

**CITY OF STORM LAKE
REGULAR COUNCIL SESSION MEETING
CITY HALL - COUNCIL CHAMBERS
AUGUST 3, 2026
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

Dial: 1-312-626-6799 or toll-free 1-888 475-4499

Zoom Meeting ID: 933 2006 3301

BY COMPUTER:

<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

- a. Resolution No. 10-R-2026-2027 Approving Grant Agreement with IEDA for the Storm Lake Housing Rehabilitation - Roofing Project
- b. Resolution No. 11-R-2026-2027 Approving Grant Administration Agreement with Simmering-Cory for the City of Storm Lake Housing Rehabilitation - Roofing Project
- c. Resolution No. 12-R-2026-2027 Approving A Technical Services Agreement With Simmering-Cory For The Storm Lake Housing Rehabilitation-Roofing Project
- d. Resolution No. 13-R-2026-2027 Waiving the Building Permit Fee for Homeowners Participating in the Storm Lake Housing Rehabilitation -Roofing Improvements Project
- e. Motion To Approve The BVRMC A.W.A.R.E. Request
- f. Motion To Approve Central Bank Back To School Movie In the Park Event
- g. Motion to Approve Drainage District #13 Invoice
- h. Motion To Approve A Noise Variance Request Storm Lake United Methodist Church
- i. Buy Local Information
- j. City Code Enforcement Summary

E. Unfinished Business

F. New Business

1. Resolution No. 14-R-2026-2027 Updating Employee Handbook Section 4.10 Meal Reimbursements
2. Ordinance No. 02-O-2026-2027 Amending City Code Increasing Property Maintenance Penalties - 3rd Reading.
3. Resolution No. 15-R-2026-2027 Approving Contracts and Bonds for the Storm Lake Well No. 23 Project
4. Motion Approving Engineering Agreement With I&S Group, Inc. For The Design Of Storm Lake Production Well No. 24
5. Work Session E-Bikes, E-Scooters & Personal Mobility Devices
6. City Council Requested Items / City Council Updates
7. Motion To Recess City Council Meeting and Reconvene at King's Pointe Resort And Sunrise Pointe Golf Course

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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Staff Summary

8/3/2026

Agenda Item # D.1.



City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
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REPORT TO: Honorable Mayor & Council

FROM: Mayra Martinez, City Clerk

SUBJECT: **Consent Agenda**

BACKGROUND: The Consent Agenda Includes:

- List of Bills
- Approve King's Pointe And Sunrise Pointe Golf Course Disbursements
- Approve July 20, 2026, City Council Minutes
- Approve Renewal Liquor Licenses For
- Adopt Resolution No. 10-R-2026-2027 Approving A Grant Agreement With IEDA For The CDBG Housing Rehabilitation- Roofing Award
- Adopt Resolution No. 11-R-2026-2027 Approving A Grant Administration Agreement With Simmering-Cory For The CDBG Housing Rehabilitation-Roofing Project
- Adopt Resolution No. 12-R-2026-2027 Approving A Technical Services Agreement With Simmering-Cory For The CDBG Housing Rehabilitation-Roofing Project
- Adopt Resolution No. 13-R-2026-2027 Authorizing The Waiver Of The Building Permit Fee For Homeowners Participating in the CDBG Housing Rehabilitation-Roofing Project
- Approve Moving City Council Meeting Date From Monday, September 7, 2026, to Tuesday, September 8, 2026 Due To The Labor Day Holiday
- Approve The BVRMC A.W.A.R.E. Request
- Approve Central Bank Back To School Movie In The Park Event
- Approve Drainage District #13 Invoice
- Approve A Noise Variance Request For Storm Lake United Methodist Church
- Approve Buy Local Information

- Approve City Code Enforcement Update

FISCAL IMPACT: City Will Pay The Following Expenditures:

- List of Bills: \$942,512.12
- King's Pointe & Sunrise Pointe Golf Course Bills: \$332,063.32

RECOMMENDATION:

ATTACHMENTS:

1. 8/3/2026 City Claims Expense Report
2. 8/3/2026 King's Pointe Claims 7.17.2026 to 7.29.2026
3. 07/20/2026 City Council Minutes

Storm Lake, IA

Payment Date Range: 07/23/2026 - 08/05/2026

Vendor Name	Vendor Number	Payable Description	Total Payments
BVC			
Arianna S Alvarado	002519	2026 Band Participation	120.00
Ashley Stueven	002513	2026 Band Participation	295.00
Barbara A Wells	001259	2026 Band Participation	135.00
Buena Vista County Recorder	001549	June 2026 Recordings	37.00
Buena Vista County Solid Waste	001035	Commercial Waste	88.04
Essential Ellison LLC	002043	Extinguisher Inspections	318.46
Hare Painting & Sandblasting	001482	Fire Hydrant Painting	19,800.00
Jocelyn Lilly	002514	2026 Band Participation	100.00
Kyle M Norris	002511	2026 Band Participation	75.00
M & S HVAC Services, LLC	002493	Condensing Units	857.00
Mark Stanley	001390	Post Driver Attachment	208.00
Marlyne Magana	002238	2026 Band Participation	90.00
Mike's Electronics Inc	001196	FOD Lift Station	7,088.96
Zander Ezra Gonzalez	002522	2026 Band Participation	120.00
BVC Total:			29,332.46
Contract/Agreement			
Community Education Dept	001397	4th Qtr FY2026 - 28E Agreement	27,611.17
King Contracting, LLC	001066	Pay #14 of Well 22	98,368.08
Landmark Structures I, LP	002489	Pay #20 (Final) of Tower 5 Construction	333,576.60
Contract/Agreement Total:			459,555.85
Local			
A & A Automotive	001022	P11 - Tire Repair	46.44
Abigail Lesemann	002673	2026 Band Participation	150.00
Aime Y Tarin	002793	2026 Band Participation	60.00
Arnold Motor Supply, LLP	001007	Supplies	121.90
Bianca Dayanna Alvarado	002226	2026 Band Participation	100.00
Bomgaars Supply, Inc	001151	Supplies	3,289.06
Braiden Jepson	002516	2026 Band Participation	100.00
Brayden Patrick Lyle	002523	2026 Band Participation	30.00
Brian Lou Chea	002224	2026 Band Participation	90.00
Brice Wade Jepson	002698	2026 Band Participation	10.00
Crystal Jepson	002517	2026 Band Participation	180.00
Diya Paresh Patel	002688	2026 Band Participation	90.00
Edwards Storm Lake	001114	2023 Tahoe - Belts	648.19
Fareway Stores, Inc	001535	YumVee Supplies	161.64
Graham Tire	001093	Tire Repair	1,943.04
Harley R Doyel	002682	2026 Band Participation	90.00
Jackson R. Mills	002384	2026 Band Participation	120.00
Jacob Edmund Mills	002237	2026 Band Participation	60.00
Jairo Zavala Aguilera	002787	2026 Band Participation	154.00
Jenna Neumann	002786	2026 Band Participation	224.00
Kayla Boggs	002510	2026 Band Participation	224.00
Kendra Willhoite	002789	2026 Band Participation	224.00
King's Pointe Resort	001110	June 2026 Cottage Services	4,713.31
Kristie Pearson	001254	2026 Band Participation	180.00
Larson Oil & Distributing Co, Inc	001178	Propane	53.40
Logan Thomas Musel	001241	2026 Band Participation	90.00
Lynn Hardt	001248	2026 Band Participation	224.00
Makenna Belle Mills	002784	2026 Band Participation	120.00
Marcus Lumber Company Corp	002011	Brush	27.98
Marie Hardt	001239	2026 Band Participation	45.00

Buy Local_v1

Vendor Name	Vendor Number	Payable Description	Total Payments
Matthew Pearson	001243	2026 Band Participation	295.00
Melanie Jepson	002515	2026 Band Participation	90.00
Miriam Tejeda Huerta	002229	2026 Band Participation	60.00
O'Reilly Automotive Inc	001108	Wash Brush	53.75
Qwest Corporation	001070	Phone Service	285.25
Rent-All, Inc	001210	Hammerdrill	2,100.00
Salli Jane Nichols	001253	2026 Band Participation	45.00
Shawn Lee	002685	2026 Band Participation	110.00
Silvia Kampbell	002225	2026 Band Participation	224.00
Smith Concrete Service Inc	001134	Concrete	2,875.00
Stanton Electric, Inc	001264	Boat Ramp Bathroom - Electrical	3,561.35
Storm City Auto Parts, Inc	001501	Hydraulic Fittings	917.18
Victoria Placencia	002792	2026 Band Participation	100.00
Yarixsa Anahi Castillo	002380	2026 Band Participation	100.00
Yiovanna Guadalupe Bergara	002686	2026 Band Participation	80.00
		Local Total:	24,466.49
Non-Local			
Ahlers & Cooney, P.C.	001023	Labor Relations	118.00
Alex Air Apparatus 2 LLC	002217	Firefighter Clothing	6,883.59
Andreya Jacquelynn Harms	002683	2026 Band Participation	135.00
Ashtyn Titus	002670	2026 Band Participation	100.00
Central Iowa Distributing, Inc	001026	Cleaning/RR Supplies	1,265.00
Central Iowa Televising LLC	002049	Cleaning and Televising - Pay App #1	7,883.22
Consolidated Fleet Services, Inc	001426	Inspection Services	2,208.50
Core & Main LP	002000	Hydrant Parts	5,251.92
David Hickman	001235	2026 Band Participation	90.00
Eastern Aviation Fuels, Inc	001030	Jet Fuel	69,735.49
Foundation Analytical Laboratory, Inc	001100	Testing Services	3,464.25
HD Supply, Inc	001336	Curb Box Repair Lid	33.95
Heuss Printing, Inc	002496	Advertising - July/September 2026 Iowan M	1,500.00
Iowa Association of Professional Fire Chie	002583	2026 Membership - Serverson	100.00
Iowa Department of Transportation	001341	Delineator Posts	613.25
Kasperbauer Cleaners, Inc	002435	Entrance Mat Services	44.78
Keith Moe	001252	2026 Band Participation	224.00
Laurens House of Print Ltd	002161	Retirement Plaque	84.40
Linde Inc	001111	Carbon Dioxide	3,631.06
Michael A Wells	001260	2026 Band Participation	30.00
Mississippi Lime Company	001095	Lime	33,558.31
Multi Service Technology Solutions, Inc.	002696	City Summer Grill Out Supplies	40.18
Nevaeh Stone	002791	2026 Band Participation	60.00
Northwest Iowa League of Cities	001118	11/20/2025 Conference Registration	75.00
Patricia A Moe	001251	2026 Band Participation	120.00
R & R Products, Inc	001299	Reel Parts	54.82
Regional Transit Authority	001107	FY 2026 City Support	6,410.00
Ross Parcel	002702	Water Break Grass Seed	145.00
SGS, LLC	002126	Garbage Services	1,244.21
Staples, Inc	002735	Office Supplies	7.56
Steven Smith	002790	2026 Band Participation	195.00
Tarynn Titus	002782	2026 Band Participation	90.00
Trevor Kruger	001067	Plant Exterior Doors - Less Tax	34,510.00
Underground Location Company	001194	Locate Services	98.30
VEIT, LLC	002734	Copier Maintenance Agreement	138.94
Zoey Desloge	002781	2026 Band Participation	50.00
		Non-Local Total:	180,193.73
Payroll/Refunds			
Clinton Butler	002289	7/22/2026 Training	62.00

Buy Local_v1

Vendor Name	Vendor Number	Payable Description	Total Payments
Mitchell Fritz	002023	7/22/2026 Training	62.00
		Payroll/Refunds Total:	124.00
		Grand Total:	693,672.53

King's Pointe Resort

Claims Publication

From 7/17/2026 to 7/29/2026

Vendor	Description	Amount
Al Portable Toilets	Services	\$ 2,056.75
ACCO Unlimited	Supplies	\$ 5,129.27
AdvantaSoft, Inc	Supplies	\$ 2,264.59
Alliant Energy	Utilities	\$ 3,961.24
Amazon Capital Services	Supplies	\$ 1,563.07
ASSA ABLOY Global	Supplies	\$ 300.00
Bomgaars	Supplies	\$ 162.87
Buena Vista County Journal	Advertising	\$ 235.00
Bunkers Feed Supply, Inc	Supplies	\$ 783.53
Burke Engineering Sales Co	Services	\$ 685.00
BV County Solid Waste & Recycle	Services	\$ 10.00
C.W. Suter Services	Services	\$ 3,740.91
Crescent Electric Supply	Supplies	\$ 362.70
Daniels Filter Service	Supplies	\$ 1,405.32
DirectTV	Utilities	\$ 1,141.00
Doll Distribution	Beverages	\$ 4,833.10
ECO LAB	Supplies	\$ 624.62
Fastenal	Supplies	\$ 43.69
Feld Fire/Security	Services	\$ 405.00
Goodwin Tucker Group	Supplies	\$ 1,647.88
Grainger	Supplies	\$ 738.57
Guest Supply	Supplies	\$ 6,892.43
HyVee	Supplies	\$ 1,356.35
Ida County Courier	Services	\$ 130.00
Johnson Brothers	Beverages	\$ 2,945.70
KAYL FM	Advertising	\$ 252.00
Kelli's Gift Shop Suppliers	Supplies	\$ 589.18
King's Pointe Resort	Services	\$ 447.17
King's Pointe Resort Payroll- 7/22	Payroll	\$ 154,023.89
KTIV Television	Advertising	\$ 1,395.33
Kwik Trip Inc	Supplies	\$ 57.85
Martin Brothers	Food	\$ 21,643.60
Nelson's Vet Supply	Supplies	\$ 1,362.50
Pepsi Beverage Co	Beverages	\$ 1,755.35
Plumbing & Heating Wholesale	Supplies	\$ 404.64
Power Solutions	Services	\$ 260.59
Quore Systems LLC	Services	\$ 308.23
Rent-All Inc	Services	\$ 525.00
RFID Hotel	Supplies	\$ 135.49
Rolloff Dumpster Rental of Iowa	Services	\$ 962.00
S&L Hospitality	Agreement	\$ 17,670.32
S&L Hospitality	Services	\$ 8,831.73

Sceptre Hospitality Resources	Supplies	\$ 3,223.91
Schumacher Elevator Services	Services	\$ 1,353.39
Silverware POS	Services	\$ 1,054.52
Storm City Auto Parts	Supplies	\$ 70.64
Storm Lake Ace Hardware	Supplies	\$ 1,107.41
Storm Lake United	Membership	\$ 300.00
Symmetry Energy Solutions	Utilities	\$ 7,642.31
Sysco Iowa Inc	Food	\$ 34,253.05
The Messenger	Advertising	\$ 325.00
Verizon Wireless	Utilities	\$ 328.77
Vestis	Services	\$ 2,874.90
Vista Paints	Supplies	\$ 66.90
Visual Edge IT	Services	\$ 446.75
Vizergy	Services	\$ 2,847.90
Wilcor International Inc	Services	\$ 880.08
		<u>\$ 310,818.99</u>

King's Pointe OWP

Claims Publication

From 7/17/2026 to 7/29/2026

Vendor	Description	Amount
Plumbing & Heating Wholesale	Supplies	\$ 492.91
S&L Hospitality	Agreement	\$ 12,000.00
Storm Lake Ace Hardware	Supplies	\$ 19.97
		<u>\$ 12,512.88</u>

Sunrise Pointe Golf Course

Claims Publication

From 7/17/2026 to 7/29/2026

Vendor	Description	Amount
Alliant Energy	Utilities	\$ 57.62
Doll Distribution	Beverages	\$ 927.70
HyVee	Supplies	\$ 289.85
Johnson Brothers	Beverages	\$ 643.40
Pepsi Beverage Co	Beverages	\$ 981.94
Reel Time Rentals	Services	\$ 705.55
S&L Hospitality	Agreement	\$ 4,516.43
Storm Lake Ace Hardware	Supplies	\$ 308.96
		<u>\$ 8,431.45</u>

CITY OF STORM LAKE, REGULAR COUNCIL MEETING, CITY HALL COUNCIL CHAMBERS, JULY 20, 2026, 5:00 PM

Present: Mayor Margaret J. McKeon, Council Members Maggie Martinez, Don Piercy Jr., and Richard Riner. Absent: Council Members Matt Ricklefs and Maria Ramos.

Staff Present: City Manager Keri Navratil, Assistant City Manager David Derragon, Police Chief Chris Cole, King's Pointe Manager Amy VonBank, Library Director Elizabeth Huff, Building and Code Compliance Director Scott Olesen, Public Works Director Ron Covert, Communications Coordinator Dana Larsen, Public Services Director Brandon Ripke, Development Services Specialist Lee Dutfield, and City Clerk Mayra Martinez.

Media Present: Lindsay Kruse with KAYL Radio and KCAU.

Mayor McKeon called the meeting to order at 5:02 pm.

Pledge of Allegiance

Agenda - Moved by Council Member Riner to approve setting the agenda as presented. Seconded by Council Member Martinez. Vote: All ayes with Council Members Ramos and Ricklefs absent. Motion carried.

Disclosure by City Council Members - Council member Martinez stated she lives at the condos that Shawn Foutch will be giving an update of phase one and phase two of the project for FB Storm Lake II and abstains from any vote if one is presented.

Hear the Public - Paul Hyde, of 1204 E. 9th Street, requested that the Council consider continuing speed and dust control measures on Geisinger Road from East Milwaukee Avenue north to the city limits during the next budget session. He requested that \$5,000 per year be allocated to continue dust-control treatment of the road, noting that neighborhood residents have paid for the seal coating over the past 16 years. Mr. Hyde distributed a flyer to the Council members

Consent Agenda - Moved by Council Member Piercy Jr. to approve the Consent Agenda which includes List of bills Chk #'s 59881, 84255 through 84305, EFT #s 1952, 7747 through 7808, DFT #'s 3212 through 3228, approve King's Pointe and Sunrise Pointe disbursements, approve June 29, 2026, Special City Council minutes and July 6, 2026, Regular City Council minutes, approve 5-Day Event liquor licenses for Thirsty Pigs and Lucky Wife Wine Slushies for Wood, Wine & Blues event, acknowledge a Board of Adjustment variance application for 33 Vista Drive, approve 2026 Kiwanis Sprint Triathlon/Duathlon Request for August 15, 2026, and approve 2026 Kiwanis Car Show and activities at Chautauqua Park September 6, 2026, approve Buy Local information, and approve City Code Enforcement update. Seconded by Council Member Martinez. Vote: All ayes with Council Members Ramos and Ricklefs absent. Motion carried.

Unfinished Business – No items.

New Business

Witter Gallery - Moved by Council Member Martinez to approve the Witter Gallery Request to waive the rental fee of both sides of Chautauqua Shelter house for a fundraiser event September 26, 2026. Seconded by Council Member Piercy Jr.. Vote: All ayes with Council Members Ramos and Ricklefs absent. Motion carried

FB Storm Lake II Presentation - Shawn Fautch gave a brief update to City Council on the development of the Breeze condos on Sunrise Park Road. Shawn stated that the first phase is complete which has 51 constructed units of which 26 units have been sold and the 25 remaining units are owned by the developer (FB Storm Lake II) and are being rented out. The second phase development is dependent on the sale of five units to make it economically viable to continue construction improvement. Some work has been done on the project the last past two years, slowly as manpower and money permits, that includes underground utility work, concrete repairs and other structural and site improvements.

East 2nd Street Conveyance – - Mayor McKeon opened the Public Hearing on the proposal to convey a portion of East 2nd Street to St. Mary’s School stating this was the time and place for any comments. Hearing no comments and no other objections received prior to this public hearing from the Public or City Council, Mayor McKeon closed the public hearing.

Moved by Council Member Riner to adopt Resolution No. 09-R-2026-2027 approving conveyance of a portion of East 2nd Street to St. Mary's School. Seconded by Council Member Martinez. Roll call vote: All ayes with Council Members Ramos and Ricklefs absent. Motion carried.

RESOLUTION NO. 09-R-2026-2027

RESOLUTION APPROVING AND AUTHORIZING CONVEYANCE OF VACATED RIGHT-OF-WAY TO ST. MARY’S CATHOLIC SCHOOL OF STORM LAKE, IOWA

WHEREAS, the City Council of the City of Storm Lake (the "City") has received a proposal to convey vacated right-of-way to St. Mary’s Catholic School of Storm Lake, Iowa, across certain real property legally described as follows (the “Property”):

A PART OF EAST SECOND STREET LOCATED IN THE ORIGINAL TOWN OF THE CITY OF STORM LAKE, BUENA VISTA COUNTY, IOWA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

The north five feet (N. 5') of the platted eighty foot right-of-way of East Second Street coincident with the south line of Block Forty-One of said Original Town of the City of Storm Lake and lying between the southern extension of the east line of Lot Eight of said Block Forty-One and the southern extension of the west line of Lot Nine of said Block Forty-One.

Tract contains 0.034 acres and is subject to all easements of record.

WHEREAS, pursuant to notice published as required by law, this Council has held a public meeting and hearing upon the proposal to convey the interest in real property to St. Mary’s Catholic School of Storm Lake, Iowa, and has considered the extent of objections received from residents or property owners as to said proposal; and, accordingly the following action is now considered to be in the best interests of the City and residents thereof.

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

1. The proposal to convey an interest in real property to St. Mary’s Catholic School of Storm Lake, Iowa, is hereby approved.
2. That the Mayor and the City Clerk be and they hereby are authorized, empowered and directed to execute, attest, seal and deliver a deed without warranty for the real property interests to St. Mary’s Catholic School of Storm Lake, Iowa.
3. The Mayor and the City Clerk, or their delegates, 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 the conveyance as contemplated herein.

PASSED AND APPROVED this July 20th, 2026.

Margaret J. McKeon, Mayor

ATTEST:

Mayra A. Martinez, City Clerk

REGULAR COUNCIL MEETING, CITY OF STORM LAKE, CITY HALL COUNCIL CHAMBERS, JULY 20, 2026, 5:00 PM

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 Council hereto affixed this 20th day of July 2026.

Mayra A. Martinez, City Clerk
City of Storm Lake, Iowa

4910-5569-7849-1\11149-1000

Property Maintenance Penalties - Moved by Council Member Piercy Jr. to approve second reading of Ordinance No. 02-O-2026-2027 amending City Code increasing property maintenance penalties. Seconded by Council Member Martinez. Roll call vote: All ayes with Council Members Ramos and Ricklefs absent. Motion carried.

Water Treatment Plant - Dorsey & Whitney LLP - Moved by Council Member Martinez to approve a service agreement with Dorsey & Whitney LLP for the Water Treatment Plant Planning & Development Phase. Seconded by Council Member Riner. Vote: All ayes with Council Members Ramos and Ricklefs absent. Motion carried.

Personal Mobility Devices Work Session - Police Chief Cole and City Council members reviewed a preliminary draft of an ordinance regulating the use and operation of bicycles (e-

REGULAR COUNCIL MEETING, CITY OF STORM LAKE, CITY HALL COUNCIL CHAMBERS, JULY 20, 2026, 5:00 PM

bike), pedestrian conveyances, and other personal mobility devices on city streets, sidewalks, and trails. An additional work session for this preliminary ordinance will be held at the next City Council meeting on August 3, 2026.

City Council Requested Items / City Council Updates – No requests.

A tour of King's Pointe and the golf course is scheduled for August 3rd, 2026, following the City Council meeting.

Adjourn - Moved by Council Member Riner to adjourn at 5:53 pm. Seconded by Council Member Piercy Jr.. Vote: All ayes with Council Members Ramos and Ricklefs absent. Motion carried.

Margaret J. McKeon, Mayor

ATTEST:

Mayra A. Martinez, City Clerk

Staff Summary

8/3/2026

Agenda Item # D.1.A.



REPORT TO: Honorable Mayor & Council

FROM: Lee Dutfield, Development Services Specialist

SUBJECT: **Resolution No. 10-R-2026-2027 Approving Grant Agreement with IEDA for the Storm Lake Housing Rehabilitation - Roofing Project**

BACKGROUND: On July 14, 2026, the Iowa Economic Development Authority (IEDA) awarded the City of Storm Lake a Community Development Block Grant (CDBG) in an amount not to exceed \$198,000 for a Housing Rehabilitation - Roofing Project. This Community Development Block Grant will provide critical roof rehabilitation for low-to moderate-income homeowners. By addressing urgent structural deficiencies, this project will mitigate risks to residents' health and safety while ensuring the long-term habitability of the community's housing stock.

FISCAL IMPACT: Grant Award Amount \$198,000

RECOMMENDATION: Adopt Resolution Approving Grant Agreement with IEDA for the Storm Lake Housing Rehabilitation - Roofing Project

ATTACHMENTS:

1. Resolution No. 10-R-2026-2027 Storm Lake Housing Roofing Approving Grant Agreement 26-HSGR-0015 IEDA CDBG CM 8.3.2026
2. Storm Lake Award Letter 26-HSGR-015
3. 26-HSGR-015 Storm Lake Roofing Project Grant Agreement - For City Signature
4. Alternative Signatories' Authorization Form
5. Letter - City Designation of Labor Compliance Officer

RESOLUTION NO. 10-R-2026-2027

**A RESOLUTION APPROVING A GRANT AGREEMENT WITH IEDA
FOR THE STORM LAKE HOUSING REHABILITATION - ROOFING
IMPROVEMENTS PROJECT**

WHEREAS, the City of Storm Lake has been awarded a grant from the Iowa Economic Development Authority under the Iowa Community Development Block Grant program for the Storm Lake Housing Rehabilitation - Roofing Improvements Project, and;

WHEREAS, the City has an immediate need to provide assistance to low- and moderate-income residents within the City with rehabilitation of their homes, especially with roofs, and;

WHEREAS, the City Council is in agreement with the terms provided by the Iowa Economic Development Authority for the Community Development Block Grant for the Storm Lake Housing Rehabilitation - Roofing Improvements Project;

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

SECTION 1. The City Council approves the contract with the Iowa Economic Development Authority for project number 26-HSGR-015 which includes a grant award in the amount of \$198,000.00 for the Storm Lake Housing Rehabilitation - Roofing Improvements Project.

SECTION 2. The approval of the IEDA Grant Agreement is contingent upon final review and approval of the agreement by IEDA.

SECTION 3. The Mayor is authorized to sign the contract with the Iowa Economic Development Authority and all other required documents upon final review by IEDA.

PASSED AND APPROVED THIS 3RD DAY OF AUGUST 2026.

BY THE CITY COUNCIL OF THE
CITY OF STORM LAKE, IOWA

Margaret J. McKeon, Mayor

ATTEST:

Mayra A. Martinez, City Clerk

PROJECT INFORMATION

PROJECT TITLE: Storm Lake (CDBG Housing - Roofing)
TOTAL FEDERAL FUNDS AWARD TO RECIPIENT: \$198,000
GRANT AWARD PERIOD: August 1, 2026 to July 31, 2028
FEDERAL AWARD PROJECT DESCRIPTION: CDBG Housing - Roofing Project

SUBRECIPIENT INFORMATION

AGENCY NAME: City of Storm Lake
ADDRESS: PO Box 1086, Storm Lake, 50588-1086
UEI (UNIQUE ENTITY IDENTIFIER): KRERQ5MYGKQ3
SUBRECIPIENT'S INDIRECT COST RATE: N/A

FEDERAL FUNDS INFORMATION

FEDERAL FUNDING ENTITY: U.S. Department of Housing and Urban Development
FEDERAL PROGRAM NAME: Community Development Block Grant
FEDERAL AWARD NUMBER: B-25-DC-19-0001
FEDERAL AWARD DATE: 01/01/2025
CATALOGUE OF FEDERAL DOMESTIC ASSISTANCE: 14.228
TOTAL FEDERAL AWARD AMOUNT: \$24,208,645
AWARD FOR RESEARCH AND DEVELOPMENT: NO

IOWA ECONOMIC DEVELOPMENT AUTHORITY**COMMUNITY VITALITY DIVISION INFORMATION**

CONTACT PERSON: Nichole Hansen
E-MAIL ADDRESS: nichole.hansen@iowaeda.com
TELEPHONE NUMBER: (515) 348-6215

This information is provided as a requirement of 2 CFR 200.331 Requirements for pass-through entities. All requirements imposed by the Federal entity and passed on to IEDA. In turn IEDA passes on to the subrecipient all requirements imposed by the Federal entity and that the Federal award is used in accordance with Federal statutes, regulations and the terms and conditions of the Federal award.

**IOWA ECONOMIC DEVELOPMENT AUTHORITY
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM
CONTRACT**

RECIPIENT: Storm Lake
CONTRACT NUMBER: 26-HSGR-015
EFFECTIVE DATE: August 1, 2026
AWARD AMOUNT: \$198,000
END DATE: July 31, 2028

This Community Development Block Grant ("CDBG") contract is made by and between the Iowa Economic Development Authority, 1963 Bell Avenue, Suite 200, Des Moines, Iowa 50315 ("Authority") and the "Recipient" effective as of the Effective Date stated above.

WHEREAS, the Authority is designated to receive, administer, and disburse CDBG funds; and

WHEREAS, the Authority desires to disburse CDBG Funds to the Recipient for eligible purposes primarily benefiting low- and moderate-income persons, eliminating slums and blight, or meeting community development needs having particular urgency; and

WHEREAS, the Recipient has certified to the Authority that the primary purpose for obtaining CDBG funds is to primarily benefit low- and moderate-income persons, eliminate slums and blight, or meet community development needs having a particular urgency;

NOW, THEREFORE, the Recipient accepts this grant upon the terms and conditions set forth in this Contract. In consideration of the mutual promises contained in this Contract and other good and valuable consideration, it is agreed as follows:

ARTICLE 1
DEFINITIONS

As used in this contract, the following terms shall apply:

- 1.1 **ACT.** "Act" means Title I of the Housing and Community Development Act of 1974 as amended (42 U.S.C. 5301 et seq.) and the regulations now or hereafter promulgated thereunder and the guidance now or hereafter disseminated with respect thereto.
- 1.2 **ACTIVITY.** "Activity" means the description of eligible work, services, and other accomplishments to be completed by the Recipient, as authorized by Section 105 of the "Act" and as further defined in 24 CFR 570.482, as revised April 1, 1997, or otherwise authorized by HUD through subsequent guidance or Federal Register Notices. Activities are line items in the budget and are found in the line items in the Recipient's "Budget Activity" in Attachment B to this contract.
- 1.3 **ALLOWABLE COSTS.** "Allowable Costs" are those costs which are identified in the "Budget Activity" in Attachment B to this Contract, and consistent with Federal regulations and guidelines applicable to the CDBG-DR program.
- 1.4 **BUDGET.** "Budget" means the "Budget Activity" as found in Attachment B to this Contract.
- 1.5 **COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDBG).** "Community Development Block Grant Program" means the grant program authorized by Title I of the Housing and Community Development Act of 1974, as amended.
- 1.6 **CONTRACT.** "Contract" means this Contract and all the notes, leases, assignments, mortgages, and similar documents referred to in the Contract and all other instruments or documents executed by the Recipient or otherwise required in connection with the Contract.
- 1.7 **END DATE.** "End Date" means the date the Contract ceases to be in force and effect. The Contract expires upon the occurrence of one of the following: a) the Recipient fulfills the conditions and Activity agreed to herein as of the end date stated above; or b) the Contract is terminated by the Authority due to any default under Article 10.1; or c) the Contract is terminated in accordance with provisions set forth in Sections 8 and 9 of the General Provisions, Attachment A of this Contract.
- 1.8 **FAIR MARKET VALUE.** "Fair Market Value" means a value based upon the fair market value of the property to be acquired.

- 1.9 **GRANT.** "Grant" means the award of CDBG funds to the Recipient for Activity.
- 1.10 **HUD.** "HUD" means the U.S. Department of Housing and Urban Development.
- 1.11 **IOWAGRANTS.GOV.** "IowaGrants.gov" means Iowa's Funding Opportunity Search and Grant Management System. This system is used for the administration of the CDBG program. The Authority reserves the right to require the Recipient to utilize IowaGrants.gov to conduct business associated with this contract.
- 1.12 **LOW- AND MODERATE-INCOME PERSONS.** "Low- and Moderate-Income Persons" means those families and individuals whose income does not exceed 80 percent of the median income of the area involved in an activity funded through this contract, as determined by HUD.
- 1.13 **PROGRAM.** "Program" means the Community Development Block Grant Program ("CDBG") authorized by Title 1 of the Housing and Community Development Act of 1974, Public Law 93-383, codified at 42 U.S.C. ss 5301-5321 (et seq.), as amended, relevant preceding notices, HUD approved Certifications and the Program Policies and Procedures Manual.
- 1.14 **PROGRAM INCOME.** "Program Income" means the same as defined in 24 CFR 570.500.
- 1.15 **PROGRAM RULES.** "Program Rules" means the Act, as modified by the Housing and Community Development Act of 1974 and the regulations now or hereafter promulgated thereunder, including, but not limited to 24 CFR Part 570, and the guidance now or hereafter disseminated with respect thereto, any additional HUD Notices or other guidance that may be disseminated, HUD approved Certifications, and the Program Policies and Procedures Manual.
- 1.16 **RECIPIENT.** "Recipient" means the entity identified above that has been selected to receive Program funds to undertake the funded Activity and agrees to comply with all applicable CDBG requirements, including those found in Title I of the Housing and Community Development Act of 1974 (42 USC 5302 et seq.), the CDBG program regulations at 24 CFR part 570, the applicable HUD approved Certifications, and the Program Policies and Procedures Manual. For purposes of this agreement the "Recipient" shall also be considered to meet the definition and qualifications as a "Subrecipient" as defined in 2 CFR 200.93 and 2 CFR 200.330 and agrees to receive this "Subaward" as defined in 2 CFR 200.92.
- 1.17 **SPECIAL FLOOD HAZARD AREA.** "Special Flood Hazard Area" means an area designated as a special hazard flood area on the most recent National Flood Insurance Program map for such said area.
- 1.18 **SUBRECIPIENT.** "Subrecipient" means the entity selected by the Recipient to receive Program funds to undertake an activity that complies with all applicable CDBG requirements, including those found in Title I of the Housing and Community Development Act of 1974 (42 USC 5302 et seq.), the CDBG program regulations at 24 CFR part 570, the applicable HUD approved Certifications, and the Program Policies and Procedures Manual and meets the definition and qualifications as a "Subrecipient" as defined in 2 CFR 200.93 and 2 CFR 200.330 and agrees to receive this "Subaward" as defined in 2 CFR 200.92.
- 1.19 **TERM OF AFFORDABILITY.** (For Housing Projects Only) "Term of Affordability" means the period of time during which the housing assisted through an eligible activity funded through this contract is rent-restricted, or the occupants of such housing are income- qualified as set forth in CDBG Management Guide.

ARTICLE 2 **FUNDING**

- 2.1 **FUNDING SOURCE.** The source of funding for the Grant is a Federal appropriation for the CDBG Program.
- 2.2 **RECEIPT OF FUNDS.** All payments under this Contract are subject to receipt by the Authority of sufficient Federal funds for the Program. Any termination, reduction or delay of Program funds to the Authority shall, at the option of the Authority, result in the termination, reduction, or delay of Program funds to the Recipient.
- 2.3 **PRIOR COSTS.** If any Recipient has received approval from the Authority to incur certain costs prior to the Effective Date of this Contract, then said approval and the terms and conditions therein are incorporated herein and made a part of this Contract by this reference as if fully set forth, shall be reimbursed. Any such costs incurred prior to the Effective Date of this Contract are subject to the Special Conditions and General Conditions of this Contract.
- 2.4 **DISBURSEMENT OF LESS THAN THE TOTAL AWARD AMOUNT.** If the total award amount has not been requested by the Recipient within thirty (30) days prior to the End Date, then the Authority shall be under no obligation for further disbursement. The Authority may allow access to funds after this time for allowable costs associated with the conduct of the audits required in Article 2.0 of the General Provisions, Attachment A to this Contract.

2.5 **LIMIT ON GRANT PROCEEDS ON HAND.** The Recipient shall request Activity funds only as needed and shall not have more than five hundred dollars (\$500.00) of Grant proceeds, including earned interest, on hand for a period of longer than ten (10) working days, after which time any surplus amount shall be returned to the Authority.

ARTICLE 3 **TERMS OF GRANT**

3.1 **TIME OF PERFORMANCE.** The services of the Recipient are to commence as of the Effective Date and shall be undertaken in such a manner as to assure their expeditious completion, as cited in the Recipients Application, also included in Attachment B. All the services required hereunder shall be completed on or before the End Date.

3.2 **MAXIMUM PAYMENTS.** It is expressly understood and agreed that the maximum amounts to be paid to the Recipient by the Authority for any item of work or service shall conform to the "Budget Activity" as found in Attachment B to this Contract. It is further understood and agreed that the total of all payments to the Recipient by the Authority for all work and services required under this Contract shall not exceed the Award Amount unless modified by written amendment of this Contract as provided for in Section 1.0 of the General Provisions, Attachment A.

3.3 **ADMINISTRATION.** This Contract shall be administered in accordance with all applicable State and Federal laws and regulations now in effect and as may be amended from time to time, and including the Program Policies and Procedures Manual and the Iowa Community Development Block Grant Management Guide as which may be amended or changed from time to time, and which can be accessed on the Authority's website, to the extent applicable to the Program and not in conflict with the Program Rules.

3.4 **LOCAL MATCH REQUIREMENTS.** The Recipient agrees to provide other funds to the Activity as defined as "Sources of local funding" shown in the "Budget Activity" as found on Attachment B to this Contract. Expenditures exceeding the award amount and necessary to complete the statement of work and services shall be paid with local/other funds. Reports of the local funds expended shall be included in the Request for Payment/Activity Status Report specified in Article 9.1 (b), "Reports". The Authority may agree to allow a delay in the contribution of local matching funds. When a delay is allowed, the delay shall be until the specified date or until two-thirds of the grant amount has been drawn down, whichever comes first at which time no further Federal funds may be drawn down until sufficient local cash has been expended to attain the ratio of Federal funds specified for the Activity.

ARTICLE 4 **PERFORMANCE TARGET ACHIEVEMENT**

4.1 **PERFORMANCE TARGETS.** By the End Date, the Recipient shall have accomplished the activities and performance targets as described in the "Budget Activity", and as further elaborated in the Application, as approved by the Authority.

4.2 **DETERMINATION OF CONTRACT PERFORMANCE.** The Authority has the final authority to assess whether the Recipient has met their performance targets by the End Date. The Authority shall determine completion according to the performance targets set forth in the "Budget Activity". The Authority reserves the right to monitor and measure at any time during and after the Contract term the achievement of the performance targets.

ARTICLE 5 **ADDITIONAL DOCUMENTS**

ARTICLE 6 **USE OF FUNDS**

GENERAL. The Recipient shall perform in a satisfactory and proper manner, as determined by the Authority, the work activities and services as written and described in the Recipient's approved "Budget Activity" as found in Attachment B to this Contract.

6.1 **PROGRAM INCOME.** Unless otherwise agreed to in a signed amendment to this Contract, proceeds generated from the use of CDBG funds are considered program income when the total amount of any CDBG program income received by the Recipient in a fiscal year exceeds \$35,000, at which time the entire \$35,000 and excess are considered program income. Program income received by the Recipient shall be returned to the Authority.

6.3 **BUDGET REVISIONS.** Budget revisions shall be subject to approval of the Authority through the Contract amendment process. Budget revisions shall be compatible with the terms of this Contract and be of such a nature as to qualify as an allowable cost. Budget revisions requested during the final ninety (90) days of the Contract period will be approved by the Authority only if it determines that the revisions are necessary to complete all activities. The Authority retains the right to amend this contract to reduce the award amount when necessary to achieve an equitable distribution of funds for all areas of the state.

6.4 **PROHIBITION ON USE OF FUNDS.** No funds provided under this Contract may be used solely for the purchase of equipment or other personal property. Owner acknowledges that Iowa Code section 19.2 prohibits the Authority from expending any moneys appropriated by the general assembly or any other moneys derived from any other source to establish, sustain, support or staff a "diversity, equity, and inclusion office," or to contract, employ, engage, or hire an individual to serve as a "diversity, equity, and inclusion officer," as those terms are defined in Iowa Code section 19.1. Owner agrees and covenants that it will comply with Iowa Code, section 19.2 and will not use any monies received from the Authority under this Contract for any purpose in contravention of section 19.2. In the event Owner is found to knowingly be in violation of this provision, Owner may be required, at the discretion of the Authority, to return all or a portion of the funds received under this Contract, as well as be subject to all other applicable penalties provided by law.

6.5 **USE OF FUNDS FOR MATCH.** The funds provided under this Contract may be used as matching requirement, share or contribution for any other Federal program when used to carry out an eligible CDBG activity as authorized by HUD.

6.6 **ADMINISTRATIVE COST LIMITATIONS.** Federal funds used for reasonable administrative costs, as allowed under Federal and State regulations, shall be limited as specified in Attachment B to this Contract.

6.7 [Reserved]

6.8 **COMPLIANCE WITH PROGRAM RULES.** All activities conducted and services performed pursuant to this contract shall be conducted and performed in compliance with the Program Rules.

6.9 [Reserved]

6.10 **FEDERAL FLOOD RISK MANAGEMENT STANDARD FLOODPLAINS.** No funds under this Activity shall be expended with respect to property located in a Federal Flood Risk Management Standard floodplain or equivalent in FEMA's most recent and current data source unless it also ensures that the action is designed or modified to minimize harm to or within the floodplain accordance with Executive Order 11988 and 24 CFR part 55.

6.11 [Reserved]

6.12 **RECAPTURED FUNDS.** Recaptured funds are funds recaptured by the recipient when a housing unit assisted by CDBG funds does not continue to be the principal residence of the assisted homebuyer (i.e., is sold or transferred) for the full Term of Affordability. Recipient will repay all recaptured funds back to the Authority.

6.13 **COST VARIATION.** Recipient will inform the Authority of total cost variations. In the event that the total Activity is less than the amount specified in the Contract and Attachment B to this Contract, the Authority may reduce the amount of CDBG participation at the same ratio to the total Activity cost reduction. The Authority may require the Recipient to return funds should the amount of disbursed funds exceed the reduced CDBG participation amount.

ARTICLE 7 **CONDITIONS TO DISBURSEMENT OF FUNDS**

Unless and until the following conditions have been satisfied, the Authority shall be under no obligation to disburse to the Recipient any amounts under this Contract:

7.1 **CONTRACT EXECUTED.** The Contract shall have been properly executed and, where required, acknowledged.

7.2 **COMPLIANCE WITH ENVIRONMENTAL AND HISTORIC PRESERVATION REQUIREMENTS.** Funds shall not be released under this Contract for non-exempt activities until the Recipient has satisfied the environmental review and release of funds requirements set forth in 24 CFR Part 58, "Environmental Review Procedures for the Community Development Block Grant Program" and summarized in the Iowa Community Development Block Grant Management Guide, each to the extent applicable to the Program and not in conflict with the Program Rules. In addition, construction contracts for non-exempt activities shall not be executed and construction shall not begin prior to providing the Authority with documentation of the Recipient's compliance with Section 106 of the National Historic Preservation Act and 36 CFR Part 800, "Protection of Historic

Properties." The Recipient shall comply with any Programmatic Agreement between the Iowa Economic Development Authority and the Iowa State Historic Preservation Office, applicable to any activities included in this contract.

7.3 **FINANCIAL COMMITMENTS.** The Recipient shall have submitted a firm written commitment from each source of funds to the Activity identified in the "Budget Activity" as found in Attachment B attached to this contract. Each commitment shall include the amount, terms, estimated time of contributions, and conditions of the financial commitment, as well as any schedules. These commitments must be in a form and amount acceptable to the Authority.

7.4 **PERMITS AND LICENSES.** The Authority reserves the right to withhold funds until the Authority has reviewed and approved all material, such as permits or licenses from other state or Federal agencies, which may be required prior to Activity commencement.

7.5 **EXCESSIVE FORCE POLICY.** The Authority, prior to release of funds under this Contract, shall review and approve the Recipient's policy on protecting individuals engaged in nonviolent civil rights demonstrations from the use of excessive force by law enforcement agencies within its jurisdiction, and enforcing state and local laws against physically barring entrance to or exit from a facility or location which is the subject of such nonviolent civil rights demonstrations within its jurisdiction, consistent with the provisions of Section 906 of the National Affordable Housing Act of 1990 and Subsection 104(1) of the Housing and Community Development Act of 1974, as amended.

7.6 **RESIDENTIAL ANTI/DISPLACEMENT AND RELOCATION ASSISTANCE PLAN APPROVAL.** The Authority, prior to release of funds under this Contract, shall review and approve the Recipient's Residential Anti/Displacement and Relocation Assistance Plan, consistent with the requirements of Section 104(d) of the Housing and Community Development Act of 1974, as amended.

7.7 **CONDITIONS TO DISBURSEMENT FOR A SPECIFIC ACTIVITY.** For each activity included in this grant as identified in the "Budget Activity" found in Attachment B to this Contract, the Recipient shall comply with the corresponding applicable conditions noted in Attachment B to release of funds for that activity.

7.8 **CODE OF CONDUCT.** The Authority, prior to release of funds under this Contract, shall review and approve the Recipient's code of conduct, consistent with 2 CFR 200.318.

ARTICLE 8 **REPRESENTATIONS AND WARRANTIES OF RECIPIENT**

8.1 **AUTHORITY.** The Recipient is duly authorized and empowered to execute and deliver the Contract and has full power and authority to perform its obligations under this Contract. All required actions on the Recipient's part, such as appropriate resolution of its governing board for the execution and delivery of the Contract, have been effectively taken.

8.2 **FINANCIAL INFORMATION.** All financial statements and related materials concerning the Activity provided to the Authority are true and correct in all material respects and completely and accurately represent the subject matter thereof as of the Effective Date of the statements and related materials, and no material adverse change has occurred since that date.

8.3 **CLAIMS AND PROCEEDINGS.** No litigation, demand, investigation, claim or proceeding against the Recipient or any affiliate of the Recipient or any other litigation or proceeding directly affecting the Activity is pending or, to the best knowledge of the Recipient, threatened, before any court, administrative agency or other Governmental Authority that would, if adversely determined, have a material adverse effect on the Recipient or the construction, use and operation of the Activity. The Recipient and its Activity Team shall promptly notify the Authority of the initiation of any claims, lawsuits or proceedings brought against the Recipient or any affiliate of the Recipient.

8.4 **DEFAULT.** No default by the Recipient or any affiliate thereof having any relationship with the Activity has occurred or is continuing (nor has there occurred any continuing event which, with the giving of notice or the passage of time or both, would constitute such a default in any material respect) under any of the financing documents for the Activity or other documents or instruments governing the development, use, occupancy and operation of the Activity.

8.5 **PRIOR AGREEMENTS.** The Recipient has not entered into any verbal or written contracts, agreements, or arrangements of any kind which are inconsistent with the Contract.

8.6 **CERTIFICATES, PERMITS AND LICENSES.** All material building, zoning, health, safety, business and other applicable certificates, permits and licenses necessary to permit the construction, use, occupancy and operation of the Activity have been or will, at the time required, be obtained and maintained (other than, prior to completion of construction of the Activity or a specified portion thereof, such as are issuable only upon completion of construction or such specified portion

thereof); and the Recipient has not received any notice or has any knowledge of any violation with respect to the Activity of any law, rule, regulation, order or decree of any Governmental Authority having jurisdiction which would have a material adverse effect on the Activity or the construction, use or occupancy thereof, except for violations which have been cured or can be cured within any applicable cure period, and are in the process of being cured, and notices or citations which have been withdrawn or set aside by the issuing agency or by an order of a court of competent jurisdiction.

8.7 **APPLICATION.** The contents of the Application the Recipient submitted to the Authority for funding is a complete and accurate representation of the Activity as of the date of submission and there has been no material adverse change in the organization, operation, or key personnel of the Recipient since the date of the Recipient submitted its Application to the Authority.

8.8 **EFFECTIVE DATE.** The covenants, warranties, and representation of this Article are made as of the Effective Date of this contract and shall be deemed to be renewed and restated by the Recipient at the time of each request for reimbursement.

8.9 **DEBARMENT.** The Recipient shall not award a contract to or fund any person or entity or affiliate thereof that has been debarred, suspended, proposed for debarment, or place on ineligibility status by HUD.

8.10 **LOBBYING.** No federal appropriated funds have been paid or will be paid by or on behalf of the Recipient, to any Person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and/or the extension, continuation, renewal, amendment or modification of any federal contract, grant, loan or cooperative agreement.

8.11 **ANTI-CORRUPTION.** No funds have been paid, by or on behalf of the Recipient, for influencing or attempting to influence an officer or employee of a Member of Congress in connection with a federal contract, grant, loan and/or cooperative agreement benefiting the Recipient. To the best knowledge of the Recipient, the Recipient has complied with all restrictions, certifications and disclosure requirements contained in the Byrd amendment to the fiscal 1990 appropriations measures for the United States Department of the Interior (P.L. 101-121) and with any guidelines and rules issued by any federal entity in connection therewith, if applicable.

8.12 **MONEY LAUNDERING.** The Recipient and all affiliate thereof have not engaged and shall not engage in any act or omission that would violate anti-money-laundering laws, including but not limited to 18 USC § 1956; have complied or will comply with requirements for instituting an anti-money laundering compliance program required under 31 USC § 5318(h) and applicable to all "financial institutions" as defined in 31 USC § 5312(a)(2); and have instituted or will institute policies and procedures and use commercially reasonable due diligence to identify and report Suspicious Transactions to relevant U.S. Government officials. "Suspicious Transactions" that may require reporting include, but are not limited to, (i) individual or related transactions in which a third-party provides payment in U.S. or foreign currency in excess of \$10,000 that may require reporting under 31 USC § 5331 and 26 USC § 6050I; (ii) any transaction where the Recipient or any affiliate thereof knows, suspects, or has reason to know that the transaction (A) is for an illegal purpose, including but not limited to money laundering; (B) is otherwise an attempt to disguise funds derived from illegal activity or evade reporting requirements under U.S. law; or (C) is suspicious because the transaction appears to serve no business or lawful purpose.

ARTICLE 9 **COVENANTS OF THE RECIPIENT**

9.1 **AFFIRMATIVE COVENANTS.** Until the Activity has been closed out, audited, and approved by the Authority, the Recipient covenants with the Authority that:

(a). **Activity work and services.** The Recipient shall perform the work and services described in Attachment B by the End Date.

(b). **General reports.** The Recipient shall submit to the Authority any and all financial and performance reports that the Authority deems necessary to comply with the Program Rules, as the same may be amended from time to time. The Recipient acknowledges that HUD may impose additional reporting requirements upon the Authority and/or upon recipients of CDBG Funds and agrees to comply with all such requirements on a timely and complete basis.

(c). **Claims.** The Recipient shall review all Requests for Payment and verify that claimed expenditures are allowable costs. The Recipient shall maintain documentation adequate to support the claimed costs. Recipient shall submit its first request for payment for an eligible CDBG Activity within 6 months after execution of this Contract. After the Recipient has submitted its first request for payment for an eligible CDBG Activity, the Recipient shall continue to submit requests for

payment at least every 90 days for each Activity. CDBG funds will be released on a reimbursement basis.

(d). **Specific reports.** The Recipient shall prepare, review and sign the requests and reports as specified below in the form and content specified by the Authority:

Claim/ request for reimbursement	At least every 90 days
Activity status reports	At least every 90 days
Section 3 report, if applicable	Annually
Updates to the Applicant/Recipient Disclosure Report (HUD Disclosure Form 2880)	As needed due to changes
Final claim/ request for reimbursement	Within 30 days prior to End Date
Form 3-D, Final Accomplishments, & Equal Opportunity data	Within 30 days prior to End Date
Audit Report	Within 30 days of receipt
Single Audit Form	Within 30 days of End Date
Other reports as required by rule or requested by the Authority	As needed

(e). **Records.** The Recipient shall maintain all records required by Federal regulations specified in 24 CFR 570.506 that are pertinent to the Activity funded under the Contract. Such records shall include but are not limited to:

- (i). Records providing a full description of each Activity undertaken under this Contract.
- (ii). Records demonstrating that each program activity undertaken meets a National Objective under the CDBG program.
- (iii). Records to determine the eligibility of each Activity.
- (iv). Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance
- (v). Records documenting compliance with
- (vi). Financial records as required by 24 CFR 570.502 and 2 CFR 200
- (vii). Any other records necessary to document compliance with Subpart K of 24 CFR 570.

Recipient will maintain these materials for a minimum of three (3) years beyond the date upon which the Authority's grant with HUD is closed. Records shall be retained beyond the prescribed period if any litigation or audit is begun or if a claim is instituted involving the grant or agreement covered by the records. In these instances, the records shall be retained until the litigation, audit or claim has been finally resolved.

(f). **Access to records.** The Authority reserves the right to inspect and gain access to any and all additional documents which are related to the CDBG Funds in the sole discretion of the Authority.

(g). **Use of grant funds.** The Recipient shall expend funds received under the Contract only for the purposes and activities described in Attachment B of this contract, and as approved by the Authority.

(h). **Documentation of project costs.** The Recipient shall deliver to the Authority, upon request, (i) copies of all contracts or agreements relating to the Activity, (ii) invoices, receipts, statements or vouchers relating to the Activity, (iii) a list of all unpaid bills for labor and materials in connection with the Activity, and (iv) budgets and revisions showing estimated Activity costs and funds required at any given time to complete and pay for the Activity.

(i). **Notice of proceedings.** The Recipient shall promptly notify the Authority of the initiation of any claims, lawsuits or proceedings brought against the Recipient.

(j). **Notice to Authority required.** The Recipient shall notify the Authority of any material alteration in the Activity, initiation of any investigation or proceeding involving the Activity, or any other similar occurrence.

(k). **Certifications.** The Recipient certifies and assures that the Activity will be conducted and administered in compliance with all applicable Federal and State laws, regulations, and orders. Certain statutes are expressly made applicable to activities assisted under the Act by the Act itself, while other laws not referred to in the Act may be applicable to such activities by their own terms. The Recipient certifies and assures compliance with the applicable orders, laws and implementing regulations,

including but not limited to, the following, as modified by the waivers and alternative requirements contained in the Program Rules:

(i) Financial Management guidelines issued by the U.S. Office of Management and Budget, including, but not limited to, OMB Circular A-133 ("Single Audit Act Amendment of 1996"), OMB Circular A-122 ("Cost Principles for Nonprofit Organizations"), OMB Circular A-87 ("Principles for Determining Cost Applicable to Grants and Contracts with State, Local and Federally recognized Indian Tribal Governments"), and 2 CFR part 200, subpart E.

(ii) Title I of the Housing and Community Development Act of 1974 as amended (42 U.S.C. 5301 et seq.), and regulations which implement these laws.

(iii) [Reserved]

(iv) Title VI of the Civil Rights Act of 1964 as amended (Public Law 88-352; 42 U.S.C. 2000d et seq.); Title VIII of the Civil Rights Act of 1968 as amended (Public Law 90-284; 42 U.S.C. 3601 et seq.); the Iowa Civil Rights Act of 1965; Chapter 19B.7, Code of Iowa, and Iowa Executive Order #34, dated July 22, 1988; Iowa Code Chapter 216, Presidential Executive Order 11063, as amended by Executive Order 12259; Presidential Executive Order 11246, as amended by Presidential Executive Order 11375; Section 504 of the Vocational Rehabilitation Act of 1973 as amended (29 U.S.C. 794); the Age Discrimination Act of 1975 as amended (42 U.S.C. 6101 et seq.); the Americans with Disabilities Act, as applicable, (P. L. 101-336, 42 U.S.C. 12101-12213); and related Civil Rights and Equal Opportunity statutes: and regulations which implement these laws.

(v) Fair Housing Act, Public Law 90-284. The Public Fair Housing Act is part of Title VIII of the Civil Rights Act of 1968 as amended (42 U.S.C. 3601 et seq.): Section 109 of the Title I of the Housing and Community Development Act of 1974, as amended; Section 3 of the Housing and Urban Development Act of 1968 as amended (12 U.S.C. 1701u): and regulations which implement these laws.

(vi) Department of Housing and Urban Development regulations governing the CDBG program, 24 CFR 570, including all Federal law and regulations described in 24 CFR 570, subpart K.

(vii) Section 102 of the Department of Housing and Urban Development Reform Act of 1989 (PL 101235) and implementing regulation.

(viii) Requirements for the Notification, Evaluation, and Reduction of Lead-Based Paint Hazards in Federally Owned Residential Property and Housing Receiving Federal Assistance; Final Rule (24 CFR Part 35, et al.); Lead Based Paint Poisoning Prevention Act (42 U.S.C. 4821 -4846), as amended, and implementing regulations.

(ix) Davis-Bacon Act, as amended (40 U.S.C. 276a - 276a-5), where applicable under Section 110 of the Housing and Community Development Act of 1974, as amended; Contract Work Hours and Safety Standards Act (40 U.S.C. 327 et seq.); the Copeland Anti-Kickback Act (18 U.S.C. 874); and regulations which implement these laws.

(x) National Environmental Policy Act of 1969 and implementing regulations.

(xi) Clean Air and Water Acts (for all contracts over \$100,000)

- Section 306 of the Clean Air Acts (42 USC 1857(h))
- Section 508 of the Clean Water Acts (33 USC 1368)
- Executive Order 1178

(xii) Code of Iowa chapter 8A.315-317 and Iowa Administrative Code chapter 11-117.6(5) Recycled Product and Content.

(xiii) Age Discrimination Act of 1975 (42 USC 1601 et seq).

(xiv) Americans with Disabilities Act (PM 101-336, 42 USC 12101-12213).

(xv) National Historic Preservation Act of 1966, as amended (16 USC 70) and the procedures set forth in 36 CFR Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the Activity.

(xvi) Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (URA)(42 U.S.C. 4601 - 4655) and implementing regulations; Section 104(d) of the Housing and Community Development Act of 1974, as amended, governing the residential anti displacement and relocation assistance plan; Section 105(a)(11) of the Housing and

Community Development Act of 1974, as amended, governing optional relocation assistance.

(xvii) Administrative rules adopted by the Authority, 261 Iowa Administrative Code, Chapter 23.

(xviii) Iowa Civil Rights Act of 1965, Chapter 216.

(xix) Iowa Code Section ss 19B.7.

(xx) Financial and Program Management guidelines issued by the Iowa Economic Development Authority: the Iowa CDBG Management Guide, to the extent applicable to the Program and not in conflict with the Program Rules.

(xxi) Government wide Restrictions on Lobbying Certification (Section 319 of PL 101-121) and implementing regulations.

(xxii) Fair Labor Standards Act and implementing regulations.

(xxiii) Hatch Act and implementing regulations.

(xxiv) Citizen participation, hearing and access to information requirements found under 104(a) (2) and 104(a)(3) of the Title I of the Housing and Community Development Act of 1974, as amended.

(xxv) Subsection 104(1) of the Title I of the Housing and Community Development Act of 1974, as amended, regarding the use of excessive force.

(xxvi) Build America, Buy America (BABA). The Recipient must comply with the requirements of the Build America, Buy America (BABA) Act, 41 USC 8301 note, and all applicable rules and notices, as may be amended, if applicable to the Grantee's infrastructure Activity. Pursuant to HUD's Notice, "Public Interest Phased Implementation Waiver for FY 2022 and 2023 of Build America, Buy America Provisions as Applied to Recipients of HUD Federal Assistance" (88 FR 17001), any funds obligated by HUD on or after the applicable listed effective dates, are subject to BABA requirements, unless excepted by a waiver.

(xxvii) Drug- Free Workplace Act.

(l). **Maintenance of Activity property and insurance.** The Recipient and any subrecipient shall maintain the Activity property in good repair and condition, ordinary wear and tear excepted and shall not suffer or commit waste or damage upon the Activity property. The Recipient or subrecipient shall pay for and maintain insurance as is customary in their industry. This insurance shall be in an amount not less than the full insurable value of the Activity property. In addition, the Recipient shall purchase and maintain liability insurance sufficient to afford coverage for any acts for which the Recipient is required to indemnify the Authority pursuant to this Section 8.1. The subrecipient shall name the Recipient and Authority as a mortgagee and/or an additional loss payee, as appropriate, and the Recipient shall name the Authority as a mortgagee and/or an additional loss payee, as appropriate. The Recipient or subrecipient shall maintain copies of the policies as appropriate.

(m). **Activity photos.** At the Authority's request, Recipient will assist the Authority in obtaining photos of the Activity by an approved photographer. If photos are requested, Recipient will coordinate with the approved photographer and provide necessary access to the Activity.

(n). **Subrecipient Contract.** Recipient shall include the provisions of the preceding paragraphs of Article 9 in every subrecipient, contractor, and subcontractor, unless exempt by the State of Iowa, and said provisions will be binding on each subrecipient, contractor, or subcontractor. The Recipient will take such action with respect to any subcontract as the State of Iowa may direct as a means of enforcing such provisions, including sanctions for noncompliance.

(o). **Compliance with Section 3 Requirements.**

(i) The work to be performed under this Contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. §1701u) ("Section 3"). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted developments covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons including persons who are recipients of HUD assistance for housing, with preference for both targeted workers living in the service area or neighborhood of the Development and Youthbuild participants, as defined at 24 CFR Part 75 ("Section 3 Regulations").

(ii) The Parties agree to comply with HUD's regulations in Section 3 Regulations, which implement Section 3. As evidenced by their execution of this Contract, the Parties certify that they are under no contractual or other impediment that would prevent them from complying with the Section 3 Regulations.

(iii) The Owner agrees to send to each labor organization or representative of workers with which the Owner has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the Owner's commitments under this section of this Contract, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference and shall set forth the following: (i) minimum number and job titles subject to hire, (ii) availability of apprenticeship and training positions, (iii) qualifications for each, (iv) name and location of the person(s) taking applications for each of the positions, and (v) the anticipated date the work shall begin.

(iv) The Owner agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in Section 3 Regulations and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in Section 3 Regulations. The Owner will not subcontract with any subcontractor where the Owner has notice or knowledge that the subcontractor has been found in violation of the regulations in Section 3 Regulations.

(v) The Owner will certify that any vacant employment positions, including training positions, that are filled (i) after a contractor is selected but before the contract is executed, and (ii) with persons other than those to whom the regulations of Section 3 Regulations require employment opportunities to be directed, were not filled to circumvent the Owner's obligations under Section 3 Regulations.

(vi) Noncompliance with HUD's regulations in Section 3 Regulations may result in sanctions, termination of this Contract for default, and debarment or suspension from future HUD assisted contracts.

(p). **Negative covenants.** During the contract term, the Recipient covenants with the Authority that it shall not, without the prior written disclosure to and prior written consent of the Authority, directly or indirectly:

(i) Assignment. Assign its rights and responsibilities under the contract.

(ii) Administration. Discontinue administration activities under the contract.

ARTICLE 10 **DEFAULT AND REMEDIES**

10.1 **EVENTS OF DEFAULT.** The following shall constitute Events of Default under this Contract:

(a). **Noncompliance.** A breach by the Recipient of any of its representations, covenants, or warranties contained in this Contract or in the performance of any of its obligations under this Contract, in either event that (a) has or might reasonably be expected to have a material adverse impact on the operation of the Activity, and (b) is not cured within 10 Business Days (in the case of a monetary default) or 20 Business Days (in the case of a non-monetary default) following notice of such breach or default from the Authority to the Recipient, provided, however, that if a non-monetary default cannot reasonably be cured within 20 Business Days and the Recipient commences a cure within 20 Business Days and proceeds in good faith to effect such cure thereafter, the cure period with respect to such breach or default shall be extended for up to an additional 30 Business Days.

(b). **Material misrepresentation.** A representation, warranty or statement made or furnished to the Authority by, or on behalf of, the Recipient in connection with this Contract or to induce the Authority to make a grant to the Recipient shall be determined by the Authority to be incorrect, false, misleading or erroneous in any material respect when made or furnished and shall not have been remedied to the Authority's satisfaction within thirty (30) days after written notice by the Authority is given to the Recipient.

(c). **Failure to meet End Date.** If the Activity, in the sole judgment of the Authority, is not completed on or before the End Date.

(d). **Lack of capacity.** The Recipient demonstrates a lack of capacity to carry out the approved Project in a timely manner, in the sole discretion of the Authority.

(e). **Misspending.** If the Recipient expends Grant proceeds for purposes not described in Attachment B, this Contract, or as authorized by the Authority.

(f). **Violation of law.** A violation of any law, regulation or order applicable to the Recipient or the Project that has or might reasonably be expected to have a material adverse impact on the operation of the Project and is not cured within the

applicable cure period, if any, provided in such law, regulation, or order; or

(g). **Gross negligence and fraud.** Gross negligence, fraud, willful misconduct, misappropriation of funds, or criminal activity other than a simple misdemeanor by the Recipient or any affiliate of the Recipient providing services to or in connection with the Recipient or the Activity.

(h). **Failure to report.** Repeated or prolonged failure to provide any required reports.

(i). **Failure to maintain affordability.** The Activity funded with the CDBG funds fails to maintain the Term of Affordability required by the Program Rules.

(j). **Insufficient insurance coverage.** If loss, theft, damage or destruction of any substantial portion of the property of the Recipient occurs for which there is either no insurance coverage or for which, in the opinion of the Authority, there is insufficient insurance coverage.

10.2 **NOTICE OF DEFAULT.** In the event of default, the Authority shall issue a written notice of default providing therein a fifteen (15) day period in which the Recipient shall have an opportunity to cure, provided that cure is possible and feasible.

10.3 **REMEDIES UPON DEFAULT.** If, after opportunity to cure, the default remains, the Authority shall have the right in addition to any rights and remedies specifically to it to do one or more of the following:

(a). Temporarily suspend making payments of CDBG funds under this Contract pending correction of the deficiency or default by the Recipient.

(b). Declare the Recipient and/or its principals not in good standing with the Authority.

(c). Cease making any further payments of CDBG funds under this contract.

(d). Terminate this contract.

(e). Require immediate repayment of up to the full amount of funds disbursed to the Recipient under this contract, plus interest.

(f). Exercise any other rights and remedies that may be available under law or in equity.

10.4 **FAILURE TO MEET PERFORMANCE TARGETS.** If the Recipient is determined by the Authority to be in default of this Contract due to meeting less than one hundred percent (100%) of its Performance Targets, the Authority may require full Grant repayment or, at its discretion, the Authority may require partial repayment of Grant proceeds which allows partial credit for the performance targets which have been met, or the Authority may require other remedies that the Authority determines to be appropriate.

ARTICLE 11 **INCORPORATED DOCUMENTS**

11.1 **DOCUMENTS INCORPORATED BY REFERENCE.** The Recipient shall comply with the terms and conditions of this Contract and the following documents which are hereby incorporated by reference:

- (a). Attachment A
- (b). Attachment B
- (c). [Reserved]
- (d). [Reserved]
- (e). CDBG Management Guide
- (f). State Program Administrative Rules

11.2 **ORDER OF PRIORITY.** In the event of a conflict between this Contract or any of the documents listed in Section 11.1 above, the following order of priority shall govern:

- (a). Contract
- (b). [Reserved]
- (c). State Program Administrative Rules
- (d). CDBG Management Guide

- (e). Attachment A
- (f). Attachment B
- (g). [Reserved]

ARTICLE 12

MISCELLANEOUS

12.1 **NOTICES.** Except as otherwise specifically provided herein, all notices, demands or other communications hereunder shall be either through IowaGrants or in writing and shall be deemed to have been given (i) two Business Days after being deposited in the United States mail and sent by certified or registered mail, postage prepaid, (ii) one Business Day after being delivered by a nationally recognized overnight delivery service, (iii) on the Day delivered personally, in each case, to the parties at the addresses set forth below or at such other addresses as such parties may designate by notice to the other parties:

(a). If to the Authority, at Iowa Economic Development Authority, Attn: CDBG Program Manager, 1963 Bell Avenue, Suite 200, Des Moines, Iowa, 50315

(b). If to the Recipient, City of null, Attn. Mayor, null null, IA null.

12.2 **RULES OF CONSTRUCTION.** Unless the context clearly indicates to the contrary, the following rules apply to the construction of this Contract:

(a). Words importing the singular number include the plural number, and words importing the plural number include the singular number.

(b). Words of the masculine gender include correlative words of the feminine gender and vice-versa.

(c). The table of contents and the headings or captions used in this Contract are for convenience of reference and do not constitute a part of this Contract, nor affect its meaning, construction, or effect.

(d). Words importing persons include any individual, corporation, partnership, limited liability company, non-profit corporation, joint venture, association, joint stock company, trust, unincorporated organization, or government or agency or political subdivision thereof.

(e). Any reference in this Contract to a particular "Article," "Section," or other subdivision shall be to such Article, Section, or subdivision of this Contract unless the context shall otherwise require.

(f). Each reference in this Contract to an agreement or contract shall include all amendments, modifications and supplements, to such agreement or contract unless the context shall otherwise require.

(g). When any reference is made in this document or any of the schedules or attachments attached hereto to the Contract, it shall mean this Contract, together with all other schedules and attachments attached hereto, as though one document.

12.3 **BINDING PROVISIONS.** The covenants and agreements contained herein shall be binding upon and inure to the benefit of the heirs, legal representatives, successors and assignees of the respective parties hereto, except in each case as expressly provided hereinto the contrary in this Contract.

12.4 **ASSIGNMENTS.** This contract and any proceeds from the CDBG award may not be assigned, pledged, hypothecated, transferred, mortgaged or otherwise conveyed to any Person or Entity(ies) without obtaining prior consent from the Authority.

12.5 **WAIVERS.** No waiver by the Authority of any Event of Default hereunder shall operate as a waiver of any other Event of Default or of the same Event of Default on any future occasion. No delay on the part of the Authority in exercising any right or remedy hereunder shall operate as a waiver thereof. No single or partial exercise of any right or remedy by the Authority shall preclude future exercise thereof or the exercise of any other right or remedy.

12.6 **ABSENCE OF RIGHTS IN THIRD PARTIES.** No provision of this Contract shall be construed in any manner so as to create any rights in Persons or Entities that are not a party to this Contract other than the Tax Credit Investor and Lender where it is specifically given rights in this Contract. The provisions of this Contract shall be interpreted solely to define specific duties and responsibilities between the Recipient and the Authority and shall not provide any basis for claims of any other Person or Entity(ies).

12.7 **APPLICABLE LAW.** This Contract shall be interpreted in accordance with the laws of the State, and any action relating to the Contract shall only be commenced in the Iowa District Court for Polk County. This provision shall not be construed as waiving any immunity to suit or liability, including without limitation sovereign immunity in state or federal court, which may be available to the Authority or the State. By signing this Contract, the Recipient waives the right to jury trial in the event of any legal proceedings.

12.8 **ENFORCEMENT EXPENSES.** The Recipient shall pay upon demand any and all reasonable fees and expenses of the Authority, including the fees and expenses of their attorneys, experts and agents, in connection with the exercise or enforcement of any of the rights of the Authority under this Contract.

12.9 **COUNTERPARTS.** This Contract may be executed in several counterparts, and all so executed shall constitute one agreement, binding on all the parties hereto. Any counterpart of this Contract, which has attached to it separate signature pages which together contain the signatures of all the parties hereto or is executed by an attorney in fact on behalf of some or all of the parties, shall for all purposes be deemed a fully executed instrument.

12.10 **SURVIVAL.** All representations, warranties, and indemnifications contained herein shall survive the termination of this Contract.

12.11 SEPARABILITY OF PROVISIONS; RIGHTS AND REMEDIES; ARBITRATION; CONSISTENCY WITH PROGRAM REQUIREMENTS.

(a). Each provision of this Contract shall be considered separable and if for any reason any provision or provisions herein are determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those portions of this Contract which are valid.

(b). Unless otherwise specifically provided herein, the rights and remedies of any of the parties hereunder shall not be mutually exclusive, and the exercise of one or more of the provisions hereof shall not preclude the exercise of any other provisions hereof. Each of the parties confirms that damages at law may be an inadequate remedy for breach or threat of breach of any provisions hereof. The respective rights and obligations hereunder shall be enforceable by specific performance, injunction, or other equitable remedy, but nothing herein contained is intended to limit or affect any rights at law or by statute or otherwise of any party aggrieved as against the other parties for a breach or threat of breach of any provision hereof, it being the intention by this paragraph to make clear that under this Contract the respective rights and obligations of the parties shall be enforceable in equity as well as at law or otherwise.

(c). The provisions of this Contract are intended to implement CDBG in accordance with Program Requirements and shall be interpreted consistently therewith. In the event of any conflict between the provisions of this Contract and the Program Requirements, the Program Requirements shall govern, and, to the extent necessary, the inconsistent provisions of this Contract shall be without effect.

12.12 **AMENDMENT.** This Contract may only be amended through written request to and written prior approval from the Authority by a written amendment executed by all parties hereto.

(a). This Contract is subject to any change in the Act or any change in any applicable federal, state or local laws, regulations, rules or policies. The Authority may unilaterally modify in writing the Contract at will in order to accommodate any above referenced change and deliver such amendment to this Contract to the Recipient. Failure by the Authority to notify Recipient of such changes does not negate the Recipient's responsibility to comply with changes in the Act and any applicable federal, state or local laws, regulations, rules or policies.

(b). The Authority will consider whether an amendment request is so substantial as to necessitate reevaluating the Authority's original funding decision. Activity budget revisions shall be subject to approval of the Authority through the contract amendment process. In no instance shall the Authority be obligated to provide additional CDBG Funds for the Activity if the Recipient finds total costs will exceed those previously identified. Budget revisions shall be compatible with the terms of this Contract and of such a nature as to qualify as an allowable cost. Budget revisions requested will be approved if the Authority determines that the revisions are necessary to complete the Activity.

12.13 **INDEPENDENT CONTRACTOR/INDEMNIFICATION.** It is expressly understood and agreed by the parties hereto that the Authority is contracting with the Recipient as an independent contractor, and that Recipient, as such, agrees to hold harmless and to indemnify the State of Iowa, the Authority and its members, members of its Board of Directors, officers, employees, agents, elected and appointed officials, and successors and assigns from and against any and all obligations, losses, costs, damages, deficiencies, demands, expenses and liabilities of any nature or kind including, but not limited to, attorney's fees (including the value of time of the Attorney General's office), litigation and court costs, costs of investigations, costs of settlement, amounts paid in settlement, and amounts paid to discharge judgment against an indemnified party,

whether directly or indirectly, fines, arising or resulting from, directly or indirectly, or on account of, (i) the financing, acquisition, construction and/or rehabilitation, sale, management or operation of the Activity; (ii) any noncompliance or failure to perform any covenant related to this Activity (whether or not cured); (iii) any breach of a representation, warranty or covenant herein or in any other document; (iv) any other act or omission (whether or not cured) constituting a failure in compliance, or (v) the enforcement by the Authority, its successors and assigns of the Authority's rights and remedies under this Agreement.

12.14 **CONFLICT OF INTEREST.** The conflict of interest provisions found at 24 CFR 570.611 shall apply in the conduct of the CDBG program. In the procurement of property and services by the Recipient or any Recipient Parties, the conflict of interest provisions in 2 CFR Part 200, as appropriate, shall apply.

12.15 **NON-DISCRIMINATION.** The Recipient shall ensure that no person shall on the grounds of race, color, religions, sex, sexual orientation, handicap, familial status, or national origin be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or Activity funded in whole or in part with funds provided under this Contract.

12.16 **INFORMATION REQUESTS.** The Recipient shall promptly provide the Authority any information relating to the Activity as may be reasonably requested by a federal or state agency (including HUD) for purposes of Program Requirements. Communication and details concerning this Contract and any information requests pursuant to the Program Requirements and this Contract shall be directed to the following persons and the contact persons listed with this Section may be changed upon 14 Days written notice to the other party.

Iowa Economic Development Authority
CDBG Team Leader
1963 Bell Avenue, Suite 200
Des Moines, IA 50315

515.348.6217

12.17 **INTEGRATION.** This Contract and the related documents contain the entire understanding between the Recipient and the Authority and any representations that may have been made before or after the signing this Contract and related documents, which are not contained therein, are nonbinding, void and of no effect. None of the parties have relied on any such prior representation in entering into this Contract and related documents.

12.18 **TIME IS OF THE ESSENCE.** Time is of the essence with respect to the performance of the terms of this Contract and related documents.

12.19. **IOWAGRANTS.GOV.** The Authority reserves the right to require the Recipient to utilize the lowagrants.gov system or a similar system to conduct business associated with this Contract.

IN WITNESS WHEREOF, the parties have executed this Contract as of the Effective Date first stated.

RECIPIENT: Storm Lake

BY: _____

Mayor
Storm Lake
PO Box 1086
Storm Lake, Iowa 50588

Margaret J. McKeon

Typed or Printed Name and Title

IOWA ECONOMIC DEVELOPMENT AUTHORITY:

BY: _____

Deborah Durham, Director

ATTACHMENT A GENERAL CDBG PROVISIONS

1.0 **AUDIT REQUIREMENTS.**

(a). The Recipient shall ensure that an audit is performed in accordance with the Single Audit Act Amendment of 1996; OMB 2 CFR part 200, subpart E; and OMB 2 CFR part 200, subpart F, as applicable; and the Iowa CDBG Management Guide.

(b). As a condition of the grant to the Recipient, the Authority reserves the right to require the Recipient to submit to a post Project Activity completion audit and review in addition to the audit required above.

2.0 **COMPLIANCE WITH LAWS AND REGULATIONS.** The Recipient shall comply with all applicable State and Federal laws, rules, ordinances, regulations and orders including all Federal laws and regulations described in 24 CFR subpart K.

3.0 **UNALLOWABLE COSTS.** If the Authority determines at any time, whether through monitoring, audit, closeout procedures or by other means or process, that the Recipient has expended funds which are unallowable, the Recipient will be notified of the cost questioned and given an opportunity to justify questioned costs prior to the Authority's final determination of the disallowance of costs. Appeals of any determinations will be handled in accordance with the provisions of Chapter 17A, Iowa Code. If it is the Authority's final determination that costs previously paid by the Authority are unallowable under the terms of the Contract, the expenditures will be disallowed, and the Recipient shall repay to the Authority any and all disallowed costs.

4.0 **REAL PROPERTY ACQUIRED OR IMPROVED WITH CDBG FUNDS.** Real property under the Recipient's control in excess of \$25,000 and equipment that was acquired or improved in whole or in part with CDBG funds shall be used to meet one of the National Objectives pursuant to 24 CFR 570.208 until five (5) years after expiration of the Agreement. If Recipient fails to use CDBG assisted real property that meets a National Objective during the five (5) year period the Recipient shall pay the Authority an amount equal to the current fair market value of the property less any portion of the value attributable to expenditures of non-CDBG funds for acquisition or improvement to the real property.

5.0 **TERMINATION.**

(a). For cause. The Authority may terminate the Contract in whole or in part whenever the Authority determines that the Recipient has failed to comply with the terms and conditions of the Contract.

(b). For convenience. The Parties may terminate the Contract in whole or in part when all parties agree that the continuation of the Activity would not produce beneficial results commensurate with the future disbursement of funds.

(c) Due to reduction or termination of CDBG funding. At the discretion of the Authority, the Contract may be terminated in whole or in part if there is a reduction or termination of CDBG funds to the State.

6.0 **PROCEDURES UPON TERMINATION.**

(a). Notice. The Authority shall provide written notice to the Recipient of the decision to terminate, the reason(s) for termination, and the effective date of the termination. If there is a partial termination due to a reduction in funds, the notice will set forth the change in the funding and the changes in the approved Budget Activity as described in Attachment B. The Recipient shall not incur new obligations beyond the effective date and shall cancel as many outstanding obligations as possible. The Authority's share of noncancelable obligations in which the Authority determines were properly incurred prior to notice will be allowable costs.

(b). Rights in products. All finished and unfinished documents, data, reports or other material prepared by the Recipient under the Contract shall, at the Authority's option, become property of the Authority.

(c). Return of funds. The Recipient shall return to the Authority all unencumbered funds within one week of receipt of the notice of termination. Any costs previously paid by the Authority which are subsequently determined to be unallowable through audit, monitoring or close out procedures shall be returned to the Authority within thirty (30) days.

7.0 **ENFORCEMENT EXPENSES.** The Recipient shall pay upon demand any and all reasonable fees and expenses of the Authority, including the fees and expenses of its attorneys, experts, and agents in connection with the exercise or enforcement of any of the rights of the Authority under this Contract.

8.0 **LEAD BASED PAINT.** The Recipient shall comply with requirements of the Notification, Evaluation, and Reduction

of Lead-Based Paint Hazards in Federally Owned Residential Property and Housing Receiving Federal Assistance; Final Rule (24 CFR Part 35, et al.); Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821 - 4846), as amended, and implementing regulations.

9.0 **LIMIT ON RECOVERY OF CAPITAL COSTS.** The Recipient will not attempt to recover any capital costs of public improvements assisted in whole or part under this Contract by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless (i) funds received under this Contract are used to pay the proportion of such fee or assessment that relates to the capital costs of such public improvements that are financed from revenue sources other than under Title I of the Housing and Community Development Act of 1974, as amended, or (ii) for purposes of assessing any amount against properties owned and occupied by persons of low and moderate income who are not persons of very low income, the Recipient has certified to the Authority that it lacks sufficient funds received under Title I of the Housing and Community Development Act of 1974, as amended, to comply with the requirements of this clause.

10.0 **FEDERAL GOVERNMENT RIGHTS.** If all or a portion of the funding used to pay for the Deliverables is being provided through a grant from the Federal Government, Contractor acknowledges and agrees that pursuant to applicable federal laws, regulations, circulars and bulletins, the awarding agency of the Federal Government reserves certain rights including, without limitation a royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use, for Federal Government purposes, the Deliverables developed under this Contract and the copyright in and to such Deliverables.

11.0 **FRAUD AND WASTE.** The Authority has zero tolerance for the commission or concealment of acts of fraud, waste, or abuse. Allegations of such acts will be investigated and pursued to their logical conclusion, including legal action where warranted.

12.0 **PROHIBITED ACTIVITIES.** In accordance with 24 CFR 570.207(a), the following activities may not be assisted with CDBG funds:

(a). Buildings or portions thereof used for the general conduct of government, as defined at § 570.3(d). This does not include, however, the removal of architectural barriers under § 570.201(c) involving any such building. Also, where acquisition of real property includes an existing improvement which is to be used in the provision of a building for the general conduct of government, the portion of the acquisition cost attributable to the land is eligible, provided such acquisition meets a national objective described in § 570.208.

(b). General government expenses. Except as otherwise specifically authorized in this subpart or under 2 CFR part 200, subpart E, expenses required to carry out the regular responsibilities of the unit of general local government are not eligible for assistance.

(c). Political activities. CDBG funds shall not be used to finance the use of facilities or equipment for political purposes or to engage in other partisan political activities, such as candidate forums, voter transportation, or voter registration. However, a facility originally assisted with CDBG funds may be used on an incidental basis to hold political meetings, candidate forums, or voter registration campaigns, provided that all parties and organizations have access to the facility on an equal basis, and are assessed equal rent or use charges, if any.

13.0 **ADDITIONAL REQUIREMENTS REGARDING ACTIVITIES.** The Recipient:

(a). Shall not use grant funds to promote "gender ideology" as defined in Executive Order (E.O.) 14168, Defending Women from Gender Ideology Extremism and Restoring Biological Truth to the Federal Government.

(b). Agrees that its compliance in all respects with all applicable Federal anti-discrimination laws is material to the U.S. Government's payment decisions for purposes of section 3729(b)(4) of title 31, United States Code.

(c). Certifies it does not operate any programs that violate any applicable Federal anti-discrimination laws, including Title VI of the Civil Rights Act of 1964.

(d). Shall not use any grant funds to fund or promote elective abortions, as required by Executive Order (E.O.) 14182, Enforcing the Hyde Amendment.

(e). Must administer its grant in accordance with all applicable immigration restrictions and requirements, including the eligibility and verification requirements that apply under Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, as amended (8 U.S.C. 1601-1646)(PRWORA) and any applicable requirements that HUD, the Attorney General or the U.S. Citizenship and Immigration Services may establish from time to time to comply with PRWORA, Executive Order 14218, or other Executive Orders or immigration laws.

(f). May not use funds in a manner that by design or effect facilitates the subsidization or promotion of illegal immigration or shields illegal aliens from deportation, including by maintaining policies or practices that materially impede enforcement of federal immigration statutes and regulations.

(g). Must use SAVE, or an equivalent verification system approved by the Federal government, to prevent any Federal public benefit from being provided to an ineligible alien who entered the United States illegally or is otherwise unlawfully present in the United States.

(h). May not, in the selection of subrecipients, discriminate against an organization based on the organization's religious character, affiliation or exercise.

14.0 **LIQUIDATED DAMAGES.** The Recipient shall include in all contracts and subcontract language that include the provision for contractors to be liable for Liquidated Damages for project delays or labor laws. Recipient shall define a specified period of performance and the defined fiscal penalty of the contracted Work exceeding the established period of performance or for a violation of labor laws.

**ATTACHMENT B
PROJECT DESCRIPTION AND BUDGET**

Recipient: Storm Lake

Contract Number: 26-HSGR-015

Contract Dates: August 1, 2026 – July 31, 2028

Project Description:

Rehabilitation and Replacement of LMI Homeowner's Roofs

National Objective: LMI (Low/Moderate Income Persons)

Project Budget:

Activity	Performance Targets	CDBG Amount	Local Amount	Total
97- Owner Occupied Rehabilitation	6	\$180,000	\$0	\$180,000
181-Administration		\$18,000	\$0	\$18,000
<i>TOTAL</i>		\$198,000	\$0	\$198,000

Sources of local funding:

Funding source	Amount
N/A	
<i>TOTAL</i>	

Conditions to Disbursement: Recipient will provide the following documents to the authority prior to the release of CDBG funds:

General:

- Completion of Environmental Review and evidence of a signed Release of Funds letter;
- CDBG compliant consultant/contractor contracts;
- CDBG compliant plans & specifications prior to bids (as applicable);
- Iowa Economic Development Authority-approved Davis-Bacon wage rates (as applicable);
- Locality approval of plans & specifications (for construction projects)

Housing Projects:

- CDBG Promissory Note
- CDBG Mortgage
- Proof of homeowner's insurance. Must be current through term of affordability



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

ALTERNATIVE SIGNATORIES' AUTHORIZATION FORM

CDBG PROJECT NUMBER: 26-HSGR-015

I, Mayor Margaret J McKeon, of the City of Storm Lake, Iowa hereby authorize the following individuals as alternative signatories for this Community Development Block Grant project. In the event that the Chief Elected Official (CEO) is unable to sign project related correspondence for the City's above reference contract, the following alternates are designated below to sign on the City's behalf.

These signatories are effective as of August 3, 2026

Margaret J. McKeon, Mayor

Alternative Signatory No. 1

<u>Keri Navratil</u>	<u>City Manager</u>	_____
Name	Title	Signature

Alternative Signatory No. 2

<u>Tyler Gibbins</u>	<u>Finance Director</u>	_____
Name	Title	Signature

Alternative Signatory No. 3

_____	_____	_____
Name	Title	Signature

I, Nelda Kirkholm, hereby witness and affirm that the signatures of the officials listed above are correct and true to the best of my knowledge.

Witness Signature



August 3, 2026

Honorable, Margaret J. McKeon Mayor
City of Storm Lake
PO Box 1086
Storm Lake, Iowa 50588

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

Ms. Joyce Brown
Iowa Economic Development Authority
1963 Bell Avenue
Des Moines, Iowa 50315

Dear Ms. Brown

Please accept this letter as the City of Storm Lake's official certification and designation of a Labor Compliance Officer for the following project:

Project Name:	Housing Rehabilitation Roofing
IEDA Project Number:	26-HSGR-015

To ensure compliance with HUD requirements for this project the City has hired Simmering-Cory (AKA Local Government Professional Services) to help review and communicate compliance issues with the project engineer and contractors. As part of these responsibilities, they will also ensure that Davis-Bacon compliance is accomplished on the project.

Specifically, the Labor Compliance Officer will be Mr. Justin Yarosevich of Simmering-Cory. He may have assistance from other members of their staff throughout the project.

If you need any additional information regarding this designation or compliance on this project, please contact Mr. Yarosevich directly at 641-355-4072 or by email at justin@sc-ic.com.

Sincerely,

Margaret J. McKeon Mayor
City of Storm Lake

Staff Summary

8/3/2026

Agenda Item # D.1.B.



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: Lee Dutfield, Development Services Specialist

SUBJECT: **Resolution No. 11-R-2026-2027 Approving Grant Administration Agreement with Simmering-Cory for the City of Storm Lake Housing Rehabilitation - Roofing Project**

BACKGROUND: On March 4, 2026, the City of Storm Lake requested proposals for grant administration services to assist with a project funded with Community Development Block Grant (CDBG) funds through the Iowa Economic Development Authority (IEDA) for a Housing Rehabilitation - Roofing Project. Proposals were accepted through March 13, 2026. The City Clerk received one proposal for grant administration services on March 5, 2026, from Simmering-Cory Iowa Codification.

FISCAL IMPACT: \$18,000.00 for Grant Administration Services. Grant Administration Services costs will be funded 100% by the grant award to the City.

RECOMMENDATION: Adopt Resolution Approving Grant Administration Agreement with Simmering-Cory for the City of Storm Lake Housing Rehabilitation - Roofing Project

ATTACHMENTS:

1. Resolution No. 11-R-2026-2027 Resolution Approving Grant Administration Agreement With Simmering-Cory For CDBG Housing Rehabilitation-Roofing Project
2. Agreement For Grant Administration Services For Storm Lake Housing Roofing Project - UNSIGNED CM 8.3.2026
3. 26-HSGR-015 Storm Lake Roofing Project Grant Agreement - For City Signature
4. Letter From Mayor McKeon For Single Source Precurement Grant Admin Services - Storm Lake Housing Roofing

RESOLUTION NO. 11-R-2026-2027

**RESOLUTION APPROVING A GRANT ADMINISTRATION
AGREEMENT WITH SIMMERING-CORY FOR THE STORM LAKE HOUSING
REHABILITATION-ROOFING PROJECT**

WHEREAS, the City of Storm Lake has been awarded a grant from the Iowa Economic Development Authority under the Iowa Community Development Block Grant program for the Storm Lake Housing Rehabilitation - Roofing Project, and;

WHEREAS, the City has an immediate need to conduct a project to construct a improvements to Low- and Moderate-Income residential homes to ensure high quality and efficient living units for its residents, and;

WHEREAS, the City Council has a need to have a professional grant administrator administer the grant per the Iowa Economic Development Authority guidelines;

WHEREAS, the City has previously procured for grant administration services following 2 CFR 200.319 and has selected the firm of Simmering-Cory to assist the City with this grant;

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

SECTION 1. The City Council approves the contract with Simmering-Cory for grant administration services on IEDA project number 26-HSGR-015 in the amount of \$18,000.00 for the Storm Lake Housing Rehabilitation - Roofing Project.

SECTION 2. Approval of the grant administration agreement is contingent upon IEDA approval of the grant agreement.

SECTION 3. The Mayor is authorized to sign the contract with the Simmering-Cory following approval of IEDA's grant agreement approval.

PASSED AND APPROVED THIS 3RD DAY OF AUGUST 2026.

BY THE CITY COUNCIL OF THE
CITY OF STORM LAKE, IOWA

Margaret J. McKeon, Mayor

ATTEST:

Mayra A. Martinez, City Clerk

AGREEMENT FOR GRANT ADMINISTRATIVE SERVICES

ARTICLE I. This AGREEMENT made and entered into this 3rd day of August, 2026, by and between the City of Storm Lake hereinafter called the OWNER, and Local Government Professional Services, Inc., DBA Simmering-Cory, hereinafter called LGPS, WITNESSETH:

WHEREAS, the OWNER intends to construct improvements as part of a project which is identified as follows and outlined in more detail in a CDBG Application that was submitted and approved the Iowa Economic Development Authority (IEDA)

PROJECT TITLE: Storm Lake Housing Rehabilitation - Roofing
IEDA PROJECT NO.: 26-HSGR-015

The above noted project shall hereinafter be referred to as PROJECT in this agreement; and

WHEREAS, the OWNER has agreed with Iowa Economic Development Authority to perform all services outlined in and required by the Iowa Nonentitlement Community Development Block Grant Contract (hereinafter called STATE CONTRACT) and;

WHEREAS, the OWNER is required by IEDA to utilize a certified grant administrator (CGA) for administration of a CDBG award; and,

WHEREAS, LGPS employs certified grant administrators who will administer the CITY's PROJECT and ensure compliance with State and federal regulations; and,

WHEREAS, the OWNER desires to employ LGPS to assist with completion of certain services outlined in the STATE CONTRACT and to perform professional services associated with the implementation, management, and administration of the Community Development Block Grant PROJECT.

NOW THEREFORE, in consideration of these premises and of the mutual covenants herein set forth, the parties hereto agree as follows:

ARTICLE II. GRANT MANAGEMENT AND ADMINISTRATION.

LGPS agrees to furnish and perform various professional services required for the PROJECT and by the STATE CONTRACT, as follows:

- Day-to-day technical assistance and program management through project completion and close-out.
- Required resolutions for procurement and code of conduct.
- State Contract negotiation and program schedule.
- Preparation and submittal of reports and forms as outlined in the State Contract but not including the audit report. Any audit report required will be the sole responsibility of the CITY.
- Ongoing assistance in establishing and maintaining an overall recordkeeping system.
- Compliance with affirmative action requirements.

- Attendance at all conferences, Council meetings, and State monitoring visits necessary to facilitate the project.
- Assistance with compliance with Fair Housing (any costs related to the publication or distribution of federal notices is outside the cost of the grant administration contract and the responsibility of the City), Equal Opportunity, Excessive Force, RARA, and Citizen Participation regulations.
- Compliance with the Uniform Acquisition and Relocation Act pertaining to easements and land acquisition. Services related to negotiation, appraisal, review appraisal, and legal services are not included and will be procured from other vendors with the cost of such services as the responsibility of the CITY.
- Review of contracts and specs to ensure necessary federal and State regulations are included.
- Requisition of grant funds and requisition of SRF loan funds (if the City is using SRF funding).
- Compliance with Davis-Bacon labor standards requirements and monitoring of weekly contractor payroll forms.
- Compliance with minority participation requirements and contractor clearance.
- Preparation of contract and program amendments as needed.
- We will provide the public notice and hearing announcements for mid-project updates as required by IEDA. Any costs related to the publication of the notice is outside of this grant administration contract and the responsibility of the City.
- We will work with the City and its selected engineer on development of the bid package and compliance with federal bid laws. The cost of any required publications is the responsibility of the City and not a part of this grant administration agreement.
- Any additional administrative function, as may be required or requested by the State.

The OWNER agrees to fulfill and take certain City Council actions required to carry out the work and services outlined by the STATE CONTRACT and necessary for completion of the PROJECT.

ARTICLE III. PROJECT DELIVERY SERVICES.

LGPS agrees to furnish and perform various professional services required for the PROJECT and by the STATE CONTRACT, as follows:

- Compliance with environmental and SHPO requirements. If an Archeological Phase 1 Site Survey or an Iowa Site File Search is required, the City will contract directly for those services at their expense. Costs for these services may be eligible for reimbursement through grant funds.
- Will provide the necessary publications and forms required for Release of Funds. The cost of publications will be an additional expense outside the cost of the contract for grant administration services and paid directly by the City.

ARTICLE IV. COMPENSATION. The OWNER shall compensate LGPS for services outlined under ARTICLE II in the amount of \$18,000.00.

It is further understood and agreed by both parties, that the payment of fees shall be as follows:

- A. Initial Payment – \$2,000.00 at the time of Release of Funds.
- B. Progress Payments – \$2,000.00 every three (3) months after the Release of Funds.
- C. Final Payment – Balance of contract upon project completion.

ARTICLE V. EARLY PROJECT TERMINATION. Should the PROJECT not be completed or terminated prior to completion that would result in the OWNER withdrawing the PROJECT from the CDBG Program or terminating the IEDA Grant Agreement before the project is complete the OWNER agrees that LGPS shall be compensated for services provided even if such compensation is not eligible for reimbursement from IEDA in the following amounts:

- A. Termination prior to any attempt to bid the project and prior to construction shall result in the OWNER paying LGPS for 40% of the total value of this agreement.
- B. Termination after any attempt to bid the project but prior to the start of construction (defined as the acceptance and award of a contract for construction) shall result in the OWNER paying LGPS for 60% of the total value of this agreement.

This article shall also apply to projects that are terminated by IEDA for non-compliance or lack of timely achievements on the part of the OWNER.

This article shall not apply if the reason for grant termination is due to an error or omission on the part of LGPS, in which case there shall be no guaranteed payment due to LGPS.

ARTICLE VI. STATE AND FEDERAL COMPLIANCE LANGUAGE. As a part of this agreement all parties agree to comply with a set of federal and State of Iowa regulations that are specific to the requirements of HUD and IEDA for the successful implementation of this project. These regulations are commonly referred to as the “Federal Contract Language” and are hereby attached and included in this agreement as ADDEDUM I – State of Iowa and Federal Program Language, to the extent that they apply to the services provided under this agreement.

ARTICLE VII. AMENDMENTS. This agreement may be amended by mutual agreement of both parties in the future as needed to update federal language, clarify existing language, or to add or removal services.

ARTICLE VIII. TERMINATION. This agreement may be terminated by either party upon providing a minimum of seven (7) days written notice to the other party. For official communication between the parties written notice shall be provided to the other party at the following addresses”

CITY
City of Storm Lake
PO Box 1086
Storm Lake, Iowa 50588

LGPS
Local Government Professional Services
PO Box 244
Storm Lake, Iowa 50588

Notice shall be considered provided upon receipt of the notice by the other party.

ARTICLE IX. LIMITED LIABILITY. The OWNER shall agree that the maximum liability which may be allocated to LGPS shall be equal to the amount of compensation paid to LGPS at the time of the notification of the claim. In no case shall LGPS be liable for damages in excess of the value of this agreement.

City of Storm Lake

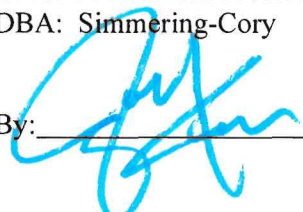
By: _____

Date: _____

Attest:

By: _____

Local Government Professional Services, Inc.
DBA: Simmering-Cory

By:  _____

Date: July 28, 2026 _____

ADDENDUM I – STATE OF IOWA AND FEDERAL PROGRAM LANGUAGE

The following references must be included in its entirety within the contract:

❖ **Access to Maintenance of Records**

"The Contractor must maintain records, including supporting documentation, for the greater of three years after the date the Recipient is notified that the State CDBG contract has been closed with HUD."

"At any time during normal business hours and as frequently as is deemed necessary, the Contractor shall make available to the Iowa Economic Development Authority, the State Auditor, the General Accounting Office, and the Department of Housing and Urban Development, for their examination, all of its records pertaining to all matters covered by this contract"

❖ **Notice of Awarding Agency Requirements and Regulations Pertaining to Reporting**

"The Contractor must provide information as necessary and as requested by the Iowa Economic Development Authority for the purpose of fulfilling all reporting requirements related to the CDBG program."

❖ **Certification regarding government-wide restriction on lobbying:**

All contracts utilizing CDBG funds must contain the following certification concerning restriction of lobbying:

"The Recipient certifies, to the best of his or her knowledge and belief, that:

- *i. No Federal appropriated funds have been paid or will be paid, by or on behalf of the Recipient, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.*
- *ii. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the Recipient shall complete and submit Standard Form-LLL, "Disclosure Form to Report Federal Lobbying" in accordance with its instruction.*
- *iii. The Recipient shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and*

contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly."

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure."

❖ **Clean Air and Water Acts: (for all contracts over \$100,000)**

- Section 306 of the Clean Air Acts (42 U.S.C. 1857(h)).
- Section 508 of the Clean Water Act (33 U.S.C. 1368).
- Executive Order 11738 (*Providing administration of the Clean Air & Water Acts*)

Clean Air and Water Acts - required clauses in all contracts involving projects subject to the Clean Air Act (42 U.S.C. 1857 et seq.), the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), and the regulations of the Environmental Protection Agency with respect to 40 CFR Part 15, as amended.

"During the performance of this contract, the Contractor agrees as follows:

(1) The Contractor will certify that any facility to be utilized in the performance of any nonexempt contract or subcontract is not listed on the Excluded Party Listing System pursuant to 40 CFR 32.

(2) The Contractor agrees to comply with all the requirements of Section 114 of the Clean Air Act, as amended, (42 U.S.C. 1857c-8) and Section 308 of the Federal Water Pollution Control Act, as amended (33 U.S.C. 1318) relating to inspection, monitoring, entry, reports, and information, as well as all other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder.

(3) The Contractor agrees that as a condition for the award of the contract, prompt notice will be given of any notification received from the Director, Office of Federal Activities, Environmental Protection Agency, indicating that a facility utilized or to be utilized for the contract is under consideration to be listed on the Excluded Party Listing System.

(4) The Contractor agrees that it will include or cause to be included the criteria and requirements in Paragraph (1) through (4) of this section in every nonexempt subcontract and require every subcontractor to take such action as the Government may direct as a means of enforcing such provisions."

❖ **Federal Executive Orders 11246 & 11375 (For all contracts over \$10,000)**

"During the performance of this contract, the contractor agrees as follows:

- (1) The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.*
- (2) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.*
- (3) The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under Section 202 of the Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.*
- (4) The Contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.*
- (5) The Contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.*
- (6) In the event of the Contractor's non-compliance with the nondiscrimination clause of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.*
- (7) The Contractor will include the provisions of Paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the*

contractor may request the United States to enter into such litigation to protect the interests of the United States.”

❖ **Federal Labor Standards (For all contracts over \$2,000)**

“During the execution of this agreement, the contractor agrees to comply by all Federal, State and local labor standards in effect, including to but not limited to the following regulations:”.

- *Davis-Bacon and Related Acts, as amended;*
- *Contract Work Hours and Safety Standard Act, as amended;*
- *Copeland Anti-kickback Act, as amended;*
- *Fair Labor Standards Act, as amended*

(Housing rehabilitation contracts of less than 8 units are excluded from this requirement.)

❖ **Build America, Buy America Requirements**

Sample BABA Language for Inclusion into Professional Services Agreements:

“This agreement is for professional services related to a project that is subject to the Build America, Buy America Act (BABA) requirements under Title IX of the Infrastructure Investment and Jobs Act (“IIJA”), Pub. L. 177-58. While professional services are not subject to BABA, the Provider understands that they are responsible for ensuring that, absent a waiver by the Department of Housing and Urban Development, Provider shall not approve for use in this project, any iron, steel, manufactured products, or construction materials unless such materials have been produced in the United States. Provider shall obtain all necessary compliance certificates for work that is within provider’s scope of work. Failure to do so shall be a default under this agreement. Guidance on complying with BABA is outlined by Office of Management and Budget’s Memorandum M-24-02, Implementation Guidance on Application of Buy America Preference in Federal Financial Assistance Programs for Infrastructure.”

Sample BABA Language for Inclusion into Advertisement for Bids:

“This agreement is for services related to a project that is subject to the Build America, Buy America Act (BABA) requirements under Title IX of the Infrastructure Investment and Jobs Act (“IIJA”), Pub. L. 177-58. Absent an approved waiver, all iron, steel, manufactured products, and construction materials used in this project must be produced in the United States, as further outlined by the Office of Management and Budget’s Memorandum M-24-02, Implementation Guidance on Application of Buy America Preference in Federal Financial Assistance Programs for Infrastructure.”

Contractor shall include Manufacturer’s Certification for BABA requirements for all BABA-covered items to be incorporated into the infrastructure project. Contractor shall comply with BABA requirements, including coordination with manufacturers, distributors, and suppliers to correct deficiencies in any BABA documentation.

For any change orders, Contractor shall provide BABA documentation for any new products or materials required by the change. Contractor shall the designate responsible parties for determining the final classifications for all project items. “

(Housing projects of 4 units or less are excluded from this requirement.)

❖ **Section 3 requirements under 12 U.S.C. § 1701u**

- A. *"The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.*
- B. *The parties to this contract agree to comply with HUD's regulations in 24 CFR part 75, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 75 regulations.*
- C. *The Contractor agrees to post copies of a notice advising workers of the Contractor's commitments under Section 3 in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.*
- D. *The Contractor agrees to provide written notice of employment and contracting opportunities to all known Section 3 Workers and Section 3 Businesses.*
- E. *The Contractor agrees to employ, to the greatest extent feasible, Section 3 workers or provide written justification to the recipient that is consistent with 24 CFR Part 75, describing why it was unable to meet minimum numerical Section 3 Worker hours goals, despite its efforts to comply with the provisions of this clause.*
- F. *The Contractor agrees to maintain records documenting Section 3 Workers that were hired to work on previous Section 3 covered projects or activities that were retained by the contractor for subsequent Section 3 covered projects or activities.*
- G. *The Contractor r agrees to post contract and job opportunities to the Opportunity Portal and will check the Business Registry for businesses located in the project area.*
- H. *The Contractor r agrees to include compliance with Section 3 requirements in every subcontract for Section 3 projects as defined in 24 CFR part 75, and agrees to take appropriate action, as provided in an applicable provision of the subcontract upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 75. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 75.*
- I. *The Contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 75 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 75.*
- J. *The Contractor will certify that they have followed prioritization of effort in 24 CFR part 75.19 for all employment and training opportunities. The contractor will further certify that it meets or exceeds the applicable Section 3 benchmarks, defined in 24 CFR Part 75.23, and*

if not, shall describe in detail the qualitative efforts it has taken to pursue low- and very low-income persons for economic opportunities.

- K. *Noncompliance with HUD's regulations in 24 CFR part 75 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.*

Section 3 Business Concerns are encouraged to respond to this proposal. A Section 3 Business Concern is one that satisfies one of the following requirements:

- 1. It is at least 51 percent owned and controlled by low- or very low-income persons;*
- 2. Over 75 percent of the labor hours performed for the business over the prior three-month period are performed by Section 3 Workers*; or*
- 3. It is a business at least 51 percent owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing.*

** A Section 3 Worker is defined as any worker who currently fits or when hired within the past five years fit at least one of the following categories, as documented:*

- 1. The worker's income for the previous or annualized calendar year is below the applicable income limit established by HUD;*
- 2. The worker is employed by a Section 3 business concern; or*
- 3. The worker is a YouthBuild participant.*

Businesses that believe they meet the Section 3 criteria are encouraged to register as a Section 3 Business through HUD's website:

<https://portalapps.hud.gov/Sec3BusReg/BRegistry/RegisterBusiness>

❖ **Recycled Materials**

"The Contractor agrees to comply with all the requirements of Code of Iowa chapter 8A.315-317 and Iowa Administrative Code chapter 11-117.6(5) — Recycled Product and Content which states:

- o When appropriate, specifications shall include requirements for the use of recovered materials and products;*
- o The specifications shall not restrict the use of alternative materials, exclude recovered materials, or require performance standards that exclude products containing recovered materials unless the subrecipient seeking the product can document that the use of recovered materials will impede the intended use of the product;"*

❖ **Federal Executive Orders 11063, as amended by Executive Order 12259**

*"The Contractor agrees to comply with the provisions of **Executive Order 11063**, as amended by **Executive Order 12259**, which prohibit discrimination in the sale, leasing, rental, or other disposition of residential property and related facilities financed in whole or in part with federal assistance.*

*The Contractor shall not discriminate against any person on the grounds of **race, color, religion, sex, or national origin** in the sale, rental, or use of housing or residential property built or rehabilitated with assistance provided under this contract.*

Document date: 1/02/2026

The Contractor further agrees to:

- *Include this provision in all subcontracts or agreements related to this federally assisted construction project;*
- *Cooperate with the U.S. Department of Housing and Urban Development (HUD) in any enforcement or compliance reviews;*
- *Maintain and provide records as required to demonstrate compliance with applicable federal requirements.*
- *Failure to comply with this provision shall be considered a material breach of contract and may result in suspension or termination of this Agreement, in addition to other remedies available under law or regulation."*

❖ **Section 109, Housing & Community Development Act of 1974 (42 USC 5309):**

"The Contractor agrees that no person shall be excluded from participation in, denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with Community Development Block Grant (CDBG) funds on the grounds of: Race, color, national origin, sex, or religion. Additionally, as required by amendments to the Act and related statutes and regulations, the Contractor further agrees not to discriminate on the basis of disability.

Accordingly, the Contractor shall:

- *Take all necessary and reasonable steps to ensure non-discrimination in employment, service delivery, housing, and access to facilities;*
- *Include this clause in all subcontracts or agreements funded in whole or in part with CDBG funds;*
- *Cooperate fully with any compliance or enforcement reviews conducted by the U.S. Department of Housing and Urban Development (HUD) or its designee;*
- *Maintain and furnish records as necessary to demonstrate compliance;"*

❖ **Title VI of the Civil Rights Act of 1964 (PL 88-352, 42 USC ss 200d):**

"The Contractor agrees to comply with Title VI of the Civil Rights Act of 1964 (Public Law 88-352, 42 U.S.C. § 2000d et seq.) and all applicable regulations issued pursuant thereto, including those found at 24 CFR Part 1. Under Title VI, no person shall, on the grounds of race, color, or national origin, be excluded from participation in, denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

Accordingly, the Contractor shall:

1. *Not discriminate against any person in employment, contracting, housing, or service delivery on the basis of race, color, or national origin.*
2. *Include this clause in every subcontract or purchase order involving the use of federal funds.*
3. *Maintain and provide access to records sufficient to demonstrate compliance with Title VI upon request of the funding agency or the U.S. Department of Housing and Urban Development (HUD).*

4. *Cooperate fully in any compliance review or complaint investigation undertaken pursuant to Title VI.*

❖ **Title VIII of the Civil Rights Act of 1968 (aka 'Fair Housing Act'):**

"The Contractor shall comply with the Fair Housing Act (Title VIII of the Civil Rights Act of 1968, as amended, 42 U.S.C. §§ 3601–3619), which prohibits discrimination in housing and housing-related transactions on the basis of: Race, color, religion, sex (including sexual orientation and gender identity), disability, familial status, or national origin.

Accordingly, the Contractor agrees to:

1. *Not discriminate in the sale, rental, lease, financing, design, construction, marketing, or provision of services related to any housing or residential facilities constructed or assisted under this contract.*
2. *Display the Equal Housing Opportunity logo and statement on all housing advertisements and marketing materials associated with the project.*
3. *Include this provision in all subcontracts related to residential construction, rehabilitation, leasing, or sale of housing units funded in whole or in part with federal funds.*
4. *Cooperate fully with any investigation, compliance review, or enforcement action conducted by the U.S. Department of Housing and Urban Development (HUD) or other designated entity."*

❖ **Section 504 of the Rehabilitation Act of 1973 (PL 93-112, 29 USC 794):**

"The Contractor agrees to comply with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794), as implemented by HUD regulations at 24 CFR Part 8, which prohibit discrimination on the basis of disability in any program or activity receiving federal financial assistance.

Accordingly, the Contractor shall:

1. *Not discriminate against any qualified individual with a disability in the provision of services, employment, housing, or access to facilities under this Contract.*
2. *Ensure that all new construction and alterations funded in whole or in part with federal assistance are designed and constructed to be readily accessible to and usable by individuals with disabilities, as required by applicable accessibility standards (e.g., UFAS or ADA Standards, as applicable).*
3. *Take appropriate steps to ensure that communications with applicants, beneficiaries, and members of the public with disabilities are as effective as communications with others.*
4. *Make reasonable accommodations in policies, practices, and procedures when necessary to avoid discrimination, unless such accommodations would impose an undue financial or administrative burden.*
5. *Include this provision in all applicable subcontracts and agreements."*

❖ **Age Discrimination Act of 1975 (42 USC 1601 et seq):**

"The Contractor agrees to comply with the Age Discrimination Act of 1975 (42 U.S.C. § 6101 et seq.) and the implementing regulations at 45 CFR Part 90, which prohibit discrimination on the basis of age in programs or activities receiving federal financial assistance.

Accordingly, the Contractor shall:

1. *Ensure that no person is excluded from participation in, denied the benefits of, or otherwise subjected to discrimination under this contract or related activities on the basis of age.*
2. *Not use age as a basis for employment decisions, service delivery, or participation in housing or construction-related benefits funded by this contract.*
3. *Include this clause in all subcontracts or agreements involving federal funds under this project.*
4. *Cooperate fully with any compliance review or investigation conducted pursuant to this Act.*
5. *Maintain and provide records as required to demonstrate compliance with the Age Discrimination Act.*

❖ **Americans with Disabilities Act (PM 101-336, 42 USC 12101-12213):**

"The Contractor agrees to comply with the provisions of the Americans with Disabilities Act of 1990 (PL 101-336, codified at 42 U.S.C. §§ 12101–12213) and all applicable implementing regulations.

Under the ADA, no qualified individual with a disability shall, on the basis of disability, be:

- *Excluded from participation in,*
- *Denied the benefits of, or*
- *Subjected to discrimination in*

any program, service, or activity funded in whole or in part under this Contract.

Accordingly, the Contractor shall:

1. *Ensure that all employment practices, public facilities, housing, services, and communications related to this project are accessible and non-discriminatory toward individuals with disabilities.*
2. *Design and construct facilities to meet or exceed applicable accessibility standards, such as the 2010 ADA Standards for Accessible Design or UFAS, where applicable.*
3. *Make reasonable modifications to policies, practices, and procedures to accommodate individuals with disabilities, unless doing so would result in an undue burden or fundamental alteration.*
4. *Provide effective communication methods, including auxiliary aids and services, when necessary for equal access.*
5. *Include this clause in all subcontracts and agreements funded in whole or in part by CDBG or other federal funds."*

❖ **Lead-Based Paint Compliance (24 CFR Part 35 – Lead Safe Housing Rule)**

Applies to pre-1978 residential structures receiving CDBG or other HUD funding

Types of projects:

- *Rehabilitation*
- *Acquisition*
- *Leasing*

- Supportive housing
- Tenant-based rental assistance

“The Contractor shall comply with the Lead Safe Housing Rule (24 CFR Part 35), which implements the requirements of the Lead-Based Paint Poisoning Prevention Act and applies to housing constructed prior to 1978 that is receiving federal financial assistance under this Contract.

Accordingly, the Contractor agrees to:

1. ***Identify and evaluate lead-based paint hazards*** in housing units constructed before 1978, using required methods such as visual assessments, paint testing, or risk assessments, as applicable based on project scope and funding level;
2. ***Control or eliminate lead-based paint hazards*** through interim controls or abatement in accordance with Subparts J (Rehabilitation), K (Acquisition), or M (Tenant-Based Rental Assistance) of 24 CFR Part 35;
3. ***Ensure that all work involving lead-based paint*** is performed by properly certified and trained workers, supervisors, and inspectors in accordance with EPA's Renovation, Repair and Painting (RRP) Rule and HUD guidelines;
4. ***Provide residents with proper notices and disclosures*** about the presence and hazards of lead-based paint as required under Subpart B of 24 CFR Part 35;
5. ***Follow clearance procedures*** after hazard control work, including proper testing by certified risk assessors or clearance technicians;
6. ***Keep and submit records and reports*** demonstrating full compliance with the Lead Safe Housing Rule and make such records available to HUD or the funding agency upon request.

The Contractor shall include this clause in all subcontracts involving residential rehabilitation, acquisition, or construction of pre-1978 housing units.”

❖ **Iowa Civil Rights Act of 1965, Chapter 216**

“The Contractor agrees to comply with the provisions of the Iowa Civil Rights Act of 1965 (Iowa Code Chapter 216), which prohibits discrimination in employment, housing, public accommodations, education, and credit based on:

Race, creed, color, sex, sexual orientation, gender identity, religion, national origin, disability, or age (where applicable), and familial status (in housing).

Accordingly, the Contractor shall:

1. ***Not discriminate in hiring, promotion, layoff, termination, or other employment practices;***
2. ***Provide equal access to housing, services, and facilities without regard to protected characteristics;***
3. ***Make reasonable accommodations for persons with disabilities;***
4. ***Include this clause in all applicable subcontracts and agreements under this contract;***
5. ***Cooperate with any investigation or compliance review conducted by the Iowa Civil Rights Commission (ICRC) or other designated authority.”***

❖ **Iowa Code Section ss 19B.7**

The Contractor agrees to comply with Iowa Code Section 19B.7, which requires that all state and local government agencies and their contractors and subcontractors prevent and eliminate discrimination in employment and public contracting.

Accordingly, the Contractor shall:

- 1. Not discriminate against any employee or applicant for employment or any business or individual in the awarding of subcontracts, on the basis of: Race, Color, National origin, Sex, Gender identity, Sexual orientation, Religion, Age, Disability, Creed*
- 2. Include this nondiscrimination provision in all subcontracts and procurement agreements;*
- 3. Make good faith efforts to encourage the participation of minority-owned and women-owned business enterprises (M/WBEs) in all aspects of the project, including contracting and subcontracting;*
- 4. Provide documentation of such efforts upon request by the local jurisdiction, the Iowa Department of Administrative Services, or other authorized entity.*

❖ **Sales and Use Taxes (for municipalities only)**

"Owner is exempt from Iowa state sales and use taxes on materials and equipment to be incorporated in the Work. Said taxes shall not be included in the Bid."

The undersigned acknowledges that these requirements are party to the contract / subcontract and the Contractor/Subcontractor agrees to adoption of all requirements upon execution of the agreement:



Contractor Signature
 Justin Yarosevich

Contractor Printed Name

July 28, 2026

Date

President

Title

NOTE: The penalty for making false statements in offers is prescribed in 18 U.S.C. 1001.

Document date: 1/02/2026

**ADDENDUM III. SUPPLEMENTAL FEDERAL REQUIREMENTS
AND WORKER NOTIFICATIONS**

- ❖ **Current Certified Payroll Form & Certification (DOL WH-347)**
<https://www.dol.gov/sites/dolgov/files/WHD/legacy/files/wh347.pdf>
- ❖ **Federal Labor Standards Complaint Intake Form:**
<https://www.hud.gov/sites/dfiles/OCHCO/documents/4731.pdf>
- ❖ **Record of Employee Interview Form**
<https://www.hud.gov/sites/dfiles/OCHCO/documents/11.pdf>
- ❖ **Job Site Posters & Federal Labor Standards Provisions:**
 - WHD 1321 – Employee Rights Poster
 - English: <https://www.osha.gov/Publications/osh3165.pdf>
 - Spanish: <https://www.osha.gov/Publications/osh3167.pdf>
 - OSHA Job Safety & Health
 - English: https://www.eeoc.gov/sites/default/files/migrated_files/employers/eeoc_self_print_poster.pdf
 - Spanish: https://www.eeoc.gov/sites/default/files/migrated_files/employers/eeoc_self_print_poster_spanish.pdf
 - OFCCP Equal Opportunity – Know Your Rights
 - English: https://www.eeoc.gov/sites/default/files/2023-06/22-088_EEOC_KnowYourRights6.12.pdf
 - Spanish: https://www.eeoc.gov/sites/default/files/2023-06/22-088_EEOC_KnowYourRightsSp6.12.pdf
- ❖ **HUD Form 928.1 Equal Housing Opportunity**
 - English: <https://www.hud.gov/sites/documents/928.1.PDF>
 - Spanish: <https://www.hud.gov/sites/documents/SPANISH.PDF>

The undersigned acknowledges that these documents are required to be made available to all workers on the jobsite.



 Contractor Signature

July 28, 2026

 Date

Justin Yarosevich

 Contractor Printed Name

President

 Title

NOTE: The penalty for making false statements in offers is prescribed in 18 U.S.C. 1001.

Document date: 10/01/2025



ADDENDUM IV. DOCUMENTS THAT MUST BE PRINTED
OUT AND INCLUDED IN BIDS VIA EXHIBIT

❖ **Section 3 Contractor Intent to Comply Form:**

<https://www.iowaeda.com/UserDocs/2022cdbg-intent-to-comply-fillableform01232023.pdf>

- **Contractor should return this document with the Bid Forms**

❖ **HUD-4010 Federal Labor Standards Provisions Form:**

<https://hudgov.sharepoint.com/sites/FPM/OFPM/DBLS/HQ/Shared>

[Documents/Forms DBLS/HUD-4010 Federal Labor Standards Provisions/HUD 4010](#)

❖ **Applicable Wage Decision Document(s)**

Davis Bacon DOES NOT APPLY TO THE GRANT ADMINISTRATOR

- **ACQUIRE FROM DOL / IEDA**

❖ **CDBG Project Sign Design Specification**

CDGB Sign DOES NOT APPLY TO THE GRANT ADMINISTRATOR

https://www.iowaeda.com/UserDocs/cdbg_projectsign.pdf

❖ **BABA Bid Insertion Documents**

BABA DOES NOT APPLY TO THE GRANT ADMINISTRATOR

<https://opportunityiowa.gov/media/7259/download?inline>

- **Portions for both Consultant and Constructors in this packet**

SECTION 3 – CONTRACTOR INTENT TO COMPLY

For Project (insert project name): Bedford Housing Rehabilitation - Roofing

In (Insert City Name): Storm Lake, Iowa IEDA Project Number: 26-HSGR-002

Contractor Name: _____ hereinafter referred to as “CONTRACTOR.”

Address: _____ City: _____ State: _____ Zip: _____

This form is the CONTRACTOR’s official statement acknowledging their understanding that Section 3 requirements are mandatory for the proposed project which is funded in part with funds from the Department of Housing and Urban Development (HUD). The form also signifies the CONTRACTOR’s intent to comply with the Section 3 requirements as outlined in the plans and specifications, including but not limited to, the intent to utilize Section 3 (low to moderate income) workers and subcontractors where possible and complying with all mandatory reporting related to Section 3 HUD guidelines.

In recognition of the intent to comply the CONTRACTOR indicates their compliance with the following certifications:

☐ YES

If awarded a contract for this HUD-funded project, CONTRACTOR is able to determine employee’s hourly wages and addresses.

☐ YES

☐ NO

Is this business a registered Section 3 business with the U.S. Department of Housing and Urban Development? You can search for Section 3 Businesses here: <https://hudapps.hud.gov/OpportunityPortal/>

☐ YES

Willing to provide information on the hours worked by all employees, including Section 3 and Targeted Section 3 employees for this job?

☐ YES

If the need to hire new employees during this job occurs, agree to hire Section 3 qualified employees for those job opportunities presuming all other qualifications are equal with qualified non Section 3 applicants?

☐ YES

If the need to subcontract arises, willing to CONSIDER hiring and subcontracting with a Section 3 business registered with HUD. You can search for Section 3 Businesses here: <https://hudapps.hud.gov/OpportunityPortal/>

The CONTRACTOR estimates that the total hours worked on this project by employees of the CONTRACTOR will be _____.

The CONTRACTOR recognizes that this contracting opportunity is subject to HUD Section requirements (24 CFR Part 75). The CONTRACTOR has read and understands the Section 3 requirements as generally described above and presented in the Section 3 contract language included in the procurement documents for this project (plans and specifications, request for qualification, request for proposals, etc.). If awarded a contract, the CONTRACTOR commits to following Section 3 requirements, as they apply to this project. If awarded a contract for this project, the CONTRACTOR agrees to provide reports to the project’s Grant Administrator on a timely basis) regarding Section 3 efforts and accomplishments.

Signature _____

Date _____

Print Name: _____

Title: _____

A. APPLICABILITY

The Project or Program to which the construction work covered by this Contract pertains is being assisted by the United States of America, and the following Federal Labor Standards Provisions are included in this Contract pursuant to the provisions applicable to such Federal assistance.

1. Minimum wages and fringe benefits

- i. All laborers and mechanics employed or working upon the site of the work (or otherwise working in construction or development of the project under a development statute), will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of basic hourly wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics. As provided in 29 CFR 5.5(d) and (e), the appropriate wage determinations are effective by operation of law even if they have not been attached to the contract. Contributions made or costs reasonably anticipated for bona fide fringe benefits under the Davis-Bacon Act (40 U.S.C. 3141(2)(B)) on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph (a)(1)(v) of these contract clauses; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics must be paid the appropriate wage rate and fringe benefits on the wage determination for the classification(s) of work actually performed, without regard to skill, except as provided in 29 CFR 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: *Provided*, That the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classifications and wage rates conformed under 29 CFR 5.5(a)(1)(iii)) and the Davis-Bacon poster (WH-1321) must be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

ii. Frequently recurring classifications

A. In addition to wage and fringe benefit rates that have been determined to be prevailing under the procedures set forth in 29 CFR part 1, a wage determination may contain, pursuant to § 1.3(f), wage and fringe benefit rates for classifications of laborers and mechanics for which conformance requests are regularly submitted pursuant to 29 CFR 5.5(a)(1)(iii), provided that:

1. The work performed by the classification is not performed by a classification in the wage determination for which a prevailing wage rate has been determined;
 2. The classification is used in the area by the construction industry; and
 3. The wage rate for the classification bears a reasonable relationship to the prevailing wage rates contained in the wage determination.
- B.** The Administrator will establish wage rates for such classifications in accordance with 29 CFR 5.5(a)(1)(iii)(A)(3). Work performed in such a classification must be paid at no less than the wage and fringe benefit rate listed on the wage determination for such classification.

iii. Conformance

A. The contracting officer must require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract be

classified in conformance with the wage determination. Conformance of an additional classification and wage rate and fringe benefits is appropriate only when the following criteria have been met:

1. The work to be performed by the classification requested is not performed by a classification in the wage determination; and
 2. The classification is used in the area by the construction industry; and
 3. The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.
- B. The conformance process may not be used to split, subdivide, or otherwise avoid application of classifications listed in the wage determination.
- C. If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the contracting officer agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken will be sent by the contracting officer by email to DBAconformance@dol.gov. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.
- D. In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the contracting officer do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the contracting officer will, by email to DBAconformance@dol.gov, refer the questions, including the views of all interested parties and the recommendation of the contracting officer, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.
- E. The contracting officer must promptly notify the contractor of the action taken by the Wage and Hour Division under 29 CFR 5.5 (a)(1)(iii)(C) and (D). The contractor must furnish a written copy of such determination to each affected worker or it must be posted as a part of the wage determination. The wage rate (including fringe benefits where appropriate) determined pursuant to 29 CFR 5.5 (a)(1)(iii)(C) or (D) must be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.
- iv. **Fringe benefits not expressed as an hourly rate**
Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor may either pay the benefit as stated in the wage determination or may pay another bona fide fringe benefit or an hourly cash equivalent thereof.
- v. **Unfunded plans**
If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, *Provided*, That the Secretary of Labor has found, upon the written request of the contractor, in accordance with the criteria set forth in 29 CFR 5.28, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.
- vi. **Interest** In the event of a failure to pay all or part of the wages required by the contract, the contractor will be required to pay interest on any underpayment of wages.

2. Withholding

i. Withholding requirements

The U. S. Department of Housing and Urban Development may, upon its own action, or must, upon written request of an authorized representative of the Department of Labor, withhold or cause to be withheld from the contractor so much of the accrued payments or advances as may be considered necessary to satisfy the liabilities of the prime contractor or any subcontractor for the full amount of wages and monetary relief, including interest, required by the clauses set forth in 29 CFR 5.5(a) for violations of this contract, or to satisfy any such liabilities required by any other Federal contract, or federally assisted contract subject to Davis-Bacon labor standards, that is held by the same prime contractor (as defined in 29 CFR 5.2). The necessary funds may be withheld from the contractor under this contract, any other Federal contract with the same prime contractor, or any other federally assisted contract that is subject to Davis-Bacon labor standards requirements and is held by the same prime contractor, regardless of whether the other contract was awarded or assisted by the same agency, and such funds may be used to satisfy the contractor liability for which the funds were withheld. In the event of a contractor's failure to pay any laborer or mechanic, including any apprentice or helper working on the site of the work (or otherwise working in construction or development of the project under a development statute) all or part of the wages required by the contract, or upon the contractor's failure to submit the required records as discussed in 29 CFR 5.5(a)(3)(iv), HUD may on its own initiative and after written notice to the contractor, sponsor, applicant, owner, or other entity, as the case may be, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

ii. Priority to withheld funds

The Department has priority to funds withheld or to be withheld in accordance with 29 CFR 5.5(a)(2)(i) or (b)(3)(i), or both, over claims to those funds by:

- A. A contractor's surety(ies), including without limitation performance bond sureties and payment bond sureties;
- B. A contracting agency for its procurement costs;
- C. A trustee(s) (either a court-appointed trustee or a U.S. trustee, or both) in bankruptcy of a contractor, or a contractor's bankruptcy estate;
- D. A contractor's assignee(s);
- E. A contractor's successor(s); or
- F. A claim asserted under the Prompt Payment Act, 31 U.S.C. 3901-3907.

3. Records and certified payrolls

i. Basic record requirements

- A. **Length of record retention.** All regular payrolls and other basic records must be maintained by the contractor and any subcontractor during the course of the work and preserved for all laborers and mechanics working at the site of the work (or otherwise working in construction or development of the project under a development statute) for a period of at least 3 years after all the work on the prime contract is completed.
- B. **Information required** Such records must contain the name; Social Security number; last known address, telephone number, and email address of each such worker; each worker's correct classification(s) of work actually performed; hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in 40 U.S.C. 3141(2)(B) of the Davis-Bacon Act); daily and weekly number of hours actually worked in total and on each covered contract; deductions made; and actual wages paid.
- C. **Additional records relating to fringe benefits.** Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(v) that the wages of any laborer or mechanic include the amount of any

costs reasonably anticipated in providing benefits under a plan or program described in 40 U.S.C. 3141(2)(B) of the Davis-Bacon Act, the contractor must maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits.

- D. Additional records relating to apprenticeship** Contractors with apprentices working under approved programs must maintain written evidence of the registration of apprenticeship programs, the registration of the apprentices, and the ratios and wage rates prescribed in the applicable programs.

ii. Certified payroll requirements

A. Frequency and method of submission The contractor or subcontractor must submit weekly, for each week in which any DBA- or Related Acts-covered work is performed, certified payrolls to HUD if the agency is a party to the contract, but if the agency is not such a party, the contractor will submit the certified payrolls to the applicant, sponsor, owner, or other entity, as the case may be, that maintains such records, for transmission to HUD. The prime contractor is responsible for the submission of all certified payrolls by all subcontractors. A contracting agency or prime contractor may permit or require contractors to submit certified payrolls through an electronic system, as long as the electronic system requires a legally valid electronic signature; the system allows the contractor, the contracting agency, and the Department of Labor to access the certified payrolls upon request for at least 3 years after the work on the prime contract has been completed; and the contracting agency or prime contractor permits other methods of submission in situations where the contractor is unable or limited in its ability to use or access the electronic system

B. Information required The certified payrolls submitted must set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i)(B), except that full Social Security numbers and last known addresses, telephone numbers, and email addresses must not be included on weekly transmittals. Instead, the certified payrolls need only include an individually identifying number for each worker (e.g., the last four digits of the worker's Social Security number). The required weekly certified payroll information may be submitted using Optional Form WH-347 or in any other format desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Web site at <https://www.dol.gov/sites/dolgov/files/WHD/legacy/files/wh347.pdf> or its successor website. It is not a violation of this section for a prime contractor to require a subcontractor to provide full Social Security numbers and last known addresses, telephone numbers, and email addresses to the prime contractor for its own records, without weekly submission by the subcontractor to the sponsoring government agency (or the applicant, sponsor, owner, or other entity, as the case may be, that maintains such records).

- C. Statement of Compliance** Each certified payroll submitted must be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor, or the contractor's or subcontractor's agent who pays or supervises the payment of the persons working on the contract, and must certify the following:
1. That the certified payroll for the payroll period contains the information required to be provided under 29 CFR 5.5(a)(3)(ii), the appropriate information and basic records are being maintained under 29 CFR 5.5 (a)(3)(i), and such information and records are correct and complete;
 2. That each laborer or mechanic (including each helper and apprentice) working on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly

from the full wages earned, other than permissible deductions as set forth in 29 CFR part 3; and

- 3. That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification(s) of work actually performed, as specified in the applicable wage determination incorporated into the contract.
 - D. **Use of Optional Form WH-347** The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 will satisfy the requirement for submission of the "Statement of Compliance" required by 29 CFR 5.5(a)(3)(ii)(C).
 - E. **Signature** The signature by the contractor, subcontractor, or the contractor's or subcontractor's agent must be an original handwritten signature or a legally valid electronic signature.
 - F. **Falsification** The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under 18 U.S.C. 1001 and 31 U.S.C. 3729.
 - G. **Length of certified payroll retention** The contractor or subcontractor must preserve all certified payrolls during the course of the work and for a period of 3 years after all the work on the prime contract is completed.
- iii. **Contracts, subcontracts, and related documents** The contractor or subcontractor must maintain this contract or subcontract and related documents including, without limitation, bids, proposals, amendments, modifications, and extensions. The contractor or subcontractor must preserve these contracts, subcontracts, and related documents during the course of the work and for a period of 3 years after all the work on the prime contract is completed.

iv Required disclosures and access

- A. **Required record disclosures and access to workers** The contractor or subcontractor must make the records required under 29 CFR 5.5(a)(3)(i)–(iii), and any other documents that HUD or the Department of Labor deems necessary to determine compliance with the labor standards provisions of any of the applicable statutes referenced by 29 CFR 5.1, available for inspection, copying, or transcription by authorized representatives of HUD or the Department of Labor, and must permit such representatives to interview workers during working hours on the job.
- B. **Sanctions for non-compliance with records and worker access requirements** If the contractor or subcontractor fails to submit the required records or to make them available, or refuses to permit worker interviews during working hours on the job, the Federal agency may, after written notice to the contractor, sponsor, applicant, owner, or other entity, as the case may be, that maintains such records or that employs such workers, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available, or to permit worker interviews during working hours on the job, may be grounds for debarment action pursuant to 29 CFR 5.12. In addition, any contractor or other person that fails to submit the required records or make those records available to WHD within the time WHD requests that the records be produced will be precluded from introducing as evidence in an administrative proceeding under 29 CFR part 6 any of the required records that were not provided or made available to WHD. WHD will take into consideration a reasonable request from the contractor or person for an extension of the time for submission of records. WHD will determine the reasonableness of the request and may consider, among other things, the location of the records and the volume of production.
- C. **Required information disclosures** Contractors and subcontractors must maintain the full Social Security number and last known address, telephone number, and email address of each covered worker, and must provide them upon request to HUD if the agency is a party to

the contract, or to the Wage and Hour Division of the Department of Labor. If the Federal agency is not such a party to the contract, the contractor, subcontractor, or both, must, upon request, provide the full Social Security number and last known address, telephone number, and email address of each covered worker to the applicant, sponsor, owner, or other entity, as the case may be, that maintains such records, for transmission to HUD, the contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or other compliance action.

4. Apprentices and equal employment opportunity

i. Apprentices

- A. Rate of pay** Apprentices will be permitted to work at less than the predetermined rate for the work they perform when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship (OA), or with a State Apprenticeship Agency recognized by the OA. A person who is not individually registered in the program, but who has been certified by the OA or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice, will be permitted to work at less than the predetermined rate for the work they perform in the first 90 days of probationary employment as an apprentice in such a program. In the event the OA or a State Apprenticeship Agency recognized by the OA withdraws approval of an apprenticeship program, the contractor will no longer be permitted to use apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.
- B. Fringe benefits** Apprentices must be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringe benefits must be paid in accordance with that determination.
- C. Apprenticeship ratio** The allowable ratio of apprentices to journeymen on the job site in any craft classification must not be greater than the ratio permitted to the contractor as to the entire work force under the registered program or the ratio applicable to the locality of the project pursuant to 29 CFR 5.5(a)(4)(i)(D). Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated in 29 CFR 5.5(a)(4)(i)(A), must be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under this section must be paid not less than the applicable wage rate on the wage determination for the work actually performed.
- D. Reciprocity of ratios and wage rates** Where a contractor is performing construction on a project in a locality other than the locality in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyworker's hourly rate) applicable within the locality in which the construction is being performed must be observed. If there is no applicable ratio or wage rate for the locality of the project, the ratio and wage rate specified in the contractor's registered program must be observed.

- ii Equal employment opportunity** The use of apprentices and journeymen under this part must be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR part 30.

5 Compliance with Copeland Act requirements. The contractor shall comply with the requirements of 29 CFR part 3, which are incorporated by reference in this contract.

6 Subcontracts. The contractor or subcontractor must insert in any subcontracts the clauses contained in 29 CFR 5.5(a)(1) through (11), along with the applicable wage determination(s) and such other clauses or contract modifications as the U.S. Department of Housing and Urban Development may by appropriate instructions require, and a clause requiring the subcontractors to include these clauses and wage determination(s) in any lower tier subcontracts. The prime contractor is responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in this section. In the event of any violations of these clauses, the prime contractor and any subcontractor(s) responsible will be liable for any unpaid wages and monetary relief, including interest from the date of the underpayment or loss, due to any workers of lower-tier subcontractors, and may be subject to debarment, as appropriate.

7 Contract termination: debarment. A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

8 Compliance with Davis-Bacon and Related Act requirements. All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR parts 1, 3, and 5 are herein incorporated by reference in this contract.

9 Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and the contracting agency, the U.S. Department of Labor, or the employees or their representatives.

10. Certification of eligibility.

- i. By entering into this contract, the contractor certifies that neither it nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of 40 U.S.C. 3144(b) or 29 CFR 5.12(a).
- ii. No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of 40 U.S.C. 3144(b) or 29 CFR 5.12(a).
- iii. The penalty for making false statements is prescribed in the U.S. Code, Title 18 Crimes and Criminal Procedure, 18 U.S.C. 1001.

11 Anti-retaliation It is unlawful for any person to discharge, demote, intimidate, threaten, restrain, coerce, blacklist, harass, or in any other manner discriminate against, or to cause any person to discharge, demote, intimidate, threaten, restrain, coerce, blacklist, harass, or in any other manner discriminate against, any worker or job applicant for:

- i. Notifying any contractor of any conduct which the worker reasonably believes constitutes a violation of the DBA, Related Acts, or 29 CFR parts 1, 3, or 5;
- ii. Filing any complaint, initiating or causing to be initiated any proceeding, or otherwise asserting or seeking to assert on behalf of themselves or others any right or protection under the DBA, Related Acts, or 29 CFR parts 1, 3, or 5;
- iii. Cooperating in any investigation or other compliance action, or testifying in any proceeding under the DBA, Related Acts, or 29 CFR parts 1, 3, or 5; or
- iv. Informing any other person about their rights under the DBA, Related Acts, or 29 CFR parts 1, 3, or 5.

B. Contract Work Hours and Safety Standards Act (CWHSSA)

The Agency Head must cause or require the contracting officer to insert the following clauses set forth in 29 CFR 5.5(b)(1), (2), (3), (4), and (5) in full, or (for contracts covered by the Federal Acquisition Regulation) by reference, in any contract in an amount in excess of \$100,000 and subject to the overtime provisions of the Contract Work Hours and Safety Standards Act. These clauses must

be inserted in addition to the clauses required by 29 CFR 5.5(a) or 4.6. As used in this paragraph, the terms “laborers and mechanics” include watchpersons and guards.

1. **Overtime requirements.** No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.
2. **Violation; liability for unpaid wages; liquidated damages.** In the event of any violation of the clause set forth in 29 CFR 5.5(b)(1) the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages and interest from the date of the underpayment. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchpersons and guards, employed in violation of the clause set forth in 29 CFR 5.5(b)(1), in the sum of \$31 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in 29 CFR 5.5(b)(1).
3. **Withholding for unpaid wages and liquidated damages**
 - i. **Withholding process** The U.S Department of Housing and Urban Development or the recipient of Federal assistance may, upon its own action, or must, upon written request of an authorized representative of the Department of Labor, withhold or cause to be withheld from the contractor so much of the accrued payments or advances as may be considered necessary to satisfy the liabilities of the prime contractor or any subcontractor for any unpaid wages; monetary relief, including interest; and liquidated damages required by the clauses set forth in 29 CFR 5.5(b) on this contract, any other Federal contract with the same prime contractor, or any other federally assisted contract subject to the Contract Work Hours and Safety Standards Act that is held by the same prime contractor (as defined in 29 CFR 5.2). The necessary funds may be withheld from the contractor under this contract, any other Federal contract with the same prime contractor, or any other federally assisted contract that is subject to the Contract Work Hours and Safety Standards Act and is held by the same prime contractor, regardless of whether the other contract was awarded or assisted by the same agency, and such funds may be used to satisfy the contractor liability for which the funds were withheld.
 - ii **Priority to withheld funds** The Department has priority to funds withheld or to be withheld in accordance with 29 CFR 5.5(a)(2)(i) or (b)(3)(i), or both, over claims to those funds by:
 - A. A contractor’s surety(ies), including without limitation performance bond sureties and payment bond sureties;
 - B. A contracting agency for its procurement costs;
 - C. A trustee(s) (either a court-appointed trustee or a U.S. trustee, or both) in bankruptcy of a contractor, or a contractor’s bankruptcy estate;
 - D. A contractor’s assignee(s);
 - E. A contractor’s successor(s); or
 - F. A claim asserted under the Prompt Payment Act, 31 U.S.C. 3901-3907.
4. **Subcontracts.** The contractor or subcontractor must insert in any subcontracts the clauses set forth in 29 CFR 5.5(b)(1) through (5) and a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor is responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in 29 CFR 5.5(b)(1) through (5). In the event of any violations of these clauses, the prime contractor and any subcontractor(s) responsible will be liable for any unpaid wages and monetary relief, including interest from the date of the underpayment or loss,

due to any workers of lower-tier subcontractors, and associated liquidated damages and may be subject to debarment, as appropriate.

- 5 Anti-retaliation** It is unlawful for any person to discharge, demote, intimidate, threaten, restrain, coerce, blacklist, harass, or in any other manner discriminate against, or to cause any person to discharge, demote, intimidate, threaten, restrain, coerce, blacklist, harass, or in any other manner discriminate against, any worker or job applicant for:
- i. Notifying any contractor of any conduct which the worker reasonably believes constitutes a violation of the Contract Work Hours and Safety Standards Act (CWHSSA) or its implementing regulations in 29 CFR part 5;
 - ii. Filing any complaint, initiating or causing to be initiated any proceeding, or otherwise asserting or seeking to assert on behalf of themselves or others any right or protection under CWHSSA or 29 CFR part 5;
 - iii. Cooperating in any investigation or other compliance action, or testifying in any proceeding under CWHSSA or 29 CFR part 5; or
 - iv. Informing any other person about their rights under CWHSSA or 29 CFR part 5.
- C. CWHSSA required records clause** In addition to the clauses contained in 29 CFR 5.5(b), in any contract subject only to the Contract Work Hours and Safety Standards Act and not to any of the other laws referenced by 29 CFR 5.1, the Agency Head must cause or require the contracting officer to insert a clause requiring that the contractor or subcontractor must maintain regular payrolls and other basic records during the course of the work and must preserve them for a period of 3 years after all the work on the prime contract is completed for all laborers and mechanics, including guards and watchpersons, working on the contract. Such records must contain the name; last known address, telephone number, and email address; and social security number of each such worker; each worker's correct classification(s) of work actually performed; hourly rates of wages paid; daily and weekly number of hours actually worked; deductions made and actual wages paid. Further, the Agency Head must cause or require the contracting officer to insert in any such contract a clause providing that the records to be maintained under this paragraph must be made available by the contractor or subcontractor for inspection, copying, or transcription by authorized representatives of the (write the name of agency) and the Department of Labor, and the contractor or subcontractor will permit such representatives to interview workers during working hours on the job.
- D. Incorporation of contract clauses and wage determinations by reference** Although agencies are required to insert the contract clauses set forth in this section, along with appropriate wage determinations, in full into covered contracts, and contractors and subcontractors are required to insert them in any lower-tier subcontracts, the incorporation by reference of the required contract clauses and appropriate wage determinations will be given the same force and effect as if they were inserted in full text.
- E. Incorporation by operation of law** The contract clauses set forth in this section (or their equivalent under the Federal Acquisition Regulation), along with the correct wage determinations, will be considered to be a part of every prime contract required by the applicable statutes referenced by 29 CFR 5.1 to include such clauses, and will be effective by operation of law, whether or not they are included or incorporated by reference into such contract, unless the Administrator grants a variance, tolerance, or exemption from the application of this paragraph. Where the clauses and applicable wage determinations are effective by operation of law under this paragraph, the prime contractor must be compensated for any resulting increase in wages in accordance with applicable law.

F. HEALTH AND SAFETY

The provisions of this paragraph (F) are applicable where the amount of the prime contract exceeds **\$100,000**.

1. No laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous to his or her health and safety, as determined under construction safety and health standards promulgated by the Secretary of Labor by regulation.
2. The contractor shall comply with all regulations issued by the Secretary of Labor pursuant to 29 CFR Part 1926 and failure to comply may result in imposition of sanctions pursuant to the Contract Work Hours and Safety Standards Act, (Public Law 91-54, 83 Stat 96), 40 U.S.C. § 3701 et seq.
3. The contractor shall include the provisions of this paragraph in every subcontract, so that such provisions will be binding on each subcontractor. The contractor shall take such action with respect to any subcontractor as the Secretary of Housing and Urban Development or the Secretary of Labor shall direct as a means of enforcing such provisions.

Project Construction Sign

White Background

Project Title

Sponsor/Developer

Official(s) or Sponsor Address

Architect or Engineer

(second line)

Contractor

(second line)

Project Financed by:

Community Development Block Grant
Iowa Economic Development Authority

Kim Reynolds, Governor

Sign Dimensions: 1200mm x 2400mm (approx. 4'x8'x3/4")
Plywood Panel (APA Rated A-B Grade-Exterior)

CDBG
Community Development Block Grant

IOWA
Economic Development

**IOWA ECONOMIC DEVELOPMENT AUTHORITY
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM
CONTRACT**

RECIPIENT: Storm Lake
CONTRACT NUMBER: 26-HSGR-015
EFFECTIVE DATE: August 1, 2026
AWARD AMOUNT: \$198,000
END DATE: July 31, 2028

This Community Development Block Grant ("CDBG") contract is made by and between the Iowa Economic Development Authority, 1963 Bell Avenue, Suite 200, Des Moines, Iowa 50315 ("Authority") and the "Recipient" effective as of the Effective Date stated above.

WHEREAS, the Authority is designated to receive, administer, and disburse CDBG funds; and

WHEREAS, the Authority desires to disburse CDBG Funds to the Recipient for eligible purposes primarily benefiting low- and moderate-income persons, eliminating slums and blight, or meeting community development needs having particular urgency; and

WHEREAS, the Recipient has certified to the Authority that the primary purpose for obtaining CDBG funds is to primarily benefit low- and moderate-income persons, eliminate slums and blight, or meet community development needs having a particular urgency;

NOW, THEREFORE, the Recipient accepts this grant upon the terms and conditions set forth in this Contract. In consideration of the mutual promises contained in this Contract and other good and valuable consideration, it is agreed as follows:

ARTICLE 1
DEFINITIONS

As used in this contract, the following terms shall apply:

- 1.1 **ACT.** "Act" means Title I of the Housing and Community Development Act of 1974 as amended (42 U.S.C. 5301 et seq.) and the regulations now or hereafter promulgated thereunder and the guidance now or hereafter disseminated with respect thereto.
- 1.2 **ACTIVITY.** "Activity" means the description of eligible work, services, and other accomplishments to be completed by the Recipient, as authorized by Section 105 of the "Act" and as further defined in 24 CFR 570.482, as revised April 1, 1997, or otherwise authorized by HUD through subsequent guidance or Federal Register Notices. Activities are line items in the budget and are found in the line items in the Recipient's "Budget Activity" in Attachment B to this contract.
- 1.3 **ALLOWABLE COSTS.** "Allowable Costs" are those costs which are identified in the "Budget Activity" in Attachment B to this Contract, and consistent with Federal regulations and guidelines applicable to the CDBG-DR program.
- 1.4 **BUDGET.** "Budget" means the "Budget Activity" as found in Attachment B to this Contract.
- 1.5 **COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDBG).** "Community Development Block Grant Program" means the grant program authorized by Title I of the Housing and Community Development Act of 1974, as amended.
- 1.6 **CONTRACT.** "Contract" means this Contract and all the notes, leases, assignments, mortgages, and similar documents referred to in the Contract and all other instruments or documents executed by the Recipient or otherwise required in connection with the Contract.
- 1.7 **END DATE.** "End Date" means the date the Contract ceases to be in force and effect. The Contract expires upon the occurrence of one of the following: a) the Recipient fulfills the conditions and Activity agreed to herein as of the end date stated above; or b) the Contract is terminated by the Authority due to any default under Article 10.1; or c) the Contract is terminated in accordance with provisions set forth in Sections 8 and 9 of the General Provisions, Attachment A of this Contract.
- 1.8 **FAIR MARKET VALUE.** "Fair Market Value" means a value based upon the fair market value of the property to be acquired.

- 1.9 **GRANT.** "Grant" means the award of CDBG funds to the Recipient for Activity.
- 1.10 **HUD.** "HUD" means the U.S. Department of Housing and Urban Development.
- 1.11 **IOWAGRANTS.GOV.** "IowaGrants.gov" means Iowa's Funding Opportunity Search and Grant Management System. This system is used for the administration of the CDBG program. The Authority reserves the right to require the Recipient to utilize IowaGrants.gov to conduct business associated with this contract.
- 1.12 **LOW- AND MODERATE-INCOME PERSONS.** "Low- and Moderate-Income Persons" means those families and individuals whose income does not exceed 80 percent of the median income of the area involved in an activity funded through this contract, as determined by HUD.
- 1.13 **PROGRAM.** "Program" means the Community Development Block Grant Program ("CDBG") authorized by Title 1 of the Housing and Community Development Act of 1974, Public Law 93-383, codified at 42 U.S.C. ss 5301-5321 (et seq.), as amended, relevant preceding notices, HUD approved Certifications and the Program Policies and Procedures Manual.
- 1.14 **PROGRAM INCOME.** "Program Income" means the same as defined in 24 CFR 570.500.
- 1.15 **PROGRAM RULES.** "Program Rules" means the Act, as modified by the Housing and Community Development Act of 1974 and the regulations now or hereafter promulgated thereunder, including, but not limited to 24 CFR Part 570, and the guidance now or hereafter disseminated with respect thereto, any additional HUD Notices or other guidance that may be disseminated, HUD approved Certifications, and the Program Policies and Procedures Manual.
- 1.16 **RECIPIENT.** "Recipient" means the entity identified above that has been selected to receive Program funds to undertake the funded Activity and agrees to comply with all applicable CDBG requirements, including those found in Title I of the Housing and Community Development Act of 1974 (42 USC 5302 et seq.), the CDBG program regulations at 24 CFR part 570, the applicable HUD approved Certifications, and the Program Policies and Procedures Manual. For purposes of this agreement the "Recipient" shall also be considered to meet the definition and qualifications as a "Subrecipient" as defined in 2 CFR 200.93 and 2 CFR 200.330 and agrees to receive this "Subaward" as defined in 2 CFR 200.92.
- 1.17 **SPECIAL FLOOD HAZARD AREA.** "Special Flood Hazard Area" means an area designated as a special hazard flood area on the most recent National Flood Insurance Program map for such said area.
- 1.18 **SUBRECIPIENT.** "Subrecipient" means the entity selected by the Recipient to receive Program funds to undertake an activity that complies with all applicable CDBG requirements, including those found in Title I of the Housing and Community Development Act of 1974 (42 USC 5302 et seq.), the CDBG program regulations at 24 CFR part 570, the applicable HUD approved Certifications, and the Program Policies and Procedures Manual and meets the definition and qualifications as a "Subrecipient" as defined in 2 CFR 200.93 and 2 CFR 200.330 and agrees to receive this "Subaward" as defined in 2 CFR 200.92.
- 1.19 **TERM OF AFFORDABILITY.** (For Housing Projects Only) "Term of Affordability" means the period of time during which the housing assisted through an eligible activity funded through this contract is rent-restricted, or the occupants of such housing are income-qualified as set forth in CDBG Management Guide.

ARTICLE 2 **FUNDING**

- 2.1 **FUNDING SOURCE.** The source of funding for the Grant is a Federal appropriation for the CDBG Program.
- 2.2 **RECEIPT OF FUNDS.** All payments under this Contract are subject to receipt by the Authority of sufficient Federal funds for the Program. Any termination, reduction or delay of Program funds to the Authority shall, at the option of the Authority, result in the termination, reduction, or delay of Program funds to the Recipient.
- 2.3 **PRIOR COSTS.** If any Recipient has received approval from the Authority to incur certain costs prior to the Effective Date of this Contract, then said approval and the terms and conditions therein are incorporated herein and made a part of this Contract by this reference as if fully set forth, shall be reimbursed. Any such costs incurred prior to the Effective Date of this Contract are subject to the Special Conditions and General Conditions of this Contract.
- 2.4 **DISBURSEMENT OF LESS THAN THE TOTAL AWARD AMOUNT.** If the total award amount has not been requested by the Recipient within thirty (30) days prior to the End Date, then the Authority shall be under no obligation for further disbursement. The Authority may allow access to funds after this time for allowable costs associated with the conduct of the audits required in Article 2.0 of the General Provisions, Attachment A to this Contract.

2.5 **LIMIT ON GRANT PROCEEDS ON HAND.** The Recipient shall request Activity funds only as needed and shall not have more than five hundred dollars (\$500.00) of Grant proceeds, including earned interest, on hand for a period of longer than ten (10) working days, after which time any surplus amount shall be returned to the Authority.

ARTICLE 3

TERMS OF GRANT

3.1 **TIME OF PERFORMANCE.** The services of the Recipient are to commence as of the Effective Date and shall be undertaken in such a manner as to assure their expeditious completion, as cited in the Recipients Application, also included in Attachment B. All the services required hereunder shall be completed on or before the End Date.

3.2 **MAXIMUM PAYMENTS.** It is expressly understood and agreed that the maximum amounts to be paid to the Recipient by the Authority for any item of work or service shall conform to the "Budget Activity" as found in Attachment B to this Contract. It is further understood and agreed that the total of all payments to the Recipient by the Authority for all work and services required under this Contract shall not exceed the Award Amount unless modified by written amendment of this Contract as provided for in Section 1.0 of the General Provisions, Attachment A.

3.3 **ADMINISTRATION.** This Contract shall be administered in accordance with all applicable State and Federal laws and regulations now in effect and as may be amended from time to time, and including the Program Policies and Procedures Manual and the Iowa Community Development Block Grant Management Guide as which may be amended or changed from time to time, and which can be accessed on the Authority's website, to the extent applicable to the Program and not in conflict with the Program Rules.

3.4 **LOCAL MATCH REQUIREMENTS.** The Recipient agrees to provide other funds to the Activity as defined as "Sources of local funding" shown in the "Budget Activity" as found on Attachment B to this Contract. Expenditures exceeding the award amount and necessary to complete the statement of work and services shall be paid with local/other funds. Reports of the local funds expended shall be included in the Request for Payment/Activity Status Report specified in Article 9.1 (b), "Reports". The Authority may agree to allow a delay in the contribution of local matching funds. When a delay is allowed, the delay shall be until the specified date or until two-thirds of the grant amount has been drawn down, whichever comes first at which time no further Federal funds may be drawn down until sufficient local cash has been expended to attain the ratio of Federal funds specified for the Activity.

ARTICLE 4

PERFORMANCE TARGET ACHIEVEMENT

4.1 **PERFORMANCE TARGETS.** By the End Date, the Recipient shall have accomplished the activities and performance targets as described in the "Budget Activity", and as further elaborated in the Application, as approved by the Authority.

4.2 **DETERMINATION OF CONTRACT PERFORMANCE.** The Authority has the final authority to assess whether the Recipient has met their performance targets by the End Date. The Authority shall determine completion according to the performance targets set forth in the "Budget Activity". The Authority reserves the right to monitor and measure at any time during and after the Contract term the achievement of the performance targets.

ARTICLE 5

ADDITIONAL DOCUMENTS

ARTICLE 6

USE OF FUNDS

GENERAL. The Recipient shall perform in a satisfactory and proper manner, as determined by the Authority, the work activities and services as written and described in the Recipient's approved "Budget Activity" as found in Attachment B to this Contract.

6.1 **PROGRAM INCOME.** Unless otherwise agreed to in a signed amendment to this Contract, proceeds generated from the use of CDBG funds are considered program income when the total amount of any CDBG program income received by the Recipient in a fiscal year exceeds \$35,000, at which time the entire \$35,000 and excess are considered program income. Program income received by the Recipient shall be returned to the Authority.

6.3 **BUDGET REVISIONS.** Budget revisions shall be subject to approval of the Authority through the Contract amendment process. Budget revisions shall be compatible with the terms of this Contract and be of such a nature as to qualify as an allowable cost. Budget revisions requested during the final ninety (90) days of the Contract period will be approved by the Authority only if it determines that the revisions are necessary to complete all activities. The Authority retains the right to amend this contract to reduce the award amount when necessary to achieve an equitable distribution of funds for all areas of the state.

6.4 **PROHIBITION ON USE OF FUNDS.** No funds provided under this Contract may be used solely for the purchase of equipment or other personal property. Owner acknowledges that Iowa Code section 19.2 prohibits the Authority from expending any moneys appropriated by the general assembly or any other moneys derived from any other source to establish, sustain, support or staff a "diversity, equity, and inclusion office," or to contract, employ, engage, or hire an individual to serve as a "diversity, equity, and inclusion officer," as those terms are defined in Iowa Code section 19.1. Owner agrees and covenants that it will comply with Iowa Code, section 19.2 and will not use any monies received from the Authority under this Contract for any purpose in contravention of section 19.2. In the event Owner is found to knowingly be in violation of this provision, Owner may be required, at the discretion of the Authority, to return all or a portion of the funds received under this Contract, as well as be subject to all other applicable penalties provided by law.

6.5 **USE OF FUNDS FOR MATCH.** The funds provided under this Contract may be used as matching requirement, share or contribution for any other Federal program when used to carry out an eligible CDBG activity as authorized by HUD.

6.6 **ADMINISTRATIVE COST LIMITATIONS.** Federal funds used for reasonable administrative costs, as allowed under Federal and State regulations, shall be limited as specified in Attachment B to this Contract.

6.7 [Reserved]

6.8 **COMPLIANCE WITH PROGRAM RULES.** All activities conducted and services performed pursuant to this contract shall be conducted and performed in compliance with the Program Rules.

6.9 [Reserved]

6.10 **FEDERAL FLOOD RISK MANAGEMENT STANDARD FLOODPLAINS.** No funds under this Activity shall be expended with respect to property located in a Federal Flood Risk Management Standard floodplain or equivalent in FEMA's most recent and current data source unless it also ensures that the action is designed or modified to minimize harm to or within the floodplain accordance with Executive Order 11988 and 24 CFR part 55.

6.11 [Reserved]

6.12 **RECAPTURED FUNDS.** Recaptured funds are funds recaptured by the recipient when a housing unit assisted by CDBG funds does not continue to be the principal residence of the assisted homebuyer (i.e., is sold or transferred) for the full Term of Affordability. Recipient will repay all recaptured funds back to the Authority.

6.13 **COST VARIATION.** Recipient will inform the Authority of total cost variations. In the event that the total Activity is less than the amount specified in the Contract and Attachment B to this Contract, the Authority may reduce the amount of CDBG participation at the same ratio to the total Activity cost reduction. The Authority may require the Recipient to return funds should the amount of disbursed funds exceed the reduced CDBG participation amount.

ARTICLE 7 **CONDITIONS TO DISBURSEMENT OF FUNDS**

Unless and until the following conditions have been satisfied, the Authority shall be under no obligation to disburse to the Recipient any amounts under this Contract:

7.1 **CONTRACT EXECUTED.** The Contract shall have been properly executed and, where required, acknowledged.

7.2 **COMPLIANCE WITH ENVIRONMENTAL AND HISTORIC PRESERVATION REQUIREMENTS.** Funds shall not be released under this Contract for non-exempt activities until the Recipient has satisfied the environmental review and release of funds requirements set forth in 24 CFR Part 58, "Environmental Review Procedures for the Community Development Block Grant Program" and summarized in the Iowa Community Development Block Grant Management Guide, each to the extent applicable to the Program and not in conflict with the Program Rules. In addition, construction contracts for non-exempt activities shall not be executed and construction shall not begin prior to providing the Authority with documentation of the Recipient's compliance with Section 106 of the National Historic Preservation Act and 36 CFR Part 800, "Protection of Historic

Properties." The Recipient shall comply with any Programmatic Agreement between the Iowa Economic Development Authority and the Iowa State Historic Preservation Office, applicable to any activities included in this contract.

7.3 **FINANCIAL COMMITMENTS.** The Recipient shall have submitted a firm written commitment from each source of funds to the Activity identified in the "Budget Activity" as found in Attachment B attached to this contract. Each commitment shall include the amount, terms, estimated time of contributions, and conditions of the financial commitment, as well as any schedules. These commitments must be in a form and amount acceptable to the Authority.

7.4 **PERMITS AND LICENSES.** The Authority reserves the right to withhold funds until the Authority has reviewed and approved all material, such as permits or licenses from other state or Federal agencies, which may be required prior to Activity commencement.

7.5 **EXCESSIVE FORCE POLICY.** The Authority, prior to release of funds under this Contract, shall review and approve the Recipient's policy on protecting individuals engaged in nonviolent civil rights demonstrations from the use of excessive force by law enforcement agencies within its jurisdiction, and enforcing state and local laws against physically barring entrance to or exit from a facility or location which is the subject of such nonviolent civil rights demonstrations within its jurisdiction, consistent with the provisions of Section 906 of the National Affordable Housing Act of 1990 and Subsection 104(1) of the Housing and Community Development Act of 1974, as amended.

7.6 **RESIDENTIAL ANTI/DISPLACEMENT AND RELOCATION ASSISTANCE PLAN APPROVAL.** The Authority, prior to release of funds under this Contract, shall review and approve the Recipient's Residential Anti/Displacement and Relocation Assistance Plan, consistent with the requirements of Section 104(d) of the Housing and Community Development Act of 1974, as amended.

7.7 **CONDITIONS TO DISBURSEMENT FOR A SPECIFIC ACTIVITY.** For each activity included in this grant as identified in the "Budget Activity" found in Attachment B to this Contract, the Recipient shall comply with the corresponding applicable conditions noted in Attachment B to release of funds for that activity.

7.8 **CODE OF CONDUCT.** The Authority, prior to release of funds under this Contract, shall review and approve the Recipient's code of conduct, consistent with 2 CFR 200.318.

ARTICLE 8 **REPRESENTATIONS AND WARRANTIES OF RECIPIENT**

8.1 **AUTHORITY.** The Recipient is duly authorized and empowered to execute and deliver the Contract and has full power and authority to perform its obligations under this Contract. All required actions on the Recipient's part, such as appropriate resolution of its governing board for the execution and delivery of the Contract, have been effectively taken.

8.2 **FINANCIAL INFORMATION.** All financial statements and related materials concerning the Activity provided to the Authority are true and correct in all material respects and completely and accurately represent the subject matter thereof as of the Effective Date of the statements and related materials, and no material adverse change has occurred since that date.

8.3 **CLAIMS AND PROCEEDINGS.** No litigation, demand, investigation, claim or proceeding against the Recipient or any affiliate of the Recipient or any other litigation or proceeding directly affecting the Activity is pending or, to the best knowledge of the Recipient, threatened, before any court, administrative agency or other Governmental Authority that would, if adversely determined, have a material adverse effect on the Recipient or the construction, use and operation of the Activity. The Recipient and its Activity Team shall promptly notify the Authority of the initiation of any claims, lawsuits or proceedings brought against the Recipient or any affiliate of the Recipient.

8.4 **DEFAULT.** No default by the Recipient or any affiliate thereof having any relationship with the Activity has occurred or is continuing (nor has there occurred any continuing event which, with the giving of notice or the passage of time or both, would constitute such a default in any material respect) under any of the financing documents for the Activity or other documents or instruments governing the development, use, occupancy and operation of the Activity.

8.5 **PRIOR AGREEMENTS.** The Recipient has not entered into any verbal or written contracts, agreements, or arrangements of any kind which are inconsistent with the Contract.

8.6 **CERTIFICATES, PERMITS AND LICENSES.** All material building, zoning, health, safety, business and other applicable certificates, permits and licenses necessary to permit the construction, use, occupancy and operation of the Activity have been or will, at the time required, be obtained and maintained (other than, prior to completion of construction of the Activity or a specified portion thereof, such as are issuable only upon completion of construction or such specified portion

thereof); and the Recipient has not received any notice or has any knowledge of any violation with respect to the Activity of any law, rule, regulation, order or decree of any Governmental Authority having jurisdiction which would have a material adverse effect on the Activity or the construction, use or occupancy thereof, except for violations which have been cured or can be cured within any applicable cure period, and are in the process of being cured, and notices or citations which have been withdrawn or set aside by the issuing agency or by an order of a court of competent jurisdiction.

8.7 **APPLICATION.** The contents of the Application the Recipient submitted to the Authority for funding is a complete and accurate representation of the Activity as of the date of submission and there has been no material adverse change in the organization, operation, or key personnel of the Recipient since the date of the Recipient submitted its Application to the Authority.

8.8 **EFFECTIVE DATE.** The covenants, warranties, and representation of this Article are made as of the Effective Date of this contract and shall be deemed to be renewed and restated by the Recipient at the time of each request for reimbursement.

8.9 **DEBARMENT.** The Recipient shall not award a contract to or fund any person or entity or affiliate thereof that has been debarred, suspended, proposed for debarment, or place on ineligibility status by HUD.

8.10 **LOBBYING.** No federal appropriated funds have been paid or will be paid by or on behalf of the Recipient, to any Person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and/or the extension, continuation, renewal, amendment or modification of any federal contract, grant, loan or cooperative agreement.

8.11 **ANTI-CORRUPTION.** No funds have been paid, by or on behalf of the Recipient, for influencing or attempting to influence an officer or employee of a Member of Congress in connection with a federal contract, grant, loan and/or cooperative agreement benefiting the Recipient. To the best knowledge of the Recipient, the Recipient has complied with all restrictions, certifications and disclosure requirements contained in the Byrd amendment to the fiscal 1990 appropriations measures for the United States Department of the Interior (P.L. 101-121) and with any guidelines and rules issued by any federal entity in connection therewith, if applicable.

8.12 **MONEY LAUNDERING.** The Recipient and all affiliate thereof have not engaged and shall not engage in any act or omission that would violate anti-money-laundering laws, including but not limited to 18 USC § 1956; have complied or will comply with requirements for instituting an anti-money laundering compliance program required under 31 USC § 5318(h) and applicable to all "financial institutions" as defined in 31 USC § 5312(a)(2); and have instituted or will institute policies and procedures and use commercially reasonable due diligence to identify and report Suspicious Transactions to relevant U.S. Government officials. "Suspicious Transactions" that may require reporting include, but are not limited to, (i) individual or related transactions in which a third-party provides payment in U.S. or foreign currency in excess of \$10,000 that may require reporting under 31 USC § 5331 and 26 USC § 6050I; (ii) any transaction where the Recipient or any affiliate thereof knows, suspects, or has reason to know that the transaction (A) is for an illegal purpose, including but not limited to money laundering; (B) is otherwise an attempt to disguise funds derived from illegal activity or evade reporting requirements under U.S. law; or (C) is suspicious because the transaction appears to serve no business or lawful purpose.

ARTICLE 9 **COVENANTS OF THE RECIPIENT**

9.1 **AFFIRMATIVE COVENANTS.** Until the Activity has been closed out, audited, and approved by the Authority, the Recipient covenants with the Authority that:

(a). **Activity work and services.** The Recipient shall perform the work and services described in Attachment B by the End Date.

(b). **General reports.** The Recipient shall submit to the Authority any and all financial and performance reports that the Authority deems necessary to comply with the Program Rules, as the same may be amended from time to time. The Recipient acknowledges that HUD may impose additional reporting requirements upon the Authority and/or upon recipients of CDBG Funds and agrees to comply with all such requirements on a timely and complete basis.

(c). **Claims.** The Recipient shall review all Requests for Payment and verify that claimed expenditures are allowable costs. The Recipient shall maintain documentation adequate to support the claimed costs. Recipient shall submit its first request for payment for an eligible CDBG Activity within 6 months after execution of this Contract. After the Recipient has submitted its first request for payment for an eligible CDBG Activity, the Recipient shall continue to submit requests for

payment at least every 90 days for each Activity. CDBG funds will be released on a reimbursement basis.

(d). **Specific reports.** The Recipient shall prepare, review and sign the requests and reports as specified below in the form and content specified by the Authority:

Claim/ request for reimbursement	At least every 90 days
Activity status reports	At least every 90 days
Section 3 report, if applicable	Annually
Updates to the Applicant/Recipient Disclosure Report (HUD Disclosure Form 2880)	As needed due to changes
Final claim/ request for reimbursement	Within 30 days prior to End Date
Form 3-D, Final Accomplishments, & Equal Opportunity data	Within 30 days prior to End Date
Audit Report	Within 30 days of receipt
Single Audit Form	Within 30 days of End Date
Other reports as required by rule or requested by the Authority	As needed

(e). **Records.** The Recipient shall maintain all records required by Federal regulations specified in 24 CFR 570.506 that are pertinent to the Activity funded under the Contract. Such records shall include but are not limited to:

- (i). Records providing a full description of each Activity undertaken under this Contract.
- (ii). Records demonstrating that each program activity undertaken meets a National Objective under the CDBG program.
- (iii). Records to determine the eligibility of each Activity.
- (iv). Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance
- (v). Records documenting compliance with
- (vi). Financial records as required by 24 CFR 570.502 and 2 CFR 200
- (vii). Any other records necessary to document compliance with Subpart K of 24 CFR 570.

Recipient will maintain these materials for a minimum of three (3) years beyond the date upon which the Authority's grant with HUD is closed. Records shall be retained beyond the prescribed period if any litigation or audit is begun or if a claim is instituted involving the grant or agreement covered by the records. In these instances, the records shall be retained until the litigation, audit or claim has been finally resolved.

(f). **Access to records.** The Authority reserves the right to inspect and gain access to any and all additional documents which are related to the CDBG Funds in the sole discretion of the Authority.

(g). **Use of grant funds.** The Recipient shall expend funds received under the Contract only for the purposes and activities described in Attachment B of this contract, and as approved by the Authority.

(h). **Documentation of project costs.** The Recipient shall deliver to the Authority, upon request, (i) copies of all contracts or agreements relating to the Activity, (ii) invoices, receipts, statements or vouchers relating to the Activity, (iii) a list of all unpaid bills for labor and materials in connection with the Activity, and (iv) budgets and revisions showing estimated Activity costs and funds required at any given time to complete and pay for the Activity.

(i). **Notice of proceedings.** The Recipient shall promptly notify the Authority of the initiation of any claims, lawsuits or proceedings brought against the Recipient.

(j). **Notice to Authority required.** The Recipient shall notify the Authority of any material alteration in the Activity, initiation of any investigation or proceeding involving the Activity, or any other similar occurrence.

(k). **Certifications.** The Recipient certifies and assures that the Activity will be conducted and administered in compliance with all applicable Federal and State laws, regulations, and orders. Certain statutes are expressly made applicable to activities assisted under the Act by the Act itself, while other laws not referred to in the Act may be applicable to such activities by their own terms. The Recipient certifies and assures compliance with the applicable orders, laws and implementing regulations,

including but not limited to, the following, as modified by the waivers and alternative requirements contained in the Program Rules:

(i) Financial Management guidelines issued by the U.S. Office of Management and Budget, including, but not limited to, OMB Circular A-133 ("Single Audit Act Amendment of 1996"), OMB Circular A-122 ("Cost Principles for Nonprofit Organizations"), OMB Circular A-87 ("Principles for Determining Cost Applicable to Grants and Contracts with State, Local and Federally recognized Indian Tribal Governments"), and 2 CFR part 200, subpart E.

(ii) Title I of the Housing and Community Development Act of 1974 as amended (42 U.S.C. 5301 et seq.), and regulations which implement these laws.

(iii) [Reserved]

(iv) Title VI of the Civil Rights Act of 1964 as amended (Public Law 88-352; 42 U.S.C. 2000d et seq.); Title VIII of the Civil Rights Act of 1968 as amended (Public Law 90-284; 42 U.S.C. 3601 et seq.); the Iowa Civil Rights Act of 1965; Chapter 19B.7, Code of Iowa, and Iowa Executive Order #34, dated July 22, 1988; Iowa Code Chapter 216, Presidential Executive Order 11063, as amended by Executive Order 12259; Presidential Executive Order 11246, as amended by Presidential Executive Order 11375; Section 504 of the Vocational Rehabilitation Act of 1973 as amended (29 U.S.C. 794); the Age Discrimination Act of 1975 as amended (42 U.S.C. 6101 et seq.); the Americans with Disabilities Act, as applicable, (P. L. 101-336, 42 U.S.C. 12101-12213); and related Civil Rights and Equal Opportunity statutes: and regulations which implement these laws.

(v) Fair Housing Act, Public Law 90-284. The Public Fair Housing Act is part of Title VIII of the Civil Rights Act of 1968 as amended (42 U.S.C. 3601 et seq.): Section 109 of the Title I of the Housing and Community Development Act of 1974, as amended; Section 3 of the Housing and Urban Development Act of 1968 as amended (12 U.S.C. 1701u): and regulations which implement these laws.

(vi) Department of Housing and Urban Development regulations governing the CDBG program, 24 CFR 570, including all Federal law and regulations described in 24 CFR 570, subpart K.

(vii) Section 102 of the Department of Housing and Urban Development Reform Act of 1989 (PL 101235) and implementing regulation.

(viii) Requirements for the Notification, Evaluation, and Reduction of Lead-Based Paint Hazards in Federally Owned Residential Property and Housing Receiving Federal Assistance; Final Rule (24 CFR Part 35, et al.); Lead Based Paint Poisoning Prevention Act (42 U.S.C. 4821 -4846), as amended, and implementing regulations.

(ix) Davis-Bacon Act, as amended (40 U.S.C. 276a - 276a-5), where applicable under Section 110 of the Housing and Community Development Act of 1974, as amended; Contract Work Hours and Safety Standards Act (40 U.S.C. 327 et seq.); the Copeland Anti-Kickback Act (18 U.S.C. 874); and regulations which implement these laws.

(x) National Environmental Policy Act of 1969 and implementing regulations.

(xi) Clean Air and Water Acts (for all contracts over \$100,000)

- Section 306 of the Clean Air Acts (42 USC 1857(h))
- Section 508 of the Clean Water Acts (33 USC 1368)
- Executive Order 1178

(xii) Code of Iowa chapter 8A.315-317 and Iowa Administrative Code chapter 11-117.6(5) Recycled Product and Content.

(xiii) Age Discrimination Act of 1975 (42 USC 1601 et seq).

(xiv) Americans with Disabilities Act (PM 101-336, 42 USC 12101-12213).

(xv) National Historic Preservation Act of 1966, as amended (16 USC 70) and the procedures set forth in 36 CFR Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the Activity.

(xvi) Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (URA)(42 U.S.C. 4601 - 4655) and implementing regulations; Section 104(d) of the Housing and Community Development Act of 1974, as amended, governing the residential anti displacement and relocation assistance plan; Section 105(a)(11) of the Housing and

Community Development Act of 1974, as amended, governing optional relocation assistance.

(xvii) Administrative rules adopted by the Authority, 261 Iowa Administrative Code, Chapter 23.

(xviii) Iowa Civil Rights Act of 1965, Chapter 216.

(xix) Iowa Code Section ss 19B.7.

(xx) Financial and Program Management guidelines issued by the Iowa Economic Development Authority: the Iowa CDBG Management Guide, to the extent applicable to the Program and not in conflict with the Program Rules.

(xxi) Government wide Restrictions on Lobbying Certification (Section 319 of PL 101-121) and implementing regulations.

(xxii) Fair Labor Standards Act and implementing regulations.

(xxiii) Hatch Act and implementing regulations.

(xxiv) Citizen participation, hearing and access to information requirements found under 104(a) (2) and 104(a)(3) of the Title I of the Housing and Community Development Act of 1974, as amended.

(xxv) Subsection 104(1) of the Title I of the Housing and Community Development Act of 1974, as amended, regarding the use of excessive force.

(xxvi) Build America, Buy America (BABA). The Recipient must comply with the requirements of the Build America, Buy America (BABA) Act, 41 USC 8301 note, and all applicable rules and notices, as may be amended, if applicable to the Grantee's infrastructure Activity. Pursuant to HUD's Notice, "Public Interest Phased Implementation Waiver for FY 2022 and 2023 of Build America, Buy America Provisions as Applied to Recipients of HUD Federal Assistance" (88 FR 17001), any funds obligated by HUD on or after the applicable listed effective dates, are subject to BABA requirements, unless excepted by a waiver.

(xxvii) Drug- Free Workplace Act.

(l). **Maintenance of Activity property and insurance.** The Recipient and any subrecipient shall maintain the Activity property in good repair and condition, ordinary wear and tear excepted and shall not suffer or commit waste or damage upon the Activity property. The Recipient or subrecipient shall pay for and maintain insurance as is customary in their industry. This insurance shall be in an amount not less than the full insurable value of the Activity property. In addition, the Recipient shall purchase and maintain liability insurance sufficient to afford coverage for any acts for which the Recipient is required to indemnify the Authority pursuant to this Section 8.1. The subrecipient shall name the Recipient and Authority as a mortgagee and/or an additional loss payee, as appropriate, and the Recipient shall name the Authority as a mortgagee and/or an additional loss payee, as appropriate. The Recipient or subrecipient shall maintain copies of the policies as appropriate.

(m). **Activity photos.** At the Authority's request, Recipient will assist the Authority in obtaining photos of the Activity by an approved photographer. If photos are requested, Recipient will coordinate with the approved photographer and provide necessary access to the Activity.

(n). **Subrecipient Contract.** Recipient shall include the provisions of the preceding paragraphs of Article 9 in every subrecipient, contractor, and subcontractor, unless exempt by the State of Iowa, and said provisions will be binding on each subrecipient, contractor, or subcontractor. The Recipient will take such action with respect to any subcontract as the State of Iowa may direct as a means of enforcing such provisions, including sanctions for noncompliance.

(o). **Compliance with Section 3 Requirements.**

(i) The work to be performed under this Contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. §1701u) ("Section 3"). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted developments covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons including persons who are recipients of HUD assistance for housing, with preference for both targeted workers living in the service area or neighborhood of the Development and Youthbuild participants, as defined at 24 CFR Part 75 ("Section 3 Regulations").

(ii) The Parties agree to comply with HUD's regulations in Section 3 Regulations, which implement Section 3. As evidenced by their execution of this Contract, the Parties certify that they are under no contractual or other impediment that would prevent them from complying with the Section 3 Regulations.

(iii) The Owner agrees to send to each labor organization or representative of workers with which the Owner has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the Owner's commitments under this section of this Contract, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference and shall set forth the following: (i) minimum number and job titles subject to hire, (ii) availability of apprenticeship and training positions, (iii) qualifications for each, (iv) name and location of the person(s) taking applications for each of the positions, and (v) the anticipated date the work shall begin.

(iv) The Owner agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in Section 3 Regulations and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in Section 3 Regulations. The Owner will not subcontract with any subcontractor where the Owner has notice or knowledge that the subcontractor has been found in violation of the regulations in Section 3 Regulations.

(v) The Owner will certify that any vacant employment positions, including training positions, that are filled (i) after a contractor is selected but before the contract is executed, and (ii) with persons other than those to whom the regulations of Section 3 Regulations require employment opportunities to be directed, were not filled to circumvent the Owner's obligations under Section 3 Regulations.

(vi) Noncompliance with HUD's regulations in Section 3 Regulations may result in sanctions, termination of this Contract for default, and debarment or suspension from future HUD assisted contracts.

(p). **Negative covenants.** During the contract term, the Recipient covenants with the Authority that it shall not, without the prior written disclosure to and prior written consent of the Authority, directly or indirectly:

(i) Assignment. Assign its rights and responsibilities under the contract.

(ii) Administration. Discontinue administration activities under the contract.

ARTICLE 10 **DEFAULT AND REMEDIES**

10.1 **EVENTS OF DEFAULT.** The following shall constitute Events of Default under this Contract:

(a). **Noncompliance.** A breach by the Recipient of any of its representations, covenants, or warranties contained in this Contract or in the performance of any of its obligations under this Contract, in either event that (a) has or might reasonably be expected to have a material adverse impact on the operation of the Activity, and (b) is not cured within 10 Business Days (in the case of a monetary default) or 20 Business Days (in the case of a non-monetary default) following notice of such breach or default from the Authority to the Recipient, provided, however, that if a non-monetary default cannot reasonably be cured within 20 Business Days and the Recipient commences a cure within 20 Business Days and proceeds in good faith to effect such cure thereafter, the cure period with respect to such breach or default shall be extended for up to an additional 30 Business Days.

(b). **Material misrepresentation.** A representation, warranty or statement made or furnished to the Authority by, or on behalf of, the Recipient in connection with this Contract or to induce the Authority to make a grant to the Recipient shall be determined by the Authority to be incorrect, false, misleading or erroneous in any material respect when made or furnished and shall not have been remedied to the Authority's satisfaction within thirty (30) days after written notice by the Authority is given to the Recipient.

(c). **Failure to meet End Date.** If the Activity, in the sole judgment of the Authority, is not completed on or before the End Date.

(d). **Lack of capacity.** The Recipient demonstrates a lack of capacity to carry out the approved Project in a timely manner, in the sole discretion of the Authority.

(e). **Misspending.** If the Recipient expends Grant proceeds for purposes not described in Attachment B, this Contract, or as authorized by the Authority.

(f). **Violation of law.** A violation of any law, regulation or order applicable to the Recipient or the Project that has or might reasonably be expected to have a material adverse impact on the operation of the Project and is not cured within the

applicable cure period, if any, provided in such law, regulation, or order; or

(g). **Gross negligence and fraud.** Gross negligence, fraud, willful misconduct, misappropriation of funds, or criminal activity other than a simple misdemeanor by the Recipient or any affiliate of the Recipient providing services to or in connection with the Recipient or the Activity.

(h). **Failure to report.** Repeated or prolonged failure to provide any required reports.

(i). **Failure to maintain affordability.** The Activity funded with the CDBG funds fails to maintain the Term of Affordability required by the Program Rules.

(j). **Insufficient insurance coverage.** If loss, theft, damage or destruction of any substantial portion of the property of the Recipient occurs for which there is either no insurance coverage or for which, in the opinion of the Authority, there is insufficient insurance coverage.

10.2 **NOTICE OF DEFAULT.** In the event of default, the Authority shall issue a written notice of default providing therein a fifteen (15) day period in which the Recipient shall have an opportunity to cure, provided that cure is possible and feasible.

10.3 **REMEDIES UPON DEFAULT.** If, after opportunity to cure, the default remains, the Authority shall have the right in addition to any rights and remedies specifically to it to do one or more of the following:

(a). Temporarily suspend making payments of CDBG funds under this Contract pending correction of the deficiency or default by the Recipient.

(b). Declare the Recipient and/or its principals not in good standing with the Authority.

(c). Cease making any further payments of CDBG funds under this contract.

(d). Terminate this contract.

(e). Require immediate repayment of up to the full amount of funds disbursed to the Recipient under this contract, plus interest.

(f). Exercise any other rights and remedies that may be available under law or in equity.

10.4 **FAILURE TO MEET PERFORMANCE TARGETS.** If the Recipient is determined by the Authority to be in default of this Contract due to meeting less than one hundred percent (100%) of its Performance Targets, the Authority may require full Grant repayment or, at its discretion, the Authority may require partial repayment of Grant proceeds which allows partial credit for the performance targets which have been met, or the Authority may require other remedies that the Authority determines to be appropriate.

ARTICLE 11 **INCORPORATED DOCUMENTS**

11.1 **DOCUMENTS INCORPORATED BY REFERENCE.** The Recipient shall comply with the terms and conditions of this Contract and the following documents which are hereby incorporated by reference:

- (a). Attachment A
- (b). Attachment B
- (c). [Reserved]
- (d). [Reserved]
- (e). CDBG Management Guide
- (f). State Program Administrative Rules

11.2 **ORDER OF PRIORITY.** In the event of a conflict between this Contract or any of the documents listed in Section 11.1 above, the following order of priority shall govern:

- (a). Contract
- (b). [Reserved]
- (c). State Program Administrative Rules
- (d). CDBG Management Guide

- (e). Attachment A
- (f). Attachment B
- (g). [Reserved]

ARTICLE 12

MISCELLANEOUS

12.1 **NOTICES.** Except as otherwise specifically provided herein, all notices, demands or other communications hereunder shall be either through IowaGrants or in writing and shall be deemed to have been given (i) two Business Days after being deposited in the United States mail and sent by certified or registered mail, postage prepaid, (ii) one Business Day after being delivered by a nationally recognized overnight delivery service, (iii) on the Day delivered personally, in each case, to the parties at the addresses set forth below or at such other addresses as such parties may designate by notice to the other parties:

(a). If to the Authority, at Iowa Economic Development Authority, Attn: CDBG Program Manager, 1963 Bell Avenue, Suite 200, Des Moines, Iowa, 50315

(b). If to the Recipient, City of null, Attn. Mayor, null null, IA null.

12.2 **RULES OF CONSTRUCTION.** Unless the context clearly indicates to the contrary, the following rules apply to the construction of this Contract:

(a). Words importing the singular number include the plural number, and words importing the plural number include the singular number.

(b). Words of the masculine gender include correlative words of the feminine gender and vice-versa.

(c). The table of contents and the headings or captions used in this Contract are for convenience of reference and do not constitute a part of this Contract, nor affect its meaning, construction, or effect.

(d). Words importing persons include any individual, corporation, partnership, limited liability company, non-profit corporation, joint venture, association, joint stock company, trust, unincorporated organization, or government or agency or political subdivision thereof.

(e). Any reference in this Contract to a particular "Article," "Section," or other subdivision shall be to such Article, Section, or subdivision of this Contract unless the context shall otherwise require.

(f). Each reference in this Contract to an agreement or contract shall include all amendments, modifications and supplements, to such agreement or contract unless the context shall otherwise require.

(g). When any reference is made in this document or any of the schedules or attachments attached hereto to the Contract, it shall mean this Contract, together with all other schedules and attachments attached hereto, as though one document.

12.3 **BINDING PROVISIONS.** The covenants and agreements contained herein shall be binding upon and inure to the benefit of the heirs, legal representatives, successors and assignees of the respective parties hereto, except in each case as expressly provided hereinto the contrary in this Contract.

12.4 **ASSIGNMENTS.** This contract and any proceeds from the CDBG award may not be assigned, pledged, hypothecated, transferred, mortgaged or otherwise conveyed to any Person or Entity(ies) without obtaining prior consent from the Authority.

12.5 **WAIVERS.** No waiver by the Authority of any Event of Default hereunder shall operate as a waiver of any other Event of Default or of the same Event of Default on any future occasion. No delay on the part of the Authority in exercising any right or remedy hereunder shall operate as a waiver thereof. No single or partial exercise of any right or remedy by the Authority shall preclude future exercise thereof or the exercise of any other right or remedy.

12.6 **ABSENCE OF RIGHTS IN THIRD PARTIES.** No provision of this Contract shall be construed in any manner so as to create any rights in Persons or Entities that are not a party to this Contract other than the Tax Credit Investor and Lender where it is specifically given rights in this Contract. The provisions of this Contract shall be interpreted solely to define specific duties and responsibilities between the Recipient and the Authority and shall not provide any basis for claims of any other Person or Entity(ies).

12.7 **APPLICABLE LAW.** This Contract shall be interpreted in accordance with the laws of the State, and any action relating to the Contract shall only be commenced in the Iowa District Court for Polk County. This provision shall not be construed as waiving any immunity to suit or liability, including without limitation sovereign immunity in state or federal court, which may be available to the Authority or the State. By signing this Contract, the Recipient waives the right to jury trial in the event of any legal proceedings.

12.8 **ENFORCEMENT EXPENSES.** The Recipient shall pay upon demand any and all reasonable fees and expenses of the Authority, including the fees and expenses of their attorneys, experts and agents, in connection with the exercise or enforcement of any of the rights of the Authority under this Contract.

12.9 **COUNTERPARTS.** This Contract may be executed in several counterparts, and all so executed shall constitute one agreement, binding on all the parties hereto. Any counterpart of this Contract, which has attached to it separate signature pages which together contain the signatures of all the parties hereto or is executed by an attorney in fact on behalf of some or all of the parties, shall for all purposes be deemed a fully executed instrument.

12.10 **SURVIVAL.** All representations, warranties, and indemnifications contained herein shall survive the termination of this Contract.

12.11 SEPARABILITY OF PROVISIONS; RIGHTS AND REMEDIES; ARBITRATION; CONSISTENCY WITH PROGRAM REQUIREMENTS.

(a). Each provision of this Contract shall be considered separable and if for any reason any provision or provisions herein are determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those portions of this Contract which are valid.

(b). Unless otherwise specifically provided herein, the rights and remedies of any of the parties hereunder shall not be mutually exclusive, and the exercise of one or more of the provisions hereof shall not preclude the exercise of any other provisions hereof. Each of the parties confirms that damages at law may be an inadequate remedy for breach or threat of breach of any provisions hereof. The respective rights and obligations hereunder shall be enforceable by specific performance, injunction, or other equitable remedy, but nothing herein contained is intended to limit or affect any rights at law or by statute or otherwise of any party aggrieved as against the other parties for a breach or threat of breach of any provision hereof, it being the intention by this paragraph to make clear that under this Contract the respective rights and obligations of the parties shall be enforceable in equity as well as at law or otherwise.

(c). The provisions of this Contract are intended to implement CDBG in accordance with Program Requirements and shall be interpreted consistently therewith. In the event of any conflict between the provisions of this Contract and the Program Requirements, the Program Requirements shall govern, and, to the extent necessary, the inconsistent provisions of this Contract shall be without effect.

12.12 **AMENDMENT.** This Contract may only be amended through written request to and written prior approval from the Authority by a written amendment executed by all parties hereto.

(a). This Contract is subject to any change in the Act or any change in any applicable federal, state or local laws, regulations, rules or policies. The Authority may unilaterally modify in writing the Contract at will in order to accommodate any above referenced change and deliver such amendment to this Contract to the Recipient. Failure by the Authority to notify Recipient of such changes does not negate the Recipient's responsibility to comply with changes in the Act and any applicable federal, state or local laws, regulations, rules or policies.

(b). The Authority will consider whether an amendment request is so substantial as to necessitate reevaluating the Authority's original funding decision. Activity budget revisions shall be subject to approval of the Authority through the contract amendment process. In no instance shall the Authority be obligated to provide additional CDBG Funds for the Activity if the Recipient finds total costs will exceed those previously identified. Budget revisions shall be compatible with the terms of this Contract and of such a nature as to qualify as an allowable cost. Budget revisions requested will be approved if the Authority determines that the revisions are necessary to complete the Activity.

12.13 **INDEPENDENT CONTRACTOR/INDEMNIFICATION.** It is expressly understood and agreed by the parties hereto that the Authority is contracting with the Recipient as an independent contractor, and that Recipient, as such, agrees to hold harmless and to indemnify the State of Iowa, the Authority and its members, members of its Board of Directors, officers, employees, agents, elected and appointed officials, and successors and assigns from and against any and all obligations, losses, costs, damages, deficiencies, demands, expenses and liabilities of any nature or kind including, but not limited to, attorney's fees (including the value of time of the Attorney General's office), litigation and court costs, costs of investigations, costs of settlement, amounts paid in settlement, and amounts paid to discharge judgment against an indemnified party,

whether directly or indirectly, fines, arising or resulting from, directly or indirectly, or on account of, (i) the financing, acquisition, construction and/or rehabilitation, sale, management or operation of the Activity; (ii) any noncompliance or failure to perform any covenant related to this Activity (whether or not cured); (iii) any breach of a representation, warranty or covenant herein or in any other document; (iv) any other act or omission (whether or not cured) constituting a failure in compliance, or (v) the enforcement by the Authority, its successors and assigns of the Authority's rights and remedies under this Agreement.

12.14 **CONFLICT OF INTEREST.** The conflict of interest provisions found at 24 CFR 570.611 shall apply in the conduct of the CDBG program. In the procurement of property and services by the Recipient or any Recipient Parties, the conflict of interest provisions in 2 CFR Part 200, as appropriate, shall apply.

12.15 **NON-DISCRIMINATION.** The Recipient shall ensure that no person shall on the grounds of race, color, religions, sex, sexual orientation, handicap, familial status, or national origin be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or Activity funded in whole or in part with funds provided under this Contract.

12.16 **INFORMATION REQUESTS.** The Recipient shall promptly provide the Authority any information relating to the Activity as may be reasonably requested by a federal or state agency (including HUD) for purposes of Program Requirements. Communication and details concerning this Contract and any information requests pursuant to the Program Requirements and this Contract shall be directed to the following persons and the contact persons listed with this Section may be changed upon 14 Days written notice to the other party.

Iowa Economic Development Authority
CDBG Team Leader
1963 Bell Avenue, Suite 200
Des Moines, IA 50315

515.348.6217

12.17 **INTEGRATION.** This Contract and the related documents contain the entire understanding between the Recipient and the Authority and any representations that may have been made before or after the signing this Contract and related documents, which are not contained therein, are nonbinding, void and of no effect. None of the parties have relied on any such prior representation in entering into this Contract and related documents.

12.18 **TIME IS OF THE ESSENCE.** Time is of the essence with respect to the performance of the terms of this Contract and related documents.

12.19. **IOWAGRANTS.GOV.** The Authority reserves the right to require the Recipient to utilize the lowagrants.gov system or a similar system to conduct business associated with this Contract.

IN WITNESS WHEREOF, the parties have executed this Contract as of the Effective Date first stated.

RECIPIENT: Storm Lake

BY: _____

Mayor
Storm Lake
PO Box 1086
Storm Lake, Iowa 50588

Margaret J. McKeon

Typed or Printed Name and Title

IOWA ECONOMIC DEVELOPMENT AUTHORITY:

BY: _____

Deborah Durham, Director

ATTACHMENT A GENERAL CDBG PROVISIONS

1.0 **AUDIT REQUIREMENTS.**

(a). The Recipient shall ensure that an audit is performed in accordance with the Single Audit Act Amendment of 1996; OMB 2 CFR part 200, subpart E; and OMB 2 CFR part 200, subpart F, as applicable; and the Iowa CDBG Management Guide.

(b). As a condition of the grant to the Recipient, the Authority reserves the right to require the Recipient to submit to a post Project Activity completion audit and review in addition to the audit required above.

2.0 **COMPLIANCE WITH LAWS AND REGULATIONS.** The Recipient shall comply with all applicable State and Federal laws, rules, ordinances, regulations and orders including all Federal laws and regulations described in 24 CFR subpart K.

3.0 **UNALLOWABLE COSTS.** If the Authority determines at any time, whether through monitoring, audit, closeout procedures or by other means or process, that the Recipient has expended funds which are unallowable, the Recipient will be notified of the cost questioned and given an opportunity to justify questioned costs prior to the Authority's final determination of the disallowance of costs. Appeals of any determinations will be handled in accordance with the provisions of Chapter 17A, Iowa Code. If it is the Authority's final determination that costs previously paid by the Authority are unallowable under the terms of the Contract, the expenditures will be disallowed, and the Recipient shall repay to the Authority any and all disallowed costs.

4.0 **REAL PROPERTY ACQUIRED OR IMPROVED WITH CDBG FUNDS.** Real property under the Recipient's control in excess of \$25,000 and equipment that was acquired or improved in whole or in part with CDBG funds shall be used to meet one of the National Objectives pursuant to 24 CFR 570.208 until five (5) years after expiration of the Agreement. If Recipient fails to use CDBG assisted real property that meets a National Objective during the five (5) year period the Recipient shall pay the Authority an amount equal to the current fair market value of the property less any portion of the value attributable to expenditures of non-CDBG funds for acquisition or improvement to the real property.

5.0 **TERMINATION.**

(a). For cause. The Authority may terminate the Contract in whole or in part whenever the Authority determines that the Recipient has failed to comply with the terms and conditions of the Contract.

(b). For convenience. The Parties may terminate the Contract in whole or in part when all parties agree that the continuation of the Activity would not produce beneficial results commensurate with the future disbursement of funds.

(c) Due to reduction or termination of CDBG funding. At the discretion of the Authority, the Contract may be terminated in whole or in part if there is a reduction or termination of CDBG funds to the State.

6.0 **PROCEDURES UPON TERMINATION.**

(a). Notice. The Authority shall provide written notice to the Recipient of the decision to terminate, the reason(s) for termination, and the effective date of the termination. If there is a partial termination due to a reduction in funds, the notice will set forth the change in the funding and the changes in the approved Budget Activity as described in Attachment B. The Recipient shall not incur new obligations beyond the effective date and shall cancel as many outstanding obligations as possible. The Authority's share of noncancelable obligations in which the Authority determines were properly incurred prior to notice will be allowable costs.

(b). Rights in products. All finished and unfinished documents, data, reports or other material prepared by the Recipient under the Contract shall, at the Authority's option, become property of the Authority.

(c). Return of funds. The Recipient shall return to the Authority all unencumbered funds within one week of receipt of the notice of termination. Any costs previously paid by the Authority which are subsequently determined to be unallowable through audit, monitoring or close out procedures shall be returned to the Authority within thirty (30) days.

7.0 **ENFORCEMENT EXPENSES.** The Recipient shall pay upon demand any and all reasonable fees and expenses of the Authority, including the fees and expenses of its attorneys, experts, and agents in connection with the exercise or enforcement of any of the rights of the Authority under this Contract.

8.0 **LEAD BASED PAINT.** The Recipient shall comply with requirements of the Notification, Evaluation, and Reduction

of Lead-Based Paint Hazards in Federally Owned Residential Property and Housing Receiving Federal Assistance; Final Rule (24 CFR Part 35, et al.); Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821 - 4846), as amended, and implementing regulations.

9.0 **LIMIT ON RECOVERY OF CAPITAL COSTS.** The Recipient will not attempt to recover any capital costs of public improvements assisted in whole or part under this Contract by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless (i) funds received under this Contract are used to pay the proportion of such fee or assessment that relates to the capital costs of such public improvements that are financed from revenue sources other than under Title I of the Housing and Community Development Act of 1974, as amended, or (ii) for purposes of assessing any amount against properties owned and occupied by persons of low and moderate income who are not persons of very low income, the Recipient has certified to the Authority that it lacks sufficient funds received under Title I of the Housing and Community Development Act of 1974, as amended, to comply with the requirements of this clause.

10.0 **FEDERAL GOVERNMENT RIGHTS.** If all or a portion of the funding used to pay for the Deliverables is being provided through a grant from the Federal Government, Contractor acknowledges and agrees that pursuant to applicable federal laws, regulations, circulars and bulletins, the awarding agency of the Federal Government reserves certain rights including, without limitation a royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use, for Federal Government purposes, the Deliverables developed under this Contract and the copyright in and to such Deliverables.

11.0 **FRAUD AND WASTE.** The Authority has zero tolerance for the commission or concealment of acts of fraud, waste, or abuse. Allegations of such acts will be investigated and pursued to their logical conclusion, including legal action where warranted.

12.0 **PROHIBITED ACTIVITIES.** In accordance with 24 CFR 570.207(a), the following activities may not be assisted with CDBG funds:

(a). Buildings or portions thereof used for the general conduct of government, as defined at § 570.3(d). This does not include, however, the removal of architectural barriers under § 570.201(c) involving any such building. Also, where acquisition of real property includes an existing improvement which is to be used in the provision of a building for the general conduct of government, the portion of the acquisition cost attributable to the land is eligible, provided such acquisition meets a national objective described in § 570.208.

(b). General government expenses. Except as otherwise specifically authorized in this subpart or under 2 CFR part 200, subpart E, expenses required to carry out the regular responsibilities of the unit of general local government are not eligible for assistance.

(c). Political activities. CDBG funds shall not be used to finance the use of facilities or equipment for political purposes or to engage in other partisan political activities, such as candidate forums, voter transportation, or voter registration. However, a facility originally assisted with CDBG funds may be used on an incidental basis to hold political meetings, candidate forums, or voter registration campaigns, provided that all parties and organizations have access to the facility on an equal basis, and are assessed equal rent or use charges, if any.

13.0 **ADDITIONAL REQUIREMENTS REGARDING ACTIVITIES.** The Recipient:

(a). Shall not use grant funds to promote "gender ideology" as defined in Executive Order (E.O.) 14168, Defending Women from Gender Ideology Extremism and Restoring Biological Truth to the Federal Government.

(b). Agrees that its compliance in all respects with all applicable Federal anti-discrimination laws is material to the U.S. Government's payment decisions for purposes of section 3729(b)(4) of title 31, United States Code.

(c). Certifies it does not operate any programs that violate any applicable Federal anti-discrimination laws, including Title VI of the Civil Rights Act of 1964.

(d). Shall not use any grant funds to fund or promote elective abortions, as required by Executive Order (E.O.) 14182, Enforcing the Hyde Amendment.

(e). Must administer its grant in accordance with all applicable immigration restrictions and requirements, including the eligibility and verification requirements that apply under Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, as amended (8 U.S.C. 1601-1646)(PRWORA) and any applicable requirements that HUD, the Attorney General or the U.S. Citizenship and Immigration Services may establish from time to time to comply with PRWORA, Executive Order 14218, or other Executive Orders or immigration laws.

(f). May not use funds in a manner that by design or effect facilitates the subsidization or promotion of illegal immigration or shields illegal aliens from deportation, including by maintaining policies or practices that materially impede enforcement of federal immigration statutes and regulations.

(g). Must use SAVE, or an equivalent verification system approved by the Federal government, to prevent any Federal public benefit from being provided to an ineligible alien who entered the United States illegally or is otherwise unlawfully present in the United States.

(h). May not, in the selection of subrecipients, discriminate against an organization based on the organization's religious character, affiliation or exercise.

14.0 **LIQUIDATED DAMAGES.** The Recipient shall include in all contracts and subcontract language that include the provision for contractors to be liable for Liquidated Damages for project delays or labor laws. Recipient shall define a specified period of performance and the defined fiscal penalty of the contracted Work exceeding the established period of performance or for a violation of labor laws.

**ATTACHMENT B
PROJECT DESCRIPTION AND BUDGET**

Recipient: Storm Lake

Contract Number: 26-HSGR-015

Contract Dates: August 1, 2026 – July 31, 2028

Project Description:

Rehabilitation and Replacement of LMI Homeowner's Roofs

National Objective: LMI (Low/Moderate Income Persons)

Project Budget:

Activity	Performance Targets	CDBG Amount	Local Amount	Total
97- Owner Occupied Rehabilitation	6	\$180,000	\$0	\$180,000
181-Administration		\$18,000	\$0	\$18,000
<i>TOTAL</i>		\$198,000	\$0	\$198,000

Sources of local funding:

Funding source	Amount
N/A	
TOTAL	

Conditions to Disbursement: Recipient will provide the following documents to the authority prior to the release of CDBG funds:

General:

- Completion of Environmental Review and evidence of a signed Release of Funds letter;
- CDBG compliant consultant/contractor contracts;
- CDBG compliant plans & specifications prior to bids (as applicable);
- Iowa Economic Development Authority-approved Davis-Bacon wage rates (as applicable);
- Locality approval of plans & specifications (for construction projects)

Housing Projects:

- CDBG Promissory Note
- CDBG Mortgage
- Proof of homeowner's insurance. Must be current through term of affordability



August 3, 2026

Iowa Economic Development Authority
Attn: Joyce Brown
1963 Bell Avenue
Des Moines, IA 50315

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

Ms. Joyce Brown

This letter is a request to secure IEDA's approval for single source procurement of General Administrative services for the City of Storm Lake's 2026 CDBG Housing Rehabilitation-Roofing Development Project (26-HSGR-015).

The City published notice of the request for proposals in the Storm Lake Times Pilot and sent out proposals to qualified firms who had requested to be included in this type of procurement in the past. Despite the efforts of the City to solicit proposals for Grant Administration services the City only received one proposal from Simmering-Cory.

The City has worked with Simmering-Cory in the past and are pleased with their work and have faith in them to administer the grant in a timely and appropriate manner.

As such the City is requesting your approval of the use of single-source procurement for grant administration services for the Storm Lake Housing Rehabilitation - Roofing Project.

If you have any questions, please don't hesitate to contact Justin Yarosevich with Simmering-Cory at 641-355-4072 or Lee Dutfield at 712-732-8000.

Thanks for your consideration and approval of this request.

Sincerely,

Margaret J. McKeon, Mayor
City of Storm Lake

Staff Summary

8/3/2026

Agenda Item # D.1.C.



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: Lee Dutfield, Development Services Specialist

SUBJECT: **Resolution No. 12-R-2026-2027 Approving A Technical Services Agreement With Simmering-Cory For The Storm Lake Housing Rehabilitation-Roofing Project**

BACKGROUND: On March 4, 2026, the City of Storm Lake requested proposals for technical services to assist with a project funded with Community Development Block Grant (CDBG) funds through the Iowa Economic Development Authority (IEDA) for a Housing Rehabilitation - Roofing Project. Proposals were accepted through March 13, 2026. The City Clerk received one proposal for technical services on March 5, 2026, from Simmering-Cory Iowa Codification.

FISCAL IMPACT: Up to \$24,000.00 (for up to six homes x up to \$4,000 per home) which will be billed 50% at project bidding and 50% at project completion. Technical services costs will be funded 100% by the grant award to the City.

RECOMMENDATION: Adopt Resolution Approving A Technical Services Agreement With Simmering-Cory For The Storm Lake Housing Rehabilitation-Roofing Project

ATTACHMENTS:

1. Resolution No. 12-R-2025-2026 Resolution Approving Technical Services Agreement Storm Lake Housing Roofing 26-HSGR-015 CDBG CM 8.3.2026
2. Storm Lake Tech Services Agreement Housing Roofing - CM 8.3.2026
3. Mayor McKeon Letter Single Source Procurement Tech Services - Storm Lake Housing Rehab

RESOLUTION NO. 12-R-2026-2027

**RESOLUTION APPROVING A TECHNICAL SERVICES
AGREEMENT WITH SIMMERING-CORY FOR THE STORM LAKE HOUSING
REHABILITATION-ROOFING PROJECT**

WHEREAS, the City of Storm Lake has been awarded a grant from the Iowa Economic Development Authority under the Iowa Community Development Block Grant program for the Storm Lake Housing Rehabilitation - Roofing Project, and;

WHEREAS, the City has an immediate need to conduct a project to construct improvements to Low- and Moderate-Income residential homes to ensure high quality and efficient living units for its residents, and;

WHEREAS, the City Council has a need to have a professional technical services contractor to help facilitate the program the program per the Iowa Economic Development Authority guidelines;

WHEREAS, the City has previously procured for technical services following 2 CFR 200.319 and has selected the firm of Simmering-Cory to assist the City with technical services on this grant;

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

SECTION 1. The City Council approves the contract with Simmering-Cory for grant administration services on IEDA project number 26-HSGR-015 in the amount of \$24,000.00 for the Storm Lake Housing Rehabilitation - Roofing Project.

SECTION 2. Approval of the grant administration agreement is contingent upon IEDA approval of the grant agreement.

SECTION 3. The Mayor is authorized to sign the contract with the Simmering-Cory following approval of IEDA's grant agreement approval.

PASSED AND APPROVED THIS 3RD DAY OF AUGUST 2026.

BY THE CITY COUNCIL OF THE
CITY OF STORM LAKE, IOWA

Margaret J. McKeon, Mayor

ATTEST:

Mayra A. Martinez, City Clerk

AGREEMENT FOR ADMINISTRATIVE TECHNICAL SERVICES

ARTICLE I. This AGREEMENT made and entered into this 3rd day of August, 2026, by and between the City of Storm Lake, hereinafter called the OWNER, and Local Government Professional Services, Inc., DBA Simmering-Cory, hereinafter called LGPS, WITNESSETH:

WHEREAS, the OWNER intends to rehabilitate up to six (6) single-family, owner-occupied housing units in the community under the Exterior Housing Improvements, as outlined in the 2026 CDBG application, CDBG Project No. 26-HSGR-015, hereinafter called the PROJECT; and

WHEREAS, the OWNER has agreed with Iowa Economic Development Authority to perform all services outlined in and required by the CDBG Housing Fund Contract (hereinafter called STATE CONTRACT) and;

WHEREAS, the OWNER desires to employ LGPS to assist with completion of certain services outlined in the STATE CONTRACT and to perform professional services associated with the implementation, management, and administration of the PROJECT.

NOW THEREFORE, in consideration of these premises and of the mutual covenants herein set forth, the parties hereto agree as follows:

ARTICLE II. GRANT MANAGEMENT AND ADMINISTRATION.

LGPS agrees to furnish and perform various professional services required for the PROJECT and by the STATE CONTRACT, as follows:

Administrative Technical Services: Technical Services Administration shall include those services which are required or advisable to accomplish the PROJECT, and which, in most cases, involve services necessary to implement activities outlined in the adopted Owner-Occupied Housing Rehabilitation Administrative Plan.

- Prepare and distribute application forms to interested applicants and verify applicants' incomes to determine eligibility.
- Conduct property inspections and select homes to be rehabilitated.
- Prepare and furnish to prospective contractors the required bidding documents necessary for bidding on housing units; including instruction to bidders, project specifications, specification manuals, and statements of contractors' qualifications.
- Organize and conduct open houses and bid lettings with prospective contractors.
- Evaluate bids received, obtain contractor clearance, award contracts to successful bidders, prepare and furnish rehab contracts, and issue notices to proceed.
- Conduct preconstruction conferences with successful contractors.

- Provide inspection services during construction of the improvements to verify and approve completed work items in conjunction with City inspectors, if applicable.
- Review and verify contractors' requests for payment and recommend payment of requests as well as final acceptance of completed rehabilitation.

The OWNER agrees to fulfill and take certain City Council action required to carry out the work and services outlined by the STATE CONTRACT and necessary for completion of the PROJECT.

ARTICLE III. COMPENSATION. The OWNER shall compensate LGPS for services outlined under ARTICLE II as follows:

A. For Administrative Technical Services, provided under Article II, the OWNER shall pay LGPS up to \$24,000.00 (for up to six homes x up to \$4,000.00 per home). It is understood and agreed by both parties that the payment of fees for Administrative Technical Services shall be billed 50% at project bidding and 50% at project completion.

B. Special Conditions.

- 1) In homes where it is determined that there is a lead-base paint risk which needs to be addressed, the extra costs associated with Administrative Technical Services and lead-base paint reduction carrying costs will not exceed \$500.00 per house.
- 2) After the income verification process has been completed and the homeowner has been determined to be eligible, if a situation arises where a rehabilitation project is terminated for reasons including, but not limited to:
 - the owner has deceased;
 - the owner withdraws from the program;
 - the house is inspected and is determined to have deteriorated to a point where rehabilitation is not feasible.

Then, in such case, inspection and program administrative time will be billed at an hourly rate of \$60.00 per hour, not to exceed \$1,200.00 per house.

ARTICLE IV. EARLY PROJECT TERMINATION. Should the PROJECT not be completed or terminated prior to completion that would result in the OWNER withdrawing the PROJECT from the CDBG Program or terminating the IEDA Grant Agreement before the project is complete the OWNER agrees that LGPS shall be compensated for services provided even if such compensation is not eligible for reimbursement from IEDA in the following amounts:

- A. Termination prior to any attempt to bid the project and prior to construction shall result in the OWNER paying LGPS for 40% of the total value of this agreement.
- B. Termination after any attempt to bid the project but prior to the start of construction (defined as the acceptance and award of a contract for construction) shall result in the OWNER paying LGPS for 60% of the total value of this agreement.

This article shall also apply to projects that are terminated by IEDA for non-compliance or lack of timely achievements on the part of the OWNER.

This article shall not apply if the reason for grant termination is due to an error or omission on the part of LGPS, in which case there shall be no guaranteed payment due to LGPS.

ARTICLE V. STATE AND FEDERAL COMPLIANCE LANGUAGE. As a part of this agreement all parties agree to comply with a set of federal and State of Iowa regulations that are specific to the requirements of HUD and IEDA for the successful implementation of this project. These regulations are commonly referred to as the “Federal Contract Language” and are hereby attached and included in this agreement as ADDEDUM I – State of Iowa and Federal Program Language, to the extent that they apply to the services provided under this agreement.

ARTICLE VI. AMENDMENTS. This agreement may be amended by mutual agreement of both parties in the future as needed to update federal language, clarify existing language, or to add or removal services.

ARTICLE VII. TERMINATION. This agreement may be terminated by either party upon providing a minimum of seven (7) days written notice to the other party. For official communication between the parties written notice shall be provided to the other party at the following addresses”

CITY
City of Storm Lake
PO Box 1086
Storm Lake, Iowa 50588

LGPS
Local Government Professional Services
PO Box 244
Storm Lake, Iowa 50588

Notice shall be considered provided upon receipt of the notice by the other party.

ARTICLE VIII. LIMITED LIABILITY. The OWNER shall agree that the maximum liability which may be allocated to LGPS shall be equal to the amount of compensation paid to LGPS at the time of the notification of the claim. In no case shall LGPS be liable for damages in excess of the value of this agreement.

City of Storm Lake

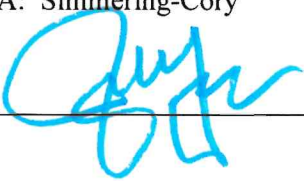
By: _____

Date: _____

Attest:

By: _____

Local Government Professional Services, Inc.
DBA: Simmering-Cory

By:  _____

Date: July 28, 2026

ADDENDUM I – STATE OF IOWA AND FEDERAL PROGRAM LANGUAGE

The following references must be included in its entirety within the contract:

❖ **Access to Maintenance of Records**

"The Contractor must maintain records, including supporting documentation, for the greater of three years after the date the Recipient is notified that the State CDBG contract has been closed with HUD."

"At any time during normal business hours and as frequently as is deemed necessary, the Contractor shall make available to the Iowa Economic Development Authority, the State Auditor, the General Accounting Office, and the Department of Housing and Urban Development, for their examination, all of its records pertaining to all matters covered by this contract"

❖ **Notice of Awarding Agency Requirements and Regulations Pertaining to Reporting**

"The Contractor must provide information as necessary and as requested by the Iowa Economic Development Authority for the purpose of fulfilling all reporting requirements related to the CDBG program."

❖ **Certification regarding government-wide restriction on lobbying:**

All contracts utilizing CDBG funds must contain the following certification concerning restriction of lobbying:

"The Recipient certifies, to the best of his or her knowledge and belief, that:

- *i. No Federal appropriated funds have been paid or will be paid, by or on behalf of the Recipient, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.*
- *ii. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the Recipient shall complete and submit Standard Form-LLL, "Disclosure Form to Report Federal Lobbying" in accordance with its instruction.*
- *iii. The Recipient shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and*

contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly."

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure."

❖ **Clean Air and Water Acts: (for all contracts over \$100,000)**

- Section 306 of the Clean Air Acts (42 U.S.C. 1857(h)).
- Section 508 of the Clean Water Act (33 U.S.C. 1368).
- Executive Order 11738 (*Providing administration of the Clean Air & Water Acts*)

Clean Air and Water Acts - required clauses in all contracts involving projects subject to the Clean Air Act (42 U.S.C. 1857 et seq.), the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), and the regulations of the Environmental Protection Agency with respect to 40 CFR Part 15, as amended.

"During the performance of this contract, the Contractor agrees as follows:

(1) The Contractor will certify that any facility to be utilized in the performance of any nonexempt contract or subcontract is not listed on the Excluded Party Listing System pursuant to 40 CFR 32.

(2) The Contractor agrees to comply with all the requirements of Section 114 of the Clean Air Act, as amended, (42 U.S.C. 1857c-8) and Section 308 of the Federal Water Pollution Control Act, as amended (33 U.S.C. 1318) relating to inspection, monitoring, entry, reports, and information, as well as all other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder.

(3) The Contractor agrees that as a condition for the award of the contract, prompt notice will be given of any notification received from the Director, Office of Federal Activities, Environmental Protection Agency, indicating that a facility utilized or to be utilized for the contract is under consideration to be listed on the Excluded Party Listing System.

(4) The Contractor agrees that it will include or cause to be included the criteria and requirements in Paragraph (1) through (4) of this section in every nonexempt subcontract and require every subcontractor to take such action as the Government may direct as a means of enforcing such provisions."

❖ **Federal Executive Orders 11246 & 11375 (For all contracts over \$10,000)**

"During the performance of this contract, the contractor agrees as follows:

- (1) The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.*
- (2) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.*
- (3) The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under Section 202 of the Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.*
- (4) The Contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.*
- (5) The Contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.*
- (6) In the event of the Contractor's non-compliance with the nondiscrimination clause of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.*
- (7) The Contractor will include the provisions of Paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the*

contractor may request the United States to enter into such litigation to protect the interests of the United States.”

❖ **Federal Labor Standards (For all contracts over \$2,000)**

“During the execution of this agreement, the contractor agrees to comply by all Federal, State and local labor standards in effect, including to but not limited to the following regulations:”.

- *Davis-Bacon and Related Acts, as amended;*
- *Contract Work Hours and Safety Standard Act, as amended;*
- *Copeland Anti-kickback Act, as amended;*
- *Fair Labor Standards Act, as amended*

(Housing rehabilitation contracts of less than 8 units are excluded from this requirement.)

❖ **Build America, Buy America Requirements**

Sample BABA Language for Inclusion into Professional Services Agreements:

“This agreement is for professional services related to a project that is subject to the Build America, Buy America Act (BABA) requirements under Title IX of the Infrastructure Investment and Jobs Act (“IIJA”), Pub. L. 117-58. While professional services are not subject to BABA, the Provider understands that they are responsible for ensuring that, absent a waiver by the Department of Housing and Urban Development, Provider shall not approve for use in this project, any iron, steel, manufactured products, or construction materials unless such materials have been produced in the United States. Provider shall obtain all necessary compliance certificates for work that is within provider’s scope of work. Failure to do so shall be a default under this agreement. Guidance on complying with BABA is outlined by Office of Management and Budget’s Memorandum M-24-02, Implementation Guidance on Application of Buy America Preference in Federal Financial Assistance Programs for Infrastructure.”

Sample BABA Language for Inclusion into Advertisement for Bids:

“This agreement is for services related to a project that is subject to the Build America, Buy America Act (BABA) requirements under Title IX of the Infrastructure Investment and Jobs Act (“IIJA”), Pub. L. 117-58. Absent an approved waiver, all iron, steel, manufactured products, and construction materials used in this project must be produced in the United States, as further outlined by the Office of Management and Budget’s Memorandum M-24-02, Implementation Guidance on Application of Buy America Preference in Federal Financial Assistance Programs for Infrastructure.”

Contractor shall include Manufacturer’s Certification for BABA requirements for all BABA-covered items to be incorporated into the infrastructure project. Contractor shall comply with BABA requirements, including coordination with manufacturers, distributors, and suppliers to correct deficiencies in any BABA documentation.

For any change orders, Contractor shall provide BABA documentation for any new products or materials required by the change. Contractor shall the designate responsible parties for determining the final classifications for all project items. “

(Housing projects of 4 units or less are excluded from this requirement.)

❖ **Section 3 requirements under 12 U.S.C. § 1701u**

- A. *"The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.*
- B. *The parties to this contract agree to comply with HUD's regulations in 24 CFR part 75, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 75 regulations.*
- C. *The Contractor agrees to post copies of a notice advising workers of the Contractor's commitments under Section 3 in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.*
- D. *The Contractor agrees to provide written notice of employment and contracting opportunities to all known Section 3 Workers and Section 3 Businesses.*
- E. *The Contractor agrees to employ, to the greatest extent feasible, Section 3 workers or provide written justification to the recipient that is consistent with 24 CFR Part 75, describing why it was unable to meet minimum numerical Section 3 Worker hours goals, despite its efforts to comply with the provisions of this clause.*
- F. *The Contractor agrees to maintain records documenting Section 3 Workers that were hired to work on previous Section 3 covered projects or activities that were retained by the contractor for subsequent Section 3 covered projects or activities.*
- G. *The Contractor agrees to post contract and job opportunities to the Opportunity Portal and will check the Business Registry for businesses located in the project area.*
- H. *The Contractor agrees to include compliance with Section 3 requirements in every subcontract for Section 3 projects as defined in 24 CFR part 75, and agrees to take appropriate action, as provided in an applicable provision of the subcontract upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 75. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 75.*
- I. *The Contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 75 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 75.*
- J. *The Contractor will certify that they have followed prioritization of effort in 24 CFR part 75.19 for all employment and training opportunities. The contractor will further certify that it meets or exceeds the applicable Section 3 benchmarks, defined in 24 CFR Part 75.23, and*

if not, shall describe in detail the qualitative efforts it has taken to pursue low- and very low-income persons for economic opportunities.

- K. Noncompliance with HUD's regulations in 24 CFR part 75 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts."*

Section 3 Business Concerns are encouraged to respond to this proposal. A Section 3 Business Concern is one that satisfies one of the following requirements:

- 1. It is at least 51 percent owned and controlled by low- or very low-income persons;*
- 2. Over 75 percent of the labor hours performed for the business over the prior three-month period are performed by Section 3 Workers*; or*
- 3. It is a business at least 51 percent owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing.*

** A Section 3 Worker is defined as any worker who currently fits or when hired within the past five years fit at least one of the following categories, as documented:*

- 1. The worker's income for the previous or annualized calendar year is below the applicable income limit established by HUD;*
- 2. The worker is employed by a Section 3 business concern; or*
- 3. The worker is a YouthBuild participant.*

Businesses that believe they meet the Section 3 criteria are encouraged to register as a Section 3 Business through HUD's website:

<https://portalapps.hud.gov/Sec3BusReg/BRegistry/RegisterBusiness>

❖ **Recycled Materials**

"The Contractor agrees to comply with all the requirements of Code of Iowa chapter 8A.315-317 and Iowa Administrative Code chapter 11-117.6(5) — Recycled Product and Content which states:

- When appropriate, specifications shall include requirements for the use of recovered materials and products;*
- The specifications shall not restrict the use of alternative materials, exclude recovered materials, or require performance standards that exclude products containing recovered materials unless the subrecipient seeking the product can document that the use of recovered materials will impede the intended use of the product;"*

❖ **Federal Executive Orders 11063, as amended by Executive Order 12259**

*"The Contractor agrees to comply with the provisions of **Executive Order 11063**, as amended by **Executive Order 12259**, which prohibit discrimination in the sale, leasing, rental, or other disposition of residential property and related facilities financed in whole or in part with federal assistance.*

*The Contractor shall not discriminate against any person on the grounds of **race, color, religion, sex, or national origin** in the sale, rental, or use of housing or residential property built or rehabilitated with assistance provided under this contract.*

The Contractor further agrees to:

- *Include this provision in all subcontracts or agreements related to this federally assisted construction project;*
- *Cooperate with the U.S. Department of Housing and Urban Development (HUD) in any enforcement or compliance reviews;*
- *Maintain and provide records as required to demonstrate compliance with applicable federal requirements.*
- *Failure to comply with this provision shall be considered a material breach of contract and may result in suspension or termination of this Agreement, in addition to other remedies available under law or regulation."*

❖ **Section 109, Housing & Community Development Act of 1974 (42 USC 5309):**

"The Contractor agrees that no person shall be excluded from participation in, denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with Community Development Block Grant (CDBG) funds on the grounds of: Race, color, national origin, sex, or religion. Additionally, as required by amendments to the Act and related statutes and regulations, the Contractor further agrees not to discriminate on the basis of disability.

Accordingly, the Contractor shall:

- *Take all necessary and reasonable steps to ensure non-discrimination in employment, service delivery, housing, and access to facilities;*
- *Include this clause in all subcontracts or agreements funded in whole or in part with CDBG funds;*
- *Cooperate fully with any compliance or enforcement reviews conducted by the U.S. Department of Housing and Urban Development (HUD) or its designee;*
- *Maintain and furnish records as necessary to demonstrate compliance;"*

❖ **Title VI of the Civil Rights Act of 1964 (PL 88-352, 42 USC ss 200d):**

"The Contractor agrees to comply with Title VI of the Civil Rights Act of 1964 (Public Law 88-352, 42 U.S.C. § 2000d et seq.) and all applicable regulations issued pursuant thereto, including those found at 24 CFR Part 1. Under Title VI, no person shall, on the grounds of race, color, or national origin, be excluded from participation in, denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

Accordingly, the Contractor shall:

1. *Not discriminate against any person in employment, contracting, housing, or service delivery on the basis of race, color, or national origin.*
2. *Include this clause in every subcontract or purchase order involving the use of federal funds.*
3. *Maintain and provide access to records sufficient to demonstrate compliance with Title VI upon request of the funding agency or the U.S. Department of Housing and Urban Development (HUD).*

4. Cooperate fully in any compliance review or complaint investigation undertaken pursuant to Title VI."

❖ **Title VIII of the Civil Rights Act of 1968 (aka 'Fair Housing Act'):**

"The Contractor shall comply with the Fair Housing Act (Title VIII of the Civil Rights Act of 1968, as amended, 42 U.S.C. §§ 3601–3619), which prohibits discrimination in housing and housing-related transactions on the basis of: Race, color, religion, sex (including sexual orientation and gender identity), disability, familial status, or national origin.

Accordingly, the Contractor agrees to:

1. *Not discriminate in the sale, rental, lease, financing, design, construction, marketing, or provision of services related to any housing or residential facilities constructed or assisted under this contract.*
2. *Display the Equal Housing Opportunity logo and statement on all housing advertisements and marketing materials associated with the project.*
3. *Include this provision in all subcontracts related to residential construction, rehabilitation, leasing, or sale of housing units funded in whole or in part with federal funds.*
4. *Cooperate fully with any investigation, compliance review, or enforcement action conducted by the U.S. Department of Housing and Urban Development (HUD) or other designated entity."*

❖ **Section 504 of the Rehabilitation Act of 1973 (PL 93-112, 29 USC 794):**

"The Contractor agrees to comply with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794), as implemented by HUD regulations at 24 CFR Part 8, which prohibit discrimination on the basis of disability in any program or activity receiving federal financial assistance.

Accordingly, the Contractor shall:

1. *Not discriminate against any qualified individual with a disability in the provision of services, employment, housing, or access to facilities under this Contract.*
2. *Ensure that all new construction and alterations funded in whole or in part with federal assistance are designed and constructed to be readily accessible to and usable by individuals with disabilities, as required by applicable accessibility standards (e.g., UFAS or ADA Standards, as applicable).*
3. *Take appropriate steps to ensure that communications with applicants, beneficiaries, and members of the public with disabilities are as effective as communications with others.*
4. *Make reasonable accommodations in policies, practices, and procedures when necessary to avoid discrimination, unless such accommodations would impose an undue financial or administrative burden.*
5. *Include this provision in all applicable subcontracts and agreements."*

❖ **Age Discrimination Act of 1975 (42 USC 1601 et seq):**

"The Contractor agrees to comply with the Age Discrimination Act of 1975 (42 U.S.C. § 6101 et seq.) and the implementing regulations at 45 CFR Part 90, which prohibit discrimination on the basis of age in programs or activities receiving federal financial assistance.

Accordingly, the Contractor shall:

1. *Ensure that no person is excluded from participation in, denied the benefits of, or otherwise subjected to discrimination under this contract or related activities on the basis of age.*
2. *Not use age as a basis for employment decisions, service delivery, or participation in housing or construction-related benefits funded by this contract.*
3. *Include this clause in all subcontracts or agreements involving federal funds under this project.*
4. *Cooperate fully with any compliance review or investigation conducted pursuant to this Act.*
5. *Maintain and provide records as required to demonstrate compliance with the Age Discrimination Act."*

❖ **Americans with Disabilities Act (PM 101-336, 42 USC 12101-12213):**

"The Contractor agrees to comply with the provisions of the Americans with Disabilities Act of 1990 (PL 101-336, codified at 42 U.S.C. §§ 12101–12213) and all applicable implementing regulations.

Under the ADA, no qualified individual with a disability shall, on the basis of disability, be:

- *Excluded from participation in,*
- *Denied the benefits of, or*
- *Subjected to discrimination in*

any program, service, or activity funded in whole or in part under this Contract.

Accordingly, the Contractor shall:

1. *Ensure that all employment practices, public facilities, housing, services, and communications related to this project are accessible and non-discriminatory toward individuals with disabilities.*
2. *Design and construct facilities to meet or exceed applicable accessibility standards, such as the 2010 ADA Standards for Accessible Design or UFAS, where applicable.*
3. *Make reasonable modifications to policies, practices, and procedures to accommodate individuals with disabilities, unless doing so would result in an undue burden or fundamental alteration.*
4. *Provide effective communication methods, including auxiliary aids and services, when necessary for equal access.*
5. *Include this clause in all subcontracts and agreements funded in whole or in part by CDBG or other federal funds."*

❖ **Lead-Based Paint Compliance (24 CFR Part 35 – Lead Safe Housing Rule)**

Applies to pre-1978 residential structures receiving CDBG or other HUD funding

Types of projects:

- *Rehabilitation*
- *Acquisition*
- *Leasing*

- Supportive housing
- Tenant-based rental assistance

“The Contractor shall comply with the Lead Safe Housing Rule (24 CFR Part 35), which implements the requirements of the Lead-Based Paint Poisoning Prevention Act and applies to housing constructed prior to 1978 that is receiving federal financial assistance under this Contract.

Accordingly, the Contractor agrees to:

1. ***Identify and evaluate lead-based paint hazards*** in housing units constructed before 1978, using required methods such as visual assessments, paint testing, or risk assessments, as applicable based on project scope and funding level;
2. ***Control or eliminate lead-based paint hazards*** through interim controls or abatement in accordance with Subparts J (Rehabilitation), K (Acquisition), or M (Tenant-Based Rental Assistance) of 24 CFR Part 35;
3. ***Ensure that all work involving lead-based paint*** is performed by properly certified and trained workers, supervisors, and inspectors in accordance with EPA's Renovation, Repair and Painting (RRP) Rule and HUD guidelines;
4. ***Provide residents with proper notices and disclosures*** about the presence and hazards of lead-based paint as required under Subpart B of 24 CFR Part 35;
5. ***Follow clearance procedures*** after hazard control work, including proper testing by certified risk assessors or clearance technicians;
6. ***Keep and submit records and reports*** demonstrating full compliance with the Lead Safe Housing Rule and make such records available to HUD or the funding agency upon request.

The Contractor shall include this clause in all subcontracts involving residential rehabilitation, acquisition, or construction of pre-1978 housing units.”

❖ **Iowa Civil Rights Act of 1965, Chapter 216**

“The Contractor agrees to comply with the provisions of the Iowa Civil Rights Act of 1965 (Iowa Code Chapter 216), which prohibits discrimination in employment, housing, public accommodations, education, and credit based on:

Race, creed, color, sex, sexual orientation, gender identity, religion, national origin, disability, or age (where applicable), and familial status (in housing).

Accordingly, the Contractor shall:

1. ***Not discriminate in hiring, promotion, layoff, termination, or other employment practices;***
2. ***Provide equal access to housing, services, and facilities without regard to protected characteristics;***
3. ***Make reasonable accommodations for persons with disabilities;***
4. ***Include this clause in all applicable subcontracts and agreements under this contract;***
5. ***Cooperate with any investigation or compliance review conducted by the Iowa Civil Rights Commission (ICRC) or other designated authority.”***

❖ **Iowa Code Section ss 19B.7**

The Contractor agrees to comply with Iowa Code Section 19B.7, which requires that all state and local government agencies and their contractors and subcontractors prevent and eliminate discrimination in employment and public contracting.

Accordingly, the Contractor shall:

- 1. Not discriminate against any employee or applicant for employment or any business or individual in the awarding of subcontracts, on the basis of: Race, Color, National origin, Sex, Gender identity, Sexual orientation, Religion, Age, Disability, Creed*
- 2. Include this nondiscrimination provision in all subcontracts and procurement agreements;*
- 3. Make good faith efforts to encourage the participation of minority-owned and women-owned business enterprises (M/WBEs) in all aspects of the project, including contracting and subcontracting;*
- 4. Provide documentation of such efforts upon request by the local jurisdiction, the Iowa Department of Administrative Services, or other authorized entity.*

❖ **Sales and Use Taxes (for municipalities only)**

"Owner is exempt from Iowa state sales and use taxes on materials and equipment to be incorporated in the Work. Said taxes shall not be included in the Bid."

The undersigned acknowledges that these requirements are party to the contract / subcontract and the Contractor/Subcontractor agrees to adoption of all requirements upon execution of the agreement:

 <i>Contractor Signature</i> Justin Yarosevich <i>Contractor Printed Name</i>	July 28, 2026 <i>Date</i> President <i>Title</i>
---	---

NOTE: The penalty for making false statements in offers is prescribed in 18 U.S.C. 1001.

**ADDENDUM III. SUPPLEMENTAL FEDERAL REQUIREMENTS
AND WORKER NOTIFICATIONS**

- ❖ **Current Certified Payroll Form & Certification (DOL WH-347)**
<https://www.dol.gov/sites/dolgov/files/WHD/legacy/files/wh347.pdf>
- ❖ **Federal Labor Standards Complaint Intake Form:**
<https://www.hud.gov/sites/dfiles/OCHCO/documents/4731.pdf>
- ❖ **Record of Employee Interview Form**
<https://www.hud.gov/sites/dfiles/OCHCO/documents/11.pdf>
- ❖ **Job Site Posters & Federal Labor Standards Provisions:**
 - WHD 1321 – Employee Rights Poster
 - English: <https://www.osha.gov/Publications/osh3165.pdf>
 - Spanish: <https://www.osha.gov/Publications/osh3167.pdf>
 - OSHA Job Safety & Health
 - English: https://www.eeoc.gov/sites/default/files/migrated_files/employers/eeoc_self_print_poster.pdf
 - Spanish: https://www.eeoc.gov/sites/default/files/migrated_files/employers/eeoc_self_print_poster_spanish.pdf
 - OFCCP Equal Opportunity – Know Your Rights
 - English: https://www.eeoc.gov/sites/default/files/2023-06/22-088_EEOC_KnowYourRights6.12.pdf
 - Spanish: https://www.eeoc.gov/sites/default/files/2023-06/22-088_EEOC_KnowYourRightsSp6.12.pdf
- ❖ **HUD Form 928.1 Equal Housing Opportunity**
 - English: <https://www.hud.gov/sites/documents/928.1.PDF>
 - Spanish: <https://www.hud.gov/sites/documents/SPANISH.PDF>

The undersigned acknowledges that these documents are required to be made available to all workers on the jobsite:



Contractor Signature

July 28, 2026

Date

Justin Yarosevich

 President

Contractor Printed Name

Title

NOTE: The penalty for making false statements in offers is prescribed in 18 U.S.C. 1001.

Document date: 10/01/2025



**ADDENDUM III. SUPPLEMENTAL FEDERAL REQUIREMENTS
AND WORKER NOTIFICATIONS**

- ❖ **Current Certified Payroll Form & Certification (DOL WH-347)**
<https://www.dol.gov/sites/dolgov/files/WHD/legacy/files/wh347.pdf>
- ❖ **Federal Labor Standards Complaint Intake Form:**
<https://www.hud.gov/sites/dfiles/OCHCO/documents/4731.pdf>
- ❖ **Record of Employee Interview Form**
<https://www.hud.gov/sites/dfiles/OCHCO/documents/11.pdf>
- ❖ **Job Site Posters & Federal Labor Standards Provisions:**
 - WHD 1321 – Employee Rights Poster
 - English: <https://www.osha.gov/Publications/osh3165.pdf>
 - Spanish: <https://www.osha.gov/Publications/osh3167.pdf>
 - OSHA Job Safety & Health
 - English: https://www.eeoc.gov/sites/default/files/migrated_files/employers/eeoc_self_print_poster.pdf
 - Spanish: https://www.eeoc.gov/sites/default/files/migrated_files/employers/eeoc_self_print_poster_spanish.pdf
 - OFCCP Equal Opportunity – Know Your Rights
 - English: https://www.eeoc.gov/sites/default/files/2023-06/22-088_EEOC_KnowYourRights6.12.pdf
 - Spanish: https://www.eeoc.gov/sites/default/files/2023-06/22-088_EEOC_KnowYourRightsSp6.12.pdf
- ❖ **HUD Form 928.1 Equal Housing Opportunity**
 - English: <https://www.hud.gov/sites/documents/928.1.PDF>
 - Spanish: <https://www.hud.gov/sites/documents/SPANISH.PDF>

The undersigned acknowledges that these documents are required to be made available to all workers on the jobsite:



Contractor Signature

Justin Yarosevich

Contractor Printed Name

July 28, 2026

Date

President

Title

NOTE: The penalty for making false statements in offers is prescribed in 18 U.S.C. 1001.

Document date: 10/01/2025



**ADDENDUM IV. DOCUMENTS THAT MUST BE PRINTED
OUT AND INCLUDED IN BIDS VIA EXHIBIT**

❖ **Section 3 Contractor Intent to Comply Form:**

<https://www.iowaeda.com/UserDocs/2022cdbg-intent-to-comply-fillableform01232023.pdf>

- **Contractor should return this document with the Bid Forms**

❖ **HUD-4010 Federal Labor Standards Provisions Form:**

<https://hudgov.sharepoint.com/sites/FPM/OFPM/DBLS/HQ/Shared>

[Documents/Forms DBLS/HUD-4010 Federal Labor Standards Provisions/HUD 4010](#)

❖ **Applicable Wage Decision Document(s)**

Davis Bacon DOES NOT APPLY TO THE Tech Services

- **ACQUIRE FROM DOL / IEDA**

❖ **CDBG Project Sign Design Specification**

CDGB Sign DOES NOT APPLY TO THE Tech Services

https://www.iowaeda.com/UserDocs/cdbg_projectsign.pdf

❖ **BABA Bid Insertion Documents**

BABA DOES NOT APPLY TO THE Tech Services

<https://opportunityiowa.gov/media/7259/download?inline>

- **Portions for both Consultant and Constructors in this packet**

SECTION 3 – CONTRACTOR INTENT TO COMPLY

For Project (insert project name): Bedford Housing Rehabilitation - Roofing

In (Insert City Name): Storm Lake, Iowa IEDA Project Number: 26-HSGR-015

Contractor Name: _____ hereinafter referred to as "CONTRACTOR."

Address: _____ City: _____ State: _____ Zip: _____

This form is the CONTRACTOR's official statement acknowledging their understanding that Section 3 requirements are mandatory for the proposed project which is funded in part with funds from the Department of Housing and Urban Development (HUD). The form also signifies the CONTRACTOR's intent to comply with the Section 3 requirements as outlined in the plans and specifications, including but not limited to, the intent to utilize Section 3 (low to moderate income) workers and subcontractors where possible and complying with all mandatory reporting related to Section 3 HUD guidelines.

In recognition of the intent to comply the CONTRACTOR indicates their compliance with the following certifications:

☐ YES

If awarded a contract for this HUD-funded project, CONTRACTOR is able to determine employee's hourly wages and addresses.

☐ YES

☐ NO

Is this business a registered Section 3 business with the U.S. Department of Housing and Urban Development? You can search for Section 3 Businesses here: <https://hudapps.hud.gov/OpportunityPortal/>

☐ YES

Willing to provide information on the hours worked by all employees, including Section 3 and Targeted Section 3 employees for this job?

☐ YES

If the need to hire new employees during this job occurs, agree to hire Section 3 qualified employees for those job opportunities presuming all other qualifications are equal with qualified non Section 3 applicants?

☐ YES

If the need to subcontract arises, willing to CONSIDER hiring and subcontracting with a Section 3 business registered with HUD. You can search for Section 3 Businesses here:

<https://hudapps.hud.gov/OpportunityPortal/>

The CONTRACTOR estimates that the total hours worked on this project by employees of the CONTRACTOR will be _____.

The CONTRACTOR recognizes that this contracting opportunity is subject to HUD Section requirements ([24 CFR Part 75](#)). The CONTRACTOR has read and understands the Section 3 requirements as generally described above and presented in the Section 3 contract language included in the procurement documents for this project (plans and specifications, request for qualification, request for proposals, etc.). If awarded a contract, the CONTRACTOR commits to following Section 3 requirements, as they apply to this project. If awarded a contract for this project, the CONTRACTOR agrees to provide reports to the project's Grant Administrator on a timely basis) regarding Section 3 efforts and accomplishments.

Signature _____

Date _____

Print Name: _____

Title: _____

A. APPLICABILITY

The Project or Program to which the construction work covered by this Contract pertains is being assisted by the United States of America, and the following Federal Labor Standards Provisions are included in this Contract pursuant to the provisions applicable to such Federal assistance.

1. Minimum wages and fringe benefits

- i. All laborers and mechanics employed or working upon the site of the work (or otherwise working in construction or development of the project under a development statute), will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of basic hourly wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics. As provided in 29 CFR 5.5(d) and (e), the appropriate wage determinations are effective by operation of law even if they have not been attached to the contract. Contributions made or costs reasonably anticipated for bona fide fringe benefits under the Davis-Bacon Act (40 U.S.C. 3141(2)(B)) on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph (a)(1)(v) of these contract clauses; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics must be paid the appropriate wage rate and fringe benefits on the wage determination for the classification(s) of work actually performed, without regard to skill, except as provided in 29 CFR 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: *Provided*, That the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classifications and wage rates conformed under 29 CFR 5.5(a)(1)(iii)) and the Davis-Bacon poster (WH-1321) must be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

ii. Frequently recurring classifications

A. In addition to wage and fringe benefit rates that have been determined to be prevailing under the procedures set forth in 29 CFR part 1, a wage determination may contain, pursuant to § 1.3(f), wage and fringe benefit rates for classifications of laborers and mechanics for which conformance requests are regularly submitted pursuant to 29 CFR 5.5(a)(1)(iii), provided that:

1. The work performed by the classification is not performed by a classification in the wage determination for which a prevailing wage rate has been determined;
 2. The classification is used in the area by the construction industry; and
 3. The wage rate for the classification bears a reasonable relationship to the prevailing wage rates contained in the wage determination.
- B.** The Administrator will establish wage rates for such classifications in accordance with 29 CFR 5.5(a)(1)(iii)(A)(3). Work performed in such a classification must be paid at no less than the wage and fringe benefit rate listed on the wage determination for such classification.

iii. Conformance

A. The contracting officer must require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract be

classified in conformance with the wage determination. Conformance of an additional classification and wage rate and fringe benefits is appropriate only when the following criteria have been met:

1. The work to be performed by the classification requested is not performed by a classification in the wage determination; and
 2. The classification is used in the area by the construction industry; and
 3. The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.
 - B. The conformance process may not be used to split, subdivide, or otherwise avoid application of classifications listed in the wage determination.
 - C. If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the contracting officer agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken will be sent by the contracting officer by email to DBAconformance@dol.gov. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.
 - D. In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the contracting officer do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the contracting officer will, by email to DBAconformance@dol.gov, refer the questions, including the views of all interested parties and the recommendation of the contracting officer, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.
 - E. The contracting officer must promptly notify the contractor of the action taken by the Wage and Hour Division under 29 CFR 5.5 (a)(1)(iii)(C) and (D). The contractor must furnish a written copy of such determination to each affected worker or it must be posted as a part of the wage determination. The wage rate (including fringe benefits where appropriate) determined pursuant to 29 CFR 5.5 (a)(1)(iii)(C) or (D) must be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.
- iv. **Fringe benefits not expressed as an hourly rate**
Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor may either pay the benefit as stated in the wage determination or may pay another bona fide fringe benefit or an hourly cash equivalent thereof.
- v. **Unfunded plans**
If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, *Provided*, That the Secretary of Labor has found, upon the written request of the contractor, in accordance with the criteria set forth in 29 CFR 5.28, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.
- vi. **Interest** In the event of a failure to pay all or part of the wages required by the contract, the contractor will be required to pay interest on any underpayment of wages.

2. Withholding

i. Withholding requirements

The U. S. Department of Housing and Urban Development may, upon its own action, or must, upon written request of an authorized representative of the Department of Labor, withhold or cause to be withheld from the contractor so much of the accrued payments or advances as may be considered necessary to satisfy the liabilities of the prime contractor or any subcontractor for the full amount of wages and monetary relief, including interest, required by the clauses set forth in 29 CFR 5.5(a) for violations of this contract, or to satisfy any such liabilities required by any other Federal contract, or federally assisted contract subject to Davis-Bacon labor standards, that is held by the same prime contractor (as defined in 29 CFR 5.2). The necessary funds may be withheld from the contractor under this contract, any other Federal contract with the same prime contractor, or any other federally assisted contract that is subject to Davis-Bacon labor standards requirements and is held by the same prime contractor, regardless of whether the other contract was awarded or assisted by the same agency, and such funds may be used to satisfy the contractor liability for which the funds were withheld. In the event of a contractor's failure to pay any laborer or mechanic, including any apprentice or helper working on the site of the work (or otherwise working in construction or development of the project under a development statute) all or part of the wages required by the contract, or upon the contractor's failure to submit the required records as discussed in 29 CFR 5.5(a)(3)(iv), HUD may on its own initiative and after written notice to the contractor, sponsor, applicant, owner, or other entity, as the case may be, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

ii. Priority to withheld funds

The Department has priority to funds withheld or to be withheld in accordance with 29 CFR 5.5(a)(2)(i) or (b)(3)(i), or both, over claims to those funds by:

- A. A contractor's surety(ies), including without limitation performance bond sureties and payment bond sureties;
- B. A contracting agency for its procurement costs;
- C. A trustee(s) (either a court-appointed trustee or a U.S. trustee, or both) in bankruptcy of a contractor, or a contractor's bankruptcy estate;
- D. A contractor's assignee(s);
- E. A contractor's successor(s); or
- F. A claim asserted under the Prompt Payment Act, 31 U.S.C. 3901-3907.

3. Records and certified payrolls

i. Basic record requirements

- A. **Length of record retention.** All regular payrolls and other basic records must be maintained by the contractor and any subcontractor during the course of the work and preserved for all laborers and mechanics working at the site of the work (or otherwise working in construction or development of the project under a development statute) for a period of at least 3 years after all the work on the prime contract is completed.
- B. **Information required** Such records must contain the name; Social Security number; last known address, telephone number, and email address of each such worker; each worker's correct classification(s) of work actually performed; hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in 40 U.S.C. 3141(2)(B) of the Davis-Bacon Act); daily and weekly number of hours actually worked in total and on each covered contract; deductions made; and actual wages paid.
- C. **Additional records relating to fringe benefits.** Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(v) that the wages of any laborer or mechanic include the amount of any

costs reasonably anticipated in providing benefits under a plan or program described in 40 U.S.C. 3141(2)(B) of the Davis-Bacon Act, the contractor must maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits.

- D. Additional records relating to apprenticeship** Contractors with apprentices working under approved programs must maintain written evidence of the registration of apprenticeship programs, the registration of the apprentices, and the ratios and wage rates prescribed in the applicable programs.

ii. Certified payroll requirements

- A. Frequency and method of submission** The contractor or subcontractor must submit weekly, for each week in which any DBA- or Related Acts-covered work is performed, certified payrolls to HUD if the agency is a party to the contract, but if the agency is not such a party, the contractor will submit the certified payrolls to the applicant, sponsor, owner, or other entity, as the case may be, that maintains such records, for transmission to HUD. The prime contractor is responsible for the submission of all certified payrolls by all subcontractors. A contracting agency or prime contractor may permit or require contractors to submit certified payrolls through an electronic system, as long as the electronic system requires a legally valid electronic signature; the system allows the contractor, the contracting agency, and the Department of Labor to access the certified payrolls upon request for at least 3 years after the work on the prime contract has been completed; and the contracting agency or prime contractor permits other methods of submission in situations where the contractor is unable or limited in its ability to use or access the electronic system
- B. Information required** The certified payrolls submitted must set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i)(B), except that full Social Security numbers and last known addresses, telephone numbers, and email addresses must not be included on weekly transmittals. Instead, the certified payrolls need only include an individually identifying number for each worker (*e.g.*, the last four digits of the worker's Social Security number). The required weekly certified payroll information may be submitted using Optional Form WH-347 or in any other format desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Web site at <https://www.dol.gov/sites/dolgov/files/WHD/legacy/files/wh347.pdf> or its successor website. It is not a violation of this section for a prime contractor to require a subcontractor to provide full Social Security numbers and last known addresses, telephone numbers, and email addresses to the prime contractor for its own records, without weekly submission by the subcontractor to the sponsoring government agency (or the applicant, sponsor, owner, or other entity, as the case may be, that maintains such records).
- C. Statement of Compliance** Each certified payroll submitted must be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor, or the contractor's or subcontractor's agent who pays or supervises the payment of the persons working on the contract, and must certify the following:
1. That the certified payroll for the payroll period contains the information required to be provided under 29 CFR 5.5(a)(3)(ii), the appropriate information and basic records are being maintained under 29 CFR 5.5 (a)(3)(i), and such information and records are correct and complete;
 2. That each laborer or mechanic (including each helper and apprentice) working on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly

from the full wages earned, other than permissible deductions as set forth in 29 CFR part 3; and

3. That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification(s) of work actually performed, as specified in the applicable wage determination incorporated into the contract.
 - D. **Use of Optional Form WH-347** The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 will satisfy the requirement for submission of the "Statement of Compliance" required by 29 CFR 5.5(a)(3)(ii)(C).
 - E. **Signature** The signature by the contractor, subcontractor, or the contractor's or subcontractor's agent must be an original handwritten signature or a legally valid electronic signature.
 - F. **Falsification** The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under 18 U.S.C. 1001 and 31 U.S.C. 3729.
 - G. **Length of certified payroll retention** The contractor or subcontractor must preserve all certified payrolls during the course of the work and for a period of 3 years after all the work on the prime contract is completed.
- iii. **Contracts, subcontracts, and related documents** The contractor or subcontractor must maintain this contract or subcontract and related documents including, without limitation, bids, proposals, amendments, modifications, and extensions. The contractor or subcontractor must preserve these contracts, subcontracts, and related documents during the course of the work and for a period of 3 years after all the work on the prime contract is completed.
- iv **Required disclosures and access**
- A. **Required record disclosures and access to workers** The contractor or subcontractor must make the records required under 29 CFR 5.5(a)(3)(i)–(iii), and any other documents that HUD or the Department of Labor deems necessary to determine compliance with the labor standards provisions of any of the applicable statutes referenced by 29 CFR 5.1, available for inspection, copying, or transcription by authorized representatives of HUD or the Department of Labor, and must permit such representatives to interview workers during working hours on the job.
 - B. **Sanctions for non-compliance with records and worker access requirements** If the contractor or subcontractor fails to submit the required records or to make them available, or refuses to permit worker interviews during working hours on the job, the Federal agency may, after written notice to the contractor, sponsor, applicant, owner, or other entity, as the case may be, that maintains such records or that employs such workers, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available, or to permit worker interviews during working hours on the job, may be grounds for debarment action pursuant to 29 CFR 5.12. In addition, any contractor or other person that fails to submit the required records or make those records available to WHD within the time WHD requests that the records be produced will be precluded from introducing as evidence in an administrative proceeding under 29 CFR part 6 any of the required records that were not provided or made available to WHD. WHD will take into consideration a reasonable request from the contractor or person for an extension of the time for submission of records. WHD will determine the reasonableness of the request and may consider, among other things, the location of the records and the volume of production.
 - C. **Required information disclosures** Contractors and subcontractors must maintain the full Social Security number and last known address, telephone number, and email address of each covered worker, and must provide them upon request to HUD if the agency is a party to

the contract, or to the Wage and Hour Division of the Department of Labor. If the Federal agency is not such a party to the contract, the contractor, subcontractor, or both, must, upon request, provide the full Social Security number and last known address, telephone number, and email address of each covered worker to the applicant, sponsor, owner, or other entity, as the case may be, that maintains such records, for transmission to HUD, the contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or other compliance action.

4. Apprentices and equal employment opportunity

i. Apprentices

- A. Rate of pay** Apprentices will be permitted to work at less than the predetermined rate for the work they perform when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship (OA), or with a State Apprenticeship Agency recognized by the OA. A person who is not individually registered in the program, but who has been certified by the OA or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice, will be permitted to work at less than the predetermined rate for the work they perform in the first 90 days of probationary employment as an apprentice in such a program. In the event the OA or a State Apprenticeship Agency recognized by the OA withdraws approval of an apprenticeship program, the contractor will no longer be permitted to use apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.
- B. Fringe benefits** Apprentices must be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringe benefits must be paid in accordance with that determination.
- C. Apprenticeship ratio** The allowable ratio of apprentices to journeyworkers on the job site in any craft classification must not be greater than the ratio permitted to the contractor as to the entire work force under the registered program or the ratio applicable to the locality of the project pursuant to 29 CFR 5.5(a)(4)(i)(D). Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated in 29 CFR 5.5(a)(4)(i)(A), must be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under this section must be paid not less than the applicable wage rate on the wage determination for the work actually performed.
- D. Reciprocity of ratios and wage rates** Where a contractor is performing construction on a project in a locality other than the locality in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyworker's hourly rate) applicable within the locality in which the construction is being performed must be observed. If there is no applicable ratio or wage rate for the locality of the project, the ratio and wage rate specified in the contractor's registered program must be observed.

- ii Equal employment opportunity** The use of apprentices and journeyworkers under this part must be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR part 30.

5 Compliance with Copeland Act requirements. The contractor shall comply with the requirements of 29 CFR part 3, which are incorporated by reference in this contract.

6 Subcontracts. The contractor or subcontractor must insert in any subcontracts the clauses contained in 29 CFR 5.5(a)(1) through (11), along with the applicable wage determination(s) and such other clauses or contract modifications as the U.S. Department of Housing and Urban Development may by appropriate instructions require, and a clause requiring the subcontractors to include these clauses and wage determination(s) in any lower tier subcontracts. The prime contractor is responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in this section. In the event of any violations of these clauses, the prime contractor and any subcontractor(s) responsible will be liable for any unpaid wages and monetary relief, including interest from the date of the underpayment or loss, due to any workers of lower-tier subcontractors, and may be subject to debarment, as appropriate.

7 Contract termination: debarment. A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

8 Compliance with Davis-Bacon and Related Act requirements. All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR parts 1, 3, and 5 are herein incorporated by reference in this contract.

9 Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and the contracting agency, the U.S. Department of Labor, or the employees or their representatives.

10. Certification of eligibility.

- i. By entering into this contract, the contractor certifies that neither it nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of 40 U.S.C. 3144(b) or 29 CFR 5.12(a).
- ii. No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of 40 U.S.C. 3144(b) or 29 CFR 5.12(a).
- iii. The penalty for making false statements is prescribed in the U.S. Code, Title 18 Crimes and Criminal Procedure, 18 U.S.C. 1001.

11 Anti-retaliation It is unlawful for any person to discharge, demote, intimidate, threaten, restrain, coerce, blacklist, harass, or in any other manner discriminate against, or to cause any person to discharge, demote, intimidate, threaten, restrain, coerce, blacklist, harass, or in any other manner discriminate against, any worker or job applicant for:

- i. Notifying any contractor of any conduct which the worker reasonably believes constitutes a violation of the DBA, Related Acts, or 29 CFR parts 1, 3, or 5;
- ii. Filing any complaint, initiating or causing to be initiated any proceeding, or otherwise asserting or seeking to assert on behalf of themselves or others any right or protection under the DBA, Related Acts, or 29 CFR parts 1, 3, or 5;
- iii. Cooperating in any investigation or other compliance action, or testifying in any proceeding under the DBA, Related Acts, or 29 CFR parts 1, 3, or 5; or
- iv. Informing any other person about their rights under the DBA, Related Acts, or 29 CFR parts 1, 3, or 5.

B. Contract Work Hours and Safety Standards Act (CWHSSA)

The Agency Head must cause or require the contracting officer to insert the following clauses set forth in 29 CFR 5.5(b)(1), (2), (3), (4), and (5) in full, or (for contracts covered by the Federal Acquisition Regulation) by reference, in any contract in an amount in excess of \$100,000 and subject to the overtime provisions of the Contract Work Hours and Safety Standards Act. These clauses must

be inserted in addition to the clauses required by 29 CFR 5.5(a) or 4.6. As used in this paragraph, the terms "laborers and mechanics" include watchpersons and guards.

1. **Overtime requirements.** No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.
2. **Violation; liability for unpaid wages; liquidated damages.** In the event of any violation of the clause set forth in 29 CFR 5.5(b)(1) the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages and interest from the date of the underpayment. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchpersons and guards, employed in violation of the clause set forth in 29 CFR 5.5(b)(1), in the sum of \$31 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in 29 CFR 5.5(b)(1).
3. **Withholding for unpaid wages and liquidated damages**
 - i. **Withholding process** The U.S Department of Housing and Urban Development or the recipient of Federal assistance may, upon its own action, or must, upon written request of an authorized representative of the Department of Labor, withhold or cause to be withheld from the contractor so much of the accrued payments or advances as may be considered necessary to satisfy the liabilities of the prime contractor or any subcontractor for any unpaid wages; monetary relief, including interest; and liquidated damages required by the clauses set forth in 29 CFR 5.5(b) on this contract, any other Federal contract with the same prime contractor, or any other federally assisted contract subject to the Contract Work Hours and Safety Standards Act that is held by the same prime contractor (as defined in 29 CFR 5.2). The necessary funds may be withheld from the contractor under this contract, any other Federal contract with the same prime contractor, or any other federally assisted contract that is subject to the Contract Work Hours and Safety Standards Act and is held by the same prime contractor, regardless of whether the other contract was awarded or assisted by the same agency, and such funds may be used to satisfy the contractor liability for which the funds were withheld.
 - ii **Priority to withheld funds** The Department has priority to funds withheld or to be withheld in accordance with 29 CFR 5.5(a)(2)(i) or (b)(3)(i), or both, over claims to those funds by:
 - A. A contractor's surety(ies), including without limitation performance bond sureties and payment bond sureties;
 - B. A contracting agency for its procurement costs;
 - C. A trustee(s) (either a court-appointed trustee or a U.S. trustee, or both) in bankruptcy of a contractor, or a contractor's bankruptcy estate;
 - D. A contractor's assignee(s);
 - E. A contractor's successor(s); or
 - F. A claim asserted under the Prompt Payment Act, 31 U.S.C. 3901-3907.
4. **Subcontracts.** The contractor or subcontractor must insert in any subcontracts the clauses set forth in 29 CFR 5.5(b)(1) through (5) and a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor is responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in 29 CFR 5.5(b)(1) through (5). In the event of any violations of these clauses, the prime contractor and any subcontractor(s) responsible will be liable for any unpaid wages and monetary relief, including interest from the date of the underpayment or loss,

due to any workers of lower-tier subcontractors, and associated liquidated damages and may be subject to debarment, as appropriate.

- 5 Anti-retaliation** It is unlawful for any person to discharge, demote, intimidate, threaten, restrain, coerce, blacklist, harass, or in any other manner discriminate against, or to cause any person to discharge, demote, intimidate, threaten, restrain, coerce, blacklist, harass, or in any other manner discriminate against, any worker or job applicant for:
- i. Notifying any contractor of any conduct which the worker reasonably believes constitutes a violation of the Contract Work Hours and Safety Standards Act (CWHSSA) or its implementing regulations in 29 CFR part 5;
 - ii. Filing any complaint, initiating or causing to be initiated any proceeding, or otherwise asserting or seeking to assert on behalf of themselves or others any right or protection under CWHSSA or 29 CFR part 5;
 - iii. Cooperating in any investigation or other compliance action, or testifying in any proceeding under CWHSSA or 29 CFR part 5; or
 - iv. Informing any other person about their rights under CWHSSA or 29 CFR part 5.
- C. CWHSSA required records clause** In addition to the clauses contained in 29 CFR 5.5(b), in any contract subject only to the Contract Work Hours and Safety Standards Act and not to any of the other laws referenced by 29 CFR 5.1, the Agency Head must cause or require the contracting officer to insert a clause requiring that the contractor or subcontractor must maintain regular payrolls and other basic records during the course of the work and must preserve them for a period of 3 years after all the work on the prime contract is completed for all laborers and mechanics, including guards and watchpersons, working on the contract. Such records must contain the name; last known address, telephone number, and email address; and social security number of each such worker; each worker's correct classification(s) of work actually performed; hourly rates of wages paid; daily and weekly number of hours actually worked; deductions made and actual wages paid. Further, the Agency Head must cause or require the contracting officer to insert in any such contract a clause providing that the records to be maintained under this paragraph must be made available by the contractor or subcontractor for inspection, copying, or transcription by authorized representatives of the (write the name of agency) and the Department of Labor, and the contractor or subcontractor will permit such representatives to interview workers during working hours on the job.
- D. Incorporation of contract clauses and wage determinations by reference** Although agencies are required to insert the contract clauses set forth in this section, along with appropriate wage determinations, in full into covered contracts, and contractors and subcontractors are required to insert them in any lower-tier subcontracts, the incorporation by reference of the required contract clauses and appropriate wage determinations will be given the same force and effect as if they were inserted in full text.
- E. Incorporation by operation of law** The contract clauses set forth in this section (or their equivalent under the Federal Acquisition Regulation), along with the correct wage determinations, will be considered to be a part of every prime contract required by the applicable statutes referenced by 29 CFR 5.1 to include such clauses, and will be effective by operation of law, whether or not they are included or incorporated by reference into such contract, unless the Administrator grants a variance, tolerance, or exemption from the application of this paragraph. Where the clauses and applicable wage determinations are effective by operation of law under this paragraph, the prime contractor must be compensated for any resulting increase in wages in accordance with applicable law.

F. HEALTH AND SAFETY

The provisions of this paragraph (F) are applicable where the amount of the prime contract exceeds **\$100,000**.

1. No laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous to his or her health and safety, as determined under construction safety and health standards promulgated by the Secretary of Labor by regulation.
2. The contractor shall comply with all regulations issued by the Secretary of Labor pursuant to 29 CFR Part 1926 and failure to comply may result in imposition of sanctions pursuant to the Contract Work Hours and Safety Standards Act, (Public Law 91-54, 83 Stat 96), 40 U.S.C. § 3701 et seq.
3. The contractor shall include the provisions of this paragraph in every subcontract, so that such provisions will be binding on each subcontractor. The contractor shall take such action with respect to any subcontractor as the Secretary of Housing and Urban Development or the Secretary of Labor shall direct as a means of enforcing such provisions.

Project Construction Sign

White Background

Project Title

Sponsor/Developer

Official(s) or Sponsor Address

Architect or Engineer

(second line)

Contractor

(second line)

Project Financed by:

Community Development Block Grant
Iowa Economic Development Authority

Kim Reynolds, Governor

Sign Dimensions: 1200mm x 2400mm (approx. 4'x8'x3/4")
Plywood Panel (APA Rated A-B Grade-Exterior)

CDBG
Community Development Block Grant

IOWA
Economic Development



August 3, 2026

Iowa Economic Development Authority
Attn: Joyce Brown
1963 Bell Avenue
Des Moines, IA 50315

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

Ms. Joyce Brown

This letter is a request to secure IEDA's approval for single source procurement of Technical Services for the City of Storm Lake's 2026 CDBG Housing Rehabilitation-Roofing Development Project (26-HSGR-015).

The City published notice of the request for proposals in the Storm Lake Times Pilot and sent out proposals to qualified firms who had requested to be included in this type of procurement in the past. Despite the efforts of the City to solicit proposals for Technical Services the City only received one proposal from Simmering-Cory.

The City has worked with Simmering-Cory in the past and are pleased with their work and have faith in them to administer the grant in a timely and appropriate manner.

As such the City is requesting your approval of the use of single-source procurement for Technical Services for the Storm Lake Housing Rehabilitation - Roofing Project.

If you have any questions, please don't hesitate to contact Justin Yarosevich with Simmering-Cory at 641-355-4072 or Lee Dutfield at 712-732-8000.

Thanks for your consideration and approval of this request.

Sincerely,

Margaret J. McKeon , Mayor
City of Storm Lake

Staff Summary

8/3/2026

Agenda Item # D.1.D.



REPORT TO: Honorable Mayor & Council

FROM: Lee Dutfield, Development Services Specialist

SUBJECT: **Resolution No. 13-R-2026-2027 Waiving the Building Permit Fee for Homeowners Participating in the Storm Lake Housing Rehabilitation -Roofing Improvements Project**

BACKGROUND: The City of Storm Lake has been awarded a \$198,000 Community Development Block Grant (CDBG) from the Iowa Economic Development Authority to support local housing rehabilitation.

The grant will fund vital roof repairs for up to six low-to-moderate-income homeowners, resolving critical structural and safety issues. To help stretch these grant dollars as far as possible for residents, it is proposed the City waive the standard \$30 re-roofing permit fee for all program participants.

FISCAL IMPACT: Cost to waive re-roofing building permit fee in the amount of \$30.00 per roof. Not to Exceed \$180.00.

RECOMMENDATION: Adopt Resolution Waiving the Building Permit Fee for Homeowners Participating in the Storm Lake Housing Rehabilitation -Roofing Improvements Project.

ATTACHMENTS:

1. Resolution No. 13 -R-2026-2027 Waving Building Permit Fee For Homeowners Participating in Storm Lake Hosing Rehabilitation Roofing Project

RESOLUTION NO. 13-R-2026-2027

**A RESOLUTION WAIVING THE BUILDING PERMIT FEE FOR
HOMEOWNERS PARTICIPATING IN THE STORM LAKE
HOUSING REHABILITATION -ROOFING IMPROVEMENTS
PROJECT**

WHEREAS, The Iowa Economic Development Authority (IEDA) has awarded the City of Storm Lake a Community Development Block Grant (CDBG) program for the Storm Lake Housing Rehabilitation – Roofing Improvements Project, and;

WHEREAS, the project will provide critical roof rehabilitations for upto six (6) low-to-moderate income homeowners; and

WHEREAS, the project will address urgent structural deficiencies, mitigate risks to resident health and safety while ensuring the long-term hability of the community’s housing stock; and

WHEREAS, the City of Storm Lake desires to assist the project by waiving the \$30 building permit fee for up to six (6) low-to-moderate-income homeowners, thereby maximizing the grant funds directly available for their roofing repairs;

IT IS HEREBY RESOLVED by the City Council of Storm Lake Iowa as follows:

1. The building permit fee in the amount of Thirty Dollars (\$30.00) for homeowners participating in the Storm Lake Housing Rehabilitation Roofing Improvements Project is hereby waived.

PASSED AND APPROVED this 3rd day of August, 2026.

Margaret J McKeon, Mayor

ATTEST:

Mayra A. Martinez, City Clerk

Staff Summary

8/3/2026

Agenda Item # D.1.E.



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: **Motion To Approve The BVRMC A.W.A.R.E. Request**

BACKGROUND: Attached is a request from BVRMC for the annual A.W.A.R.E. 5K Run/Walk. The event is scheduled for Saturday, September 19, 2026, at 8:00 a.m.

Also attached are the event request letter and the proposed route map. The event will follow the same route and format as in previous years and has not presented any issues in the past.

Proof of liability insurance will be provided to City Hall prior to the event.

FISCAL IMPACT: None

RECOMMENDATION: Approve request

ATTACHMENTS:

1. BVRMC Letter of Request For The A.W.A.R.E. Event



Chris Cole
Director of Public Safety
401 East Milwaukee
Storm Lake, IA 50588

July 20, 2026

Dear Chief Cole;

Buena Vista Regional Medical Center is requesting a help with traffic control, event permit, and a noise ordinance our annual A.W.A.R.E (annual walk and run event) effort to raise awareness about cancer and raise funds to assist individuals with cancer in meeting their personal needs.

The 5K will be held on Saturday, September 19, 2026 at 8:00 a.m., beginning and ending at the main entrance area of BVRMC. I have included a copy of our flyer and a map of the anticipated route for the event so you can determine any street closings or crossing issues.

Please note the route is the same as last year.

Regarding a noise variance, we will make some brief announcements with a loud speaker at the beginning of the race near the Kallmer Education Center entrance and at the conclusion, we will have some celebratory music playing.

I will see that we deliver the certificate of insurance for the event to City Hall when we receive from our insurance carrier. We appreciated the support of the City last year and look forward to another safety-partnership for this year's event.

Thank you for your assistance with this matter.

A handwritten signature in black ink, appearing to read "Katie Schwint", is written over a light blue rectangular background.

Katie Schwint
Executive Director of Communications
712.213.8601

Staff Summary

8/3/2026

Agenda Item # D.1.F.



REPORT TO: Honorable Mayor & Council

FROM: Chris Cole, Police Chief

SUBJECT: **Motion To Approve Central Bank Back To School Movie In the Park Event**

BACKGROUND: Central Bank has submitted a request for its annual Back to School Movie in the Park event. The event is scheduled to take place on the Great Lawn at Awaysis Park on Saturday, August 15, at 8:45 p.m.

The request includes use of the park and approval of a noise variance. Proof of insurance will be submitted prior to the event.

This event has been held annually in previous years and has not resulted in any issues or concerns.

FISCAL IMPACT: None

RECOMMENDATION: Approve Request

ATTACHMENTS:

None

Staff Summary

8/3/2026

Agenda Item # D.1.G.



REPORT TO: Honorable Mayor & Council

FROM: Mayra Martinez, City Clerk

SUBJECT: **Motion to Approve Drainage District #13 Invoice**

BACKGROUND: Per the County Auditor, we can add a stamp warrant to the Drainage District #13 invoices. The process involves the City Council approving the invoices and authorizing the Mayor to add her signature of approval. Once signed, the invoices will be delivered to the County Auditor, who will issue a stamp warrant to the vendor as a form of payment for services. Additionally, a levy will eventually need to be requested by the City Council for further processing.

FISCAL IMPACT:

RECOMMENDATION: Motion to Approve Drainage District #13 Invoices and authorize the Mayor to sign "approve" to the invoices.

ATTACHMENTS:

1. [Invoice](#)

2026 STATEMENT

HEALY EXCAVATING
3483 PERKINS AVE.
LAKE VIEW IA 51450

Statement Date: 6/30

712-665-4500

TO:
City of Storm Lake
PO Box 1086
Storm Lake IA 50588

Terms: 1.50% per month (18% per annum), service charges to be applied on accounts over 30 days.

DATE	TRANSACTION	AMOUNT	BALANCE
6/11/2026	Inv. 116917	\$1,350.00	\$1,350.00

AMOUNT DUE \$1,350.00

THANK YOU FOR YOUR BUSINESS!

LAKE VIEW, IOWA 51450

Date.

6-11, 20 26

Name.

City of Storm Lake

Address.

Storm Lake, IA 50588

[illegible]

A Service Charge of 1½% per Month Will Be Applied After 30 Days.
This Is An Annual Rate of 18% per Year.

N^o 116917

Received by _____

HEALY EXCAVATING

3483 Perkins Ave.
Lake View IA 51450

John Healy, Owner
712-830-9179 CELL
johnhealy@netins.net

712-665-4500 PH
712-665-4501 FX

05/18/2026

QUOTE: CITY OF STORM LAKE, DD #13 REPAIR- TILE CONNECT TO EXPANSION BLVD. 2016 PROJECT

- Installing new 12" pipe and connecting to existing tile.
- Installing 20' of 12" Dual Wall Pipe and making 2 connections.

= LS @ \$1,350.00

Please contact me with any questions or concerns.

Sincerely,

John Healy, Owner
Healy Excavating

Staff Summary

8/3/2026

Agenda Item # D.1.H.



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: **Motion To Approve A Noise Variance Request Storm Lake
United Methodist Church**

BACKGROUND: The Storm Lake United Methodist Church has requested a noise variance for an outdoor worship service that is scheduled to take place on August 30th at 10:00 AM on the west side for the Chautauqua Park Shelter house. The service will last for about 1 hour.

FISCAL IMPACT: None

RECOMMENDATION: Approve Request

ATTACHMENTS:

None

Staff Summary

8/3/2026

Agenda Item # D.1.I.



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 Pointes' 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:	<u>Breakout</u>	<u>Calculated Expenses</u>
	Buena Vista County	\$29,332.46
	Contract/Agreement	\$459,555.85
	Local	\$24,466.49
	Non-Local	\$180,193.73
	Payroll/UBRefunds,\$ <u>248,963.59</u>	
	PyrlTax & Ins	
	Total Expenses:	942,512.12
	Supporting Documents Attached	

RECOMMENDATION:

ATTACHMENTS:

1. 8/3/2026 Project Report

Summary

Project Summary							
Project Number	Project Name	Total Budget	Date Range Budget	Beginning Balance	Total Activity	Ending Balance	Budget Remaining
197033	SCADA Upgrade FY2020	71,317.68	0.00	64,560.91	0.00	64,560.91	6,756.77
22-27926	Storm Lake WTP- Well #22	2,589,561.53	2,589,561.53	2,420,940.46	98,368.08	2,519,308.54	70,252.99
23-29446	WWTP UV Disinfection Building	275,138.00	0.00	191,768.00	0.00	191,768.00	83,370.00
23-29447	College & 3rd St Lift Station Replacem...	1,640,315.00	1,640,315.00	1,572,954.66	0.00	1,572,954.66	67,360.34
24-31751	Storm Lake WTP- Well #23	199,000.00	199,000.00	103,569.04	0.00	103,569.04	95,430.96
24-31828	WTP Prelim Engineering Report	83,000.00	83,000.00	76,160.75	0.00	76,160.75	6,839.25
24X.136745	Apron Expansion Improvements	285,900.00	285,900.00	133,400.00	0.00	133,400.00	152,500.00
26-R4-NF	Nature Area Revitalization	125,000.00	125,000.00	50,997.30	0.00	50,997.30	74,002.70
26X.144288.000	Oneida St Recon from RR to Lakeshore..	420,000.00	420,000.00	23,684.00	0.00	23,684.00	396,316.00
FEMA HMGP (HMA) 4483	FEMA HMGP (HMA) 4483	4,750,555.50	4,750,555.50	3,125,034.59	0.00	3,125,034.59	1,625,520.91
FY24 Playground	Paxton's Trust Playground Equipment...	239,145.00	0.00	239,145.00	0.00	239,145.00	0.00
IA0091	SL Elevated Water Storage- Tower #5	7,431,632.15	7,431,632.15	7,102,052.53	333,576.60	7,435,629.13	-3,996.98
New 1	Construction of New Water Plant	0.00	0.00	0.00	2,418,774.53	2,418,774.53	-2,418,774.53
P11.120411	Highway 7/110 Traffic Lane/Signalizat...	4,776,040.38	0.00	5,112,202.39	0.00	5,112,202.39	-336,162.01
WRAC 25-675	Sunrise Park Boat Ramp & Area Impro...	227,700.00	227,700.00	117,347.87	3,460.36	120,808.23	106,891.77
Report Total:		23,114,305.24	17,752,664.18	20,333,817.50	2,854,179.57	23,187,997.07	-73,691.83

Group Summary						
Group	Total Budget	Date Range Budget	Beginning Balance	Total Activity	Ending Balance	Budget Remaining
Airport Projects	285,900.00	285,900.00	133,400.00	0.00	133,400.00	152,500.00
Economic Development	125,000.00	125,000.00	50,997.30	0.00	50,997.30	74,002.70
Operating Projects	310,462.68	0.00	303,705.91	0.00	303,705.91	6,756.77
Sanitary Sewer Projects	6,666,008.50	6,390,870.50	4,889,757.25	0.00	4,889,757.25	1,776,251.25
Street Construction	5,196,040.38	420,000.00	5,135,886.39	0.00	5,135,886.39	60,153.99
Water Project	10,303,193.68	10,303,193.68	9,702,722.78	2,850,719.21	12,553,441.99	-2,250,248.31
Water Recreation Access Cost-Share P...	227,700.00	227,700.00	117,347.87	3,460.36	120,808.23	106,891.77
Report Total:	23,114,305.24	17,752,664.18	20,333,817.50	2,854,179.57	23,187,997.07	-73,691.83

Type Summary						
Group	Total Budget	Date Range Budget	Beginning Balance	Total Activity	Ending Balance	Budget Remaining
Construction	7,960,538.38	2,670,215.00	7,427,720.39	0.00	7,427,720.39	532,817.99
Conversion	71,317.68	0.00	64,560.91	0.00	64,560.91	6,756.77
Federal/State Grant	14,771,749.18	14,771,749.18	12,648,027.58	2,850,719.21	15,498,746.79	-726,997.61
Grant	227,700.00	227,700.00	117,347.87	3,460.36	120,808.23	106,891.77
Professional Service Study	83,000.00	83,000.00	76,160.75	0.00	76,160.75	6,839.25
Report Total:	23,114,305.24	17,752,664.18	20,333,817.50	2,854,179.57	23,187,997.07	-73,691.83

Staff Summary

8/3/2026

Agenda Item # D.1.J.



REPORT TO: Honorable Mayor & Council

FROM: Colette Baker, Code Enforcement Officer

SUBJECT: City Code Enforcement Summary

BACKGROUND: June 25th - July 28th

Animals and Fowl 4

Brush or Vegetation 6

Building Maintenance 4

Failure to Have Trash Cans/Covered Trash Cans 3

Fence or Retaining Wall 2

Junk Vehicle 1

Minimum Parking Standards 2

Nuisances Junk 9

Obstruction of ROW (Signs in ROW) 3

Parking Restricted to Hard Surfaces 19

Tall Weeds/Grass 87

Water Conservation 3

Citations 3

New Cases 123

Cases Completed 91

Open Cases 137

FISCAL IMPACT: .

RECOMMENDATION: .

ATTACHMENTS:

[None](#)

Staff Summary

8/3/2026

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: Mayra Martinez, City Clerk

SUBJECT: **Resolution No. 14-R-2026-2027 Updating Employee Handbook
Section 4.10 Meal Reimbursements**

BACKGROUND: The Employee Handbook, Section 4.10, outlines meal reimbursement for employees traveling for work. Currently, reimbursements allowed are \$7.00 for breakfast, \$8.00 for lunch, and \$16.00 for dinner. These rates were set with the adoption of the January 2016 update of the handbook. At that time, it appears those numbers were in effect prior to the update and not changed in 2016.

This update to Section 4.10 will permit reimbursement according to Government Services Administration (GSA) rates in effect for each specific travel location as set annually. This change will only apply to meal reimbursements.

FISCAL IMPACT: N/A

RECOMMENDATION: Adopt Resolution Updating Employee Handbook Section 4.10 Meal Reimbursement

ATTACHMENTS:

1. Resolution No. 14-R-2026-2027 - Per Diem Employee Handbook Change 8-3-2026

RESOLUTION NO. 14-R-2026-2027

**RESOLUTION ADOPTING AN UPDATE TO THE CITY OF STORM LAKE
EMPLOYEE POLICY HANDBOOK**

BE IT RESOVED BY THE CITY COUNCIL OF THE CITY OF STORM LAKE, IOWA

WHEREAS, the existing Storm Lake Municipal Employee Policy Handbook contains a provision, which the City Council of the City of Storm Lake, Iowa feels should be changed; and

WHEREAS, the City Council continues to believe that it is the best policy of the City that employee policies should be reduced to a written handbook; and

WHEREAS, the City Council of the City of Storm Lake feels it best to amend the following Sections: 4.10 Reimbursements; and

IT IS THEREFORE RESOLVED that the Storm Lake Municipal Employee Policy Handbook completed January 18, 2016 and on file with the City Clerk shall be official policy of the City of Storm Lake with regard to its employees as to the matters contained therein.

BE IT FURTHER RESOLVED that the amendments to Sections 4.10 Reimbursements as shown in Exhibit A as of the date of the enactment of this Resolution will be in effect for current employees and for all persons hired subsequent to the date of this Resolution.

PASSED AND APPROVED this 3rd day of August 2026.

Margaret J. McKeon, Mayor

ATTEST:

Mayra A. Martinez, City Clerk

Exhibit A

4.10 REIMBURSEMENTS

CURRENT LANGUAGE

- **MEALS**

A per diem shall be \$7.00 for breakfast, \$8.00 for lunch, and \$16.00 for dinner. Receipts will not be required for meals. Reimbursements for the meal per diem that are for same day travel not requiring an overnight stay will be a taxable benefit according to Section 61 of the Internal Revenue Code. These reimbursements will be paid on the next available payroll following the approval and submittal of the travel request.

An employee will only be reimbursed for breakfast when the starting time of the trip is before 6:00 am. An employee will only be reimbursed for lunch when the starting time of the trip is before 11:00 am and the return time is after 2:00 pm. An employee will only be reimbursed for dinner when the starting time of the trip is before 4:00 pm and the return trip is after 8:00 pm.

NEW LANGUAGE

4.10 REIMBURSEMENTS

- **MEALS**

A per diem shall be annually set by the Government Services Administration (GSA) rate in effect for each particular year and location. Receipts will not be required for meals. Reimbursements for the meal per diem that are for same day travel not requiring an overnight stay will be a taxable benefit according to Section 61 of the Internal Revenue Code. These reimbursements will be paid on the next available payroll following the approval and submittal of the travel request.

An employee will only be reimbursed for breakfast when the starting time of the trip is before 6:00 am. An employee will only be reimbursed for lunch when the starting time of the trip is before 11:00 am and the return time is after 2:00 pm. An employee will only be reimbursed for dinner when the starting time of the trip is before 4:00 pm and the return trip is after 8:00 pm.

Staff Summary

8/3/2026

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: Scott Olesen, Building and Code Compliance Director

SUBJECT: **Ordinance No. 02-O-2026-2027 Amending City Code Increasing Property Maintenance Penalties - 3rd Reading.**

BACKGROUND: As a result of information gathered at two public work sessions, it has been determined that the City should pursue increased penalties for violations of property maintenance requirements. The Ordinance amending the current municipal infraction amount from the current \$75.00 for the first offense, and \$125.00 and \$200.00 for the second and third offense, respectively, to \$500.00 for the first offense and \$750.00 and \$1,000.00 for second and third offenses.

The proposed Ordinance amending the current penalty amounts will be specific to City Code Title V, Chapter 10, Property Maintenance Code, and Title VIII, Chapter 1, Nuisances. It will not amend the penalty amounts for other sections of the City Code. It was determined that the increased amounts will provide better compliance with the requirements of these Code sections through a deterrent effect that has subsided under our current Ordinance penalty levels. The proposed penalties would be in line with other jurisdictions in our area.

This will not change the current procedures implemented by the Department in the course of enforcing these Code sections. Municipal infractions are the last option used in enforcement. Education and communication are prioritized, with credit given to individuals who are making a sincere effort to abate the conditions that they have been notified about. Efforts are also being made to come up with other solutions, such as working with the volunteer program that we have discussed for those individuals that are having issues complying due to temporary problems they are experiencing. We will also explore opportunities for finding ongoing solutions for the elderly and others

who physically cannot mow their yards or remove snow from their sidewalks, which is a separate issue.

I have attached a copy of the proposed Ordinance for your review.

FISCAL IMPACT: Approximately \$500.00 for legal fees.

RECOMMENDATION: Review and approve on: ~~First reading July 6th, 2026~~
Second reading July 20th, 2026
Third reading August 3rd, 2026

ATTACHMENTS:

1. Ordinance - Increasing nuisance property code penalties
2. Comment for Mayor & City Council 7-20-2026

ORDINANCE NO. 02-O-2026-2027

AN ORDINANCE AMENDING TITLE V, CHAPTER 10, PROPERTY MAINTENANCE CODE, AND TITLE VIII, CHAPTER 1, NUISANCES, OF THE 1994 RECODIFICATION OF THE MUNICIPAL CODE OF THE CITY OF STORM LAKE, IOWA, REGARDING INCREASED PENALTIES

WHEREAS, Title V, Chapter 10, of the 1994 Recodification of the Municipal Code of the City of Storm Lake (“City Code”), adopts the City’s Property Maintenance Code, which regulates the standards for maintenance, condition, and occupancy for residential premises within the City of Storm Lake, Iowa (“City”); and

WHEREAS, Title VIII, Chapter 1 of the City Code prohibits the creation or maintenance of nuisances within the City (“Nuisance Ordinance”); and

WHEREAS, a violation of any provision of the City Code is subject to a civil penalty as provided under City Code Title I, Chapter 20, unless otherwise provided by specific schedule elsewhere in the Code; and

WHEREAS, the City Council of the City of Storm Lake, Iowa (“City Council”) has determined it is necessary and appropriate to amend the City Code to include specific civil penalties for violations of the Nuisance Ordinance and Property Maintenance Code to further the purposes of the ordinances; and

WHEREAS, the City Council hereby determines the amendments to City Code set forth herein are in the public’s best interests and serve the health and welfare of the community;

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

SECTION ONE. Title V, Chapter 10, Section 8, “Violations,” Subsection (A), “ENFORCEMENT,” of the 1994 Recodification of the Municipal Code of the City of Storm Lake, Iowa, is hereby amended by repealing and replacing Section 5-10-8(A), ENFORCEMENT, as follows:

(A) ENFORCEMENT. The creation or maintenance of a violation of this ordinance is prohibited and shall constitute a municipal infraction subject to all relief authorized by Title I, Chapter 20, of the City Code and by Section 364.22 of the Code of Iowa. The following specific schedule of civil penalties shall be applicable for offenses under this Chapter:

Schedule of Civil Penalties for Violations of Storm Lake Property Maintenance Code:

First Offense	\$500
Second Repeat Offense	\$750

Third and All Other Repeat Offenses \$1,000

Each day that a violation is permitted to continue beyond any period of time granted by the enforcement officer to correct the violation constitutes a separate offense.

SECTION TWO. Title VIII, Chapter 1, “Nuisances,” Section 8-1-13, “Municipal Infraction” of the 1994 Recodification of the Municipal Code of the City of Storm Lake, Iowa, is hereby amended by repealing and replacing Section 8-1-13, as follows:

Section 8-1-13 Municipal Infraction.

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. The following specific schedule of civil penalties shall be applicable for offenses under this Chapter:

Schedule of Civil Penalties for Nuisance Violations:

First Offense	\$500
Second Repeat Offense	\$750
Third and All Other Repeat Offenses	\$1,000

Each day that a violation is permitted to continue beyond any period of time granted by the enforcement officer to correct the violation constitutes a separate offense.

SECTION THREE. Severability. If any section, subsection, sentence, clause, phrase or portion of this Ordinance be held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portion hereto.

SECTION FOUR. Repealer. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION FIVE. Effective. This ordinance shall be in effect following its passage, approval, and publication as provided by law.

PASSED on its first consideration the _____ day of _____, 2026.

PASSED on its second consideration the _____ day of _____, 2026.

Requirement of consideration and vote at two (2) prior City Council meetings suspended the _____ day of _____, 2026.

PASSED AND APPROVED on its third consideration this _____ day of _____, 2026.

CITY OF STORM LAKE, IOWA

By: _____
Margaret J. McKeon, Mayor

_____ No action taken by Mayor.

_____ Vetoed this _____ day of _____, 2026.

Margaret J. McKeon, Mayor

ATTEST:

Mayra A. Martinez, City Clerk

4933-9646-2510-1\11149-1000

Good Evening, Ms. Martinez.

I am writing to submit comments regarding two items from the City Council's July 20th, 2026 agenda: the proposed increase in civil penalties for property-maintenance and nuisance-code violations, and the proposed ordinance regulating personal mobility devices, or PMDs.

I understand that neither item included a public hearing on the 20th. After the meeting, I was advised to submit my written comments to the city clerk for distribution to the Mayor and City Council, and I would appreciate it if you could please forward them.

I have four concerns regarding the proposed increase in property-maintenance and nuisance penalties:

1. The proposed penalty amounts in comparison with those imposed by other cities;
2. The use of fixed penalties rather than maximum penalties that permit consideration of individual circumstances;
3. The absence of a uniform notice-and-cure procedure before a civil citation is issued; and
4. A potential conflict between the property-maintenance requirements and City water-conservation measures.

I want to emphasize that these concerns do not arise from any current enforcement dispute involving me or anyone I know. I appreciate the work of the City's code-enforcement staff and trust that current staff members exercise their authority judiciously. I raise these concerns prospectively, with the goal of balancing effective code enforcement with clear procedures and proportionate penalties.

My understanding from the City Council's July 6th, 2026 meeting was that one objective of the proposed ordinance is to bring Storm Lake's penalties more closely in line with those of other cities. The proposed penalty schedule appears to match the amounts contained in Alta Ordinance No. 22-05.

Other Iowa cities use different approaches. According to the municipal-code provisions I reviewed, Ames imposes a \$50 penalty for a first nuisance offense and \$100 for a second or subsequent offense. (Ames Municipal Code § 30.3.) Pocahontas authorizes higher penalties, but states them as maximums: "not to exceed \$750" for a first offense and "not to exceed \$1,000" for each repeat offense. (Pocahontas Code of Ordinances § 4.03.)

These examples are not intended to constitute a comprehensive survey. They do, however, demonstrate that Iowa cities use a range of penalty amounts and structures. Some impose comparatively modest penalties, while others authorize higher maximum penalties but preserve discretion to account for the severity of the violation, the resident's good-faith efforts, and other relevant circumstances.

I therefore respectfully ask the Council to consider either retaining lower penalties or stating the proposed amounts as maximums rather than mandatory fixed amounts. The ordinance could also identify factors to consider when determining the appropriate penalty, including the seriousness and duration of the condition, whether it creates an immediate hazard, the owner's history of similar violations, and whether the owner is making a good-faith effort to correct it.

I am also concerned about the procedures preceding a citation.

For nonemergency property-maintenance violations, Section 5-10-8(C) requires that a person receive a notice of the violation and be allowed a reasonable amount of time to remedy it voluntarily before the City assesses abatement costs or municipal-infraction penalties. The section directs the enforcement officer to consider good-faith efforts, imminent health or safety hazards, prior similar violations, and other factors.

However, the code does not establish a minimum correction period or provide objective guidance connecting the allowed period to the nature and scope of the work. Some violations may be corrected immediately, while others may require contractors, permits, materials, favorable weather, or substantial repairs. Although the Property Maintenance Appeal Board may grant an extension based on extreme financial hardship, Section 5-10-8(1)(2) does not expressly authorize an extension based on the practical time reasonably required to complete the work.

Chapter 8-1 contains a separate procedure for nuisances. It requires written notice to abate, a description of the condition and required corrective work, a reasonable completion deadline, and an opportunity for a hearing and appeal. However, Section 8-1-13 separately provides that a violation of the chapter constitutes a municipal infraction. The chapter does not clearly state whether the notice-and-abatement process must be completed before the City issues a municipal-infraction citation and seeks a civil penalty.

Because the proposed ordinance would increase the financial consequences of a citation, I respectfully ask the Council to consider establishing a uniform procedure requiring written notice and a reasonable opportunity to cure before a civil penalty is imposed, except in emergencies and appropriately defined repeat-offense situations. I also ask that the council consider establishing a presumptive minimum correction period, while allowing longer periods when justified by the condition, and expressly permit consideration of the scope of work, weather, season, contractor and material availability, permitting requirements, financial hardship, and documented good-faith progress.

My final concern regarding property maintenance involves the perennial-grass requirement in Section 5-10-7(B)(6). That section requires permanent perennial-grass cover to be established as soon as practical following construction and maintained to prevent erosion. It contains several exceptions, but it does not expressly address periods during which the City has adopted voluntary or mandatory water-conservation measures.

The phrase “as soon as practical” may provide some flexibility, but residents should not have to guess whether a compliance deadline is suspended when establishing grass would require watering that the City has prohibited or asked residents to avoid. I respectfully ask the Council to consider adding language tolling applicable deadlines, or otherwise providing a temporary safe harbor, during a declared water shortage or conservation period when compliance would require restricted or discouraged water use.

In summary, I recognize that Storm Lake has legitimate reasons for maintaining and enforcing its property-maintenance and nuisance codes. Effective enforcement requires meaningful consequences. I am not suggesting that the City or its employees are currently misusing these provisions. However, if the associated penalties are going to be increased, I believe the City should also ensure that the penalties are proportionate, that residents receive clear and consistent notice, that correction periods reflect the work

reasonably required, and that the code addresses circumstances in which compliance may conflict with other City objectives.

In regard to the proposed PMD ordinance, I have one concern. Section 9-10-7(C) states:

“Operating PMDs on private property without express permission from the property owner is prohibited.”

I understand and support the objective of preventing trespassing, loitering, property damage, and the unauthorized recreational use of private property. However, the phrase “express permission” appears overly broad. Because the proposed definition of PMDs includes conventional bicycles, the provision could be read to prohibit a person from riding a bicycle or another PMD into the parking lot or other outdoor area of a business unless the person first obtained affirmative permission from the property owner. This could apply even when the property is ordinarily open to customers, employees, tenants, visitors, or other invitees.

I respectfully suggest replacing “express permission” with “express or implied permission” and clarifying that permission is implied for portions of private property customarily open to customers, visitors, or invitees unless the owner has posted or otherwise communicated a restriction.

For example, the provision could state:

“Operating a PMD on private property without the express or implied permission of the property owner or lawful occupant is prohibited. Permission may be implied for portions of private property customarily open to customers, visitors, tenants, employees, or other invitees, unless the property owner or lawful occupant has posted or otherwise communicated a restriction.”

This language would preserve the City’s ability to address unauthorized activity while avoiding the unintended prohibition of ordinary access to businesses and other places open to visitors.

Thank you for your consideration. I appreciate the time and work that the Mayor, Council, and City staff devote to our community.

Respectfully,
Daniel Eisenstein

Staff Summary

8/3/2026

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: Ron Covert, Public Works Director

SUBJECT: **Resolution No. 15-R-2026-2027 Approving Contracts and Bonds for the Storm Lake Well No. 23 Project**

BACKGROUND: Well No. 23 will be a Pleistocene well located on the same parcel of land as Well No. 22 and utilizing the same wellhouse, emergency generator, and raw water transmission main to provide an estimated 350 gallons per minute of water delivery. On July 6, 2026, a resolution authorizing the award of contract for the construction of Well No. 23 to Sargent Drilling of Geneva, Nebraska for Storm Lake Production Well No.23 was approved by City Council. This resolution will approve the contract and bonds for the project.

FISCAL IMPACT: The lowest responsible bid of \$479,712.00 submitted by Sargent Drilling of Geneva, NE was accepted for the Well No. 23 Project on July 6, 2026. Construction costs of \$359,784.00 and grant administration costs of \$22,000 are to be paid for by a Community Development Block Grant.

RECOMMENDATION: Adopt Resolution Approving Contracts and Bonds for the Storm Lake Well No. 23 Project.

ATTACHMENTS:

1. Resolution No. 15-R-2026-2027 Approving Contracts and Bonds for Storm Lake Well No. 23 Project - CM 8.3.2026
2. Staff Summary Approving Contracts and Bonds for the Storm Lake Well No. 23 Project

RESOLUTION NO. 15-R-2026-2027

**RESOLUTION AWARDING CONTRACT FOR THE STORM LAKE WELL NO. 23
PROJECT**

WHEREAS, pursuant to notice duly posted in the manner and form prescribed by resolution of the City of Storm Lake, Iowa, (hereinafter "CITY"), and as required by law, bids and proposals were received by the Storm Lake City Council for the Storm Lake Well No. 23 Project (hereinafter "PROJECT"); and,

WHEREAS, pursuant to resolution on July 6, 2026, the City Council of the City of Storm Lake accepted the receipt of four bids on the Storm Lake Well No. 23 Project and awarded the lowest most responsible bid to Sargent Drilling of Geneva, NE (hereinafter CONTRACTOR); and,

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

SECTION 1. That any irregularities associated with the submittal of bids for the PROJECT are hereby waived.

SECTION 2. That the contract for the proposed project between the CONTRACTOR and the CITY is hereby awarded and contingent upon final review of the Grant Administrator and the City Attorney shall be approved.

SECTION 3. That the Mayor and City Clerk are hereby authorized and directed to execute the contract with the CONTRACTOR for the proposed PROJECT upon receipt of the signed contract, performance bond, payment bond, and certificate of insurance.

PASSED AND APPROVED THIS 3RD DAY OF AUGUST 2026, BY THE CITY COUNCIL OF THE CITY OF STORM LAKE, IOWA.

Margaret J. McKeon, Mayor

ATTEST:

Mayra A. Martinez, City Clerk

Staff Summary

8/3/2026

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: Ron Covert, Public Works Director

SUBJECT: **Resolution No. XX-R-2026-2027 Approving Contracts and Bonds for the Storm Lake Well No. 23 Project**

BACKGROUND: Well No. 23 will be a Pleistocene well located on the same parcel of land as Well No. 22 and utilizing the same wellhouse, emergency generator, and raw water transmission main to provide an estimated 350 gallons per minute of water delivery. On July 6, 2026, a resolution authorizing the award of contract for the construction of Well No. 23 to Sargent Drilling of Geneva, Nebraska for Storm Lake Production Well No.23 was approved by City Council. This resolution will approve the contract and bonds for the project.

FISCAL IMPACT: The lowest responsible bid of \$479,712.00 submitted by Sargent Drilling of Geneva, NE was accepted for the Well No. 23 Project on July 6, 2026. Construction costs of \$359,784.00 and grant administration costs of \$22,000 are to be paid for by a Community Development Block Grant.

RECOMMENDATION: Approve Resolution No. XX-R-2026-2027 Approving Contracts and Bonds for the Storm Lake Well No. 23 Project.

ATTACHMENTS:

1. RES Approving Contracts and Bonds for Storm Lake Well No. 23 Project - CM 8.3.2026

Staff Summary

8/3/2026

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: Ron Covert, Public Works Director

SUBJECT: **Motion Approving Engineering Agreement With I&S Group, Inc. For The Design Of Storm Lake Production Well No. 24**

BACKGROUND: ISG has prepared a Preliminary Engineering Report outlining the necessity of this project, placement, sizing, Engineer's Estimate of Cost for the options evaluated and final recommendations for drinking water wells. This well will be located following all the required setback regulations for drinking water wells on the south end of the newly acquired property purchased for the construction of the new water treatment plant on Parcel No. 1033301006. This will be a Jordan well with a capacity of 1,250 gallons per minute for use in the current water treatment facility and potentially a turn-up rate to 1,500 gallons per minute that could be utilized once the new water treatment facility has been commissioned. New raw water main to the existing raw water main and a stub to serve the new water treatment facility in the future are included in this project. This project is to be self-funded.

FISCAL IMPACT: Total cost of contract is \$365,000.00 to be self-funded.

RECOMMENDATION: Pass a Motion Approving Engineering Contract With I&S Group, Inc. For The Design Of Storm Lake Well No. 24

ATTACHMENTS:

1. Storm Lake Agreement for Jordan Well #24
2. Staff summary approving engineering agreement with ISG for Well 24

SHORT FORM OF AGREEMENT BETWEEN OWNER AND ENGINEER FOR PROFESSIONAL SERVICES

THIS IS AN AGREEMENT effective as of August 3, 2026 ("Effective Date") between the City of Storm Lake ("Owner") and I&S Group, Inc. ("Engineer").

Owner's Project, of which Engineer's services under this Agreement are a part, is generally identified as follows: **Storm Lake – Production Well No. 24** ("Project"). This well will be located on parcel #1033301006, east of the early elementary school.

Engineer's services under this Agreement are generally identified as follows:

A. Preliminary Engineering Report

Engineer has previously prepared a Preliminary Engineering Report outlining the Project necessity, options for placement, sizing, Engineer's Estimate of Cost for the options evaluated, and final recommendations for drinking water wells. Engineer has reviewed the Preliminary Engineering Report with the Owner for concurrence and has previously submitted the Report to the Iowa Department of Natural Resources (Iowa DNR) for review and approval. No effort is anticipated in this phase for the proposed project.

B. Funding Application Assistance

Engineer will complete the SRF IUP Application to allow the project to become eligible for SRF construction loan financing. Engineer will also complete the SRF Environmental Assessment checklist as part of the IUP application. It is assumed that CDBG funding will not be utilized, and therefore, Build America, Buy America (BABA) compliance will not be included as part of this agreement.

After project bidding, the engineer will prepare the construction loan application for submittal to SRF on behalf of the city. At the end of construction, the engineer will prepare the SRF closeout documents on behalf of the City.

C. Topographic Survey

Engineer will perform a boundary and topographic survey of the surrounding site and related utility infrastructure to generate site plans in design.

D. Construction Documents

Prepare final Plans and Specifications indicating the scope, extent, and character of the Work to be performed and furnished by the Contractor. Project scope generally includes a Jordan aquifer well, well house building sized for up to two (2) future wells, approximately 1,200 linear feet of raw water main and piping, and electrical and controls to operate the new well with the existing water treatment plant. Extent of design will include architecture, civil, water/wastewater, structural, mechanical, and electrical. Revise Plans and Specifications as needed in response to review by Owner, Stakeholders, and applicable Public

Agencies. Provide Owner with opinion of probable construction cost. Meet with Owner at 90% design completion to review the Plans, Specifications, and opinion of probable construction cost. Provide final Plans and Specifications signed by licensed engineers to Owner.

E. Permitting

Engineer will submit final Plans and Specifications to Iowa DNR along with necessary permit schedules to obtain a construction permit from IDNR. Engineer will also submit a water use permit amendment to Iowa DNR Water Supply Section.

F. Bid Administration

Prepare and furnish bidding documents for review by Owner, its legal counsel, and other advisors and revise bidding documents as needed. Assist with bid solicitation through notification and invitation of contractors, furnishing plans and specifications as requested, answer question of the contractors and Owner, issuance of addenda as necessary, facilitation of the bid opening, preparation of recommendation of award letter, and contract preparation.

G. Construction Administration

Provide shop drawing review and participate in a Pre-Construction Conference prior to commencement of Work at the Site. Receive, review, and determine the acceptability of all schedules and requests that Contractor is required to submit to Engineer, including the Progress Schedule, Schedule of Submittals, Schedule of Values, Pay Requests, Change Orders, American Iron & Steel (AIS) compliance letters, and Payroll review for Davis Bacon compliance. Perform visits to the project site at intervals appropriate to the various stages of construction. Provide American Iron and steel (AIS) and/or Build America, Buy America (BABA) compliance reviews (as-needed). Perform site walk-through to approve project close-out and provide project closeout documents. Provide progress updates to Owner.

H. Construction Staking

As appropriate, establish baselines and benchmarks for locating the Work which in Engineer's judgement are necessary to enable Contractor to proceed. Provide construction survey for staking to enable Contractor to perform work.

I. Resident Project Representative

Provide the services of a Resident Project Representative (RPR) at the site to assist the Engineer and to provide more extensive observation of Contractor's work. Duties, responsibilities, and authority of the RPR are as set forth in Exhibit A. The furnishing of such RPR's services will not limit, extend, or modify Engineer's responsibilities or authority except as expressly set forth in Exhibit A. Full time RPR has not been included; if required, billing would be at standard hourly rates attached in Appendix 1.

J. As-Built Drawings

As-built drawings will be prepared based on RPR's field notes, Contractor notes, and Owner or Owner's representative's input at the end of construction and identify any changes to the Plans and Specifications. Perform and provide alterations as deemed necessary.

Owner and Engineer further agree as follows:

1.01 Basic Agreement and Period of Service

- A. Engineer shall provide or furnish the Services set forth in this Agreement immediately upon approval. If authorized by Owner, or if required because of changes in the Project, Engineer shall furnish services in addition to those set forth above ("Additional Services").
- B. Engineer shall complete its Services within a reasonable period of time.
- C. If, through no fault of Engineer, such periods of time or dates are changed, or the orderly and continuous progress of Engineer's Services is impaired, or Engineer's Services are delayed or suspended, then the time for completion of Engineer's Services, and the rates and amounts of Engineer's compensation, shall be adjusted equitably.

2.01 Payment Procedures

- A. *Invoices:* Engineer shall prepare invoices in accordance with its standard invoicing practices and submit the invoices to Owner on a monthly basis. Invoices are due and payable within 30 days of receipt. If Owner fails to make any payment due Engineer for Services, Additional Services, and expenses within 30 days after receipt of Engineer's invoice, then (1) the amounts due Engineer will be increased at the rate of 1.0% per month (or the maximum rate of interest permitted by law, if less) from said thirtieth day, and (2) in addition Engineer may, after giving seven days written notice to Owner, suspend Services under this Agreement until Engineer has been paid in full all amounts due for Services, Additional Services, expenses, and other related charges. Owner waives any and all claims against Engineer for any such suspension.
- B. *Payment:* As compensation for Engineer providing or furnishing Services and Additional Services, Owner shall pay Engineer as set forth in Paragraphs 2.01, and 2.02 (Services). If Owner disputes an invoice, either as to amount or entitlement, then Owner shall promptly advise Engineer in writing of the specific basis for doing so, may withhold only that portion so disputed, and must pay the undisputed portion.

2.02 Basis of Payment—Lump Sum and Hourly Rates

- A. Owner shall pay Engineer for Services as follows:

1. A Lump Sum amount of **\$209,500.00**.

- a. The Lump Sum Phases as included in the Proposal are subdivided as follows:

Preliminary Engineering Report	<u>\$N/A - previously completed</u>
Funding Application Assistance	<u>\$3,000.00</u>
Topographic Survey	<u>\$9,000.00</u>
Construction Documents	<u>\$175,000.00</u>
Permitting	<u>\$7,000.00</u>

Bid Administration

\$15,500.00

2. An amount equal to the cumulative hours charged to the Project by each class of Engineer's employee's times standard hourly rates for each applicable billing class for all construction and material testing services performed on the Project, plus reimbursable expenses and Engineer's consultants' charges, if any. Engineer's standard hourly rates are attached as Appendix I. This amount is estimated at **\$155,500.00**.

- a. The Time and Materials Phases included in the Proposal are subdivided as follows:

Construction Administration

\$75,000.00

Construction Staking

\$7,500.00

Resident Project Representative

\$70,000.00

As-Built Construction Drawings

\$3,000.00

- 2.03 *Additional Services:* For Additional Services, Owner shall pay Engineer an amount equal to the cumulative hours charged in providing the Additional Services by each class of Engineer's employees, times standard hourly rates for each applicable billing class; plus reimbursement of expenses incurred in connection with providing the Additional Services and Engineer's consultants' charges, if any.

3.01 *Termination*

- A. The obligation to continue performance under this Agreement may be terminated:

1. For cause,

- a. By either party upon 30 days written notice in the event of substantial failure by the other party to perform in accordance with the Agreement's terms through no fault of the terminating party. Failure to pay Engineer for its services is a substantial failure to perform and a basis for termination.

- b. By Engineer:

- 1) upon seven days written notice if Owner demands that Engineer furnish or perform services contrary to Engineer's responsibilities as a licensed professional; or
- 2) upon seven days written notice if the Engineer's Services are delayed for more than 90 days for reasons beyond Engineer's control, or as the result of the presence at the Site of undisclosed Constituents of Concern, as set forth in Paragraph 5.01.I.

- c. Engineer shall have no liability to Owner on account of a termination for cause by Engineer.

- d. Notwithstanding the foregoing, this Agreement will not terminate as a result of a substantial failure under Paragraph 3.01.A.1.a if the party receiving such notice begins, within seven days of receipt of such notice, to correct its substantial failure to perform and proceeds diligently to cure such failure within no more than 30 days of receipt of notice; provided, however, that if and to the

extent such substantial failure cannot be reasonably cured within such 30 day period, and if such party has diligently attempted to cure the same and thereafter continues diligently to cure the same, then the cure period provided for herein shall extend up to, but in no case more than, 60 days after the date of receipt of the notice.

2. For convenience, by Owner effective upon Engineer's receipt of written notice from Owner.

- B. In the event of any termination under Paragraph 3.01, Engineer will be entitled to invoice Owner and to receive full payment for all Services and Additional Services performed or furnished in accordance with this Agreement, plus reimbursement of expenses incurred through the effective date of termination in connection with providing the Services and Additional Services, and Engineer's consultants' charges, if any.

4.01 *Successors, Assigns, and Beneficiaries*

- A. Owner and Engineer are hereby bound and the successors, executors, administrators, and legal representatives of Owner and Engineer (and to the extent permitted by Paragraph 4.01.B the assigns of Owner and Engineer) are hereby bound to the other party to this Agreement and to the successors, executors, administrators, and legal representatives (and said assigns) of such other party, in respect of all covenants, agreements, and obligations of this Agreement.
- B. Neither Owner nor Engineer may assign, sublet, or transfer any rights under or interest (including, but without limitation, money that is due or may become due) in this Agreement without the written consent of the other party, except to the extent that any assignment, subletting, or transfer is mandated by law. 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 under this Agreement.
- C. Unless expressly provided otherwise, nothing in this Agreement shall be construed to create, impose, or give rise to any duty owed by Owner or Engineer to any Constructor, other third-party individual or entity, or to any surety for or employee of any of them. All duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of Owner and Engineer and not for the benefit of any other party.

5.01 *General Considerations*

- A. The standard of care for all professional engineering and related services performed or furnished by Engineer under this Agreement will be the care and skill ordinarily used by members of the subject profession practicing under similar circumstances at the same time and in the same locality. Engineer makes no warranties, express or implied, under this Agreement or otherwise, in connection with any services performed or furnished by Engineer. Subject to the foregoing standard of care, Engineer and its consultants may use or rely upon design elements and information ordinarily or customarily furnished by others, including, but not limited to, specialty contractors, manufacturers, suppliers, and the publishers of technical standards.
- B. Engineer shall not at any time supervise, direct, control, or have authority over any Constructor's work, nor shall Engineer have authority over or be responsible for the means, methods, techniques, sequences, or procedures of construction selected or used by any Constructor, or the safety precautions and programs incident thereto, for security or safety at the Project site, nor for any failure of a Constructor to comply

with laws and regulations applicable to such Constructor's furnishing and performing of its work. Engineer shall not be responsible for the acts or omissions of any Constructor.

- C. Engineer neither guarantees the performance of any Constructor nor assumes responsibility for any Constructor's failure to furnish and perform its work.
- D. Engineer's opinions (if any) of probable construction cost are to be made on the basis of Engineer's experience, qualifications, and general familiarity with the construction industry. However, because Engineer has no control over the cost of labor, materials, equipment, or services furnished by others, or over contractors' methods of determining prices, or over competitive bidding or market conditions, Engineer cannot and does not guarantee that proposals, bids, or actual construction cost will not vary from opinions of probable construction cost prepared by Engineer. If Owner requires greater assurance as to probable construction cost, then Owner agrees to obtain an independent cost estimate.
- E. Engineer shall not be responsible for any decision made regarding the construction contract requirements, or any application, interpretation, clarification, or modification of the construction contract documents other than those made by Engineer or its consultants.
- F. All documents prepared or furnished by Engineer are instruments of service, and Engineer retains an ownership and property interest (including the copyright and the right of reuse) in such documents, whether or not the Project is completed. Owner shall have a limited license to use the documents on the Project, extensions of the Project, and for related uses of the Owner, subject to receipt by Engineer of full payment due and owing for all Services and Additional Services relating to preparation of the documents and subject to the following limitations:
 - 1. Owner acknowledges that such documents are not intended or represented to be suitable for use on the Project unless completed by Engineer, or for use or reuse by Owner or others on extensions of the Project, on any other project, or for any other use or purpose, without written verification or adaptation by Engineer;
 - 2. any such use or reuse, or any modification of the documents, without written verification, completion, or adaptation by Engineer, as appropriate for the specific purpose intended, will be at Owner's sole risk and without liability or legal exposure to Engineer or to its officers, directors, members, partners, agents, employees, and consultants;
 - 3. Owner shall indemnify and hold harmless Engineer and its officers, directors, members, partners, agents, employees, and consultants from all claims, damages, losses, and expenses, including attorneys' fees, arising out of or resulting from any use, reuse, or modification of the documents without written verification, completion, or adaptation by Engineer; and
 - 4. such limited license to Owner shall not create any rights in third parties.
- G. Owner and Engineer may transmit, and shall accept, Project-related correspondence, documents, text, data, drawings, information, and graphics, in electronic media or digital format, either directly, or through access to a secure Project website, in accordance with a mutually agreeable protocol.
- H. Engineer shall procure and maintain Professional Liability Insurance in the Annual Aggregate amount of \$2,000,000 excluding fees, cost and expenses of investigation, claims adjustment, defense, and appeal. Notwithstanding any other provisions of this Agreement, and to the fullest extent permitted by law, the

total liability, in the aggregate, of Engineer and Engineer's officers, directors, members, partners, agents, employees, and consultants to Owner and anyone claiming by, through, or under Owner for any and all claims, losses, costs, or damages whatsoever arising out of, resulting from the negligence, and professional errors or omissions, of Engineer or Engineer's officers, directors, members, partners, agents, employees, or consultants in the performance of this Agreement (hereafter "Owner's Claims"), shall not exceed the total insurance proceeds paid on behalf of or to Engineer by Engineer's Professional Liability insurers in settlement or satisfaction of Owner's Claims under the terms and condition of Engineer's insurance policies applicable thereto (excluding fees, costs and expenses of investigation, claims adjustment, defense, and appeal). Certificates of insurance will be provided to Owner upon request.

- I. The parties acknowledge that Engineer's Services do not include any services related to unknown or undisclosed Constituents of Concern. If Engineer or any other party encounters, uncovers, or reveals an unknown or undisclosed Constituent of Concern, then Engineer may, at its option and without liability for consequential or any other damages, suspend performance of Services on the portion of the Project affected thereby until such portion of the Project is no longer affected, or terminate this Agreement for cause if it is not practical to continue providing Services.
- J. Owner and Engineer agree to negotiate each dispute between them in good faith during the 30 days after notice of dispute. If negotiations are unsuccessful in resolving the dispute, then the dispute shall be mediated. If mediation is unsuccessful, then the parties may exercise their rights at law.
- K. This Agreement is to be governed by the law of the state in which the Project is located.
- L. Engineer's Services and Additional Services do not include: (1) serving as a "municipal advisor" for purposes of the registration requirements of Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (2010) or the municipal advisor registration rules issued by the Securities and Exchange Commission; (2) advising Owner, or any municipal entity or other person or entity, regarding municipal financial products or the issuance of municipal securities, including advice with respect to the structure, timing, terms, or other similar matters concerning such products or issuances; (3) providing surety bonding or insurance-related advice, recommendations, counseling, or research, or enforcement of construction insurance or surety bonding requirements; or (4) providing legal advice or representation.

6.01 *Total Agreement*

- A. This Agreement (including any expressly incorporated attachments), constitutes the entire agreement between Owner and Engineer and supersedes all prior written or oral understandings. This Agreement may only be amended, supplemented, modified, or canceled by a duly executed written instrument.

7.01 *Definitions*

- A. *Constructor*—Any person or entity (not including the Engineer, its employees, agents, representatives, and consultants), performing or supporting construction activities relating to the Project, including but not limited to contractors, subcontractors, suppliers, Owner's work forces, utility companies, construction managers, testing firms, shippers, and truckers, and the employees, agents, and representatives of any or all of them.
- B. *Constituent of Concern*—Asbestos, petroleum, radioactive material, polychlorinated biphenyls (PCBs), hazardous waste, and any substance, product, waste, or other material of any nature whatsoever that is or

becomes listed, regulated, or addressed pursuant to (a) the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§9601 et seq. ("CERCLA"); (b) the Hazardous Materials Transportation Act, 49 U.S.C. §§5101 et seq.; (c) the Resource Conservation and Recovery Act, 42 U.S.C. §§6901 et seq. ("RCRA"); (d) the Toxic Substances Control Act, 15 U.S.C. §§2601 et seq.; (e) the Clean Water Act, 33 U.S.C. §§1251 et seq.; (f) the Clean Air Act, 42 U.S.C. §§7401 et seq.; or (g) any other federal, State, or local statute, law, rule, regulation, ordinance, resolution, code, order, or decree regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic, or dangerous waste, substance, or material.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, the Effective Date of which is indicated on page 1.

Owner: City of Storm Lake

Engineer: I&S Group, Inc.

By: _____
Print name: _____
Title: _____
Date Signed: _____

By: _____
Print name: Tom Grafft
Title: Water/Wastewater Group Leader
Date Signed: July 27, 2026

Engineer License or Firm's Certificate No. (if required):

State of: Iowa

Address for Owner's receipt of notices:
City of Storm Lake
620 Erie Street
Storm Lake, IA 50588

Address for Engineer's receipt of notices:
I&S Group, Inc.
1725 N. Lake Ave
Storm Lake, IA 50588

This is **EXHIBIT A**, consisting of 5 pages, referred to in and part of the **Agreement between Owner and Engineer for Professional Services** dated **August 3, 2026**.

Duties, Responsibilities, and Limitations of Authority of Resident Project Representative

Article 1 of the Agreement is supplemented to include the following agreement of the parties:

A1.01 Resident Project Representative

- A. Engineer shall furnish a Resident Project Representative (“RPR”) to assist Engineer in observing progress and quality of the Work. The RPR may provide full time representation or may provide representation to a lesser degree.
- B. Through RPR's observations of Contractor's work in progress and field checks of materials and equipment, Engineer shall endeavor to provide further protection for Owner against defects and deficiencies in the Work. However, Engineer shall not, during such RPR field checks or as a result of such RPR observations of Contractor's work in progress, supervise, direct, or have control over Contractor's Work, nor shall Engineer (including the RPR) have authority over or responsibility for the means, methods, techniques, sequences, or procedures of construction selected or used by any contractor, for security or safety at the Site, for safety precautions and programs incident to any contractor's work in progress, or for any failure of a contractor to comply with Laws and Regulations applicable to such contractor's performing and furnishing of its work. The Engineer (including RPR) neither guarantee the performances of any contractor nor assumes responsibility for Contractor's failure to furnish and perform the Work in accordance with the Contract Documents.
- C. The duties and responsibilities of the RPR are as follows:
 - 1. *General:* RPR is Engineer's representative at the Site, will act as directed by and under the supervision of Engineer, and will confer with Engineer regarding RPR's actions. RPR's dealings in matters pertaining to the Contractor's work in progress shall in general be with Engineer and Contractor. RPR's dealings with Subcontractors shall only be through or with the full knowledge and approval of Contractor. RPR shall generally communicate with Owner only with the knowledge of and under the direction of Engineer.
 - 2. *Schedules:* Review the progress schedule, schedule of Shop Drawing and Sample submittals, and schedule of values prepared by Contractor and consult with Engineer concerning acceptability.

3. *Conferences and Meetings:* Attend meetings with Contractor, such as preconstruction conferences, progress meetings, job conferences and other project-related meetings, and prepare and circulate copies of minutes thereof.
4. *Liaison:*
 - a. Serve as Engineer's liaison with Contractor. Working principally through Contractor's authorized representative or designee, assist in providing information regarding the intent of the Contract Documents.
 - b. Assist Engineer in serving as Owner's liaison with Contractor when Contractor's operations affect Owner's on-Site operations.
 - c. Assist in obtaining from Owner additional details or information, when required for proper execution of the Work.
5. *Interpretation of Contract Documents:* Report to Engineer when clarifications and interpretations of the Contract Documents are needed and transmit to Contractor clarifications and interpretations as issued by Engineer.
6. *Shop Drawings and Samples:*
 - a. Record date of receipt of Samples and approved Shop Drawings.
 - b. Receive Samples which are furnished at the Site by Contractor, and notify Engineer of availability of Samples for examination.
 - c. Advise Engineer and Contractor of the commencement of any portion of the Work requiring a Shop Drawing or Sample submittal for which RPR believes that the submittal has not been approved by Engineer.
7. *Modifications:* Consider and evaluate Contractor's suggestions for modifications in Drawings or Specifications and report such suggestions, together with RPR's recommendations, to Engineer. Transmit to Contractor in writing decisions as issued by Engineer.
8. *Review of Work and Rejection of Defective Work:*
 - a. Conduct on-Site observations of Contractor's work in progress to assist Engineer in determining if the Work is in general proceeding in accordance with the Contract Documents.
 - b. Report to Engineer whenever RPR believes that any part of Contractor's work in progress will not produce a completed Project that conforms generally to the Contract Documents or will imperil the integrity of the design concept of

the completed Project as a functioning whole as indicated in the Contract Documents, or has been damaged, or does not meet the requirements of any inspection, test or approval required to be made; and advise Engineer of that part of work in progress that RPR believes should be corrected or rejected or should be uncovered for observation, or requires special testing, inspection, or approval.

9. *Inspections, Tests, and System Start-ups:*

- a. Consult with Engineer in advance of scheduled inspections, tests, and systems start-ups.
- b. Verify that tests, equipment, and systems start-ups and operating and maintenance training are conducted in the presence of appropriate Owner's personnel, and that Contractor maintains adequate records thereof.
- c. Observe, record, and report to Engineer appropriate details relative to the test procedures and systems start-ups.
- d. Accompany visiting inspectors representing public or other agencies having jurisdiction over the Project, record the results of these inspections, and report to Engineer.

10. *Records:*

- a. Maintain at the Site orderly files for correspondence, reports of job conferences, reproductions of original Contract Documents including all change orders, field orders, work change directives, addenda, additional Drawings issued subsequent to the execution of the Construction Contract, Engineer's clarifications and interpretations of the Contract Documents, progress reports, Shop Drawing and Sample submittals received from and delivered to Contractor, and other Project-related documents.
- b. Prepare a daily report or keep a diary or log book, recording Contractor's hours on the Site, weather conditions, data relative to questions of change orders, field orders, work change directives, or changed conditions, Site visitors, daily activities, decisions, observations in general, and specific observations in more detail as in the case of observing test procedures; and send copies to Engineer.
- c. Record names, addresses, fax numbers, e-mail addresses, web site locations, and telephone numbers of all Contractors, Subcontractors, and major Suppliers of materials and equipment.
- d. Maintain records for use in preparing Project documentation.

- e. Upon completion of the Work, furnish original set of all RPR Project documentation to Engineer.

11. Reports:

- a. Furnish to Engineer periodic reports as required of progress of the Work and of Contractor's compliance with the progress schedule and schedule of Shop Drawing and Sample submittals.
- b. Draft and recommend to Engineer proposed change orders, work change directives, and field orders. Obtain backup material from Contractor.
- c. Furnish to Engineer and Owner copies of all inspection, test, and system start-up reports.
- d. Immediately notify Engineer of the occurrence of any Site accidents, emergencies, acts of God endangering the Work, damage to property by fire or other causes, or the discovery of any Constituent of Concern.

12. Payment Requests: Review applications for payment with Contractor for compliance with the established procedure for their submission and forward with recommendations to Engineer, noting particularly the relationship of the payment requested to the schedule of values, Work completed, and materials and equipment delivered at the Site but not incorporated in the Work.

13. Certificates, Operation and Maintenance Manuals: During the course of the Work, verify that materials and equipment certificates, operation and maintenance manuals and other data required by the Contract Documents to be assembled and furnished by Contractor are applicable to the items actually installed and in accordance with the Contract Documents, and have these documents delivered to Engineer for review and forwarding to Owner prior to payment for that part of the Work.

14. Completion:

- a. Participate in visits to the Project to determine Substantial Completion, assist in the determination of Substantial Completion and the preparation of lists of items to be completed or corrected.
- b. Participate in a final visit to the Project in the company of Engineer, Owner, and Contractor, and prepare a final list of items to be completed and deficiencies to be remedied.

- c. Observe whether all items on the final list have been completed or corrected and make recommendations to Engineer concerning acceptance.

D. Resident Project Representative shall not:

1. Authorize any deviation from the Contract Documents or substitution of materials or equipment (including “or-equal” items).
2. Exceed limitations of Engineer’s authority as set forth in this Agreement.
3. Undertake any of the responsibilities of Contractor, Subcontractors or Suppliers.
4. Advise on, issue directions relative to, or assume control over any aspect of the means, methods, techniques, sequences or procedures of Contractor’s work.
5. Advise on, issue directions regarding, or assume control over security or safety practices, precautions, and programs in connection with the activities or operations of Owner or Contractor.
6. Participate in specialized field or laboratory tests or inspections conducted off-site by others except as specifically authorized by Engineer.
7. Accept shop drawing or sample submittals from anyone other than Contractor.
8. Authorize Owner to occupy the Project in whole or in part.

This is **Appendix 1, Engineer's Standard Hourly Rates**, referred to in and part of the Short Form of Agreement between Owner and Engineer for Professional Services dated **August 3, 2026**.

Engineer's Standard Hourly Rates

A. Standard Hourly Rates:

1. Standard Hourly Rates are set forth in this Appendix 1 and include salaries and wages paid to personnel in each billing class plus the cost of customary and statutory benefits, general and administrative overhead, non-project operating costs, and operating margin or profit.
2. The Standard Hourly Rates apply only as specified in Paragraphs 2.01, 2.02, and 2.03, and are subject to annual review and adjustment.

B. Schedule of Hourly Rates:

See attached.

2026 STANDARD HOURLY RATES BY JOB TYPE

Rates are effective as of January 1, 2026, and are subject to change.

ISG

Job Title	Rate
Administrative, I	\$85
Administrative, II	\$105
Administrative, III	\$130
Administrative, IV	\$160
Architect, I	\$140
Architect, II	\$160
Architect, III	\$180
Architect, IV	\$215
Architect, Senior	\$250
Architectural Designer, I	\$130
Architectural Designer, II	\$140
Architectural Designer, III	\$150
Architectural Designer, IV	\$170
Architectural Designer, Senior	\$190
Business Developer, I	\$160
Business Developer, II	\$180
Business Developer, III	\$205
Business Developer, IV	\$235
Business Developer, Senior	\$245
Business Writer	\$130
Business Writer, Senior	\$150
Civil Designer, I	\$130
Civil Designer, II	\$140
Civil Designer, III	\$150
Civil Designer, IV	\$170
Civil Designer, Senior	\$190
Civil Engineer, I	\$160
Civil Engineer, II	\$170
Civil Engineer, III	\$190
Civil Engineer, IV	\$215
Civil Engineer, Senior	\$250
Commissioning Technician, I	\$140
Commissioning Technician, II	\$160
Commissioning Technician, III	\$180
Commissioning Technician, IV	\$200
Commissioning Technician, Senior	\$220
Construction Administrator, I	\$130

Job Title	Rate
Construction Administrator, II	\$140
Construction Administrator, III	\$150
Construction Administrator, IV	\$165
Construction Administrator, Senior	\$180
Development Services Coordinator, I	\$140
Development Services Coordinator, II	\$155
Development Services Coordinator, III	\$170
Development Services Coordinator, IV	\$195
Development Services Coordinator, Senior	\$210
Drone Specialist, I	\$130
Drone Specialist, II	\$140
Drone Specialist, III	\$150
Drone Specialist, IV	\$170
Drone Specialist, Senior	\$180
Electrical Controls Designer, IV	\$225
Electrical Controls Designer, Senior	\$235
Electrical Designer, I	\$140
Electrical Designer, II	\$150
Electrical Designer, III	\$160
Electrical Designer, IV	\$180
Electrical Designer, Senior	\$205
Electrical Engineer, I	\$170
Electrical Engineer, II	\$180
Electrical Engineer, III	\$205
Electrical Engineer, IV	\$235
Electrical Engineer, Senior	\$270
Energy Distribution Designer, I	\$130
Energy Distribution Designer, II	\$140
Energy Distribution Designer, III	\$150
Energy Distribution Designer, IV	\$170
Environmental Scientist / Engineer, I	\$140
Environmental Scientist / Engineer, II	\$155
Environmental Scientist / Engineer, III	\$170
Environmental Scientist / Engineer, IV	\$205
Environmental Scientist, Senior	\$225
Finance Consultant, Senior	\$215
General Counsel	\$395

Job Title	Rate
Geospatial Specialist, I	\$110
Geospatial Specialist, II	\$130
Geospatial Specialist, III	\$140
Geospatial Specialist, IV	\$150
Geospatial Specialist, Senior	\$170
GIS Specialist, I	\$140
GIS Specialist, II	\$160
GIS Specialist, III	\$180
GIS Specialist, IV	\$205
GIS Specialist, Senior	\$220
Graphic Designer	\$120
Graphic Designer, Senior	\$140
Interior Designer, I	\$140
Interior Designer, II	\$150
Interior Designer, III	\$165
Interior Designer, IV	\$180
Interior Designer, Senior	\$205
IT Specialist	\$140
IT Specialist, Senior	\$210
Land Surveyor, I	\$130
Land Surveyor, II	\$140
Land Surveyor, III	\$160
Land Surveyor, IV	\$200
Land Surveyor, Senior	\$210
Landscape Architect, I	\$150
Landscape Architect, II	\$160
Landscape Architect, III	\$180
Landscape Architect, IV	\$205
Landscape Architect, Senior	\$230
Landscape Designer, I	\$130
Landscape Designer, II	\$140
Landscape Designer, III	\$150
Landscape Designer, IV	\$170
Landscape Designer, Senior	\$180
Marketing Consultant, Senior	\$215
Marketing Specialist	\$140
Marketing Specialist, Senior	\$160

Job Title	Rate
Mechanical Designer, I	\$140
Mechanical Designer, II	\$150
Mechanical Designer, III	\$160
Mechanical Designer, IV	\$180
Mechanical Designer, Senior	\$205
Mechanical Engineer, I	\$170
Mechanical Engineer, II	\$180
Mechanical Engineer, III	\$205
Mechanical Engineer, IV	\$235
Mechanical Engineer, Senior	\$270
Planner, I	\$140
Planner, II	\$155
Planner, III	\$170
Planner, IV	\$195
Planner, Senior	\$220
Process Engineer, Senior	\$245
Project Coordinator, I	\$140
Project Coordinator, II	\$155
Project Coordinator, III	\$170
Project Coordinator, IV	\$195
Project Executive, Senior	\$300
Project Manager, I	\$150
Project Manager, II	\$170
Project Manager, III	\$195
Project Manager, IV	\$215
Project Manager, Senior	\$240
Refrigeration Designer, I	\$150
Refrigeration Designer, II	\$160
Refrigeration Designer, III	\$175
Refrigeration Designer, IV	\$195
Refrigeration Designer, Senior	\$220
Refrigeration Engineer, I	\$195
Refrigeration Engineer, II	\$210
Refrigeration Engineer, III	\$230
Refrigeration Engineer, IV	\$250
Refrigeration Engineer, Senior	\$295
Structural Designer, I	\$130
Structural Designer, II	\$140
Structural Designer, III	\$155
Structural Designer, IV	\$180
Structural Designer, Senior	\$200

Job Title	Rate
Structural Engineer, I	\$160
Structural Engineer, II	\$180
Structural Engineer, III	\$205
Structural Engineer, IV	\$225
Structural Engineer, Senior	\$255
Technical Writer	\$160
Technical Writer, Senior	\$180
Technology Designer, I	\$130
Technology Designer, II	\$140
Technology Designer, III	\$160
Technology Designer, IV	\$180
Technology Designer, Senior	\$225
Technology Engineer, I	\$150
Technology Engineer, II	\$160
Technology Engineer, III	\$180
Technology Engineer, IV	\$205
Technology Engineer, Senior	\$235
Telecommunications Designer, I	\$100
Telecommunications Designer, II	\$110
Telecommunications Designer, III	\$125
Telecommunications Designer, IV	\$135
Telecommunications Designer, Senior	\$160
Telecommunications Engineer, I	\$170
Telecommunications Engineer, Senior	\$250
Telecommunications Field Designer, I	\$125
Telecommunications Field Designer, II	\$135
Telecommunications Field Designer, III	\$145
Telecommunications Field Designer, IV	\$155
Telecommunications Project Manager, I	\$150
Telecommunications Project Manager, II	\$170
Telecommunications Project Manager, III	\$195
Telecommunications Project Manager, IV	\$215
Telecommunications Project Manager, Senior	\$240
Videographer	\$165
Visualization Specialist, I	\$180
Visualization Specialist, II	\$195
Visualization Specialist, III	\$205
Visualization Specialist, IV	\$215
Visualization Specialist, Senior	\$235
Water/Wastewater Designer, I	\$140
Water/Wastewater Designer, II	\$150

Job Title	Rate
Water/Wastewater Designer, III	\$160
Water/Wastewater Designer, IV	\$180
Water/Wastewater Designer, Senior	\$205
Water/Wastewater Engineer, I	\$170
Water/Wastewater Engineer, II	\$180
Water/Wastewater Engineer, III	\$205
Water/Wastewater Engineer, IV	\$235
Water/Wastewater Engineer, Senior	\$270
Water/Wastewater Operator, I	\$125
Water/Wastewater Operator, II	\$130
Water/Wastewater Operator, III	\$135
Water/Wastewater Operator, IV	\$140
Water/Wastewater Project Manager, I	\$150
Water/Wastewater Project Manager, II	\$170
Water/Wastewater Project Manager, III	\$195
Water/Wastewater Project Manager, IV	\$215
Water/Wastewater Project Manager, Senior	\$255

Equipment	Rate
Survey Grade GPS	\$65
Mapping Grade GPS	\$24
3D Laser Scanner	\$86
Manhole Scanner	\$85
Mobile Scanner	**
R/C Boat + Sounding	\$62
Surveillance Drone	\$64
Photogrammetry Drone	\$160
Thermal Imaging Drone	\$205
Lidar Drone	**
ATV	\$32
Traffic Counter	\$18
Pipe Crawler	**

Mileage reimbursement is at the IRS standard rate

Outside services are billed at cost plus 10%

***Call for pricing of project-specific rates*

Staff Summary

8/3/2026

Agenda Item # F.4.



REPORT TO: Honorable Mayor & Council

FROM: Ron Covert, Public Works Director

SUBJECT: **Motion Approving Engineering Contract With I&S Group, Inc.
For The Design Of Storm Lake Production Well No. 24**

BACKGROUND: ISG has prepared a Preliminary Engineering Report outlining the necessity of this project, placement, sizing, Engineer's Estimate of Cost for the options evaluated and final recommendations for drinking water wells. This well will be located following all the required setback regulations for drinking water wells on the south end of the newly acquired property purchased for the construction of the new water treatment plant on Parcel No. 1033301006. This will be a Jordan well with a capacity of 1,250 gallons per minute for use in the current water treatment facility and potentially a turn-up rate to 1,500 gallons per minute that could be utilized once the new water treatment facility has been commissioned. New raw water main to the existing raw water main and a stub to serve the new water treatment facility in the future are included in this project. This project is to be self-funded.

FISCAL IMPACT: Total cost of contract is \$365,000.00 to be self-funded.

RECOMMENDATION: Pass a Motion Approving Engineering Contract With I&S Group, Inc.
For The Design Of Storm Lake Well No. 24

ATTACHMENTS:

1. Storm Lake Agreement for Jordan Well #24

Staff Summary

8/3/2026

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: Chris Cole, Police Chief

SUBJECT: **Work Session E-Bikes, E-Scooters & Personal Mobility Devices**

BACKGROUND: Attached is a revised PMD Ordinance for further discussion.

FISCAL IMPACT: None

RECOMMENDATION: None

ATTACHMENTS:

1. PMD Ordinance Storm Lake KN Edit 072126 - Updated
2. Comment for Mayor & City Council 7-20-2026

ORDINANCE NO. XX-O-2026-2027

AN ORDINANCE AMENDING TITLE IX, CHAPTER 10, BICYCLES, OF THE 1994 RECODIFICATION OF THE MUNICIPAL CODE OF THE CITY OF STORM LAKE, IOWA, REGARDING VARIOUS REGULATIONS FOR THE OPERATION OF BICYCLES, ELECTRIC BICYCLES, PEDESTRIAN CONVEYANCES, AND OTHER PERSONAL MOBILITY DEVICES

WHEREAS, Title IX, Chapter 10, of the 1994 Recodification of the Municipal Code of the City of Storm Lake (“City Code”) sets forth regulations regarding the use and parking of bicycles in Storm Lake, Iowa (the “City”); and

WHEREAS, the use of bicycles, electric bicycles, pedestrian conveyances, and other personal mobility devices is becoming more prevalent on public property within the City; and

WHEREAS, the City Council of the City of Storm Lake, Iowa (“City Council”) has determined it is necessary and appropriate to amend the City Code to include additional regulations regarding the use and operation of bicycles, electric bicycles, pedestrian conveyances, and other personal mobility devices on public property in order to protect pedestrians, riders, motorists, and property, and to promote public safety and the general health and welfare of the public; and

WHEREAS, the City Council hereby determines the amendments to City Code set forth herein are in the public’s best interest, are necessary and appropriate, and serve the health and welfare of the community.

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

SECTION ONE. Title IX, Chapter 10, “Bicycles,” of the 1994 Recodification of the Municipal Code of the City of Storm Lake, Iowa, is hereby repealed and the following is adopted in lieu thereof:

Chapter 9-10

BICYCLES, ELECTRIC BICYCLES, PEDESTRIAN CONVEYANCES, AND OTHER PERSONAL MOBILITY DEVICES

Section 9-10-1 Purpose

The purpose of this chapter is to establish regulations governing the operation of bicycles, electric bicycles, pedestrian conveyances, and other personal mobility devices on the City’s streets, sidewalks, and trails as authorized by Iowa law.

Section 9-10-2 Definitions

For the purposes of this chapter, the following definitions apply:

“Bicycle” means a device having up to two or three wheels and having at least one saddle or seat for the use of a rider which is propelled by human power.

“Bicycle Lane” means a portion of a street designed for exclusive or preferential use by persons using bicycles, personal conveyances, or other personal mobility devices. Bicycle lanes are to be distinguished from the portion of the street used for motor vehicle traffic by physical barrier, striping, marking, or other similar device.

“Central Business District” means the territory of the City which is defined legally as:

Beginning at the Northeast corner of Lot Six (6), Block Sixty-Eight (68) of the City of Storm Lake, Iowa; thence South to the Northeast corner of the Northwest Central Railroad Right-of way; thence Southeasterly to the Northwest corner of Block Twenty-Eight (28) of the City of Storm Lake, Iowa; thence North to the Southeast corner of Lot Eight (8), Block Two (2) of the City of Storm Lake, Iowa; thence West to the Southwest corner of Lot Eight (8), Block Three (3) of the City of Storm Lake, Iowa, thence North to the Northwest corner of Lot One (1), Block Three (3) of the City of Storm Lake, Iowa; thence West to the Northwest corner of Lot Twenty Four (24), Block Three (3) of the City of Storm Lake, Iowa; thence North to the Northwest corner of Lot One (1), Block Sixty-Four (64) of the City of Storm Lake, Iowa; thence West to the point of beginning.

“Electric Motorcycle” means a motor vehicle having a saddle or seat for use of a rider, with a motor that produces more than 750 watts, with or without pedals, designed to travel on not more than three wheels in contact with the ground, and capable of operating at speeds greater than thirty-nine miles per hour on level ground unassisted by human power, but excluding a motorized bicycle.

“Electric Personal Assistive Mobility Device” means a self-balancing, nontandem two-wheeled device powered by an electric propulsion system that averages seven hundred fifty watts and is designed to transport one person, with a maximum speed on a paved level surface of less than twenty miles per hour. The maximum speed shall be calculated based on operation of the device by a person who weighs one hundred seventy pounds when the device is powered solely by the electric propulsion system.

“Electronic Device” means a device that is powered by electricity, including by a battery, and that is capable of being used to compose, send, receive, or read an electronic message, or that is capable of storing, retrieving on-demand, or displaying videos, movies, broadcast television images, visual images, or audio or video data files. “Electronic device” includes, but is not limited to, a telephone including a cellular telephone, personal digital assistant, portable or mobile computer including a tablet, two-way messaging device, electronic gaming device, and any substantially similar portable device that is used to initiate, store, or receive electronic communication, information, or data.

“High-Powered Electric Mobility Devices” means a device, with or without handle bars, which is designed to be stood upon or equipped with at least one saddle or seat, and is powered by an electric propulsion system which produces more than seven hundred fifty watts, but excluding a low-speed electric bicycle, electric personal assistive mobility device, electric motorcycle, or motorized bicycle.

“Low-Speed Electric Bicycle” means a low-speed electric bicycle having a saddle or seat for the use of a rider, two or three wheels equipped with fully operable pedals, and an electric motor of less than seven hundred fifty watts that meets the requirements of one of the following classes:

“Class 1 low-speed electric bicycle” means a low-speed electric bicycle equipped with a motor that may be used to provide assistance only when the rider is pedaling and that ceases to provide assistance when the bicycle reaches a speed of twenty miles per hour or more.

“Class 2 low-speed electric bicycle” means a low-speed electric bicycle equipped with a motor that may be used exclusively to propel the bicycle and that is not capable of providing assistance when the bicycle reaches a speed of twenty miles per hour or more.

“Class 3 low-speed electric bicycle” means a low-speed electric bicycle equipped with a motor that may be used to provide assistance only when the rider is pedaling and that ceases to provide assistance when the bicycle reaches a speed of twenty-eight miles per hour or more.

“Minor” means any person below the age of eighteen years of age who is not married or otherwise legally emancipated.

“Motorized Bicycle” means a motor vehicle having a saddle or seat for use of a rider, designed to travel on not more than three wheels in contact with the ground, and not capable of operating at a speed in excess of thirty-nine miles per hour on level ground unassisted by human power, but excluding a low-speed electric bicycle.

“Pedestrian” means a person afoot or a person using a pedestrian conveyance.

“Pedestrian Conveyance” means any human-powered device by which a pedestrian may move other than by walking or by which a pedestrian may move another person, including but not limited to a wheelchair, stroller, skateboard, scooter, or other similar device. “Pedestrian Conveyance” also includes an electric personal assistive mobility device and any other device used to move a person sitting or standing on the device regardless of whether the device is powered by an electric motor, so long as the electric motor produces not more than seven hundred fifty watts. “Pedestrian Conveyance Device” does not include a bicycle, low-speed electric bicycle, or high-powered electric mobility device.

“Personal Mobility Device (PMD)” means the collective terms for bicycles, low-speed electric bicycles, and pedestrian conveyances, but does not include high-powered electric mobility devices, personal assistive devices, motorized bicycles, or electric motorcycles.

“Personal Assistive Device” means a vehicle or mobility aid device designed to be an “assistive device” as defined by Iowa Code Section 216E.1(1) which is used to increase, maintain, or improve the functional capabilities of individuals with disabilities concerning major life activities, such as electric wheelchairs, scooters, and walkers.

“Sidewalk” means a paved or unpaved surface, separate from the street and in the right of way less than eight feet in width under the jurisdiction and control of the local political subdivision thereof for use primarily by pedestrians.

“Street” means the entire width between property lines of every way or place of whatever nature when any part thereof is open to the use of the public, as a matter of right, for purposes of vehicular traffic.

“Trail” means a paved or unpaved surface separate from the street and in the right of way at or greater than eight feet in width under the control of the state or a local political subdivision thereof for use primarily by bicycles and pedestrians.

Section 9-10-3 Equipment Requirements

(A) Lighting. Every PMD when in use between sunset and sunrise, and at such other times when weather conditions provide insufficient lighting to render clearly discernable persons and vehicles on the road at a distance of three hundred feet ahead, shall be equipped with a lamp on the front emitting a white light visible from a distance of at least three hundred feet to the front and with a lamp on the rear exhibiting a red light visible from a distance of three hundred feet to the rear except that a red reflector on the rear may be used in lieu of a rear light. The lamps or reflector may be attached to the operator of the PMD rather than the PMD itself provided the visibility requirements are met.

(B) Brakes. PMDs, excluding wheelchairs, strollers, skateboards, and skates, shall be equipped with brakes capable of bringing the device to a controlled stop within a safe distance.

(C) Helmet. Persons under the age of 18 operating or riding a PMD, excluding wheelchairs and strollers, are required to wear a properly secured bicycle, motorcycle, or similar helmet of the type and design manufactured for use by operators or riders of similar devices while the PMD is in motion.

Section 9-10-4 Applicability of Motor Vehicle Laws

(A) Every person operating a PMD, motorized bicycle, and electric motorcycle upon a street where permitted shall be granted all of the rights, and shall be subject to all of the duties, applicable to the driver of a motor vehicle by the laws of the State of Iowa declaring rules of the road applicable to motor vehicles and/or by the Motor Vehicles and Traffic Code of the City of Storm Lake applicable to the driver of a motor vehicle, except as to those provisions that by their nature can have no application.

(B) PMDs covered by this chapter are not subject to the registration, licensure, titling, inspection, and proof of financial liability coverage provisions of Iowa Code Chapters 321 and 321A unless otherwise required by Iowa Code.

(C) Operators of PMDs are not required to possess a state issued driver's license unless otherwise required by Iowa Code.

(D) Motorized bicycles and electric motorcycles are subject to registration, licensure, titling, inspection, and proof of financial liability coverage provisions of Iowa Code Chapters 321 and 321A.

(E) Operators of motorized bicycles and electric motorcycles are required to have possession of a state issued driver's license.

(F) Whenever a person dismounts from a PMD, the person shall be subject to all regulations applicable to pedestrians afoot.

Section 9-10-5 Obedience to Signals

(A) Every person operating a PMD upon the street where permitted shall obey the directions of official traffic signals, signs, and other control devices applicable to other vehicles and shall obey direction signs relative to turns permitted, unless otherwise directed by a police officer.

(B) Every person operating a PMD upon a sidewalk or trail where permitted, or if dismounted from a PMD, shall obey the direction of official traffic signals, signs, and other control devices applicable to pedestrians afoot.

(C) If a person permissibly operating a PMD on the street has stopped pursuant to the directions of a traffic control device and has a reasonable belief that the traffic control device or signal is unresponsive or not detecting their presence, thus rendering the person stranded, the person may proceed through the intersection, provided that:

- (1) There is no other vehicle approaching or entering the same intersection from a different street or from the same street approaching or entering the intersection from the opposite direction;
- (2) The person proceeds, exercising due care through the intersection with consideration for all other applicable rules of the road; and
- (3) One complete cycle of the traffic-control device or signal, or 90 seconds, has passed.

Section 9-10-6 Operation Regulations

(A) Number of Riders. No PMD shall be operated or ridden with more persons at one time than the number for which the PMD is designed and equipped.

(B) Speed. A person shall not operate a PMD at a speed greater than is careful and prudent and no greater than is reasonable and proper considering the conditions existing at the time and location of operation, taking into account the surroundings and environment, including inclement weather, infrastructure conditions, right-of-way grade, time of day, number of pedestrians or other operators, and width of right-of-way. A person shall not operate a PMD on a street, sidewalk, or trail in excess of the posted or applicable speed limit, or if there is no posted or applicable speed limit, twenty miles per hour.

(C) Operational Control. The operator of a PMD shall maintain full directional, speed, and stopping control of the device at all times. No person shall carry, transport, use, or tow any bundle, package, article, or other item that interferes with, impairs, or prevents the operator from maintaining such control.

(D) Reckless Operation. No person shall operate a PMD in an irregular or reckless manner so as to disregard the safety of the operator, other persons, or property.

(E) Operation Under the Influence. PMDs shall not be operated while under the influence of alcohol or controlled substances.

(F) Yielding and Right-of-Way. Operators of PMDs shall yield the right-of-way to pedestrians afoot. Before overtaking and passing a pedestrian afoot or

other PMD traveling in the same direction as a PMD, the operator of a PMD shall give an audible signal. The operator shall overtake and pass the pedestrian afoot or other PMD on the left whenever such movement can be made safely and reasonably under the circumstances and shall maintain a safe distance from the pedestrian afoot or other PMD while passing.

(G) Use of Electronic Device During Operation. No person shall use an electronic device while operating a PMD, excluding wheelchairs and strollers, unless the PMD is at a complete stop off the traveled portion of the right-of-way, or as far away from the center of the right-of-way as is practicable if the PMD cannot be entirely removed from the traveled portion of the right-of-way. A person does not violate this section by using an electronic device while the electronic device is secured or mounted to the operator or to the PMD, or is in hands-free mode. “Use” includes, but is not limited to, holding, viewing, or manipulating an electronic device.

(H) Operation with Animals. No person shall operate a PMD, excluding wheelchairs and strollers, while leading, accompanying, or controlling any animal or pet. This prohibition applies whether the animal or pet is restrained by a leash, tether, harness, rope, or other similar device, or is otherwise under the person’s control or direction.

(I) Towing. No person operating or riding on a PMD shall attach the device or themselves to any other person, PMD, high-powered electric mobility device, motorized bicycle, electric motorcycle, or other moving motor vehicle by tow rope, hand grip, or otherwise. This section shall not prohibit attaching a trailer to a PMD that is designed to accommodate such a device.

(J) Following Emergency Vehicles. No person operating a PMD shall follow closer than 500 feet of an authorized emergency vehicle as defined by Iowa Code Section 321.1(6) which has emergency lights and/or sirens activated, and shall not stop, park, or leave a PMD within 500 feet of an emergency vehicle stopped in response to an emergency.

(K) Age Restrictions. A person under the age of sixteen shall not operate a class 3 low-speed electric bicycle or an electric personal assistive mobility device. A person under the age of sixteen may ride as a passenger on a class 3 low-speed electric bicycle if the low-speed electric bicycle is designed to accommodate a passenger.

Section 9-10-7 Places of Operation and Requirements

(A) Sidewalks and Trails. PMDs may be operated on sidewalks and trails unless otherwise prohibited by posted signage or pavement markings.

(B) Parks and Public Green Spaces. When operated within any City park, green space, or other public recreational area containing a sidewalk or trail, a PMD,

excluding wheelchairs and strollers, shall be operated only upon the sidewalk or trail. Operation of a PMD, excluding wheelchairs and strollers, is prohibited on all other portions of City parks and public recreational areas, including, but not limited to, lawns, green spaces, athletic fields, playgrounds, basketball courts, tennis courts, pickleball courts, skate parks, soccer fields, and any other recreational facility or area.

(C) Private Property. Operating PMDs on private property without express permission from the property owner is prohibited.

(D) Pedestrian Conveyances. The use of a pedestrian conveyance is prohibited on any City street which has a speed limit of greater than twenty five miles per hour.

(E) High-Powered Electric Mobility Devices. High-powered electric mobility devices are prohibited from being operated on City streets, sidewalks, trails, or other City public property.

(F) Motorized Bicycles and Electric Motorcycles. Motorized bicycles and electric motorcycles are prohibited from operation on City sidewalks and trails, including those located within city parks, yards, fields, green spaces, or other public areas, and are prohibited on all other portions of City parks and public recreational areas, including, but not limited to, lawns, green spaces, athletic fields, playgrounds, basketball courts, tennis courts, pickleball courts, skate parks, soccer fields, and any other recreational facility or area.

(G) Central Business District. No person shall operate a PMD, excluding wheelchairs and strollers, upon the sidewalk within the Central Business District of the City.

(H) Streets. Any person operating a PMD upon a street at a speed less than the normal speed of traffic moving in the same direction shall ride as close as practicable to the right-hand curb or edge of the street except under any of the following situations:

- (1) When overtaking and passing another PMD or vehicle proceeding in the same direction;
- (2) When preparing for a left turn at an intersection or into a private road or driveway;
- (3) When reasonably necessary to avoid conditions (including, but not limited to, fixed or moving objects, animals, and surface hazards) that make it unsafe to continue along the right-hand curb or edge;

- (4) When a bicycle lane has been established on the street; or
- (5) When a facility is present that would allow PMD traffic on the left side of the street.

(I) Street Crossing. For applicable PMDs being operated on sidewalks and trails, a street crossing is permitted only when the operator abides by all of the following:

- (1) The crossing of a street is made at an angle of approximately ninety degrees to the direction of the street and at a location where no obstruction prevents a quick and safe crossing;
- (2) The operator brings the device to a complete stop before crossing the street;
- (3) The operator yields the right-of-way to all vehicles approaching on the street that constitute an immediate hazard;
- (4) Where the street is divided, the crossing is made only at an intersection; and
- (5) Where an intersection is controlled by a traffic control device, the crossing is made in obedience of the traffic control device.

(J) Emerging from Alley or Driveway. The operator of a PMD emerging from a private roadway, alley, sidewalk, trail, driveway, or building shall stop such PMD immediately prior to operating the PMD onto the sidewalk area, and upon approaching a sidewalk or the sidewalk area extending across any private roadway, alley, sidewalk, trail, driveway, or building, yield the right-of-way to all pedestrians afoot and PMDs approaching on said sidewalk or sidewalk area, and upon entering a trail or street shall yield the right-of-way to all vehicles or other PMDs present or approaching on said trail or street, unless such intersection is controlled by a traffic control device, in which case the operator shall obey the traffic control device.

Section 9-10-8 Bicycle Lanes.

- (A) Whenever a bicycle lane has been established on a street, any person operating a PMD on the street moving in the same direction may operate within the bicycle lane.
- (B) If done in a safe manner and yielding to other vehicles, any person operating a PMD within a bicycle lane may move out of the lane when overtaking and passing another PMD, vehicle, or pedestrian within the lane or about to enter the lane if the overtaking and passing cannot be done safely within the lane.

(C) No person operating a PMD shall leave a bicycle lane until the movement can be made with reasonable safety.

(D) No person shall drive a motor vehicle in a bicycle lane established on a street except as follows:

(1) To park where parking is permitted;

(2) To enter or leave the roadway; or

(3) To prepare for a turn within a distance of 200 feet from the intersection.

(E) When able based on traffic conditions the driver of a motor vehicle overtaking a PMD that is traveling in a bicycle lane shall give at least three feet of lateral distance between the outside of the motor vehicle and the PMD.

(F) The driver of a motor vehicle shall yield right-of-way, slowing down or stopping if need be to yield, to any pedestrian afoot or an operator of a PMD within any bicycle lane.

Section 9-10-9 Parking

(A) No person shall leave a PMD lying on its side on any sidewalk or trail, or shall park a PMD on a sidewalk or trail in any other position, so that there is not an adequate path for pedestrian afoot or PMD traffic.

(B) No person shall park a PMD upon a sidewalk within the Central Business District except at bicycle racks provided by the City.

(C) No person shall park and leave a PMD on City streets, sidewalks, trails, or other City public property with the battery or electric-propulsion system of the PMD removed.

Section 9-10-10 Responsibility of Parents or Legal Guardians

(A) A parent or legal guardian who knowingly permits or directs their minor child, under the parent or legal guardian's care or supervision, to violate any provision of this chapter may be cited for such violation and held responsible for applicable penalties.

(B) Upon the occurrence of a first offense, the City will issue the parent or legal guardian a warning letter which states that the parent or legal guardian is in violation of this Section 9-10-10 together with a description of the nature of the

parent's violation and a statement setting forth the fines and/or consequences of future violations.

(C) Upon the occurrence of a second offense, the penalty shall follow the schedule of civil penalties provided by Section 9-10-11, starting at an amount equal to a first offense.

Section 9-10-11 Violations

(A) A violation of any provision of this chapter constitutes a municipal infraction. The schedule of civil penalties for violation of this chapter are as follows:

- (1) First Offense: \$100
- (2) Second Offense: \$200
- (3) Third and All Repeat Offenses: \$300

Section 9-10-12 Impoundment

(A) Right to Impound. The City may impound PMDs and high-powered electric mobility devices which are operated, parked, or left in violation of City ordinance.

(B) Notice. Within seventy-two hours of the impoundment of the PMD or high-powered electric mobility device, exclusive of weekends and legal holidays, written notice of the impoundment shall be provided by the Police Department to the owner of the aforementioned device, if that individual is reasonably ascertainable. If the individual from which the PMD or high-powered electric mobility device was seized is a minor, then notice shall be provided to the minor's parent or legal guardian. Notice shall be provided by hand delivery or by certified mail, return receipt requested, to the last known address of the recipient and shall include:

- (1) The date, time, and location of the seizure;
- (2) A description of the device;
- (3) The location at which the device is being held;
- (4) The section of the City Code alleged to have been violated;
- (5) An itemization of the storage fees accrued and accruing;

(6) A statement of the procedure by which the recipient may request a hearing pursuant to this section;

(7) A statement that failure to reclaim the device within one-hundred and twenty days of impoundment deems the device abandoned and thereafter the City may dispose of the device.

(C) Right to Hearing. The owner of the device or the applicable parent or legal guardian of a minor from whom the device was seized may request a hearing before the City Manager by filing a written request with the City Manager within ten calendar days of the date of the notice of impoundment. The City Manager shall fix the time and place of the hearing which shall be within fifteen days of the request. At the conclusion of the hearing, the City Manager will render a decision if probable cause existed for the impoundment. If the City Manager determines probable cause existed for the impoundment, the PMD or high-powered electric mobility device will continue to be impounded in accordance with this section. If the City Manager determines probable cause did not exist for the impoundment, the PMD or high-powered electric mobility device shall be released to the owner as soon as practicable. If no hearing is timely requested, the right to a hearing shall be deemed waived.

(D) Storage, Release and Fees. All PMDs and high-powered electric mobility devices impounded under this section shall be subject to a storage fee in an amount set by Council Resolution that is sufficient to offset the City's costs of enforcement and storage. Prior to the release of the PMD or high-powered electric mobility device, the owner of the aforementioned device shall pay the applicable storage fee. If the device is not claimed, and the applicable storage fee not paid, within one-hundred and twenty days of impoundment, the device shall be deemed abandoned and the City may dispose of the device.

(E) Affirmative Defense. It shall be an affirmative defense to impoundment under this section, to be established by the owner by a preponderance of the evidence, that the device was stolen or was being operated by an individual other than the owner without the owner's knowledge or consent, and the owner had taken reasonable measures to prevent unauthorized use of the device.

SECTION THREE. Severability. If any section, subsection, sentence, clause, phrase or portion of this Ordinance be held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portion hereto.

SECTION FOUR. Repealer. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION FIVE. Effective. This ordinance shall be in effect following its passage, approval, and publication as provided by law.

PASSED on its first consideration the _____ day of _____, 2026.

PASSED on its second consideration the _____ day of _____, 2026.

Requirement of consideration and vote at two (2) prior City Council meetings suspended the _____ day of _____, 2026.

PASSED AND APPROVED on its third consideration this _____ day of _____, 2026.

Margaret J. McKeon, Mayor

ATTEST:

Mayra A. Martinez, City Clerk

Good Evening, Ms. Martinez.

I am writing to submit comments regarding two items from the City Council's July 20th, 2026 agenda: the proposed increase in civil penalties for property-maintenance and nuisance-code violations, and the proposed ordinance regulating personal mobility devices, or PMDs.

I understand that neither item included a public hearing on the 20th. After the meeting, I was advised to submit my written comments to the city clerk for distribution to the Mayor and City Council, and I would appreciate it if you could please forward them.

I have four concerns regarding the proposed increase in property-maintenance and nuisance penalties:

1. The proposed penalty amounts in comparison with those imposed by other cities;
2. The use of fixed penalties rather than maximum penalties that permit consideration of individual circumstances;
3. The absence of a uniform notice-and-cure procedure before a civil citation is issued; and
4. A potential conflict between the property-maintenance requirements and City water-conservation measures.

I want to emphasize that these concerns do not arise from any current enforcement dispute involving me or anyone I know. I appreciate the work of the City's code-enforcement staff and trust that current staff members exercise their authority judiciously. I raise these concerns prospectively, with the goal of balancing effective code enforcement with clear procedures and proportionate penalties.

My understanding from the City Council's July 6th, 2026 meeting was that one objective of the proposed ordinance is to bring Storm Lake's penalties more closely in line with those of other cities. The proposed penalty schedule appears to match the amounts contained in Alta Ordinance No. 22-05.

Other Iowa cities use different approaches. According to the municipal-code provisions I reviewed, Ames imposes a \$50 penalty for a first nuisance offense and \$100 for a second or subsequent offense. (Ames Municipal Code § 30.3.) Pocahontas authorizes higher penalties, but states them as maximums: "not to exceed \$750" for a first offense and "not to exceed \$1,000" for each repeat offense. (Pocahontas Code of Ordinances § 4.03.)

These examples are not intended to constitute a comprehensive survey. They do, however, demonstrate that Iowa cities use a range of penalty amounts and structures. Some impose comparatively modest penalties, while others authorize higher maximum penalties but preserve discretion to account for the severity of the violation, the resident's good-faith efforts, and other relevant circumstances.

I therefore respectfully ask the Council to consider either retaining lower penalties or stating the proposed amounts as maximums rather than mandatory fixed amounts. The ordinance could also identify factors to consider when determining the appropriate penalty, including the seriousness and duration of the condition, whether it creates an immediate hazard, the owner's history of similar violations, and whether the owner is making a good-faith effort to correct it.

I am also concerned about the procedures preceding a citation.

For nonemergency property-maintenance violations, Section 5-10-8(C) requires that a person receive a notice of the violation and be allowed a reasonable amount of time to remedy it voluntarily before the City assesses abatement costs or municipal-infraction penalties. The section directs the enforcement officer to consider good-faith efforts, imminent health or safety hazards, prior similar violations, and other factors.

However, the code does not establish a minimum correction period or provide objective guidance connecting the allowed period to the nature and scope of the work. Some violations may be corrected immediately, while others may require contractors, permits, materials, favorable weather, or substantial repairs. Although the Property Maintenance Appeal Board may grant an extension based on extreme financial hardship, Section 5-10-8(1)(2) does not expressly authorize an extension based on the practical time reasonably required to complete the work.

Chapter 8-1 contains a separate procedure for nuisances. It requires written notice to abate, a description of the condition and required corrective work, a reasonable completion deadline, and an opportunity for a hearing and appeal. However, Section 8-1-13 separately provides that a violation of the chapter constitutes a municipal infraction. The chapter does not clearly state whether the notice-and-abatement process must be completed before the City issues a municipal-infraction citation and seeks a civil penalty.

Because the proposed ordinance would increase the financial consequences of a citation, I respectfully ask the Council to consider establishing a uniform procedure requiring written notice and a reasonable opportunity to cure before a civil penalty is imposed, except in emergencies and appropriately defined repeat-offense situations. I also ask that the council consider establishing a presumptive minimum correction period, while allowing longer periods when justified by the condition, and expressly permit consideration of the scope of work, weather, season, contractor and material availability, permitting requirements, financial hardship, and documented good-faith progress.

My final concern regarding property maintenance involves the perennial-grass requirement in Section 5-10-7(B)(6). That section requires permanent perennial-grass cover to be established as soon as practical following construction and maintained to prevent erosion. It contains several exceptions, but it does not expressly address periods during which the City has adopted voluntary or mandatory water-conservation measures.

The phrase “as soon as practical” may provide some flexibility, but residents should not have to guess whether a compliance deadline is suspended when establishing grass would require watering that the City has prohibited or asked residents to avoid. I respectfully ask the Council to consider adding language tolling applicable deadlines, or otherwise providing a temporary safe harbor, during a declared water shortage or conservation period when compliance would require restricted or discouraged water use.

In summary, I recognize that Storm Lake has legitimate reasons for maintaining and enforcing its property-maintenance and nuisance codes. Effective enforcement requires meaningful consequences. I am not suggesting that the City or its employees are currently misusing these provisions. However, if the associated penalties are going to be increased, I believe the City should also ensure that the penalties are proportionate, that residents receive clear and consistent notice, that correction periods reflect the work

reasonably required, and that the code addresses circumstances in which compliance may conflict with other City objectives.

In regard to the proposed PMD ordinance, I have one concern. Section 9-10-7(C) states:

“Operating PMDs on private property without express permission from the property owner is prohibited.”

I understand and support the objective of preventing trespassing, loitering, property damage, and the unauthorized recreational use of private property. However, the phrase “express permission” appears overly broad. Because the proposed definition of PMDs includes conventional bicycles, the provision could be read to prohibit a person from riding a bicycle or another PMD into the parking lot or other outdoor area of a business unless the person first obtained affirmative permission from the property owner. This could apply even when the property is ordinarily open to customers, employees, tenants, visitors, or other invitees.

I respectfully suggest replacing “express permission” with “express or implied permission” and clarifying that permission is implied for portions of private property customarily open to customers, visitors, or invitees unless the owner has posted or otherwise communicated a restriction.

For example, the provision could state:

“Operating a PMD on private property without the express or implied permission of the property owner or lawful occupant is prohibited. Permission may be implied for portions of private property customarily open to customers, visitors, tenants, employees, or other invitees, unless the property owner or lawful occupant has posted or otherwise communicated a restriction.”

This language would preserve the City’s ability to address unauthorized activity while avoiding the unintended prohibition of ordinary access to businesses and other places open to visitors.

Thank you for your consideration. I appreciate the time and work that the Mayor, Council, and City staff devote to our community.

Respectfully,
Daniel Eisenstein

Staff Summary

8/3/2026

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: Mayra Martinez, City Clerk

SUBJECT: City Council Requested Items / City Council Updates

BACKGROUND:

FISCAL IMPACT:

RECOMMENDATION:

ATTACHMENTS:

None

Staff Summary

8/3/2026

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: **Motion To Recess City Council Meeting and Reconvene at King's Pointe Resort And Sunrise Pointe Golf Course**

BACKGROUND: City Council will tour King's Pointe and Sunrise Pointe Golf Course.(1520 E Lakeshore Drive)

FISCAL IMPACT: N/A

RECOMMENDATION: Recess meeting in City Council Chambers and reconvene at King's Pointe Lobby.

ATTACHMENTS:
None