the performance by the City of its obligations thereunder is a public undertaking and purpose and in furtherance of the Plan and the Urban Renewal Law and, further, that the Agreement, as amended by the Amendment, and the City's performance thereunder is in furtherance of appropriate economic development activities and objectives of the City within the meaning of Chapters 15A and 403, Code of Iowa, taking into account any or all of the factors set forth in Chapter 15A, Code of Iowa, to wit:

a. Businesses that add diversity to or generate new opportunities for the Iowa economy should be favored over those that do not.

b. Development policies in the dispensing of the funds should attract, retain, or expand businesses that produce exports or import substitutes, or which generate tourism-related activities.

c. Development policies in the dispensing or use of the funds should be targeted toward businesses that generate public gains and benefits, which gains and benefits are warranted in comparison to the amount of the funds dispensed.

d. Development policies in dispensing the funds should not be used to attract a business presently located within the state to relocate to another portion of the state unless the business is considering in good faith to relocate outside the state or unless the relocation is related to an expansion which will generate significant new job creation. Jobs created as a result of other jobs in similar Iowa businesses being displaced shall not be considered direct jobs for the purpose of dispensing funds.

NOW THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF STORM LAKE IN THE STATE OF IOWA:

That the performance by the City of its obligations under the Amendment and the Agreement, as amended, be and is hereby declared to be a public undertaking and purpose and in furtherance of the Plan and the Urban Renewal Law and, further, that the Amendment, the Agreement, as amended, and the City's performance thereunder is in furtherance of appropriate economic development activities and objectives of the City within the meaning of Chapters 15A and 403, Code of Iowa, taking into account the factors set forth therein.

That the form and content of the Amendment, the provisions of which are incorporated herein by reference, be and the same hereby are in all respects authorized, approved and confirmed, and the Mayor and the City Clerk be and they hereby are authorized, empowered and directed to execute, attest, seal and deliver the Amendment for and on behalf of the City in substantially the form and content now before this meeting, but with such changes, modifications, additions or deletions therein as shall be approved by such officers, and that from and after the execution and delivery of the Amendment, the Mayor and the City Clerk are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Agreement, as amended, and the Amendment as executed.

PASSED AND APPROVED this 19th day of February, 2024.

____
Matthew Ricklefs, Mayor Pro-Tem

ATTEST:

____
Mayra A. Martinez, City Clerk

Land Purchase BV County Tax Parcel No. 1404101017 - Moved by Council Member McKeon to approve purchase agreement for Buena Vista County Tax Parcel No. 1404101017. Seconded by Council Member Ramos. Vote: All ayes. Motion carried.

Ordinance No. 03 -O-2023-2024 Protecting the Public Water Supply by Controlling Backflow from Cross-Connections – 3rd and Final Reading - Moved by Council Member Martinez to pass on third reading adopting Ordinance No. 03-O-2023-2024 amending the City Code of the City of Storm Lake, Iowa, Title III, Public Health and Sanitation, by adding Article 14, for the purpose of protecting the Public water supply by controlling backflow from cross-connections. Seconded by Council Member McKeon. Roll call vote: All ayes. Motion carried.

ORDINANCE NO. 03-O-2023-2024

AN ORDINANCE AMENDING THE CITY CODE OF THE CITY OF STORM LAKE, IOWA, TITLE III, PUBLIC HEALTH AND SANITATION, BY ADDING ARTICLE 14, FOR THE PURPOSE OF PROTECTING THE PUBLIC WATER SUPPLY BY CONTROLLING BACKFLOW FROM CROSS-CONNECTIONS

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

Section 1. Title III, Public Health and Sanitation, of the City Code of the City of Storm Lake, Iowa, is hereby amended by adding a new Article 14, "Cross-Connection Control" as follows:

3-14-1. Definitions. Where terms, phrases and words are not defined, they shall have their ordinary accepted meanings within the context with which they are used. The following definitions shall be applicable to this Article:

Approved Backflow Prevention Assembly for Containment: An assembly that has been approved by the University of Southern California Foundation for Cross Connection Control and Hydraulic Research (USC) and meets AWWA standard C511-89 for Reduced Pressure Assemblies and ANSI/AWWA Standard C510-17(R21) for Double Check Assemblies.
Backflow: The undesirable reverse flow of used water contaminants or pollutants into the public drinking water supply as a result of a cross-connection. Backflow can occur through backpressure or backsiphonage.
Backpressure: Backflow caused by water pressure in a facility that is higher than the pressure of the public drinking water supply. This may be caused by pumps, boilers, gravity or other sources of pressure.
Backsiphonage: The reverse flow of used, contaminated, or polluted water from a plumbing fixture or device into the public drinking water due to reduced pressure. This can be caused by nearby firefighting, water main breaks or repairs.
Backflow Prevention Assembly Technician: a person registered with the State of Iowa Department of Public Health to test or repair backflow prevention assemblies and to report on the conditions of these assemblies.
Cross Connection: Any actual or potential connection or arrangement, physical or otherwise, between a potable water supply system and any plumbing fixture or tank, receptacle, equipment, or device, through which may make it possible for non-potable, used, unclean, polluted, contaminated water, or other substance, to enter any part of such potable water system under any condition.

Containment: Installation of an approved testable backflow prevention assembly on the water service line immediately following the meter or at the service entrance to the building.
Customer: The owner, operator or occupant of a building or a property or of a private water system, which has a water service from a public water system.
Degree of hazard: the rating of a cross connection or water service determined by the city designee that indicates the potential to cause contamination or pollution. Facilities rated as high hazard will be required to install an approved assembly for containment.
Double Check Valve Assembly: A backflow prevention assembly consisting of two independently acting, internally loaded check valves, four properly located test ports and two isolation valves.
High hazard: A high hazard cross-connection is a cross-connection which may alter the quality of the potable water by creating an actual hazard to the public health, through poisoning or through the spread of disease by sewage, industrial fluids, or Wastewater Service Entrance
Isolation: Installation of a backflow prevention assembly at the cross Connection on each piece of water-using equipment, such as a boiler, mortuary aspirator, lawn irrigation, chemical mixer/dispenser, post mix carbonator, etc.
Low Hazard: A low hazard cross-connection is a cross-connection which may alter the quality of potable water to a degree which does not create a hazard to the public health, but which does adversely and unreasonably affect the aesthetic qualities of such potable waters for domestic use.
Reduced Pressure Principle Assembly: A backflow prevention assembly consisting of two independently acting, internally loaded check valves, a differential pressure relief valve, four properly located test ports, and two isolation valves.
Thermal Expansion: The volumetric increase of water pressure due to heating resulting in increased pressure in a closed system.

3-14-2. Cross Connection Prohibited.
Cross Connections from any well or other source of water to any piping system connected to the City of Storm Lake's water distribution system are prohibited. It is the Customer's obligation to ensure all new and existing service lines meet the requirements of state, federal, and local ordinance, including all applicable plumbing codes.

3-14-3. Applicability.
All new and existing service lines are subject to the requirements of local and State of Iowa plumbing codes respecting backflow prevention and in addition are also subject to the specific requirements set forth in this code of ordinances.

3-14-4. Customer Responsibilities.
(a) The Customer shall be responsible for ensuring that no Cross Connections exist within their premises starting at the water service entrance without City-approved backflow-protection installed.
(b) The Customer shall prevent actual or potential pollutants and/or contaminants from entering the City of Storm Lake water distribution system by all means necessary to prevent backflow.
(c) Where a Customer is served by two or more inter-connected services and/or fire lines connected to different distribution mains or different sections of distribution mains, the Customer shall install and maintain, at Customer's expense, on each service and/or fire line, an approved check valve according to the latest edition of the AWWA Standard C508. This check valve shall be installed in an access manhole and shall be located on private property just inside the property line. Even though the check valve is located on private property, City shall at all times have the

right of access to it and the installation of such check valve shall be deemed to grant a license to the City for such access.

(d) All water-using devices shall be designed to prevent backflow to the City's water distribution system.

(e) Where harmful contaminants or pollutants are used with any device or process connected to the water system, the customer must install and maintain a USC Approved testable reduced pressure principle backflow prevention assembly at the water service entrance in accordance with these ordinances and any applicable plumbing code requirements.

(f) All permanently installed underground irrigation systems shall contain an approved testable Backflow Prevention Assembly at the water service entrance designed to prevent backflow to the City's water distribution system. If lawn irrigation is the only Cross Connection within a premises, a reduced pressure principle assembly may be installed on the irrigation connection in lieu of installation at the meter. This will be categorized as containment for the purposes of enforcement.

(g) All commercial, multi-tenant properties served by one water meter are deemed to have a potential for Cross Connections to non-potable or hazardous substances because the City does not have control of tenants changing in this type of facility.

3-14-5. New Water Service.

(a) An Approved Backflow Prevention Assembly for Containment as defined in this ordinance shall be installed at the domestic water service entrance as a condition of service to all newly constructed or remodeled commercial buildings.

(b) For the purposes of this ordinance, any upgrade to an existing service line is deemed a new service.

(c) An Approved Backflow Prevention Assembly for Containment shall be installed at the water service entrance in any existing service where an actual or potential Cross Connection to non potable or hazardous substances exists, is created, or is identified by the City of Storm Lake Water Department.

(d) The City may withhold approval of new water service to a new service line until all backflow protection requirements are met.

3-14-6. Existing Service Connections.

(a) All customers whose premises are not classified as single-family residential by the Building Official shall be inspected by the City to determine the type of water usage and degree of hazard to the water system. Upon completion of the inspection, the City will determine if containment backflow protection is required.

(b) Inspections under this ordinance may be performed by the Water Superintendent, Plumbing Inspector, or other designee.

(c) The City may evaluate existing service connections using a Water Usage Inventory completed by the customer and/or physical inspection by the City to determine the type of water usage in the facility.

(d) If a customer fails to timely and accurately complete a Water Usage Inventory, or fails to provide access upon request, a high hazard condition shall be deemed to exist and an approved backflow prevention assembly for containment must be installed at the water service entrance within 30 days or service will be terminated until such time as the required installation is complete.

(e) If a high hazard is determined to exist, backflow prevention for containment is required and the installation of an approved reduced pressure zone backflow prevention assembly at the service entrance must be completed within 30 days of discovery of the high hazard to avoid termination.

This shall be ordered by written notice through U.S. mail, email or hand delivery. (the "Installation Notice").

(f) The installation of a backflow prevention assembly for containment will be considered complete when a passing backflow test form is submitted using the method specified by the City and a confirmation inspection is completed by the City.

(g) Thermal expansion must be addressed whenever a Containment Backflow Prevention Assembly is installed.

(h) If the Customer fails to complete installation pursuant to an Installation Notice then the water service at the affected service line shall be terminated until such time as the required installation is complete and a passing backflow test form is submitted to the City.

(i) The responsibility to comply with all of the requirements of this ordinance are solely the Customer's and not conditioned upon whether the City has notified the Customer that they have a high hazard cross-connection and that they shall install backflow-prevention assemblies for containment.

3-14-7. Testing.

(a) The Customer shall cause each backflow prevention assembly installed in their facility to be tested annually by a backflow prevention assembly technician registered with the Iowa Department of Public Health.

(b) Such test shall be due on an annual testing date for such premises specified by the City. ("Annual Backflow Test Date"). A report of each such annual test shall be submitted by the tester to the Customer and the City using the method specified by the City.

(c) The required test report shall be past due if the test is not performed, and the report of a passing test received by the City of Storm Lake by the Annual Backflow Test Date.

(d) Any failure to have backflow assemblies that are categorized as containment to be tested upon installation and annually and a report thereof to be received by the city of Storm Lake by the Annual Backflow Test Due Date may result in the termination of water service until a state registered backflow technician notifies the Water Superintendent of the scheduled test date.

(e) The City may require or cause testing in addition to the annual testing at any time.

3-14-8. Private Wells.

Private wells and any piping served by a private well shall be physically disconnected from any plumbing pipes and fixtures that will be connected to the City of Storm Lake distribution system. If a well will be left in service, no well equipment or piping shall be allowed to remain in the building even if it is physically separated or isolated with a valve unless an approved reduced pressure zone backflow prevention assembly is installed at water service entrance.

3-14-9. Administration.

The backflow protection requirements of this ordinance shall be administered by the City of Storm Lake Water Treatment Superintendent and the City Manager.

3-14-10. Municipal Infraction

In addition to the other penalties provided herein, a violation of any of the provisions of this Chapter shall constitute a Municipal Infraction subject to the penalties and alternative relief authorized by Title 1, Chapter 20 of this Code and by Section 364.22 of the Code of Iowa.

Section 2. REPEALER. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

Section 3. 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 4. WHEN EFFECTIVE. This ordinance shall be in full effect from and after its final passage, approval, and publication as provided by law.

Passed and approved by the City Council this 19th day of February 2024.

____
Matt Ricklefs, Mayor Pro Tem

ATTEST:

____
Mayra A. Martinez, City Clerk

1st Reading: January 15, 2024
2nd Reading: February 5, 2024
3rd Reading: February 19, 2024

Passed: _February 19, 2024__
Signed: _February 19, 2024__
Published: _March 1, 2024_____

Memorial Road Street and Utility Improvement Project - Moved by Council Member Martinez to set a public hearing for March 4, 2024, at 5:00 pm at City Council Chambers for contesting bid rejections for the Memorial Road Street and Utility Improvement Project. Seconded by Council Member Ramos. Vote: All ayes. Motion carried.

Wastewater Treatment Plant Blower Replacement Project - Moved by Council Member McKinney to approve agreement for grant writing and administration services with Simmering-Cory for CDBG Energy Funding for a blower's replacement project at the Wastewater treatment plant. Seconded by Council Member Ramos. Vote: All ayes. Motion carried.

Fiscal Year 2024-2025 Budget Work Session – City Council Members and City Staff met to discuss the 2024-2025 Operations and maintenance budget for the following funds: water, sewer, storm water and landfill.

City Council Requested Items/City Council Updates- no additional items at this time

Adjourn - Moved by Council Member Ramos to adjourn at 6:57 pm. Seconded by Council Member Martinez. Vote: All ayes. Motion carried.

Matthew Ricklefs, Mayor ProTem

ATTEST:

Mayra A. Martinez, City Clerk

Storm Lake Public Library
Storm Lake, IA 50588
712-732-8026
www.stormlake.lib.ia.us
Or visit us on Facebook

Library Board Meeting, City of Storm Lake, January 8, 2024, 4:00 p.m.

Present: Board President Mary Kay Hudspeth, Jim Eliason, and Sue Lyngaas. Also present, Elizabeth Huff, Library Director and Julie Steinfeld, Witter Gallery.

Board President Hudspeth called the meeting to order at 4:05 p.m.

Disclosures by Board Members - None

Public Hearing – None

Agenda Approval – Moved by Board Member Lyngaas to approve January 8 Agenda excluding Item #10 and #12. Seconded by Board Member Eliason. Vote all ayes. Motion carried.

Witter Gallery Report – Gallery Board President submitted a January-March calendar of programs. She showed pictures of bronze statues which were donated. The Library Board President assured the gallery, the statue chosen for the Front Lawn of two children reading was wonderful. Gordon Linge will be back for a summer program.

Approval of Minutes – Moved by Board Member Lyngaas to approve December Minutes. Seconded by Board Member Eliason. Vote all ayes. Motion carried.

Director's Report – No questions on the Calendar, Bar Charts or Ledger. The Director summarized the new Staff Lighting due to fire hazard, Grell Roofing repaired a hole and concrete erosion, Wede Lock had switched locks for the Telehealth Room, Boiler Room work is on hold. The Friends raised $3500 from fundraising and received a $1000 anonymous gift. Permission was asked for a small portion of the HyVee Receipt fund to go towards program groceries. The Trustees will renew their Library Accreditation for 2025. They will review both Mission Statement and future goals, and have a community forum.

Approval of Bills – Moved by Board Member Lyngaas to approve January Bills. Seconded by Board Member Eliason. Vote all ayes. Motion carried.

Approval of Friends Credit Card Funds – Moved by Board Member Lyngaas to approve $1.00 payment to the Friends of the Storm Lake Public Library from credit card funds. Seconded by Board Member Eliason. Vote all ayes. Motion carried.

Library Board Member Requested Items – none.

Adjournment - Moved by Board Member Lyngaas to adjourn the meeting at 4:30pm. Seconded by Board Member Eliason. Vote all ayes. Motion carried.

Elizabeth Huff, Library Director - Please note the above is an unapproved draft of minutes and will be approved by the Board of Trustees on February 12, 2024.

Storm Lake Airport Commission
Regular Meeting, Airport Terminal
Monday, January 8, 2024, 4:00 PM

Present: Commission Members Bob Ansorge, Nathaniel Kitzrow, Gary Worthan, Cynthia Turner, and Jason Dierking. Staff Present: Tyler Gibbins.

Chairman Bob Ansorge called the meeting to order at 4:00 pm.

Minutes - Moved by Commissioner Worthan to approve the December 11, 2023, minutes. Seconded by Commissioner Kitzrow. Vote: All ayes with Commissioner Dierking absent. Motion carried.

Financial Report - Moved by Commissioner Kitzrow to approve the financial reports for December 2023. Seconded by Commissioner Turner. Vote: All ayes with Commissioner Dierking absent. Motion carried.

Commissioner Dierking arrived at 4:02 pm.

Fuel Report - Moved by Council Member Dierking to approve the December 2023 Fuel report. Seconded by Commissioner Worthan. Vote: All ayes. Motion carried.

Airport Manager's Monthly Report - Service Master came and cleaned the carpets. Repaired a door handle on hangar #, stall #5. Had two Chinook and one Blackhawk helicopters at the airport and rides were given to first responders via the helicopters. Received and posted the certificate of registration for public use airport. Picked up cleaning supplies at Ace Hardware. Repaired yellow Xs on runway 06/24. We have found dozens of new Badger holes on the runways. There are multiple runway lights down.

Courtesy Car Usage: 4 Miles: 42
Fuel Meter Reading: Jet A – 704,458
AV Gas – 163,461.8

2023 Airport Capital Improvement Plan - During the City Council's capital improvement plan workshop on January 2nd, Council Person Martinez brought up a concern regarding the Airport Capital Improvement Plan. Someone approached her stating the apron project was unnecessary. Commissioner Dierking mentioned he had an informal conversation with council person Martinez about having a different priority than the other commission members in regards to the Airport Apron projects. Commissioner Dierking mentioned how he will speak with council person Martinez again to address the misunderstanding as he believes the project is warranted.

Administration Report -
Contract Insurance - Staff has not received a statement of explanation from Bart's Flying Service regarding their insurance converges.

2023 Fuel Gallons Report - For 2023, the Airport will report 6,380 gallons of sales for Aviation Gas and 60,273 gallons of sales for Jet Fuel. Both numbers of gallons are down from 2022 totals: 20,952 gallons of AV Gas and 63,335 gallons of Jet Fuel.

Mentioned by Commissioner Dierking that the City of Clinton has an RFQ out for an FBO with insurance requirements similar to the lastly approved by the Commission. Also noted the number of significant projects funded at the airport in the last 5 years. The DOM shows the City of Clinton operates the airport as a proprietary department which differs from the City of Storm Lake.

Adjourn - Moved by Commissioner Dierking to adjourn at 4:24 pm. Seconded by Commissioner Kitzrow. Vote: All ayes. Motion carried.

Mayra A. Martinez, City Clerk

Tax Abatement Application Form
02/20/2024 12:23 PM (CST)

Tax Abatement Application

City of Storm Lake
Residential Housing- Maximum five (5) year exemption of 100 % on the first$ 75,000 of actual value added. Commercial Property- Maximum three (3) year exemption of 50% on the actual value added.
Multi-Residential (3 or more separate living quarters) -Maximum ten (10) year exemption of 100% on the actual value added.
Abandoned Property (per Iowa Code Section 657A.1)- Maximum five (5) year exemption of 100% on the actual value added.
NOTE: Minimum 20% increase on actual value required

Approval

Prior Approval for Intended Improvements

For complete details regarding eligibility & requirements see the Urban Revitalization Plan (4-4-2005) and amendment #3 (2021) and Ordinance.

Tax Abatement is NOT allowed in any current or future Urban Renewal Area within the City limits of the City of Storm Lake. Your application for Tax Abatement must be filed with the City of Storm Lake by February 1st of the assessment year for which the exemption is first claimed but in no case not later than two (2) years after the February 1st following the year that the improvements are first assessed for taxation.

Property Address	1821 W 6th Street Unit #5 Storm Lake Iowa 50588
Brief Legal Description	See other application for unit #1
Property Owner Name	Brash LLC C/O Steve Brashears
Owner Phone Number	712-299-4684
Owner Email	sbrash20@gmail.com
Owner Address (if different than above)	510 Lakeshore Drive
City State, Zip	STORM LAKE IA 50588
What is the existing use of the property?	Vacant
What is the Proposed use of the property?	Residential
What is the nature of the improvements being completed?	• New Construction
Estimated or Actual Date of Completion	08/01/2024
Estimated or actual costs of Improvements	$370,000 for total building, 2 units per building

Present Value of Structure:________________________

Assessed Value with improvements:________________

Signature Agreement

_______ Property eligible for Tax Abatement

Tax Abatement is NOT allowed in any current or future Urban Renewal Area within the City limits of the City of Storm Lake. Your application for Tax Abatement must be filed with the City of Storm Lake by February 1st of the assessment year for which the exemption is first claimed but in no case not later than two (2) years after the February 1st following the year that the imporvements are first assessed for taxation.

_______ Property is eligible for Tax Abatement

Assessor Signature:____ Date_________________

Your signature below indicates your understanding of the City of Storm Lake Urban Revitalization Program and authorizes your City of Storm Lake to apply for tax abatement on this property provided that it qualifies under the terms of the program.

Once final return copy to City of Storm Lake

By affixing your signature in the box below, you agree that such signature will be the electronic representation of your signature to be valid and binding upon you for all purposes when you (or your agent) affix below, including on legally binding contracts, just the same as a hand-written signature.

Signature

Date 02/20/2024

Check here if property is NOT in an Urban Renewal Area. ✓ Building Permit # 2024037

_____Approved _____NOT Approved Reason for disapproval:_________________________________

Authorized by Building Official:_________________________________ Date: 2-27-2024

Authorized by Mayor: _________________________________ Date:_______________

Attested by City Clerk: _________________________________ Date:_______________

This Section to be completed by City Staff

Present Value of Structure:________________________

Assessed Value with improvements:________________ _______

Property is eligible for Tax Abatement

Property is not eligible for Tax Abatement

Assessor Signature:____ Date_________________

Once final return copy to City of Storm Lake

Tax Abatement Application Form
02/20/2024 12:26 PM (CST)

Tax Abatement Application

City of Storm Lake

Residential Housing- Maximum five (5) year exemption of 100 % on the first$ 75,000 of actual value added. Commercial Property- Maximum three (3) year exemption of 50% on the actual value added.
Multi-Residential (3 or more separate living quarters) -Maximum ten (10) year exemption of 100% on the actual value added.
Abandoned Property (per Iowa Code Section 657A.1)- Maximum five (5) year exemption of 100% on the actual value added.
NOTE: Minimum 20% increase on actual value required

Approval Prior Approval for Intended Improvements

For complete details regarding eligibility & requirements see the Urban Revitalization Plan (4-4-2005) and amendment #3 (2021) and Ordinance. Tax Abatement is NOT allowed in any current or future Urban Renewal Area within the City limits of the City of Storm Lake. Your application for Tax Abatement must be filed with the City of Storm Lake by February 1st of the assessment year for which the exemption is first claimed but in no case not later than two (2) years after the February 1st following the year that the improvements are first assessed for taxation.

Property Address	1821 West 6th Street unit #6 Storm Lake Iowa, 50588
Brief Legal Description	See other application for unit #1
Property Owner Name	Brash LLC C/O Steve Brashears
Owner Phone Number	712-299-4684
Owner Email	sbrash20@gmail.com
Owner Address (if different than above)	510 Lakeshore Drive
City State, Zip	STORM LAKE, IA 50588
What is the existing use of the property?	Vacant
What is the Proposed use of the property?	Residential
What is the nature of the improvements being completed?	• New Construction
Estimated or Actual Date of Completion	08/01/2024
Estimated or actual costs of Improvements	$370,000 for total building, 2 units per building

Signature Agreement

Tax Abatement is NOT allowed in any current or future Urban Renewal Area within the City limits of the City of Storm Lake. Your application for Tax Abatement must be filed with the City of Storm Lake by February 1st of the assessment year for which the exemption is first claimed but in no case not later than two (2) years after the February 1st following the year that the imporvements are first assessed for taxation.

Your signature below indicates your understanding of the City of Storm Lake Urban Revitalization Program and authorizes your desire to apply for tax abatement on this property provided that it qualifies under the terms of the program.

By affixing your signature in the box below, you agree that such signature will be the electronic representation of your signature to be valid and binding upon you for all purposes when you (or your agent) affix below, including on legally binding contracts, just the same as a hand-written signature.

Signature

Date 02/20/2024

Check here if property is NOT in an Urban Renewal Area. ✓ Building Permit # 2024037

_____Approved _____NOT Approved Reason for disapproval:____________________

Authorized by Building Official:____________________ Date: 2-27-2024

Authorized by Mayor: ____________________ Date:__________

Attested by City Clerk: ____________________ Date:__________

This Section to be completed by City Staff

Present Value of Structure:__________

Assessed Value with improvements:__________

_______ Property not eligible for Tax Abatement

_______ Property is neligible for Tax Abatement

Assessor Signature:____________________ Date__________

Once final return copy to City of Storm Lake

Iowa Department of REVENUE

Iowa Retail Permit Application for Cigarette/Tobacco/Nicotine/Vapor

tax.iowa.gov

Instructions on the reverse side

For period (MM/DD/YYYY) 1 / 9 / 24 through June 30, 2024

I/we apply for a retail permit to sell cigarettes, tobacco, alternative nicotine, or vapor products:

Business Information:

Trade name/Doing business as: Carrolls Tobacco outlet / R Smoke plus LLC plus LLC

Physical location address: ~~1403~~ 1417 North lake Ave City: storm lake ZIP: 50588

Mailing address: 9817 214th st w Pay 5 City: lakeville State: MN ZIP: 55044

Business phone number: 952-687-9952

Legal Ownership Information:

Type of Ownership: Sole Proprietor ☒ Partnership ☐ Corporation ☐ LLC ☐ LLP ☐

Name of sole proprietor, partnership, corporation, LLC, or LLP: Lafi Alaqrabawi

Mailing address: 9817 214th st w City: lakeville State: MN ZIP: 55044

Phone number: 952-687-9952 Fax number: ______ Email: lafi92alaqrabawi@gmail.com

Retail Information:

Types of Sales: Over-the-counter ☒ Vending machine ☐

Do you make delivery sales of alternative nicotine or vapor products? (See Instructions) Yes ☐ No ☒

Types of Products Sold: (Check all that apply)

Cigarettes ☒ Tobacco ☒ Alternative Nicotine Products ☒ Vapor Products ☒

Type of Establishment: (Select the option that best describes the establishment)

Alternative nicotine/vapor store ☐ Bar ☐ Convenience store/gas station ☐ Drug store ☐
Grocery store ☐ Hotel/motel ☐ Liquor store ☐ Restaurant ☐ Tobacco store ☒
Has vending machine that assembles cigarettes ☐ Other ☐ ______

If application is approved and permit granted, I/we do hereby bind ourselves to a faithful observance of the laws governing the sale of cigarettes, tobacco, alternative nicotine, and vapor products.

Signature of Owner(s), Partner(s), or Corporate Official(s)

Name (please print): N/A
Signature: ______
Date: ______

Name (please print): Lafi Alaqrabawi
Signature: X Lafi
Date: 1/9/2024

Send this completed application and the applicable fee to your local jurisdiction. If you have any questions contact your city clerk (within city limits) or your county auditor (outside city limits).

FOR CITY CLERK/COUNTY AUDITOR ONLY – MUST BE COMPLETE

- Fill in the amount paid for the permit: $37.50
- Fill in the date the permit was approved by the council or board: ______
- Fill in the permit number issued by the city/county: FY 23-24-22
- Fill in the name of the city or county issuing the permit: City of Storm Lake
- New ☒ Renewal ☐

Send completed/approved application to Iowa Alcoholic Beverages Division within 30 days of issuance. Make sure the information on the application is complete and accurate. A copy of the permit does not need to be sent, only the application is required. It is preferred that applications are sent via email, as this allows for a receipt confirmation to be sent to the local authority.

- Email: iapledge@iowaabd.com
- Fax: 515-281-7375

Iowa Department of
REVENUE

Iowa Retail Permit Application for Cigarette/Tobacco/Nicotine/Vapor

tax.iowa.gov

Instructions on the reverse side

For period (MM/DD/YYYY) 03 / 15 / 24 through June 30, 24

I/we apply for a retail permit to sell cigarettes, tobacco, alternative nicotine, or vapor products:

Business Information:

Trade name/Doing business as: Brew thirty

Physical location address: 1101 N. Lake ave City: stormlake ZIP: 50588

Mailing address: 4215 Daina Drive City: cedarfalls State: Iowa ZIP: 50613

Business phone number: 319-238-9810

Legal Ownership Information:

Type of Ownership: Sole Proprietor ☐ Partnership ☐ Corporation ☐ LLC ☑ LLP ☐

Name of sole proprietor, partnership, corporation, LLC, or LLP PMA north cedar LLC

Mailing address: 4215 Daina Drive City: Cedarfalls State: Iowa ZIP: 50613

Phone number: 319-238-9810 Fax number: — Email: abdulrehmanawan902@gmail.com

Retail Information:

Types of Sales: Over-the-counter ☑ Vending machine ☐

Do you make delivery sales of alternative nicotine or vapor products? (See Instructions) Yes ☐ No ☐

Types of Products Sold: (Check all that apply)
Cigarettes ☑ Tobacco ☑ Alternative Nicotine Products ☑ Vapor Products ☑

Type of Establishment: (Select the option that best describes the establishment)

Alternative nicotine/vapor store ☐ Bar ☐ Convenience store/gas station ☑ Drug store ☐
Grocery store ☐ Hotel/motel ☐ Liquor store ☐ Restaurant ☐ Tobacco store ☐
Has vending machine that assembles cigarettes ☐ Other ☐ ______

If application is approved and permit granted, I/we do hereby bind ourselves to a faithful observance of the laws governing the sale of cigarettes, tobacco, alternative nicotine, and vapor products.

Signature of Owner(s), Partner(s), or Corporate Official(s)

Name (please print): abdul awan	Name (please print): ______
Signature: [signature]	Signature: ______
Date: 2/17/2024	Date: ______

Send this completed application and the applicable fee to your local jurisdiction. If you have any questions contact your city clerk (within city limits) or your county auditor (outside city limits).

FOR CITY CLERK/COUNTY AUDITOR ONLY – MUST BE COMPLETE

- Fill in the amount paid for the permit: $37.50
- Fill in the date the permit was approved by the council or board: ______
- Fill in the permit number issued by the city/county: FY23-24-23
- Fill in the name of the city or county issuing the permit: City of Storm Lake

New ☒ Renewal ☐

Send completed/approved application to Iowa Alcoholic Beverages Division within 30 days of issuance. Make sure the information on the application is complete and accurate. A copy of the permit does not need to be sent; only the application is required. It is preferred that applications are sent via email, as this allows for a receipt confirmation to be sent to the local authority.

- Email: iapledge@iowaabd.com
- Fax: 515-281-7375

State of Iowa
Alcoholic Beverages Division

Applicant

NAME OF LEGAL ENTITY	NAME OF BUSINESS(DBA)	BUSINESS
PMA NORTH CEDAR LLC	BREW THIRTY	

ADDRESS OF PREMISES	PREMISES SUITE/APT NUMBER	CITY	COUNTY	ZIP
1101 LAKE AVE		STORM LAKE	BUENA VISTA	50588

MAILING ADDRESS	CITY	STATE	ZIP
4215 DAINA DR	CEDAR FALLS	Iowa	506135791

Contact Person

NAME	PHONE	EMAIL
ABDUL AWAN	3192389810	abdulrehmanawan902@gmail.com

License Information

LICENSE NUMBER	LICENSE/PERMIT TYPE	TERM	STATUS
	Class E Retail Alcohol License	12 Month	Submitted to Local Authority

EFFECTIVE DATE	EXPIRATION DATE	LAST DAY OF BUSINESS

SUB-PERMITS

Class E Retail Alcohol License

PRIVILEGES

ALCOHOLIC BEVERAGES DIVISION State of Iowa

State of Iowa

Alcoholic Beverages Division

Status of Business

BUSINESS TYPE

Limited Liability Company

Ownership

• Individual Owners

NAME	CITY	STATE	ZIP	POSITION	% OF OWNERSHIP	U.S. CITIZEN
Abdul Awan	CEDAR FALLS	Iowa	506135791	Owner	100.00	Yes

Insurance Company Information

INSURANCE COMPANY	POLICY EFFECTIVE DATE	POLICY EXPIRATION DATE
DRAM CANCEL DATE	OUTDOOR SERVICE EFFECTIVE DATE	OUTDOOR SERVICE EXPIRATION DATE
BOND EFFECTIVE DATE	TEMP TRANSFER EFFECTIVE DATE	TEMP TRANSFER EXPIRATION DATE

State of Iowa
Alcoholic Beverages Division

Applicant

NAME OF LEGAL ENTITY	NAME OF BUSINESS(DBA)	BUSINESS
Sichanh Inc.	Sichanh Liquor Store	(712) 732-4416

ADDRESS OF PREMISES	PREMISES SUITE/APT NUMBER	CITY	COUNTY	ZIP
812 Flindt Drive		Storm Lake	Buena Vista	50588

MAILING ADDRESS	CITY	STATE	ZIP
P.O. Box 65	Storm Lake	Iowa	50588

Contact Person

NAME	PHONE	EMAIL
John Khamphavong	(712) 732-4416	johnk_inc@yahoo.com

License Information

LICENSE NUMBER	LICENSE/PERMIT TYPE	TERM	STATUS
LE0001647	Class E Retail Alcohol License	12 Month	Active

TENTATIVE EFFECTIVE DATE	TENTATIVE EXPIRATION DATE	LAST DAY OF BUSINESS
Apr 5, 2024	Apr 4, 2025	

SUB-PERMITS

Class E Retail Alcohol License

PRIVILEGES

State of Iowa
Alcoholic Beverages Division

Status of Business

BUSINESS TYPE

Corporation

Ownership

• Individual Owners

NAME	CITY	STATE	ZIP	POSITION	% OF OWNERSHIP	U.S. CITIZEN
John Khamphavong	Storm Lake	Iowa	50588	Owner	100.00	Yes

Insurance Company Information

INSURANCE COMPANY	POLICY EFFECTIVE DATE	POLICY EXPIRATION DATE
DRAM CANCEL DATE	OUTDOOR SERVICE EFFECTIVE DATE	OUTDOOR SERVICE EXPIRATION DATE
BOND EFFECTIVE DATE	TEMP TRANSFER EFFECTIVE DATE	TEMP TRANSFER EXPIRATION DATE

Staff Summary

03/04/2024
Agenda Item # D.2.

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO: Honorable Mayor & Council

FROM: Tyler Gibbins Staff Accountant

SUBJECT: **Resolution No. 29-R-2023-2024 To Approve Sunrise Pointe Golf Course Reciprocal Policy**

BACKGROUND:

This policy opens the access of participating courses, specifically only on "free golf" days, which is defined as when courses do not have league, tournament, or any other event utilizing the course. This Policy would waive the course green fees outlined in the fee resolution but would require reciprocal members to pay for a riding golf car.

This policy is a "Value Added" benefit to our current members and promotes members of other courses to come to Sunrise Pointe.

If approved, staff will provide participating courses a list of members. Each reciprocal player will be matched with an identification card which is required at the clubhouse prior to play.

FISCAL IMPACT:

This policy is a "Value Added" benefit to members of Sunrise Pointe Golf Course.

There is a $75 registration fee to become a member of the reciprocal policy. This fee is to offset the cost of membership cards our members receive from this program

RECOMMENDATION: Adopt Resolution No. 29-R-2023-2024 approving the Reciprocal Policy for Midwest Iowa

ATTACHMENTS:

2024 Reciprocal Agreement.pdf

Resolution No. 29-R-2023-2024 - Golf Course Reciprocal Policy.doc

2024 RECIPROCAL AGREEMENT FORM

These are the following guidelines for your course to join the Iowa Reciprocal Program. I fully believe and promote the reciprocal agreement as a "VALUE ADDED" benefit to our respective memberships. I am confident the reciprocal agreement between our clubs is beneficial to the members and to our clubs. This will be our 7th year. I know for our course it was a great year for reciprocal golfers. -Sandy Boeckman, Iowa Reciprocal Founder & Director

GUIDELINES: Who qualifies to get a reciprocal card at your course? **Anyone who pays out of their own pocket for a membership.** Who does not qualify for a reciprocal card….? any CORPORATE MEMBERSHIPS. This program is to add VALUE to our "out of pocket" paid members. Any cards given to as a "favor" to anyone that has not paid and does not have a membership…. your course AND all your members will be omitted from the program.

1. Reciprocal players will be permitted to play during open golf times only. This does not include or give privileges to any of the clubs private leagues, fundraisers, tournaments or events. **IT IS FOR OPEN GOLF TIMES ONLY.**
2. Players traveling to other courses must have a membership card from their home course and a photo ID. **NO EXCEPTIONS.** This will ensure no one is passing their card to friends not with memberships. Cards will be provided to you to hand out so that we all have the same reciprocal card.
3. All players MUST CALL the course they are traveling to for a tee time.
4. Each player MUST SIGN the reciprocal book at the clubhouse prior to golfing.
5. Green fees will be waived for reciprocal players. This does not include their guest if they do not have a membership card.
6. **EACH PLAYER must pay for a cart rental. One golfer must rent a full cart. NO ½ cart rentals.Two players can split a cart. If golfer brings their own cart or plan to walk… a cart rental fee still must be charged.**
   DO NOT UP YOUR RATE JUST TOO RECIPROCAL GOLFERS FOR CART RENTAL FEE or CHANGE THIS RULE.
7. Reciprocal players are welcomed to use all club services including clubhouse dining and bar.
8. All rules affecting their own club members… apply to reciprocal golf players.
9. We expect nothing less than the upmost respect and care to any course that your members golf at.
10. We expect clubhouse managers to do their very best in educating their members on the rules and regulations for this program.
11. **We expect clubhouse managers to train their staff** on following the steps when someone arrives to golf on the reciprocal program. That is to look at their reciprocal card, ID AND to have each golfer sign the sign in book that will be provided to you. We want the golf experience to be the same at all courses.
12. We suggest numbering your reciprocal cards. I will send a tracker sheet for you. This helps to be accountable for all cards you have possession of.
13. IT IS THE RIGHT FOR ANY COURSE TO POST A LIMIT ON HOW MANY TIMES A PLAYER CAN USE THE PROGRAM AT THEIR COURSE. A poster MUST BE POSTED IN THE CLUBHOUSE if you have a limit. You will need to keep track of this option.
14. By signing this agreement, you are saying you agree and understand the guidelines for the program. If your course does not follow the guidelines or abuses the rules… please know that I will omit your course from the program and all other courses will be instructed to not to accept reciprocal cards from your members. Following these guidelines is critical so that the reciprocal golf experience is the same experience at each course.

Course Name: ________________________________Course Address: ____

Course Phone Number: ___________________Manager: ____

Number of cards you will need: ________ Is there a limit on number of times a golfer can use it at your course? ______

RESOLUTION NO. 29-R-2023-2024

RESOLUTION APPROVING THE SUNRISE GOLF GOURSE RECIPROCAL POLICY AND WAIVING GREEN FEES FOR THE RECIPROCAL MEMBERS.

WHEREAS, the City of Storm Lake owns the Sunrise Golf Course; and

WHEREAS, the City of Storm Lake desires to increase the number of rounds of golf played annually at the course; and

WHEREAS, the City of Storm Lake welcomes the opportunity to showcase the golf course to players from other courses in the Midwest Iowa; and

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

To approve waiving fees for golfers from participating courses visiting Sunrise Pointe Golf Course covered in the Sunrise Golf Course Reciprocal Policy.

PASSED AND APPROVED this 4th day of March, 2024.

____
Michael Porsch, Mayor

ATTEST:

____
Mayra A. Martinez, City Clerk

Staff Summary

03/04/2024
Agenda Item # D.3.

Storm Lake Proud

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO:	Honorable Mayor & Council
FROM:	Mayra Martinez City Clerk
SUBJECT:	**Buy Local Information**
BACKGROUND:	In 2011 during a Study Session discussion Council asked staff to look at putting together some analysis information regarding the amount of purchases made locally. We have pulled that information together and a provided a summary of purchases identified in the current list of bills to be approved that are purchased locally (within the City of Storm Lake), within Buena Vista County, and outside of Buena Vista County are presented here for Council's review. This information is presented for both the City & King's Pointe's bills. As the reader reviews the information they should note the following key notes: Costs associated with any major capital project (those bid under the State of Iowa Bid Law) are excluded from the calculation Costs associated with travel is excluded from the calculation and % Costs associated with payroll is excluded from the calculation and % In some cases there is only one vendor or an item is only available from vendors outside of the City limits and/or Buena Vista County – we have not identified these some departments have fairly minor budgets and a major purchase can skew the % and or amount for a given review period (For Example: the Airport may have normally $4,000 - $6,000 in expenses until they purchase Jet Fuel or Av Gas which can be $10,000 + and as a vendor who is not local this can skew the information for that review period) Local has been determined to be has an office front in the area and based on where the office front is located for local vs. BV County (For Example: Wal-Mart is considered local since they have a store in Storm Lake even though their headquarters is not located here) As with all analytical data it is possible to interpret the numbers in a variety of ways and as we move forward we would be happy to provide further detail and or revise the way in which we show the data. Likewise if you have any questions or concerns please don't hesitate to contact city staff.

FISCAL IMPACT:	**Breakout**	**Calculated Expenses**
	Buena Vista County	114,593.08

Contract/Agreement	1,707.63
Local	99,654.51
Non-Local	121,236.88
Payroll/UB Refunds/Pyrl Tax & Ins	138,127.91
TOTAL EXPENSES:	**475,320.01**

RECOMMENDATION: Approve Buy Local Information

ATTACHMENTS:

3/4/2024 Project Report.pdf

Summary

Project Summary

Project Number	Project Name	Total Budget	Date Range Budget	Beginning Balance	Total Activity	Ending Balance	Budget Remaining
0P1.122814	Richland Street, Phase 2 Improvemen...	174,107.75	0.00	174,095.25	0.00	174,095.25	12.50
0P1.125106	BRIC	8,573,638.49	8,573,638.49	212,709.99	0.00	212,709.99	8,360,928.50
0P1.126252	Comprehansive Plan & Zoning Code U...	125,880.00	0.00	125,824.50	0.00	125,824.50	55.50
0P1.131538	Memorial Road Street & Utility Impro...	336,980.00	336,980.00	331,590.50	0.00	331,590.50	5,389.50
0T5.128791	Runway 17/35 Lighting Replacement	410,741.68	410,741.68	96,802.87	0.00	96,802.87	313,938.81
19-22797	Memorial Lift Station Improvements	2,533,320.00	0.00	2,554,600.96	0.00	2,554,600.96	-21,280.96
20-HSG-022	2021 Housing Sustainability Project	224,994.00	224,994.00	181,283.12	0.00	181,283.12	43,710.88
21-26215	Downtown Master Plan	113,000.00	0.00	103,650.00	0.00	103,650.00	9,350.00
22-26698	Storm Lake WTP- Well No. 21	1,769,929.00	1,769,929.00	725,864.59	0.00	725,864.59	1,044,064.41
22-26815	W 6th Street Utilities Extension	314,241.49	314,241.49	317,232.58	0.00	317,232.58	-2,991.09
22-27926	Storm Lake WTP- Well #22	149,200.00	149,200.00	63,402.50	0.00	63,402.50	85,797.50
23-29446	WWTP UV Disinfection Building	189,472.00	189,472.00	22,685.00	0.00	22,685.00	166,787.00
23-29447	College & 3rd St Lift Station Replacem...	185,000.00	185,000.00	85,215.00	0.00	85,215.00	99,785.00
HTG322020	T-Mobile Hometown Grant Q-3-22	0.00	0.00	43,519.48	0.00	43,519.48	-43,519.48
IA0091	SL Elevated Water Storage- Tower #5	760,100.15	760,100.15	495,470.17	0.00	495,470.17	264,629.98
New	Lead Service Line Replacement Prelim...	15,500.00	0.00	0.00	0.00	0.00	15,500.00
New1	King's Pointe Remodel/Refresh	419,800.00	419,800.00	274,027.59	0.00	274,027.59	145,772.41
OP1.125220	4th Street Watermain Improvement P...	553,406.16	0.00	581,342.16	0.00	581,342.16	-27,936.00
P11.118940	Oneida Street Reconstruction from RR...	2,526,433.98	0.00	2,513,334.28	0.00	2,513,334.28	13,099.70
P11.120411	Highway 7/110 Traffic Lane/Signalizat...	4,661,065.85	0.00	4,848,052.50	0.00	4,848,052.50	-186,986.65
SP21122	SL Library CDBG- COVID (CV) Grant	634,285.27	0.00	634,285.27	0.00	634,285.27	0.00
	Report Total:	**24,671,095.82**	**13,334,096.81**	**14,384,988.31**	**0.00**	**14,384,988.31**	**10,286,107.51**

Group Summary

Group	Total Budget	Date Range Budget	Beginning Balance	Total Activity	Ending Balance	Budget Remaining
Airport Projects	410,741.68	410,741.68	96,802.87	0.00	96,802.87	313,938.81
ARPA Project	760,100.15	760,100.15	495,470.17	0.00	495,470.17	264,629.98
Building Resilient Infrastructure and C...	8,573,638.49	8,573,638.49	212,709.99	0.00	212,709.99	8,360,928.50
Economic Development	778,115.49	539,235.49	771,509.68	0.00	771,509.68	6,605.81
King's Pointe Resort Projects	419,800.00	419,800.00	274,027.59	0.00	274,027.59	145,772.41
Library Project	634,285.27	0.00	634,285.27	0.00	634,285.27	0.00
Sanitary Sewer Projects	2,907,792.00	374,472.00	2,662,500.96	0.00	2,662,500.96	245,291.04
Street Construction	7,698,587.58	336,980.00	7,867,072.53	0.00	7,867,072.53	-168,484.95
Water Project	2,488,035.16	1,919,129.00	1,370,609.25	0.00	1,370,609.25	1,117,425.91
Report Total:	**24,671,095.82**	**13,334,096.81**	**14,384,988.31**	**0.00**	**14,384,988.31**	**10,286,107.51**

Type Summary

Group	Total Budget	Date Range Budget	Beginning Balance	Total Activity	Ending Balance	Budget Remaining
Construction	13,812,956.23	3,364,622.49	12,491,442.91	0.00	12,491,442.91	1,321,513.32

Staff Summary

03/04/2024
Agenda Item # D.4.

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO:	Honorable Mayor & Council
FROM:	Chris Cole Police Chief
SUBJECT:	**SLPD City Code Enforcement Summary**
BACKGROUND:	

2/13/24 - 2/27/24

White Summons – 172

Accumulate Junk – 47

Accumulate Trash – 18

Bags of Leaves – 7

Junk Vehicle – 3

Open Burn-3

Total: 78

Citations: 0

FISCAL IMPACT:	None
RECOMMENDATION:	None
ATTACHMENTS:	

Staff Summary

03/04/2024
Agenda Item # F.1.

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO: Honorable Mayor & Council

FROM: Keri Navratil City Manager

SUBJECT: **Motion to Select Management Firm and Approve Agreements**

BACKGROUND: The City of Storm Lake solicited qualified proposals for 3rd party management services for King's Pointe Resort. Interviews were conducted with Regency Hotel Management on February 19 and S&L Hospitality. Scoring matrixes were completed using the following selection criteria:

- Knowledge of Property
- Experience in Like Property
- Engagement/Responsiveness
- Presentation
- Management Transition

S&L Hospitality received an average score of 97 out of 100 possible points.

FISCAL IMPACT:

King's Pointe Resort
3.5% Management fee and $40.00 per room per month accounting fee
Project management fee in the amount of 7% for major renovation projects
An incentive management fee that will be determined with an established budget

Outdoor Waterpark
$12,000 each month from May-September
$1,500 accounting fee each month from May-September

Golf Course
$1,500 base management fee
3.5% management fee

$750 per month accounting fee

<u>Cottages</u>
No fees to manage

RECOMMENDATION: Approve agreements with S&L Hospitality

ATTACHMENTS:

- **King's Pointe Storm Lake.pdf**
- **Facility Management Storm Lake.pdf**
- **Golf Course Storm Lake.pdf**
- **Cottages Storm Lake.pdf**

MANAGEMENT AGREEMENT

King's Pointe Resort
LOCATION: Storm Lake Iowa

This Agreement, dated the ___day of __________, 2024, by and between the City of Storm Lake, Iowa, an Iowa municipality, having its principal offices at 620 Erie Street, Storm Lake, Iowa 50588 (hereinafter referred to as "Owner"), and S&L Hospitality, LLC, a Wisconsin Limited Liability Company, with its principal office at 230 Horizon Drive, Suite 102, Verona, WI 53593 (hereinafter referred to as "Manager"), duly organized and validly existing under the laws of the State of Wisconsin and registered to do business in the State of Iowa, and has or will obtain all requisite power and authority to own and operate its properties, to carry on its business as now conducted and as presently proposed to be conducted, and to enter into and perform its obligations under the Agreement.

RECITALS:

WHEREAS, Owner owns a Resort in Storm Lake, Iowa, as Resort is defined hereafter; and

WHEREAS, Owner has financed the construction of the Resort through the issuance of notes and bonds from time to time, and such other debt as may be deemed necessary for the Resort (hereinafter collectively referred to as "City Indebtedness"); and

WHEREAS, Owner desires to engage Manager to manage the Resort pursuant to the terms and conditions of this Agreement;

NOW, THEREFORE, in consideration of the mutual agreements between the parties hereto and other valuable consideration the receipt and sufficiency of which is hereby acknowledged, it is agreed as follows:

ARTICLE 1

DEFINITIONS

1.1 Definitions.. When used herein, the following terms shall have the respective meanings set forth opposite each such term:

"Affiliate" shall mean, as to any Person, any other Person that, directly or indirectly, controls, is controlled by or is under common control with such Person. For purposes of this definition, the term "control" (including the terms "controlling," "controlled by" and "under common control with") of a Person means the possession, directly or indirectly, of the power: (i) to vote more than fifty percent (50%) of the voting stock of such Person; or (ii) to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting stock, by contract or otherwise.

"Approval" shall mean the written approval of Owner or Manager, which shall not be unreasonably withheld, delayed or conditioned unless specifically stated to the contrary herein, unlawful or not qualified to be given. The word approval need not be capitalized.

"Audited Financial Statements" shall mean the Manager's consolidated annual audited financial statements of itself and affiliates. If Manager decides not to obtain an audited financial statement, this term shall include what Manager uses in its place.

"Business Plan" shall mean the business plan submitted to Owner pursuant to Section 4.11 hereof.

"Capital Plan" shall have the meaning ascribed to it in Section 4.ll(b)(4).

"City Indebtedness" shall mean the indebtedness incurred by Owner for the Resort, totaling Seven Million Five Hundred Thousand ($7,500,000) dollars for a 100 room facility. Owner anticipates issuing additional debt not to exceed two million dollars ($2,000,000) and "City Indebtedness" shall include this additional debt when it occurs.

"Comparable Hotels" shall mean hotels operating with a standard equivalent to the American Automobile Association ("AAA") 3 Diamond Lodging Rating and also marketed as water based destination facilities with approximately 10,000 square feet or more of aquatic space.

"Debt Service Fund" shall mean the fund described in Section 4.6(b)(2) hereof.

"Default" shall have the meaning ascribed to it in Section 11.1 of the Agreement.

"Effective Date" shall mean March 26, 2024, unless an earlier date is agreed to in writing by both parties.

"Extraordinary Events" shall mean any of the following events, regardless of where it occurs or its duration: acts of nature (including hurricanes, typhoons, tornadoes, cyclones, other severe storms, winds, lightning, floods, earthquakes, volcanic eruptions, fires, explosions, disease, or epidemics); fires and explosions caused wholly or in part by human agency; acts of war or armed conflict; riots or other civil commotion; terrorism (including hijacking, sabotage, chemical or biological events, nuclear events, disease-related events, bombing, murder, assault and kidnapping), or the threat thereof; strikes or similar labor disturbances; embargoes or blockades; shortage of critical materials or supplies; or the revocation or refusal to grant licenses or permits, where such revocation or refusal is not due to the fault of the party whose performance is to be excused for reasons of the Extraordinary Event); the declaration of a public health emergency, including worldwide pandemics; and any other events beyond the reasonable control of Owner or Manager.

"FF&E" shall mean furniture, furnishings, fixtures, soft goods, case goods, signage, in-room appliances (i.e. blow dryers, coffee machines, etc. but excluding telephones, televisions and clock radio units), kitchen appliances, vehicles, carpeting and equipment as commonly known within the lodging industry but shall not include Technical Services Equipment, Fixed Asset Supplies or Hotel Supplies.

"FF&E Plan" shall have the meaning ascribed to it in Section 4.ll(b)(3).

"Fiscal Period" shall mean a calendar month.

"Fiscal Year" shall mean the accounting year established by the Owner for the Resort which shall commence July 1 of each year and conclude June 30 thereafter.

"Fixed Asset Supplies" shall mean items included within "Property and Equipment" under the Uniform System of Accounts which may be consumed in the operation of the Resort or are not being capitalized including, but not limited to, linen, china, glassware, tableware, kitchenware, uniforms, and similar items as required to meet the System Standards, whether used in connection with public space or guest rooms.

"Gross Receipts" shall mean the total of all rents, revenues, income and receipts of every kind accrued during the applicable period and derived, directly or indirectly, from the operation of the Resort and all departments and parts thereof, including income (from both cash and credit transactions and before commissions) from and to the extent such exist the rental of rooms, stores, offices, exhibit and sales space, meeting rooms and other facilities of every kind; license, lease and concession fees and rentals (but not including gross receipts of licensees, lessees and concessionaires); vending and game machine receipts; health and private club membership fees; wholesale and retail sales of food and merchandise; service charges; laundry charges; telephone and telex charges; and the net proceeds (after deduction of the expenses of adjustment and collection) of use and occupancy, rent loss, business interruption and other similar insurance in respect to the Resort (provided that insurance proceeds shall be included in Gross Receipts only to the extent actually received during such period). "Gross Receipts" shall not include (a) gratuities to employees or service charges levied in lieu of such gratuities which, in either case, are payable to employees, or (b) federal, state or local excise, room, sales, use, hotel occupancy, gross receipts, entertainment, admission or tourist taxes or similar impositions collected from customers of the Resort or included as part of the sales price of any goods or services and required to be remitted to the appropriate taxing authorities, (c) Tax Increments, (d) interest earned on funds held in the various funds and accounts outlined in Section 4.6 hereof, or (e) revenues related to the outdoor water park amenities.

"Gross Revenues" shall mean all revenues collected by Manager in the operation of the Resort.

"Hotel Supplies" shall mean items which may be consumed in the operation of the Resort including, but not limited to, office supplies, cleaning supplies, menus, food and liquor inventory, pool chemicals, all as required to meet the System Standards, whether used in connection with public space or guest rooms.

"Management Fee" shall mean the compensation to Manager for undertaking the obligations herein.

"Manager" shall have the meaning ascribed to it in the Preamble hereto together with any successors or assigns.

"Manager's Account" shall have the meaning ascribed to it in Section 4.6(a)(l)(i) hereof.

"Marketing Plan" shall have the meaning ascribed to it in Section 4.11(b)(l).

"Net Available Cash" shall mean the annual Gross Receipts available after adding Tax Increments and deducting the following aggregate expenditures: 1) normal annual operating costs payable from the Operating Fund (including real estate taxes on the Resort and insurance premiums),
2) annual debt service payments on City Indebtedness (in amounts equal to the lesser of actual debt service on the City Indebtedness and the debt service outlined in Exhibit A attached hereto and incorporated herein by this reference), 3) annual Replacement Reserve Fund allocations in the amounts outlined in Section 4.6(b)(3) hereof; and 4) interest on internal loans used to fund cash requirements.

"Net Revenues" shall mean the Gross Revenues less: 1) operating expenses of the Resort (excluding real estate taxes, if any, insurance premiums for insurance coverages at the Resort, and the debt payments on the City Indebtedness), 2) Management Fees and Out-of-Pocket Reimbursable Expenses of Manager, which shall be transferred to Owner by Manager each Fiscal Period in accordance with Section 4.6(a)(3).

"Operating Budget" shall have the meaning ascribed to it in Section 4.1l(b)(2).

"Out-of-Pocket Reimbursable Expenses" shall mean third party charges and qualified charges for reasonable out-of-pocket expenses incurred by Manager in the performance of the agreed services and approved by the Owner. Out-of-Pocket Reimbursable Expenses shall include mileage at the then-current federal per diem rate for Owner-approved travel necessary for Manager to perform the services under this Agreement.

"Owner" shall have the meaning ascribed to it in the Preamble hereto together with any successors or assigns.

"Person" means an individual (and the heirs, executors, administrators, or other legal representatives of an individual), a partnership, a corporation, limited liability company, a government or any department or agency thereof, a trustee, a trust and any unincorporated organization.

"Report of Marketing Activities" shall have the meaning ascribed to it in Section 4.11(b)(1)(i).

"Required Insurance Policies" shall mean the following insurance policies, coverages and endorsements to be procured and maintained by Manager covering its corporate employees during the term hereof: (i) general liability insurance in the amount of not less than $1,000,000, (ii) umbrella liability insurance in the amount of not less than $10,000,000, (iii) workers' compensation in statutory amounts for corporate employees not primarily assigned to the Resort, (iv) Directors and Officers Liability insurance in the minimum amount of $1,000,000 for its officers and directors; and (v) employee theft/dishonesty insurance. The employee theft/dishonesty insurance shall also be on the employees employed to work at King's Pointe Resort and King's Pointe Water Park.

"Resort" shall mean that certain hotel with approximately 100 guest rooms, a conference center, restaurant, lounge, indoor water amenities and certain other amenities and related facilities at 1520 East Lakeshore Drive, Storm Lake, Iowa.

"Resort Personnel" shall have the meaning ascribed to it in Section 4.2(a) hereof.

"System Standards" shall mean (as the context requires) the following: (a) Manager will operate the Resort so as to obtain a 3 Diamond Rating from AAA, and to operate the Resort consistent with Comparable Hotels, including the employee benefit and compensation, guest services and technology systems generally prevailing at Comparable Hotels; and (b) Manager will strive to operate the property in such a manner so as to achieve and maintain net operating income and other operating ratios that are equal to or exceed the rates of full service properties with room rates of under $100.00 as compiled and published by PKF-Hospitality Research annually.

"Tax Increments" shall mean the property taxes received by Owner pursuant to Iowa Code Chapter 403 from taxes paid on the Resort.

"Technical Services Equipment" shall mean equipment and services including, but not limited to, telephone system (including, but not limited to, phones, hand sets and office system), computer systems (including, but not limited to, hardware and software), cash register, point of sale system, cost accounting system, credit card machines, audio-visual equipment and other conference center related technology, telephones, televisions, security system (including, but not limited to, cameras, monitoring system, locks), fitness room equipment, and clock radios, (but shall not include fire system, window air conditioners, thermostats, yard and building sprinkler system, and pool monitoring equipment).

"Termination" shall mean the expiration or sooner cessation of this Agreement.

"Term" shall have the meaning ascribed to it in Section 3.1 hereof.

ARTICLE 2

REPRESENTATIONS AND WARRANTIES

2.1 Title to Resort. Owner covenants and agrees that it has acquired full ownership of the land upon which the Resort has been constructed and owns the Resort free and clear of any liens, encumbrances, covenants, charges, burdens or claims, except those which do not materially and adversely affect the use thereof by Manager. Owner covenants and agrees that Manager, on performing each and every covenant, undertaking, agreement and condition on the part of Manager to be performed, observed and kept under this Agreement, shall and may peaceably and quietly operate the Resort in accordance with the terms of this Agreement for the entire period stipulated herein, free from eviction or disturbance by Owner or by any person through whom Owner shall derive its title to or right to occupy and use the Resort or by any other person or persons claiming by, through or under Owner. Owner further covenants and agrees to pay and discharge any ground rents, or other rental payments, concession charges and any other charges payable by Owner in respect of the Resort, and, as a cost of the Resort, to undertake and prosecute all appropriate actions, judicial or otherwise, required to assure such quiet and peaceable operation by Manager. Owner also agrees to pay, as a cost of the Resort, prior to delinquency, all real estate taxes and assessments which may become a lien on the Resort and which may be due and payable during the term hereof, unless payment thereof is in good faith being contested by Owner and enforcement and collection of such tax is stayed. As the Resort is in the Owner's Urban Renewal Area, Owner intends to appropriate Tax Increments received into the Debt Service Fund to be used as an offset against debt payments on the City Indebtedness.

2.2 Representations and Warranties of Manager. Manager represents and warrants to Owner as follows:

(a) It is a duly formed and validly existing corporation, in good-standing under the laws of the state of Iowa, and duly qualified to transact business in the State of Iowa.

(b) The execution of this Agreement is permitted by the Articles of Incorporation and the Bylaws of Manager, and this Agreement has been duly authorized, executed and delivered and constitutes, and will, throughout the term of the Agreement, constitute a legal, valid and binding obligation of Manager enforceable in accordance with the terms hereof.

(c) Reserved.

(d) Neither the consummation of the actions contemplated by this Agreement on the part of Manager to be performed, nor the fulfillment of the terms, conditions or provisions of this Agreement conflicts with or will result in the breach of any of the terms, conditions or provisions of, or constitute a default under, any agreement, indenture, instrument or undertaking to which Manager is a party or by which it is bound.

2.3 Representations and Warranties of Owner. Owner represents and warrants as follows:

(a) The City is a municipal corporation and political subdivision organized under the provisions of the Constitution and the laws of the State and has the power to enter into this Agreement and carry out is obligations hereunder.

(b) The execution of this Agreement and the terms and obligations of Owner provided herein are permitted by the statutory and constitutional authority of Owner and this Agreement has been duly authorized, executed and delivered and constitutes and will, throughout the Term, constitute the legal, valid and binding obligation of Owner enforceable in accordance with the terms hereof;

(c) Reserved; and

(d) Neither the consummation of the actions completed by this Agreement on the part of Owner to be performed, nor the fulfillment of the terms, conditions and provisions of this Agreement conflicts with or will result in the breach of any of the terms, conditions or provisions of, or constitute a default under, any agreement, indenture, instrument or undertaking to which Owner is a party or by which it is bound.

ARTICLE 3

TERM AND COMMENCEMENT DATE

3.1 Term. The Effective Date of this Agreement shall be March 26, 2024, unless an earlier date is agreed upon in writing by both parties. Manager shall commence operation of the Resort on the Effective Date, and shall continue with the management thereof under the terms and conditions of this Agreement for a term of Three (3) years, that is ending April 1, 2027 (hereinafter "Term"). This Agreement is subject to annual renewal upon notice of either party and is effective until terminated by either party pursuant to the terms of this Agreement.

3.2 Termination. Upon the event of Default (as defined in Article 11 hereof), the non-defaulting party may provide written notice of the Default and the opportunity to cure the Default to the defaulting party. If the Default is not cured within sixty (60) days after receipt of such notice (or, if it is impossible to cure the Default within the sixty (60) day period, if the defaulting party does not commence actions to cure the Default within the cure period and thereafter diligently proceed to cure within a time period agreed to by both parties), then this agreement may be terminated by the non-defaulting party. Notwithstanding anything to the contrary in this Agreement, if the Owner or Manager is legally prevented from exercising its obligations or rights under this Agreement because of a temporary or permanent injunction, or otherwise, neither the Owner or the Manager has any obligation under the Agreement, upon written notice to the other party.

3.3 Notwithstanding Section 3.2 above, in no event shall the Term of this Agreement, including all renewal options, be greater than 20 years.

ARTICLE 4

USE AND OPERATION OF RESORT

4.1 Operational Requirements.

(a) Owner hereby engages Manager, and Manager agrees to act as an independent contractor to perform the services hereinafter described. Upon the Effective Date of this Agreement, Manager's rights, responsibilities, and obligations hereunder shall commence, and Owner hereby authorizes and engages Manager to, supervise, direct and control the management and operation of the Resort in accordance with the terms and conditions of this Agreement. In fulfilling its obligations under this Agreement, Manager shall act as a reasonable and prudent operator of the Resort, having regard for the status of the Resort and maintaining the System Standards. Manager shall operate the Resort with a goal of achieving long-term profitability, subject to the requirement that the Resort be managed, operated and maintained in accordance with System Standards. Manager shall, subject to the terms of this Agreement, including approvals by Owner as set forth herein, perform each of the following functions (the costs and expenses of which shall be deemed costs payable from the Operating Fund) with respect to the Resort:

1. Recruit, employ, supervise, direct, relocate, discipline, pay and discharge the employees at the Resort as outlined more fully in Section 4.2 hereof.

2. Establish prices, rates and charges for services provided in the Resort, including guest room rates consistent with the rate ordinance for the Resort adopted by the Owner, and all rents, lease charges and concession charges for all areas therein; provided, however, that the foregoing shall in no way limit

   (i) Owner's right to review and approve the Business Plan as provided in Section 4.ll(c) below, including those aspects of the Business Plan that will affect the prices, rates and charges for services provided in the Resort, or

   (ii)Owner's right to engage consultant(s) pursuant to Section 4.4 below.

3. Establish and revise, as necessary, administrative policies and procedures, including policies and procedures for the control of revenue and expenditures, for the purchasing of supplies and services, for the control of credit, for the terms and conditions for employment, and for the scheduling of routine maintenance, and verify that the foregoing procedures are operating in a sound manner.

4. Make payments on accounts payable in accordance with Section 4.6, and handle collections of accounts receivable.

5. Arrange for and conduct public relations and advertising, prepare the Marketing Plan, and make available to the Resort the benefits of various marketing and guest loyalty and recognition programs as they may exist from time to time, such as a rewards program, subject to Owner approval as outlined more fully in Section 4.11 hereof.

6. Procure all Hotel Supplies, including replacement Hotel Supplies, replacement Fixed Asset Supplies, and replacement FF&E in the ordinary course of business.

7. Prepare and deliver interim Fiscal Period accountings, annual accountings, and an annual Business Plan in accordance with Section 4.11 hereof, and such other information as is required by this Agreement, and be available at reasonable times to discuss the above-listed items as well as the operations at the Resort generally with Owner, and other representatives of Owner.

8. Plan, execute and supervise repairs and maintenance in accordance with Sections 4.7 and 4.8 hereof, in order to keep the Resort in good operating order, repair and condition, subject to Owner approval as outlined in Section 4.8 hereof.

9. Manager shall obtain and keep in full force and effect, either in Manager's name or in Owner's name, as may be required by applicable law, any and all licenses and permits to the extent same is within the control of Manager (or, if same is not within the control of Manager, Manager shall use due diligence and reasonable efforts to obtain and keep same in full force and effect). Furthermore, Manager shall undertake to comply with any conditions set out in any such licenses and permits and at all times to operate and manage the Resort in accordance with such conditions and any other requirements of the laws.

10. Collect Gross Revenues and, to the extent of funds available from such Gross Revenues or otherwise made available to Manager, pay all costs of the Resort in accordance with Section 4.6 hereof.

11. Keep Owner informed and advised of all material financial and other matters concerning the Resort.

12. Negotiate, and present to Owner for approval and execution, service contracts and licenses for the operation of the Resort, and administer the same for Owner. In addition, Manager shall negotiate and enter into contracts for the use of the facilities of the Resort by groups and individuals in accordance with this Agreement. The term "negotiate" as used in this paragraph means the Manager will exercise due diligence to achieve the most favorable terms possible before recommending such contracts and licenses for Owner's approval and execution.

13. Administer, conduct, and report to Owner on a monthly basis with regard to customer satisfaction surveys for users of the Resort.

14. Operate the Resort to the extent economically and legally possible, and in accordance with the System Standards, and shall perform such other tasks as requested by Owner or are customary and usual in the operation of Comparable Hotels.

15. Manager agrees to respond in writing to any concerns raised by Owner in writing as soon as possible. If Owner notes in writing that the concern is "urgent," Manager's response shall be no later than 8 hours and can be an initial oral response due to emergency circumstances, followed by a written response within 48 hours. If Owner does not state that the concern is "urgent," Manager's response (in writing) shall be delivered to Owner no later than 3 days.

16. Operate the Resort to the extent economically, safely, and legally possible with proper concern for cash flow and with a goal that revenues exceed all variable and fixed costs.

(b) Owner hereby warrants and grants to Manager control and operation of the Resort and that it will not interfere with the day to day operation of the Resort.

(c) Notwithstanding anything to the contrary contained in this Section 4.1 or elsewhere in this Agreement, Manager shall be excused from its obligation to operate the Resort in conformity with System Standards (i) to the extent and whenever Manager shall be prevented from compliance with such standard by Extraordinary Events, and (ii) if Owner has limited Manager's ability to expend funds in respect of the Resort, provided that the failure to expend funds is causally connected to Manager's failure to meet such standard.

4.2 Personnel.

(a) All personnel employed at the Resort shall be employees of the Manager, and shall not in any way be construed or inferred to be employed by Owner. Manager will hire, supervise, direct the work of, discharge, and determine the compensation and other benefits of all personnel necessary for the operation of the Resort (collectively "Resort Personnel"), provided the Owner may interview and make recommendation to Manager in regards to Manager's selection of the general manager and director of sales of the Resort, as outlined more fully below. Manager shall be the sole judge of the fitness and qualifications of all Resort Personnel and is vested with absolute discretion in the hiring, supervision, direction, discharging and determination of the compensation and other benefits of such personnel during the course of their employment. The cost of Resort Personnel, which includes but is not limited to wages, benefits, employment tax and employment tax compliance shall be charged to the Resort each Fiscal Period as incurred by Manager. Owner shall not interfere with or give orders or instructions to Resort Personnel employed at the Resort for any act or omission on the part of such personnel.

(1) General Manager and Director of Sales. Manager shall provide Owner with the opportunity to make recommendations to Manager with regard to the hiring of the Resort's general manager and director of sales. Owner's recommendation for each such position shall be obtained as follows: Manager shall provide Owner with the resume of qualified candidate(s) for each position, available letters of reference and such other information as Owner may reasonably request and, if requested by Owner, the opportunity to interview such candidate(s). Owner shall notify Manager of its desire to interview said candidate within five (5) business days after Owner's receipt of a candidate's resume. If an interview is requested by Owner, such interview to be scheduled and conducted within five (5) business days of such request. Following review of the candidates' resumes and/or interviews thereof, Owner shall make a recommendation to Manager with regard to potential candidates for each position. Manager shall exercise its best efforts to hire candidates acceptable to Owner for general manager and directors of sales. Additionally, Manager shall use its best efforts to consult with Owner with respect to the selection of other key departmental management positions, but Manager is responsible for the hiring thereof. Manager agrees that if there is a vacancy in the general manager's or director of sales position, Manager shall make reasonable efforts to find a temporary or permanent replacement within a reasonable period of time thereafter. Notwithstanding anything contained herein to the contrary, Manager shall be entitled to appoint an individual to fill such a vacant position on a temporary basis (not to exceed 120 days) without the prior approval of the Owner. If Owner becomes dissatisfied with the performance of the General Manager or Director of Sales and requests a plan for improvement, Manager will supply such a plan within two weeks. If such plan does not improve performance, inaction by the Manager could be deemed failure to perform under this Agreement.

(b) Manager shall manage all aspects of the Resort's human resources functions and will establish and implement all employment policies for the Resort Personnel, including salaries, wages, fringe benefits, other compensation, recruitment, hiring, relocation, transfer, discharge and retirement, severance and other benefit plans in accordance with Manager's standard policies, subject to such reasonable variances as Manager may establish for the Resort from time to time. The compensation, including bonuses, payable to the employees of the Resort shall be comparable to the compensation, including bonuses, paid to the employees of Comparable Hotels, taking into account the location and size of the Resort. All payroll taxes for Resort Personnel shall be withheld for payment by Manager and deposited to regulatory agencies with payroll taxes withheld from other employees of Manager. A portion of the compensation for the General Manager and Director of Sales shall be incentive based. Manager will provide evidence to the Owner of the existence of the incentive pay plans for the General Manager and Director of Sales and of the proposed payouts and such plans shall be constructed so that a significant incentive to perform is created.

(c) To the extent permissible by law, Manager agrees to recognize seniority and existing benefits earned by employees of Manager's predecessor. For instance, if an employee previously received 4 weeks of vacation time based on 15 years of service with the former manager, said employee shall continue to receive 4 weeks of vacation time upon becoming an employee of Manager.

(d) Manager is prohibited from imposing non-compete clauses in employment contracts with any employees of Manager working at the Facility which would have the effect of prohibiting or discouraging an employee from becoming employed with a future manager of the Facility.

4.3 Complimentary Rooms. Subject to availability at the Resort, Manager's personnel shall be furnished and provided with rooms, without expense to Manager, in discretion of Manager and in accordance with Manager's Employee Handbook, whenever such personnel are at the Resort or in the vicinity, in the performance of this Agreement; however, Manager will employ the same standards of control in the granting of complimentary rooms and discounts as used by Manager in other hotels it manages. Use of complimentary rooms by Manager shall be governed by overall profitability of the Resort.

4.4 Independent Contractors. The costs, fees, compensation or other expenses of any persons engaged by Owner or Manager (with consent of Owner) to perform duties of a specialized nature, directly related to the operation of the Resort, such as attorneys, advertisers, independent accountants, and the like, other than the costs associated with the preparation of this Agreement shall be an operating expense of the Resort and not the responsibility of Manager. To the extent possible, with the exception of emergencies and for services not ordinarily anticipated, an estimate of fees for said advisors shall be included in the Operating Budget. In the event said contractors or vendors are engaged by Manager to provide services to a group of hotels under Manager's direction, Manager is hereby authorized, with the consent of Owner, to allocate the appropriate amount of said fees to the Resort.

4.5 Reserved.

4.6 Flow of Funds for the Resort.

(a) Upon receipt by Manager, all Gross Revenues shall be immediately deposited into the Operating Fund for use as described herein:

1. Operating Fund. Pursuant to Section 5.3 hereof, an Operating Fund shall be established from which Manager shall pay all operating expenses of the Resort, including the Management Fee (but excluding real estate taxes, insurance premiums for the Resort, and debt payments upon the City Indebtedness). An amount of $30,000, or such other amount determined necessary by the approved Operating Budget to cover operating costs of the Resort for each Fiscal Period, shall be retained in the Operating Fund each Fiscal Period, plus such other amount as Manager may deem necessary given pending invoices, costs, etc. coming due at the Resort in the current or next succeeding Fiscal Period, if the minimum amount above would be insufficient, provided, any such additional amount is within the scope of the approved Operating Budget, for use in accordance herewith. Each expenditure shall be accounted for and the books related to this fund shall be reconciled by Manager for review of Owner each Fiscal Period. In the event monies within the Operating Fund are insufficient to pay all expenses then due and payable, Manager shall prioritize said expenses in the following order: a) payroll for Resort Personnel, and tax and withholding mandated by law and in relation to payroll; and b) operating expenses necessary to operate the Resort including transient guest tax, sales tax, and government impositions, and including Management Fees due plus all reimbursable expenses of Manager.

Manager shall be entitled to request additional monies from Owner in the event of shortfalls. Owner shall use its best efforts to make sufficient monies available to Manager for the operation of the Resort during the Term of this Agreement. Upon a request for additional monies by Manager, Owner shall have not less than fifteen (15) business days to make said deposit into the Operating Fund. Each request by

Manager hereunder shall include documentation satisfactory to the Owner evidencing the need for the monies requested by Manager (e.g. invoices, etc.). Manager will exercise prudence and due diligence to minimize cash shortfalls.

(i) Manager shall be entitled to draw from the Manager's Account established in accordance with Section 5.3 hereof. The Manager's Account shall be utilized by Manager for expenditures related to the Resort (e.g. local expenditures, last minute expenditures for parties at the Resort, etc.). The Manager's Account shall be funded by and expenditures therefrom shall correlate to transfers from the Operating Fund. The Manager's Account shall be maintained primarily as a zero-balance account (in no event shall a balance of greater than $5,000 be maintained. Transfers to the Manager's Account shall be documented and presented to the Owner in accordance with the process for approval of other operating expenses for the Resort.

2. Reserved.

3. Payments to Owner. At the beginning of each Fiscal Period Manager shall pay to Owner out of the Operating Fund the amounts by which the total funds then in the Operating Fund exceeds the amount needed in Manager's opinion to make the payments outlined above.

(b) Each Fiscal Period, Owner intends to fund the following accounts from the Net Revenues received from Manager:

1. Property Tax and Insurance Reserve Fund. Monies in this Fund shall be used by the Owner, along with other monies of the Resort, if necessary, to pay real estate taxes on the Resort and insurance premiums for policies in force at the Resort which come due and payable in the current Fiscal Year. At such time as the property tax and insurance premium requirements of the Resort for the current Fiscal Year have been deposited into this fund, no further deposits for said Fiscal Year shall be required. Owner shall be the only party authorized to draw from this fund.

2. Debt Service Fund. Monies in this Fund shall be used by the Owner to make payments on the principal of and interest on the City Indebtedness when such come due and payable in the current Fiscal Year. At such time as the debt service requirements for the City Indebtedness for the current Fiscal Year have been deposited into the Debt Service Fund, no further deposits for said Fiscal Year shall be required. Owner shall be the only party authorized to draw from this fund.

3. Replacement Reserve Fund. The monies in the Replacement Reserve Fund shall be the property of Owner. Interest earned during any period from the amounts in such Fund shall remain part of the Replacement Reserve Fund. Owner shall deposit for each Fiscal Period, from available Net Revenues transferred by Manager, an amount equal to five percent (5%) of Gross Revenues during each Fiscal Period into the Replacement Reserve Fund. In addition to such deposits into the Replacement Reserve Fund by Manager from Net Revenues, all proceeds from the sale of FF&E or capital improvements no longer needed for the operation of the Resort shall be deposited in the Replacement Reserve Fund. Monies in this fund shall be available for use by Owner in accordance with the Owner approved FF&E Plan.

(c) After available Net Revenues have been allocated to the above Funds, Owner intends to utilize available funds as follows:

1. Owner Repayment. To the extent Owner has transferred other available funds to the Resort to fund operating losses at the Resort, including any transfer or deposits to the Payroll Reserve Fund, Owner shall be entitled to repay itself for said transfers from the first available Net Revenues.

2. Debt Service Reserve Fund. Owner next shall deposit available monies into a Debt Service Reserve Fund, until such time as this fund has $480,000 deposited therein. The Debt Service Reserve Fund shall be available to the Owner solely for the purpose of paying debt service on the City Indebtedness in the event there are insufficient funds in the Debt Service Fund for the City Indebtedness at the time a payment is due and payable. The Debt Service Reserve Fund may also be used to make the final payment on City Indebtedness. Owner shall be the only party authorized to draw from this fund.

3. Operating Reserve Fund. Owner shall next deposit available monies into an Operating Reserve Fund, until such time as this fund has $750,000 deposited therein. Money in the Operating Reserve Fund may be used by the Owner to cover actual operating expenses when the Operating Fund is insufficient, and may be used to cover debt service on City Indebtedness. Owner shall be the only party authorized to draw from this fund.

4. Early Debt Retirement Fund. Any remaining monies shall be deposited into the Early Debt Retirement Fund. Owner shall be the only party authorized to withdraw from this fund and shall be free to use the monies in this fund for any lawful purpose, including any of the above purposes. It is the Owner's intent to accumulate funds for the early retirement of the City Indebtedness, however this Agreement shall not contractually bind the Owner for said purpose.

4.7 Alterations and Repairs. Subject to the provisions of Section 4.8, Manager shall have the right, from time to time during the Term of this Agreement, to make such alterations or repairs as are customarily made in the operation of hotels, provided, however, that no structural alterations, additions or improvements involving a fundamental change in the character of the building(s) shall be made without Owner's prior approval thereof in writing. The cost of such customary alterations or repairs shall be paid out of the Operating Fund of the Resort and charged directly, as periodic invoices are received, to the current expenses of the Resort or shall be capitalized, on the books of the account of the Resort in accordance with generally accepted hotel accounting practices.

4.8 Limitation on Manager's Authority to Make Replacements, Alterations, and Repairs. Manager shall obtain the consent of Owner, which shall not be unreasonably withheld or denied, before entering into any contract, agreement or purchase involving alterations, repairs or rehabilitation of the Resort, the repair of existing FF&E, or replacement of initial Hotel Supplies or existing FF&E, if the amount payable under such contract or purchase exceeds the sum of U.S. ten thousand dollars ($10,000) for each occurrence hereunder; except in the event of an emergency situation, which in the discretion of Manager, requires immediate action to protect persons or property, Manager shall be authorized, upon notice to Owner but without Owner's prior consent, to enter into contracts occasioned by such emergency in amounts up to $25,000. Any projects, including emergency projects, in excess of the minimum amount required by law to implicate public bidding shall require prior action on the part of Owner. Manager shall have no responsibilities concerning any contract which it did not execute for Owner or approve in writing. In the event that, at any time during the Term of this Agreement, structural repairs to or changes in the Resort shall be required by reason of any laws, ordinances, rules or regulations now or hereafter in force, or by order of any governmental or municipal power, department, agency, authority or office, such repairs or changes shall be made and paid as an additional cost of the Resort. It shall be the responsibility of the Owner to determine, and inform Manager, of the applicability of Iowa's public bidding laws to any given improvement under this Section and Section 4.7.

4.9 Allocation of Expenses. It is agreed that, to the extent the entire amount of an Out-of- Pocket Reimbursable Expense claimed by Manager or its Affiliates under this Agreement is not incurred solely for the benefit of the Resort, then such amount or expense shall be appropriately allocated for that portion that is for the benefit of the Resort. Similarly, Manager shall also be entitled to appropriately allocate to the Resort shared costs not incurred solely for the benefit of the Resort, including but not limited to internet marketing fees and other third party payments, to the extent such benefit the Resort. Manager shall also be entitled to allocate, as a cost of the Resort, travel expenses and salary or payroll expenses of employees brought in to temporarily fill positions vacated at the Resort, where such temporary employees are not deemed Resort Personnel and the allocated costs do not exceed the reasonable and customary cost, fee and expenses of an independent contractor providing said service(s). Manager shall maintain accurate records of all Out-of-Pocket Reimbursable Expenses claimed under this Agreement for Resort benefit, including supporting documentation. Mileage expenses for necessary travel for Resort management purposes under this Agreement shall be submitted in advance for Owner approval.

4.10 Renovation Projects. Manager will provide a scope of services for any and all renovation projects. Manager will act as the owner's representation and help source and bid the architect if needed for the project, get a general contractor on board for the scope of worked needed, provided that, if the project is subject to competitive bidding, Owner shall be responsible for compliance with applicable public bidding laws. Manager also agrees to solicit multiple bids for all necessary FF&E identified in the renovation project budget and will help source an FF&E installer to liquidate and install the new FF&E ordered. Manager will create a master budget and present it to the City of Storm Lake for approval in advance of moving forward. The renovation budget will include a project management fee payable to Manager for 7% of the total budget of the renovation project. Manager will work with Resort staff management to develop a project schedule that will cause the least disruption for guests and business within the facilities. Owner and Manager will conduct walk throughs with general contractor and to make sure all punch list items are completed to their mutual satisfaction and will work cooperatively to close out the project.

4.11 Business Plan.

(a) Delivery. Manager shall deliver to Owner for its review and approval an Initial Business Plan no later than October 1, 2024. Subsequent Business Plans shall be delivered to Owner at least forty-five (45) business days prior to the beginning of each Fiscal Year, starting with Fiscal Year 2024-2025. The preliminary draft of the Initial and each subsequent Business Plan which shall include each of the following components: (i) Operating Budget; (ii) FF&E Plan; (iii) Capital Plan; and (iv) Marketing Plan, as more particularly described below. Manager shall prepare the Business Plan in accordance with the System Standards and the general standards of the hotel industry for Comparable Hotels. Manager shall act reasonably and exercise prudent business judgment in preparing each Business Plan and any revisions thereto. Manager recognizes that the budgeting process is a key aspect of the relationship between Owner and Manager. Owner shall act reasonably and exercise prudent business judgment in approving or rejecting all or any portion of the proposed Business Plan.

(b) Components of Business Plan. The components of the Business Plan shall be as follows:

1. The Marketing Plan shall be a summary that includes the marketing strategies and tactics for each of the market sectors, including but not limited to: a description

of the Resort's target markets, and relative position in those markets; the proposed room rate structures and other-published operating information for Comparable Hotels; the current and future sales and marketing plan for the Resort; the advertising and public relations plan for the Resort; and all human and fiscal resources required to successfully market the Resort. Manager shall advertise and promote the Resort in coordination with the sales and marketing programs of Manager and other hotels managed by Manager, and in accordance with the Business Plan approved by Owner. Owner understands and agrees that Manager, in marketing and advertising the Resort, shall have the right to use marketing and advertising services of Manager's Personnel not located at the Resort and that the costs of such are included in Manager's Management Fee, but Manager may charge the Resort for Out- of-Pocket Reimbursable Expenses related thereto.

1. The Report of Marketing Activities shall summarize the activities of Manager in furtherance of the Marketing Plan and include a summary of the results from the implementation of the Marketing Plan. A Report of Marketing Activities shall be prepared and delivered to Owner quarterly, to be submitted within ten (10) days following the end of each quarter.

2. The Operating Budget shall include estimated Gross Revenues and expenditures projected for the forthcoming Fiscal Year on an annualized basis, estimates of projected occupancy and average room rates (including guest rooms, meeting rooms, banquet space and convention space). Not less than quarterly, Manager shall provide to Owner forecasts of projected Gross Revenues and expenditures, based upon the most recent numbers and re-estimations available to Manager, which said forecasts shall include comparisons to the Operating Budget as originally approved by the Owner for the current Fiscal Year. The Operating Budget shall be submitted in accordance with Section 5.2 hereof, and shall be updated with the submission of the Business Plan in accordance with this Section.

3. The FF&E Plan shall include (i) a three (3) year forecast of FF&E needs for the Resort, and (ii) a detailed description of the requested FF&E for the Resort, including associated costs and funding plans for the upcoming Fiscal Year for the Resort. The foregoing shall be developed in accordance with System Standards. With respect to requested FF&E and routine capital expenditures for the forthcoming Fiscal Year, Manager shall indicate its estimated time schedule.

4. The Capital Plan shall include (i) a three (3) year forecast of capital expenditure needs for the Resort (including sufficient information as necessary for Owner to complete its five (5) year capital plan), and (ii) a detailed description of the requested capital expenditures for the Resort, associated costs and funding plans for the upcoming Fiscal Year for the Resort. The foregoing shall be developed in accordance with System Standards. With respect to requested capital expenditures for the forthcoming Fiscal Year, Manager shall indicate its estimated time schedule.

(c) Owner Review.

1. Owner shall have twenty (20) business days after receipt of the Business Plan to review and approve it and Manager shall make itself reasonably available during this period to discuss the Business Plan and respond to Owner's questions. In the event that Owner disapproves any portion in the Business Plan, Owner will provide Manager with the specific reasons for its disapproval within such twenty (20) business day period. Upon Owner's

request after such disapproval, Manager will meet with Owner as soon as reasonably practical to discuss the Business Plan and to explain to Owner how the Business Plan was developed (including all underlying assumptions then available). Thereafter, in the twenty-five (25) business day period following receipt of Owner's disapproval, the parties will resolve in good faith any objections by Owner so that a final Plan is in place by the start of the Fiscal Year.

(d) Operations in Accordance with Business Plan and Variances. Manager shall diligently pursue feasible measures to operate the Resort in accordance with the Business Plan. It is understood, however, that the Business Plan is an estimate only and that unforeseen circumstances such as, but not limited to, the costs of labor, material, services and supplies, casualty, operation of law, or economic and market conditions, as well as the requirement that the Resort be operated in accordance with the System Standards, may make adherence to the Business Plan impractical, and Manager shall be entitled to depart therefrom due to causes of the foregoing nature. However, Manager shall notify Owner of any significant variations from the Business Plan promptly after Manager learns of same, and shall notify Owner of the nature and extent and reason for such variation.

For the purposes of this subsection: (1) any major expense category (major line item such as general and administrative) that varies by more than ten percent (10%) from the Business Plan; or (2) any variation of the sum of the expenses in the aggregate that varies by more than ten percent (10%) from the Business Plan, shall be deemed to be significant.

4.12 Reserved.

4.13 Financial Statement of Manager. Manager agrees to provide Audited Financial Statements, as well as financial statements of the Resort, to Owner within one hundred twenty (120) days after Manager's fiscal year-end. The Owner will designate or approve the audit firm.

ARTICLE 5

ACCOUNTING

5.1 Books and Records: Operating Statements. Manager shall maintain an accurate accounting system in connection with its management of the Resort., All books, records, bills, receipts, bank books, check books, correspondence, lists, files and books of accounts related to the management and operations of the Resort, shall at all times be safely kept and preserved. The books and records shall be maintained at all times either at the Resort or at the principal office of Manager, at Manager's option. Owner shall have the right and privilege of examining said books and records at any reasonable time. By the 25th day of each month, Manager shall submit to Owner (c/o City Clerk or Clerk's designee) a summary of the prior Fiscal Period's revenues and expenses, including, but not limited to, a profit and loss statement and balance sheet, a reconciliation of the Operating Fund account for said Fiscal Period, and a report that includes year-to-date income and expense totals by line item and in comparison to the Operating Budget. Owner may obtain an annual audit performed by independent certified public accountants as part of its annual audit of all City functions, and shall allocate the proportionate costs of such audit as a cost of the Resort. All tax returns and filings including income tax returns applicable to Resort operations shall be the responsibility of Owner, as a cost of the Resort.

5.2 Operating Budget.

(a) As part of the annual Business Plan submitted pursuant to Section 4.11 hereof, not later than December 20 of the calendar year prior to the commencement of each Fiscal Year, Manager shall submit to Owner an Operating Budget for the operation of the Resort for such Fiscal Year, containing reasonably detailed revenue and expense projections as outlined more fully in Section 4.11 hereof. Manager acknowledges the importance of the Operating Budget relative to Owner's global budgetary process as a matter of Iowa law. Accordingly, Manager covenants to employ due diligence and exercise its best efforts in the preparation of the Operating Budget as outlined herein prior to submission thereof to the Owner.

(b) The Operating Budget is intended as and will represent only an estimate of the projected revenues and expenditures for the Fiscal Year based upon assumptions believed by Manager to be reasonable at the time of preparation. Although Manager will use reasonable efforts to achieve the budgetary goals reflected in the Operating Budget, the Operating Budget cannot be relied upon as an assurance of actual results for such Fiscal Year. Manager shall promptly notify Owner of variances thereof in accordance with Section 4.11(d) hereof, and of the need to depart in any material way from the Operating Budget if, in Manager's judgment, adherence to the Operating Budget is impractical or such departure is necessary or desirable for the efficient or profitable operation of the Resort.

(c) The Owner shall have the right to approve each Operating Budget, or material departures from approved Operating Budgets, as part of the Owner's approval of the Business Plan, which approval shall not be unreasonably withheld or delayed, and pending such approval, Manager shall in operating the Resort refrain from incurring any expenses in such Operating Budget or proposed departure therefrom to which Owner has objected to the extent Manager can do so without interfering with the orderly and efficient operation of the Resort as contemplated by this Agreement.

5.3 Bank Accounts and Working Capital. Owner shall establish three separate bank accounts in its name, with Manager and Owner being the only parties authorized to draw from said accounts (the Operating Fund, Payroll Reserve Account, and Manager's Account, pursuant to Section 4.6 hereof). Monies in each account shall be deemed public funds of the Owner, and shall be held on deposit in accordance with Iowa law. Any interest income from said deposits shall be deemed a Gross Revenue of the Resort.

ARTICLE 6

MANAGEMENT FEES

6.1 Management Fees. In consideration for the management and operation of the Resort by the Manager, including all corporate services related thereto (including, but not limited to human resources, IT, marketing, accounting, Hotel Supplies purchasing, but excluding other corporate services agreed to by Owner under separate agreement) by Manager and its Affiliates, the Owner agrees to pay to the Manager a Management Fee as follows:

(i) Incentive management fee. Manager will receive an incentive management fee by delivering additional Profit from Operations to the bottom line. A budget will be established and approved by the owner and any additional Profit from Operations to the bottom line will result in 25% of the additional Profit from Operations paid to S & L as an incentive management fee at the end of the budgeted year.

(ii) For each Fiscal Year, beginning with Fiscal Year 2024/2025, three and one-half percent (3.5%) of each month's Gross Revenues, which is payable 15 days after the end of the month; and (ii) 25% of the Profit from Operations in excess of budgeted Profit from Operations. "Profit from Operations" is calculated as follows: Gross Revenues less Departmental Expenses, Accounting Services ($40.00 per room per month), and Undistributed Expenses (as calculated and displayed on the various financial reports of the Resort) of the Resort except for the following expenses which are not included in Departmental Expenses or Undistributed Expenses: (A) the 3.5% Management Fee in this subparagraph (i); (B) annual debt service payments on the various bonds and loans serviced by the Resort on the Resort; and (C) Annual FFE Reserve Contributions. "Annual FFE Reserve Contributions" means monies set aside into a furniture, fixture and equipment replacement reserve account. The 25% Profit from Operations Payment, if any, is payable by August 31st of each year, beginning in 2025.

6.2 Limitations on Fee. Payment of the Management Fee as set forth above is subject to compliance with all terms and conditions of this Agreement. With respect to that portion of the Management Fee described above in 6.l(ii) (25% of the Profit from Operations in excess of $ budgeted Profit from Operations), if deferred maintenance is established according to the process set forth in Section 11.3(b) hereof and such maintenance is not cured to the reasonable satisfaction of the City by August 1 prior to payment of the fee, then Gross Revenues shall be reduced by 150% of the estimated costs of remedying the deferred maintenance, such estimate being the amount determined by the licensed engineer inspecting the Facility pursuant to 11.3(b). In addition, if the City has completed deferred maintenance pursuant to the remedy set forth in ll.3(b) in the fiscal year for which a bonus (25% of the Profit from Operations in excess of budgeted Profit from Operations) is owed, % of the City's actual costs in completing such maintenance shall be deducted from Gross Revenues for purposes of the calculation in 6.l(ii) above.

6.3 No Kick-back Representation. The only compensation Manager shall receive for the obligations contained in this Agreement shall be the Management Fee, and Manager shall annually certify to Owner that it has received no payment from any third parties associated with any contract entered into with regard to any aspect of its operations or activities at the Resort.

ARTICLE 7

INSURANCE

7.1 Property Insurance Coverage. Owner shall obtain, as an expense of the Resort, property insurance on the Resort, including the building(s), furniture, fixtures and equipment, along with other property coverages typically insured for hotel/motel operations. Other typical coverages may include, but not be limited to, business interruption protection, and boiler and machinery protection. Property insurance shall be written under a "special cause of loss" form of protection, and the amounts of insurance shall be based upon the replacement cost of the Resort. Self-insured retentions (deductibles) may be selected and used at the sole discretion of the Owner. Business Interruption Insurance to cover loss of income and extra expenses caused by an insured peril which results in the partial or total destruction of the Resort shall be maintained by the Owner as an expense of the Resort. Owner shall furnish to Manager satisfactory evidence of all insurance maintained by Owner hereunder at least on an annual basis.

7.2 Liability Insurance Coverage. General Liability protection shall be maintained by the Owner as an expense of the Resort, with a minimum limit of liability of $1,000,000 per occurrence and $2,000,000 annual aggregate. Coverage shall be included to cover bodily injury and property damage for the premises and operations, products and completed operations, personal injury and advertising injury, and independent contractors. Premises medical payments for the public will also be included with a minimum limit of $5,000 per person. Owner shall furnish to Manager satisfactory evidence of liability insurance protection at least on an annual basis.

An Umbrella Liability policy shall be provided by the Owner, with a minimum limit of $10,000,000. The Umbrella liability policy shall serve as excess liability insurance over all primary liability insurance contracts carried by the Owner, including, but not limited to, General Liability, Liquor Liability, Directors and Officers Liability, and Automobile Insurance.

7.3 Worker's Compensation. Since an employer-employee relationship will be established between the Manager and Resort Personnel, Worker's Compensation and Employer's Liability insurance shall be maintained by the Manager. The worker's compensation protection shall be in the amounts required by statute in the State of Iowa.

The Owner, as an expense of the Resort, shall reimburse the Manager for the cost of the Worker's Compensation insurance coverage attributable to the operations of the Resort. Manager shall furnish to Owner satisfactory evidence of all insurance maintained by Manager at least on an annual basis.

7.4 Reserved.

7.5 Liquor Liability. Whosoever holds the liquor license required under Iowa law (Manager or Owner, called "Such Party" for purposes of this section), shall maintain liquor liability insurance protection, as an expense of the Resort, with a minimum liability limit in the amounts required by the statutes of the State of Iowa. Such Party shall furnish to the other party satisfactory evidence of all insurance maintained by Such Party at least on an annual basis. Such Party shall ensure that the insurance shall name the other party as an additional insured on the policy.

7.6 Owner's Directors and Officers Liability. Owner shall maintain Directors and Officers Liability to provide protection for its Directors and Officers, at Owner's expense. Minimum liability limits shall be $1,000,000. Owner shall provide satisfactory evidence of such insurance coverage upon the request of the Manager.

7.7 Manager's Insurance. Manager shall be required to obtain and maintain, at its own expense, the Required Insurance Policies. Manager shall provide satisfactory evidence of such insurance coverage to the Owner at least on an annual basis.

7.8 Provision of Coverage. For any coverage required by this Agreement, Owner may join in any combined insurance policy maintained by Manager for said coverage, if such joinder is mutually agreed to by the parties. In the case of such joinder by Owner, Owner shall pay to Manager a 10% administrative fee as part of the premium payment, which shall be a cost of the Resort.

7.9 Additional Insureds. Manager shall name Owner, its Mayor, the City Manager, City Council members, and City officers, officials, agents, and employees, as additional insureds on all insurance policies required pursuant to this Agreement. In addition, the Owner shall name State of Iowa, Vision Iowa Board, S&L Hospitality, LLC, and any Affiliates performing work for the Resort as additional insureds on policies maintained by Owner hereunder.

7.10 Automobile Insurance.

(a) Manager shall provide for commercial automobile coverage with a minimum limit of liability of $1,000,000 per occurrence and a minimum limit of $10,000,000 under the Umbrella Liability Policy provided by the Manager. Such commercial automobile coverage shall be primary and cover automobiles owned or operated by Manager or owned or operated by employees of Manager in connection with their employment related to King's Pointe Resort.

(b) The Owner agrees to carry non-owned commercial automobile policy coverage in connection with the operation of the Resort. The Owner's coverage will be excess to the Manager's commercial automobile coverage.

(c) The requirement under Section 7.9 for the Manager and the Owner to be additional insured's on each other's insurance policies shall also apply to insurance under this Automobile Insurance.

7.11 Proof of Insurance. Upon request, Manager and Owner shall provide to each other their respective proof of insurance documentation for Manager's and Owner's respective insurance coverage obligations pursuant to this Agreement.

ARTICLE 8

INDEMNIFICATION

Owner and Manager shall maintain the insurance policies required under this Agreement and such insurance policies will govern defense of claims and payment or settlement/judgments, costs, attorney's fees and other expenses.

To the extent that a claim is NOT covered by an insurance policy (in whole or in part),

(a) To the extent authorized by law, Owner shall indemnify and hold harmless Manager and its agents and employees from and against all claims, damages, losses and expenses (including, but not limited to, reasonable attorneys' fees) for injuries to persons or property resulting from any cause whatsoever in, on, or about the Resort caused by Owner's negligence and Manager shall indemnify and hold harmless Owner and its agents and employees from and against all claims, damages, losses and expenses (including, but not limited to, reasonable attorneys' fees) for injuries to persons or property resulting from any cause whatsoever in, on, or about the Resort caused by Manager's GROSS negligence OR WILLFUL MISCONDUCT. Notwithstanding the foregoing, Owner shall not be required to indemnify Manager against damages suffered as a result of the gross negligence or willful misconduct of Manager, its Affiliates, or their respective corporate employees and agents. Notwithstanding the foregoing, Manager shall not be required to indemnify Owner against damages suffered as a result of the gross negligence or willful misconduct of Owner, its Affiliates, or their respective corporate employees and agents.

(b) Notwithstanding the foregoing, Manager shall indemnify, defend and hold harmless Owner and its respective agents and employees from and against all claims, damages, losses and expenses (including, but not limited to, reasonable attorneys' fees) alleging employment-related or lodging-related claims which are brought by anyone against Owner, or related to the performance by Manager, its employees or agents of its duties and obligations hereunder. Notwithstanding the foregoing, Manager shall not be required to indemnify Owner against damages suffered as a result of the gross negligence or willful misconduct of Owner.

(c) To the extent authorized by law, Manager shall indemnify, defend and hold harmless Owner and its respective agents and employees from and against all claims, damages, losses and expenses (including but not limited to, reasonable attorneys' fees) for injuries to persons or property resulting from the use of Manager's or Owner's motor vehicles or Manager's employee's motor vehicles, including but not limited to, automobiles, trucks and buses, on or off Resort premises by the negligence of Manager, Manager's agents, and Manager's employees. Notwithstanding the foregoing, Manager shall not be required to indemnify Owner against damages suffered as a result of the gross negligence or willful misconduct of Owner or its employees.

(d) Indemnification hereunder shall include, but not be limited to, any eventual settlement or judgment amount, plus interest not in excess of the highest rate of interest permitted by Iowa law. It is expressly understood and agreed that the foregoing provisions shall survive the termination or expiration of this Agreement.

ARTICLE 9

DAMAGE TO AND DESTRUCTION OF THE RESORT

In the event there is damage to or impairment or destruction of the Resort, or any portion thereof, resulting, during the term of this Agreement, from fire, theft or other casualty, Owner shall undertake to repair the damage as soon as reasonably possible and in every event commence with such within ninety (90) days.

ARTICLE 10

RELATIONSHIP AND AUTHORITY

In its provision of services to Owner hereunder, the parties hereby acknowledge the Manager is an independent contractor. The provisions of this Agreement relating to the percentage Management Fee payable hereunder are included solely for the purpose of providing a method whereby a fee can be measured and ascertained. Manager and Owner shall not be construed as joint venturers or partners of each other and neither shall have the power to bind or obligate the other except as set forth in the Agreement, but Manager is clothed with such additional authority and powers as may be necessary to carry out the spirit and intent of this Agreement. This Agreement shall not be deemed at any time to be an interest in real estate or a lien of any nature against the Resort or on the land upon which it exists. The rights of the Manager shall be at all times subject and subordinate to all mortgages which may now or hereafter be outstanding, and to all renewals, modifications, consolidations, replacements and extensions thereof. This clause shall be self-operative and no further instrument of subordination shall be required by any mortgage.

ARTICLE 11

DEFAULT

11.1 Events of Default. Each of the following shall mean and constitute a "Default" under this Agreement.

(a) Voluntary Bankruptcy. The filing of a voluntary petition in bankruptcy or insolvency or a petition for reorganization under any bankruptcy law by any party hereto, or the admission by any party hereto that it is unable to pay its debts as they become due.

(b) Involuntary Bankruptcy. The consent to an involuntary petition in bankruptcy or the failure to vacate, and within ninety (90) days from the date of entry thereof, any order approving an involuntary petition by any party hereto.

(c) Court Order. The entering of an order, judgment or decree by any court of competent jurisdiction, on the application of a creditor, adjudicating any party hereto as bankrupt or insolvent or approving a petition seeking reorganization or appointing a receiver, trustee, or liquidator of all or a substantial part of such party's assets, and such order, judgment or decree's continuing unstayed and in effect for an aggregate of sixty (60) days (whether or not consecutive).

(d) Nonpayment for Payroll Expenses. The failure of Owner to replenish the Payroll Reserve Account within seven (7) business days of Owner's receipt of written notice by Manager of a withdrawal from the Payroll Reserve Account and request for replenishment thereof;

(e) Nonpayment - General. The failure of any Party to make any other payment in the amount required by this Agreement when due; provided said failure continues for more than ten (10) business days following written notice from the non-defaulting party;

(f) Failure to Perform. The failure of any party hereto to perform, keep or fulfill any of the other covenants, undertakings, obligations or conditions set forth in this Agreement, and the continuance of such failure for a period beyond that provided for in section 3.2 hereof.

11.2 Remedies. Upon the occurrence of an event of Default, a non-defaulting party shall have the right to pursue any one or more of the following courses of action: (1) if the event of Default has a material adverse impact on the non-defaulting party, to terminate this Agreement by written notice to the defaulting party, which termination shall be effective as of the effective date which is set forth in said notice, provided that said effective date shall be at least ten (10) business days after the date of said notice, except with regard to Default under Section 11.l(d) and (e) which shall be immediate upon occurrence in accordance therewith; or (2) to institute forthwith any and all proceedings permitted by law or equity including, without limitation, actions for specific performance and/or damages; and/or (3) to avail itself of the additional remedies described in Section 11.3.

11.3 Additional Remedies.

(a) Interest Accrued. Upon the occurrence of a Default by any party hereto under the provisions of Section 11.l(d) and (e), the amount owed to the non-defaulting party shall accrue interest, at an annual rate equal to the maximum interest rate permitted by Iowa law, from and after the date on which the Default occurred.

(b) Notwithstanding anything to the contrary herein, as an additional remedy and not in lieu of any other remedy available to it, Owner shall have the right to step in and cure any default by Manager of any provision(s) of this Agreement, including but not limited to the obligation to maintain the Facility in accordance with industry standards, and in good operating order, repair and condition, and Owner shall be entitled to offset any costs, fees or expenses it incurs in curing such default, including legal fees, against any amounts owed to Manager at that time or in the future. The determination of whether a default in keeping the Facility maintained in accordance with industry standards shall be determined as follows:

Manager agrees that it shall permit representatives of the Owner, and one or more licensed engineers appointed by Owner, upon reasonable notice (which does not have to be written), to enter upon the Facility property on or about each March 1 to inspect conditions at the Facility, the costs of such inspection to be paid by Owner. If the Owner's licensed engineer determines there are material repair or maintenance deficiencies at the Facility, Manager shall have 60 days to remedy such issues to the reasonable satisfaction of Owner. If such issues are not remedied within 60 days, then the Owner shall have all rights and remedies set forth under this Agreement and by law, including the remedy in this Section 11.3(b).

(b) Additional Rights and Remedies. The remedies granted under this shall not be in substitution for, but shall be in addition, to, any and all rights and remedies available to the non-defaulting party (including, without limitation, injunctive relief and damages) by reason of applicable provisions of law or equity and shall survive Termination.

ARTICLE 12

PURCHASING PROGRAM

12.1 Purchasing Administration. Manager is responsible for the purchase of Hotel Supplies and routine replacement items for the Resort (see Section 4.l(a)(6)), consistent with the approved Operating Budget. The cost of purchases and installations shall be the invoice cost thereof. Manager shall provide invoices for Owner's review and approval prior to payment. Manager will provide expense histories to be used for the Owner's public reporting purposes. **All** expenditures from the Operating Fund and Manager's Account shall be subject to Owner approval, which, provided such expenditure is within the parameters of the Operating Budget approved by Owner, such expenditure approval may be by ratification in accordance with Owner's payment policy (payment requests are considered by the City Council on the first (1st) and third (3rd) Mondays of each month; for payments to be considered at said meeting, a request must be submitted to the City Clerk's office on or before the Monday prior to the date the Council will consider payment requests.)

ARTICLE 13

DISPUTE RESOLUTION AND LITIGATION

It is the intent of the parties that judicial proceedings be deemed the measure of last resort for dispute resolution hereunder. Each party is encouraged to consider mediation before commencing legal proceedings. Notwithstanding, either party may commence legal proceedings to resolve disputes hereunder. The laws governing the formation, construction and interpretation of this Agreement hereof shall be the laws of the State of Iowa. The Parties to this Agreement hereby agree that as to the determination and rendering of judgment in any controversy arising hereunder, jurisdiction shall vest in the District Court for Buena Vista County or Federal Court within proper jurisdiction.

ARTICLE 14

MISCELIANEOUS

14.1 Notices. Notices, statements and other communications to be given under the terms of the Agreement shall be in writing and delivered by hand against receipt or sent by certified or registered mail, postage prepaid, return receipt requested or by nationally utilized overnight delivery service, addressed to the parties as follows:

To Owner:
City of Storm Lake
620 Erie Street
Storm Lake, Iowa 50588 Attn:
City Clerk
Phone: (712) 732-8000
Fax: (712) 732-4114

To Manager:
S&L Hospitality
230 Horizon Drive, Suite 102
Verona, WI 53593
Eric Lund- Owner
Phone 608-845-9999
elund@slhosp.com
Fax 608-845-9929

or at such other address as is from time to time designated by the party receiving the notice. Any such notice that is mailed in accordance herewith shall be deemed received when delivery is received or refused, as the case may be. Additionally, notices may be given by electronic mail (e-mail) (but not text messages) or by telephone facsimile transmission, provided that an original copy of said transmission shall be delivered to the addressee by nationally utilized overnight delivery service by no later than the second business day following such transmission. Telephone facsimiles shall be deemed delivered on the date of such transmission or, if such date is not a business day, then on the first (1st) business day immediately following such date. If e-mails are used, the communicating party should follow up to be sure the other party has received the e-mail, unless such receipt is evident.

14.2 Applicable Law. This Agreement shall be construed under and shall be governed by the laws of the State of Iowa.

14.3 Partial Invalidity. In the event that any one or more of the phrases, sentences, clauses or paragraphs contained in this Agreement shall be declared invalid by the final and unappealable order, decree or judgment of any court, this Agreement shall be construed as if such phrases, sentences, clauses or paragraphs had not been inserted in this Agreement.

14.4 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of Owner, Manager and their respective heirs, legal representatives, successors and permitted assigns. No party hereto shall assign or transfer any rights hereunder or interest herein (including, without limitation, monies due or that may become due hereunder) without the written consent of the other parties. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility hereunder. Nothing contained in this Section 14.4 shall prevent Manager from employing at its own cost such independent consultants, associates and subcontractors as Manager may deem appropriate to assist it in the performance of services and responsibilities hereunder.

14.5 Amendments. The Agreement, together with any other writings signed by the parties expressly stated to be supplemental hereto and together with any instruments to be executed and delivered pursuant to the Agreement, constitutes the entire agreement between the parties and supersedes all prior understandings and writings, and may be changed only by a written non-electronic instrument that has been duly executed by the non-electronic signature of an authorized representative of the parties hereto.

14.6 Consents and Approvals. Wherever in this Agreement the consent or approval of a party is required, such consent or approval shall not be unreasonably withheld, delayed or conditioned, shall be in writing, and shall be executed by a duly authorized officer or agent of the party granting such consent or approval. This Agreement is subject to and conditioned upon approval of the Storm Lake City Council and the duly authorized representative of Manager.

14.7 Further Instruments. Upon notice from either party to the other, Manager and Owner shall execute (in recordable form) and deliver to the party requesting the same an appropriate instrument which, when recorded, will impart constructive notice to third parties of the rights of Manager under this Agreement. Each party hereto shall further execute and deliver all such other appropriate supplemental agreements and other instruments and take such other action as may be necessary to make this Agreement fully and legally effective, binding and enforceable as between the parties hereto and as against third parties, in the discretion of the parties.

14.8 Survival and Continuation. If, pursuant to the terms hereof, this Agreement is terminated or the term shall expire, (a) Owner's obligations to pay to Manager any amounts due to Manager hereunder shall survive such termination or expiration and shall continue until all such amounts, with interest, are paid in full, and (b) all terms, provisions and obligations of either party contained herein which, in order to give them effect and accomplish their intent and purpose, need to survive such termination shall, by agreement between Owner and Manager, survive and continue until they have been fully satisfied or performed.

14.9 Sale of Securities. In the event Owner, or any Person controlling Owner, shall at any time sell or offer to sell any securities involving the Resort issued through the medium of any prospectus or otherwise, it shall do so only in compliance with all applicable federal and state securities laws and shall clearly disclose to all purchasers and offerees that (i) neither Manager nor any of its officers, directors, partners, agents or employees shall in any way be deemed an issuer or underwriter of said securities, and (ii) Manager and said officers, directors, partners, agents and employees have not assumed and shall not have any liability arising out of or related to the sale or offer of said securities, including any liability or responsibility for any financial statements, projections or other financial information contained in any prospectus or similar written or oral communication. Owner agrees to indemnify, defend and hold Manager and its officers, directors, partners, agents and employees free and harmless of and from any and all liabilities, costs, damages, claims or expenses arising out of or related to the sale or offer of any securities by Owner.

14.10 Interpretation.

(a) The headings of Sections herein are inserted for convenience only and are in no way intended to describe, interpret, define or limit the scope or content of this Agreement or any provision hereof.

(b) The terms "hereby", "hereto", "herein", "hereunder", and any similar terms shall refer to this Agreement.

(c) Words referring to persons shall include firms, associations, partnerships (including limited partnerships), limited liability companies, trusts, corporations and other legal entities, including public bodies, as well as natural persons.

(d) The terms "include", "including" and similar terms shall be construed as if followed by phrases "without being limited to".

14.11 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of which shall constitute one and the same instrument. Such executed counterparts may be delivered by facsimile which, upon transmission to the other parties, shall have the same force and effect as delivery of the original signed counterpart. The submission of an unsigned copy of the Agreement or an electronic instrument with or without electronic signature to a party shall not constitute an offer or acceptance. This Agreement shall become effective and binding only upon execution and delivery of the Agreement in non-electronic form by all parties in accordance with this Section 14.11.

14.12 Entire Agreement. The Agreement, together with any other writings signed by the parties expressly stated to be supplemental hereto and together with any instruments to be executed and delivered pursuant to the Agreement, constitutes the entire agreement between the parties and supersedes all prior understandings and writings, and may be changed only by a written non-electronic instrument that has been duly executed by the non-electronic signature of an authorized representative of the parties hereto. Each of the parties to this Agreement hereby acknowledges that it was represented by counsel and that the terms of this Agreement were negotiated by the parties. This Agreement shall not be construed more strongly against either party, regardless of who was more responsible for its preparation.

14.13 Confidentiality. The parties agree that the financial terms of this Agreement, together with information contained in the Business Plan prepared annually by Manager, if deemed information that is not ascertainable by the public under the Freedom of Information Act, or other applicable public disclosure laws or requirements, are strictly confidential. Each party, together with their employees and independent counsel, shall use reasonable efforts to ensure that such matters and information are not disclosed to outside persons or entities, other than (i) to third parties as needed to provide quotes for services or products, or actual services or products in accordance with the terms of this Agreement; (ii) to the extent necessary to obtain licenses, permits or other public approvals; (iii) in connection with a sale of the Resort; (iv) in connection with a financing or sale of Manager, an interest therein, or its corporate assets; (v) with prior written consent of the other party; or (vi) as required by law (including, without limitation, Chapter 22 of the Iowa Code).

ARTICLE 15

RESTRICTIVE COVENANT

15.1 Manager Non-compete.

(a) Manager agrees that during the term of this Agreement, together with any extensions thereto following the termination of this Agreement, and for twelve months following the termination of the Agreement, Manager shall not operate, have ownership in, or consult in the management of any of the following types of facilities: (i) any hotel or motel of any type within a fifty (50) mile radius of the Resort, or (ii) any water based destination facility within a one hundred fifty (100) mile radius of the Resort.

(b) However, the City will consider a modification of this non-compete provision if the Manager agrees in writing (i) not to share any operating information or employees relating to any of the City's facilities that Manager manages with any facilities described in subsection (a); (ii) no person in a management position over any of the City's facilities that Manager manages shall have management or oversight responsibilities over any facilities described in subsection (a); and (iii) no person who has oversight at the Manager's corporate level over any of the City's facilities that Manager manages shall have management or oversight responsibilities over any facilities described in subsection (a).

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed under seal as of the day and year first written above.

[Remainder of this page intentionally left blank. Signature pages to follow]

OWNER:

(SEAL)

CITY OF STORM LAKE, IOWA

By: ______________________________
Michael Porsch, Mayor

ATTEST:

By: ______________________________
Mayra Martinez, City Clerk

STATE OF IOWA)
) SS
COUNTY OF BUENA VISTA)

On this ________ day of ______________________, 2024, before me a Notary Public in and for said State, personally appeared Michael Porsch and Mayra Martinez, to me personally known, who being duly sworn, did say that they are the Mayor and City Clerk, respectively, of the City of Storm Lake, Iowa, a Municipality created and existing under the laws of the State of Iowa, and that the seal affixed to the foregoing instrument is the seal of said Municipality, and that said instrument was signed and sealed on behalf of said Municipality by authority and resolution of its City Council, and said Mayor and City Clerk acknowledged said instrument to be the free act and deed of said Municipality by it voluntarily executed.

____
Notary Public in and for the State of Iowa

[Signature page – City of Storm Lake]

S&L Hospitality LLC
A Wisconsin Limited Liability Company

By: ______________________

Print Name: ERIC S LUND

Its: CEO

STATE OF Wisconsin)
) SS
COUNTY OF Dane)

On this 29th day of February, 2024, before me the undersigned, a Notary Public in and for said State, personally appeared Eric Lund, to me personally known, who, being by me duly sworn, did say that they are the CEO of S&L Hospitality LLC, and that said instrument was signed on behalf of said corporation; and that the said Eric Lund, CEO as such officer, acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by them voluntarily executed.

____
Notary Public in and for said State
Comission expires: 12/06/25

ROBERT W HAINES
NOTARY
PUBLIC
STATE OF WISCONSIN

[Signature page – S&L Hospitality LLC]

Exhibit A

Maximum Agreed Debt Service on City Indebtedness [updated with new debt service schedule based on refinancing?]

FACILITY MANAGEMENT AGREEMENT

QUALIFIED MANAGEMENT CONTRACT

PROPERTY/LOCATION: King's Pointe Waterpark Resort, Storm Lake, Iowa

This Facility Management Agreement (the "Agreement"), dated as of March 26, 2024, by and between the CITY OF STORM LAKE, IOWA, an Iowa municipality (referred to as "Owner"), having its principal offices at 620 Erie Street, Storm Lake, Iowa 50588,), and S&L Hospitality, LLC a Wisconsin Limited Liability Company, with its principal office at 230 Horizon Drive, Suite 102, Verona, WI 53593 (hereinafter referred to as "Manager"), is intended to constitute a *"qualified management contract"* pursuant to IRS Revenue Procedure 2017-13.

RECITALS:

WHEREAS, in conjunction with the ownership of a hotel and resort (having approximately 100 rooms, a conference center, restaurant, lounge, indoor water amenities and other amenities) known as King's Pointe in Storm Lake located at 1520 East Lakeshore Drive, in Storm Lake, Iowa (the "King's Pointe"), Owner owns an affiliated outdoor water park consisting of outdoor pools, water-based recreational facilities and outdoor concessions (the "Facility"); and

WHEREAS, to finance construction of the Facility Owner issued one or more series of bonds and indebtedness (the "Bonds") the interest on which is intended to be excluded from gross income for federal income tax purposes pursuant to the Internal Revenue Code; and

WHEREAS, Owner desires to engage Manager to manage the Facility on the terms and conditions hereinafter set forth; and

WHEREAS, Manager recognizes that the Facility is a public purpose facility; and

WHEREAS, to preserve the tax-exempt status of the Bonds, this Agreement must conform to the private activity regulations of the IRS Code and Regulations, and related Revenue Procedures.

NOW, THEREFORE, in consideration of the mutual agreements between the parties hereto and other valuable consideration the receipt and sufficiency of which is hereby acknowledged, it is agreed as follows:

SECTION 1. DEFINITIONS

Definitions. When used in this Agreement, the following terms shall have the respective meanings set forth opposite each such term:

a. "Approval" or "approval" shall mean the written approval of Owner or Manager, as the case may be, which shall not be unreasonably withheld, delayed or conditioned unless specifically stated to the contrary herein, unlawful or not qualified to be given.

b. "Base Management Fee" shall mean the compensation to Manager under this Agreement pursuant to Section 7 hereof.

c. Reserved.

d. "Comparable Facility" shall include water-based destination facilities with approximately 10,000 square feet or more of aquatic space.

e. "Bonds" shall mean that portion of the $5,600,000 General Obligation Bonds, Series 2005, dated June 1, 2005, and the $5,400,000 Annual Appropriation Urban Renewal General Obligation Bonds, Series 2006, dated September 1, 2006, issued by the Owner for purposes of constructing the Facility.

f. "Facility" shall mean the outdoor pool, outdoor watermark, concession stand and restroom at the beach, Lighthouse and Lighthouse observation deck, and the outdoor counter of the concession stand located in the aquatic building.

g. "Facility Personnel" shall have the meaning assigned to it in Section 5.2 hereof.

h. "Fiscal Period" shall mean a calendar month.

i. "Fiscal Year" shall mean the accounting year established by the Owner for the Facility which shall commence July 1 of each year and conclude June 30 thereafter.

j. "Furnishings and Equipment" shall mean the furniture, furnishings, appliances and equipment (including any office equipment and property management equipment) used in the operation of or installed in, about or as part of the Facility, but shall not include Operating Supplies.

k. "Gross Operating Profit" shall mean the amount derived by subtracting from Gross Receipts all operational expenses of the Facility, including the Base Management Fee of Manager; provided, however, operational expenses shall exclude the following:

(1) Depreciation of building, furniture, fixtures and equipment;

(2) Interest expense and debt service;

(3) Capital expenditures (whether capitalized or expensed) including replacement of Furnishings and Equipment, but excluding maintenance and normal repairs.

l. "Gross Receipts" or "Gross Revenues" shall mean the total of all rents, revenues, income and receipts of every kind accrued during the applicable period and derived, directly or indirectly, from the operation of the Facility and all departments and parts thereof, including, but not limited to, income (from both cash and credit transactions and before commissions) from, and to the extent such exist, admission or use fees; license, lease and concession fees and rentals (but not including gross receipts of licensees, lessees and concessionaires); locker space, equipment or other rental fees; vending and game machine receipts; wholesale and retail sales of food, beverages and merchandise; service charges; telephone and telex charges; and the net proceeds (after deduction of the expenses of adjustment and collection.) of use and occupancy, rent loss, business interruption and other similar insurance in respect to the Facility (provided that insurance proceeds shall be included in Gross Receipts only to the extent actually received during such period). "Gross Receipts" shall not include (1) gratuities to employees or service charges levied in lieu of such gratuities which, in either case, are payable to employees, or (2) federal, state or local excise, sales, use, gross receipts, entertainment, admission or tourist taxes or similar impositions collected from customers of the Facility or included as part of the sales price of any goods or services and required to be remitted to the appropriate taxing authorities.

m. "Improvements" shall mean the improvements comprising the outdoor water park, outdoor pools, recreational facilities and landscaping comprising the Facility and constructed on the site adjoining the Lodge.

n. Reserved.

o. "Operating Supplies" shall mean the consumable and non-consumable supplies used in connection with the operation and maintenance of the Facility, including paper goods, soft goods, linens, office supplies, cleaning supplies, pool chemicals, food and beverage inventories and the like.

p. "Required Insurance Policies" shall mean the following insurance policies, coverages and endorsements to be procured and maintained by Manager covering its corporate employees during the term hereof: (i) general liability insurance in the amount of not less than $1,000,000; (ii) umbrella liability insurance in the amount of not less than $10,000,000; (iii) workers' compensation in statutory amounts for corporate employees not primarily assigned to the Resort; (iv) Directors and Officers Liability insurance in the minimum amount of $1,000,000 for its officers and directors; (v) commercial automobile coverage in the account of not less than $1,000,000; and (vi) employee theft/dishonesty insurance. The employee theft/dishonesty insurance shall also be on the employees employed to work at King's Pointe Resort and King's Pointe Water Park.

SECTION 2. ENGAGEMENT OF AND GRANT OF AUTHORITY TO MANAGER

2.1 Engagement of Manager. Subject to the terms, limitations and conditions set forth in this Agreement, Owner hereby engages Manager and grants to Manager the sole and exclusive right to supervise and direct the operation of the Facility for the account of Owner, and Manager hereby accepts such engagement and grant. Relative to the foregoing, but not in limitation thereof, but nevertheless subject to the limitations contained in this Agreement, Owner acknowledges and agrees that Manager shall have the right to determine operating policies as it relates to hours of operation, opening and closing dates, criteria for weather-related closings, quality of service and customer relations in accordance with the terms of this Agreement. Manager shall review with Owner the standards and Operating Budget for operation of the Facility, including, but not limited to, personnel management and the expenditure of Facility revenue. Manager acknowledges that this is a public purpose facility and as such, said operating policies, etc. need to accommodate the needs of the public as determined by the Owner. Without limiting the foregoing, Manager shall, subject to the terms of this Agreement, including approvals by Owner as set forth herein, perform each of the following functions (the costs and expenses of which shall be deemed costs payable from the Operating Account) with respect to the Facility:

a. provide Red Cross certified swim lessons, swim team practices and meets and private party rentals;

b. promote and market the Facility, arrange for and conduct public relations and advertising and make available to the Facility the benefits of various marketing and guest loyalty and recognition programs that might be appropriate in a manner consistent with the best interests of the Owner;

c. sell season and daily passes for use of the Facility;

d. comply with all applicable laws and regulations regarding swimming pool operation;

e. operate all outdoor concessions, including the outdoor concession stand located in the lighthouse;

f. clean and maintain the restrooms in the lighthouse;

g. manage access to the lighthouse observation deck;

h. prepare operating budgets and submit same to Owner for approval (in accordance with City budgeting procedures);

i. establish fees (subject to Owner's rights to establish set rates for public use of the Facility) for guests at the Resort to access and use the Facility;

j. start and stop, and maintain the mechanical systems of the Facility;

k. assist Owner in maintaining appropriate insurance coverages covering the Facility;

l. maintain the Facility in accordance with industry standards, to include a plan for supervised repairs and maintenance of the Facility and execution of the plan necessary to keep the Facility in good operating order, repair and condition;

m. establish, revise (as necessary) and implement administrative and operating policies and procedures for the operation of the Facility, maximization of revenues, control of costs, purchase of supplies and services, scheduling of routine maintenance and verify that the foregoing procedures are being done in a sound manner;

n. assist Owner in procuring and maintaining any and all permits and licenses and to comply with same;

o. collect revenue, procure supplies and services and make payments on accounts payable and collect accounts receivable;

p. prepare and deliver interim or Fiscal Period financial reports and accountings, provide information as required by this Agreement and be available at reasonable times to discuss the above-referenced items, as well as the operations of the Facility generally with Owner and Owner's representatives, administer and conduct user satisfaction surveys and keep Owner informed.

q. operate the Facility to the extent economically, safely, and legally possible with proper concern for cash flow and with a goal that revenues exceed all variable and fixed costs.

2.2 Reserved Duties. Notwithstanding the foregoing, Owner shall have the authority to set the rate(s) for the pricing of the use of the Facility, subject to input from Manager. Owner further acknowledges and agrees that, in the performance of its services under this Agreement, Manager is and will be acting in a representative capacity and Manager in no event shall be liable for any breach by Owner in funding the operation of the Facility, for any breach by Owner in payment for services or materials under agreements entered into by Manager for and on behalf of Owner.

It is the intention of the parties that the Owner shall exercise a significant degree of control over the use of the Facility and, further, that the relationship between the Owner and the Manager shall at all times fall within the parameters of the "safe harbor" provided by Revenue Procedure 2017-13 issued by the Internal Revenue Service. The Owner reserves for itself the final authority to approve or reject all of the following actions in connection with the use of the Facility, and the Manager shall not undertake any such actions without the Owner's advance approval (the "Reserved Duties"):

a. Adoption of the annual budget for the Facility;

b. Incurring any capital expenditures in connection with the Facility;

c. Any disposition of all or any portion of the Facility;

d. Any change to the rental rates to be charged for the Facility or other portion thereof;

e. Any action which would jeopardize the tax-exempt status of the Bonds.

2.3 Facility Funding. All funds required, or costs to be borne, under or pursuant to the terms of this Agreement shall be, unless otherwise specifically stated, Owner's responsibility; therefore, for example, any expense noted in this Agreement as a Facility expense or an expense of the Facility shall be Owner's expense and responsibility. Manager shall bear costs under this Agreement only when specifically required by the terms or provisions of this Agreement. The designation of an expense as a Facility expense shall not, however, govern whether such an item must be capitalized or amortized or treated as an ordinary business expense. Except as may be otherwise specifically provided in this Agreement, Manager shall bear all of its own overhead cost and expense in providing the management services contemplated by this Agreement; however, any cost or expense under this Agreement which is Owner's responsibility, and which is paid for by Manager, in good faith, shall be reimbursed to Manager upon submission to Owner of written documentation of payment of such expense by Manager. Where in this Agreement it is indicated that Owner is responsible for, or agrees to pay, any expense or take any action, Owner hereby authorizes and directs Manager to pay such expense or take such action on its behalf as part of the services provided in implementing this Agreement, but such authorization and direction shall not in any way alleviate Owner's ultimate responsibility therefore.

SECTION 3. REPRESENTATIONS AND WARRANTIES

3.1 Title to Facility. Owner covenants and agrees that it has full ownership of the Facility, free and clear of any liens, encumbrances, covenants, charges, burdens or claims, except those which do not materially and adversely affect the use thereof by Manager, and Owner covenants and agrees that Manager, on performing each and every covenant, undertaking, agreement and condition on the part of Manager to be performed, observed and kept under this Agreement, shall and may peaceably and quietly operate the Facility in accordance with the terms of this Agreement for the entire period stipulated herein, free from eviction or disturbance by Owner or by any person through whom Owner shall derive its title to or right to occupy and use the Facility or by any other person or persons claiming by, through or under Owner. Owner also agrees to pay mechanic's liens or judgments, which may become a lien on the Facility and which may be due and payable during the term hereof, unless payment thereof is in good faith being contested by Owner and enforcement and collection of such lien or judgment is stayed.

3.2 Representations and Warranties of Manager. Manager represents and warrants to Owner as follows:

a. Manager is a corporation company duly organized, validly existing and in good standing under the laws of the State of Iowa and duly qualified to transact business in the State of Iowa.

b. Manager has full power, authority and legal right to perform and observe the provisions of this Agreement.

c. The execution of this Agreement is permitted by the Articles of Incorporation and the Bylaws of Manager, this Agreement has been duly authorized by all necessary action and duly executed and delivered, and this Agreement constitutes, and will throughout the term of this Agreement, a valid and binding obligation of Manager fully enforceable in accordance with its terms.

d. During the term of this Agreement, Manager will, at its own expense, obtain and keep in full force and effect its legal existence and rights required in order for it to observe all of the terms and conditions of this Agreement.

e. Manager represents and warrants that it possesses the resources necessary to fulfill its obligations under this Agreement.

f. Reserved.

g. Neither the consummation of the actions contemplated by this Agreement on the part of Manager to be performed, nor the fulfillment of the terms, conditions or provisions of this Agreement conflicts with or will result in the breach of any of the terms, conditions or provisions of, or constitute a default under, any agreement, indenture, instrument or undertaking to which Manager is a party or by which it is bound.

3.3 Representations and Warranties of Owner. Owner represents and warrants as follows:

a. Owner is a municipal corporation and political subdivision duly organized and validly existing under the laws of the state of Iowa and the United States and Owner has the full statutory and constitutional power, authority and legal right to enter info this Agreement and perform and carry out its obligations hereunder.

b. The execution of this Agreement and the terms and obligations provided herein are permitted by the statutory and constitutional authority of Owner, this Agreement has been duly authorized by all necessary action and duly executed and delivered, and this Agreement constitutes, and will throughout the term of this Agreement, a valid and binding obligation of Owner fully enforceable in accordance with its terms.

c. Reserved.

d. Neither the consummation of the actions contemplated by this Agreement on the part of Owner to be performed, nor the fulfillment of the terms, conditions or provisions of this Agreement conflicts with or will result in die breach of any of the terms, conditions or provisions of, or constitute a default under, any agreement, indenture, instrument or undertaking to which Owner is a party or by which it is bound.

e. During the term of this Agreement, Owner will, at its own expense, obtain and keep in full force and effect its legal existence, rights and franchises required for it to observe all of the terms and conditions of this Agreement.

f. Owner agrees that it will cooperate with Manager in every reasonable and proper way to permit and assist Manager to carry out its duties under this Agreement, that it will take such further reasonable or necessary actions to facilitate Manager's performance of its duties under this Agreement or the operation of the Facility, that it will act timely, reasonably and in good faith and will timely respond to all requests for approvals and consents requested by Manager, that it will pay all fees, expenses or other compensation on a timely basis and that it will perform all of its obligations under this Agreement or undertaken in furtherance of the operation of the Facility or Manager's performance of services under this Agreement.

SECTION 4. TERM AND COMMENCEMENT

4.1 Term. The Effective Date of this Agreement shall be March 261, 2024. Manager shall commence operation of the Facility on the Effective Date, and shall continue with the management thereof under the terms and conditions of this Agreement for a term of three (3) years, that is ending March 31, 2027 (hereinafter "Term"). It is the parties' intent that if the Management Agreement for the King's Pointe Resort is terminated, this Agreement is also terminated. This Agreement shall automatically renew for additional one (1) year periods until terminated by either party pursuant to the terms of this Agreement or unless notice of non-renewal is given by either party at least 90 days prior to the end of the Term.

4.2 Termination. It is the parties' intent that if the Management Agreement for the King's Pointe Resort is terminated, this Agreement is also terminated. Upon the event of Default (as defined in Article 11 hereof), the non-defaulting party may provide written notice of the Default and the opportunity to cure the Default to the defaulting party. If the Default is not cured within sixty (60) days after receipt of such notice (or, if it is impossible to cure the Default within the sixty (60) day period, if the defaulting party does not commence actions to cure the Default within the cure period and thereafter diligently proceed to cure within a time period agreed to by both parties), then this agreement may be terminated by the non-defaulting party. Notwithstanding anything to the contrary in this Agreement, if the Owner or Manager is legally prevented from exercising its obligations or rights under this Agreement because of a temporary or permanent injunction, or otherwise, neither the Owner or the Manager has any obligation under the Agreement, upon written notice to the other party.

4.3. Notwithstanding anything to the contrary in this Agreement, if the Owner or Manager is legally prevented from exercising its obligations or rights under this Agreement because of a temporary or permanent injunction, or otherwise, neither the Owner or the Manager has any obligation under this Agreement, upon written notice to the other party.

4.4. Notwithstanding Section 4.2 above, in no event shall the Term of the Agreement, including all renewal options, be greater than 20 years.

SECTION 5. USE AND OPERATION OF FACILITY

5.1 Operational Standards and Permits.

a. The Manager, as an independent contractor, shall operate the Facility at the expense of the Owner, in accordance with the provisions of this Agreement. Manager's rights, responsibilities and obligations hereunder shall commence on the Effective Date of this Agreement. Manager shall operate the Facility, to the extent economically and legally possible, in accordance with industry standards.

b. Owner hereby warrants and grants to Manager uninterrupted control and operation of the Facility. Owner may communicate any operational issues of concern to Manager, but Owner agrees that it will not interfere with the day-to-day operation of the Facility. Manager will regularly consult with and keep Owner advised concerning Manager's management and operation of the Facility.

c. Owner shall, as a Facility expense (with Manager's assistance as appropriate), or Manager shall on behalf of Owner and as a Facility expense, obtain all necessary licenses and permits, signage and Facility licenses, as may be required for the operation of the Facility. All licenses and permits are to be in effect at the Effective Date. The Manager undertakes to comply with any conditions set out in any such licenses and permits and at all times to operate and manage the Facility in accordance with such conditions and any other requirements of the laws.

d. Owner shall establish accounts in its name with Manager and Owner being the only parties authorized to draw from said accounts. Monies held in any such account shall be deemed public funds of the Owner, and shall be held on deposit in accordance with Iowa law. Any interest income from said deposits shall be deemed a part of Gross Receipts. Funds may be escrowed in such accounts necessary to pay on behalf of Owner, any sales or use tax, tourism tax or other similar tax in conjunction with the operation of, or purchases by, the Facility from the Gross Receipts.

e. Notwithstanding anything to the contrary contained in this Section 5.1 or elsewhere in this Agreement, Manager shall be excused from its obligation to operate the Facility in conformity with a particular operational standard (1) to the extent and whenever Manager shall be prevented from compliance with such standard by Force Majeure Causes (as hereinafter defined), and (2) to the extent and whenever there is herein provided a limitation upon Manager's ability to expend funds in respect of the Facility, provided that the failure to expend funds is causally connected to Manager's failure to meet such standard. For purposes hereof, "Force Majeure Causes" shall mean causes beyond the reasonable control of Manager, regardless of where it occurs or its duration,) acts of nature (including, hurricanes, typhoons, tornadoes, cyclones, other severe storms, winds, lightning, ice or hail, floods, earthquakes, volcanic eruptions, fires, explosions, disease or epidemics), fires and explosions caused wholly or in part by human agency, casualties, war or armed conflict, insurrection, riots, civil commotion, terrorism (including, hijacking, sabotage, chemical or biological events, nuclear events, disease-related events, bombing, murder, assault, kidnapping, looting or the like) or the threat thereof, strikes, lockouts or similar labor disturbances, embargoes, blockades or boycotts, protest events, material or supply shortages, restrictions on financial, transportation or information distribution systems, revocation or refusal, to grant licenses or permits, acts of God and governmental actions. It is expressly understood and agreed that each and every provision contained in this Agreement pursuant to which Manager is excused from its obligation to operate the Facility in conformity with an operational standard shall operate without prejudice to any other remedy (including the right to terminate this Agreement) which Manager shall have under the terms of this Agreement.

5.2 Personnel. All personnel employed at the Facility shall be employees of Manager. Manager will hire, supervise, direct the work of, discharge, and determine the compensation and other benefits of all personnel employed at or necessary for the operation of the Facility (collectively "Facility Personnel"). Manager shall be the sole judge of the fitness and qualifications of such Facility Personnel and is vested with absolute discretion in the hiring, supervision, direction, discharging and determination of the compensation and other benefits of such personnel during the course of their employment. The cost of Facility Personnel, which includes but is not limited to wages, benefits, personnel, employment tax, employment tax compliance, and other employment-related costs shall be a Facility expense and shall be charged to Owner each Fiscal Period. It is expressly understood and agreed that all Facility Personnel shall be employed at Owner's cost, Owner shall not interfere with or give orders or instructions to Facility Personnel employed at the Facility for any act or omission on the part of such personnel with the exception of the on-site general manager. All payroll taxes shall be withheld for payment by Manager. Manager shall manage all aspects of the Facility's human resources functions and will establish and implement all employment policies and practices for the Facility Personnel, including salaries, wages, fringe benefits, other compensation, recruitment, hiring, relocation, transfer, discharge or retirement, severance and other benefit plans in accordance with Manager's standard policies, subject to such reasonable variances as Manager may establish for the Facility from time to time. All payroll taxes for Facility Personnel shall be withheld for payment by Manager and deposited to regulatory agencies with payroll taxes withheld from other employees of Manager. Expenses for staff that is shared between the Facility and the indoor water amenities of the Lodge shall be allocated equitably between the Facility and the Lodge to reflect as nearly as reasonably possible the actual expenses of each facility. The allocations shall be subject to Owner's annual approval. To the extent permissible by law, Manager agrees to recognize seniority and existing benefits earned by employees of Manager's predecessor. For instance, if an employee previously received 4 weeks of vacation time based on 15 years of service with the former manager, said employee shall continue to receive 4 weeks of vacation time upon becoming an employee of Manager. In addition, Manager shall be prohibited from imposing non-compete clauses in employment contracts with any employees of Manager working at the Facility which would have the effect of prohibiting or discouraging an employee from becoming employed with a future manager of the Facility.

The parties agree that performance evaluations will be completed at least annually on all Facility Personnel with supervisory responsibilities regardless of the number of hours they work.

5.3 Independent Contractors. The costs, fees, compensation or other expenses of any persons engaged by Owner or Manager (with consent of Owner) to perform duties of a specialized nature, directly related to the operation of the Facility, such as attorneys, advertisers, independent accountants, and the like, shall be an operating expense of the Facility and not the responsibility of Manager. In the event said contractors or vendors are engaged by Manager to provide services to a group of facilities under Manager's direction, Manager is hereby authorized to allocate said fees in Manager's reasonable discretion.

5.4 Reserved.

5.5 Fund for Replacement of and Additions to Furnishings and Equipment.

a. Anything in this Agreement to the contrary notwithstanding, Owner shall nevertheless be obligated to make sufficient funds available to Manager to permit maintenance of the Facility at all times during the term of this Agreement in accordance with applicable operational standards.

b. The monies in the Replacement Reserve Fund shall be the property of Owner. Interest earned during any period from the amounts in such Fund shall remain part of the Replacement Reserve Fund. Owner shall deposit for each Fiscal Period, from available Net Revenues transferred by Manager, an amount equal to five percent (5%) of Gross Receipts in all Fiscal Periods thereafter. In addition to such deposits into the Replacement Reserve Fund by Manager from Gross Operating Profit, all proceeds from the sale of Furnishings and Equipment or capital improvements no longer needed for the operation of the Facility shall be deposited in the Replacement Reserve Fund. Monies in this Fund shall be available for use by Owner and Manager in accordance with the Owner approved plan for Furnishings and Equipment and capital improvements ("FF&E Plan").

c. Anything in this Agreement to the contrary notwithstanding, Owner shall nevertheless be obligated to make sufficient funds available to Manager to permit maintenance of the Facility at all times during the term o f this Agreement in accordance with applicable operational standards.

5.6 Alterations, Additions, Repairs and Improvements. Subject to the provisions of Section 5.7, Manager shall have the right, from time to time during the term of this Agreement, to make such alterations, additions, repairs or improvements in or to the Facility as are customarily made in the operation of facilities, provided, however, that no structural alterations, additions or improvements involving a fundamental change in the character of the Facility shall be made without Owner's prior approval thereof in writing. The cost of such customary alterations, additions or improvements shall be a Facility expense and shall be paid out of the Operating Account of the Facility and charged directly, as periodic invoices are received, to the current expenses of the Facility or shall be capitalized, on the books of the account of the Facility in accordance with generally accepted accounting practices.

5.7 Limitation on Manager's Authority to Make Replacements. Alterations, Repairs and Improvements. Manager shall obtain the consent of Owner, which shall not be unreasonably withheld or denied, before entering into any contract agreement or purchase involving alterations, repairs or rehabilitation of the Facility or the repair or replacement of any Furnishings and Equipment if the amount payable under such contract or purchase exceeds the sum of U. S. Five Thousand Dollars ($5,000.00) for each occurrence hereunder; except in the event of an emergency situation, which in the discretion of Manager, requires immediate action to protect persons or property, Manager shall be authorized, upon notice to Owner but without Owner's prior consent, to enter into contracts occasioned by such emergency in amounts up to $25,000. Any projects, including emergency projects, in excess of the minimum amount required by law to implicate, public bidding shall require prior action on the part of Owner. Manager shall have no responsibilities concerning any contract which it did not execute for Owner or approve in writing. In the event that, at any time during the term of this Agreement, structural repairs to or changes in the Facility shall be required by reason of any laws, ordinances, rules or regulations now or hereafter in force, or by order of any governmental or municipal power, department, agency, authority or office, such repairs or changes shall be made and paid as an additional cost of the Facility. It shall be the responsibility of Owner to determine, and inform Manager, of the applicability of Iowa's public bidding laws to any given improvement under this Section and Section 5.6.

5.8 Allocation of Expenses, General Shared Concessions. It is agreed that, to the extent the entire amount of expense reimbursable to Manager or its affiliates under this Agreement is not incurred solely for the benefit of the Facility, then such amount or expense shall be appropriately allocated for that portion that is for the benefit of the Facility. Similarly, Manager shall also be entitled to appropriately and equitably allocate to the Facility shared costs not incurred solely for the benefit of the Facility, including, but not limited to, internet marketing fees and other third-party payments, to the extent such benefit the Facility. Manager shall also be entitled to allocate travel expenses and salary or payroll expenses of employees brought in to temporarily fill positions vacated at the Facility, where such temporary personnel are not deemed a Facility employee and the allocated costs do not exceed the reasonable and customary cost, fee and expense of an independent contractor providing said service(s). Specifically, the parties agree that the inventory, equipment, labor and all other operating expenses related to the concession stand located in the aquatics building shall be arranged, overseen, budgeted, coordinated, contracted and paid for by King's Pointe, in accordance with the terms of its management agreement with Manager. Manager, on behalf of King's Pointe, shall on or before the fifteenth (15th) day of each month submit to Owner an invoice for all costs and expenses of the concession stand allocated to Owner based on the proration of revenues realized by the Facility from the outdoor counter of the concession stand during the previous Fiscal Period. Owner shall remit payment to Manager prior to the end of the current Fiscal Period.

5.9 Reimbursement of Taxes and Assessments. All taxes and similar assessments (other than Manager's income taxes) levied against any reimbursements or fees payable to Manager under this Agreement for expenses incurred for Owner's account shall be reimbursed to Manager.

5.10 Reserved

5.11 IRS Revenue Procedure 2017-13. The parties hereby agree and acknowledge that this Agreement is to be construed and applied so as to constitute a *"qualified management contract"* that does not result in private business use of property financed by the Owner within the meaning and intent of IRS Revenue Procedure 2017-13. Accordingly, the parties agree as follows:

a. no portion of Manager's compensation hereunder is based on the *net* profits of the Facility, nor imposes the burden of bearing any share of the net losses;

b. under no circumstances will the Base Management Fee paid to Manager be less than 50 percent of Manager's total compensation in any given Fiscal Year. Pursuant to Revenue Procedure 2017-13, actual and direct expenses (without markup for profit, administration or otherwise) paid by Manager to unrelated third parties shall not constitute compensation to the Manager and shall not be included in the calculation determining whether the Base Management Fee constitutes not less than 50 percent of Manager's total compensation in any Fiscal Year.

SECTION 6. MANAGEMENT REPORTS AND ACCOUNTING

6.1 Books and Records; Operating Statements. Manager shall maintain an accurate accounting system in connection with its management of the Facility. All the books, records, bills, receipts, bank books, checkbooks, correspondence, lists, files and books of accounts related to the management and operations of the Facility, shall at all times be safely kept and preserved. The books and records shall be maintained either at the Facility or at the principal office of Manager, or at the offices of the independent accounting firm, at Manager's option. Owner shall have the right and privilege of examining said books and records at any reasonable time as a cost of the Facility. By the twenty-fifth (25th) day following the close of each Fiscal Period. Manager shall submit to Owner (in care of the City Clerk) a summary of the prior Fiscal Period's revenues and expenses, including, but not limited to, a profit and loss statement balance sheet, a reconciliation of the Operating Account for said Fiscal Period, and a report that includes year-to-date income and expense totals by line item and in comparison to the Operating Budget. Owner may, as a cost to the Facility, obtain an annual audit performed by independent certified public accountants as part of its annual audit of all City functions. All tax returns and filings including income tax returns applicable to Facility operations shall be the responsibility of Owner. All books, records, bills, receipts, bank books, check books, correspondence, lists, files and books of accounts related to the management of the Facility, shall at all times be safely kept and preserved.

6.2 Operating Budget.

a. Not later than December 15 of the calendar year prior to the commencement of each Fiscal Year, Manager shall submit to Owner an Operating Budget for the operation of the Facility for such Fiscal Year, containing reasonably detailed revenue and expense projections. Manager acknowledges the importance of the Operating Budget relative to Owner's global budgetary process as a matter of Iowa law. Accordingly, Manager covenants to employ due diligence and exercise its best efforts in the preparation of the Operating Budget as outlined herein prior to submission thereof to Owner.

b. The Operating Budget is intended as and will represent only an estimate of the projected revenues and expenditures for the Fiscal Year based upon assumptions believed by Manager to be reasonable at the time of preparation. Although Manager will use reasonable efforts to achieve the budgetary goals reflected in the Operating Budget, the Operating Budget cannot be relied upon as an assurance of actual results for the Fiscal

Year. Manager shall promptly notify Owner of variances thereof and of the need to depart in any material way from the Operating Budget if, in Manager's judgment, adherence to the Operating Budget is impractical or such departure is necessary or desirable for the efficient or profitable operation of the Facility

c. The Owner shall have the right to approve each Operating Budget, or material departures from approved Operating Budget, which approval shall not be unreasonably withheld or delayed, and pending such approval, Manager shall in operating the Facility refrain from incurring any expenses in such Operating Budget or proposed departure therefrom to which Owner has objected to the extent Manager can do so without interfering with the orderly and efficient operation of the Facility as contemplated by this Agreement.

d. The first Operating Budget shall be due by December 15, 20____ , and by December 31 annually thereafter. Owner shall approve the Operating Budget for the Fiscal Year commencing July 1 by March 15 each year (pursuant to Section 24.17 of the Iowa Code).

6.3 Operating Account. Owner shall establish an operating bank account ("Operating Account") with Manager and Owner being the only parties authorized to draw from said account. Monies in each account shall be deemed public funds of the Owner, and shall be held on deposit in accordance with Iowa law. Any interest income from said deposits shall be deemed a Gross Receipt of the Facility. If Manager is unable to perform any of its agreements or covenants under this Agreement because of the failure on the part of Owner to provide required funds, such failure of performance on the part of Manager shall not be deemed a default on the part of Manager and shall not give rise to any right of termination, damages or any other remedy on the part of Owner against Manager.

6.4 Reserved.

6.5 Payments to Owner. Not less frequently than quarterly, Manager shall pay to Owner out of the Operating Account the amounts by which the total funds then in the operating account exceeds the amount needed in Manager's opinion to maintain the minimum bank balance, the said reserves and a reasonable reserve for anticipated short-term expenses and costs. Owner shall furnish Manager with sufficient funds to make up any deficiency in the minimum bank balance within thirty (30) days after notice of such deficiency.

6.6 Allocation of Revenues and Expenses. To the extent Manager performs services jointly for the Facility and the King's Pointe Resort adjacent to the Facility, Manager shall allocate the revenues and expenses for such services based upon the Operating Budget or, if such services are not contemplated by the Operating Budget, based upon such allocation as is agreed to by Manager and the owner of such hotel.

SECTION 7. MANAGEMENT FEES

7.1 Management Fees. In consideration for the management of the Facility by the Manager, the Owner agrees to pay to the Manager a Base Management Fee as follows:

Base Management Fee. A "Base Management Fee" shall be paid to Manager. The Base Management Fee shall be in the amount of Twelve Thousand Dollars and 00/100 ($12,000.00) each Fiscal Period for five (5) Fiscal Periods each year (May, June, July, August, September) out of the Operating Account and reflected in the operating statements.

Accounting fees will be $1,500 each month for May, June, July, August, and September.

7.2 No Kick-back Representation. The only compensation Manager shall receive for the obligations contained in this Agreement shall be the Base Management Fee enumerated herein, and Manager shall annually certify to Owner that it has received no payment from any third-parties associated with any contract entered into with regard to any aspect of its operations or activities at the Facility.

SECTION 8. INSURANCE

8.1 Streamlining Insurance Coverage. It is the express intent of the parties to this agreement that insurance for the Facility shall be placed with the same insurance company/carrier that has insurance coverage on the adjacent Lodge.

8.2 Property Insurance Coverage. Owner shall obtain, as an expense of the Facility, property insurance on the Facility and its improvements and its Furnishings and Equipment, including the building(s), furniture, fixtures and equipment along with other property coverage typical for operations similar to the Facility. Other typical coverage may include, but not be limited to, business interruption protection, and boiler and machinery protection. Property insurance shall be written under a "special cause of loss" form of protection, and the amounts of insurance shall be based upon the replacement cost of the Facility. Self-insured retentions (deductibles) may be selected and used at the sole discretion of Owner. Business interruption insurance to cover loss of income and extra expenses caused by an insured peril which results in the partial or total destruction of the Facility shall be maintained by Owner as an expense of the Facility. Owner shall furnish Manager satisfactory evidence of all insurance maintained by Owner hereunder at least on an annual basis.

8.3 Liability and Other Insurance

a. General liability protection shall be maintained by Owner as an expense of the Facility, with a minimum liability of $1,000,000.00 per occurrence and $2,000,000.00 annual aggregate. Coverage shall be included to cover bodily injury and property damage for the premises and operations, products and completed operations, personal injury and advertising injury and independent contractors. Premises medical payments for the public will also be included with a minimum limit of $5,000.00 per person. Owner shall furnish to Manager satisfactory evidence of liability insurance protection at least on an annual basis.

b. An umbrella liability policy shall be provided by Owner, as an expense of the Facility, with a minimum limit of $10,000,000.00. The umbrella liability policy shall serve as excess liability insurance over all primary liability insurance contracts carried by Owner, including general liability, liquor liability and directors and officers liability.

8.4 Workers Compensation. Since an employer-employee relationship will be established between Manager and Facility Personnel, workers compensation and employer's liability insurance shall be maintained by Manager as an expense of the Facility. The workers compensation protection shall be in the amounts required by statute in the State of Iowa. Owner, as an expense of the Facility, shall reimburse Manager for the cost of the workers compensation insurance coverage attributable to the operations of the Facility. Manager shall furnish to Owner satisfactory evidence of all insurance maintained by Manager at least on an annual basis.

8.5 Reserved.

8.6 Liquor Liability. Whosoever holds the liquor license required under Iowa law (Manager or Owner, called "Such Party" for purposes of this section), shall maintain liquor liability insurance protection, as an expense of the Facility, with a minimum liability limit in the amounts required by the statutes of the State of Iowa. Such Party shall furnish to the other party satisfactory evidence of all insurance maintained by Such Party at least on an annual basis. Such Party shall ensure that the insurance shall name the other party as an additional insured on the policy.

8.7 Owner's Directors and Officers Liability. Owner shall maintain directors and officers Liability to provide protection for its directors and officers, at Owner's expense. Minimum liability limits shall be $1,000,000.00. Owner shall provide satisfactory evidence of such insurance coverage upon the request of Manager.

8.8 Manager's Insurance. Manager shall be required to obtain and maintain the Required Insurance Policies defined under Section 1.1.

8.9 Provision of Coverage. For any coverage required by this Agreement, Owner may join in any combined insurance policy maintained by Manager for said coverage, if such joinder is mutually agreed to by the parties. In the case of such joinder by Owner, Owner shall pay to Manager a ten percent (10%) administrative fee as part of the premium payment, which shall be a cost of the Facility.

8.10 Additional Insureds. Manager shall name Owner, its Mayor, the City Administrator, City Council members and City officers, officials, agents and employees as additional insureds on all policies maintained by Manager pursuant to this Agreement. In addition, Owner shall name the State of Iowa, Vision Iowa Board, andS &L Hospitality, LLC ., and any affiliates performing work for the Facility as additional insureds on all policies maintained by Owner pursuant to this Agreement.

8.11 Automobile Insurance.

a. Manager shall provide for commercial automobile coverage with a minimum limit of liability of $1,000,000 per occurrence and a minimum limit of $10,000,000 under the Umbrella Liability Policy provided by the Manager. Such commercial automobile coverage shall be primary and cover automobiles owned or operated by Manager or owned or operated by employees of Manager in connection with their employment related to King's Pointe Waterpark Resort.

b. The Owner agrees to carry non-owned commercial automobile policy coverage in connection with the operation of the Waterpark Resort. Owner's coverage will be excess to the Manager's commercial automobile coverage.

c. The requirement under Section 8.11 for the Manager and Owner to be additional insured's on each other's insurance policies shall also apply to insurance under this Automobile Insurance.

8.12 Proof of Insurance. Upon request, Manager and Owner shall provide to each other their respective proof of insurance documentation for Manager's and Owner's respective insurance coverage obligations pursuant to this Agreement.

SECTION 9. INDEMNIFICATION

Owner and Manager shall maintain the insurance policies required under this Agreement and such insurance policies will govern defense of claims and payment or settlement/judgments, costs, attorney's fees and other expenses.

To the extent that a claim is NOT covered by an insurance policy (in whole or in part),

(a) To the extent authorized by law, Owner shall indemnify and hold harmless Manager and its agents and employees from and against all claims, damages, losses and expenses (including, but not limited to, reasonable attorneys' fees) for injuries to persons or property resulting from any cause whatsoever in, on, or about the Facility caused by Owner's negligence and Manager shall indemnify and hold harmless Owner and its agents and employees from and against all claims, damages, losses and expenses (including, but not limited to, reasonable attorneys' fees) for injuries to persons or property resulting from any cause whatsoever in, on, or about the Resort caused by Manager's gross negligence or willful misconduct. Notwithstanding the foregoing, Owner shall not be required to indemnify Manager against damages suffered as a result of the gross negligence or willful misconduct of Manager, its Affiliates, or their respective corporate employees and agents. Notwithstanding the foregoing, Manager shall not be required to indemnify Owner against damages suffered as a result of the gross negligence or willful misconduct of Owner, its Affiliates, or their respective corporate employees and agents.

(b) Notwithstanding the foregoing, Manager shall indemnify, defend and hold harmless Owner and its respective agents and employees from and against all claims, damages, losses and expenses (including, but not limited to, reasonable attorneys' fees) alleging employment-related or Facility-related claims which are brought by anyone against Owner, or related to the performance by Manager, its employees or agents of its duties and obligations hereunder. Notwithstanding the foregoing, Manager shall not be required to indemnify Owner against damages suffered as a result of the gross negligence or willful misconduct of Owner.

(c) Indemnification hereunder shall include, but not be limited to, any eventual settlement or judgment amount, plus interest not in excess of the highest rate of interest permitted by Iowa law. It is expressly understood and agreed that the foregoing provisions shall survive the termination or expiration of this Agreement.

SECTION 10. DAMAGE TO AND DESTRUCTION OF THE FACILITY

Owner shall bear the risk of loss upon damage or destruction of the Facility (for example, upon force majeure); provided, however, that this provision shall not be construed to limit the Manager's duties with respect to obtaining appropriate property and casualty insurance as provided by this Agreement. In the event there is damage to or impairment or destruction of the Facility, or any portion thereof, resulting, during the Term of this Agreement, from fire, theft or other casualty, Owner shall undertake to repair the damage as soon as reasonably possible and in every event within ninety (90) days.

SECTION 11. RELATIONSHIP AND AUTHORITY

In its provision of services to Owner under this Agreement, the parties acknowledge and agree that Manager is an independent contractor. Manager and Owner shall not be construed as joint venturers or partners of each other and neither shall have the power to bind or obligate the other except as set forth in the Agreement, but Manager is clothed with such additional authority and powers as may be necessary to carry out the spirit and intent of this Agreement. This Agreement shall not be deemed at any time to be an interest in real estate or a lien of any nature against the Facility or Site upon which it exists. The rights of the Manager shall be at all times subject and subordinate to all mortgages which may now or hereafter be outstanding, and to all renewals, modifications, consolidations, replacements and extensions thereof. This clause shall be self-operative and no further instrument of subordination shall be required by any mortgage. Owner acknowledges and agrees that Manager is free to contract to provide similar or other services for others, while Manager is under contract with Owner, though Manager agrees that it will not engage in any activity that conflicts with Owner's interests or Manager's duties or obligations under this Agreement.

SECTION 12. DEFAULT

12.1 Events of Default. Each of the following shall mean and constitute a "Default" under thus Agreement:

a. Voluntary Bankruptcy. The filing of a voluntary petition in bankruptcy or insolvency or a petition for reorganization under any bankruptcy law by any party hereto, or the admission by a party that it is unable to pay its debts as they become due.

b. Involuntary Bankruptcy. The consent to an involuntary petition in bankruptcy or the failure, within ninety (90) days from the date of entry thereof, to vacate any order approving an involuntary petition by any party hereto.

c. Court Order. The entering of an order, judgment or decree by any court of competent jurisdiction, on the application of a creditor, adjudicating any party hereto as bankrupt or insolvent or approving a petition seeking reorganization or appointing a trustee, receiver or liquidator of all or a substantial part of such party's assets, and such order, judgment or decree continuing unstayed and in effect for an aggregate of sixty (60) days (whether or not consecutive).

d. Nonpayment of Payroll Expenses. The failure of Owner to replenish the Operating Account within seven (7) days of Owner's receipt of written notice from Manager of a withdrawal of the Payroll Reserve Amount and request for replenishment thereof.

e. Nonpayment of Any Amount. The failure of any party to make any other payment when due, provided such failure continues for more than ten (10) days following written notice from the other party, including, but not limited to, a withdrawal from the Operating Reserve Amount and a request for replenishment thereof, the failure of Owner to pay Manager any fees and expenses due them or failure by Owner to provide necessary operating funds for the Facility if revenue from the Facility is insufficient to pay the expenses of the Facility.

f. Failure to Perform. The failure of any party hereto to perform, keep or fulfill any of the other covenants, undertakings, obligations or conditions set forth in this Agreement, and the continuance of such failure for a period of thirty (30) days following the non-performing party's receipt of written notice from the other party of such failure; provided, however, that if the failure is such that it cannot reasonably be remedied within said thirty (30) day period, the non-performing party shall be in default if it fails to commence a remedy within said thirty (30) day period or thereafter fails to diligently pursue such remedy efforts to completion.

12.2 Remedies. Upon the occurrence of an event of Default, a non-defaulting party shall have the right to pursue any one or more of the following courses of action: (a) if the event of Default has a material adverse impact on the non-defaulting party, to terminate this Agreement by written notice to the defaulting party, which termination shall be effective as of the effective date set forth in such notice, provided that such effective date shall be at least ten (10) days after the date of such notice, except with regard to Default under Section 12.1 d. and e., which shall be immediate upon occurrence in accordance therewith, or (b) to institute forthwith any and all proceedings permitted by law or equity, including, without limitations, actions for specific performance and/or damages, and/or to avail itself of the additional remedies described in Section 12.3 below.

a. Additional Remedies.

(1) Accrual of Interest. Upon the occurrence of a Default by any party hereto under the provisions of Section 12.1(d) or (e), the amount owed to the non-defaulting party shall accrue interest, at an annual rate equal to the maximum interest rate permitted by Iowa law, from and after the date on which the Default occurred.

(2) Notwithstanding anything to the contrary herein, as an additional remedy and not in lieu of any other remedy available to it, Owner shall have the right to step in and cure any default by Manager of any provision(s) of this Agreement, including but not limited to the obligation to maintain the Facility in accordance with industry standards, and in good operating order, repair and condition, and Owner shall be entitled to offset any costs, fees or expenses it incurs in curing such default, including legal fees, against any amounts owed to Manager at that time or in the future.

(3) Additional Rights and Remedies. The remedies granted under this Agreement shall not be in substitution for, but shall be in addition to, any and all rights and remedies available to the non-defaulting party {including, without Limitations, injunctive relief and damages) by reason of applicable law or in equity, and shall survive termination or expiration of this Agreement.

SECTION 13. RENOVATION, PURCHASING PROGRAM, SERVICE FEES

13.1 Purchasing Administration. Manager is responsible for the purchase of Operating Supplies and routine replacement items for the Facility, consistent with the approved Operating Budget. The cost of purchases and installations shall be the invoice cost thereof. Manager shall provide invoices for Owner's review and approval prior to payment. Manager will provide expense histories to be used for the Owner's public reporting purposes. All expenditures from the Operating Fund and Manager's Account shall be subject to Owner approval, which, provided such expenditure is within the parameters of the Operating Budget approved by Owner, such expenditure approval may be by ratification in accordance with Owner's payment policy (payment requests are considered by the City Council on the first (1st) and third (3rd) Mondays of each month; for payments to be considered at said meeting, a request must be submitted to the City Clerk's office on or before the Monday prior to the date the Council will consider payment requests.)

SECTION 14. DISPUTE RESOLUTION AND LITIGATION

It is the intent of the parties that judicial proceedings be deemed the measure of last resort for dispute resolution hereunder. Each party is encouraged to consider mediation before commencing legal proceedings. Notwithstanding, either party may commence legal proceedings to resolve disputes hereunder. The laws governing the formation, construction and interpretation of this Agreement hereof shall be the laws of the State of Iowa. The Parties to this Agreement hereby agree that as to the determination and rendering of judgment in any controversy arising hereunder, jurisdiction shall vest in the District Court for Buena Vista County or Federal Court within proper jurisdiction.

SECTION 15. MISCELLANEOUS

15.1 Notices. All notices, statements and other communications to be given under the terms of this Agreement shall be in writing and shall be deemed given when personally delivered by hand, mailed by a nationally utilized overnight mail service or mailed by registered or certified mail, return receipt requested, addressed to each respective party as follows:

OWNER:

City of Storm Lake, Iowa
620 Erie Street
Storm Lake, Iowa 50588
Attention: City Clerk
Phone: 712/732-8000
Fax: 712/732-4114

MANAGER:

Management Inc.
333 S. Broadway Street
Wichita, KS 67202
Attn: Craig D. Hanson, President

S&L Hospitality
230 Horizon Drive, Suite 102
Verona, WI 53593
Eric Lund- Owner
Phone 608-845-9999
elund@slhosp.com
Fax 608-845-9929

or at such other address as is from time to time designated by the party receiving notice. Any such notice that is mailed in accordance herewith shall be deemed received when delivery is received or refused, as the case may be. Additionally, notices may be given by electronic mail (e-mail) (but not text messages) or by telephone facsimile transmission, provided that the sending party obtains a transmission receipt reflecting successful transmission and an original copy of said transmission shall be delivered to the addressee by nationally utilized overnight delivery service no later than the second business day following such transmission. The receipt of any such mailed notice or payment shall be presumed to have occurred at the address to which it is mailed within forty-eight (48) hours but such presumption shall be rebuttable. Telephone facsimiles shall be deemed delivered on the date of such transmission or, if such date is not a business day, then on the first (1^{st}) business day immediately following such date. If e-mails are used, the communicating party should follow up to be sure the other party has received the e-mail, unless such receipt is evident.

15.2 Applicable Law. The interpretation, validity and performance of this Agreement shall be construed under and governed by the laws of the State of Iowa.

15.3 Partial Invalidity. In the event that any one or more of the phrases, sentences, clauses, provisions or paragraphs contained in this Agreement shall be declared invalid or unenforceable by the final and unappealable order, decree or judgment of any court, this

Agreement shall be construed as if such phrases, sentences, clauses, provisions or paragraphs had not been inserted in this Agreement and this Agreement shall remain enforceable; provided, however, if any part of this Agreement be declared invalid or unenforceable, Manager shall have the option to terminate this Agreement.

15.4 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of Owner, Manager and their respective successors or permitted assigns. Neither party hereto shall assign or transfer any rights hereunder or interest herein (including, without limitation) monies due or that may become due hereunder) without the written consent of the other party; provided, however, Manager shall have the right to assign this Agreement or its rights and interest in the operation of the Facility, to any subsidiary or affiliate of Manager with Owner's consent. The term "affiliate" as used herein shall mean any person or entity directly or indirectly (through one or more intermediaries) controlling, controlled by or under common control with Manager. No assignment or transfer of any rights hereunder or interest herein, in violation of the foregoing provisions shall vest any right in the assignee or transferee.

15.5 Consents and Approvals. Whenever in this Agreement the consent or approval of a party is required, such consent shall not unreasonably be withheld, delayed or conditioned, shall be in writing and shall be executed by a duly authorized officer or agent of the party granting such consent or approval. It is understood and agreed that any consent or approval granted by a party in response to any request therefore shall not be deemed a waiver of the right to consent or approve in any subsequent situation requiring such consent or approval.

15.6 Amendments. This Agreement, together with any other writings signed by the parties expressly stated to be supplemental hereto and together with any instruments to be executed and delivered pursuant to this Agreement, constitutes the entire agreement between the parties, supersedes all prior understandings and writings and may be changed only by a written non-electronic instrument that has been duly executed by the non-electronic signature of an authorized representative of the parties hereto.

15.7 Further Instruments. Upon notice from either party to the other, Manager and Owner shall execute (in recordable form) and deliver to the party requesting the same an appropriate instrument which, when recorded, will impart constructive notice to third parties of the rights of Manager under this Agreement. Each party hereto shall further execute and deliver all such other appropriate supplemental agreements and other instruments and take such other action as may be necessary to make this Agreement fully and legally effective, binding and enforceable as between the parties hereto and as against third parties, in the discretion of the parties.

15.8 Survival and Continuation. If, pursuant to the terms hereof, this Agreement is terminated or the term shall expire, (a) Owner's obligations to pay to Manager any amounts due to Manager hereunder shall survive such termination or expiration and shall continue until all such amounts, with interest, are paid in full, and (b) all terms, provisions and obligations of either party contained herein which, in order to give them effect and accomplish their intent and purpose, need to survive such termination shall, by agreement between. Owner and Manager, survive and continue until they have been fully satisfied or performed.

15.9 Sale of Securities. In the event Owner, or any person controlling Owner, shall at any time sell or offer to sell any securities involving the Facility issued through the medium of any prospectus or otherwise, it shall do so only in compliance with all applicable federal and state securities laws and shall clearly disclose to all purchasers and offerees that (a) neither Manager nor any of *its* officers, directors, partners, agents or employees shall in any way be deemed an issuer or underwriter of said securities, and (b) Manager and said officers, directors, partners, agents and employees have not assumed and shall not have any liability arising out of or related to the sale or offer of said securities, including any liability or responsibility for any financial statements, projections or other financial information contained in any prospectus or similar written or oral communication. Owner agrees to indemnify, defend and hold Manager and its officers, directors, partners, agents and employees free and harmless of and from any and all liabilities, costs, damages, claims or expenses arising out of or related to the sale or offer of any securities by Owner.

15.10 Interpretation:

a. The headings and captions of Sections herein are inserted for convenient reference only, and the same are not intended to describe, interpret, define, limit or construe the scope or content of this Agreement or the paragraphs or sections to which they apply or otherwise affect the interpretation hereof.

b. The terms "hereby," "hereto," "herein," "hereunder," and any similar terms shall refer to this Agreement.

c. Words importing persons shall include firms, associations, partnerships (including limited partnerships), limited liability companies, trusts, corporations and other legal entities, including public bodies, as well as natural persons.

d. The terms "include," "including" and similar terms shall be construed as if followed by phrases "without being limited to."

e. The language in all parts of this Agreement shall in all cases be construed as a whole according to its fair meaning and consistent with carrying out the expressed purposes of this Agreement. Each of the parties to this Agreement acknowledges that it was represented by counsel and that the terms of this Agreement were negotiated by the parties. This Agreement shall not be strictly or more strongly construed either for or against either Owner or Manager, regardless who was more responsible for its preparation.

15.11 Counterparts. This Agreement and any document or instrument executed pursuant hereto may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Such executed counterparts may be delivered by facsimile which, upon transmission to the other parties, shall have the same force and effect as delivery of the original signed counterpart. The submission of an unsigned copy of the Agreement or an electronic instrument with or without electronic signature to a party shall not constitute offer or acceptance. This Agreement shall become effective and binding only upon execution and delivery of the Agreement in non-electronic form by all parties in accordance with this Section 15.11.

15.12 Entire Agreement. This Agreement, together with any other writings signed by the parties expressly stated to be supplemental hereto and together with any instruments to be executed and delivered pursuant to this Agreement, constitutes the entire agreement and understanding of or between the parties in respect to the subject matter hereof and supersedes al! prior understandings and writings, and the same may not be changed, amended, modified or terminated, nor may any of its terms be waived, except by a non electronic instrument in writing that has been duly executed by the n on-electronic signature of an authorized representative of the respective parties hereto. No person not a party to this Agreement shall have any rights or interests hereunder and no provision of this Agreement *is* in any way intended nor should it be construed to benefit by right, remedy, claim or reason, any person not a party hereto. All terms and conditions in this Agreement shall be for the sole and exclusive benefit of the parties hereto.

15.13 Confidentiality. The parties agree that the financial terms of this Agreement, together with information contained in the Operating Budget prepared annually by Manager, if deemed information that is not ascertainable by the public under the Freedom of Information Act or other applicable public disclosure laws or requirements, are strictly confidential. Each party, together with their employees and independent counsel, shall use reasonable efforts to ensure that such matters and information are not disclosed *to* outside persons or entities, other than (a) to third parties as needed to provide quotes for services or products, or actual services or products, in accordance with the terms of this Agreement: (b) to the extent necessary to obtain Licenses, permits or other public approvals; (c) in connection with the sale of the Facility; (d) in connection with a financing or sale of Manager, an interest therein, or its corporate assets; (e) with prior written consent of the other party; (f) pursuant to subpoena issued by a court of competent jurisdiction, or (g) as required by law (including, without limitation, Chapter 22 of the Iowa Code.

SECTION 16. RESTRICTIVE COVENANT

Manager Non-compete. Manager agrees that during the term of this Agreement, together with any extensions thereto, and following the termination of this Agreement, Manager shall not operate, have ownership in or consult in the management of a Comparable Facility within a one hundred fifty (100) mile radius of the Facility.

SECTION 17. TAX POSITIONS

Tax Positions of Manager. Manager acknowledges and agrees that the Owner shall at all times be the tax owner of the Facility and the "qualified user" (as such term is defined and used in that certain Revenue Procedure 2017-13 issued by the Internal Revenue Service). Manager is not entitled to and will not take any tax position that is inconsistent with the Manager being a "service provider" (as defined in Revenue Procedure 2017-13) to the Owner with respect to the Facility. Without limiting the generality of the preceding sentence, Manager acknowledges and agrees that it is not entitled to take any depreciation or amortization, investment tax credit, or deduction for any payment as rent with respect to the Facility.

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Agreement on the day and year first above written.

(SEAL) CITY OF STORM LAKE, IOWA

By: ______________________________
Michael Porsch, Mayor

ATTEST:

By: ______________________________
Mayra Martinez, City Clerk

STATE OF IOWA)
) SS
COUNTY OF BUENA VISTA)

On this ________ day of ________________________, 2024, before me a Notary Public in and for said State, personally appeared Michael Porsch and Mayra Martinez, to me personally known, who being duly sworn, did say that they are the Mayor and City Clerk, respectively, of the City of Storm Lake, Iowa, a Municipality created and existing under the laws of the State of Iowa, and that the seal affixed to the foregoing instrument is the seal of said Municipality, and that said instrument was signed and sealed on behalf of said Municipality by authority and resolution of its City Council, and said Mayor and City Clerk acknowledged said instrument to be the free act and deed of said Municipality by it voluntarily executed.

____
Notary Public in and for the State of Iowa

S&L HOSPITALTIY,, LLC .,
a Wisconsin Corporation

By: ______________________

Print Name: ERIC S. LUND

Its: CEO

STATE OF Wisconsin)
) SS
COUNTY OF Dane)

This record was acknowledged before me on this 29th day of February, 2024, by Eric S. Lund, as the CEO of Weigand-Omega Management, Inc., on behalf of whom the record was executed.

____
Notary Public in and for said State

My commission expires: 12/06/2025

02314393\11149-1000

ROBERT W HAINES NOTARY PUBLIC STATE OF WISCONSIN

GOLF COURSE CLUBHOUSE MANAGEMENT AGREEMENT

Sunrise Pointe Golf Course Clubhouse
LOCATION: Storm Lake, Iowa

This Agreement, dated on or as of March 26, 2024, is by and between the City of Storm Lake, Iowa, an Iowa municipality, having its principal offices at 620 Erie Street, Storm Lake, Iowa 50588 (hereinafter referred to as "Owner"), and S&L Hospitality, LLC a Wisconsin Limited Liability Company, with its principal office at 230 Horizon Drive, Suite 102, Verona, WI 53593 (hereinafter referred to as "Manager"), duly organized and validly existing under the laws of the State of Wisconsin and registered to do business in the State of Iowa, and has or will obtain all requisite power and authority to own and operate its properties, to carry on its business as now conducted and as presently proposed to be conducted, and to enter into and perform its obligations under the Agreement.

RECITALS:

WHEREAS, Owner owns King's Pointe Resort (hereinafter referred to as the "Resort") in Storm Lake, Iowa; and

WHEREAS, Manager manages the Resort for Owner pursuant to a Management Agreement dated March 26, 2024 (such agreement being referred to hereinafter as the "Resort Agreement"); and

WHEREAS, Manager also manages a waterpark associated with King's Pointe Resort pursuant to a Facility Management Agreement dated March 26, 2024, (as such agreement may be amended from time to time, hereafter being referred to hereinafter as the "Facility Agreement"); and

WHEREAS, Owner owns Sunrise Pointe golf course (hereinafter referred to as the "Golf Course") situated near the Resort; and

WHEREAS, situated on the grounds of the Golf Course is the Golf Course Clubhouse (hereinafter referred to as the "Clubhouse") that serves as the clubhouse for members of the public playing golf at the Golf Course, as a venue for meetings and special events by members of the public, and as the Senior Citizens Center during designated hours each week day; and

WHEREAS, Owner desires to engage Manager to manage the Clubhouse pursuant to the terms and conditions of this Agreement; and

WHEREAS, Manager recognizes that the Clubhouse is a public purpose facility.

NOW, THEREFORE, in consideration of the mutual agreements between the parties hereto and other valuable consideration the receipt and sufficiency of which is hereby acknowledged, it is agreed as follows:

ARTICLE 1

DEFINITIONS

Whenever a term herein is defined herein by reference to the definition of such term in the Resort Agreement, references to the term, "Resort" in the Resort Agreement definition shall be construed to be references to the Clubhouse for purposes of this Agreement.

When used herein, the following terms shall have the respective meanings set forth opposite each such term:

"Affiliate" shall have the same meaning as such term has in the Resort Agreement.

"Approval" shall mean the written approval of Owner or Manager, which shall not be unreasonably withheld, delayed or conditioned unless specifically stated to the contrary herein, unlawful, or not qualified to be given. The word "approval" need not capitalized.

"Base Management Fee" shall mean the compensation to Manager under Article 6 of this Agreement.

"Business Plan" shall mean the business plan submitted to Owner pursuant to Section 4.5

hereof.

"Clubhouse Supplies" shall mean items which may be consumed in the operation of the Clubhouse, including, but not limited to, office supplies and cleaning supplies.

"Default" shall have the meaning ascribed to it in Article 11 of the Agreement.

"Effective Date" shall mean March 26, 2024.

"Extraordinary Events" shall have the same meaning as such term has in the Resort Agreement.

"FF&E" shall have the same meaning as such term has in the Resort Agreement except that in- room appliances shall not be included within its meaning.

"Fiscal Period" shall have the same meaning as such term has in the Resort Agreement.

"Fiscal Year" shall mean the accounting year established by the Owner for the Clubhouse which shall commence July 1 of each year and concludes June 30 thereafter.

"Fixed Asset Supplies" shall mean items included within "Property and Equipment" under the Uniform System of Accounts which may be consumed in the operation of the Clubhouse or are not being capitalized including, but not limited to, linen, china, glassware, tableware, kitchenware, uniforms, and similar items used in the operation of the Clubhouse.

"Gross Receipts" shall have the same meaning as such term has in the Resort Agreement; provided however that such term also shall not include revenues related to King's Pointe Resort; and further provided that the item, "interest earned on funds held in the various funds and accounts outlined in Section 4.6 [of the Resort Agreement], contained in the Resort Agreement definition of Gross Receipts, is not one of the items specifically excluded from the term Gross Receipts in this agreement because such item is not applicable to this Agreement.

"Gross Revenues" shall mean all revenues collected by Manager in the operation of the Clubhouse.

"Manager" shall have the meaning ascribed to it in the Preamble hereto together with any permitted successors or assigns.

"Operating Budget" shall have the meaning ascribed to it in Articles 4 and 5 hereof.

"Owner" shall have the meaning ascribed to it in the Preamble hereto together with any Permitted successors or assigns.

"Person" means an individual (and the heirs, executors, administrators, or other legal representatives of an individual), a partnership, a corporation, limited liability company, a government or any department or agency thereof, a trustee, a trust and any unincorporated organization.

"Required Insurance Policies" shall have the same meaning as such term has in the Resort Agreement. The employee theft/dishonesty insurance shall also be on the employees employed to work in the Clubhouse enterprise.

"Technical Services Equipment" shall have the same meaning as such term has in the Resort Agreement.

"Termination" shall mean the expiration or sooner cessation of this Agreement.

"Term" shall have the meaning ascribed to it in Section 3.2 hereof.

ARTICLE 2
REPRESENTATIONS AND WARRANTIES

The representations and warranties of Manager and Owner contained in Article 2 of the Resort Agreement are hereby incorporated herein by this reference with the following conditions and exceptions:

1. References to the "Resort" in Article 2 of the Resort Agreement shall be construed for purposes of this Agreement as references to the Clubhouse.

2. Excluded from the language of Article 2 of the Resort Agreement that is incorporated herein is the last sentence of Section 2.1 of the Resort Agreement, which reads as follows:

> As the Resort is in the Owner's Urban Renewal Area, Owner intends to appropriate Tax Increments received into the Debt Service Fund to be used as an offset against debt payments on the City Indebtedness.

ARTICLE 3
TERM AND COMMENCEMENT DATE

3.1 Term. The effective date of this agreement shall be March 26, 2024. Manager shall commence operation of the Clubhouse on such date and shall continue with the management thereof under the terms and conditions of this Agreement for a term of three (3) years, ending March 31, 2027, so that the initial term of this agreement ends when the current term of the Resort Agreement also ends. This Agreement shall automatically renew for additional one (1) year periods until terminated by either party pursuant to the terms of this Agreement.

3.2 Termination. Upon the event of Default (as defined in Article 11 hereof), the non-defaulting party may provide written notice of the Default and the opportunity to cure the Default to the defaulting party. If the Default is not cured within sixty (60) days after receipt of such notice (or, if it is impossible to cure the Default within the sixty (60) day period, if the defaulting party does not commence actions to cure the Default within the cure period and thereafter diligently proceed to cure within a time period agreed to by both parties), then this agreement may be terminated by the non-defaulting party. Notwithstanding anything to the contrary in this Agreement, if the Owner or Manager is legally prevented from exercising its obligations or rights under this Agreement because of a temporary or permanent injunction, or otherwise, neither the Owner or the Manager has any obligation under the Agreement, upon written notice to the other party.

3.3 Termination if Resort Agreement Terminates. If neither the Manager nor Owner terminates the Resort Agreement as provided above or for an event of default under the Resort Agreement, this Agreement shall also terminate at the effective termination of the Resort Agreement.

ARTICLE 4
USE AND OPERATION OF CLUBHOUSE

4.1 Operational requirements.

(a) Owner engages Manager, and Manager agrees to act as an independent contractor to perform the services hereinafter described. Upon the effective date of this Agreement, Manager's rights, responsibilities, and obligations hereunder shall commence, and Owner authorizes and engages Manager to supervise, direct and control the management and operation of the Clubhouse in accordance with the terms and conditions of this Agreement. In fulfilling its obligations under this Agreement, Manager shall act as a reasonable and prudent operator of the Clubhouse. Manager shall operate the Clubhouse with a goal of delivering exceptional customer service and achieving long- term profitability and, to the extent economically and legally possible, in accordance with industry standards.

(b) Subject to the terms of this Agreement, Manager shall manage the day- to- day operations of the Clubhouse, performing the following functions with respect to the Clubhouse:

1. When requested, make tee times for members of the public who wish to

play golf on the Golf Course.

2. Provide guests with a limited food and beverage service, the nature and extent of which shall be determined by Manager.

3. As needed, conduct golf tournaments, golf leagues and golf outings to be held on the Golf Course. The necessity of such activities shall be determined by Manager with input from Owner and players.

4. Procure all Clubhouse Supplies, including, but not limited to, food, beverages, and limited golf equipment.

5. Rent to members of the public the meeting space in the Clubhouse for meetings and special events for periods of time which do not conflict with use of such space by the Senior Citizens Center. Usage of the meeting space shall be consistent with any written usage policies provided to Manager by Owner. Any member of the public renting the Clubhouse and wishing to have a special event catered shall be permitted to select the caterer of his or her choice, subject to the approval of Owner in any case where Manager has an objection to the caterer selected.

6. Clean and perform all other housekeeping duties on the interior of the Clubhouse building. Owner shall be responsible for performing any needed maintenance to the Clubhouse building exterior, care of the grounds, and landscaping.

7. Provide Owner with a budget for operations according to the same schedule as required by the Resort Agreement.

8. Collect Gross Revenues from the Clubhouse and deposit them into the bank account to be established and designated by Owner, and provide Owner with an accounting of the source and amount of such Gross Revenues.

9. Provide Owner with recommendations for pricing annual season passes, green fees, golf cart storage, and a golf cart rental program, all for the Golf Course.

10. Collect accounts receivable.

11. Submit all invoices to Owner for approval prior to payment. Manager shall be responsible for paying all invoices and other expenses of the Clubhouse operation. Owner and Manager understand that all revenues are Owner's funds and all expenses and the provisions of funds for the payment of invoices are Owner's obligation.

12. Collect sales tax on taxable sales and remit those funds to Owner monthly. Owner shall be responsible for paying such taxes to the State of Iowa.

13. Obtain and keep in force and effect, either in Manager's name or in Owner's name, as may be required by applicable law, any and all licenses and permits to the extent same is within the control of Manager (or, if same is not within the control of Manager, Manager shall use due diligence and reasonable efforts to obtain and keep same

in full force and effect). Furthermore, Manager shall undertake to comply with any conditions set out in any such licenses and permits and at all times to operate and manage the Clubhouse in accordance with such conditions and any other requirements of the laws.

14. Keep Owner informed and advised of all material financial, operational, and other matters concerning the Clubhouse.

15. Negotiate, and present to Owner for approval and execution, service and vendor contracts for the operation of the Clubhouse, and administer the same for Owner.

16. Respond in writing to any concerns raised by Owner in writing in accordance with the time limits set forth in Section 4.1(15) of the Resort Agreement.

17. Invoice Owner for Manager's monthly management fee at the end of each month.

18. Develop and implement a marketing plan acceptable to Owner and present the plan to the Owner for approval or disapproval.

19. By the 25th of each calendar month submit to Owner a profit and loss statement for the previous calendar month.

(c) Owner warrants and grants to Manager control and operation of the Clubhouse and that it will not interfere with the day-to-day operation of the Clubhouse.

4.2 Personnel. All personnel employed at the Clubhouse shall be employees of the Manager, and shall not in any way be construed or inferred to be employed by Owner. Manager will hire, supervise, direct the work of, discharge, and determine the compensation and other benefits of all personnel necessary for the operation of the Clubhouse.

4.3 Independent Contractors. The costs, fees, compensation or other expenses of any persons engaged by Owner or Manager (with Owner's consent) to perform duties of a specialized nature, directly related to the operation of the Clubhouse, such as attorneys, advertisers, independent accountants, and the like, shall be an operating expense of the Clubhouse and not the responsibility of Manager. To the extent possible, an estimate of fees for such advisors shall be included in the operating budget.

4.4 Limitation on Manager's Authority to Make Replacements, Alterations, and Repairs. Manager shall obtain the consent of Owner before entering into any contract, agreement or purchase involving alterations, repairs or rehabilitation of the Clubhouse, the repair of existing FF&E, or the replacement of Clubhouse Supplies; except in the event of an emergency situation which, in the discretion of Manager, requires immediate action to protect persons or property, Manager shall be authorized, upon notice to Owner but without Owner's prior consent, to enter into contracts occasioned by such emergency in amounts up to $2,500.00. Any projects, including emergency projects, in excess of the minimum amount required by law to implicate public bidding shall require prior action on the part of Owner. Manager shall have no responsibilities concerning any contract which it did not execute for Owner or approve in writing. If during the term of this Agreement structural repairs to or changes to the Clubhouse shall be required by reason of any laws, ordinances, rules or regulations now or hereafter in force, or by order of any governmental or municipal power, department, agency, authority or office, such repairs or changes shall be made and paid as an additional cost of the Clubhouse. Owner shall determine and inform Manager of the applicability of Iowa's public bidding laws to any given improvement under this Section.

4.5 Business Plan. The provisions of Section 4.11 of the Resort Agreement, relating to Business Plans, shall also apply to the Clubhouse. Manager may satisfy the Business Plan requirement for the Clubhouse by including the Clubhouse within the Business Plans developed by the Manager pursuant to Section 4.11 of the Resort Agreement for the Resort. However, each component of the Business Plans required by such section shall separately address the Clubhouse. The Business Plans shall include an Operating Budget for the Clubhouse separate from the Operating Budget for the Resort.

ARTICLE 5
ACCOUNTING

The provisions of Sections 5.1 and 5.2 of the Resort Agreement, relating to books and records, operating statements, and operating budgets, are incorporated herein by this reference; provided that references in such sections to the "Resort" shall be construed in this Agreement as references to the Clubhouse.

ARTICLE 6
MANAGEMENT FEES

6.1 Management Fees. In consideration for the management and operation of the Clubhouse by the Manager, including all corporate services related thereto, the Owner agrees to pay to the Manager a Base Management Fee of $1,500 per month plus 3.5% of Gross Revenues during the term of this Agreement and all renewal periods. There will be $750 per month accounting fee.

6.2 No Kick-back Representation. The only compensation Manager shall receive for the obligations contained in this Agreement shall be the Base Management Fee, and Manager shall annually certify to Owner that it has received no payment from any third-parties associated with any contract entered into with regard to any aspect of its operations or activities at or with respect to the Clubhouse.

ARTICLE 7
INSURANCE

The provisions of Article 7 of the Resort Agreement, relating to insurance coverage, are incorporated herein by reference, provided that a) references to the "Resort" in such Article shall be construed as references to the Clubhouse herein.

7.1 Streamlining Insurance Coverage. The parties to this Agreement intend that the insurance for the Clubhouse shall be placed with the same insurance company/carrier that has the insurance coverage on the Resort.

7.2 Related Facility Management Agreement Insurance Provisions Applicable. The Insurance provisions in Section 8 of the Facility Management Agreement apply to the Manager's management of the Clubhouse under this Agreement.

ARTICLE 8
INDEMNIFICATION

The provisions of Article 8 of the Resort Agreement, relating to indemnification, are incorporated herein by reference, provided that references to the "Resort" in such Article shall be construed as references to the Clubhouse herein.

8.1 Indemnification related to Automobile Usage. To the extent authorized by law, Manager shall indemnify, defend and hold harmless Owner and its respective agents and employees from and against all claims, damages, losses and expenses (including, but not limited to, reasonable attorneys' fees) for injuries to persons or property resulting from the use of Manager's or Owner's motor vehicles, or Manager's employee's motor vehicles, including but not limited to automobiles, trucks, buses, on or off Clubhouse premises caused by the gross negligence or willful misconduct of Manager, Manager's agents, and Manager's employees. Notwithstanding the foregoing, Manager shall not be required to indemnify Owner against damages suffered as a result of the gross negligence or willful misconduct of Owner or its employees.

8.2 Related Facility Management Agreement Indemnification Provisions Applicable. The Indemnification provisions in Section 9 of the Facility Management Agreement apply to the Manager's management of the Clubhouse under this Agreement.

ARTICLE 9
DAMAGE TO AND DESTRUCTION OF THE CLUBHOUSE

The provisions of Article 9 of the Resort Agreement, relating to indemnification, are incorporated herein by reference, provided that references to the "Resort" in such Article shall be construed as references to the Clubhouse herein.

ARTICLE 10
RELATIONSHIP AND AUTHORITY

The provisions of Section 10 of the Facility Management Agreement, relating to the relationship of the parties, are incorporated herein by reference, provided that any reference to the "Facility" in such Article shall be construed as a reference to the Clubhouse herein.

ARTICLE 11
DEFAULT

The provisions of Article 11 of the Resort Agreement, relating to default, are incorporated herein by reference, except that paragraph 11.1(d) of such Article, regarding Owner's default for failing to replenish a Payroll Reserve Account, is not incorporated and any reference to 11.l(d) or its provisions in other parts of Article 11 of the Resort Agreement is excluded from the provisions incorporated herein. In addition, any default under the Resort Agreement shall also constitute a default under this Agreement.

ARTICLE 12
PURCHASING PROGRAM

The provisions of Article 12 of the Resort Agreement, relating to Purchasing administration, are incorporated herein by reference, except that a) the parenthetical note, "(see Section 4.1 (a)(6))," and b) the phrase, "and Manager's Account" are excluded from the provisions incorporated herein; and provided that references to the "Resort" in such Article shall be construed as references to the Clubhouse herein and references to Hotel Supplies in such Article shall be construed as references to Clubhouse Supplies herein.

ARTICLE 13
DISPUTE RESOLUTION AND LITIGATION

The provisions of Article 13 of the Resort Agreement, relating to dispute resolution and litigation, are incorporated herein by reference.

ARTICLE 14
MISCELLANEOUS

All of the provisions of Article 14 of the Resort Agreement, relating to notices, applicable law, and other miscellany, are incorporated herein by reference.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed under seal as of the day and year first written above.

[Remainder of this page intentionally left blank. Signature pages to follow.]

(SEAL) CITY OF STORM LAKE, IOWA

By: ______________________________
Michael Porsch, Mayor

ATTEST:

By: ______________________________
Mayra Martinez, City Clerk

STATE OF IOWA)
) SS
COUNTY OF BUENA VISTA)

On this ________ day of ________________________, 2024, before me a Notary Public in and for said State, personally appeared Michael Porsch and Mayra Martinez, to me personally known, who being duly sworn, did say that they are the Mayor and City Clerk, respectively, of the City of Storm Lake, Iowa, a Municipality created and existing under the laws of the State of Iowa, and that the seal affixed to the foregoing instrument is the seal of said Municipality, and that said instrument was signed and sealed on behalf of said Municipality by authority and resolution of its City Council, and said Mayor and City Clerk acknowledged said instrument to be the free act and deed of said Municipality by it voluntarily executed.

____
Notary Public in and for the State of Iowa

S & L HOSPITALTIY, LLC.,
a Wisconsin Corporation

By: ______________________

Print Name: ERIC S. LUND

Its: CEO

STATE OF Wisconsin)
) SS
COUNTY OF Dane)

This record was acknowledged before me on this 29th day of February, 2024, by Eric Lund, as the CEO of S &L Hospitality, LLC ., on behalf of whom the record was executed.

____
Notary Public in and for said State

My commission expires: 12/06/2025

02314509\11149-1000

ROBERT W HAINES
NOTARY
PUBLIC
STATE OF WISCONSIN

COTTAGES MANAGEMENT AGREEMENT

Sunrise Park Cottages
LOCATION: Storm Lake, Iowa

This Agreement, dated as of March 26, 2024, is by and between the City of Storm Lake, Iowa, an Iowa municipality, having its principal offices at 620 Erie Street, Storm Lake, Iowa 50588 (hereinafter referred to as "Owner"), and S&L Hospitality, LLC a Wisconsin Limited Liability Company, with its principal office at 230 Horizon Drive, Suite 102, Verona, WI 53593 (hereinafter referred to as "Manager"), duly organized and validly existing under the laws of the State of Wisconsin and registered to do business in the State of Iowa, and has or will obtain all requisite power and authority to own and operate its properties, to carry on its business as now conducted and as presently proposed to be conducted, and to enter into and perform its obligations under the Agreement.

RECITALS:

WHEREAS, Owner owns King's Pointe Resort (hereinafter referred to as the "Resort") in Storm Lake, Iowa; and

WHEREAS, Manager manages the Resort for Owner pursuant to a Facility Management Agreement dated March 26, 2024 (referred to hereinafter as the "Resort Agreement"); and

WHEREAS, Owner owns four (4) cottages (hereinafter collectively referred to as the "Cottages"), that are situated near the Resort and will be rented to members of the public; and

WHEREAS, Owner desires to engage Manager to manage the Cottages pursuant to the terms and conditions of this Agreement; and

WHEREAS, Manager recognizes that the Cottages are public purpose facilities.

NOW, THEREFORE, in consideration of the mutual agreements between the parties hereto and other valuable consideration the receipt and sufficiency of which is hereby acknowledged, it is agreed as follows:

ARTICLE 1
DEFINITIONS

Whenever a term herein is defined herein by reference to the definition of such term in the Resort Agreement, references to the term, "Resort" in the Resort Agreement definition shall be construed to be references to the Cottages for purposes of this Agreement.

When used herein, the following terms shall have the respective meanings set forth opposite each such term:

"Affiliate" shall have the same meaning as such term has in the Resort Agreement.

"Approval" shall mean the written approval of Owner or Manager, which shall not be unreasonably withheld, delayed or conditioned unless specifically stated to the contrary herein, unlawful, or qualified to be given. The word "approval" need not capitalized.

"Base Management Fee" shall mean the compensation to Manager under Article 6 of this Agreement.

"Business Plan" shall mean the business plan submitted to Owner pursuant to Section 4.6 hereof.

"Cottage Supplies" shall mean items which may be consumed in the operation of the Cottages, including, but not limited to, office supplies and cleaning supplies.

"Default" shall have the meaning ascribed to it in Article 11 of the Agreement.

"Effective Date" shall mean March 26, 2024.

"Extraordinary Events" shall have the same meaning as such term has in the Resort Agreement.

"FF&E" shall have the same meaning as such term has in the Resort Agreement.

"FF&E Plan" shall have the same meaning as such term has in the Resort Agreement.

"Fiscal Period" shall have the same meaning as such term has in the Resort Agreement.

"Fiscal Year" shall mean the accounting year established by the Owner for the Cottages which shall commence July 1 of each year and conclude June 30 thereafter.

"Fixed Asset Supplies" shall mean items included within "Property and Equipment" under the Uniform System of Accounts which may be consumed in the operation of the Cottages or are not being capitalized including, but not limited to, linen, china, glassware, tableware, kitchenware, uniforms, and similar items used in the operation of the Cottages.

"Gross Receipts" shall have the same meaning as such term has in the Resort Agreement; provided however that such term also shall not include revenues related to King's Pointe Resort and interest earned on the FF&E Replacement Reserve Account outlined in Section 4.4 hereof; and further provided that the item, "interest earned on funds held in the various funds and accounts outlined in Section 4.6 [of the Resort Agreement]", contained in the Resort Agreement definition of Gross Receipts, is not one of the items specifically excluded from the term Gross Receipts in this agreement because such item is not applicable to this Agreement.

"Gross Revenues" shall mean **all** revenues collected by Manager in the operation of the Cottages.

"Manager" shall have the meaning ascribed to it in the Preamble hereto together with any successors or assigns.

"Operating Budget" shall have the meaning ascribed to it in Articles 4 and 5 hereof.

"Owner" shall have the meaning ascribed to it in the Preamble hereto together with any successors or assigns.

"Person" means an individual (and the heirs, executors, administrators, or other legal representatives of an individual), a partnership, a corporation, limited liability company, a government or any department or agency thereof, a trustee, a trust and any unincorporated organization.

"Required Insurance Policies" shall have the same meaning as such term has in the Resort Agreement. The employee theft/dishonesty insurance shall also be on the employees employed to work in the Cottages enterprise.

"Resort Personnel" shall have the same meaning as such term has in the Resort Agreement. "Technical Services Equipment" shall have the same meaning as such term has in the Resort Agreement.

"Termination" shall mean the expiration or sooner cessation of this Agreement.

"Term" shall have the meaning ascribed to it in Section 3.2 hereof.

ARTICLE 2
REPRESENTATIONS AND WARRANTIES

The representations and warranties of Manager and Owner contained in Article 2 of the Resort Agreement are hereby incorporated herein by this reference with the following conditions and exceptions:

1. References to the "Resort" in Article 2 of the Resort Agreement shall be construed for purposes of this Agreement as references to the Cottages.

2. Excluded from the language of Article 2 of the Resort Agreement that is incorporated herein is the last sentence of Section 2.1 of the Resort Agreement, which reads as follows:

> As the Resort is in the Owner's Urban Renewal Area, Owner intends to appropriate Tax Increments received into the Debt Service Fund to be used as an offset against debt payments on the City Indebtedness.

ARTICLE 3

TERM AND COMMENCEMENT DATE

3.1 Term. The effective date of this agreement shall be March 26, 2024. Manager shall commence operation of the Cottages on such date and shall continue with the management thereof under the terms and conditions of this Agreement for a term of three (3) years, ending March 31, 2027, so that the initial term of this agreement ends when the initial term of the Resort Agreement also ends. This Agreement shall automatically renew for additional one (1) year periods until terminated by either party pursuant to the terms of this Agreement.

3.2 Termination. Upon the event of Default (as defined in Article 11 hereof), the non- defaulting party may provide written notice of the Default and the opportunity to cure the Default to the defaulting party. If the Default is not cured within sixty (60) days after receipt of such notice (or, if it is impossible to cure the Default within the sixty (60) day period, if the defaulting party does not commence actions to cure the Default within the cure period and thereafter diligently proceed to cure within a time period agreed to by both parties), then this agreement may be terminated by the non-defaulting party. Notwithstanding anything to the contrary in this Agreement, if the Owner or Manager is legally prevented from exercising its obligations or rights under this Agreement because of a temporary or permanent injunction, or otherwise, neither the Owner or the Manager has any obligation under the Agreement, upon written notice to the other party.

3.3 Termination if Resort Agreement Terminates. If either the Manager nor Owner terminates the Resort Agreement as provided above or for an event of default under the Resort Agreement, this Agreement shall also terminate at the effective termination of the Resort Agreement.

ARTICLE 4
USE AND OPERATION OF COTTAGES

4.1 Operational requirements.

(a) Owner engages Manager, and Manager agrees to act as an independent contractor to perform the services hereinafter described. Upon the effective date of this Agreement, Manager's rights, responsibilities, and obligations hereunder shall commence, and Owner authorizes and engages Manager to supervise, direct and control the management and operation of the Cottages in accordance with the terms and conditions of this Agreement. In fulfilling its obligations under this Agreement, Manager shall act as a reasonable and prudent operator of the Cottages. Manager shall operate the Cottages with a goal of achieving long-term profitability and, to the extent economically and legally possible, in accordance with industry standards.

(b) Subject to the terms of this Agreement, Manager shall perform the following functions with respect to the Cottages:

1. Through its Resort staff, make reservations for guests.

2. Provide online booking through the Resort.

3. Thoroughly train necessary members of the Resort staff in the features, benefits and pricing of the Cottages.

4. Include information, developed jointly by Resort staff and Owner's staff, about the Cottage in the Resort's website.

5. Through its Resort maintenance staff and Resort housekeeping staff, maintain the interior and exterior of the buildings comprising the Cottages and any outbuildings appurtenant thereto, and keep the Cottages in good operating order, repair and condition. Manager shall have no responsibilities for care of the grounds on which the Cottages are situated; Owner shall be responsible for care of such grounds.

6. Provide Owner with the Manager's recommendations regarding rental pricing, so that the Owner can fix the rental pricing for the Cottages. Manager shall have the latitude to adjust rental pricing to meet market conditions.

7. At all times endeavor to keep revenue and expenses associated with the Cottages separate from the Resort revenue and expenses so that the financial performance of the Resort is not positively or negatively impacted by the revenue and expenses of the Cottages.

8. Collect Gross Revenues and, at the end of each calendar month, remit Gross Revenues from the Cottages for such month to Owner and provide Owner with an accounting of the source of such Gross Revenues.

9. Procure Cottage Supplies, including replacement Cottage Supplies and replacement Fixed Asset Supplies in the ordinary course of business, procure services, and make payments on accounts payable, all using moneys from the Resort Operating Fund.

10. Collect accounts receivable.

11. At the end of each calendar month, invoice Owner for expenses for the Cottages associated with housekeeping, maintenance, marketing, telephone, cable television and internet services, and any other operating expenses for the Cottages. Owner shall pay such invoices, which payments shall be deposited into the Resort Operating Fund.

12. Collect hotel/motel taxes on rentals of units in the Cottages and remit those funds to Owner monthly. Owner shall be responsible for paying such taxes to the State of Iowa.

13. Obtain and keep in force and effect, either in Manager's name or in Owner's name, as may be required by applicable law, any and all licenses and permits

to the extent same is within the control of Manager (or, if same is not within the control of Manager, Manager shall use due diligence and reasonable efforts to obtain and keep same in full force and effect). Furthermore, Manager shall undertake to comply with any conditions set out in any such licenses and permits and at all times to operate and manage the Cottages in accordance with such conditions and any other requirements of the laws.

14. Keep Owner informed and advised of all material financial and other matters concerning the Cottages.

15. Negotiate, and present to Owner for approval and execution, service contracts for the operation of the Cottages, and administer the same for Owner.

16. Respond in writing to any concerns raised by Owner in writing in accordance with the time limits set forth in Section 4.1(15) of the Resort Agreement.

17. Prepare and deliver accountings and other information in accordance with the terms of this Agreement, and be available at reasonable times to discuss the above-listed items as well as the operations at the Cottages generally with the Owner and its representatives.

4.2 Owner warrants and grants to Manager control and operation of the Cottages and that it will not interfere with the day-to-day operation of the Cottages.

4.3 Personnel. Manager shall use its Resort Personnel in the management of the Cottages. All personnel employed at the Cottages shall be employees of the Manager, and shall not in any way be construed or inferred to be employed by Owner. Manager will hire, supervise, direct the work of, discharge, and determine the compensation and other benefits of all personnel necessary for the operation of the Cottages.

4.4 Independent Contractors. The costs, fees, compensation or other expenses of any persons engaged by Owner or Manager (with Owner's consent) to perform duties of a specialized nature, directly related to the operation of the Cottages, such as attorneys, advertisers, independent accountants, and the like, shall be an operating expense of the Cottages and not the responsibility of Manager. To the extent possible, an estimate of fees for such advisors shall be included in the operating budget.

4.5 FF&E Replacement Reserve Account. Owner shall establish an "FF&E Replacement Reserve Account" and deposit into the account $25.00 per rental of each of the Cottages until such time as the account reaches a $50,000.00 balance. When a balance of $50,000.00 is reached, Owner may suspend payments to such Account or change the amount of the deposit per rental. The monies in such account shall be the property of Owner. Interest earned during any period from the amount in such account shall remain part of the account. In addition to the deposits per rental provided for above, all proceeds from the sale of FF&E or capital improvements no longer needed for the operation of the Cottages shall be deposited in the FF&E Replacement Reserve Account if the balance in such account at the time such proceeds are to be deposited is less than $50,000.00. Owner will purchase replacement FF&E at its discretion but Manager shall make recommendations to Owner with respect to such purchases.

4.6 Limitation on Manager's Authority to Make Replacements, Alterations and Repairs. Manager shall obtain the consent of Owner before entering into any contract, agreement or purchase involving alterations, repairs or rehabilitation of any of the Cottages, the repair of existing FF&E, or the replacement of Cottage Supplies; except in the event of an emergency situation which, in the discretion of Manager, requires immediate action to protect persons or property, Manager shall be authorized, upon notice to Owner but without Owner's prior consent, to enter into contracts occasioned by such emergency in amounts up to $2,500.00. Any projects, including emergency projects, in excess of the minimum amount required by law to implicate public bidding shall require prior action on the part of Owner. Manager shall have no responsibilities concerning any contract which it did not execute for Owner or approve in writing. If during the term of this Agreement structural repairs to or changes to some or all of the Cottages shall be required by reason of any laws, ordinances, rules or regulations now or hereafter in force, or by order of any governmental or municipal power, department, agency, authority or office, such repairs or changes shall be made and paid as an additional cost of the Cottages. Owner shall determine and inform Manager of the applicability of Iowa's public bidding laws to any given improvement under this Section.

ARTICLE 5
ACCOUNTING

The provisions of Sections 5.1 and 5.2 of the Resort Agreement, relating to books and records, operating statements, and operating budgets, are incorporated herein by this reference; provided that references in such sections to the "Resort" shall be construed in this Agreement as references to the Cottages.

ARTICLE 6
MANAGEMENT FEES

6.1 Management Fees. In consideration for the management and operation of the Cottages by the Manager, including all corporate services related thereto, the Owner agrees to pay to the Manager a Base Management Fee as follows: 3.5% of each month's Gross Revenues. Manager shall invoice Owner monthly for its Base Management Fee and Owner shall pay such Fee.

6.2 No Kick-back Representation. The only compensation Manager shall receive for the obligations contained in this Agreement shall be the Base Management Fee, and Manager shall annually certify to Owner that it has received no payment from any third-parties associated with any contract entered into with regard to any aspect of its operations or activities at or with respect to the Cottages..

ARTICLE 7
INSURANCE

The provisions of Article 7 of the Resort Agreement, relating to insurance coverage, are incorporated herein by reference, provided that references to the "Resort" in such Article shall be construed as references to the Cottages herein.

ARTICLE 8
INDEMNIFICATION

The provisions of Article 8 of the Resort Agreement, relating to indemnification, are incorporated herein by reference, provided that references to the "Resort" in such Article shall be construed as references to the Cottages herein.

ARTICLE 9
DAMAGE TO AND DESTRUCTION OF THE COTTAGES

The provisions of Article 9 of the Resort Agreement, relating to indemnification, are incorporated herein by reference, provided that references to the "Resort" in such Article shall be construed as references to the Cottages herein.

ARTICLE 10
RELATIONSHIP AND AUTHORITY

The provisions of Article 10 of the Resort Agreement, relating to indemnification, are incorporated herein by reference, provided that references to the "Resort" in such Article shall be construed as references to the Cottages herein.

ARTICLE 11
DEFAULT

The provisions of Article 11 of the Resort Agreement, relating to default, are incorporated herein by reference, except that paragraph 11.l(d) of such Article, regarding Owner's default for failing to replenish a Payroll Reserve Account, is not incorporated and any reference to 11.l(d) or its provisions in other parts of Article 11 of the Resort Agreement is excluded from the provisions incorporated herein. In addition, any default under the Resort Agreement shall also constitute a default under this Agreement.

ARTICLE 12
PURCHASING PROGRAM

The provisions of Article 12 of the Resort Agreement, relating to Purchasing administration, are incorporated herein by reference, except that (a) the parenthetical note, "(see Section 4.l(a)(6))," and (b) the phrase, "and Manager's Account" are excluded from the provisions incorporated herein; and provided that references to the "Resort" in such Article shall be construed as references to the Cottages herein and references to Hotel Supplies in such Article shall be construed as references to Cottage Supplies herein.

ARTICLE 13
DISPUTE RESOLUTION AND LITIGATION

The provisions of Article 13 of the Resort Agreement, relating to dispute resolution and litigation, are incorporated herein by reference.

ARTICLE 14
MISCELLANEOUS

All the provisions of Article 14 of the Resort Agreement, relating to notices, applicable law, and other miscellany, are incorporated herein by reference.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed under seal as of the day and year first written above.

[Remainder of this page intentionally left blank. Signature pages to follow.]

(SEAL) CITY OF STORM LAKE, IOWA

By: ______________________________
Michael Porsch, Mayor

ATTEST:

By: ______________________________
Mayra Martinez, City Clerk

STATE OF IOWA)
) SS
COUNTY OF BUENA VISTA)

On this ________ day of ________________________, 2024, before me a Notary Public in and for said State, personally appeared Michael Porsch and Mayra Martinez, to me personally known, who being duly sworn, did say that they are the Mayor and City Clerk, respectively, of the City of Storm Lake, Iowa, a Municipality created and existing under the laws of the State of Iowa, and that the seal affixed to the foregoing instrument is the seal of said Municipality, and that said instrument was signed and sealed on behalf of said Municipality by authority and resolution of its City Council, and said Mayor and City Clerk acknowledged said instrument to be the free act and deed of said Municipality by it voluntarily executed.

____
Notary Public in and for the State of Iowa

S&L HOSPITALTIY, LLC
a Wisconsin Corporation

By: ______________________________

Print Name: ERIC S. LUND

Its: CEO

STATE OF Wisconsin)
) SS
COUNTY OF Dane)

This record was acknowledged before me on this 29th day of February, 2024, by Eric S. Lund, as the CEO of S&L Hospitality, LLC.., on behalf of whom the record was executed.

____
Notary Public in and for said State

My commission expires: 12/06/2025

02314390\11149-1000

ROBERT W HAINES
NOTARY
PUBLIC
STATE OF WISCONSIN

Staff Summary

03/04/2024
Agenda Item # F.2.

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO: Honorable Mayor & Council

FROM: Keri Navratil City Manager

SUBJECT: **Hearing to Appeal City Manager's Decision Determining a Certain Dog to be a Vicious Animal Pursuant to Section 8-9-7 of the Storm Lake, Iowa Code**

BACKGROUND: On February 21, 2024, the City Manager held a hearing as outlined in Section 8-9-9 of the Storm Lake City Code. The evidence supports that the dog does meet the definition of a Vicious Animal and the owner was provided notice in both Spanish and English to remove the dog from city limits permanently within three days of the date of the letter which was dated February 21, 2024. The dog has been removed from city limits, however the owners wish to appeal the decision.

After such hearing, the City Council may affirm or reverse the order of the City Manager. Such determination shall be contained in a written decision and shall be filed with the City Clerk within three (3) days after the hearing.

FISCAL IMPACT:

RECOMMENDATION: After the hearing the Council may affirm or reverse the order of the City Manager

ATTACHMENTS:

- 8-9_Dangerous_and_Vicious_Animals.pdf
- Police Reports.pdf
- Acosta declaration visious dog- English.docx
- Acosta delcaration vicious dog-Spanish.docx
- Acosta Appeal date letter Spanish.docx
- Appeal Letter English.docx
- IMG_9277.JPG
- IMG_9278.JPG
- IMG_9279.JPG

Chapter 8-9

DANGEROUS AND VICIOUS ANIMALS

Sections:

8-9-1 **Definitions**
8-9-2 **Keeping Of Dangerous Animals Prohibited**
8-9-3 **Dangerous Animal Exceptions**
8-9-4 **Seizure, Impoundment And Disposition Of Dangerous Animals**
8-9-5 **Keeping Of Vicious Animals Prohibited**
8-9-6 **Vicious Animal Exception**
8-9-7 **Seizure, Impoundment And Disposition Of Vicious Animals**
8-9-8 **Restrictions Of Keeping Of Potentially Vicious Animals**
8-9-9 **Complaint, Procedures And Restrictions Of Potentially Vicious Animals**

Section 8-9-1 Definitions

Unless otherwise expressly stated or the context clearly indicates a different intention, the following terms shall, for the purpose of this Chapter, have the meanings in this Section:

(A) "DANGEROUS ANIMAL":

1. Any animal which is not naturally tame or gentle, and which is of a wild nature or disposition, and which is capable of killing, inflicting serious injury upon, or causing disease among, human beings or domestic animals and having known tendencies as a species to do so;

2. Any animals declared to be dangerous by the Board of Health of the County or the City Administrator or his/her designee;

3. The following animals which shall be deemed to be dangerous animals per se:

   Lions,tigers, jaguars, leopards, cougars, lynx and bobcats;
   Wolves, coyotes and foxes;
   Badgers, wolverines, weasels, skunks and mink;
   Raccoons;
   Bears;
   Monkeys and chimpanzees;
   Bats;
   Alligators and crocodiles;
   Scorpions;
   Snakes that are venomous or constrictors;
   Gila monsters;

(B) "POTENTIALLY VICIOUS ANIMAL": Any animal, except for a dangerous animal per se, as listed above, which:

1. When unprovoked, chases or approaches a person upon the streets, sidewalks or any public or private property in a menacing fashion or apparent attitude of attack, or

2. With a known propensity, tendency or disposition to attack unprovoked, to cause injury, or to

otherwise threaten the safety of human beings or domestic animals.

(C) "VICIOUS ANIMAL": Any animal, except for a dangerous animal per se as listed above which:

1. Has inflicted serious injury on a human being unless the animal was on its owner's premises and either

   a. The animal was being provoked, teased or tormented; or

   b. The victim was trespassing and was more than seven (7) years of age; or

2. Has attacked, and killed or caused disabling injury to other domestic animal without provocation while off the owner's premises; or

3. Is owned or harbored primarily or in part for the purpose of fighting in contests or any animal trained for such fighting.

As used herein, serious injury includes any one bite which breaks the skin of the victim.

Section 8-9-2 Keeping Of Dangerous Animals Prohibited

No person shall keep, shelter, or harbor any dangerous animal as a pet, nor act as a temporary custodian for such animal, nor keep, shelter, or harbor such animal for any other purpose or in any other capacity within the City of Storm Lake, except as provided in Section 8-9-3 of this Code.

Section 8-9-3 Dangerous Animal Exceptions

The prohibition contained in Section 8-9-2 of this Code shall not apply to the keeping of dangerous animals in the following circumstances:

(A) The keeping of dangerous animals in a public zoo, bona fide educational or medical institution, humane society, or museum where they are kept as live specimens for the public to view, or for the purpose of instruction, research or study.

(B) The keeping of dangerous animals for exhibition to the public by a bona fide traveling circus, carnival, exhibit or show.

(C) The keeping of dangerous animals in a bona fide, licensed veterinary hospital for treatment.

(D) The keeping of dangerous animals by a wildlife rescue organization with appropriate permit from the Iowa Conservation Commission.

(E) Any dangerous animals under the jurisdiction of and in the possession of the Iowa Conservation Commission, pursuant to Chapters 481A or 481B of the Iowa Code.

Section 8-9-4 Seizure, Impoundment And Disposition Of Dangerous Animals

(A) In the event that a dangerous animal is found at large and unattended upon public property, park property, public right-of-way, or the property of someone other than its owner, thereby creating a hazard to person or property, such animal, may, in the discretion of the City Administrator or his/her designee, or the Chief of Police, be destroyed if it cannot be confined or captured. The City of Storm Lake shall be under no duty to attempt the confinement or capture of a dangerous animal found at large, nor shall it have a duty to notify the owner of such animal prior to its destruction.

(B) Upon the complaint of any individual that a person is keeping, sheltering, or harboring a dangerous animal on premises in the City of Storm Lake, the City Administrator shall cause the matter to be investigated, and if after investigation, the facts indicate that the person named in the complaint is keeping, sheltering or harboring a dangerous animal in the City, the City Administrator shall order the person named in the complaint to safely remove such animal from the City of Storm Lake, permanently place the animal with an organization or group allowed under Section 8-9- 3 of this Code to possess dangerous animals, or destroy the animal, within three (3) days of the receipt of such order. Such order shall be contained in a notice to remove dangerous animal, which notice shall be given in writing to the person keeping, sheltering or harboring the dangerous animal, and shall be served personally or by certified mail. Such order and notice to remove dangerous animal shall not be required where such dangerous animal has previously caused serious physical harm or death to any person in which case the City Administrator shall cause the animal to be immediately seized and impounded or killed if seizure or impoundment are not possible without risk of serious physical harm or death to any person.

(C) The order to remove a dangerous animal issued by the City Administrator may be appealed to the City Council. In order to appeal such order, written notice of appeal must be filed with the City Clerk within three (3) days after receipt of the order contained in the notice to remove dangerous animal. Failure to file such written notice of appeal shall constitute a waiver of right to appeal the order of the City Administrator.

(D) The notice of appeal shall state the grounds for such appeal and shall be delivered personally or by certified mail to the City Clerk. The hearing of such appeal shall be scheduled within seven (7) days of the receipt of notice of appeal. The hearing may be continued for good cause. After such hearing, the City Council may affirm or reverse the order of the City Administrator. Such determination shall be contained in a written decision and shall be filed with the City Clerk within three (3) days after the hearing, or any continued session thereof.

(E) If the City Council affirms the action of the City Administrator, the City Council shall order in its written decision that the individual or entity owning, sheltering, harboring, or keeping such dangerous animal, remove such animal from the City, permanently place such animal with an organization or group allowed under Section 8-9-3 of this Chapter to possess dangerous animals, or destroy it. The decision and order shall immediately be served upon the person or entity against whom rendered in the same manner as the notice of removal. If the original order of the City Administrator is not appealed and is not complied with within three (3) days of its issuance, the City Administrator or his/her designee is authorized to seize and impound such dangerous animal. An animal so seized shall be impounded for a period of seven (7) days. If at the end of the impoundment period, the individual or entity against whom the decision and order of the City Administrator or City Council was issued has not petitioned the Buena Vista County District Court for a review of said order, the City Administrator shall cause the animal to be disposed of by sale, permanently place such animal with an organization or group allowed under Section 8-9-3 of this Chapter to possess dangerous animals, or destroy such animal in a humane manner. Failure to comply with an order of the City Administrator issued pursuant thereto and not appealed, or of the City Council after appeal, shall constitute a Municipal infraction.

Section 8-9-5   Keeping Of Vicious Animals Prohibited

No person shall keep, shelter or harbor for any reason within the City a vicious animal so defined herein, except as provided in Section 8-9-6 of this Code.

Section 8-9-6   Vicious Animal Exception

The prohibition contained in Section 8-9-5 of this Code shall not apply to the keeping of vicious animals in the following circumstances:

(A) Animals under the control of a law enforcement or military agency.

(B) The keeping of guard dogs. However, guard dogs must be kept within a structure of fixed enclosure at all times, and any guard dog found at large may be processed as a vicious animal pursuant to the provisions of Section 8-9-5 and 8-9-7 of this Code. Any premises guarded by a guard dog shall be prominently posted with a sign containing the wording "guard dog", "vicious dog", or words of similar importance, and the owner of such premises shall inform the Chief of Police that a guard dog is on duty at such premises.

Section 8-9-7   Seizure, Impoundment And Disposition Of Vicious Animals

(A) The City Administrator or his/her designee, in his/her discretion or upon receipt of a complaint alleging that a particular animal is a vicious animal as defined herein, may initiate proceedings to declare such animal a vicious animal. A hearing on the matter shall be conducted by the City Administrator or his/her designee. The person, firm or corporation owning, keeping, sheltering, or harboring the animal in question shall be given not less than three (3) days written notice of the time and place of said hearing. Said notice shall set forth the description of the animal in question and the basis for the allegation of viciousness. The notice shall also set forth that if the animal is determined to be vicious, the owner will be required to remove it from the City or allow it to be destroyed. The notice shall be served upon any adult residing at the premises where the animal is located, or may be posted on those premises if no adult is present to accept service.

(B) If, after hearing, the City Administrator or his/her designee determines that an animal is vicious, the City Administrator or his/her designee shall order the person, firm, or corporation owning, sheltering, harboring or keeping the animal to remove it from the City, or to cause it to be destroyed in a humane manner. The order shall immediately be served upon the individual or entity against whom issued in the same manner as the notice of hearing. If the order is not complied with within three (3) days of its issuance, the City Administrator or his/her designee is authorized to seize and impound the animal. An animal so seized shall be impounded for a period of seven (7) days. If at the end of the impoundment period, the individual or entity against whom the order of the City Administrator or his/her designee was issued has not appealed such order to the City Council, the City Administrator or his/her designee shall cause the animal to be destroyed.

(C) The order to remove or destroy vicious animal issued by the City Administrator or his/her designee shall be appealed to the City Council. In order to appeal such order, written notice of appeal must be filed with the City Clerk within three (3) days after receipt of the order to remove or destroy the vicious animal. Failure to file such written notice of appeal shall constitute a waiver of right to appeal the order of the City Administrator or his/her designee.

(D) The notice of appeal shall state the grounds for such appeal and shall be delivered personally or by certified mail to the City Clerk. The hearing of such appeal shall be scheduled within seven (7) days of the receipt of notice of appeal. The hearing may be continued for good cause. After such hearing, the City Council may affirm or reverse the order of the City Administrator or his/her designee. Such determination shall be contained in a written decision and shall be filed with the City Clerk within three (3) days after the hearing, or any continued session thereof.

(E) If the City Council affirms the action of the City Administrator or his/her designee, the City Council shall order in its written decision that the individual or entity owning, sheltering, harboring, or keeping such vicious animal, shall remove such animal from the City or cause it to be destroyed in a humane manner. The decision and order shall immediately be served upon the person or entity against whom rendered in the same manner as the order to remove or destroy. If the original order of the City Administrator or his/her designee is not appealed and is not complied with within three (3) days or the order of the City Council after appeal is not complied with within three (3) days of its issuance, the City Administrator or his/her designee is authorized to seize and impound such vicious animal. An animal so seized shall be impounded for a period of seven (7) days. If at the end of the impoundment period, the individual or entity against whom the decision and order of the City Administrator or his/her designee and/or the City Council was issued has not petitioned the Buena Vista County District Court for a review of said order, the City Administrator or his designee shall cause the animal to be destroyed in a humane manner.

(F) Failure to comply with an order of the City Administrator or his/her designee issued pursuant hereto and not appealed, or of the City Council after appeal, shall constitute a Municipal infraction.
(G) Any animal found at large which displays vicious tendencies may be processed as a vicious animal pursuant to the foregoing, unless the animal is so vicious that it cannot safely be apprehended, in which case the City Administrator or his/her designee may immediately destroy it.

(H) Any animal which is alleged to be vicious and which is under impoundment or quarantine at the animal shelter shall not be released to the owner, but shall continue to be held at the expense of the owner pending the outcome of the hearing. All costs of such impoundment or quarantine shall be paid by the owner if the animal is determined to be vicious. If the animal is not determined to be vicious, all costs of such impoundment or quarantine shall be paid by the City.

Section 8-9-8 Restrictions Of Keeping Of Potentially Vicious Animals

No person shall keep, shelter or harbor for any reason within the City a potentially vicious animal as defined herein after such animal has been determined to be potentially vicious as provided in Section 8-9-9, unless the terms and conditions imposed by the hearing officer, or the City Council, as appropriate, for keeping such animal within the City have been strictly complied with.

Section 8-9-9 Complaint, Procedures And Restrictions Of Potentially Vicious Animals

(A) The City Administrator, or his/her designee, in his/her discretion or upon receipt of a complaint alleging that a particular animal is a potentially vicious animal as defined herein, may initiate proceedings to declare such animal a potential vicious animal. A hearing on the matter shall be conducted by the Administrator or his/her designee. The person owning, keeping, sheltering or harboring the animal in question shall be given not less than three (3) days written notice of the time and place of said hearing.

Said notice shall set forth the description of the animal in question and the basis for the allegation that the animal is potentially vicious. The notice shall also set forth that if the animal is determined to be potentially vicious, the owner will be required to comply with certain restrictions with regard to the animal and if such restrictions are not followed, the owner will be required to remove it from the City or allow it to be destroyed. The notice shall be served upon an adult residing at the premises where the animal is located or may be posted on those premises if no adult is present to accept service.

(B) If, after hearing, the City Administrator or his/her designee determines that an animal is potentially vicious, the City Administrator or his/her designee may order that the owner comply with some or all of the following restrictions with regard to the animal, as appropriate, as a condition of the animal owner's continued right to maintain the animal within the City limits.

1. The animal may be required to be muzzled at all times when upon public property.

2. The animal may be required to be restrained by a chain leash at all times when the animal is outside the owner's home, and which chain leash should be not more than six feet (6') in length if the animal is on public property.

3. The owner may be required to fence the owner's premises or a portion thereof with chain link or other type fence reasonably calculated to restrain the animal and keep it in good state of repair whenever the animal is outside on the owner's premises.

(C) An order determining an animal to be potentially vicious and imposing restrictions upon the continued existence of that animal within the City limits may be appealed to the same extent and subject to the same procedural requirements and safeguards as are contained in Section 8-9-7 relating to vicious animals.

(D) Failure to comply with an order of the City Administrator or his/her designee issued pursuant hereto and not appealed, or the City Council after appeal, shall constitute a Municipal infraction. Further, failure to comply with regard to a particular animal shall qualify that animal as a vicious animal, notwithstanding the basic definition of vicious animal as contained in Section 8-9-1, and subject the owner and the animal involved to all of the provisions of this Chapter relating to vicious animals.

STORM LAKE POLICE DEPT

Call For Service Record

Call #: 23004076	**Lat:** 0.000000	**Lon:** 0.000000		**Police**	**Fire**	**Amb**	**Other**
Premise:			**Grid:**	E27SL	E27SL	E27SL	E27SL
Location: 614 E 7TH ST			**Beat:**	SEC1	SLFD	SLAM	
City: STORM LAKE	**St:** IA	**Zip:** 50588	**CMD Area:**	A	A	A	
Cross Str: HUDSON ST / SUPERIOR ST			**Area/Agency:**	SLPD	SLFD	SLAM	
Call Type: CA	CITIZENS ASSIST		**Priority:**	2			

Reporting Party Information

Name: ACOSTA,CHRISTOPHER
Address: 614 E 7TH ST
City: STORM LAKE **St:** IA **Zip:**
Phone: **Cell:** (712)638-9499
Work Phone:

Disposition: CC
Disp Desc: CALL COMPLETED

Actual Type: CA CITIZENS ASSIST
by: FRANCIS,GLENDA **via:** Phone
Received: 01/28/2023 @ 17:06:53
Custody: **Fire Out:** **Pat Contact:**

Remarks: - ALL REMARKS

ENTERED BY: GLEND @ 01/28/2023 17:06:53 UPDATED BY: GLEND @ 01/28/2023 17:09:16
RP AT THR FRONT ENTRY OF THE PD - THERE TO CHECK ON HIS HUSKY DOG THAT MAY HAVE BEEN PICKED UP THIS MORNING - SUBJ HEARD FROM NEIGHBOR THAT THE POICE HAD KNOCKED ON THEIR DOOR THIS MORNING, BUT THEY WERE SLEEPING AND DIDN'T HEAR THEM KNOCKING - CHECKING TO SEE IF THEIR DOG DID PICKED UP AND IF SO WHERE IS IT NOW

ENTERED BY: GLEND @ 01/28/2023 17:09:12
POSSIBLY RELATED TO CALL #4037 FROM THIS MORNING

ENTERED BY: SANDY @ 01/28/2023 17:15:04
THE DOG OWNER WILL BE GIVEN THE PBX TO LAH /821 ON PBX

ENTERED BY: SANDY @ 01/28/2023 17:15:05
Location changed from 614 E 7TH ST,STORM LAKE to 614 E 7TH ST,

ENTERED BY: SANDY @ 01/28/2023 17:19:11
Location changed from 614 E 7TH ST, to 614 E 7TH ST,STORM LAKE

Unit Information:

Unit ID	Officer 1	Times	Disp	Enrte	Arriv	Clear	Total	Destination	Trans Start	Trans Stop	Mile Start	Mile Stop
821	(P) V7187	01/28/2023	17:07:09	17:07:09	17:08:41	17:22:06	15				0.0	0.0

STORM LAKE POLICE DEPT

Call For Service Record

Call #: 23004037	**Lat:** 42.643094	**Lon:** -95.202788		**Police**	**Fire**	**Amb**	**Other**
Premise:			**Grid:**	E27SL	E27SL	E27SL	E27SL
Location: 605 E 7TH ST			**Beat:**	SEC1	SLFD	SLAM	
City: STORM LAKE	**St:** IA	**Zip:** 50588	**CMD Area:**	A	A	A	
Cross Str: HUDSON ST / SUPERIOR ST			**Area/Agency:**	SLPD	SLFD	SLAM	
Call Type: 11	ANIMAL CALL		**Priority:**	4			

Reporting Party Information

Name: REDENBAUGH,TIM
Address:
City: **St:** IA **Zip:**
Phone: **Cell:** (712)299-0316
Work Phone:

Disposition: CC
Disp Desc: CALL COMPLETED

Actual Type: 11 ANIMAL CALL
by: DUITSMAN,CHRIS **via:** E911
Received: 01/28/2023 @ 07:18:21
Custody: **Fire Out:** **Pat Contact:**

Remarks: **- ALL REMARKS**

ENTERED BY: CHRIS @ 01/28/2023 07:18:21 UPDATED BY: CHRIS @ 01/28/2023 07:19:25
RP ON 911 ADVISES HE FOUND A HUSKY SERVICE DOG WITH A HARNESS ATTACHED. RP TIED THE DOG UP TO HIS RED CHEVY TRUCK AND IS WAITING FOR AN OFFICER.

ENTERED BY: CHRIS @ 01/28/2023 07:24:57
818 Location updated to LAH

ENTERED BY: CHRIS @ 01/28/2023 07:25:03
818/ 10-76 TO LAH

ENTERED BY: CHRIS @ 01/28/2023 07:30:52
818/ 10-23 LAH

ENTERED BY: CHRIS @ 01/28/2023 07:46:17
818/ 10-24, 10-8

Unit Information:

Unit ID	Officer 1		Times Disp	Enrte	Arriv	Clear	Total	Destination	Trans Start	Trans Stop	Mile Start	Mile Stop
818	(P) **D7153**	01/28/2023	07:19:30	07:19:30	07:24:50	07:46:19	27				0.0	0.0

STORM LAKE POLICE DEPT

Call For Service Record

Call #: 23038944	**Lat:** 0.000000	**Lon:** 0.000000		**Police**	**Fire**	**Amb**	**Other**
Premise:			**Grid:**	E27SL	E27SL	E27SL	E27SL
Location: 614 E 7TH ST			**Beat:**	SEC1	SLFD	SLAM	
City: STORM LAKE	**St:** IA **Zip:** 50588		**CMD Area:**	A	A	A	
Cross Str: HUDSON ST / SUPERIOR ST			**Area/Agency:**	SLPD	SLFD	SLAM	
Call Type: 11	ANIMAL CALL		**Priority:**	4			

Reporting Party Information

Name: RAMOS,FERMIN

Address: 616 SUPERIOR ST

City: STORM LAKE **St:** IA **Zip:** 50588

Phone: **Cell:** (712)291-0936

Work Phone:

Disposition: CC

Disp Desc: CALL COMPLETED

Actual Type: 11 ANIMAL CALL

by: COUGILL,SHEILA **via:** Phone

Received: 09/15/2023 @ 12:31:37

Custody: **Fire Out:** **Pat Contact:**

Remarks: - ALL REMARKS

ENTERED BY: SHEIL @ 09/15/2023 12:31:37 UPDATED BY: SHEIL @ 09/15/2023 12:37:40

DOG AT RP'S RES,BLK/GRY DOG,UNK WHERE IT BELONGS,DOG TRIED TO ATTACK RP'S MOTHER IN LAW,DOG OUTSIDE IN BACKYARD BY THE DOOR,DOG WAS THERE A COUPLE OF DAYS AGO 23-038641

ENTERED BY: SHEIL @ 09/15/2023 12:36:31

805 Location updated to 614 E 7TH ST

ENTERED BY: SHEIL @ 09/15/2023 12:37:09

THE OWNER ALREADY CAME AND PICKED THE DOG UP

ENTERED BY: SHEIL @ 09/15/2023 12:37:22

Location changed from 616 SUPERIOR ST to 614 E 7TH ST

ENTERED BY: SHEIL @ 09/15/2023 12:38:03

805 Location updated to 614 E 7TH

ENTERED BY: JEANA @ 09/15/2023 12:38:19

811/OUT AT 614 E 7TH ST

ENTERED BY: JEANA @ 09/15/2023 12:52:27

Name/ACOSTA,JOSE LUIS DOB/19591231
Race/ Sex/ Hgt/ Wgt/ Hair/ Eye/ IND/
OLN/790YY4596 OLS/ OLY/ OLT/

ENTERED BY: JEANA @ 09/15/2023 12:52:40

819/ACOSTA WAS CITED FOR DOG AT LARGE.

Unit Information:

Unit ID	Officer 1		Disp	Enrte	Arriv	Clear	Total	Destination	Trans Start	Trans Stop	Mile Start	Mile Stop
805	A1127	09/15/2023	12:33:05	12:33:05		12:37:48	4				0.0	0.0
805	A1127	09/15/2023	12:37:57		12:37:57	12:45:02	8				0.0	0.0
811	T1131	09/15/2023	12:34:02		12:34:02	12:45:10	11				0.0	0.0
819	(P) G1194	09/15/2023	12:32:17	12:32:17		12:37:48	5				0.0	0.0

Dog At Large

ITEM #:23-038944

DATE: 09/15/2023
REPORT OF: OFFICER GERARDO BRAVO
TYPE OF ARREST: DOG AT LARGE-CITATION

ARRESTEE NAME: JOSE LUIS ACOSTA
ADDRESS: 614 E 7TH ST.
STORM LAKE, IA 50588
H. PHONE: UNKNOWN
SSN: [redacted]
RACE: WHITE
SEX: MALE
DOB: 12/31/1959
AGE: 63
HEIGHT: 5'06"
WEIGHT: 225 LBS
EYES: BROWN
HAIR: BALD
EMPLOYER: TYSON PORK
W. PHONE: UNKNOWN

LOCATION OF ARREST: 614 EAST 7TH ST., STORM LAKE, IA 50588

23-038944

On September 15th 2023 at approximately 1231 HRS, Officers were dispatched to the area of 600 block of Superior in reference to a black and white Husky trying to attack the reporting party's dogs. Upon Officers arrival, the owner of the dog had retrieved it and taken it home to 614 East 7th St. I then made contact with the owner:

JOSE LUIS ACOSTA
HISPANIC MALE
DOB: 12/31/1959
614 EAST 7TH ST
STORM LAKE, IA 50588
SSN: [redacted]
WORK: TYSON PORK PLANT
PBX: NONE

I advised Jose of the city code reference dog running at large 8-3-5 and cited him underneath this code. Jose was advised to contain his dog in the kennel and fix the gaps in the fence.

It is noted, the reporting party advised there was no fight between their dogs and the husky.

This concludes my report.

Officer Bravo 819/jm

STORM LAKE POLICE DEPT

Call For Service Record

Call #: 23006487	**Lat:** 0.000000	**Lon:** 0.000000		**Police**	**Fire**	**Amb**	**Other**
Premise:			**Grid:**	E27SL	E27SL	E27SL	E27SL
Location: E 4TH ST/ RUSSELL ST			**Beat:**	SEC1	SLFD	SLAM	
City: STORM LAKE	**St:** IA **Zip:** 50588		**CMD Area:**	A	A	A	
Cross Str:			**Area/Agency:**	SLPD	SLFD	SLAM	
Call Type: 11 ANIMAL CALL			**Priority:**	4			

Reporting Party Information

Name: GAMBER,STUART
Address: TO ASHLEY/SLPD
City: **St:** **Zip:**
Phone: **Cell:**
Work Phone:

Disposition: CC
Disp Desc: CALL COMPLETED
Actual Type: 11 ANIMAL CALL
by: SEWARD,CINDY **via:** Phone
Received: 02/15/2023 @ 10:42:37
Custody: **Fire Out:** **Pat Contact:**

Remarks: - ALL REMARKS

ENTERED BY: CINDY @ 02/15/2023 10:42:38 UPDATED BY: CINDY @ 02/15/2023 10:43:49
HUSKY FOLLOWING RP WHILE WALKING DOG IS VERY FRIENDLY NO COLLAR WANTS TO STAY WITH RP RP WILL WAIT FOR OFFICER AT 4TH/RUSSELL STS

ENTERED BY: JEANA @ 02/16/2023 09:53:58
803/CITED JOSE ACOSTA FOR DOG AT LARGE

ENTERED BY: JEANA @ 02/16/2023 09:54:18
Name/ACOSTA,JOSE DOB/19591231
Race/ Sex/ Hgt/ Wgt/ Hair/ Eye/ IND/
OLN/790YY4596 OLS/ OLY/ OLT/

Unit Information:

Unit ID	Officer 1		Times Disp	Enrte	Arriv	Clear	Total	Destination	Trans Start	Trans Stop	Mile Start	Mile Stop
803	J1230	02/15/2023	10:42:51	10:42:51	10:47:23	10:59:17	17	LAH W/HUSKY	10:47:41	10:53:39	0.0	0.0
808	(P) M1190	02/15/2023	10:42:50	10:42:50	10:47:17	10:47:48	5				0.0	0.0

DOG AT LARGE

ITEM #:23-006487

DATE: 02/16/2023
REPORT OF: LIEUTENANT JEFF LUNDBERG
TYPE OF ARREST: DOG AT LARGE

ARRESTEE
NAME: JOSE LUIS ACOSTA
ADDRESS: 614 E 7TH ST
STORM LAKE, IA 50588
H. PHONE: 712-749-0392
SSN: [redacted]
RACE: WHITE
SEX: MALE
DOB: 12/31/1959
AGE: 63
HEIGHT: UNKNOWN
WEIGHT: UNKNOWN
EYES: BROWN
HAIR: BLACK
EMPLOYER: UNKNOWN
W. PHONE: UNKNOWN

LOCATION OF ARREST: 614 E 7TH ST, STORM LAKE IA 50588

On Wednesday, February 15, 2023 at 10:42 am Lt. Lundberg responded to the 500 Block of Russell Street on a report of a Husky running at large. Upon arrival Lundberg located a male Husky near the intersection of East 4th and Russell. The dog was transported to LAH where it was determined the dog belonged to Chris Acosta Age 16 who resides at 614 East 7th Street. Staff at LAH further advised the same Husky was brought in by SLPD on January 28, 2023 reference dog at large see item (23-004037).

On Thursday, February 16, 2023 at approximately 10:00 am Lundberg made contact with Chris and his father at their residence located at 614 East 7th Street. The owner of the the dog was identified from an Iowa drivers license as follows,

NAME: Jose Luis Acosta
DOB: 12-31-1959
AGE: 63
SEX: male
SSN: [redacted]
IA OLN: 790-YY-4596
RACE: Hispanic
ADDRESS: 614 East 7th Street
PHONE: 712-749-0392

Acosta was cited for Dog at large 1st offense, Storm Lake City code 8-3-5.

Lieutenant Lundberg /803 / aor

STORM LAKE POLICE DEPT

Call For Service Record

Call #: 24005210	**Lat:** 42.648931	**Lon:** -95.200513		**Police**	**Fire**	**Amb**	**Other**
Premise:			**Grid:**	E27SL	E27SL	E27SL	E27SL
Location: 901 N LAKE AVE			**Beat:**	SEC1	SLFD	SLAM	
City: STORM LAKE	**St:** IA **Zip:** 50588		**CMD Area:**	A	A	A	
Cross Str: W 8TH ST / E 9TH ST			**Area/Agency:**	SLPD	SLFD	SLAM	
Call Type: 52 AMBULANCE CALL			**Priority:**	5		1	

Reporting Party Information

Name: XIONG,LISBETH

Address:

City: **St:** IA **Zip:**

Phone: **Cell:** (712)749-9554

Work Phone:

Disposition: CI TR

Disp Desc: CITATION ISSUED

Actual Type: 52 AMBULANCE CALL

by: DUITSMAN,CHRIS **via:** E911

Received: 02/04/2024 @ 04:18:45

Custody: **Fire Out:** **Pat Contact:**

Remarks: - ALL REMARKS

ENTERED BY: CHRIS @ 02/04/2024 04:18:45 UPDATED BY: CHRIS @ 02/04/2024 04:29:40

RP ON 911 IS A 40YO FEMALE ADVISING SHE TRIED TO RESCUE A DOG THAT ENDED UP BITING RP IN THE ARM. RP SAYS SHE IS BLEEDING BUT IT IS NOT A LOT OF BLOOD. RP IS IN A LOT OF PAIN.... SPOKE WITH RP'S HUSBAND WHO ADVISES THE DOG IS A HUSKY AND IT IS CURRENTLY IN THE RP'S FENCED IN BACK YARD.

ENTERED BY: CHRIS @ 02/04/2024 04:20:34

ENDCE

CMDS4= 1ST PARTY - 40-YEAR-OLD, FEMALE, CONSCIOUS, BREATHING.
ChiefComplaint= ANIMAL BITES / ATTACKS
Problem= RP BITE IN THE ARM BY A DOG

ENTERED BY: CHRIS @ 02/04/2024 04:25:04

DISPATCH
03A04
RESPONSE=CODE 1

Determinant= SUPERFICIAL INJURIES
SHE WAS INJURED/BITTEN BY A DOG.
THE ANIMAL HAS BEEN LOCKED UP OR CAPTURED.
THIS IS AN ANIMAL BITE.
THIS HAPPENED NOW (LESS THAN 6HRS AGO).
THE INJURY IS TO A NOT DANGEROUS AREA.
THERE IS SOME BLEEDING, NOT SERIOUS.
SHE IS RESPONDING NORMALLY (COMPLETELY ALERT).
THE INJURIES ARE SUPERFICIAL.

ENTERED BY: CHRIS @ 02/04/2024 04:25:28

REPEAT PAGE 51

ENTERED BY: CHRIS @ 02/04/2024 04:27:04

51,ENR,BM 0.0

ENTERED BY: CHRIS @ 02/04/2024 04:28:00

COMPLETE

ENTERED BY: CHRIS @ 02/04/2024 04:31:35

51,ARR

ENTERED BY: CHRIS @ 02/04/2024 04:45:57

51,CON,BVRMC,WITH 1 PATIENT,MILEAGE 1.5

ENTERED BY: CHRIS @ 02/04/2024 04:49:17
51/ EM 3.0

ENTERED BY: CHRIS @ 02/04/2024 04:49:27
812 Location updated to 615 ONTARIO ST

ENTERED BY: CHRIS @ 02/04/2024 05:05:10
LIC/KIU095 LIS/ LIY/ LIT/ VIN/
VCO/ VYR/ VMK/ VMO/ VST/

ENTERED BY: CHRIS @ 02/04/2024 05:05:49
812 Location updated to 1116 LINCOLN RD

ENTERED BY: CHRIS @ 02/04/2024 05:10:19
812/ SUBJ NO LONGER LIVES HERE

ENTERED BY: CHRIS @ 02/04/2024 05:10:19 UPDATED BY: CHRIS @ 02/04/2024 05:12:19
Name/FLORES,ALAN RODOLFO DOB/20030621
Race/ Sex/M Hgt/ Wgt/ Hair/ Eye/ IND/
OLN/204AN6773 OLS/IA OLY/2029 OLT/

ENTERED BY: CHRIS @ 02/04/2024 05:11:51
812 Location updated to 508 MAGNOLIA LN

ENTERED BY: CHRIS @ 02/04/2024 05:16:37
812/ 10-8 FROM HERE, THERE DOG IS AT THIS RESIDENCE

ENTERED BY: CHRIS @ 02/04/2024 05:22:09
805/ LOG TRANQ GUN DEPLOYED

ENTERED BY: CHRIS @ 02/04/2024 05:41:07
812/ MADE CONTACT AT 615 ONTARIO ST ADVISING HIS DOG IS AT HOME, GAVE ME A SUBJ THAT HAS A SIMILAR DOG TO HIS ON OAK LN, I'LL BE EN ROUTE THERE

ENTERED BY: CHRIS @ 02/04/2024 05:44:04
805 Location updated to EN ROUTE TO SLPD

ENTERED BY: CHRIS @ 02/04/2024 06:12:17
805/ EN ROUTE TO LAH WITH THIS DOG

ENTERED BY: CHRIS @ 02/04/2024 06:23:45 UPDATED BY: CHRIS @ 02/04/2024 06:24:27
805/ MADE CONTACT WITH THE EMERGENCY VET AND ADVISED THEM THAT THE DOG WAS TRANQUILIZED AND THAT IT IS AGGRESSIVE, I'LL BE OUT AT 901 LAKE AVE

ENTERED BY: CHRIS @ 02/04/2024 06:23:49
805 Location updated to 901 LAKE AVE

ENTERED BY: CHRIS @ 02/04/2024 06:44:48
805/ 10-24, 10-8

ENTERED BY: CINDY @ 02/04/2024 08:24:06 UPDATED BY: CINDY @ 02/04/2024 08:27:09
PAOLA ACOSTA, 614 E 7TH ST, 749-0392 - CHECKING WHY THEY WERE CALLED LAST NIGHT, ASKED IF THEY HAD A HUSKY, PAOLA ADVISED THEY HAVE A BLK/WHI HUSKY, CHECKED AND THE DOG IS NOT THERE / 10-69 TO 806/810 - WILL HEAD OUT THERE IN A MINUTE

ENTERED BY: CINDY @ 02/04/2024 08:52:23 UPDATED BY: CINDY @ 02/04/2024 08:53:29
2 HUSKY CALLS FROM 614 E 7TH ST, 9/15/23 AND 9/13/23 - ON THE 15TH JOSE ACOSTA WAS CITED FOR DOG AT LARGE DOG WAS AGGRESSIVE AT THAT TIME

ENTERED BY: CINDY @ 02/04/2024 08:56:32
810, 806 Location updated to ENR E 7TH ST

ENTERED BY: CINDY @ 02/04/2024 08:56:50
810, 806 Location updated to ENR 614 E 7TH ST

ENTERED BY: CINDY @ 02/04/2024 09:00:56
810, 806 Location updated to ARR 614 E 7TH ST

ENTERED BY: C6456 @ 02/04/2024 19:06:42 UPDATED BY: C6456 @ 02/04/2024 19:08:11
Name/ACOSTA,CHRISTOPHER ALEJANDRO DOB/20070126
Race/ Sex/ Hgt/ Wgt/ Hair/ Eye/ IND/
OLN/656AW0918 OLS/ OLY/ OLT/

ENTERED BY: C6456 @ 02/04/2024 19:07:36
805 Location updated to SLPD

ENTERED BY: SANDY @ 02/04/2024 19:15:32
CHRIS IS AT THE PD ENTRY // 10-69 TO 805

ENTERED BY: C6456 @ 02/04/2024 20:01:42
10-24 10-8

Unit Information:

Unit ID		Officer 1		Times: Disp	Enrte	Arriv	Clear	Total	Destination	Trans Start	Trans Stop	Mile Start	Mile Stop
51			02/04/2024	04:19:22	04:26:58	04:31:32	04:50:42	31	BVRMC	04:45:46	04:49:12	1.5	3.0
805	(P)	**A1127**	02/04/2024	04:19:22		04:23:03	06:45:19	146	LAH	06:12:10	06:20:53	0.0	0.0
805	(P)	**A1127**	02/04/2024	19:06:27		19:07:39	20:01:46	55				0.0	0.0
806		**H7203**	02/04/2024	08:22:57			08:24:15	2				0.0	0.0
806		**H7203**	02/04/2024	08:56:08	08:56:08	09:06:24	09:13:17	17				0.0	0.0
810		**C7168**	02/04/2024	08:22:57			08:24:27	2				0.0	0.0
810		**C7168**	02/04/2024	08:56:10	08:56:10	09:06:26	09:13:18	17				0.0	0.0
812		**J1308**	02/04/2024	04:29:52		04:29:52	05:59:36	90				0.0	0.0
822		**T1004**	02/04/2024	04:29:52		04:29:52	06:25:04	116				0.0	0.0

ITEM #:24-005210

DATE: 02/04/2024
REPORT OF: LIEUTENANT ALYSSA SOLEM
TYPE OF ARREST: IMPOUNDMENT OF DOG - NO VALID RABIES VACCINATION

ARRESTEE
NAME: CHRISTOPHER ACOSTA
ADDRESS: 614 E 7TH ST
STORM LAKE, IA 50588
H. PHONE: 712-638-9499
SSN: [redacted]
RACE: WHITE
SEX: MALE
DOB: 01/26/2007
AGE: 17
HEIGHT: 5'8
WEIGHT: 200
EYES: BROWN
HAIR: BLACK
EMPLOYER: STORM LAKE HIGH SCHOOL STUDENT
W. PHONE: UNKNOWN

LOCATION OF ARREST: 401 E MILWAUKEE AVE, STORM LAKE

On 2/4/24 at approximately 04:18 hours, I, Lt. Solem, was dispatched to 901 Lake Ave. in reference to a subject that had been bit by a loose dog. Upon my arrival on scene I spoke with the following subject:

ARNOLD XIONG
ASIAN/MALE
901 LAKE AVE. STORM LAKE, IA
DOB: 01/17/1997
OLN:586AH1164
WORK: TYSON PORK
PHONE: 712-749-9563

who advised he had the dog within the backyard of his residence and the yard was fenced in. Arnold further advised his wife:

LIZBETH XIONG
HISPANIC/FEMALE
901 LAKE AVE. STORM LAKE, IA
DOB: 08/22/1983

SSN: [redacted]
WORK: TYSON PORK
PHONE: 712-749-9554

had been bitten by the dog in the arm. I observed the following dog:

NIKO
MALE HUSKY
614 E 7TH ST. STORM LAKE, IA

to be in the backyard acting calmly and pacing. Attempts were made to utilize a catch pole, but Niko would not allow officers to get close to it, beginning to growl at officers. Arnold provided some dog food to Niko by dropping it over the fence. Niko then began growling at officers again. After several attempts to make contact with potential owners of the dog, Officer Winey deployed the tranquilizer gun, effectively administering a dose of Dexdomitor to Niko at 05:22 hours. Officers were able to get Niko into SLPD's large dog kennel and transport Niko to Lake Animal Hospital without incident.

I met with Lizbeth and photographed the bite mark to her right arm, it is noted there was significant swelling and bruising observed as well as a singular puncture mark. Lizbeth further sustained scratch marks to her back.

At 08:22 hours, the following subject:

PAOLA ACOSTA
HISPANIC/FEMALE
614 E 7TH ST. STORM LAKE, IA
PHONE: 712-749-0392

called into the Comm. Center stating her dog was loose. It was determined her son:

CHRISTOPHER ACOSTA
HISPANIC/MALE
614 E 7TH ST. STORM LAKE, IA
DOB: 01/26/2007
SSN: [redacted]
STUDENT: SLHS
PHONE: 712-638-9499

is the owner of Niko.

I made contact with Christopher's father:

JOSE LUIS ACOSTA
HISPANIC MALE
DOB: 12/31/1959
614 EAST 7TH ST
STORM LAKE, IA 50588
SSN: [redacted]
WORK: TYSON PORK PLANT
PBX: NONE

and advised him of the situation and ultimately cited him for Dog at Large 3rd Offense reference 8-3-5 of the City Code.

Jose was previously cited for dog at large on 2/15/23 and 9/15/23.

Jose and Christopher have advised they plan to remove Niko from city limits at the completion of the required 10 rabies quarantine to an acreage near Laurens.

Nothing further,

Lieutenant Solem-805 / aor

Acosta was cited and released to his mother with a charge of No Valid Rabies Vaccination reference 351.37 of the Iowa Code, Simple Misdemeanor as Niko's rabies vaccination expired in January of this year.

I contacted Lake Animal Hospital's on-call vet and advised them of the situation and that the dog was aggressive.

A copy of this narrative has been emailed to Public Health.

A copy of the video and pictures of Xiong's injuries have been uploaded to Master Pictures under this case file.

Nothing further,

ITEM #:24-005210

DATE: 02/08/2024
REPORT OF: LIEUTENANT ALYSSA SOLEM
TYPE OF ARREST: DOG AT LARGE

ARRESTEE
NAME: JOSE LUIS ACOSTA
ADDRESS: 614 E 7TH ST
STORM LAKE, IA 50588
H. PHONE: UNKNOWN
SSN: UNKNOWN
RACE: WHITE
SEX: MALE
DOB: 12/31/1959
AGE: 64
HEIGHT: UNKNOWN
WEIGHT: UNKNOWN
EYES: BROWN
HAIR: BLACK
EMPLOYER: UNKNOWN
W. PHONE: UNKNOWN

LOCATION OF ARREST: 614 E 7TH ST, STORM LAKE IA

On 2/8/24, I, Lt. Solem, was advised juveniles cannot be charged with state rabies vaccination violations.

February 21, 2024

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

Mr. Jose Luis Acosta
Mr. Christopher Acosta
614 E. 7th Street,
Storm Lake, IA 50588

Mr. Acosta,

On February 21, 2024, the City of Storm Lake held a hearing as outlined in Section 8-9-9 of the Storm Lake City Code.

A Vicious Animal is defined as:

1. Any animal that has inflicted serious injury on a human being unless the animal was on its owner's premises and either

   a. The animal was being provoked, teased or tormented; or

   b. The victim was trespassing and was more than seven (7) years of age; or

2. Has attacked, and killed or caused disabling injury to other domestic animal without provocation while off the owner's premises; or

3. Is owned or harbored primarily or in part for the purpose of fighting in contests or any animal trained for such fighting. As used herein, serious injury includes any one bite which breaks the skin of the victim.

On February 4, 2024 the Reporting Party was by bitten by your dog at 901 Lake Avenue. A ring doorbell camera showed the incident and indicated the dog was not provoked. When Officers arrived at 901 Lake Avenue, the dog would not allow Officers to get close and would growl. Officer Winey deployed a tranquilizer gun in order to collect and transport your dog to Lake Animal Hospital. At this time, it was determined that your dog did not have a proper rabies vaccination.

On September 15, 2023 your dog was reported loose and tried to bite the Reporting Party's Mother- in Law and also tried to attack the Reporting Party's dogs.

The evidence supports that the dog does meet the definition of a Vicious Animal and will need to be permanently removed from city limits within (3) three days of this letter.

You may appeal this decision. In order to appeal such order, written notice of appeal must be filed with the City Clerk within three (3) days after receipt of the order contained in the notice to remove dangerous animal. Failure to file such written notice of appeal shall constitute a waiver of right to appeal the order of the City Manager.

The notice of appeal shall state the grounds for such appeal and shall be delivered personally or by certified mail to the City Clerk. The hearing of such appeal shall be scheduled within seven (7) days of the receipt of notice of appeal. After such hearing, the City Council may affirm or reverse the order of the City Manager. Such determination shall be contained in a written decision and shall be filed with the City Clerk within three (3) days after the hearing.

If the dog is not removed within three(3) days and no request to appeal has been received, the dog will be seized and shall be impounded for (7) seven days.   If at the end of the impoundment period, the individual has not petitioned the Buena Vista County District Court for a review of said order, the City Manager shall cause the animal to be destroyed in a humane manner.

Keri Navratil
City Manager

21 de febrero de 2024

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

D. José Luis Acosta
Sr. Cristóbal Acosta
614 E. Calle 7,
Lago de la Tormenta, IA 50588

Sr. Acosta,

El 21 de febrero de 2024, la ciudad de Storm Lake celebró una audiencia como se describe en la Sección 8-9-9 del Código de la ciudad de Storm Lake.

Un animal vicioso se define como:

1. Cualquier animal que haya infligido lesiones graves a un ser humano, a menos que el animal se encuentre en las instalaciones de su propietario y

    un. El animal estaba siendo provocado, burlado o atormentado; o

    b. La víctima estaba invadiendo la propiedad y tenía más de siete (7) años de edad; o

2. Ha atacado y matado o causado lesiones incapacitantes a otros animales domésticos sin provocación mientras se encontraba fuera de las instalaciones del propietario; o

3. Es propiedad o se alberga principalmente o en parte con el propósito de pelear en concursos o cualquier animal entrenado para tales peleas. Tal como se utiliza en este documento, las lesiones graves incluyen cualquier mordedura que rompa la piel de la víctima.

El 4 de febrero de 2024, la parte denunciante fue mordida por su perro en 901 Lake Avenue. Una cámara del timbre mostró el incidente e indicó que el perro no fue provocado. Cuando los oficiales llegaron al 901 de Lake Avenue, el perro no permitió que los oficiales se acercaran y gruñía. El oficial Winey desplegó una pistola tranquilizante para recoger y transportar a su perro al Hospital de Animales de Lake. En ese momento, se determinó que su perro no tenía una vacuna antirrábica adecuada.

El 15 de septiembre de 2023 se informó que su perro estaba suelto e intentó morder a la suegra de la parte denunciante y también intentó atacar a los perros de la parte denunciante.

La evidencia respalda que el perro cumple con la definición de un animal vicioso y deberá ser retirado permanentemente de los límites de la ciudad dentro de los (3) tres días posteriores a esta carta.

Puede apelar esta decisión. Para apelar dicha orden, se debe presentar un aviso de apelación por escrito ante el Secretario Municipal dentro de los tres (3) días posteriores a la recepción de la orden contenida en el aviso para retirar animales peligrosos. La falta de presentación de dicha notificación de apelación por escrito constituirá una renuncia al derecho de apelar la orden del Administrador de la Ciudad.

El aviso de apelación indicará los motivos de dicha apelación y se entregará personalmente o por correo certificado al Secretario de la Ciudad. La audiencia de dicha apelación se programará dentro de los siete (7) días posteriores a la recepción de la notificación de apelación. Después de dicha audiencia, el Concejo Municipal puede confirmar o revertir la orden del Administrador de la Ciudad. Dicha determinación estará contenida en una decisión escrita y se presentará ante el Secretario Municipal dentro de los tres (3) días posteriores a la audiencia.

Si el perro no es retirado dentro de los tres (3) días y no se ha recibido ninguna solicitud de apelación, el perro será incautado y será incautado durante (7) siete días. Si al final del período de incautación, el individuo no ha solicitado al Tribunal de Distrito del Condado de Buena Vista una revisión de dicha orden, el Administrador de la Ciudad hará que el animal sea destruido de manera humanitaria.

Keri Navratil
Administrador de la ciudad

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

28 de febrero de 2024

D. José Luis Acosta
Sr. Cristóbal Acosta
614 E. Calle 7,
Lago de la Tormenta, IA 50588

Sr. Acosta,

El 21 de febrero de 2024, el Administrador de la Ciudad celebró una audiencia como se describe en la Sección 8-9-9 del Código de la Ciudad de Storm Lake, momento en el que su perro Niko cumplió con la definición del código de Animal Vicioso. En esta audiencia, usted proporcionó información escrita y verbal en español e inglés sobre cómo apelar la decisión. La apelación debía ser recibida por el Secretario Municipal dentro de los tres (3) días siguientes a la recepción de la orden de fecha 21 de febrero de 2024.

El 27 de febrero de 2024, el Secretario Municipal recibió una apelación por escrito. Aunque esto ya ha pasado la fecha límite, la ciudad de Storm Lake aún permitirá que su apelación avance ante el Concejo Municipal de Storm Lake.

La fecha de la apelación es el 4 de marzo de 2024 a las 5:00 p.m. en el Ayuntamiento, 620 Erie Street. En esta audiencia, se le dará la oportunidad de presentar cualquier información que desee que el Concejo Municipal considere en apoyo de su apelación.

En esta carta se adjuntarán los documentos entregados al Concejo Municipal.

Sinceramente

Keri Navratil
Administrador de la ciudad

Respectable gentlemen of the city council, receive a cordial and warm gree?ng from me. The reason for this is to inform you that the dog was taken out of the city the day a?er the mee?ng we had at the town hall and now wai?ng for the new decision that you can make later taking into account that you were transferred to a ranch in Marathon Iowa and we have to be periodically to visit it because the ranch does not live one to take care of it. I'm wai?ng for your understanding for your decision only Sent from my iPhone

Staff Summary

03/04/2024
Agenda Item # F.3.

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO: Honorable Mayor & Council

FROM: Tyler Gibbins Staff Accountant

SUBJECT: **Motion to Approve a LED Lighting Upgrade Proposal from ROI Energy**

BACKGROUND: Mid American introduced a new incentive program that seeks to expedite the adoption of LED lighting among owners of small to mid-sized facilities in their service territory. ROI Energy, a partner of Mid American Energy, has completed a full assessment of City facilities and confirmed eligibility of the Mid American incentives.

The attached LED Lighting Upgrade proposal is a turnkey proposal including all documentation, materials, lifts, labor/installation, and disposal of old fixtures. The proposal is all inclusive of interior and exterior lighting for 8 different City Facilities: City Hall, Library, Public Services, Fire Department, Airport, Water Water Plant, Water Plant, and Police Department.

As a partner of Mid American, ROI Energy works directly with Mid American on the City's behalf to acquire and collect the incentives, leaving the City's obligation to the project the "% Customer Funded" of $95,105. Above the incentives provided by Mid American Energy, completing these projects is anticipated to have an annual energy savings of roughly $20,000.

During the assessment, the Library existing skylight type panels appear to be in disrepair. ROI Energy has provided an alternate in the proposal (page 18-20) which would upgrade the existing fixtures with 2x2 recessed LED fixtures and replace the existing panels with ceiling tiles.

Fixtures included in the proposal have a 5-year warranty, excluding the screw-in lamps and downlight fixtures.

FISCAL IMPACT: The cost of the project, including the alternate to install ceiling tile at the library, is $188,359 with the City's portion of $95,105 from Franchise

Fees. Acquisition of the new ceiling panels at the library is anticipated to cost $5,000.

RECOMMENDATION: Motion to approve the alternative option of the LED Lighting Proposal from ROI Energy including the acquisition of new ceiling tile replacements and authorized the City Manager to execute necessary ROI Energy and Mid American Energy documents.

ATTACHMENTS:

Storm Lake Proposal

City of Storm Lake

Revised LED Lighting Upgrade Proposal

Feb. 14, 2024

Nick Kent
Director of Business Development

712.541.3753
nick.kent@roi.energy

ROI ENERGY

ROI ENERGY

Comprehensive LED Lighting Upgrade

All Interior & Exterior Lighting

Update Antiquated Lighting Systems

- Install LED lighting throughout 8 facilities:
  - City Hall
  - Public Library
  - Public Works
  - Fire Department
  - Airport
  - Wastewater Plant
  - Water Plant
  - Police Department
- Eliminate ballasts and upgrade all fixtures
- Consistent light colors
- Increased light levels

Maximized Financial Benefit

- Generates over $19,000 in annual savings
- MidAmerican Energy funds 50% of installed cost
- Lighting costs reduced 60+%
- Reduced maintenance – new LEDs last over 15 years

Project Summary	
Total Project Cost	$181,722
- Incentives	*-$89,404*
Customer Cost	**$92,318**
% Customer Funded	51%
Annual Savings	$19,797
Payback (Years)	4.66
Annual Cash-on-Cash	21%
Lifetime Cash Return	$235,097

ROI ENERGY

Comprehensive LED Lighting Upgrade

Turnkey Implementation

Solution Description	Quantity	Annual Savings	Sale Price	Incentive Available	Customer Cost	Payback
High-Bay Fixtures						
Replace with LED UFO high-bay fixture	109	$3,186	$62,398	$43,600	$18,798	5.90
LED Interior Fixtures						
Replace with 2x2 recessed LED fixture	24	$194	$4,592	$1,440	$3,152	16.26
Replace with 2x4 recessed LED fixture	142	$3,691	$21,955	$8,520	$13,435	3.64
Replace with 4ft surface-mount LED fixture	53	$1,514	$20,474	$14,310	$6,164	4.07
Replace with 4ft vapor-tight LED fixture	27	$360	$10,425	$7,290	$3,135	8.70
Replace with 8ft surface-mount LED fixture	27	$1,360	$10,419	$7,290	$3,129	2.30
Replace with wall-mount LED vanity light	3	$28	$542	$0	$542	19.19
Replace with LED downlight fixtures	49	$296	$5,923	$129	$5,794	19.61
TLED Retrofit with Ballast Bypass						
Bypass ballast and install 4ft T8 TLEDs	383	$6,714	$38,606	$4,275	$34,331	5.11
Screw-ins and Pin-Based						
Relamp with LED screw-in bulb	17	$384	$116	$0	$116	0.30
Exterior Fixtures						
Replace with dusk-til-dawn barn-style LED fixture	2	$454	$632	$300	$332	0.73
Replace with LED canopy fixture	9	$74	$2,586	$900	$1,686	22.74
Replace with LED exterior pole fixture	4	$725	$1,486	$600	$886	1.22
Replace with LED wallpack	5	$816	$1,282	$750	$532	0.65
EM Backup Lighting						
Install emergency LED driver to power recessed panel	2	$0	$286	$0	$286	n/a
PROJECT TOTALS		**$19,797**	**$181,722**	**$89,404**	**$92,318**	**4.66**

ROI ENERGY

Measure 1: LED High Bay Fixtures

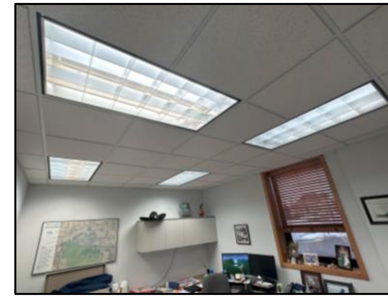
Install UFO LED High Bay Fixtures

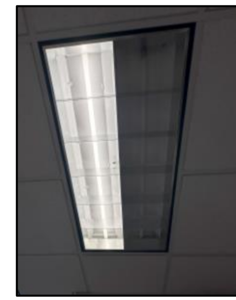
- 1:1 replacement of high bay fluorescent fixtures with UFO high-bay fixtures
- Fixtures are wattage selectable

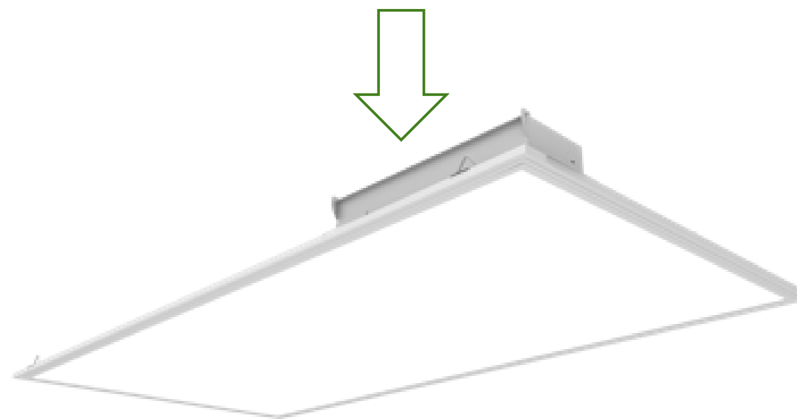
Benefits

- Reduce lighting energy use by 60%
- 50,000-hour fixture life eliminates maintenance costs for 15-20 years
- Maintain or increase light levels
- Create consistent color
- Designed to maximize incentives
- Aesthetically attractive new fixtures
- 5-year manufacturers' warranty

Measure 2: LED Interior Fixtures







Install 2x4 Recessed LED Panels

- 1:1 replacement of recessed 2x4 fluorescent fixtures with LED panels
- Fixtures are wattage and color selectable

Benefits

- Reduce lighting energy use by 60%
- 50,000-hour fixture life eliminates maintenance costs for 15-20 years
- Maintain or increase light levels
- Create consistent color
- Aesthetically attractive new fixtures
- 5-year manufacturers’ warranty

ROI ENERGY

Measure 2: LED Interior Fixtures

Install 2x2 Recessed LED Panels

- Upgrade existing recessed 2x2 fluorescent fixtures with LED panels
- Upgrade certain can fixtures with LED panels

Benefits

- Reduce lighting energy use by 60%
- 50,000-hour fixture life eliminates maintenance costs for 15-20 years
- Eliminate all existing ballasts
- Maintain or increase light levels
- Create consistent color
- Aesthetically attractive new fixtures
- 5-year manufacturers' warranty
- Fixtures are wattage and color selectable

Measure 2: LED Interior Fixtures

Install Surface-Mount LED Strips

- Replace Fluorescent fixtures with linear LED strip fixtures

Benefits

- Reduce lighting energy use by 60%
- 50,000-hour fixture life eliminates maintenance costs for 15-20 years
- Eliminate all existing ballasts
- Maintain or increase light levels
- Create consistent color
- Aesthetically attractive new fixtures
- 5-year manufacturers' warranty
- Fixtures are wattage and color selectable

Measure 2: LED Interior Fixtures

Install LED Downlight Fixtures

- Upgrade all interior can lights
- Eliminate all ballasts and lamps

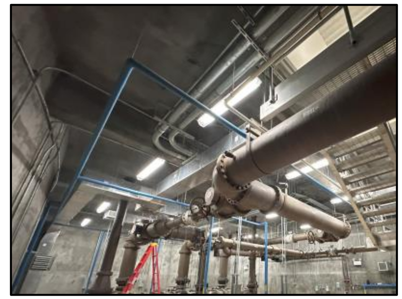
Benefits

- Reduce lighting energy use by 60%
- 30,000-hour fixture life eliminates maintenance costs for 10-15 years
- Aesthetically attractive new fixtures
- Maintain or increase light levels
- No ballast mean zero maintenance
- 3-year manufacturers' warranty
- Fixtures are wattage and color selectable

Measure 2: LED Interior Fixtures

Install LED Vapor-Tight Fixtures

- 1:1 replacement of vapor-tight fixtures
- Eliminate ballasts and fluorescent lamps

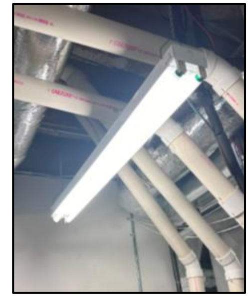


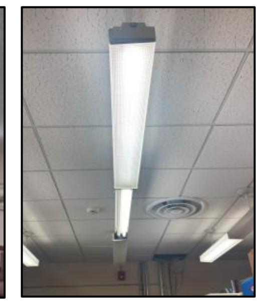
Benefits

- Reduce lighting energy use by 60%
- 50,000-hour fixture life eliminates maintenance costs for 15-20 years
- Maintain or increase light levels
- Create consistent color
- Aesthetically attractive new fixtures
- 5-year manufacturers' warranty
- Fixtures are wattage and color selectable

ROI ENERGY

Measure 3: TLED Retrofits



Bypass Ballast and Install TLED Tubes

- Install new TLED tubes
- Addresses non-recessed fluorescent tubes
- Eliminate all existing ballasts
- 1-for-1 replacements

Benefits

- Reduce lighting energy use by 60%
- 50,000-hour lamp life eliminates maintenance costs for 15-20 years
- Maintain or increase light levels
- Create consistent color
- Maximizes incentives and payback
- No ballasts means zero maintenance
- 5-year manufacturers’ warranty

Measure 4: Screw-In Lamps

1:1 Replacement Screw-in Lamps

- Simple plug-and-play installation
- A-type and BR-type lamps

Benefits

- Reduce lighting energy use by 60%
- 30,000-hour lamp life eliminates maintenance costs for 10-15 years
- Immediate energy savings
- Maintain or increase light levels

Measure 5: Exterior Fixtures

Install LED Wall Packs

- Replace HID wall packs with energy-efficient LED fixtures

Install LED Pole Fixtures

- Replace existing HID pole fixtures with LED pole fixtures

Benefits

- 50,000-hour fixture life eliminates maintenance costs for 10+ years
- Much brighter exterior lighting
- No ballast means zero maintenance
- 5-year manufacturers' warranty
- Fixtures are wattage selectable
- Include integrated photocell

Measure 5: Exterior Fixtures

Install LED Barn-Style Fixtures

- Replace metal halide barn-style fixtures with energy-efficient LED fixtures

Benefits

- 50,000-hour fixture life eliminates maintenance costs for 10+ years
- Much brighter exterior lighting
- Reduce energy and maintenance costs
- Aesthetically attractive new fixtures
- No ballast means zero maintenance
- 5-year manufacturers' warranty
- Fixtures are wattage selectable
- Include integrated photocell

ROI ENERGY

Project Scope – by Facility

City Hall

Solution Description	Quantity	Annual Savings	Sale Price	Incentive Available	Customer Cost	Payback
City Hall						
Replace with 2x4 recessed LED fixture	113	$2,614	$17,446	$6,780	$10,666	4.08
Replace with 2x2 recessed LED fixture	7	-$11	$887	$420	$467	-42.53
Bypass ballast and install 2 4ft T8 TLEDs	15	$239	$1,477	$150	$1,327	5.56
Replace with 6" LED downlight fixture	47	$203	$5,676	$115	$5,560	27.40
Replace with 2ft wall-mount LED vanity light	1	$5	$155	$0	$155	28.16
Replace with 8ft surface-mount LED fixture	1	$4	$382	$270	$112	26.02
Replace with 4ft surface-mount LED fixture	3	$51	$1,169	$810	$359	7.10
Replace with LED wallpack	3	$371	$769	$450	$319	0.86
Replace with 8" LED downlight fixture	1	$88	$126	$11	$115	1.31
Install emergency LED driver to power recessed p	2	$0	$286	$0	$286	n/a
PROJECT TOTALS		**$3,565**	**$28,374**	**$9,006**	**$19,367**	**5.43**

ROI ENERGY

Project Scope – by Facility

Public Library & Public Works Department

Solution Description	Quantity	Annual Savings	Sale Price	Incentive Available	Customer Cost	Payback
Library						
Bypass ballast and install 2 4ft T8 TLEDs	284	$4,458	$27,957	$2,840	$25,117	5.63
Replace with 4ft wall-mount LED vanity light	2	$23	$388	$0	$388	17.03
Replace with 2x4 recessed LED fixture	19	$656	$2,954	$1,140	$1,814	2.76
Relamp with LED screw-in BR bulb	7	$148	$51	$0	$51	0.35
Relamp with LED screw-in A bulb ~10 watts	10	$235	$64	$0	$64	0.27
Replace with LED canopy fixture	9	$74	$2,586	$900	$1,686	22.74
Replace with 2x2 recessed LED fixture	11	$130	$2,086	$660	$1,426	11.01
PROJECT TOTALS		**$5,725**	**$36,086**	**$5,540**	**$30,546**	**5.34**

Solution Description	Quantity	Annual Savings	Sale Price	Incentive Available	Customer Cost	Payback
Public Works Building						
Replace with LED UFO high-bay fixture	26	$578	$15,002	$10,400	$4,602	7.97
Replace with 4ft surface-mount LED fixture	50	$1,464	$19,304	$13,500	$5,804	3.97
Replace with 8ft surface-mount LED fixture	26	$1,356	$10,036	$7,020	$3,016	2.23
Replace with 2x4 recessed LED fixture	6	$283	$933	$360	$573	2.03
Bypass ballast and install 4 4ft T8 TLEDs	2	$63	$237	$40	$197	3.14
PROJECT TOTALS		**$3,742**	**$45,513**	**$31,320**	**$14,193**	**3.79**

ROI ENERGY

Project Scope – by Facility

Wastewater Department & Airport

Solution Description	Quantity	Annual Savings	Sale Price	Incentive Available	Customer Cost	Payback
Wastewater Department						
Replace with 2x4 recessed LED fixture	4	$138	$622	$240	$382	2.76
Replace with 6" LED downlight fixture	1	$4	$121	$2	$118	27.40
Bypass ballast and install 4 4ft T8 TLEDs	1	$31	$119	$20	$99	3.14
Replace with 4ft vapor-tight LED fixture	27	$360	$10,425	$7,290	$3,135	8.70
Bypass ballast and install 2 4ft T8 TLEDs	22	$345	$2,166	$220	$1,946	5.63
Replace with LED wallpack	1	$223	$256	$150	$106	0.48
PROJECT TOTALS		**$1,102**	**$13,709**	**$7,922**	**$5,786**	**5.25**

Solution Description	Quantity	Annual Savings	Sale Price	Incentive Available	Customer Cost	Payback
Airport						
Bypass ballast and install 2 4ft T8 TLEDs	7	$110	$689	$70	$619	5.63
Bypass ballast and install 4 4ft T8 TLEDs	12	$377	$1,423	$240	$1,183	3.14
Replace with LED UFO high-bay fixture	58	$2,151	$33,084	$23,200	$9,884	4.60
Replace with dusk-til-dawn barn-style LED fixture	2	$454	$632	$300	$332	0.73
Replace with LED wallpack	1	$223	$256	$150	$106	0.48
PROJECT TOTALS		**$3,314**	**$36,085**	**$23,960**	**$12,125**	**3.66**

ROI ENERGY

Project Scope – by Facility

Fire Department, Police Department, & Water Plant

Solution Description	Quantity	Annual Savings	Sale Price	Incentive Available	Customer Cost	Payback
Fire Department						
Bypass ballast and install 4 4ft T8 TLEDs	25	$785	$2,965	$500	$2,465	3.14
Replace with 2x2 recessed LED fixture	6	$75	$767	$360	$407	5.41
PROJECT TOTALS		**$860**	**$3,733**	**$860**	**$2,873**	**3.34**

Solution Description	Quantity	Annual Savings	Sale Price	Incentive Available	Customer Cost	Payback
Police Department						
Bypass ballast and install 3 4ft T8 TLEDs	9	$212	$982	$135	$847	4.00
Replace with LED exterior pole fixture	4	$725	$1,857	$600	$1,257	1.73
PROJECT TOTALS		**$937**	**$2,839**	**$735**	**$2,104**	**2.25**

Solution Description	Quantity	Annual Savings	Sale Price	Incentive Available	Customer Cost	Payback
Water Plant						
Replace with LED UFO high-bay fixture	25	$458	$14,312	$10,000	$4,312	9.42
Bypass ballast and install 2 4ft T8 TLEDs	6	$94	$591	$60	$531	5.63
PROJECT TOTALS		**$552**	**$14,902**	**$10,060**	**$4,842**	**8.78**

ROI ENERGY

Alternate: Upgrade Library Ceiling

Install 2x2 LED Panels & Ceiling Tile in Lieu of Ballast Bypass

Solution Description	Quantity	Annual Savings	Sale Price	Incentive Available	Customer Cost	Payback
High-Bay Fixtures						
Replace with LED UFO high-bay fixture	109	$3,186	$62,398	$43,600	$18,798	5.90
LED Interior Fixtures						
Replace with 2x2 recessed LED fixture and surrounding ceiling tiles	133	$5,672	$37,709	$7,980	$29,729	5.24
Replace with 2x4 recessed LED fixture	142	$3,691	$21,955	$8,520	$13,435	3.64
Replace with 4ft surface-mount LED fixture	53	$1,514	$20,474	$14,310	$6,164	4.07
Replace with 4ft vapor-tight LED fixture	27	$360	$10,425	$7,290	$3,135	8.70
Replace with 8ft surface-mount LED fixture	27	$1,360	$10,419	$7,290	$3,129	2.30
Replace with wall-mount LED vanity light	3	$28	$542	$0	$542	19.19
Replace with LED downlight fixtures	49	$296	$5,923	$129	$5,794	19.61
TLED Retrofit with Ballast Bypass						
Bypass ballast and install 4ft T8 TLEDs	114	$2,491	$12,126	$1,585	$10,541	4.23
Screw-ins and Pin-Based						
Relamp with LED screw-in bulb	17	$384	$116	$0	$116	0.30
Exterior Fixtures						
Replace with dusk-til-dawn barn-style LED fixture	2	$454	$632	$300	$332	0.73
Replace with LED canopy fixture	9	$74	$2,586	$900	$1,686	22.74
Replace with LED exterior pole fixture	4	$725	$1,486	$600	$886	1.22
Replace with LED wallpack	5	$816	$1,282	$750	$532	0.65
EM Backup Lighting						
Install emergency LED driver to power recessed panel	2	$0	$286	$0	$286	n/a
PROJECT TOTALS		**$21,052**	**$188,359**	**$93,254**	**$95,105**	**4.52**

Alternate Measure 1: Install 2x2 LED Panels & Ceiling Tile

Install 2x2 Recessed LED Panels

- Upgrade existing recessed 2x2 fluorescent fixtures with LED panels
- Install customer-provided tiles into existing ceiling grid

Benefits

- Reduce lighting energy use by 60%
- 50,000-hour fixture life eliminates maintenance costs for 15-20 years
- Eliminate all existing ballasts
- Maintain or increase light levels
- Aesthetically attractive new fixtures
- 5-year manufacturers' warranty
- Fixtures are wattage and color selectable

Project Scope – by Facility

Public Library

Solution Description	Quantity	Annual Savings	Sale Price	Incentive Available	Customer Cost	Payback
Library						
Replace with 2x2 recessed LED fixture and surrounding ceiling tiles	120	$5,608	$35,219	$7,200	$28,019	5.00
Bypass ballast and install 2 4ft T8 TLEDs	15	$235	$1,477	$150	$1,327	5.63
Replace with 4ft wall-mount LED vanity light	2	$23	$388	$0	$388	17.03
Replace with 2x4 recessed LED fixture	19	$656	$2,954	$1,140	$1,814	2.76
Relamp with LED screw-in BR bulb	7	$148	$51	$0	$51	0.35
Relamp with LED screw-in A bulb ~10 watts	10	$235	$64	$0	$64	0.27
Replace with LED canopy fixture	9	$74	$2,586	$900	$1,686	22.74
PROJECT TOTALS		**$6,980**	**$42,739**	**$9,390**	**$33,349**	**4.78**

ROI ENERGY

Next Steps

1. Authorize ROI Energy to Proceed

- ROI submits signed application documents to MidAmerican Energy
- Finalize installation agreement for selected scope

2. Complete Project Installation

- ROI Energy provides approved materials
- Materials received on-site
- Install new fixtures and other materials

3. Finalize Documentation & Payments

- ROI Energy completes final incentive application
- Incentive reimbursement sent directly to ROI Energy
- Make applicable copayment

No payment until project is 100% complete

All incentive funds are paid directly to ROI Energy – customer does not await repayment

City of Sheldon

- Upgrade interior and exterior lighting at 10 City sites
- Replace 65 high bay fixtures with LED fixtures
- Install 600 modern LED panels and downlights
- Bypass all ballasts install 300 TLED lamps
- Install new exterior pole, canopy, and wall pack fixtures
- Utility incentives funded nearly 40% of installed cost
- Multiple local electricians provided installation services
- New lighting expected to last nearly 20 years

A look at the Project *by the Numbers*

Project Summary	
Total Project Cost	$183,032
- Utility Incentives	*-$67,983*
Customer Cost	**$115,049**
% Customer Funded	63%
Annual Electric Savings	$29,631
Payback (Years)	3.88
Annual Cash-on-Cash	26%
Lifetime Cash Return	$427,198

City of Ida Grove

- Upgrade lighting in five City facilities
- Install 45 UFO high bay LED fixtures
- Upgrade 200 fluorescent fixtures to LED
- Retrofit 50 fluorescent lamps to TLEDs
- Upgrade exterior fixtures to LED
- Utility incentives funded over 50% of project
- New lighting expected to last 15+ years
- ROI Energy completed all work on turnkey basis

A look at the Project *by the Numbers*

Project Summary	
Total Project Cost	$75,853
- Utility Incentives	*-$40,214*
Customer Cost	**$35,639**
% Customer Funded	47%
Annual Electric Savings	$9,627
Payback (Years)	3.70
Annual Cash-on-Cash	27%
Lifetime Cash Return	$128,020

City of Charles City

- Upgraded interior and exterior lighting at eight City sites
- Replaced 50 high bay fixtures with linear LED fixtures
- Install new LED panel fixtures in office areas
- Bypass ballasts and install 150 TLED lamps
- Upgraded over 100 sidewalk pole fixtures to LED
- ROI Energy completed project on a turnkey basis
- Utility incentives funded 35% of project
- New lighting expected to last nearly 20 years

A look at the Project *by the Numbers*

Project Summary	
Total Project Cost	$62,193
- Utility Incentives	*-$22,433*
Customer Cost	**$39,760**
% Customer Funded	64%
Annual Electric Savings	$9,808
Payback (Years)	4.05
Annual Cash-on-Cash	25%
Lifetime Cash Return	$153,458

City of Hospers

- Modernize lighting at 10 City buildings
- Install 12 high bay LED fixtures
- Upgrade 80 fixtures to attractive LED panels
- Bypass ballasts and install 100 TLED lamps
- Upgrade baseball field lighting to LED fixtures
- Replace exterior fixtures with new LED fixtures
- Utility incentives funded nearly 25% of project
- New lighting expected to last 15+ years

A look at the Project *by the Numbers*

Project Summary	
Total Project Cost	$67,812
- Utility Incentives	*-$16,050*
Customer Cost	**$51,762**
% Customer Funded	76%
Annual Electric Savings	$6,199
Payback (Years)	8.35
Annual Cash-on-Cash	12%
Lifetime Cash Return	$62,920

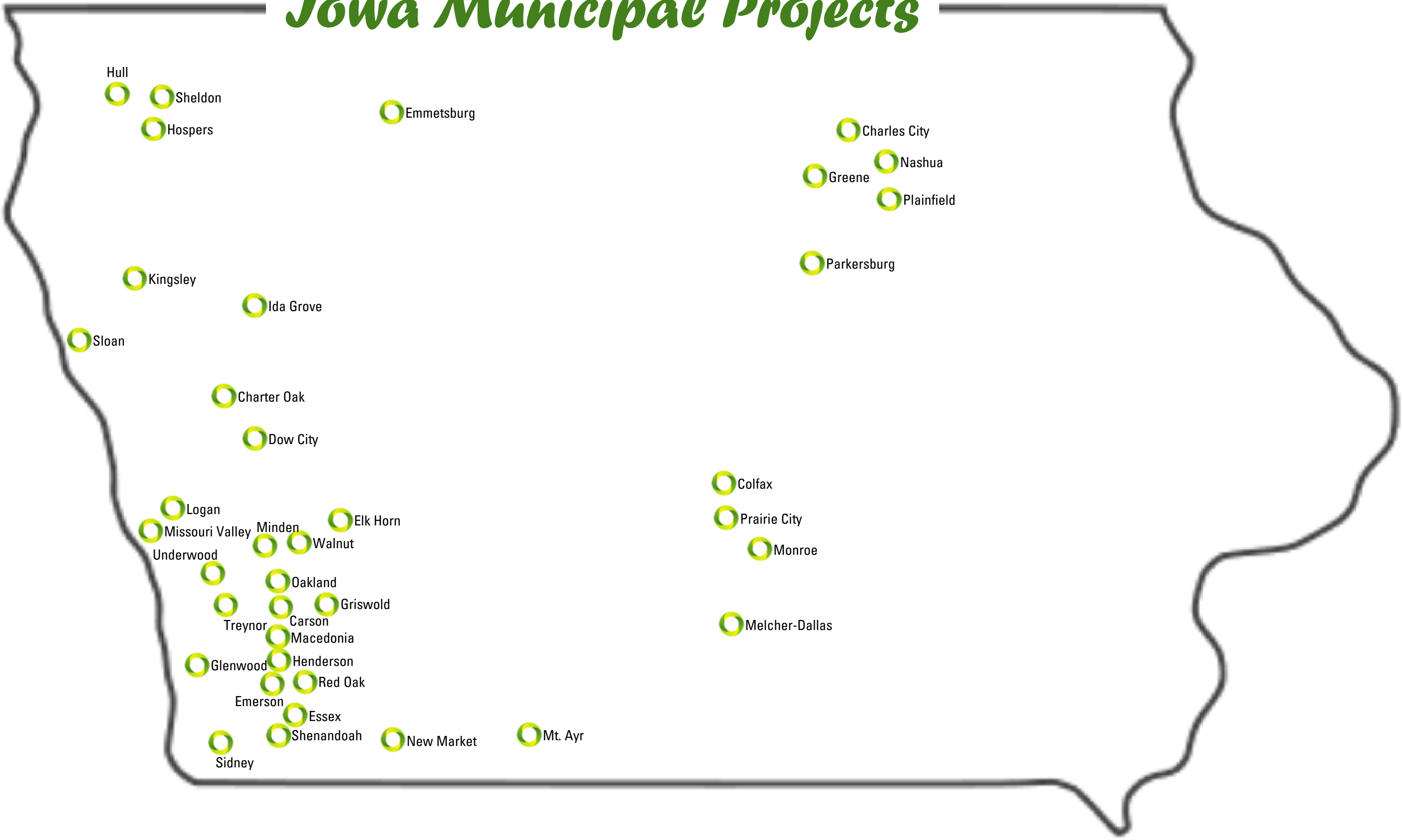
City of Kingsley

- Upgrade lighting at Community Building and City Shop
- Replaced 15 high-bay fixtures with LED high bays
- Upgrade Fire Station to new linear LED fixtures
- Install 100 recessed and surface-mount LED panels
- Retrofit fluorescent lamps to TLEDs
- Upgrade exterior fixtures to LED
- Utility incentives funded over 50% of project
- New lighting expected to last 20+ years

A look at the Project *by the Numbers*

Project Summary	
Total Project Cost	$42,713
- Utility Incentives	*-$22,790*
Customer Cost	**$19,923**
% Customer Funded	47%
Annual Electric Savings	$2,965
Payback (Years)	6.72
Annual Cash-on-Cash	15%
Lifetime Cash Return	$50,644

Iowa Municipal Projects



Staff Summary

03/04/2024
Agenda Item # F.4.

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO:	Honorable Mayor & Council
FROM:	Matt Beckman Public Works Director
SUBJECT:	**Public Hearing on The Matter of The Adoption of Plans, Specifications, Form of Contract and Estimate of Cost for the Construction of The Storm Lake Elevated Water Tower No.5.**
BACKGROUND:	Tower 5 is a 1.75 MG storage tank located at 228 Mae St. that will replace Tower 1(750,000 gallons) and will add 1,000,000 gallons of storage to the city distribution system.
FISCAL IMPACT:	There is no fiscal impact for holding the public hearing.
RECOMMENDATION:	Open Public Hearing Accept Oral or Written Comments Close Public Hearing

ATTACHMENTS:

1. _Notice_of_Public_Hearing.pdf

NOTICE OF PUBLIC HEARING

NOTICE OF PUBLIC HEARING ON PROPOSED DRAWINGS AND SPECIFICATIONS, FORM OF CONTRACT AND ESTIMATE OF COST FOR THE CONSTRUCTION OF STORM LAKE ELEVATED WATER TOWER NO. 5 FOR THE CITY OF STORM LAKE, IOWA

Notice is hereby given that the City Council of Storm Lake, Iowa, will meet at 620 Erie Street, Storm Lake, Iowa, on the **4th day of March 2024, at 5:00 p.m.**, at which time and place a hearing will be held on the proposed plans and specifications, form of contract and estimate of cost for the Storm Lake Elevated Water Tower No. 5, Storm Lake, Iowa in and for said City. Any interested person may appear at said hearing and file objections to the proposed plans, specifications, form of contract and estimated costs for said improvements.

The general description of types of construction and their limits for which bids will be received shall be as follows:

Storm Lake Elevated Water Tower No. 5

The Work generally consists of all materials, equipment, and labor necessary to construct a new 1,750,000-gallon composite style elevated tank at 228 Mae Street, Storm Lake, Iowa 50588. The work includes, but is not limited to, all site piping to connect the tank into the existing distribution system, site excavation, grading, and surface restoration. The work also includes electrical and controls improvements including extension of City of Storm Lake fiber optic infrastructure.

Plans and specifications governing the construction of the proposed improvements have been prepared by the Engineer. These plans and specifications, and the proceedings of the City referring to and defining said improvements, are hereby made a part of this Notice and the proposed contract by reference, and the proposed contract shall be executed to comply therewith.

Published upon order of the City of Storm Lake, Iowa.

CITY OF STORM LAKE, IOWA

BY /s/ Mike Porsch
Mayor

ATTEST:

BY /s/ Keri Navratil
City Manager

Staff Summary

03/04/2024
Agenda Item # F.5.

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO:	Honorable Mayor & Council
FROM:	Matt Beckman Public Works Director
SUBJECT:	**Resolution No. 30-2023-2024 Adopting Plans, Specifications, Form Of Contract And Estimate Of Cost For The Storm Lake Elevated Water Tower No. 5**
BACKGROUND:	This Resolution is to Adopt Plans, Specifications, Form of Contract and Estimate of cost for the Storm Lake Elevated Water Tower No.5. Tower No. 5 is a 1.75 MG storage tank located at 228 Mae St. that will replace Tower 1(750,000 gallons) and will add 1,000,000 gallons of storage to the city distribution system.
FISCAL IMPACT:	There is no fiscal impact for approving Resolution No. 30-R-2023-2024
RECOMMENDATION:	Approve Resolution No. 30-R-2023-2024 Adopting Plans, Specifications, Form of Contract and Estimate of the cost for the Storm Lake Elevated Water Tower No. 5.

ATTACHMENTS:

Resolution No. 30-R-2023-2024 - Resolution Adopting Plans, Specifications, Form of Contract and Estimate of Cost - Water Tower 5.docx

RESOLUTION NO. 30-R-2023-2024

RESOLUTION ADOPTING PLANS, SPECIFICATIONS, FORM OF CONTRACT AND ESTIMATE OF COST FOR THE STORM LAKE ELEVATED WATER TOWER NO. 5

WHEREAS, on the 4th day of March, 2024, plans, specifications, form of contract and estimate of cost were filed with the Clerk for the construction of certain public improvements described in general as the Storm Lake Elevated Water Tower No. 5; and

WHEREAS, notice of hearing on plans, specifications, form of contract and estimate of cost for the public improvements was published as required by law.

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

Section 1. That the plans, specifications, form of contract and estimate of cost are hereby approved as the plans, specifications, form of contract and estimate of cost for the public improvements, as described in the preamble of this Resolution.

PASSED AND APPROVED this 4th day of March, 2024.

____
Michael Porsch, Mayor

ATTEST:

____
Mayra A. Martinez, City Clerk

Staff Summary

03/04/2024
Agenda Item # F.6.

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO: Honorable Mayor & Council

FROM: Matt Beckman Public Works Director

SUBJECT: **Resolution No. 31-R-2023-2024 Making Award of Construction Contract to Landmark Structures Low Base Bid For Elevated Water Tower No. 5.**

BACKGROUND: Bid were received for Elevated Water Tower No. 5 project on Thursday, February 22, 2024, and opened at 2:00 pm. Three bids were received for the project. A detailed bid tabulation is attached.

The low base bid of $6,624,000.00 from Landmark Structures is below the Engineer's Estimate of cost of $6,691,015.00. ISG has worked with Landmark Structures on a similar project and Landmark Structures has proven to be responsive and competent. Additionally, ISG has confirmed that the bid from Landmark Structures is complete and thorough.

FISCAL IMPACT: The project will be funded through the Iowa Drinking Water State Revolving Loan Fund (SRF). The SRF is a low interest loan over a 20-year term and a portion of the revenues generated from customer waste rates are dedicated toward the annual SRF loan payment. The Tower No. 5 SRF loan payment has already been accounted in the City's current water rate structure.

RECOMMENDATION: Approve Resolution No. 31-R-2023-2024 Awarding Construction Contract to Landmark Structures Low Base Bid for Elevated Water Tower No. 5.

ATTACHMENTS:

- **Engineers Recommendation - ISG**
- **Resolution No. 31-R-2023-2024 - Making Award of Construction Contract and Bond for Water Tower No. 5.docx**

FEBRUARY 23, 2024

Mr. Matt Beckman
City of Storm Lake
620 Erie Street
Storm Lake, IA 50588

ISG

RE: RECOMMENDATION OF AWARD, ELEVATED WATER TOWER NO. 5

Dear Mr. Beckman,

Bids were received for the Storm Lake Elevated Water Tower No. 5 project on Thursday, February 22, 2024 and opened at 2:00 pm. Three bids were received for the project. A detailed bid tabulation is attached, and a summary is provided below:

CONTRACTOR		BASE BID
Landmark Structures I, LP	Fort Worth, TX	$ 6,624,000.00
Phoenix Fabricators & Erectors, LLC	Avon, IN	$ 7,392,098.00
CB&I Storage Tank Solutions, LLC	Plainfield, IL	$ 8,175,000.00
ENGINEER'S ESTIMATE		$ 6,691,015.00

The low base bid of $6,624,000.00 from Landmark Structures is below the Engineer's Estimate of cost. ISG has worked with Landmark Structures on a similar project and Landmark Structures has proven to be responsive and competent. Additionally, ISG has confirmed that the bid from Landmark Structures is complete and thorough. Therefore, ISG recommends accepting the low Base Bid of $6,624,000.00 and award the construction contract to Landmark Structures I, LLP of Fort Worth, TX.

If there are any questions regarding this recommendation, please contact us at 712.732.7745.

Sincerely,

Lenny Larson, P.E.
Water/Wastewater Group Leader
Lenny.Larson@ISGInc.com

Tom Grafft
Water/Wastewater Group Leader
Tom.Grafft@ISGInc.com

Encl: Bid Tabulation

Bid Tabulation

ELEVATED WATER TOWER NO. 5

Storm Lake, Iowa

Project Number: 26311

Bid Letting Time + Date: 2:00 p.m., February 22, 2024

Bid Letting Location: Storm Lake City Hall, 620 Erie Street, Storm Lake, Iowa

I HEREBY CERTIFY THAT THIS IS A TRUE AND ACCURATE ACCOUNT OF BIDS RECEIVED. Date: 02/23/2022 License Number: 24128				LANDMARK STRUCTURES I, LP FORT WORTH, TX		PHOENIX FABRICATORS & ERECTORS, LLC AVON, IN		CB&I STORAGE TANK SOLUTIONS, LLC PLAINFIELD, IL		ENGINEER'S ESTIMATE	
Item No.	Construction Item	Unit	Quantity	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount
1	ELEVATED WATER TOWER NO. 5	LS	1	$ 6,624,000.00	$ 6,624,000.00	$ 7,392,098.00	$ 7,392,098.00	$ 8,175,000.00	$ 8,175,000.00	$ 6,691,015.00	$ 6,691,015.00
	Total Construction Cost			$	6,624,000.00	$	7,392,098.00	$	8,175,000.00	$	6,691,015.00

RESOLUTION NO. 31-R-2023-2024

RESOLUTION MAKING AWARD OF CONSTRUCTION CONTRACT FOR THE STORM LAKE ELEVATED WATER TOWER NO. 5

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

Section 1. That the following bid for the construction of certain public improvements described in general as the Storm Lake Elevated Water Tower No. 5, described in the plans and specifications heretofore adopted by this Council on March 4, 2024, be and is hereby accepted, the same being the lowest responsive, responsible bid received for such work, as follows:

Contractor: Landmark Structures 1, LP of Fort Worth, TX

Amount of bid: $6,624,000.00

Portion of project: All construction work

Section 2. That the Mayor and Clerk are hereby directed to execute the contract with the contractor for the construction of the public improvements, such contract not to be binding on the City until approved by this Council.

PASSED AND APPROVED this 4th day of March, 2024.

Michael Porsch, Mayor

ATTEST:

Mayra A. Martinez, City Clerk

CERTIFICATE

STATE OF IOWA)
) SS
COUNTY OF BUENA VISTA)

I, the undersigned City Clerk of the City of Storm Lake, State of Iowa, do hereby certify that attached is a true and complete copy of the portion of the records of the City showing proceedings of the Council, and the same is a true and complete copy of the action taken by the Council with respect to the matter at the meeting held on the date indicated in the attachment, which proceedings remain in full force and effect, and have not been amended or rescinded in any way; that meeting and all action thereat was duly and publicly held in accordance with a notice of meeting and tentative agenda, a copy of which was timely served on each member of the Council and posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the Council pursuant to the local rules of the Council and the provisions of Chapter 21, Code of Iowa, upon reasonable advance notice to the public and media at least twenty-four hours prior to the commencement of the meeting as required by law and with members of the public present in attendance; I further certify that the individuals named therein were on the date thereof duly and lawfully possessed of their respective City offices as indicated therein, that no Council vacancy existed except as may be stated in the proceedings, and that no controversy or litigation is pending, prayed or threatened involving the incorporation, organization, existence or boundaries of the City or the right of the individuals named therein as officers to their respective positions.

WITNESS my hand and the seal of the City hereto affixed this __________ day of _______________, 2024.

____
Mayra A. Martinez, City Clerk,
City of Storm Lake, State of Iowa

(SEAL)

02312327\11149-138

Staff Summary

03/04/2024
Agenda Item # F.7.

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO: Honorable Mayor & Council

FROM: Keri Navratil City Manager

SUBJECT: **Resolution No. 32-R-2023-2024 Approving Subaward Agreement with IA Homeland Security and Emergency Management**

BACKGROUND: FEMA has provided official notice on February 14, 2024, to Iowa Homeland Security and Emergency Management (IAHSEM) and the City of Storm Lake (City) of the award of a Hazard Mitigation Grant for the Scout Park Lift Station Project (PROJECT).

The City has had a need and continues to have a need to make improvements to the Scout Park Lift Station to reduce and minimize the risks and damages to public and private property resulting from flooding in the sewer shed.

IAHSEM has provided the City with a Subaward Agreement and held a Subaward Agreement consultation meeting with the City on February 28, 2024. The City has reviewed the agreement and agrees with the terms and conditions of the Subaward Agreement.

Additional general information follows:

• The agreement includes replacing Scout Park and Ice House Lift Station.

•The grant is providing 100% funding toward the project up to the maximum grant award. Funding is split into 90% federal funds and 10% state funding.

•The Subaward Agreement includes "management costs" of $16,200.00. The total award is $48,600 but is split into a multi-phase award. So, the current agreement includes the first year's worth of management costs of $16,200.00. Next year, FEMA will authorize an additional $16,200.00 in management costs, which the City will approve as an amendment to this agreement. The final year will then occur in 2026 for an additional $16,200.00.

FISCAL IMPACT: The Subaward Agreement outlines a grant of federal funds in the amount of $2,639,274.30 toward the construction of the PROJECT and State of Iowa funds in the amount of $293,252.70 for a total federal and state award of $2,932,527.00.

The Subaward Agreement outlines a grant of federal funds in the amount of $16,200.00 towards administration and management for the first year of the grant.

RECOMMENDATION: Approve Resolution No. 32-R-2023-2024 Approving Subaward Agreement with IA Homeland Security and Emergency Management

ATTACHMENTS:

HMGP-DR-4483-IA-0026 City of Storm Lake Subaward Agreement form UNSIGNED.pdf
Resolution No. 32-R-2023-2024 - Resolution Approving Subaward Agreement with IAHSEM CM.docx

SUBAWARD AGREEMENT

Between

Iowa Department of Homeland Security and Emergency Management

And

City of Storm Lake

PROJECT TITLE: Storm Lake-Wastewater Infrastructure Mitigation Project

SUBAWARD AGREEMENT NO: HMGP-DR-4483-IA-0026

UEI NUMBER: KRERQ5MYGKQ3

FEDERAL AWARD IDENTIFICATION NUMBER (FAIN): 4483DRIAP00000265

FEDERAL AWARD DATE: 02/14/2024

PERFORMANCE PERIOD START DATE: 02/14/2024

PERFORMANCE PERIOD END DATE: 01/14/2027

FEDERAL FUNDS OBLIGATED AMOUNT: $2,655,474.30

I. SCOPE OF WORK:

This Subaward Agreement (AGREEMENT) is to provide **City of Storm Lake** (SUBRECIPIENT) with federal assistance from the Hazard Mitigation Grant Program. The total subaward is **$2,948,727.00**.

Project Costs – The federal share shall not exceed **$ 2,639,274.30** or **(90%)** of actual allowable subaward costs, whichever is less. The state share shall not exceed **$ 293,252.70** or **(10%)** of the actual allowable subaward costs, whichever is less.

Management Costs – Management costs shall not exceed **$16,200.00 or 5%** of the actual allowable project costs, whichever is less. Management costs are 100% federal and are not included in the project cost total or cost share calculation.

These funds are to assist the SUBRECIPIENT with completing the approved scope of work in accordance with the work schedule, milestones, and budget that were submitted to and approved by Iowa Department of Homeland Security and Emergency Management (HSEMD) and the Federal Emergency Management Agency (FEMA). Any modifications to the approved scope and/or budget must be submitted to and approved by HSEMD prior to executing the changes.

This includes all change orders. The SUBRECIPIENT is required to obtain all necessary permits before any construction begins.

EHP Standard Conditions:

Any change to the approved scope of work will require re-evaluation for compliance with NEPA and other Laws and Executive Orders.

This review does not address all federal, state, and local requirements. Acceptance of federal funding requires recipient (to include the SUBRECIPIENT) to comply with all federal, state, and local laws. Failure to obtain all appropriate federal, state, and local environmental permits and clearances may jeopardize federal funding.

If ground disturbing activities occur during construction, applicant will monitor ground disturbance and if any potential archeological resources are discovered, will immediately cease construction in that area and notify the State and FEMA.

EHP Special Conditions:

Monitored National Historic Preservation Act (NHPA):

• **[Monitored]** All borrow or fill material must come from pre-existing stockpiles, material reclaimed from maintained roadside ditches (provided the designed width or depth of the ditch is not increased), or commercially procured material from an existing source. For any FEMA funded project requiring the use of a commercial or non-commercial source in whole or in part, regardless of cost, the Applicant must notify FEMA and Recipient prior to extracting material, FEMA must review the source for compliance with all applicable federal environmental planning and historic preservation laws and executive orders prior to an Applicant or their contractor commencing borrow extraction. Consultation and regulatory permitting may be required. Non-compliance with this requirement may jeopardize receipt of federal funding. Documentation of borrow sources utilized is required at closeout.

• In the event that archaeological deposits (soils, features, artifacts, or other remnants of human activity) are uncovered during the work, the project shall be halted. The Sub-applicant shall immediately stop all work in the vicinity of the discovery and take all reasonable measures to avoid or minimize harm to the finds. The Sub-applicant shall inform the Iowa Department of Homeland Security and Emergency Management (IHSEMD) immediately, will secure all archaeological finds, and will restrict access to the area. IHSEMD shall notify FEMA and FEMA will consult with the Iowa State Historic Preservation Office (SHPO) and other potential consulting parties including Native American Tribes and the Office of the State Archaeologist (OSA). Work in sensitive areas may not resume until an archaeologist who meets the Secretary of the Interior's Professional Qualifications Standards determines the extent and historic significance of the discovery and consultations are completed. Work may not resume at or around the delineated archaeological deposit until the Sub-applicant is notified by HSEMD.

• In the event that human remains are encountered, all work shall stop immediately, and local law enforcement shall be notified. The Subapplicant shall inform the IHSEMD immediately, will secure all remains, and will restrict access to the area. IHSEMD shall notify FEMA immediately, and FEMA will notify the Iowa SHPO and the OSA. In cases where human remains are determined to be Native American, FEMA shall also consult with the appropriate Tribal representative(s). Additionally, FEMA shall follow the guidelines outlined in the ACHP Policy Statement Regarding the Treatment of Burial

Sites, Human Remains, and Funerary Objects (February 23, 2007) and any State-specific policies that may be enforced.

Executive Order 11990 Wetlands:

• Construction activities and equipment storage are not to be located in or impact any adjacent wetlands. All materials and equipment should be staged outside of the wetland on paved or previously disturbed areas.

• The applicant shall ensure that best management practices are implemented to prevent erosion and sedimentation to surrounding, nearby or adjacent wetlands. This includes equipment storage and staging of construction to prevent erosion and sedimentation to ensure that wetlands are not adversely impacted per the Clean Water Act and Executive Order 11990

Resource Conservation and Recovery Act (RCRA):

• Unusable equipment, debris and material shall be disposed of in an approved manner and location. In the event significant items (or evidence thereof) are discovered during implementation of the project, applicant shall handle, manage, and dispose of petroleum products, hazardous materials, and toxic waste in accordance with the requirements and to the satisfaction of the governing local, state, and federal agencies.

• If any asbestos containing material, lead based paint, and/or other toxic materials are found during construction activities, the applicant must comply with all federal, state, and local abatement and disposal requirements.

II. AGREEMENTS

HSEMD will provide financial oversight and management in the role of recipient/pass-through entity based on the grant guidance in 2 CFR, Part 200, Subpart D, Section 200.331, the grant financial guide and other state and federal guidelines. HSEMD will provide technical assistance and direction to the SUBRECIPIENT on programmatic and financial requirements. HSEMD will provide all appropriate documents and forms and make payments to the SUBRECIPIENT to complete the approved scope of work.

HSEMD is responsible for monitoring the SUBRECIPIENT's activities to provide reasonable assurance that the SUBRECIPIENT administers this subaward in compliance with federal and HSEMD requirements. Responsibilities include reviewing the SUBRECIPIENT's records that support receipts and expenditures, financial records are maintained and adequate for audit, proper cash management, and expenditures are eligible and allowable. A pre-award risk assessment is completed for each subrecipient to assist HSEMD in determining the minimum level of monitoring that will be needed throughout the life of this subaward in accordance with 2 CFR, Part 200, Section 200.205.

Additionally, the SUBRECIPIENT will be monitored periodically by HSEMD to ensure that the program goals, objectives, timelines, budgets, and other related program criteria are being met. Monitoring will be accomplished through a combination of office-based and on-site monitoring visits. Monitoring will involve the review and analysis of the financial, programmatic, and administrative records relative to each program, and will identify areas where technical assistance and other support may be needed.

The SUBRECIPIENT will allow HSEMD and auditors to access any necessary records and financial information as indicated in 2 CFR, Part 200, Subpart D, Section 200.336 and Section 200.337.

The SUBRECIPIENT will pass appropriate resolutions to assure HSEMD that it is participating, and will continue to participate, in the National Flood Insurance Program, if mapped.

The SUBRECIPIENT must disclose in writing any potential conflicts of interest to HSEMD in accordance with applicable FEMA policy and 2 CFR, Part 200, Subpart D, Section 200.112.

The SUBRECIPIENT must disclose in writing to HSEMD all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the federal subaward. Failure to make required disclosures can result in any of the remedies described in 2 CFR, Part 200, Subpart D, Section 200.338, Remedies for noncompliance, including suspension or debarment. (See also 2 CFR, Part 180 and 31 U.S.C. 3321.)

The SUBRECIPIENT and the SUBRECIPIENT's authorized representative agree to provide all supervision, inspection, accounting, and other services necessary to complete the scope of work from inception to closeout with the requirements set forth below.

III. PERIOD OF PERFORMANCE

The approved Period of Performance for this subaward is from **02/14/2024 *through* 01/14/2027.** All work must be completed prior to the end of the Period of Performance. HSEMD will not reimburse the SUBRECIPIENT for costs that are obligated or incurred outside of the Period of Performance.

If a time extension is needed, one must be requested at least 90 days prior to the end of the Period of Performance. All requests must be supported by adequate justification submitted to HSEMD in order to be processed. This justification is a written explanation of the reason or reasons for the delay; an outline of remaining funds available to support the extended performance period; milestones that are unmet; and a description of performance measures necessary to complete the subaward. The Hazard Mitigation Time Extension Request Form will be made available to the SUBRECIPIENT. Without the justification, time extension requests will not be processed.

IV. AUTHORITIES AND REFERENCES

The SUBRECIPIENT shall comply with all applicable laws and regulations. A non-exclusive list of laws and regulations commonly applicable to FEMA grants follows hereto for reference only.

- 2 CFR, Part 200 - **http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl**

- Robert T. Stafford Disaster Relief and Emergency Assistance Act, Public Law 93-288, as amended, 42 U.S.C. 5121 et seq.
- Title 44 of the Code of Federal Regulations (CFR) - Part 80-Property Acquisition and Relocation for Open Space, if applicable
- Title 44 of the Code of Federal Regulations (CFR) - Part 9-Floodplain Management and Protection of Wetlands
- Title 44 of the Code of Federal Regulations (CFR)- Part 201- Mitigation Planning
- Title 44 of the Code of Federal Regulations (CFR)- Part 206-Federal Disaster Assistance
- Title 31 CFR 205.6 Funding Techniques
- Hazard Mitigation Assistance Guidance, February 27, 2015- if applicable
- SUBRECIPIENT's application that was received and approved by HSEMD and FEMA
- Any other applicable Federal Statutes including the Transparency and Recovery Act

V. GRANT MANAGEMENT SYSTEM

To ensure federal funds are awarded and expended appropriately, the SUBRECIPIENT will establish and maintain a grant management system as outlined in 2 CFR, Part 200, Subpart D, Section 200.302 and internal controls in section 200.303. The standards for SUBRECIPIENT organizations stem from the Office of Management and Budget's (OMB) uniform administrative requirements and the cost principles in 2 CFR, Part 200, Subpart E. State, local and tribal organizations must follow the uniform administrative requirements standards in 2 CFR Part 200. These standards combined with the audit standards provided within 2 CFR, Part 200, Subpart F plus the requirements of the Generally Accepted Accounting Principles constitute the basis for all policies, processes and procedures set forth in this grant management system for the SUBRECIPIENT.

The SUBRECIPIENT's grant management system must include:

- internal controls based on the American Institute for Certified Public Accountants (AICPA) definitions and requirements in the government-wide administrative requirements and cost principles
- a chart of accounts that includes a separate cost center, fund, or accounting codes for each federal grant, program, or funding source
- procedures to minimize cash on hand in compliance with the Cash Management Improvement Act (CMIA) and good business processes
- the ability to track expenditures on a cash or accrual basis
- the ability to track expenditures in both financial and program budgets
- procedures to document all grant-related expenditures, broken down by budget line items
- procedures to ensure expenditures are eligible and allowable
- the ability to fulfill government-required financial reporting forms

VI. PROCUREMENT

This AGREEMENT requires that all procurement be executed by the SUBRECIPIENT within the guidelines of 2 CFR, Part 200 Subpart D, Section 200.318 through Section 200.326 including Appendix II. Procurement standards must be in accordance with the written adopted procedures of the SUBRECIPIENT, provided that the local procurement standards conform to applicable State and Federal law and the standards identified in 2 CFR, Part 200. The SUBRECIPIENT must maintain written standards of conduct covering conflicts of interest as outlined in 2 CFR, Part 200 Subpart D, Section 200.318. The SUBRECIPIENT will ensure that every purchase order or other contract includes clauses required by Federal statutes and executive orders and their implementing regulations. **The SUBRECIPIENT must submit copies of its own written procurement guidelines, written conflict of interest guidelines, bid documents and contract documents to HSEMD prior to awarding or executing contracts. No contract will be accepted without HSEMD's prior review.**

VII. AUDIT

The SUBRECIPIENT must comply with the requirements of the Single Audit Act Amendments of 1996 and 2 CFR, Part 200, Subpart F. Reference: Catalog of Federal Domestic Assistance (CFDA) Number: 97.039, Hazard Mitigation Grant Program.

VIII. PAYMENT REQUEST PROCESS

The SUBRECIPIENT may submit a payment request up to 30 days prior to an anticipated expenditure or disbursement. The SUBRECIPIENT must be able to account for the receipt, obligation, and expenditure of funds. If interest is earned, the SUBRECIPIENT agrees to comply with the federal requirements from 2 CFR, Part 200, Subpart D, Section 200.305. The SUBRECIPIENT may keep interest earned on Federal grant funds up to $500 per fiscal year. This maximum limit is not per subaward; it is inclusive of all interest earned as a result of all federal grant program funds received per year. Subrecipients are required to report all interest earned at least quarterly to HSEMD. HSEMD will provide instructions to the SUBRECIPIENT for the disposition of reported interest earned.

Payments to subrecipients are based on eligible expenditures that are specifically related to the approved subaward budget and scope of work. The SUBRECIPIENT has two options available to them when requesting payments from HSEMD. Subrecipients can request **Reimbursement** for allowable expenditures already paid, or request an **Advance** for expenditures to be paid within 30 days.

Payments shall be limited to the documented cash requirements submitted by the SUBRECIPIENT. The SUBRECIPIENT must submit a completed Payment Request Form and provide supporting documentation of eligible subaward costs to receive payment of funds.

- **Reimbursement** requests must include payment verification (i.e. paid invoices, receipts, payroll records with personnel activity reports, cancelled checks, general ledger print outs, etc.). HSEMD reserves the right to request that the SUBRECIPIENT submit additional expenditure documentation upon request.
- **Advance** payment requests must include the detailed costs the SUBRECIPIENT is obligated to pay (i.e. invoices, accepted quotes, executed contracts, or other documents). Payment verification documents (same documents required for a Reimbursement request) for the advance must be submitted to HSEMD within 30 days after the advance, and

before future advances are made. If the SUBRECIPIENT is unable to demonstrate; the willingness to maintain written procedures that minimize the time elapsing between the transfer of funds and disbursement by HSEMD; a financial management system that meets the standards for fund control and accountability as established in 2 CFR, Part 200; or is considered a High Risk subrecipient; then reimbursement requests will be required.

No more than thirty (30) days should elapse between the date of receipt of a warrant and pay out of the funds by the SUBRECIPIENT. All supporting documentation must be submitted to HSEMD immediately following the SUBRECIPIENT's pay out of the funds.

Required documents prior to payments from HSEMD. Payment of funds will not be made to the SUBRECIPIENT until HSEMD has on file the following documents:

- FEMA Award Notification (attached to this AGREEMENT)
- Pre-Award Risk Assessment (attached to this AGREEMENT)
- Signed Subaward Agreement
- Substitute W9/Vendor Update Form (if not already on file at HSEMD)
- Chart of Accounts verifying that unique revenue and expenditure accounts, cost centers or account codes have been established within the SUBRECIPIENT's cash management/accounting system for each program included in this AGREEMENT.
- Procurement documents: written procurement and conflict of interest documents, method of procurement, bid specifications reviewed by HSEMD, copy of approved and executed contracts between the SUBRECIPIENT and contractor.
- Signed certification from the SUBRECIPIENT's authorized representative for the payment request as outlined in 2 CFR, Part 200, Subpart D, Section 200.415.

Expenditures must be in accordance with the approved scope of work and budget and in accordance with 2 CFR, Part 200, Subpart D, Section 200.29, Section 200.306 and Section 200.434. The SUBRECIPIENT contributions must be verifiable from the SUBRECIPEINT'S records, reasonable, allowable, allocable, and necessary under the grant program and must comply with all Federal requirements and regulations.

Cash match can be money contributed to the SUBRECIPIENT by the SUBRECIPIENT, other public agencies and institutions, private organizations and individuals as long as it comes from a non-federal source. Cash spent must be for allowable subaward costs in accordance with the SUBRECIPIENT's approved scope of work and budget and must be applicable to the period to which the cost sharing or matching requirement applies. Documentation can be copies of the SUBRECIPIENT's checks to the third parties and a copy of the SUBRECIPIENT's general ledger for revenues and expenses clearly showing the federal and non-federal cash sources.

In-kind match must comply with the requirements of 2 CFR, Part 200, Subpart D, Section 200.306 entitled "Cost sharing or matching". The value of in-kind contributions is also applicable to the period to which the cost sharing or matching requirement applies. The in-kind match provided must be documented by the third party contributing the in-kind services. The in-kind match must be specifically stated in the SUBRECIPIENT's scope of work and budget before in-kind match will be allowed to match this subaward. Documentation can be a letter (on letterhead) from the third party stating the scope of their work, what is being contributed as it relates to the scope of work, dates of service/donation, record of donor, the value (rates of staffing, equipment usage, supplies, etc.) a statement to the effect that the value is normally charged, deposit slips for cash contributions and a statement that the value is being waived on behalf of the SUBRECIPIENT to meet the matching requirements to the SUBRECIPIENT's subaward. Such documentation must be kept on file by the SUBRECIPIENT.

If the local match is insufficient to satisfy the local match requirements for receiving all available federal funds, the awarded federal funds will be reduced accordingly so as not to exceed the maximum federal share allowed under this subaward.

The SUBRECIPIENT must maintain records and documentation showing how the value placed on third-party in-kind contributions is derived. Regulations are in 2 CFR, Part 200, Subpart D, sections 200.306 and 200.434.

IX. PROGRAM INCOME

Any program income generated must comply with 2 CFR, Part 200, Subpart D, Section 200.80 and Section 200.307. Program income must be deducted from the subaward's total allowable costs. All program income must be reported in the quarterly financial progress reports.

X. REPORTING REQUIREMENTS

Quarterly programmatic and financial reports are required on the progress relative to the approved scope of work as outlined in 2 CFR, Part 200, Subpart D, Section 200.328. Subrecipients are required to complete the quarterly progress report forms that are provided by HSEMD and submit them by the due dates stated by HSEMD. **Due dates are January 15, April 15, July 15, and October 15. The first report is due following the end of the reporting period in which the subaward was awarded by FEMA. The reporting periods are January-March, April-June, July-September, and October-December.**

XI. CLOSE OUT

The SUBRECIPIENT must prepare and submit by the end of the Period of Performance, and/or within 60 days of the completion of the approved scope of work, whichever comes first, all required financial, performance and other reports as outlined in 2 CFR, Part 200 Subpart D, Section 200.343 and Section 200.344. The SUBRECIPIENT must liquidate all obligations incurred under the subaward by the end of the Period of Performance. The SUBRECIPIENT must dispose of property purchased with subaward funds and dispose of or return government-furnished property no longer being used for subaward-related activities. All accounts must be settled, including reimbursements for any remaining allowable costs and refunds to HSEMD of any unobligated cash that was advanced.

XII. RECORD RETENTION

The SUBRECIPIENT must retain records pertinent to the Federal subaward for three years after the date of the final expenditure report is submitted as outlined in 2 CFR Part 200, Subpart D, section 200.333.

XIII. WAIVERS

No conditions or provisions of this AGREEMENT can be waived unless approved by HSEMD and the SUBRECIPIENT, in writing. Unless otherwise stated in writing, HSEMD's failure to insist upon strict performance of any provision of this AGREEMENT, or to exercise any right based upon a breach, shall not constitute a waiver of any right or obligation specified under this AGREEMENT.

XIV. AMENDMENTS AND MODIFICATIONS

This AGREEMENT may be amended or modified in reference to the subaward funds provided, administrative procedures, or any other necessary matter, but not to take effect until approved, in writing, by HSEMD and the SUBRECIPIENT.

XV. COMPLIANCE, TERMINATION AND OTHER REMEDIES

Unless otherwise stated in writing, HSEMD requires strict compliance by the SUBRECIPIENT and its authorized representative(s) with the terms of this AGREEMENT, and the requirements of any applicable local, state and federal statute, rules, regulations; particularly those included in the Assurances in the Application which was submitted to FEMA by HSEMD.

HSEMD may suspend or terminate any obligation to provide funding or demand return of any unused funds, following notice from HSEMD, if the SUBRECIPIENT fails to meet any obligations under this AGREEMENT or fails to make satisfactory progress toward administration or completion of said subaward. The SUBRECIPIENT is responsible for repayment of funds as a result of subsequent refunds, corrections, overpayments, or disallowed costs for ineligible expenditures.

The SUBRECIPIENT understands and agrees that HSEMD may enforce the terms of this AGREEMENT by any combination or all remedies available to HSEMD under this AGREEMENT, or under any other provision of law, common law, or equity.

XVI. INDEMNIFICATION

It is understood and agreed by HSEMD and the SUBRECIPIENT and its agents that this AGREEMENT is solely for the benefit of the parties to this subaward and gives no right to any other party. No joint venture or partnership is formed as a result of this AGREEMENT.

The SUBRECIPIENT, on behalf of itself and its successors and assigns, agrees to protect, save, and hold harmless HSEMD and the State of Iowa, and their authorized agents and employees, from all claims, actions, costs, damages, or expenses of any nature whatsoever by reason of the negligent acts, errors, or omissions of the SUBRECIPIENT or its authorized representative, its contractors, subcontractors, assigns, agents, licensees, arising out of or in connection with any acts or activities authorized by this AGREEMENT. The SUBRECIPIENT's obligation to protect, save, and hold harmless as herein provided shall not extend to claims or causes of action for costs, damages, or expenses caused by or resulting from the negligent acts, errors, or omissions of HSEMD, the State of Iowa, or any of their authorized agents or employees.

The SUBRECIPIENT further agrees to defend HSEMD, the State of Iowa, and their authorized agents and employees against any claim or cause of action, or to pay reasonable attorney's fees incurred in the defense of any such claim or cause of action, as to which the SUBRECIPIENT is required to protect, save, or hold harmless said parties pursuant to paragraph 2 of this part. The SUBRECIPIENT's obligation to defend, or to pay attorney's fees for the defense of such claims or causes of action as herein provided, shall not extend to claims or causes of action for costs, damages, or expenses caused by or resulting from the negligent acts, errors, or omissions of HSEMD, the State of Iowa, or any of their authorized agents or employees.

XVII. ACKNOWLEDGMENTS

The SUBRECIPIENT shall include, in any public or private release of information regarding the activities supported by this subaward, language that acknowledges the funding contribution by HSEMD and FEMA.

XVIII. INDEPENDENT CONTRACTOR STATUS OF APPLICANT

The SUBRECIPIENT, its officers, employees, agents and council members shall all perform their obligations under this AGREEMENT as an independent contractor and not in any manner as officers, employees or agents of HSEMD or the State of Iowa. All references herein to the SUBRECIPIENT shall include its officers, employees, city council/board members, and agents. HSEMD shall not withhold on behalf of any such officer, employee, city council/board member, or agent, or pay on behalf of any such person, any payroll taxes, insurance, or deductions of any kind from the funds paid to the SUBRECIPIENT for administrative purposes.

XIX. GOVERNING LAW, VENUE AND SEVERABILITY

The laws of Iowa shall govern this AGREEMENT and venue for any legal action hereunder shall be in the Polk County District Court of Iowa. If any provision under this AGREEMENT or its application to any person or circumstances is held invalid by any court of rightful jurisdiction, said invalidity does not affect other provisions of this AGREEMENT which can be given effect without the invalid provision.

XX. NOTICES

The SUBRECIPIENT shall comply with all public notices or notices to individuals as required by applicable state and federal laws, rules, and regulations and shall maintain a record of such compliance.

XXI. RESPONSIBILITY FOR SUBAWARD

While HSEMD undertakes to provide technical assistance to the SUBRECIPIENT and its authorized representative in the administration of the subaward, said subaward remains the sole responsibility of the SUBRECIPIENT in accomplishing subaward objectives and goals. HSEMD undertakes no responsibility to the SUBRECIPIENT, or any third party, other than what is expressly set out in this AGREEMENT.

XXII. NOTICES AND COMMUNICATIONS BETWEEN HSEMD AND SUBRECIPIENT

All written notices and communications to the SUBRECIPIENT by HSEMD shall be to:

Keri Navratil, City Manager
City of Storm Lake
PO Box 1086
Storm Lake, IA, 50588

Or the Alternate Point of Contact,

David Derragon, Assistant City Manager
City of Storm Lake
PO Box 1086
Storm Lake, IA, 50588

All written communications to HSEMD by the SUBRECIPIENT and its authorized representative shall be to:

Dusty Pogones
Mitigation Bureau Chief
Iowa Department of Homeland Security and Emergency Management
7900 Hickman Road, Suite 500
Windsor Heights, IA 50324

ENTIRE SUBAWARD AGREEMENT

This AGREEMENT sets forth the entire AGREEMENT between HSEMD and the SUBRECIPIENT with respect to subject matter hereof. Commitments, warranties, representations and understandings or agreements not contained, or referred to, herein or amended thereto shall not be binding on either HSEMD or the SUBRECIPIENT. Except as may be expressly provided herein, no alteration of any of the terms or conditions of this AGREEMENT will be effective without written consent of both parties.

IN WITNESS WHEREOF, HSEMD and the SUBRECIPIENT have executed this AGREEMENT by the signatures of authorized persons of both entities and on the dates indicated below:

Iowa Department of Homeland Security and Emergency Management:	**City of Storm Lake:**
____________________	____________________
Dennis Harper, Alternate GAR	Mike Porsch, Mayor
____________________	____________________
Date	Date
	____________________
	Signature of Authorized Representative (optional)
	____________________
	Date

Attachments: Exhibit A: FEMA Award Notification
Exhibit B: Scope of Work
Exhibit C: Pre-Award Risk Assessment

Exhibit A: FEMA Award Notification

FEMA Award Letter

U.S. Department of Homeland Security
FEMA Region 7
11224 Holmes Road
Kansas City, MO 64131

FEMA

February 14, 2024

Director Benson
Iowa Homeland Security and
Emergency Management Department
Attn: Hazard Mitigation
7900 Hickman Road, Suite 500
Windsor Heights, Iowa 50324

Subject: FEMA-4483-DR-IA
Hazard Mitigation Grant Program (HMGP) Approval
Subrecipient: City of Storm Lake
Project #: 0026
Storm Lake - Wastewater Infrastructure Mitigation Project

Director Benson:

The Federal Emergency Management Agency (FEMA) Region 7 has granted approval for the application submitted by the City of Storm Lake for the Storm Lake - Wastewater Infrastructure Mitigation Project. FEMA will release funds to the state in the amount of $2,639,274.30. The non-federal match requirement of $293,252.70 will be provided through state funding.

The milestones included in the application indicate that the time to complete this subaward will be 36 months from the date of this letter. Any delays or extensions regarding this timeframe must be reported to FEMA. The period of performance for the grant ends on January 1, 2027. It is the responsibility of the recipient and subrecipient to ensure all approved activities associated with this subaward are completed by the end of the period of performance. Any costs incurred that were not identified as pre-award prior to the date of this approval or any costs incurred after the period of performance will be disallowed.

Environmental Historic Preservation (EHP) Requirements/Conditions
A change to the approved statement of work (SOW) requires prior approval from FEMA. The National Environmental Policy Act (NEPA) stipulates that additions or amendments to a HMGP subrecipient SOW shall be reviewed by all state and federal agencies participating in the NEPA process. NEPA sign off for all SOW additions or amendments is essential before the revised SOW can be approved by FEMA or implemented by the HMGP subrecipient.

This review does not address all federal, state, and local requirements. Acceptance of federal funding requires recipient to comply with all federal, state, and local laws. Failure to obtain all appropriate federal, state, and local environmental permits and clearances may impact federal funding.

If ground disturbing activities occur during construction, applicant will monitor ground disturbance and if any potential archeological resources are discovered, will immediately cease construction in that area and notify the State and FEMA.

In addition, the following special conditions have been identified:

Monitored National Historic Preservation Act (NHPA):

- **[Monitored]** All borrow or fill material must come from pre-existing stockpiles, material reclaimed from maintained roadside ditches (provided the designed width or depth of the ditch is not increased), or commercially procured material from an existing source. For any FEMA funded project requiring the use of a commercial or non-commercial source in whole or in part, regardless of cost, the Applicant must notify FEMA and Recipient prior to extracting material, FEMA must review the source for compliance with all applicable federal environmental planning and historic preservation laws and executive orders prior to an Applicant or their contractor commencing borrow extraction. Consultation and regulatory permitting may be required. Non-compliance with this requirement may jeopardize receipt of federal funding. Documentation of borrow sources utilized is required at closeout.
- In the event that archaeological deposits (soils, features, artifacts, or other remnants of human activity) are uncovered during the work, the project shall be halted. The Sub-applicant shall immediately stop all work in the vicinity of the discovery and take all reasonable measures to avoid or minimize harm to the finds. The Sub-applicant shall inform the Iowa Department of Homeland Security and Emergency Management (IHSEMD) immediately, will secure all archaeological finds, and will restrict access to the area. IHSEMD shall notify FEMA and FEMA will consult with the Iowa State Historic Preservation Office (SHPO) and other potential consulting parties including Native American Tribes and the Office of the State Archaeologist (OSA). Work in sensitive areas may not resume until an archaeologist who meets the Secretary of the Interior's Professional Qualifications Standards determines the extent and historic significance of the discovery and consultations are completed. Work may not resume at or around the delineated archaeological deposit until the Sub-applicant is notified by HSEMD.
- In the event that human remains are encountered, all work shall stop immediately, and local law enforcement shall be notified. The Subapplicant shall inform the IHSEMD immediately, will secure all remains, and will restrict access to the area. IHSEMD shall notify FEMA immediately, and FEMA will notify the Iowa SHPO and the OSA. In cases where human remains are determined to be Native American, FEMA shall also consult with the appropriate Tribal representative(s). Additionally, FEMA shall follow the guidelines outlined in the ACHP Policy Statement Regarding the Treatment of Burial Sites, Human Remains, and Funerary Objects (February 23, 2007) and any State-specific policies that may be enforced.

Executive Order 11990 Wetlands:

- Construction activities and equipment storage are not to be located in or impact any adjacent wetlands. All materials and equipment should be staged outside of the wetland on paved or previously disturbed areas.
- The applicant shall ensure that best management practices are implemented to prevent erosion and sedimentation to surrounding, nearby or adjacent wetlands. This includes equipment storage and staging of construction to prevent erosion and sedimentation to ensure that wetlands are not adversely impacted per the Clean Water Act and Executive Order 11990.

Resource Conservation and Recovery Act (RCRA):

- Unusable equipment, debris and material shall be disposed of in an approved manner and location. In the event significant items (or evidence thereof) are discovered during implementation of the project, applicant shall handle, manage, and dispose of petroleum products, hazardous materials, and toxic waste in accordance with the requirements and to the satisfaction of the governing local, state, and federal agencies.
- If any asbestos containing material, lead based paint, and/or other toxic materials are found during construction activities, the applicant must comply with all federal, state, and local abatement and disposal requirements.

Subrecipient Management Costs
HMGP Subrecipient Management Costs (MC) funds for DR-4483-IA Project #0026 Storm Lake - Wastewater Infrastructure Mitigation Project have also been approved. The total amount of Subrecipient MC requested is $48,600.00. MC are subject to incremental funding obligations; therefore, FEMA has released to the state $16,200.00 (100% Federal funds) in approved Subrecipient MC funding for budget year one.

Federal funding of MC is based on actual documented incurred management costs, up to 5% of the total amount of the HMGP award. Recipients and subrecipients are required to maintain appropriate documentation to support expensed claims. All costs must be reasonable, allowable, allocable, and necessary as required by 2 CFR Part 200 Subpart E, applicable program regulations, and the HMA Guidance (2015).

The subrecipient can claim MCs incurred up to whichever of the following occurs first: 180 days after work is completed for the non-MC HMGP project; 180 days after the latest performance period Activity Completion Timeframe (ACT) of the non-MC HMGP project; or the date the recipient MC award has been closed.

Quarterly progress reports for both HMGP projects and Subrecipient MC grants are required; please include this HMGP project and Subrecipient MC grant in your future quarterly reports.

If you should have any questions concerning this action, please contact Brian Woltz, Hazard Mitigation Assistance Branch Chief, at (816) 808-3664 or Brian.Woltz@fema.dhs.gov.

Sincerely,

Laurie L. Bestgen, Director
Mitigation Division

Exhibit B: Scope of Work

Scope of Work from Application

Scope of Work: Description of the Solution & Mitigation Proposed:

To address the growing hazards of flooding within the Scout Park sewershed the City has developed a two-activity project that will effectively mitigate impacts to the sanitary sewer system within the Scout Park Lift Station sewershed and sewer backup issues for residents in the most cost effective and efficient manner. Stormwater is entering the sewershed through failures in the collection system including holes, cracks, and joint failures. In some cases, there are stormwater cross connections although the City has taken an aggressive approach to eliminating cross connections within the system.

Ground water levels are impacted by rain events as shown in the modeling work that is included as part of the Bolton & Menk Lift Station Evaluation report dated July 8, 2022. That report shows that as the amount of stormwater increases, for example, during flooding events, the level of groundwater increases in the sewershed and the flows within the Scout Park and Ice House Lift Stations increase significantly.

The proposed project includes the construction of two new submersible lift stations to replace the existing Scout Park Lift Station and Ice House Lift stations. The project will result in lift stations that have the redundancy and capacity to handle both normal flows and peak flows from the sewershed while providing adequate systems to protect private property and the natural environment which is within the sewershed. Both Ice House and Scout Park Lift Stations are located within a few feet of Lake Storm Lake, a natural glacier lake which is also the top end for the water supply of communities downstream including the State of Iowa capital city of Des Moines.

Description of the Proposed Project:

The City of Storm Lake is facing challenges due to inflow and infiltration in the sanitary sewer system. The proposed project includes the following:

*Construction of a New Ice House Lift Station. This activity includes the construction of a new lift station in the City right-of-way along Vista Drive that would replace the existing Ice House Lift Station. Construction of a new lift station includes the construction of a wet well, pumps, electrical controls, and related gravity and force main work to connect the new lift station with the existing force main and sanitary sewer collection networks.

The lift station will be designed and constructed to meet the peak flows of the sewershed along with recommended capacity for additional increases in flows. The project will be designed to meet current requirements of the Iowa Department of Natural Resources.

The project will include a new backup power generator powered by diesel fuel which will be located adjacent to the lift station. The generator will be 50 kW and will be installed on a concrete pad with dimensions of approximately 6’ by 9’ by 16” deep (dimensions to be verified during final design). The generator will be installed by a Master Electrician Licensed in the State of Iowa and will be located at 42.64258 N, 95.23016 W.

*Construction of a New Scout Park LIft Station. This activity includes the construction of a new lift station in Scout Park that would replace the existing Scout Park Lift Station. Construction of a new lift station includes the construction of a wet well, pumps, electrical controls, and related gravity and force main work to connect the new lift station with the existing force main and sanitary sewer collection networks.

The lift station will be designed and constructed to meet the peak flows of the sewershed along with recommended capacity for additional increases in flows. The project will be designed to meet current requirements of the Iowa Department of Natural Resources.

The project will include a new backup power generator powered by diesel fuel which will be located adjacent to the lift station. The generator will be 140 kW and will be installed on a concrete pad with dimensions of approximately 8’ wide by 12’ long by 16” deep (dimensions to be verified during final design). The generator will be installed by a Master Electrician Licensed in the State of Iowa and will be located at 42.64086 N, 95.21298 W.

Approved Budget

Cost Category	Amount
Pre-Award: Engineering & EHP Assessments	$84,027.00
Pre-Construction: Permitting & Fees, Final Engineering, Geotechnical Engineering & Soil Boring	$192,280.00
Construction: Materials and Labor	$2,469,440.00
Engineering: Construction Management	$186,780.00
Management Costs	$16,200.00
Total Award	**$2,948,727.00**

Exhibit C: Pre-Award Risk Assessment

Conducted by HSEMD

Iowa Department of Homeland Security and Emergency Management
Recovery Division
Subrecipient Pre-Award Risk Assessment

Applicant Information

Applicant: ___________________**City of Storm Lake**___________________________________

Applicant UEI (12 Character alphanumeric number): ____HMGP 4483________________

Applicant Authorized Representative[1]: ________Keri Navratil________________________________

Applicant Authorized Representative Phone: __________712-732-8000_________________________

Applicant Authorized Representative Email: __________navratil@stormlake.org_________________________

HSEMD Recovery Division Assessment Completed by: __Tammy Grittmann__________________________

Assessment Date: _____02-21-2024_________________

***Total Risk Assessment Score:* __14___** of 15. ***Risk Level*:* _LOW_______**

NOTE TO SUBRECIPIENT: If a written procurement policy is not in place at the time the pre-award risk assessment is conducted, the subrecipient will be placed at a "High" risk level. If a written procurement policy is in place but does not meet the minimum federal standards, the subrecipient should expect a "Medium" risk level or higher.

Financial Stability points ______4______ (maximum of 4)

Yes/No

☐ ☒ Turnover in key staff in the past 12 months (i.e. city clerk, financial manager, superintendent, etc.) (Y=-1 point, N=1 *point*)

Notes for HSEMD staff:

NONE

Yes/No

☐ ☒ Special investigations performed by the Iowa State Auditor in the past five (5) years. (Y=-1 point, N=1 point)

Notes for ISHSEMD staff:

NONE

[1] 2 CFR §200.415 requires that fiscal reports (including subrecipient agreements, payment requests, etc.) be "signed by an official who is authorized to legally bind the non-Federal entity".

Yes/No

☒ ☐ For each Federal subaward, the applicant's accounting system has the ability to track revenues and expenditures separately from other expenditure and revenue sources. (Including applicant matching funds) (I.e. separate accounts/work orders for each approved project)[2] *Attach chart of accounts/work order listing with particular accounts/work orders noted.* (Y=1 point, N=-1 point)
https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.302

Notes for HSEMD staff:

NONE

Yes/No

☒ ☐ For each Federal subaward, the applicant's accounting system has the ability to tie revenues and expenditures to approved subaward budget(s) and scope(s) of work. (Y=1 point, N=-1 point)

Notes for HSEMD staff:

NONE

Yes/No

☒ ☐ Establish and maintain effective internal control over the Federal subaward to provide assurance the entity is managing the award in compliance with Federal statutes, regulations and terms and conditions.[3] *Attach associated procedures.* (Y=1 point, N=-1 point)
https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D/section-200.303

Notes for HSEMD staff:

NONE

[2] 2 CFR §200.302(3) requires that records must adequately identify the source and application of federally-funded activities.
[3] Required per 2 CFR §200.303(a); Internal Controls

Quality Management Systems points ___4___ (maximum of 5)

Procurement Policies. ***Attach procurement policies.***

Yes/No

☒ ☐ Includes documentation to ensure that contractor/vendor is not suspended or disbarred from federally-funded projects.[4] (Y=1 point, N=-1 point)
https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-C/section-200.214

Notes for HSEMD staff:

NONE

Yes/No

☒ ☐ Includes procedure to document affirmative solicitation of small and minority businesses, and women's business enterprises.[5] (Y=1 point, N=-1 point)
https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D/subject-group-ECFR45ddd4419ad436d/section-200.321

Notes for HSEMD staff:

NONE

Yes/No

☒ ☐ Includes Contract Provisions for Non-Federal Entity Contracts under Federal Awards[6] (Y=1 point, N=-1 point)
https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/appendix-Appendix%20II%20to%20Part%20200

Notes for HSEMD staff:

NONE

[4] Must include documentation of check of contractor/vendor on Excluded Parties List System (EPLS) (https://www.sam.gov) (2 CFR 200.214) (2 CFR part 180)
[5] 2 CFR § 200.321; Listing available at https://www.sam.gov
[6] 2 CFR §200 Appendix II

Yes/No

☒ ☐ Written standards of conduct covering conflicts of interest.[7] *Attach associated standards.* (Y=1 point, N= -1 point)
https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D/subject-group-ECFR45ddd4419ad436d/section-200.318

Notes for HSEMD staff:

NONE

Yes/No

☒ ☐ Procedures for accounting for the entirety of employee time by individual Federal subaward and other non-Federally funded work (Personnel Activity Reports or similar). *Attach employee time keeping procedures and examples of associated documentation.* (Y=1 point, N=-1 point)

Notes for HSEMD staff:

NONE

Yes/No

☐ ☒ Follow the prohibition on certain telecommunications and video surveillance services or equipment outlined in 2 CFR 200.216. (Y=1 point, N=-1 point)
https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-C/section-200.216

Notes for HSEMD staff:

NONE

[7] 2 CFR 200.318 (c)(1)(2)

Performance History points ___4______ (maximum of 4)

Yes/No

☐ ☒ New applicant (Y=-1 point, N=1 point)

Notes for HSEMD staff:

NONE

Yes/No

☐ ☒ Applicant has an outstanding balance (pending resolution or outstanding refund) with HSEMD (Y=-1 point, N=1 point)

Notes for HSEMD staff:

NONE

Yes/No

☐ ☒ Applicant is not suspended or disbarred from federal awards.[4] *(*Y=1 point, N=-1 point*)*

Notes for HSEMD staff:

NONE

Prior HSEMD Subawards (list only previous 4 programs)

*(**1** point for each grant in which all projects are completed and closed on or under budget)*

Assistance Listing # (Sam.gov)	# of Projects	Total $ Obligated	Total $ Expended	# of Projects Completed and Closed	# of Quarterly Reports Completed	# of issues identified
97.039	1	22,920.76	22,920.76	1	4	0
97.036	1	50,451.81	50,451.81	1	3	0
97.036	6	42,124.77	42,124.77	6	3	0
97.039	1	33,850.00	33,850.00	1	4	0

Prior Subaward Monitoring Actions by HSEMD (list only 5 most recent)

(-1 point for each identified issue)

Desk Review or Site Visit (Select One)	Date	Assistance Listing # (Sam.gov)	# of Projects Monitored	# of Issues Identified
DESK REVIEW	10-26-2020	97.036	1	0

Prior Subaward Audit Findings

Review two (2) most recent audits of Federal Awards, and document findings on Federal awards.[8]

(-1 point for each audit finding on a Federal award)

Fiscal Year Audited	Assistance Listing # (Sam.gov)	Auditor Opinion (Qualified, Unqualified, Disclaimer, or Adverse) (Select One)	Finding Type(s) (Internal Control, Material Weakness, Significant Deficiency)	# of Findings	# of Findings Resolved
2021	14.272	INDEPENDENT	NONE	0 LOW RISK	N/A
2022	14.272	INDEPENDENT	NONE	0 LOW RISK	N/A

[8] Audit information is available at: https://facdissem.census.gov/ or https://www.auditor.iowa.gov/reports/audit-reports/

Statutory and Regulatory Requirement Implementation points _2_____ (maximum of 2)

Yes/No

☒ ☐ Procedures for reporting all violations of Federal criminal law involving fraud, bribery, or gratuity violations possibly affecting Federal awards.[9] *Attach associated policies* (Y=1 point, N=-1 point)
https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-B/section-200.113

Notes for HSEMD staff:

NONE

Yes/No

☒ ☐ Policies and procedures to safeguard personally identifiable information (i.e. Social Security numbers, dates of birth, medical information, etc.)[10] *Attach associated policies* (Y=1 point, N=-1 point)

Notes for HSEMD staff:

NONE

***Risk Level:**

(Note: Attachments must be included in order for the points to be awarded)

Points	Level	Actions
<0-5	**High**	Site Monitoring Visit or Desk Review, regular site visit and administrative reviews by HSEMD staff.
6-10	**Medium**	Desk Review upon closeout of projects as needed; continued quarterly progress report monitoring and project closeout monitoring.
11-15	**Low**	Continued quarterly progress report monitoring and project closeout monitoring.

[9] 2 CFR §200.113 requires that all non-Federal entities and applicants for a Federal award must disclose in a timely manner and in writing to the Federal awarding agency or pass-through entity any violations that may affect the Federal award.
[10] 2 CFR §200.303(e)

RESOLUTION NO. 32-R-2023-2024

RESOLUTION APPROVING SUBAWARD AGREEMENT WITH IA HOMELAND SECURITY AND EMERGENCY MANAGEMENT

WHEREAS, FEMA, has provided official notice on February 14, 2024, to Iowa Homeland Security and Emergency Management (IAHSEM) and the City of Storm Lake (City) of the award of a Hazard Mitigation Grant for the Scout Park Lift Station Project (PROJECT); and,

WHEREAS, the City has had a need and continues to have a need to make improvements to the Scout Park Lift Station to reduce and minimize the risks and damages to public and private property resulting from flooding in the sewer shed; and,

WHEREAS, IAHSEM has provided the City with a Subaward Agreement and held a Subaward Agreement consultation meeting with the City on February 28, 2024; and,

WHEREAS, the City has reviewed the agreement and agrees with the terms and conditions of the Subaward Agreement; and,

WHEREAS, the Subaward Agreement outlines a grant of federal funds in the amount of $2,639,274.30 toward the construction of the PROJECT and State of Iowa funds in the amount of $293,252.70 for a total federal and state award of $2,932,527.00; and,

WHEREAS, the Subaward Agreement outlines a grant of federal funds in the amount of $16,200.00 towards administration and management for the first year of the grant; and,

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

SECTION 1. The City Council approves the Subaward Agreement with IAHSEM.

SECTION 2. The City Council hereby directs the Mayor to sign and date the Subaward Agreement and the Clerk to attest and date the Mayor's signature and then provide the agreement to IAHSEM.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF STORM LAKE, IOWA ON THIS 4TH DAY OF MARCH 2024.

SIGNED

____

Michael Porsch, Mayor

ATTEST

____

Mayra A. Martinez, City Clerk

Staff Summary

03/04/2024
Agenda Item # F.8.

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO: Honorable Mayor & Council

FROM: Keri Navratil City Manager

SUBJECT: **Resolution No. 33-R-2023-2024 Approving Amendment No.4 to the Agreement for Professional Services - Engineering with Bolton & Menk, Inc. on the Storm Lake FEMA HMA Project**

BACKGROUND: The City of Storm Lake, Iowa (CITY) and Bolton & Menk, Inc. (BMI), entered into an agreement for engineering services on August 2, 2021 (AGREEMENT), for several projects related to potential FEMA funding opportunities.

The AGREEMENT has been amended previous three separate times to amend various components, costs, and responsibilities due to changes in applications and FEMA guidelines.

The CITY has received notice of an award for a HMA project to replace and fortify against flooding the City's Scout Park and Icehouse Lift Stations (PROJECT) which were a part of the original scope of the City's overall FEMA applications that were the subject of the AGREEMENT. The CITY and BMI need to amend the AGREEMENT to remove the non-funded components of the original scope to ensure that the AGREEMENT covers the true scope of the project.

Amendment No. 4 hereby removes the non-funded projects from the original scope including wells, raw water main, water reclamation and reuse components, and water distribution elements.

FISCAL IMPACT: Amendment No. 4 reduces the overall cost of the AGREEMENT by $7,946,752 leaving an engineering cost balance of $373,560.00. Half of this fiscal impact related to construction services is subject to further authorization by Council.

RECOMMENDATION: Approve Resolution No. 33-R-2023-2024 Approving Amendment No.4 to the Agreement for Professional Services – Engineering with Bolton & Menk, Inc. on the Storm Lake FEMA HMA Project

ATTACHMENTS:

- **2024-03-04 FEMA HMA Amendment 4.pdf**
- **Resolution No. 33-R-2023-2024 - Resolution Approving Amendment No. 4 to Engineering Services Agreement - Bolton Menk.docx**

CITY OF STORM LAKE, IOWA AND BOLTON & MENK, INC.
AMENDMENT TO AGREEMENT FOR PROFESSIONAL SERVICES

AMENDMENT NO: 4 – FEMA HMA Projects

CLIENT: City of Storm Lake, Iowa

CONSULTANT: Bolton & Menk, Inc.

DATE OF THIS AMENDMENT: March 4, 2024

DATE OF MASTER AGREEMENT FOR PROFESSIONAL SERVICES: August 2, 2021

Whereas, Client and Consultant entered into a Master Agreement for Professional Services ("Master Agreement") as dated above; and Consultant agrees to perform and complete the following Services for Client in accordance with this Amendment and the terms and conditions of the Master Agreement. Client and Consultant agree as follows:

1.0 Scope of Services:
Task 1 Services identified in the Master Agreement and Amendment Nos. 1-3 have been completed. Consultant shall perform the Task 2 and Task 3 Services listed within Exhibit A of the Master Agreement related to the revised scope listed below. All terms and conditions of the Master Agreement and Amendment Nos. 1-3 are incorporated by reference in this Amendment 4, except as explicitly modified in writing herein.

The following project categories are not pursued as part of Task 2 and Task 3 Services:

- BRIC 22 (HMA 21) Projects
  - Water Supply Projects (Wells Only)
  - Water Supply Projects (Raw Watermain)
  - Water Reclamation/Reuse Projects
  - Water Distribution Projects

The following project categories are unchanged from Amendment 3:

- HMA 22 Projects
  - Lift Station Improvements Projects (Scout Park and Icehouse lift station improvements)

2.0 Fees:
Due to a change in the aforementioned scope, the estimated costs for professional services for design and construction engineering are changed as follows:

TASK	DESCRIPTION	Amendment No. 4	Total Remaining Cost
2	Design Engineering and Bidding Services	($3,698,684)	$186,780
3	Construction Engineering Services	($4,248,068)	$186,780
TOTALS		**($7,946,752)**	**$373,560**

Client shall pay Consultant in accordance with Section 3 of the Master Agreement. The fees shall be not to exceed the amounts presented.

Each task as identified in the preceding fee table above shall be subject to independent authorization from the Client before any work or costs may be incurred on that specific task.

3.0 Deliverables

Deliverables are unchanged from the Master Agreement.

4.0 Term

This Amendment extends the Period of Agreement and the Agreement will remain in effect until April 30, 2027. In the event that the Schedule for this Amendment extends beyond the term of the Master Agreement, either intentionally or unintentionally by Amendment Scope or by Amendment extension, then this Amendment shall operate to extend the Master Agreement through the completion of Consultant's obligations under this Amendment or until a new Amendment is executed incorporating this Amendment.

5.0 Other Matters

All terms and conditions of the Master Agreement are incorporated by reference in the Amendment, except as explicitly modified in writing herein. Consultant will perform its services in compliance with the attached Exhibit C.

The Consultant's Unique Entity Identification information is presented for reference:

BOLTON & MENK INC ● Active Registration

Unique Entity ID	CAGE Code	Physical Address	Entity
K6FDNK9LKPP7	0TFP9	1960 PREMIER DR, MANKATO, MN 56001 USA	Expiration Date May 9, 2024 Purpose of Registration All Awards

(The Remainder of This Page Intentionally Left Blank)

Beginning January 1, 2024, the fee schedule in Section 3.A.1 shall be replaced with the following schedule. The rates shall apply for Services for the period through December 31, 2024. Hourly rates may be adjusted by Consultant on an annual basis thereafter to reflect reasonable changes in operating costs. Adjusted rates will become effective on January 1st of each subsequent year.

Employee Classification	2024 Hourly Billing Rates
Senior Project Manager	$180-261
Project Manager	$145-231
Senior Project Engineer	$140-216
Project Engineer	$130-201
Design Engineer	$115-176
Graduate Engineer	$120-156
Senior Planner	$110-231
Planner	$85-161
Senior Landscape Architect	$145-216
Landscape Architect	$130-161
Landscape Designer	$75-134
Licensed Project Surveyor	$160-191
Graduate Surveyor	$125-191
Survey Technician	$80-189
Senior Technician	$120-206
Technician	$85-176
Specialist*	$95-226
Practice Expert**	$170-311
Senior Principal	$200-320
Principal	$165-286
Administrative/Corporate Specialists	$50-176
GPS/Robotic Survey Equipment	NO CHARGE
CAD/Computer Usage	NO CHARGE
Routine Office Supplies	NO CHARGE
Routine Photocopying/Reproduction	NO CHARGE
Field Supplies/Survey Stakes & Equipment	NO CHARGE
Mileage	NO CHARGE

[1] No separate charges will be made for GPS or robotic total stations on Bolton & Menk, Inc. survey assignments; the cost of this equipment is included in the rates for survey technicians.

*Specialized role not classified above otherwise, incl. graphic design, project communication, funding support, etc.

**Highly specialized and industry expertise unique to the market or area of discipline.

CITY OF STORM LAKE, IOWA

By:________________________________

Printed Name: Michael Porsch

Title: Mayor

BOLTON & MENK, INC.

By:________________________________

Printed Name: Joshua A. Pope, P.E.

Title: Work Group Leader

ATTACHMENTS TO THIS TASK ORDER:
Exhibit C – Appendix to Part 200 – Contract Provisions for Non-Federal Entity Contracts Under Federal Awards

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EXHIBIT C
APPENDIX II TO PART 200 –
CONTRACT PROVISIONS FOR NON-FEDERAL ENTITY CONTRACTS
UNDER FEDERAL AWARDS

<u>FEMA HMA PROJECTS</u>

<u>CITY OF STORM LAKE, IOWA</u>

In addition to other provisions required by the Federal agency or non-Federal entity, all contracts made by the non-Federal entity under the Federal award must contain provisions covering the following, as applicable.

(A) Contracts for more than the simplified acquisition threshold currently set at $150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

(B) All contracts in excess of $10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.

(C) Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of “federally assisted construction contract” in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 CFR part 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.”

(D) Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of $2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. * Not applicable for FEMA funded projects.

(E) Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of $100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

(F) Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of “funding agreement” under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.

(G) Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended—Contracts and subgrants of amounts in excess of $150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

(H) Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

(I) Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding $100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grants or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

(J) See §200.322 Procurement of recovered materials.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75888, Dec. 19, 2014]

RESOLUTION NO. 33-R-2023-2024

RESOLUTION APPROVING AMENDMENT NO. 4 TO THE AGREEMENT FOR PROFESSIONAL SERIVCES – ENGINEERING, WITH BOLTON & MENK, INC. ON THE STORM LAKE FEMA HMA PROJECT

WHEREAS, the City of Storm Lake, Iowa (CITY) and Bolton & Menk, Inc. (BMI), entered into an agreement for engineering services on August 2, 2021 (AGREEMENT), for several projects related to potential FEMA funding opportunities; and,

WHEREAS, the AGREEMENT has been amended previous three separate times to amend various components, costs, and responsibilities due to changes in applications and FEMA guidelines; and,

WHEREAS, the CITY has received notice of an award for a HMA project to replace and fortify against flooding the City's Scout Park and Icehouse Lift Stations (PROJECT) which were a part of the original scope of the City's overall FEMA applications that were the subject of the AGREEMENT; and,

WHEREAS, the CITY and BMI need to amend the AGREEMENT to remove the non-funded components of the original scope to ensure that the AGREEMENT covers the true scope of the project; and,

WHEREAS, Amendment No. 4 hereby removes the non-funded projects from the original scope including wells, raw water main, water reclamation and reuse components, and water distribution elements; and,

WHEREAS, Amendment No. 4 reduces the overall cost of the AGREEMENT by $7,946,752 leaving an engineering cost balance of $373,560.00; and,

WHEREAS, the remaining value of the AGREEMENT is split as follows:

Task 2	Design Engineering and Bidding Services	$186,780.00
Task 3	Construction Engineering Services $	$186,780.00

WHEREAS, the CITY retains the right and responsibility to initiate the start of each of the remaining two tasks by individual notice to proceed to BMI; and,

WHEREAS, the CITY intends to accept the FEMA award for the PROJECT and to proceed with development of the PROJECT immediately; and,

WHEREAS, the CITY will issue official Notice to Proceed for Task 2 services to BMI once the CITY has received a fully executed Subaward Agreement for the PROJECT from Iowa Homeland Security and Emergency Management.

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

SECTION 1. The City Council hereby approves Amendment No. 4 to the Engineering Services agreement with BMI.

SECTION 2. The City Council hereby directs the Mayor to sign and thereby execute Amendment No. 4 on behalf of the City of Storm Lake, Iowa.

PASSED AND APPROVED BY THE CITY COUCIL OF THE CITY OF STORM LAKE, IOWA ON THIS 4TH DAY OF MARCH 2024.

SIGNED

____

Michael Porsch, Mayor

ATTEST

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Mayra A. Martinez, City Clerk

Staff Summary

03/04/2024
Agenda Item # F.9.

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO: Honorable Mayor & Council

FROM: Keri Navratil City Manager

SUBJECT: **Resolution No. 34-R-2023-2024 Granting Authorization to Engage Bolton and Menk, Inc. with Task 2 Services related to the Scout Park and Ice House Lift Station Project Subject to Execution of Grant Agreement with IA Homeland Security and Emergency Management**

BACKGROUND: The City of Storm Lake has received notification from Iowa Homeland Security and Emergency Management (IAHSEM) of an award of a Hazard Mitigation Grant for the Scout Park and Ice House Lift Station Project (PROJECT).

The City previously utilized a formal and FEMA approved process for procurement of engineering services for three separate tasks related to the potential PROJECT. The City selected and entered into an agreement with Bolton and Menk, Inc. (BMI) as the project engineer on August 2, 2021. The City previously authorized Task 1, Pre-Application Services.

The City needs an engineer to assist the City with the development of the project design and bidding services, Task 2. Task 2 services were included in the solicitation for engineering services related to the PROJECT. FEMA requires that the City official authorize the independent services or tasks when appropriate during the development of the project.

The City has approved a Subaward Agreement between the City and IAHSEM for the PROJECT and forwarded that agreement to IAHSEM for their approval.

The City intends to proceed with BMI as the project engineer for Task 2 services. IAHSEM requires that the City provide the Notice to Proceed to BMI following full approval of the Grant Subaward Agreement. The Council desires to be able to proceed as soon as the Subaward

Agreement is fully executed.

FISCAL IMPACT: Approve Resolution No. 34-R-2023-2024 Granting Authorization to Engage Bolton and Menk, Inc. with Task 2 Services related to the Scout Park and Ice House Lift Station Project Subject to Execution of Grant Agreement with IA Homeland Security and Emergency Management

RECOMMENDATION: Approve Resolution No. 34-R-2023-2024 Granting Authorization to Engage Bolton and Menk, Inc. with Task 2 Services related to the Scout Park and Ice House Lift Station Project Subject to Execution of Grant Agreement with IA Homeland Security and Emergency Management

ATTACHMENTS:

- **NTP City Authorization to Proceed Phase 2 For City Approval.docx**
- **Resolution No. 34-R-2023-2024 - Resolution Authorizing Approval and Execution of Task 2 Engineering Services - Bolton Menk.docx**

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

NOTICE TO PROCEED

The City of Storm Lake (hereinafter CITY) has received notification of an award for the Scout Park and Ice House Lift Station Project (hereinafter PROJECT) from Iowa Homeland Security and Emergency Management (hereinafter IAHSEM) which is identified as:

Subaward Agreement No. HMGP-DR-4483-IA-0026

The following is formal notification by the CITY that Bolton & Menk Engineering (hereinafter BMI) is hereby authorized to proceed with Task 2 services as outlined in the agreement between the CITY and BMI dated August 2, 2021, for the PROJECT.

As outlined in the August 2, 2021, agreement between the CITY and BMI the City must officially authorize BMI to engage in the start of services related to Task 2 of the project. Task 2 services include the Design Engineering and Bidding Services related to the PROJECT. This document shall authorize BMI to begin work on Task 2 services as of the date of signature below. The City Manager has been authorized by Council at the March 4, 2024, Council Meeting to sign this Notice to Proceed on behalf of the City following the full execution of the agreement between the CITY and IAHSEM.

This Notice to Proceed does not authorize or approve any work to be performed related to Task 3 of the August 2, 2021, agreement. Official Notice to Proceed for Task 3 services will be authorized at a later date in the project development.

BMI is notified that as of the date of the signature on this Notice to Proceed you are hereby authorized to commence work on Task 2 related to the PROJECT.

________________________________ ________________________

Keri Navratil, City Manager Date

RESOLUTION NO. 34-R-2023-2024

RESOLUTION GRANTING AUTHORIZATION TO ENGAGE BOLTON AND MENK, INC. WITH TASK 2 SERVICES RELATED TO THE SCOUT PARK AND ICE HOUSE LIFT STATION PROJECT SUBJECT TO EXECUTION OF GRANT AGREEMENT WITH IA HOMELAND SECURITY AND EMERGENCY MANAGEMENT

WHEREAS, the City of Storm Lake, has received notification from Iowa Homeland Security and Emergency Management (IAHSEM) of an award of a Hazard Mitigation Grant for the Scout Park and Ice House Lift Station Project (PROJECT); and,

WHEREAS, the City previously utilized a formal and FEMA approved process for procurement of engineering services for three separate tasks related to the potential PROJECT; and,

WHEREAS, the City selected and entered into an agreement with Bolton and Menk, Inc. (BMI) as the project engineer on August 2, 2021; and,

WHEREAS, the City previously authorized Task 1, Pre-Application Services; and,

WHEREAS, the City needs an engineer to assist the City with the development of the project design and bidding services, Task 2; and,

WHEREAS, Task 2 services were included in the solicitation for engineering services related to the PROJECT; and,

WHEREAS, FEMA requires that the City official authorize the independent services or tasks when appropriate during the development of the project; and,

WHEREAS, the City has approved a Subaward Agreement between the City and IAHSEM for the PROJECT and forwarded that agreement to IAHSEM for their approval; and,

WHEREAS, the City intends to proceed with BMI as the project engineer for Task 2 services; and,

WHEREAS, IAHSEM requires that the City provide the Notice to Proceed to BMI following full approval of the Grant Subaward Agreement; and,

WHEREAS, the Council desires to be able to proceed as soon as the Subaward Agreement is fully executed.

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

SECTION 1. The City Council hereby authorizes the engagement of BMI for Task 2 services subject to the receipt of a fully executed Subaward Agreement with IAHSEM.

SECTION 2. The City Council hereby directs the City Manager to sign and date the Notice to Proceed for Task 2 engineering services with BMI upon receipt of the fully executed Subaward Agreement from IAHSEM.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF STORM LAKE, IOWA ON THIS 4TH DAY OF MARCH 2024.

SIGNED

____

Michael Porsch, Mayor

ATTEST

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Mayra A. Martinez, City Clerk

Staff Summary

03/04/2024
Agenda Item # F.10.

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO: Honorable Mayor & Council

FROM: Keri Navratil City Manager

SUBJECT: **Resolution No. 35-R-2023-2024 Granting Authorization to Engage Simmering-Cory with Phase 2 Services Related to the Scout Park and Ice House Lift Station Project Subject to Execution of Grant Agreement with IA Homeland Security and Emergency Management**

BACKGROUND: The City of Storm Lake has received notification from Iowa Homeland Security and Emergency Management (IAHSEM) of an award of a Hazard Mitigation Grant for the Scout Park and Ice House Lift Station Project (PROJECT).

The City previously utilized a formal and FEMA approved process for procurement of grant writing and administration services for three separate tasks related to the potential PROJECT. The City selected and entered into an agreement with Simmering-Cory (SC) as the project grant writer and administrator on August 2, 2021.

The City previously authorized Phase 1, Pre-Application Services and the City needs an engineer to assist the City with the grant administration services, Phase 2. Phase 2 services were included in the solicitation for grant writing and administration services related to the PROJECT.

FEMA requires that the City official authorize the independent services or tasks when appropriate during the development of the project. The City has approved a Subaward Agreement between the City and IAHSEM for the PROJECT and forwarded that agreement to IAHSEM for their approval.

The City intends to proceed with SC as the project engineer for Phase 2 services and IAHSEM requires that the City provide the Notice to Proceed to SC following full approval of the Grant Subaward Agreement. The Council desires to be able to proceed as soon as the

Subaward Agreement is fully executed.

FISCAL IMPACT: N/A

RECOMMENDATION: Approve Resolution No. 35-R-2023-2024 Granting Authorization to Engage Simmering-Cory with Phase 2 Services Related to the Scout Park and Ice House Lift Station Project Subject to Execution of Grant Agreement with IA Homeland Security and Emergency Management

ATTACHMENTS:

- **NTP City Authorization to Proceed Phase 2 Grant Administration For City Approval.docx**
- **Resolution No. 35-R-2023-2024 - Resolution Authorizing Approval and Execution of Phase 2 Grant Administration Services - Simmering Cory.docx**

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

NOTICE TO PROCEED

The City of Storm Lake (hereinafter CITY) has received notification of an award for the Scout Park and Ice House Lift Station Project (hereinafter PROJECT) from Iowa Homeland Security and Emergency Management (hereinafter IAHSEM) which is identified as:

Subaward Agreement No. HMGP-DR-4483-IA-0026

The following is formal notification by the CITY that Simmering-Cory (hereinafter SC) is hereby authorized to proceed with Phase 2 services as outlined in the agreement between the CITY and SC dated August 2, 2021, for the PROJECT.

As outlined in the August 2, 2021, agreement between the CITY and SC the City must officially authorize SC to engage in the start of services related to Phase 2 of the project. Phase 2 services include Grant Administration Services related to the PROJECT. This document shall authorize SC to begin work on Phase 2 services as of the date of signature below. The City Manager has been authorized by Council at the March 4, 2024, Council Meeting to sign this Notice to Proceed on behalf of the City following the full execution of the agreement between the CITY and IAHSEM.

SC is notified that as of the date of the signature on this Notice to Proceed you are hereby authorized to commence work on Phase 2 related to the PROJECT.

________________________________ ________________________

Keri Navratil, City Manager Date

RESOLUTION NO. 35-R-2023-2024

RESOLUTION GRANTING AUTHORIZATION TO ENGAGE SIMMERING-CORY. WITH PHASE 2 SERVICES RELATED TO THE SCOUT PARK AND ICE HOUSE LIFT STATION PROJECT SUBJECT TO EXECUTION OF GRANT AGREEMENT WITH IA HOMELAND SECURITY AND EMERGENCY MANAGEMENT

WHEREAS, the City of Storm Lake, has received notification from Iowa Homeland Security and Emergency Management (IAHSEM) of an award of a Hazard Mitigation Grant for the Scout Park and Ice House Lift Station Project (PROJECT); and,

WHEREAS, the City previously utilized a formal and FEMA approved process for procurement of grant writing and administration services for three separate tasks related to the potential PROJECT; and,

WHEREAS, the City selected and entered into an agreement with Simmering-Cory (SC) as the project grant writer and administrator on August 2, 2021; and,

WHEREAS, the City previously authorized Phase 1, Pre-Application Services; and,

WHEREAS, the City needs an engineer to assist the City with the grant administration services, Phase 2; and,

WHEREAS, Phase 2 services were included in the solicitation for grant writing and administration services related to the PROJECT; and,

WHEREAS, FEMA requires that the City official authorize the independent services or tasks when appropriate during the development of the project; and,

WHEREAS, the City has approved a Subaward Agreement between the City and IAHSEM for the PROJECT and forwarded that agreement to IAHSEM for their approval; and,

WHEREAS, the City intends to proceed with SC as the project engineer for Phase 2 services; and,

WHEREAS, IAHSEM requires that the City provide the Notice to Proceed to SC following full approval of the Grant Subaward Agreement; and,

WHEREAS, the Council desires to be able to proceed as soon as the Subaward Agreement is fully executed.

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

SECTION 1. The City Council hereby authorizes the engagement of SC for Phase 2 services subject to the receipt of a fully executed Subaward Agreement with IAHSEM.

SECTION 2. The City Council hereby directs the City Manager to sign and date the Notice to Proceed for Phase 2 engineering services with Phase upon receipt of the fully executed Subaward Agreement from IAHSEM.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF STORM LAKE, IOWA ON THIS 4TH DAY OF MARCH 2024.

SIGNED

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Michael Porsch, Mayor

ATTEST

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Mayra A. Martinez, City Clerk

Staff Summary

03/04/2024
Agenda Item # F.11.

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO: Honorable Mayor & Council

FROM: Keri Navratil City Manager

SUBJECT: **Resolution No. 36-R-2023-2024 Committing Matching Funds and Authorizing Submission of Iowa Energy Efficiency and Conservation Block Grant (EECBG) Application**

BACKGROUND: The Iowa Economic Development Authority (IEDA) has opened a grant opportunity for communities to apply for funds that will reduce energy usage and allow for the reinvestment of the energy savings into other energy efficiency projects within the community.

The City of Storm Lake (CITY) adopted the Storm Lake Energy Action Plan in December 2015 which outlined various opportunities throughout the operations of all CITY departments where energy savings could be realized. The 2015 Storm Lake Energy Action Plan identified a project to replace the blower units at the CITY Wastewater Treatment Plant to appropriately sized units. The CITY has a desire to make improvements in the blowers at the Wastewater Treatment Plant but has not been able to fund the project due to other priorities.

The Iowa Energy Efficiency and Conservation Block Grant (EECBG) application is due by March 18, 2024. The CITY understands the goals of the program are to utilize the energy savings realized by the project to make additional energy efficiency savings improvements with the CITY's operations.

FISCAL IMPACT: The CITY's project engineer has identified a total project cost of $693,510.00 which includes construction, contingency, grant administration, and engineering fees. The CITY has set aside funds from their sewer utility funds over the past few years planning for a future project. The CITY is committing $393,510.00 of those set aside sewer funds to use toward this project as matching funds for the Wastewater Treatment Plant Blower Replacement Project. $300,000 is the maximum grant amount for a Community Fund application.

RECOMMENDATION: Approve Resolution No. 36-R-2023-2024 Committing Matching Funds and Authorizing Submission of Iowa Energy Efficiency and Conservation Block Grant (EECBG) Application

ATTACHMENTS:

Storm Lake Wastewater Treatment Plant Blower Replacement Project Cost Estimate.docx

Resolution No. 36-R-2023-2024 - Resolution Endorsing Authorizing Committing Matching Funds EECBG Application.docx

Storm Lake Wastewater Treatment Plant Blower Replacement Project

Cost Estimate

February 27, 2024

Mobilization	$69,700.00
Blower Units	$351,800.00
Valves, Meters, Piping	$37,500.00
Building Modifications (louvers, doors)	$25,000.00
Sensors	$50,000.00
Construction Subtotal	$534,000.00
Contingency (10%)	$53,400.00
Total Construction Costs	$587,400.00
Grant Administration	$18,000.00
Engineering Services (15%)	$88,110.00
Total Project Cost Estimate	$693,510.00

Estimate prepared by I&S Group, project engineer.

RESOLUTION NO. 36-R-2023-2024

RESOLUTION COMMITTING MATCHING FUNDS AND AUTHORIZING SUBMISSION OF IOWA ENERGY EFFICIENCY AND CONSERVATION BLOCK GRANT (EECBG) APPLICATION

WHEREAS, The Iowa Economic Development Authority (IEDA) has opened a grant opportunity for communities to apply for funds that will reduce energy usage and allow for the reinvestment of the energy savings into other energy efficiency projects within the community; and,

WHEREAS, the City of Storm Lake (CITY) adopted the Storm Lake Energy Action Plan in December 2015 which outlined various opportunities throughout the operations of all CITY departments where energy savings could be realized; and,

WHEREAS, the 2015 Storm Lake Energy Action Plan identified a project to replace the blower units at the CITY Wastewater Treatment Plant to appropriately sized units; and,

WHEREAS, the 2015 Storm Lake Energy Action Plan was the result of a Facility Energy Assessment that was conducted in partnership with Nexant, MidAmerican Energy, and IEDA in July 2015; and,

WHEREAS, the CITY has a desire to make improvements in the blowers at the Wastewater Treatment Plant but has not been able to fund the project due to other priorities; and,

WHEREAS, the CITY's project engineer has identified a total project cost of $693,510.00 which includes construction, contingency, grant administration, and engineering fees; and,

WHEREAS, the CITY has set aside funds from their sewer utility funds over the past few years planning for a future project; and,

WHEREAS, the CITY is committing $393,510.00 of those set aside sewer funds to use toward this project as matching funds for the Wastewater Treatment Plant Blower Replacement Project; and,

WHEREAS, the Iowa Energy Efficiency and Conservation Block Grant (EECBG) application is due by March 18, 2024; and, WHEREAS, the CITY understands the goals of the program are to utilize the energy savings realized by the project to make additional energy efficiency savings improvements with the CITY's operations

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

SECTION 1. The CITY hereby commits to and agrees to fund the required match of $393,510.00 as well as any project cost overages, which includes 100% of the engineering services related to the project.
SECTION 2. The City Council hereby authorizes and endorses the submission of an EECBG application for the Wastewater Treatment Plant Blower Project.

SECTION 3. The City Council hereby directs the Mayor to sign all required grant documents for the submission of an EECBG application.

PASSED AND APPROVED BY THE CITY COUCIL OF THE CITY OF STORM LAKE, IOWA ON THIS 4TH DAY OF MARCH 2024.

SIGNED

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Michael Porsch, Mayor

ATTEST

____
Mayra A. Martinez, City Clerk

Staff Summary

03/04/2024
Agenda Item # F.12.

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO: Honorable Mayor & Council

FROM: Brian Oakleaf Finance Director

SUBJECT: **Motion Setting Public Hearing on Setting Tax Levy Rate and Maximum Property Tax Dollars**

BACKGROUND:

This agenda item will set a Public Hearing for Setting the Tax Levy Rate and establishing the Maximum Property Tax Dollars as required by State Code stated in HF 718.

The Public Hearing will be Monday, April 1st, 2024 at 4:30 P.M. during a required separate City Council Meeting in City Council Chambers.

Notice of the Public Hearing will be published in the newspaper and added to the City's website and social media accounts as required by law.

A resolution to set the Tax Levy Rate can only take place after this Special Meeting, and can only take place after taxpayers receive the new required Levy Notification. Only after these items happen can we have a public hearing on the Budget and have an approved budget.

FISCAL IMPACT: The fiscal impact to set the public hearing is the cost of publication.

RECOMMENDATION: Set the Public Hearing for April 1, 2024 at 4:30 p.m. in Council Chambers

ATTACHMENTS:
Levy Presentation.pdf

CITY NAME: STORM LAKE

NOTICE OF PUBLIC HEARING - CITY OF STORM LAKE - PROPOSED PROPERTY TAX LEVY
Fiscal Year July 1, 2024 - June 30, 2025

CITY #: 11-091

The City Council will conduct a public hearing on the proposed Fiscal Year City property tax levy as follows:
Meeting Date: Meeting Time: Meeting Location:

At the public hearing any resident or taxpayer may present objections to, or arguments in favor of the proposed tax levy. After the hearing of the proposed tax levy, the City Council will publish notice and hold a hearing on the proposed city budget.

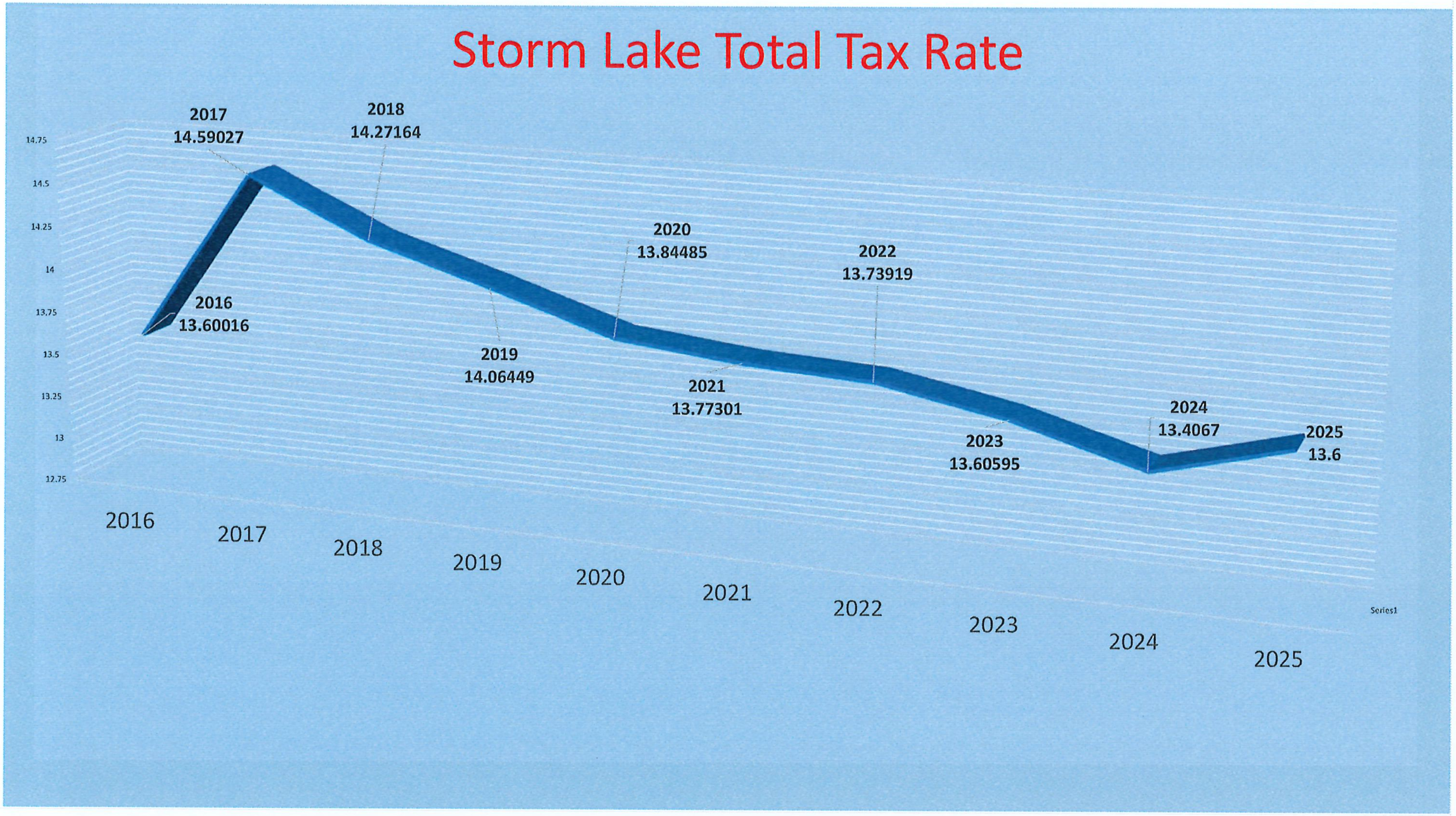
City Website (if available)
www.stormlake.org

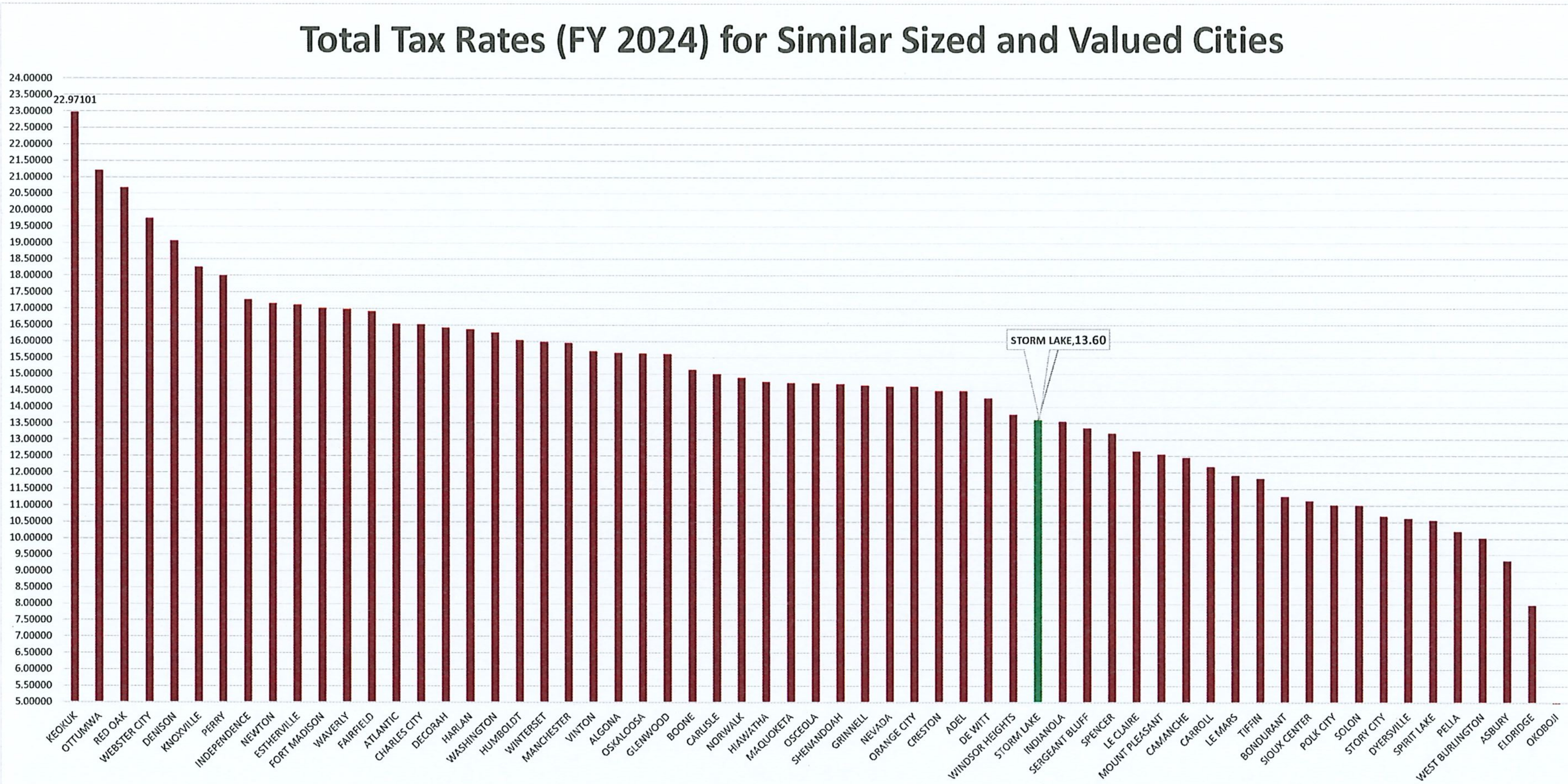
City Telephone Number

Iowa Department of Management	Current Year Certified Property Tax 2023 - 2024	Budget Year Effective Property Tax 2024 - 2025	Budget Year Proposed Property Tax 2024 - 2025
Taxable Valuations for Non-Debt Service	311,391,402	355,092,610	355,092,610
Consolidated General Fund	2,606,346	2,606,346	2,885,557
Operation & Maintenance of Public Transit	0	0	0
Aviation Authority	0	0	0
Liability, Property & Self Insurance	119,067	119,067	112,376
Support of Local Emergency Mgmt. Comm.	0	0	0
Unified Law Enforcement	0	0	0
Police & Fire Retirement	330,838	330,838	342,398
FICA & IPERS (If at General Fund Limit)	293,683	293,683	304,382
Other Employee Benefits	288,395	288,395	926,632
Capital Projects (Capital Improv. Reserve)	0	0	0
Taxable Value for Debt Service	366,553,322	452,961,932	452,961,932
Debt Service	631,425	631,425	329,000
CITY REGULAR TOTAL PROPERTY TAX	4,269,754	4,269,754	4,900,345
CITY REGULAR TAX RATE	13.40670	11.64013	13.60000
Taxable Value for City Ag Land	794,464	753,731	753,731
Ag Land	2,387	2,387	2,264
CITY AG LAND TAX RATE	3.00375	3.16691	3.00375
Tax Rate Comparison-Current VS. Proposed			
Residential property with an Actual/Assessed Value of $100,000	**Current Year Certified 2023/2024**	**Budget Year Proposed 2024/2025**	**Percent Change**
City Regular Resident	733	630	-14.05
Commercial property with an Actual/Assessed Value of $100,000	**Current Year Certified 2023/2024**	**Budget Year Proposed 2024/2025**	**Percent Change**
City Regular Commercial	733	630	-14.05

Note: Actual/Assessed Valuation is multiplied by a Rollback Percentage to get to the Taxable Valuation to calculate Property Taxes. Residential and Commercial properties have the same Rollback Percentage at $100,000 Actual/Assessed Valuation.

Reasons for tax increase if proposed exceeds the current:
HF 718


Storm Lake Total Tax Rate
14.75
14.5
14.25
14
13.75
13.5
13.25
13
12.75
2016 13.60016
2017 14.59027
2018 14.27164
2019 14.06449
2020 13.84485
2021 13.77301
2022 13.73919
2023 13.60595
2024 13.4067
2025 13.6
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025
Series1


Total Tax Rates (FY 2024) for Similar Sized and Valued Cities
24.00000
23.50000
23.00000
22.50000
22.00000
21.50000
21.00000
20.50000
20.00000
19.50000
19.00000
18.50000
18.00000
17.50000
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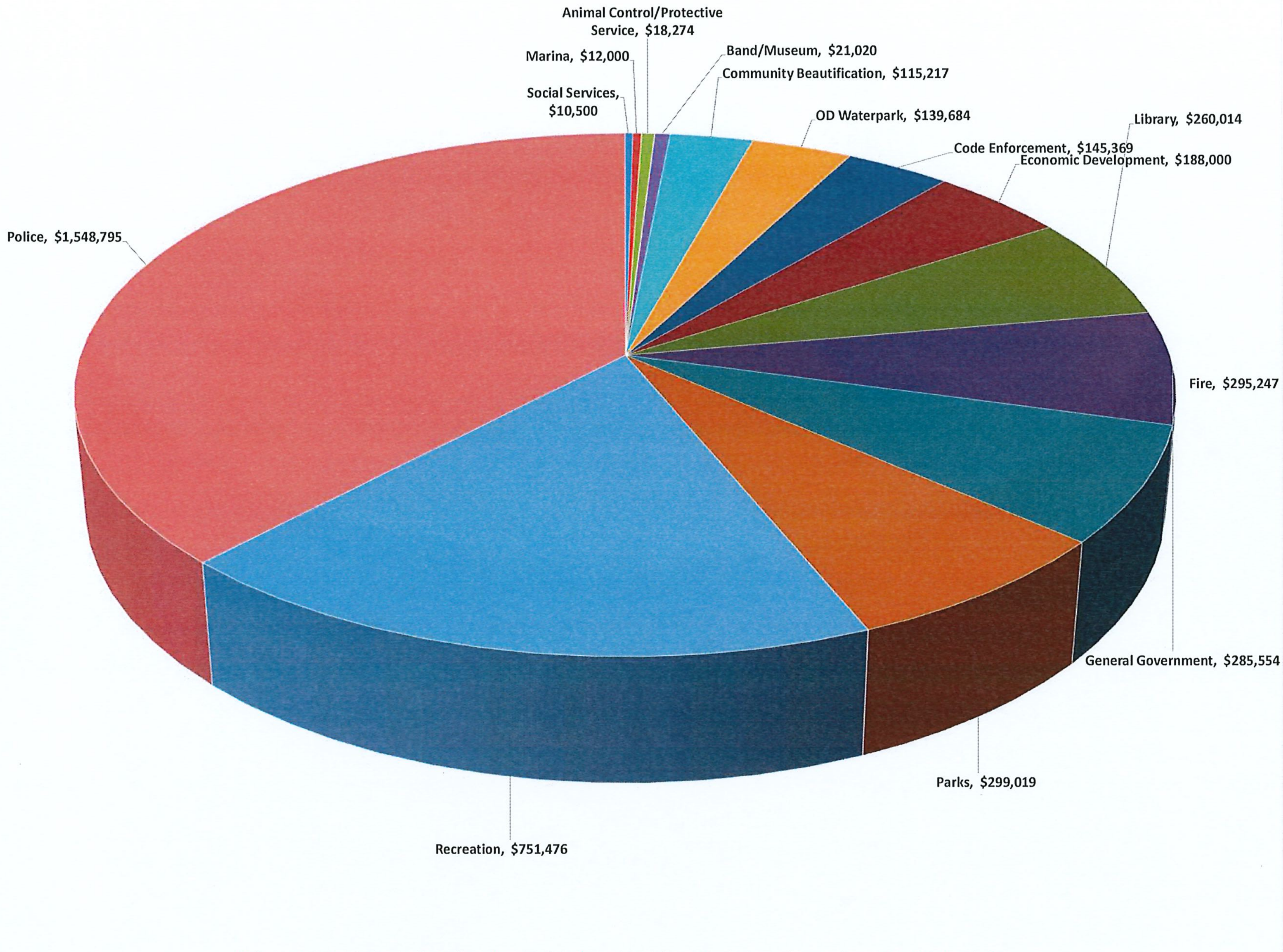
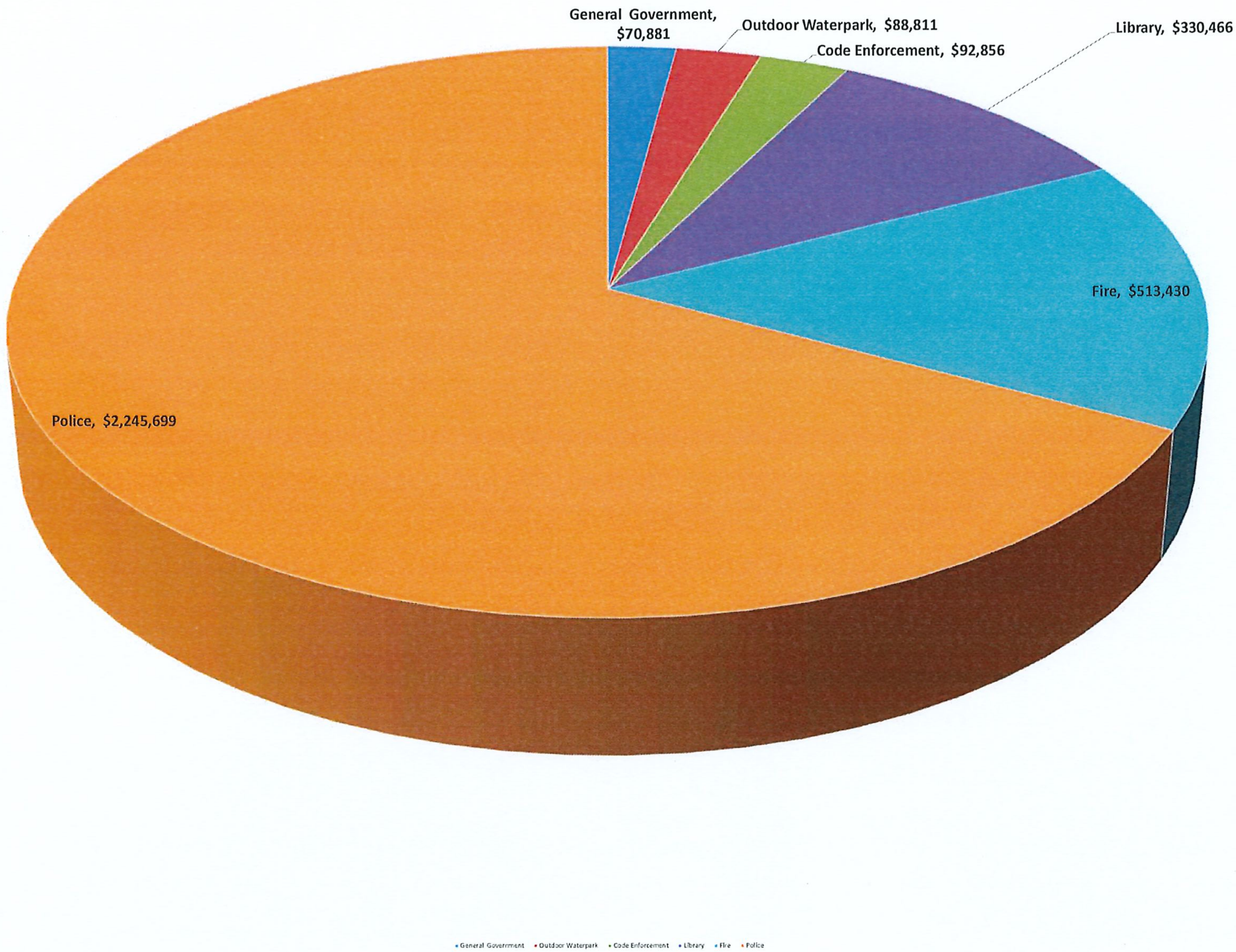
9.00000
8.50000
8.00000
7.50000
7.00000
6.50000
6.00000
5.50000
5.00000
22.97101
STORM LAKE,13.60
KEOKUK
OTTUMWA
RED OAK
WEBSTER CITY
DENISON
KNOXVILLE
PERRY
INDEPENDENCE
NEWTON
ESTHERVILLE
FORT MADISON
WAVERLY
FAIRFIELD
ATLANTIC
CHARLES CITY
DECORAH
HARLAN
WASHINGTON
HUMBOLDT
WINTERSET
MANCHESTER
VINTON
ALGONA
OSKALOOSA
GLENWOOD
BOONE
CARLISLE
NORWALK
HIAWATHA
MAQUOKETA
OSCEOLA
SHENANDOAH
GRINNELL
NEVADA
ORANGE CITY
CRESTON
ADEL
DE WITT
WINDSOR HEIGHTS
STORM LAKE
INDIANOLA
SERGEANT BLUFF
SPENCER
LE CLAIRE
MOUNT PLEASANT
CAMANCHE
CARROLL
LE MARS
TIFFIN
BONDURANT
SIOUX CENTER
POLK CITY
SOLON
STORY CITY
DYERSVILLE
SPIRIT LAKE
PELLA
WEST BURLINGTON
ASBURY
ELDRIDGE
OKOBOJI

FY 2015 General Fund Budget - $4,090,169



FY 2025 General Fund Budget - $3,182,451



Staff Summary

03/04/2024
Agenda Item # F.13.

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO: Honorable Mayor & Council

FROM: Keri Navratil City Manager

SUBJECT: **Public Hearing for Contesting Bid Rejections for the Memorial Road Street and Utility Improvement Project**

BACKGROUND: Bids were received and opened Thursday, February 1, 2024 at 2:00 P.M. for the Memorial Road Street & Utility Project. Four (4) bids were received, and the results are tabulated below:

Bainbridge Construction, LLC: $2,441,141.29
Hulstein Excavating, Inc.: $2,830,554.50
Reding's Gravel & Excavating, Inc.: $3,127,240.00
DeLoss Construction, Inc. $3,207,545.00
Engineer's Opinion of Probable Cost: $2,769,224.00

Chapter 26 of the Iowa Code stipulates that 'the contract for the public improvement must be awarded to the lowest, responsive, responsible bidder.' All bidders appear to be responsive through their submittal of their bids in conformity with the project plans and specifications. A bidder is responsible if they possess the experience, facilities, reputation, financial resources and are fully capable of performing the contract. A bidder's responsibility can be evaluated based on experience, number of employees, financial resources, business judgment, and evidence of the bidder's record for reliability and service under prior similar contracts.

The Memorial Road Street and Utility Improvements project is a complicated project that will negatively impact 2/3rds of our community if performed inadequately. An added layer of complexity is that a majority of the work will have to be done near the lake. The decision to reject these bids did not come lightly. City Council and Staff have the fiduciary and environmental responsibility to provide the best possible service to the community.

Bainbridge Construction was contracted to complete Stormwater Improvement Project at 4th and Oates which was a National Disaster Resiliency HUD funded grant.

Hulstein was contracted to complete five projects:

- Erie Street CDBG Stormwater Project
- North Central Stormwater Phase 2- National Disaster Resiliency HUD funded grant
- 7th and Geneseo Street Sanitary Improvements- National Disaster Resiliency HUD funded grant
- 3rd Addition Phase 3
- Oneida Street and Utility Improvements- Iowa Department of Transportation funded grant

After completing the post-bid evaluation it is the City Manager's recommendation to reject bids from Bainbridge Construction and Hulstein Excavating due to lack of experience on similar Storm Lake projects and a pattern of unsatisfactory past performance, including:

- Not following proper National Pollutant Discharge Elimination System (NPDES) General Permit #2 protocols
- Not performing required Stormwater Pollution Prevention Plan(SWPPP)
- Non-responsive to and lack of communication to property owners, Engineering and City Staff
- Projects are not completed pursuant to contractual obligations and breach of contract was threatened.

FISCAL IMPACT: N/A

RECOMMENDATION: Open Hearing
Hear Comments
Close Hearing

ATTACHMENTS:

Bainbridge.pdf
Hulstein Letter.pdf
2024-02-19 131538 Recommendation of Award Letter (002).pdf

SECTION 000941 – CHANGE ORDER FORM **Change Order No. 1**

Date of Issuance: OCTOBER 14, 2021 Effective Date: OCTOBER 14, 2021

Owner: City of Storm Lake Owner's Contract No.:

Contractor: BAINBRIDGE CONSTRUCTION Contractor's Project No.:

Engineer: Emmons & Oliver Resources, Inc. Engineer's Project No.: 01112-0021

Project: 4th & Oates Storm Water Improvements Contract Name:

The Contract is modified as follows upon execution of this Change Order:

Description: See Attachments A, B and C for Change Order Details.

Attachments: *[List documents supporting change]*

CHANGE IN CONTRACT PRICE	CHANGE IN CONTRACT TIMES *[note changes in Milestones if applicable]*
Original Contract Price: $684,980.15	Original Contract Times: Substantial Completion: Ready for Final Payment: days or dates
~~[Increase] [Decrease] from previously approved Change Orders No. __ to No. __:~~ $ N/A	[Increase] [Decrease] from previously approved Change Orders No. __ to No. __: Substantial Completion: Ready for Final Payment: days
Contract Price prior to this Change Order: $684,980.15	Contract Times prior to this Change Order: Substantial Completion: Ready for Final Payment: days or dates
~~[Increase]~~ [Decrease] of this Change Order: $ 105,844.07	[Increase] [Decrease] of this Change Order: Substantial Completion: Ready for Final Payment: days or dates
Contract Price incorporating this Change Order: $579,136.08	Contract Times with all approved Change Orders: Substantial Completion: Ready for Final Payment: days or dates

RECOMMENDED:	ACCEPTED:	ACCEPTED:
By: Derek R. Lash	By: [signature]	By: [signature]
Engineer (if required)	Owner (Authorized Signature)	Contractor (Authorized Signature)
Title: PROJECT ENGINEER	Title Mayor	Title
Date: 2021/10/25	Date 11/01/2021	Date 10-25-21

Approved by Funding Agency (if applicable)

By: Date:

Title:

END OF SECTION

Keri Navratil

From:	Derek Lash <dlash@eorinc.com>
Sent:	Thursday, October 14, 2021 10:12 AM
To:	Ryan Haggin
Cc:	brandon oestmann; Kevin Griggs; Scott Olesen; Scott Bonebrake; Justin@sc-ic.com; David Derragon; Keri Navratil
Subject:	RE: 4th & Oates Punchlist Status ?

It should be in your hand by the end of the week.

Derek R. Lash, PE, CPESC
EOR: water | ecology | community
d: 651.203.6031, c: 763.226.6499, dlash@eorinc.com

From: Ryan Haggin <ryan@bainbridgeconstructionllc.com>
Sent: Thursday, October 14, 2021 7:52 AM
To: Derek Lash <dlash@eorinc.com>
Cc: brandon oestmann <brandon@bainbridgeconstructionllc.com>; Kevin Griggs <kgriggs@eorinc.com>; Scott Olesen <olesen@stormlake.org>; Scott Bonebrake <bonebrake@stormlake.org>; Justin@sc-ic.com; Dave Derragon <derragon@stormlake.org>; Keri Navratil <navratil@stormlake.org>
Subject: Re: 4th & Oates Punchlist Status ?
Importance: High

Derek,

I have yet to hear anything back in regards to this. Can you please get me an update as to where we are at?

Thanks

Ryan Haggin
Bainbridge Construction
(712) 378-3619 Office
(712) 378-3753 Fax
(712) 540-2360 Mobile

ryan@bainbridgeconstructionllc.com

> On Oct 6, 2021, at 7:43 AM, Ryan Haggin <ryan@bainbridgeconstructionllc.com> wrote:
>
> Derek,
>
> Where are we with the final pay application. Could you please let me know when we can expect this.
>
> Thanks
>
> Ryan Haggin
> Bainbridge Construction

(712) 378-3619 Office
(712) 378-3753 Fax
(712) 540-2360 Mobile

ryan@bainbridgeconstructionllc.com

On Sep 17, 2021, at 9:53 AM, Ryan Haggin <ryan@bainbridgeconstructionllc.com> wrote:

Derek,

I have yet to see anything in regards to the final pay application. Could you please check and let me know?

Thanks

Ryan Haggin
Bainbridge Construction
(712) 378-3619 Office
(712) 378-3753 Fax
(712) 540-2360 Mobile

ryan@bainbridgeconstructionllc.com

On Aug 25, 2021, at 10:35 PM, Derek Lash <dlash@eorinc.com> wrote:

Ryan and Brandon, thank you for sending the SWPPP reports. However, in not hearing back from you regarding the status of the punchlist I had to schedule other meetings for Thursday morning and will not visit 4th & Oates.

Regarding the final payment application, the federal funding requires this project be closed in September. With that said, I'm in the process of finalizing the final payment application and change order to deduct the portion of the contract value not used (-$41,977.05). The final payment application will also indicate the final contract value for your three year vegetation maintenance bond.

As previously mentioned, as submitted I cannot approve Bid Item 58 (Additional Erosion Control Measures) for reimbursement of 100% of the value. The contract documents (Special Provision 16.4) discuss the protocol to request payment under this item. As requested, please submit documentation for what the $10,000 was used for. This is included in the $41,977.05 value above.

Additionally, I am deducting an amount for the value ($22,000.00) of replacing the curb & gutter on the northwest end of Oates Street. The work product is poor quality and will not be accepted in its current state, and requires complete removal & replacement. Please see the attached cost estimate for this work.

I am in the field Thursday, out of office until next Tuesday and anticipate sending the Final Payment Application and Change Order for your signature by next Tuesday or Wednesday. City Administration needs the final pay app, change order, and maintenance bond by September 7th in order for consideration of payment at the Council meeting on the 14th. Additionally, you will need to continue to work with Justin Yarosevich (City Grant Admin) to insure payroll documentation is properly filled out, otherwise payment won't be considered until a subsequent meeting.

Thank you for your time.

Sincerely,

Derek R. Lash, PE, CPESC
EOR: water | ecology | community
d: 651.203.6031, c: 763.226.6499, dlash@eorinc.com

In light of the global pandemic, I realize my work schedule may be different than yours. Please do not feel obligated to respond outside your regular work hours.

From: Derek Lash
Sent: Tuesday, August 24, 2021 8:19 AM
To: Ryan Haggin <ryan@bainbridgeconstructionllc.com>
Cc: Kevin Griggs (kgriggs@eorinc.com) <kgriggs@eorinc.com>; Scott Olesen <olesen@stormlake.org>; Scott Bonebrake <bonebrake@stormlake.org>; 'Justin@sc-ic.com' <Justin@sc-ic.com>
Subject: 4th & Oates Punchlist Status ?
Importance: High

Ryan, I was hoping to make a punchlist visit on Thursday morning at 10AM.

Can you please update me on the status of punchlist items since the attached email from July 14th? If you sent something beyond the email with the as-builts, please resend.

Also, a couple of particulars: I've not seen any SWPPP inspection reports or correspondence since the last report dated May 24th. If vegetation density meets the permit requirements, we need that documentation. Additionally, I've not seen any communication regarding turf or rain garden maintenance. The City will need confirmation of those tasks during the three-year vegetation maintenance and warranty period.

Lastly, the PDF & CAD files for the as-builts are acceptable.

Thanks,

Derek R. Lash, PE, CPESC

Senior Civil Engineer (MN, WI, IA)
Certified SWPPP Designer Mn
CPESC National Credentials
d: 651.203.6031, c: 763.226.6499, dlash@eorinc.com

EOR: water | ecology | community
p: 651.770.8448, www.eorinc.com

In light of the global pandemic, I realize my work schedule may be different than yours. Please do not feel obligated to respond outside your regular work hours.

<1112_21_Oates_St_CurbGutter_20210825.xlsx>

Keri Navratil

From: Kevin Griggs <kgriggs@eorinc.com>
Sent: Friday, October 16, 2020 9:07 AM
To: Keri Navratil
Cc: Scott Olesen; Scott Bonebrake; Derek Lash
Subject: 4th & Oates - Gaes damage

Hi Keri,

On August 11th I met on-site at 419 Russell Street with property owner, Kurt Gaes to discuss the damage caused by Bainbridge's concrete supplier the week of July 6th.

Mr. Gaes said at least two concrete trucks were seen (by his wife) entering their off-street parking area and turning around. Mr. Gaes claimed the truck traffic damaged the asphalt portion of his lot and also crossed a newer concrete portion of the lot near the house. There was no apparent surface damage to the concrete but we couldn't determine if there was any subsurface damage.

Mr. Gaes explained that he wanted the asphalt damage fixed by the contractor. We talked about possible remedies including an asphalt or concrete patch and adequate size. Mr. Gaes was concerned that a small patch would quickly fail and likely be dislodged during snow removal. I measured an approximate suitable patch size of 25' x 25'. Mr. Gaes was open to either material type and asked that he be given the opportunity to review a remedy proposal to confer with his family on how to resolve. I suggested a third option may be a cash settlement in lieu of a repair. Mr. Gaes expressed interest in self-funding further lot improvements at the time of repair.

I offered to communicate further with the contractor and City staff to resolve the issue.

Since the initial visit, I received a follow up call from Mr. Gaes expressing his dissatisfaction with the lack of action from the contractor to resolve this issue.

Kevin M. Griggs, PWS, CWB
Senior Environmental Scientist
Iowa Operations Lead
515.230.7044, kgriggs@eorinc.com

EOR: water | ecology | community
515.230.7044, www.eorinc.com

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

February 14, 2024

Hulstein Excavating, Inc.
Jeff Haas, Estimator/Project Supervisor
147 175th Avenue
Edgerton, Minnesota 56128

Re: City of Storm Lake Memorial Road Street & Utility Improvements – Notice of bid rejection

Dear Mr. Haas:

Bolton and Menk and City staff have completed the post-bid evaluation of the bids on the above-referenced project. Based on this review, the City Manager's office will be recommending that Hulstein Excavating's bid be rejected as an unqualified and not responsible bid due to lack of experience on similar projects and a pattern of unsatisfactory past performance on City of Storm Lake public improvement projects.

Hulstein may contest this recommendation by requesting to be heard at a public hearing on the award of contract before the City of Storm Lake City Council. You must submit your request to me in writing, by email, by 2:00 p.m. on February 16, 2024.

If a public hearing is requested, the hearing is anticipated to be held during the City Council meeting on March 4, 2024 at 5:00 p.m., at Storm Lake City Hall, 620 Erie St, Storm Lake, Iowa. You may join this meeting via Zoom. You will find the Zoom link on the City Council's agenda using this link https://www.stormlake.org/515/Agendas-and-Minutes.

Sincerely,

Keri Navratil
City Manager
Navratil@stormlake.org

BOLTON & MENK
Real People. Real Solutions.

218 11th Street SW Plaza
Spencer, IA 51301

Ph: (712) 580-5075
Bolton-Menk.com

February 14, 2024

City of Storm Lake
Attn: Keri Navratil
620 Erie Street
Storm Lake, Iowa 50588

RE: Recommendation of Award
2024 Memorial Road Street & Utility Improvements
City of Storm Lake, Iowa
Project No.: 0P1.131538

Dear Keri:

Bids were received and opened Thursday, February 1, 2024 at 2:00 P.M. for the project referenced above. Four (4) bids were received, and the results are tabulated below:

	Total Amount Bid
Bainbridge Construction, LLC:	$2,441,141.29
Hulstein Excavating, Inc.:	$2,830,554.50
Reding's Gravel & Excavating, Inc.:	$3,127,240.00
DeLoss Construction, Inc.	$3,207,545.00
Engineer's Opinion of Probable Cost:	$2,769,224.00

A detailed bid abstract including the engineer's estimate is enclosed for your reference. This abstract should not be shared publicly (including with the bidders) until after the construction contract has been awarded. The bid abstract should be discarded if the construction contract is not awarded.

The bids have been reviewed and all bids appear to have been submitted in conformance with the plans and specifications.

The low bid is approximately 12% below the Engineer's Opinion of Probable Cost (OPC), the second low bid is ~2% above the OPC, the third low bid is ~13% above the OPC, and the high bid is ~16% above the OPC. Further review of the bidders' extended bid price within the bid abstract reveals that all bidders were generally within 1% ($27,692.24) of the total OPC ($2,769,224.00) for each of the 95 pay items. Based on the evaluation of this 1% metric, it can be concluded that the OPC overestimated the cost associated with the Excavation Class 13, Standard or Slip Form Portland Cement Concrete Pavement (8.0"), and Temporary Conveyance System pay items. Similarly, the OPC appears to have underestimated the cost associated with Modified Subbase and 18" Forcemain Valve pay items. From this analysis, it is concluded that the bids are competitive.

The low bidder, Bainbridge Construction, LLC (Kingsley, Iowa), recently performed work for the City of Storm Lake as part of the City's 4th & Oates Storm Water Project. This project's construction contract was awarded on September 16, 2019 in the amount of $684,980.15. The project predominantly included the installation of 800 LF of 15" & 18" RCP Storm Sewer, 800 LF of 6" & 8" HDPE subdrain, 1260 SY of 8" PCC Pavement, and related improvements. The construction contract stated that the project will be substantially completed on or before July 31, 2020 and completed and ready for final payment on or before September 30, 2020. The project was deemed substantially complete on July 31, 2020 (at the contractual date) and final payment was recommended October 14, 2021 (379 days after the contractual final completion date). As part of the final payment recommendation, Change Order No. 1 was also issued on October 14, 2021. The Change Order deducted $20,742.02 for 'poor workmanship for PCC Curb & Gutter and Pavement on Oates Street'. Additionally, Bainbridge Construction was relieved of its responsibility to provide three years of vegetation establishment and maintenance warranty as Bainbridge Construction did not demonstrate the follow through of these obligations after the substantial completion date.

The next low bidder, Hulstein Excavating, Inc. (Edgerton, Minnesota) has also performed work for the City of Storm Lake and has been awarded the following construction contracts with the City since 2016:

- Erie Street CDBG Stormwater Improvements
    - $1,044,186.04 construction contract awarded May 2, 2016
    - The project scope entailed the installation of approximately 2400 LF 6" to 12" HDPE Subdrain, 700 LF 8" PVC Watermain, 1500 SY 5" PCC Sidewalk, 4500 SY 6" & 7" PCC Pavement, 1650 SY Permeable Paver Pavement, and related improvements
    - Contractual Substantial Completion was November 11, 2016 and modified to November 18, 2016 resultant of project change orders
    - Substantial Completion occurred June 16, 2017 (210 days after contractual date)
    - Final Completion was approved July 3, 2017
    - Final Punchlist Completion occurred October 5, 2017 (111 days after substantial completion)
- North Central Stormwater Improvement, Phase 2 Project
    - $1,624,752.00 construction contract awarded March 20, 2017
    - The project scope entailed the installation of approximately 1,050 LF 12"to 27" RCP Storm Sewer, 2500 LF 8" to 15" Subdrain, 1,150 LF 8" PVC Watermain, 6,050 SY 7" PCC Pavement, 900 SY Permeable Paver Pavement, and related improvements
    - Contractual Substantial Completion was October 15, 2017
    - Substantial Completion occurred November 8, 2017 (25 days after contractual date)
    - Final Completion was approved December 3, 2018 (390 days after substantial completion)
- 2017 Third Addition, Phase Three Project
    - $492,998.70 construction contract awarded August 7, 2017
    - The project scope entailed the installation of approximately 550 LF 15" & 24" RCP Storm Sewer, 400 LF 8" PVC Sanitary Sewer, 800 LF 8" PVC Watermain, 1850 LF 6" HDPE Subdrain, 3650 SY 7" PCC Pavement, and related improvements
    - Contractual Substantial Completion was June 1, 2018
    - Substantial Completion occurred July 25, 2018 (54 days after contractual date)
    - Final Completion was approved November 19, 2018 (118 days after substantial completion)

- 7th and Geneseo Street Sanitary Sewer Improvements
    - $306,440.05 construction contract awarded February 19, 2018
    - The project scope entailed the installation of ~400 LF 15" PVC Sanitary Sewer, 760 SY of 6" & 8.5" PCC Pavement, and related improvements
    - Contractual Substantial Completion was
    - Substantial Completion occurred September 25, 2018 (31 days after contractual date)
    - Final Completion was approved October 15, 2018 (20 days after substantial completion)
- Oneida Street Reconstruction Project
    - $1,905,092.12 construction contract awarded February 15, 2021
    - The project scope entailed the installation of approximately 2,250 LF 12" to 36" RCP Storm Sewer, 4,000 LF 6" Subdrain, 100 LF 8" PVC Sanitary Sewer, 2,050 LF 6" PVC Watermain, 8,500 SY 7" PCC Pavement, 400 SY 5" & 6" PCC Sidewalk, 2,900 SY 6" PCC Driveway Pavement, and related improvements
    - Contractual substantial completion was originally 130 working days and modified to 151 working days resultant of project change orders
    - Substantial Completion occurred November 24, 2021 (136 working days used)
    - Final Completion was approved February 20, 2023 (453 days after substantial completion; this delay was caused, in part, through the City's water restrictions in response to drought conditions in 2022)
    - Additionally, Engineer notified the Contractor to perform the remaining turf restoration work at the contractual pricing on September 19, 2022. Contractor notified the Engineer on September 26, 2022 that it would not honor the contractual prices in performing the remaining seeding work. Given the delayed response, it was not feasible for the Contractor to perform the work prior to the contractual seeding deadline (September 30, 2022). This resulted in the City needing to perform the remaining work in 2023.

The 2024 Memorial Road Street & Utility Improvements project is notably more complex than the City of Storm Lake projects previously attempted by Bainbridge Construction and Hulstein Excavating. The OPC for the Memorial Road effort is nearly $2 million greater than the project operated by Bainbridge Construction and approximately $1 million larger than the largest effort previously performed by Hulstein Excavating in Storm Lake.

In addition to having a larger project scope, the Memorial Road project requires careful consideration with performing the installation of the proposed 42" RCP Storm Sewer at its intersection with an existing 18" DIP forcemain. This forcemain needs to be lowered to accommodate the proposed storm sewer crossing. The forcemain conveys wastewater from the western portion of the City and the temporary conveyance system will require coordination with City of Storm Lake Wastewater Operations and Buena Vista University. The sequencing of these operations will need to occur in a small timeframe and this portion of the construction is a critical component to the project's success.

During the bidding process, we received multiple questions from Reding's Gravel & Excavating (Algona, Iowa) on the coordination and sequencing of the temporary conveyance aspect of the project. To our knowledge, none of the other bidders made inquiries regarding this portion of the project. The responses to Reding's questions were addressed via Addendums 1 and 3. While all bidders were provided with the same information, it is believed that Reding's Gravel & Excavating is better prepared to accomplish this scope of the project.

Additionally, the City of Storm Lake has entered into an Agreement for Private Development with Kwik Trip, Inc. Within this agreement, the City of Storm Lake has agreed to complete the Memorial Road Public Improvements no later than November 30, 2024 and complete the Storm Sewer Relocation by July 1, 2024. Accordingly, the contractual substantial completion and final completion dates for the 2024 Memorial Road Street & Utility Improvements project are October 1, 2024 and November 30, 2024, respectively.

The complexity of the Memorial Road project combined with the time requirements stated in the Agreement for Private Development with Kwik Trip makes this project unique to any efforts previously pursued by the two low bidders. Given the performance record of the two low bidders, there is concern that Bainbridge Construction and Hulstein Excavating can complete the project within the contractual parameters specified in the construction documents.

As reported by the City of Storm Lake, Reding's Gravel & Excavating has successfully performed other projects with the City, both as a subcontractor and contractor. Most recently, Reding's Gravel & Excavating performed as a subcontractor on the Highways 7 and 110 Intersection Improvements project in the City. Throughout this effort, Reding's performed its portion of the work with the specified quality and within the timeframes required to ensure subsequent portions of the work was not delayed. These performance reports, when combined with the interest displayed throughout the bidding process, make it reasonable to conclude that Reding's Gravel & Excavating understands the Memorial Road project and can accomplish the scope of work within the specified contract times.

The City of Storm Lake has received competitive bids and it is up to the City Council on how it wishes to proceed with the award of the construction contract. As noted by the City Attorney, Chapter 26 of the Iowa Code stipulates that 'the contract for the public improvement must be awarded to the lowest, responsive, responsible bidder.' All bidders appear to be responsive through their submittal of their bids in conformity with the project plans and specifications. The definition of 'responsible' is the important consideration and based on the performance records of Bainbridge Construction and Hulstein Excavating with the City of Storm Lake, it is reasonable to reject the bids from Bainbridge Construction and Hulstein Excavating. As such, and if deemed economically feasible, we recommend awarding the construction contract to Reding's Gravel & Excavating, Inc. in the amount of $3,127,240.00.

Sincerely,

Bolton & Menk, Inc.

Joshua A. Pope, PE, ENV SP, LEED AP BD+C
City Infrastructure Engineer

JP/AB
Enclosures

Staff Summary

03/04/2024
Agenda Item # F.14.

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO: Honorable Mayor & Council

FROM: Keri Navratil City Manager

SUBJECT: **Resolution No. 37-R-2023-2024 Awarding Bid to Reding's Gravel & Excavation, Inc. for the 2024 Memorial Road Street & Utilities Improvements Project**

BACKGROUND: A proposed commercial development is expected to notably increase vehicle traffic within the Memorial Road corridor, particularly at and north of its intersection with Lakeshore Drive (Highway 7). The roadway is currently gravel and does not have the structural capacity to accommodate the anticipated traffic loading. Additionally, this area is prone to inundation during notable rain events.

The proposed project will replace the gravel roadway with a new concrete/curb and gutter roadway. A new storm system will be constructed to minimize flooding events and the sanitary sewer will be extended from Lakeshore Drive to serve future development within the corridor. A recent water system assessment revealed the watermain is in a sufficient condition to serve future development and therefore watermain improvements are not intended.

Bids were received and opened Thursday, February 1, 2024 at 2:00 P.M. for the project referenced above. Four (4) bids were received, and the results are tabulated below:

Company & Total Amount Bid

Bainbridge Construction, LLC:	$2,441,141.29
Hulstein Excavating, Inc.:	$2,830,554.50
Reding’s Gravel & Excavating, Inc.:	$3,127,240.00
DeLoss Construction, Inc.	$3,207,545.00
Engineer’s Opinion of Probable Cost:	$2,769,224.00

The Public Hearing for the 2024 Memorial Road Street & Utilities Improvements Project was held at the City Council meeting on February

5, 2024 at 5:15 PM.

Chapter 26 of the Iowa Code stipulates that ‘the contract for the public improvement must be awarded to the lowest, responsive, responsible bidder.’ All bidders appear to be responsive through their submittal of their bids in conformity with the project plans and specifications. The definition of ‘responsible’ is the important consideration and based on the performance records of Bainbridge Construction and Hulstein Excavating with the City of Storm Lake, it is reasonable to reject the bids from Bainbridge Construction and Hulstein Excavating.

At the February 19, 2024 Council Meeting, a Public Hearing was set for March 4, 2024, at 5:00 PM in City Council Chambers for contesting Bid Rejections for the 2024 Memorial Road Street & Utilities Improvements Projects. Bainbridge Construction and Hulstein Excavating were notified and both replied they would attend the public hearing.

FISCAL IMPACT: Engineer’s Opinion of Probable Cost is $2,769,224.00. Reding’s Gravel & Excavating Inc. is the recommended bid in the amount of $3,127,240.00.

RECOMMENDATION: Approve Resolution No. 37-R-2023-2024 Awarding Bid to Reding’s Gravel & Excavation, Inc. for the 2024 Memorial Road Street & Utilities Improvements Project

ATTACHMENTS:

- **2024-02-19 131538 Recommendation of Award Letter (002).pdf**
- **Resolution No. 37-R-2023-2024 Memorial Road Bid Award - Redings**

BOLTON & MENK
Real People. Real Solutions.

218 11th Street SW Plaza
Spencer, IA 51301

Ph: (712) 580-5075
Bolton-Menk.com

February 14, 2024

City of Storm Lake
Attn: Keri Navratil
620 Erie Street
Storm Lake, Iowa 50588

RE: Recommendation of Award
2024 Memorial Road Street & Utility Improvements
City of Storm Lake, Iowa
Project No.: 0P1.131538

Dear Keri:

Bids were received and opened Thursday, February 1, 2024 at 2:00 P.M. for the project referenced above. Four (4) bids were received, and the results are tabulated below:

	Total Amount Bid
Bainbridge Construction, LLC:	$2,441,141.29
Hulstein Excavating, Inc.:	$2,830,554.50
Reding's Gravel & Excavating, Inc.:	$3,127,240.00
DeLoss Construction, Inc.	$3,207,545.00
Engineer's Opinion of Probable Cost:	$2,769,224.00

A detailed bid abstract including the engineer's estimate is enclosed for your reference. This abstract should not be shared publicly (including with the bidders) until after the construction contract has been awarded. The bid abstract should be discarded if the construction contract is not awarded.

The bids have been reviewed and all bids appear to have been submitted in conformance with the plans and specifications.

The low bid is approximately 12% below the Engineer's Opinion of Probable Cost (OPC), the second low bid is ~2% above the OPC, the third low bid is ~13% above the OPC, and the high bid is ~16% above the OPC. Further review of the bidders' extended bid price within the bid abstract reveals that all bidders were generally within 1% ($27,692.24) of the total OPC ($2,769,224.00) for each of the 95 pay items. Based on the evaluation of this 1% metric, it can be concluded that the OPC overestimated the cost associated with the Excavation Class 13, Standard or Slip Form Portland Cement Concrete Pavement (8.0"), and Temporary Conveyance System pay items. Similarly, the OPC appears to have underestimated the cost associated with Modified Subbase and 18" Forcemain Valve pay items. From this analysis, it is concluded that the bids are competitive.

The low bidder, Bainbridge Construction, LLC (Kingsley, Iowa), recently performed work for the City of Storm Lake as part of the City's 4th & Oates Storm Water Project. This project's construction contract was awarded on September 16, 2019 in the amount of $684,980.15. The project predominantly included the installation of 800 LF of 15" & 18" RCP Storm Sewer, 800 LF of 6" & 8" HDPE subdrain, 1260 SY of 8" PCC Pavement, and related improvements. The construction contract stated that the project will be substantially completed on or before July 31, 2020 and completed and ready for final payment on or before September 30, 2020. The project was deemed substantially complete on July 31, 2020 (at the contractual date) and final payment was recommended October 14, 2021 (379 days after the contractual final completion date). As part of the final payment recommendation, Change Order No. 1 was also issued on October 14, 2021. The Change Order deducted $20,742.02 for 'poor workmanship for PCC Curb & Gutter and Pavement on Oates Street'. Additionally, Bainbridge Construction was relieved of its responsibility to provide three years of vegetation establishment and maintenance warranty as Bainbridge Construction did not demonstrate the follow through of these obligations after the substantial completion date.

The next low bidder, Hulstein Excavating, Inc. (Edgerton, Minnesota) has also performed work for the City of Storm Lake and has been awarded the following construction contracts with the City since 2016:

- Erie Street CDBG Stormwater Improvements
  - $1,044,186.04 construction contract awarded May 2, 2016
  - The project scope entailed the installation of approximately 2400 LF 6" to 12" HDPE Subdrain, 700 LF 8" PVC Watermain, 1500 SY 5" PCC Sidewalk, 4500 SY 6" & 7" PCC Pavement, 1650 SY Permeable Paver Pavement, and related improvements
  - Contractual Substantial Completion was November 11, 2016 and modified to November 18, 2016 resultant of project change orders
  - Substantial Completion occurred June 16, 2017 (210 days after contractual date)
  - Final Completion was approved July 3, 2017
  - Final Punchlist Completion occurred October 5, 2017 (111 days after substantial completion)
- North Central Stormwater Improvement, Phase 2 Project
  - $1,624,752.00 construction contract awarded March 20, 2017
  - The project scope entailed the installation of approximately 1,050 LF 12"to 27" RCP Storm Sewer, 2500 LF 8" to 15" Subdrain, 1,150 LF 8" PVC Watermain, 6,050 SY 7" PCC Pavement, 900 SY Permeable Paver Pavement, and related improvements
  - Contractual Substantial Completion was October 15, 2017
  - Substantial Completion occurred November 8, 2017 (25 days after contractual date)
  - Final Completion was approved December 3, 2018 (390 days after substantial completion)
- 2017 Third Addition, Phase Three Project
  - $492,998.70 construction contract awarded August 7, 2017
  - The project scope entailed the installation of approximately 550 LF 15" & 24" RCP Storm Sewer, 400 LF 8" PVC Sanitary Sewer, 800 LF 8" PVC Watermain, 1850 LF 6" HDPE Subdrain, 3650 SY 7" PCC Pavement, and related improvements
  - Contractual Substantial Completion was June 1, 2018
  - Substantial Completion occurred July 25, 2018 (54 days after contractual date)
  - Final Completion was approved November 19, 2018 (118 days after substantial completion)

- 7th and Geneseo Street Sanitary Sewer Improvements
  - $306,440.05 construction contract awarded February 19, 2018
  - The project scope entailed the installation of ~400 LF 15" PVC Sanitary Sewer, 760 SY of 6" & 8.5" PCC Pavement, and related improvements
  - Contractual Substantial Completion was
  - Substantial Completion occurred September 25, 2018 (31 days after contractual date)
  - Final Completion was approved October 15, 2018 (20 days after substantial completion)
- Oneida Street Reconstruction Project
  - $1,905,092.12 construction contract awarded February 15, 2021
  - The project scope entailed the installation of approximately 2,250 LF 12" to 36" RCP Storm Sewer, 4,000 LF 6" Subdrain, 100 LF 8" PVC Sanitary Sewer, 2,050 LF 6" PVC Watermain, 8,500 SY 7" PCC Pavement, 400 SY 5" & 6" PCC Sidewalk, 2,900 SY 6" PCC Driveway Pavement, and related improvements
  - Contractual substantial completion was originally 130 working days and modified to 151 working days resultant of project change orders
  - Substantial Completion occurred November 24, 2021 (136 working days used)
  - Final Completion was approved February 20, 2023 (453 days after substantial completion; this delay was caused, in part, through the City's water restrictions in response to drought conditions in 2022)
  - Additionally, Engineer notified the Contractor to perform the remaining turf restoration work at the contractual pricing on September 19, 2022. Contractor notified the Engineer on September 26, 2022 that it would not honor the contractual prices in performing the remaining seeding work. Given the delayed response, it was not feasible for the Contractor to perform the work prior to the contractual seeding deadline (September 30, 2022). This resulted in the City needing to perform the remaining work in 2023.

The 2024 Memorial Road Street & Utility Improvements project is notably more complex than the City of Storm Lake projects previously attempted by Bainbridge Construction and Hulstein Excavating. The OPC for the Memorial Road effort is nearly $2 million greater than the project operated by Bainbridge Construction and approximately $1 million larger than the largest effort previously performed by Hulstein Excavating in Storm Lake.

In addition to having a larger project scope, the Memorial Road project requires careful consideration with performing the installation of the proposed 42" RCP Storm Sewer at its intersection with an existing 18" DIP forcemain. This forcemain needs to be lowered to accommodate the proposed storm sewer crossing. The forcemain conveys wastewater from the western portion of the City and the temporary conveyance system will require coordination with City of Storm Lake Wastewater Operations and Buena Vista University. The sequencing of these operations will need to occur in a small timeframe and this portion of the construction is a critical component to the project's success.

During the bidding process, we received multiple questions from Reding's Gravel & Excavating (Algona, Iowa) on the coordination and sequencing of the temporary conveyance aspect of the project. To our knowledge, none of the other bidders made inquiries regarding this portion of the project. The responses to Reding's questions were addressed via Addendums 1 and 3. While all bidders were provided with the same information, it is believed that Reding's Gravel & Excavating is better prepared to accomplish this scope of the project.

Additionally, the City of Storm Lake has entered into an Agreement for Private Development with Kwik Trip, Inc. Within this agreement, the City of Storm Lake has agreed to complete the Memorial Road Public Improvements no later than November 30, 2024 and complete the Storm Sewer Relocation by July 1, 2024. Accordingly, the contractual substantial completion and final completion dates for the 2024 Memorial Road Street & Utility Improvements project are October 1, 2024 and November 30, 2024, respectively.

The complexity of the Memorial Road project combined with the time requirements stated in the Agreement for Private Development with Kwik Trip makes this project unique to any efforts previously pursued by the two low bidders. Given the performance record of the two low bidders, there is concern that Bainbridge Construction and Hulstein Excavating can complete the project within the contractual parameters specified in the construction documents.

As reported by the City of Storm Lake, Reding's Gravel & Excavating has successfully performed other projects with the City, both as a subcontractor and contractor. Most recently, Reding's Gravel & Excavating performed as a subcontractor on the Highways 7 and 110 Intersection Improvements project in the City. Throughout this effort, Reding's performed its portion of the work with the specified quality and within the timeframes required to ensure subsequent portions of the work was not delayed. These performance reports, when combined with the interest displayed throughout the bidding process, make it reasonable to conclude that Reding's Gravel & Excavating understands the Memorial Road project and can accomplish the scope of work within the specified contract times.

The City of Storm Lake has received competitive bids and it is up to the City Council on how it wishes to proceed with the award of the construction contract. As noted by the City Attorney, Chapter 26 of the Iowa Code stipulates that 'the contract for the public improvement must be awarded to the lowest, responsive, responsible bidder.' All bidders appear to be responsive through their submittal of their bids in conformity with the project plans and specifications. The definition of 'responsible' is the important consideration and based on the performance records of Bainbridge Construction and Hulstein Excavating with the City of Storm Lake, it is reasonable to reject the bids from Bainbridge Construction and Hulstein Excavating. As such, and if deemed economically feasible, we recommend awarding the construction contract to Reding's Gravel & Excavating, Inc. in the amount of $3,127,240.00.

Sincerely,

Bolton & Menk, Inc.

Joshua A. Pope, PE, ENV SP, LEED AP BD+C
City Infrastructure Engineer

JP/AB
Enclosures

RESOLUTION NO. 37-R-2023-2024

RESOLUTION AWARDING BID FOR THE 2024 MEMORIAL ROAD STREET & UTILITIES IMPROVEMENTS PROJECT

WHEREAS, the plans, specifications, form of contract and estimate of cost were filed with the CITY for the construction of certain public improvements described in general as the 2024 Memorial Road Street & Utilities Improvements project; and

WHEREAS, notice of hearing on plans, specifications, form of contract and estimate of cost for said public improvements was published as required by law; and

WHEREAS, the Public Hearing for the project was held on February 5, 2024.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STORM LAKE, IOWA;

Section 1. That the contract for the project is hereby awarded to Reding's Gravel & Excavating, Inc. in the amount of $3,127,240.00. as described in the preamble of this Resolution.

PASSED AND APPROVED this 4th day of March 2024.

____
Michael Porsch, Mayor

ATTEST:

____
Mayra A. Martinez, City Clerk

Staff Summary

03/04/2024
Agenda Item # F.15.

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO: Honorable Mayor & Council

FROM: Mayra Martinez City Clerk

SUBJECT: **City Council Requested Items / City Council Updates**

BACKGROUND:

FISCAL IMPACT:

RECOMMENDATION:
1. Recreational Vehicles/Trailers Parking on City Street - Date Pending
2. Sign Ordinance - Date Pending
3. Animal Strays and Animal Shelters - Date Pending

ATTACHMENTS:

Staff Summary

03/04/2024
Agenda Item # F.16.

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO: Honorable Mayor & Council

FROM: Tyler Gibbins Staff Accountant

SUBJECT: **Fiscal Year 2024-2025 Budget Work Session**

BACKGROUND: Fiscal Year 2024-2025 Operations and Maintenance Budgets will be presented to City Council.

- Outside Agency
- Administration & Special Revenues
- Economic Development
- Building Official and Code Enforcement
- Police Department
- Fire Department
- Library
- Public Services
- Golf Course
- Outdoor Water Park
- FY2025 Strategic Goals

FISCAL IMPACT:

RECOMMENDATION: Review budgets and make recommendations

ATTACHMENTS:

OUTSIDE AGENCY FUNDING
ADMINISTRATION & SPECIAL REVENUES
ECONOMIC DEVELOPMENT
BUILDING & CODE ENFORCEMENT
POLICE DEPARTMENT
FIRE DEPARTMENT
LIBRARY
PUBLIC SERVICES
FY2025 Strategic Goals

OUTSIDE AGENCY FUNDING

Each year the City of Storm Lake takes requests from tax-exempt organizations throughout the community to award grant money the City has available on an annual appropriation basis. This year, the City received 8 requests totaling $97,650.

REVENUES:
Revenues to support the outside agency funding will come from the general fund.

FISCAL YEAR 2024-2025 BUDGET:

Outside Agency Requests
Applications were received by:

Agency	Project	Total Request
Imagine the Possibilities	Waterpark Passes	$ 500
PFLAG Storm Lake	Education Material	$ 500
SALUD	Int'l Women's Day Event	$ 650
BV Historical Society	Kitchen/Storage Upgrades	$ 3,000
NCI Small Business Dev	Essential Services	$ 5,000
Witter Gallery	Fine Arts	$18,000
Upper Des Moines	Emergency Assistance	$20,000
SLU Development	SLU Mission Fulfillment	$50,000

Notes:

***Awardees must be willing to enter, or have already entered, into a 28E agreement with the City of Storm Lake pursuant the State Auditor's Office.

***Awardees must provide a mid-year update to the City Council on project status.

***Awardees are required to account to the City the use of the public funds to determine that the public purpose is met.

***Awardees are not permitted to use public funds for salaries.

Council to come to a consensus on amounts (if any) of Outside Agency funding.

Administration

General Fund
The General Fund is the primary ledger accounts that record all assets and liabilities of the City which are not assigned to a special purpose. The primary divisions of the General Fund include: Public Safety, Code Enforcement, Airport, Library, Parks, Campground, Golf Course, Economic Development, Finance, Administration, Cottages, and Outdoor Water Park.

Airport:
Revenues- $402,000
Expenses- $400,091

Transit System:
Operating Expense- $8,000
In-Kind Support includes parking location and use of electricity.

Municipal Band:
Operating Expenses- $8,000

Community Education:
Operating Expenses- $115,250

Mayor & City Council:
Payroll- $60,709

Franchise Fees:
Revenues- $964,000

Administration:
Revenues- $426,950
Payroll- $117,389
Operating Expenses- $474,477

Cottages:
Revenues- $167,400
Operating Expenses- $61,725

Local Option Sales Tax
Local Option Sales Tax is the 1% voter approved specific purpose tax that is returned to the City for streets, buildings, debt retirement and capital improvements.

Estimated Revenues:	$1,848,000
Debt Expenses:	$ 400,600
Capital Expenses:	$1,539,750

Hotel Motel Tax
Hotel Motel Tax is the tax generated and returned to the community from recreation. Per Section 422A.2(4)(a) of the Code of Iowa, 50% of this revenue must go back into the community for recreation, culture and tourism ,and related debt.

Estimated Revenues:	$432,600
Debt Expenses:	$129,900
Community Recreation:	$252,700
Tourism:	$ 50,000

Sales Tax Increment Financing Fund
As part of our flood mitigation projects, the State enacted a STIFF program to assist with offsetting costs for flood mitigation projects. These funds are used to repay bonds incurred by flood mitigation projects.

Estimated Revenues:	$249,960
Debt Expenses:	$249,960

Tax Increment Financing
Tax Increment Financing is a public financing method used as an incentive for redevelopment, infrastructure, and other community improvement projects. TIF is a way for the City to divert future property tax revenue increases from a defined area (Urban Renewal Area) toward an economic development or public improvement project in the community. The City currently has 5 Urban Renewal Areas:

Industrial Park URA

Projected Revenues:	$2,724,939
Debt Repayment Expenses:	$2,724,939

Bargloff URA

Projected Revenues:	$379,714
Debt Repayment Expenses:	$379,714

LMI #3 URA

Projected Revenues:	$15,922
Debt Repayment Expenses:	$15,922

LMI #4 URA

Projected Revenues:	$20,219
Debt Repayment Expenses:	$20,219

Donations
The City of Storm Lake maintains several donation funds which are earmarked for specific purposes. These funds are collected and disbursed accordingly per the use of the funds.

Crime Prevention
Estimated Revenues: $3,500
Projected Expenses: $3,500

Parks
Estimated Revenues: $1,000
Projected Expenses: $1,000

Memorial Funds
The City maintains several memorial funds. Each are limited per a contractual agreement on what the funds are used for.

Library Memorial Funds
Estimated Revenues: $9,535
Projected Expenses: $8,330

Law Enforcement Funds
The City maintains evidence funds for the Public Safety Department which are held for a judge's ruling.

Law Enforcement
Estimated Revenues: $5,500
Projected Expenses: $5,500

Evidence
Estimated Revenues: $0
Projected Expenses: $0

***Note: Transfers between funding sources are not included to get a clear picture of revenue vs expenses per division. Transfers were approved during the CIP process.

ECONOMIC DEVELOPMENT

Our economic development strategies are based on the needs, assets, and goals of the Storm Lake community. The Economic Development Department seeks to improve economic well-being and quality of life by encouraging business investment opportunities and supporting business retention, expansion, attraction, and job creation to maintain a healthy economy and increase our tax base.

The City of Storm Lake through the Development Services Specialist is committed to promoting and sustaining a strong, successful business climate by providing assistance and support with grants, loans, business and financial planning, apprenticeship programs, retail recruitment, expansion, retention, succession planning and development opportunities.

Comprehensive Economic Development requires the support of elected officials and partner organizations. The Development Services Specialist works closely with City Council, Iowa Economic Development Authority, Small Business Development Center, Iowa Lakes Corridor Development, Iowa Workforce Development, The Retail Coach, NW Iowa Planning and Development, Buena Vista University (The Foundry) and Iowa Central Community College.

Economic Development Highlights:

- Conducted 35 Business Retention and Expansion Visits (BRE) In collaboration with ILCDC.
- During BRE visits identified business owners with no succession plan in place. Provided direction and assistance with succession planning resources that connect business owners planning to sell, retire or transition out of a leadership role with entrepreneurs looking for an acquisition or expansion opportunity.
- Met with 15 local entrepreneurs and provide strategic business planning assistance prior to them opening their businesses.
- Created a “Where Do I Start” information packet for startups/entrepreneurs that includes a business plan template, 10-step guide to start a business, a business entity chart, IA business tax registration form, a list of funding options and insurance information. Created a database of available buildings and properties.
- Built an Economic Development page on the city website to provide online access to topics such as: Starting a New Business, Business Tool Kit, Funding, Site Selection, Workforce, Housing, Childcare, Webinars and Workshops, Development News, Retail Coach Reports and Retail Site Development Opportunities, Downtown Master Plan and ADA information.
- Worked with The Retail Coach to establish our Community Retail Profile, Demographic Snapshot and identified our Primary Retail Trade Area for retail recruitment. Created a webpage on city website so reports are available to our business community.
- Secured a Rural Child Care Market Study Grant through the IEDA and formed a child care steering committee for analysis and strategic planning.

FACTORS AFFECTING THIS BUDGET YEAR

There were no unforeseen expenses in the current year.

FISCAL YEAR 2024-2025 BUDGET ADJUSTMENTS

Iowa Lakes Corridor Membership-	$37,600
NW IA Planning & Dev Member-	$ 7,325
Land Options-	$20,000
Housing Study Update-	$25,000
Retail Coach-	$25,000

BUDGET OVERVIEW

Expenses- $372,731

BUILDING & CODE ENFORCEMENT

The Storm Lake Building Department consists of two full time employees who inspect and enforce national and local building codes for new construction and remodels. Additionally, the Building Inspector and Building and Code Compliance Director are responsible for storm water inspections, rental housing inspections, enforcement of the Zoning Ordinance, working with the Planning and Zoning Commission and Board of Adjustment, dangerous building inspections, and coordinating with the other City Departments on areas of overlap. Working closely with the Building Department, the City's Code Enforcement Officer assists with inspections and enforcement of the City Property Maintenance Code, scheduling of rental inspections, inspecting sidewalks, storm water inspections, rental inspections, and scheduling of building inspections, as well as setting up Planning and Zoning Commission and Board of Adjustment meetings.

FISCAL YEAR 2024-2025 BUDGET ADJUSTMENTS:

Increase in Condemned Housing Costs- $75,000
Site Plan Review Device & Screen- $6,000

New Position: Electrical Maintenance Engineer

BUDGET OVERVIEW

Total Revenues- $46,000	
Expenses- $341,714	
Personnel- $161,174	47% of the total expenses
Operations/Maintenance- $160,540	53%

POLICE DEPARTMENT

The Storm Lake Police Department provides 24-hour law enforcement services to the City of Storm Lake. The department currently consists of 20 sworn Police Officers, 1 Community Service Officer, 2 Civilian Office staff members and 3 Civilian Volunteers (two chaplains and one tactical team medic).

The Storm Lake Police Department Patrol Division is made up of 4 Lieutenants and 14 patrol officers. Each Lieutenant oversees a patrol shift consisting of two to three patrol officers and one Community Service Officer.

The patrol division is primarily responsible for answering calls for service which include:

- Responding to emergency calls
- Taking criminal complaints
- Enforcing traffic laws
- Addressing quality of life issues
- Investigating vehicular accidents
- Preliminary Investigation of crimes
- Community Policing
- Networking with other community service providers
- Enforcing city and state criminal laws
- Animal Control

The Criminal Investigation Division (CID) is made up of 2 detectives supervised by the Assistant Chief.

The investigation division is responsible for major case crimes and follow up investigations. SLPD Detectives provide the highest quality criminal investigations by conducting timely and thorough investigations using advanced investigative techniques and forensic equipment.

The Community Service Officer (CSOs) is a civilian officer that works under the umbrella of the patrol division. The CSOs primary responsibilities are interpretation, translation, and community outreach. CSOs further assist with performing city code enforcement, house watch, security checks, funeral escorts, parking enforcement and fingerprinting.

The Police Department Special Services Division has specially trained officers in the following areas:

Tactical Entry Team (E-Team)
Hostage Negotiators
Clandestine Drug Lab Response Team
Underwater Search and Recovery Dive Team
Sexual Assault Response Team (SART)
Drone Pilots
K-9 Unit
Narcotics Unit
Community Engagement / Community Outreach

REVENUES:
The operations for the Storm Lake police department budget are covered by the City's general fund with other revenue coming from fines and fees outlined in the City's fee resolution.

CURRENT FEE RESOLUTION

Fee	Rate	Code Reference
Administrative Fee	$30.00	
Alarm Business Permit Application	$75.00	4-7-6
Alarm Business Permit Renewal	$75.00	4-7-9
False Alarm Equip Malfunction (after 3)	$75.00	4-7-16
False Alarm	$75.00	4-7-16
Building Escorts (per car)	$75.00	5-1-3
Cat License – Not Neutered/Spayed (per year)	$20.00	8-4-2
Neutered/Spayed (per year)	$10.00	
Dog License – Not Neutered/Spayed (per year)	$20.00	8-3-2
Neutered/Spayed (per year)	$10.00	
Fingerprinting	$10.00	
Impound/Storage Fee (per day)	$30.00	8-6-5
Impound Storage Fee – felony related (per day)	$50.00	
Parking Fine	$15.00	9-11-4
Report Copies	$ 5.00	
Police Escort Fee – per hour, per unit	$75.00	5-1-3
Emergency Response and/or Cleanup of Material (per hour)		
Police Vehicle (per vehicle)	$75.00	

FISCAL YEAR 2024-2025 BUDGET ADJUSTEMENTS:

Furniture at the Station-	$26,000
Fire Alarm Rehab-	$10,000
Parking Lot Rehab-	$10,000
Surveillance Equipment-	$ 2,000
SMART board-	$ 6,500
Training Mat-	$ 2,500

BUDGET OVERVIEW

Total Revenues- $30,500
Expenses- $2,350,719
Personnel- $1,711,969 — 73% of the total expenses
Operations/Maintenance- $638,750 — 27%

FIRE DEPARTMENT

The Storm Lake Fire Department is a mix of 2 full time employees and 24 volunteer fire fighters. These individuals work with 8 emergency vehicles. The Storm Lake Fire department covers approximately 90 square miles within Grant, Hayes, and Washington Townships which encompass the City of Storm Lake, City of Lakeside, and Truesdale. These surrounding areas enter into a fire service agreement with the City of Storm Lake for services.

FACTORS AFFECTING THIS BUDGET YEAR:

- Increased costs for uniform replacements: Helmets, Boots, Jackets, etc - $4,954
- Increased costs for equipment & supplies: Hose Replacements, SCBA Replacements - $20,547

REVENUES:
The operations for the Storm Lake fire department budget are covered by the City's general fund with other revenue coming from the surrounding service area governing bodies.

PROPOSED FEE CHANGES:
There were 79 call outs stemming from 20 separate commercial (including apartments & multi-occupant dwellings such as dorms) locations that had more than one false alarm.

Ther were 9 call outs stemming from 3 separate residential (single family dwellings, mobile homes, & condo buildings) locations that had more than one false alarm.

With an average 12 person response per call, the total personnel cost per call is $180.00 not including the cost of fuel, vehicle maintenance, and wear and tear on vehicles and equipment.

The following is the current City Code regarding false alarm callouts:

The False Alarm fee is outlined in City Code 4-7-16. "The subscriber or proprietor utilizing a fire alarm system shall be liable to the City for the sum, in the amount set by Council Resolution, for each false fire alarm in excess of one (1) in any twelve (12) month period, whether intentionally activated by any person whether known or not, or due to equipment malfunction. Failure to pay the charge for false alarms within fifty (50) days after notice thereof shall be grounds for revocation of the alarm permit."

It is recommended to remove the false alarm fee from the City's Fee Resolution and amend the City Code to allow the enforcement of the violations through the municipal infraction process. The current schedule of Civil Penalties as outline in code 1-20-2(A):

First Offense	$ 75.00
Second Offense	$125.00
All Other Repeated Offenses	$200.00

FISCAL YEAR 2024-2025 BUDGET ADJUSTMENTS:

There are several items that have been placed for deferred maintenance, those items have now reached a point where dereferences are no longer an option. Regular maintenance for an aging facility and normal fleet maintenance and repair of some of the older vehicles are also placing strains on the budget. This increased expense coupled with the steadily rising costs for anything fire service related have continued to place strain on the fire department budget. Routine supplies and equipment costs for items that are used by fire department members have also increased drastically across all manufacturers. This is equipment used on almost every call for service and are requirements. The NFPA is constantly releasing and updating recommendations and codes that are set to protect the health and welfare of firefighters. This has resulted in additional costs for testing and inspections of outside services to verify and document the safety and preparedness of equipment and occasionally adding new static equipment to units. Over the last two years the fire department has made significant strides in upgrading, improving, and maintaining firefighter and department equipment. Within the next 5 years all serviceable equipment will have been replaced in a rotation schedule that will allow for staggered lifespans, replacement schedules and less budgetary strain.

Additional Part-Time Inspector position: $30,000

City code section 7-1-2 Establishment And Duties Of Bureau Of Fire Prevention addresses the responsibilities and establishment of the FPB. Commercial locations can change ownership, design, or undergo other changes that the fire department may not be aware of. With the hiring of a part time fire inspector, not to exceed 30 hours per week unless special circumstances exist, the opportunity will now exist to enter, inspect, and document all commercial establishments within the City of Storm Lake.

In 2023 we launched the Community Connect program through our response software First Due. One of the many capabilities of the platform is the ability to create highly detailed pre-plans of a structure or location. When the inspector is conducting the inspection, information will be simultaneously gathered about alarm systems, entry and exit points, fire department connections and other information as well as site photos and drawings. All this information will be entered into the specific address to create a detailed pre-plan. While our firefighters are familiar with several larger commercial locations, it is impossible to know everything about every location. Each fire department vehicle is equipped with a vehicle mounted iPad. As the pre-plans are entered, they will be available to firefighters responding to an incident on our software, allowing them to access critical information about a specific address.

Annual fire inspections are a simple and effective way to enforce adopted fire codes, ensure compliance, and reduce risk and potential loss. The goal of the FPB is to build a relationship of understanding, knowledge sharing and increased safety with business owners. Their loss is our loss, and the goal of the fire department is to have a zero-fire loss community due to inspection and education initiatives.

With the hiring of a part-time fire inspector the City of Storm Lake will become a safer community and build a stronger relationship with its business establishments. This inspector will also be available for emergency response calls while completing duties, reducing the response time of fire department units.

Increased operational costs for repairs fire engines: $6,000
Fire Hose & Fitting Replacements: $25,000
Portable Vent Fan: $5,600

BUDGET OVERVIEW

Total Revenues- $152,185
Expenses- $762,281

Personnel- $399,312	52% of the total expenses
Operations/Maintenance- $248,238	33%
Emergency Management- $13,881	2%
Fire Truck Debt- $100,850	13%

LIBRARY DEPARTMENT

The Storm Lake Public Library has 3 full-time employees and 4 part-time employees. Operations are governed by City administration and actions of Council-appointed members of the Storm Lake Public Library Board of Trustees. The longest serving Trustee is the Board President with over 20 years of continuous service. The library has been associated with the Friends of the Storm Lake Public Library since 1998, a fundraising non-profit corporation run by volunteer members. The Friends have purchased furniture for the children, teen, and main reading room, while providing all programming expenses.

The library serves 10,961 current card account patrons.

The library participates in a statewide interlibrary loan program with requests from public and academic libraries. Besides maintaining Storm Lake's library collection for a very diverse community; there are education and outreach programs, in-house public computers, hotspots or laptops for check out. The library is proud to offer a telemedicine video conference room to the public and is the only public library in Iowa to offer this service. The County Supervisors acknowledge the library's partnership with Linn Grove and Rembrandt Public Libraries. Also, in partnership with Salud and University of Iowa, Community Service Navigators meet on Monday afternoons at the library to help people find resources they need (food stamps, housing assistance, transportation).

REVENUES:

The operations for the Storm Lake library budget are covered by the City's general fund with other revenue coming from late fees and services outlined in the City's fee resolution. The library also requests funding from Buena Vista County on an annual basis for support.

FISCAL YEAR 2024-2025 BUDGET ADJUSTMENTS:

Accreditation for salaries- $30,000
Drainpipe installation (roof)- $5,000
Additional print/media materials- $10,000

BUDGET OVERVIEW

Total Revenues- $31,477
Expenses- $413,148

Personnel- $209,466	51% of the total expenses
Operations/Maintenance- $203,682	49%

PUBLIC SERVICES

The public services department is made up of the City's Street, Parks, Golf, Campground, and Street Sweeping divisions.

STREETS:

The Road Use Tax Fund is funds eligible for street reconstructions, street maintenance, street lighting, and snow removal for Storm Lake's 109 lane miles of streets and 10 lane miles of gravel streets & alleyways.

The Road Use Tax Fund is a special revenue fund with support from the State of Iowa through Fuel Taxes. The State disburses funds on a per capita basis (FY2025 estimate is $133) via the last census. A Street Finance Report is completed and submitted to the State each year.

FACTORS AFFECTING THIS BUDGET YEAR:
Major vehicle repairs (3)- $76,097
Increased price for concrete & other supplies- $18,478

FISCAL YEAR 2024-2025 BUDGET ADJUSTMENTS:

Electrical Upgrades-	$ 5,000
Overhead Door Replacement-	$ 10,000
Shop Light Upgrades-	$ 5,000
Lake Ave Flower Pots-	$ 3,500
Lake Ave Green House-	$ 3,600
Rear Tine Tiller-	$ 2,000
Road Grader Repairs-	$ 50,000
Infrastructure Mgmt Plan-	$250,000

- W 10th Street between Lake Ave and Vestal Street
- Irving Street between Lakeshore Dr and 3rd Street

BUDGET OVERVIEW:
Total Revenues- $1,602,541
Expenses- $1,663,382

Personnel- $699,652	42% of the total expenses
Operations/Maintenance- $713,730	43%
Infrastructure Mgmt Plan- $250,000	15%

PARKS:

The Parks Department is a mix of 1 full time employee and 3 to 5 part time employees. These individuals maintain 145 acres of parks including King's Pointe green areas. They also maintain 11 playgrounds, 4 bathrooms, 3 ballfields, 2 tennis courts, 1 beach, Chautauqua Shelter, and other open shelters. They are heavily involved in the Star Spangled Spectacular, Wood Wine and Blues, and other community events.

FACTORS AFFECTING THIS BUDGET YEAR:
Tool Cat Controller Replacement- $8,477
Park Restroom/Building Repairs- $15,358
Snack Shack Repairs- $2,043

FISCAL YEAR 2024-2025 BUDGET SUPPLEMENTAL REQUESTS:

Park Building Roof Replacements-	$80,000
Awaysis Light House Staining-	$20,000
Increased Cost to Vehicle Repair-	$ 6,000
Flood Mitigation (CG Shelter Area)-	$40,000
New Trash Cans/Lids-	$ 5,000
Play Surface Tile-	$ 5,000
Frank Starr Park Security Equip-	$12,000
Scout Park Security Equip-	$10,000

BUDGET OVERVIEW:
Total Revenues- $15,695
Expenses- $489,837

Personnel- $197,637	40% of the total expense
Operations/Maintenance- $292,200	60%

GOLF:

This 100+ year old (1917) 9-hole golf course is located adjacent to King's Pointe Resort and Pirate's Pointe Miniature Golf. The senior citizens call the club house their senior center and offers the community another event location.

The golf course maintenance crew consists of 1 full time employee and two part time employees, down one from previous years, who work with 4 mowers, 2 utility vehicles, 2 sprayers, 1 aerator, 1 fertilizer, and 1 golf cart.

FACTORS AFFECTING THIS BUDGET YEAR:
Increased Chemical Costs- $5,547

PROPOSED FEE CHANGES:
The following fees are proposed for the 2024 season:

Fee	Current Rate	Proposed Rate
New Member Single Pass	$150.00	(Remove Pass)
Cart Rental 9 Holes	$ 15.00	$ 16.00
Cart Rental 18 Holes	$ 25.00	$ 26.00
Yearly Cart Rental	$325.00	$350.00

Fees subject to applicable taxes

FISCAL YEAR 2024-2025 BUDGET SUPPLEMENTAL REQUESTS:
Increased Chemical Costs- $5,000

BUDGET OVERVIEW:
Total Revenue $293,090
Total Expense $284,042
Clubhouse Exp- $168,499
Grounds Exp- $115,543
Personnel- $31,593
Operations- $83,950

CAMPGROUND:

The campground offers 101 camping sites, onsite campground hosts receive hourly wage for hours worked and a free full hook up site. There are 4 hosts usually consisting of 2 couples. The campground does have firewood, ice and other items for sale.

An increase in long term guest requests and the need for larger sites has been noted. The campground has a large area mower, a weed eater and a utility vehicle for the hosts to use.

FISCAL YEAR 2024-2025 BUDGET SUPPLEMENTAL REQUESTS:
Building Gutters & Downspouts- $1,500
Fire Ring Replacements- $5,000
Picnic Table Replacements- $5,000
Fencing Replacement- $4,000

BUDGET OVERVIEW:
Total Revenues- $195,000
Expenses- $109,389
Personnel- $27,619
Operations/Maintenance- $81,770

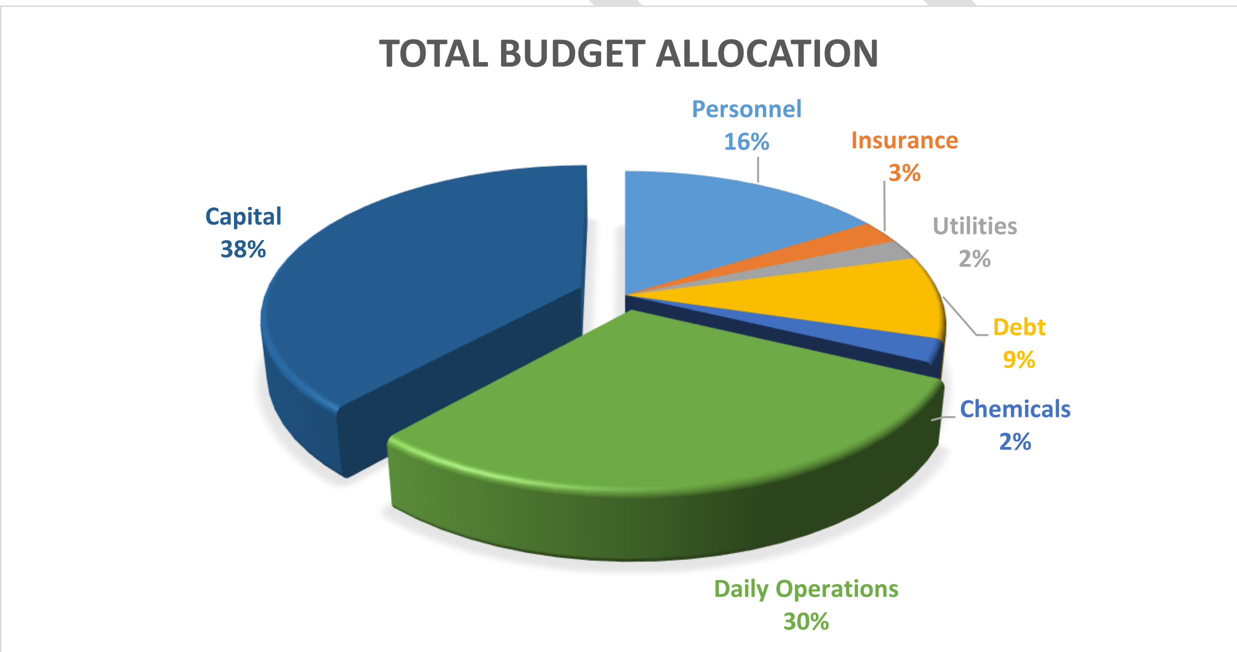
Note: Transfers between funding sources are not included to get a clear picture of revenue vs expenses per department

FY2025 COUNCIL GOALS

Below is a list of goals set by City Council during the 2023 Strategic Planning Retreat held on December 6th, 2023 and adopted via resolution 25-R-2023-2024. City Staff has implemented these goals in the FY2025 budget accordingly:

FISCAL YEAR 2024-2025 OVERALL BUDGET:

Personnel	$ 7,460,205	15.91%
Insurance	$ 1,197,603	2.55%
Utilities	$ 1,042,989	2.22%
Debt	$ 4,199,664	8.96%
Chemicals	$ 1,161,236	2.48%
Daily Operations	$13,828,521	29.49%
Capital	$17,996,709	38.38%
TOTAL EXPNESES	**$46,886,928**	



FISCAL YEAR 2024-2025 COUNCIL GOALS:

1. **Daycare: $100,000**
   - Daycare Incentives $ 100,000

2. **Housing: $100,000**
   - Housing Study Update $ 25,000
   - Condemned Housing Enforcement $ 75,000

3. **Infrastructure: $14,031,082**
   - Airport Apron Expansion $ 270,000
   - Lake Ave Sidewalk $ 300,000
   - Sewer Televising & Inspection $ 100,000
   - Storm Water Site Improvements $ 120,000
   - Street Signal Light Battery Backup $ 70,000
   - Scout Park Lift Station Replacement $ 174,000
   - Ice House Lift Station Replacement $ 126,000
   - College & 3rd Lift Station Rep. $ 972,000
   - WWTP Water Line Replacement $ 65,000
   - WWTP Protective Coating $ 85,000
   - Water Line Replacement $ 52,000
   - Water Tower #5 $7,937,117
   - Well 15 Replacement $2,236,465
   - Well Rehab $ 260,000
   - Test Well Exploration $ 65,000
   - Well 23 Planning & Design $ 255,000
   - Well Land Acquisition $ 225,000
   - Infrastructure Management Plan $ 250,000
   - Campground Park Flood Mitigation $ 40,000
   - UV Bulb Bank Replacement $ 41,000
   - Plant Water Line Installation $ 65,000
   - Additional DNR Testing $ 18,000
   - Memorial Lift Station Upgrades $ 21,000
   - WWTP Upgrades $ 12,500
   - VFD Pump $ 90,000
   - Clear Well Maintenance $ 50,000
   - HSP Replacement $ 60,000
   - Storm Water Grates $ 2,500
   - Rain Gardens $ 20,000
   - Street Sweeper Services $ 23,500
   - City Wide Cleanup $ 25,000

4. Recreation/Economic Development: $2,553,431

• Lake Ave Blade Signs	$	65,000
• Spoil Site Development	$	450,000
• Downtown Holiday Lights	$	40,000
• KP Improvements	$	186,250
• Park Trails	$	25,000
• Spoil Site- Site Restoration	$	885,000
• Park Equipment	$	45,000
• Outside Agency Funding	$	97,650
• Economic Development	$	372,731
• Community Recreation	$	252,700
• Lake Ave Development	$	7,100
• Park Recreation Upgrades	$	100,000
• Park Amenities	$	5,000
• Scout Park Upgrades	$	22,000

FY2024-2025 BUDGET RECAP:

Operating Liabilities:	$15,061,698	32.12%
Council Goals:	$16,784,513	35.78%
Daily Operations:	$15,040,717	32.10%