

Regular Meeting Shell Rock City Council
July 2, 2024

Mayor Mike Klinefelter called the July 2, 2024, regular session of the Shell Rock City Council to order at 7:00 pm in the Council Chambers at 802 N Public Road, Shell Rock, Iowa with the Pledge of Allegiance. Councilors present: Adam Fox, Jared Krull, Garrett Schuldt, and Mark Berglund. Absent: David Beenen. Others present: Mike Tellinghuisen, Jessica Meyer, Matt Mohn, W-SR Superintendent David Hill, Dave McCann, Jennifer Miller, and Racket club members.

Motion by Schuldt seconded by Berglund to approve the agenda. Ayes- Fox, Berglund, Krull, and Schuldt. Nays- None. Absent: Beenen. Motion carried 4:0.

Motion by Fox seconded by Krull to approve the consent agenda that included: Minutes of the June 4 and June 19, 2024, council meetings, the Payment of the Bills, the Financial Reports for June 2024. Roll Call Vote: Ayes- Fox, Berglund, Krull, and Schuldt. Nays- None. Absent: Beenen. Motion carried 4:0.

Newly hired W-SR Superintendent, David Hill, was introduced to the council and citizens present.

Mayor Klinefelter opened the public hearing at 7:06 pm for the purpose of public comment on the proposed expansion of the Shell Rock Urban Renewal Area and the Urban Renewal Plan Amendment. There were no oral or written comments or objections. Mayor Klinefelter closed the public hearing at 7:07 pm.

Motion Schuldt seconded by Fox to approve Resolution 018-2024 to Declare Necessity and Establish an Urban Renewal Area, Pursuant to Section 403.4 of the Code of Iowa and Approve Urban Renewal Plan Amendment for the Shell Rock Urban Renewal Area. Ayes- Fox, Berglund, Krull, and Schuldt. Nays- None. Absent: Beenen. Motion carried 4:0.

ORDINANCE NO. 398 was introduced by Krull seconded by Berglund for its first reading An Ordinance Providing for the Division of Taxes Levied on Taxable Property in the July 2024 Addition to the Shell Rock Urban Renewal Area, Pursuant to Section 403.19 of the Code of Iowa

WHEREAS, the City Council of the City of Shell Rock, Iowa (the "City") has previously enacted certain ordinances providing for the division of taxes levied on certain taxable property in the Shell Rock Urban Renewal Area (the "Urban Renewal Area"), pursuant to Section 403.19 of the Code of Iowa; and WHEREAS, pursuant to such ordinances, certain taxable properties within the Urban Renewal Area in the City have been designated as "tax increment districts"; and WHEREAS, the City Council now desires to establish a new "tax increment district" by designating the real property comprising the July 2024 Addition to the Urban Renewal Area; BE IT ENACTED by the Council of the City of Shell Rock, Iowa:

Section 1. Purpose. The purpose of this ordinance is to provide for the division of taxes levied on the taxable property in the July, 2024 Addition to the Shell Rock Urban Renewal Area of the City of Shell Rock, Iowa, each year by and for the benefit of the state, city, county, school districts or other taxing districts after the effective date of this ordinance in order to create a special fund to pay the principal of and interest on loans, moneys advanced to or indebtedness, including bonds proposed to be issued by the City to finance projects in such area.

Section 2. Definitions. For use within this ordinance the following terms shall have the following meanings: "City" shall mean the City of Shell Rock, Iowa. "County" shall mean Butler County, Iowa. "2024 Urban Renewal Area Addition" shall mean the July 2024 Addition to the Shell Rock Urban Renewal Area of the City, the legal description of which is set out below, approved by the City Council by resolution adopted on July 2, 2024: Lot 9 of the Shell Rock Industrial Park Subdivision, Shell Rock, Iowa, And That part of Lot 8 of the Shell Rock Industrial Park Subdivision, Shell Rock, Iowa, described as follows: Beginning at the Northwest corner of said Lot 8; thence Easterly along the North line of said Lot 8 170 feet; thence Southerly to the South line of said Lot 8, point being 160 feet Easterly of the Southwest corner of said Lot 8; thence along said South line Westerly 160 feet to the Southwest corner of said Lot 8; thence Northerly along the West line of said Lot 8 to the Point of Beginning. Subject to restrictions, easements, covenants, ordinances, and limited access provisions of record and not of record. "Urban Renewal Area" shall mean the entirety of the Shell Rock Urban Renewal Area as amended from time to time.

Section 3. Provisions for Division of Taxes Levied on Taxable Property in the 2024 Urban Renewal Area Addition. After the effective date of this ordinance, the taxes levied on the taxable property in the 2024 Urban Renewal Area Addition each year by and for the benefit of the State of Iowa, the City, the County and any school district or other taxing district in which the 2024 Urban Renewal Area Addition is located, shall be divided as follows:

(a) that portion of the taxes which would be produced by the rate at which the tax is levied each year by or for each of the taxing districts upon the total sum of the assessed value of the taxable property in the 2024 Urban Renewal Area Addition, as shown on the assessment roll as of January 1 of the calendar year preceding the first calendar year in which the City certifies to the County Auditor the amount of loans, advances, indebtedness, or bonds payable from the special fund referred to in paragraph (b) below, shall be allocated to and when collected be paid into the fund for the respective taxing district as taxes by or for said taxing district into which all other property taxes are paid. For the purpose of allocating taxes levied by or for any taxing district which did not include the territory in the 2024 Urban Renewal Area Addition on the effective date of this ordinance, but to which the territory has been annexed or otherwise included after the effective date, the assessment roll applicable to property in the annexed territory as of January 1 of the calendar year preceding the effective date of the ordinance which amends the plan for the 2024 Urban Renewal Area Addition to include the annexed area, shall be used in determining the assessed valuation of the taxable property in the annexed area.

(b) that portion of the taxes each year in excess of such amounts shall be allocated to and when collected be paid into a special fund of the City to pay the principal of and interest on loans, moneys advanced to or indebtedness, whether funded, refunded, assumed or otherwise, including bonds issued under the authority of Section 403.9(1), of the Code of Iowa, incurred by the City to finance or refinance, in whole or in part, projects in the Urban Renewal Area, and to provide assistance for low and moderate-income family housing as provided in Section 403.22, except that taxes for the regular and voter-approved physical plant and equipment levy of a school district imposed pursuant to Section 298.2 of the Code of Iowa, taxes for the instructional support program levy of a school district imposed pursuant to Section 257.19 of the Code of Iowa and taxes for the payment of bonds and interest of each taxing district shall be collected against all taxable property within the taxing district without limitation by the provisions of this ordinance. Unless and until the total assessed valuation of the taxable property in the 2024 Urban Renewal Area Addition exceeds the total assessed value of the taxable property in such area as shown by the assessment roll referred to in subsection (a) of this section, all of the taxes levied and collected upon the taxable property in the 2024 Urban Renewal Area Addition shall be paid into the funds for the respective taxing districts as

taxes by or for said taxing districts in the same manner as all other property taxes. When such loans, advances, indebtedness, and bonds, if any, and interest thereon, have been paid, all money thereafter received from taxes upon the taxable property in the 2024 Urban Renewal Area Addition shall be paid into the funds for the respective taxing districts in the same manner as taxes on all other property.

(c) the portion of taxes mentioned in subsection (b) of this section and the special fund into which that portion shall be paid may be irrevocably pledged by the City for the payment of the principal and interest on loans, advances, bonds issued under the authority of Section 403.9(1) of the Code of Iowa, or indebtedness incurred by the City to finance or refinance in whole or in part projects in the Urban Renewal Area. (d) as used in this section, the word "taxes" includes, but is not limited to, all levies on an ad valorem basis upon land or real property.

Section 4. Repealer. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed. Section 5. Saving Clause. If any section, provision, or part of this ordinance shall be adjudged invalid or unconstitutional, such adjudication shall not affect the validity of the ordinance as a whole or any section, provision or part thereof not adjudged invalid or unconstitutional. Section 6. Effective Date. This ordinance shall be effective after its final passage, approval and publication as provided by law. Roll Call Vote: Ayes- Fox, Berglund, Krull, and Schuldt. Nays- None. Absent: Beenen. Motion carried 4:0.

Motion Schuldt seconded by Fox to suspend rules to proceed to second reading of Ordinance Number 398. Ayes- Fox, Berglund, Krull, and Schuldt. Nays- None. Absent: Beenen. Motion carried 4:0.

ORDINANCE NO. 398 was introduced by Fox seconded by Berglund for its second reading An Ordinance Providing for the Division of Taxes Levied on Taxable Property in the July 2024 Addition to the Shell Rock Urban Renewal Area, Pursuant to Section 403.19 of the Code of Iowa. Roll Call Vote: Ayes- Fox, Berglund, Krull, and Schuldt. Nays- None. Absent: Beenen. Motion carried 4:0.

Motion Schuldt seconded by Berglund to suspend rules to proceed to third reading of Ordinance Number 398. Ayes- Fox, Beenen, Krull, and Schuldt. Absent- Berglund. Nays- None. Motion carried 4:0.

ORDINANCE NO. 398 was introduced by Fox seconded by Schuldt for its third reading An Ordinance Providing for the Division of Taxes Levied on Taxable Property in the July 2024 Addition to the Shell Rock Urban Renewal Area, Pursuant to Section 403.19 of the Code of Iowa. Roll Call Vote: Ayes- Fox, Berglund, Krull, and Schuldt. Nays- None. Absent: Beenen. Motion carried 4:0.

Motion Berglund seconded by Schuldt to approve Resolution 019-2024 Setting a Date of Meeting at which it is Proposed to Approve a Development Agreement with 7710 Ventures, LLC, Including Annual Appropriation Tax Increment Payments on July 15, 2024, at 7:00 pm at City Hall, 802 N. Public Rd., Shell Rock, Iowa. Roll Call Vote: Ayes- Fox, Berglund, Krull, and Schuldt. Nays- None. Absent: Beenen. Motion carried 4:0.

Motion Schuldt seconded by Fox to approve Resolution 020-2024 #24-299 Shell Rock 2024 Street Improvement Project Change Order No. 1 Addition of 18" RCP storm sewer outfall line to replace existing line found to be in poor condition per the City's Request. Net increase \$30,058.00. Contract Price with approved Change Orders \$568,444.54. Roll Call Vote: Ayes- Fox, Berglund, Krull, and Schuldt. Nays- None. Absent: Beenen. Motion carried 4:0.

Discussion was held with the Shell Rock Racket Club regarding court improvements.

Matt Mohn, Fire Chief reported that the grass rig chassis has been delivered, a possible LED lighting project for the bay area of the Emergency Services Building and one new volunteer.

Mayor Klinefelter reported that golf cart registration will be enforced with tickets to those driving without a sticker. The stolen Historical Society sign has been replaced and installed to the satisfaction of the council. And the nuisance property along E Washington Street is scheduled for demolition this month.

Jennifer Miller, Pool Board member reported on the activities at the pool this year and enrollment for passes, lessons, and swim club.

Mike Tellinghuisen, Public Works Director reported that 225 radio read meters are installed and the 2008 John Deere mower is getting repaired. Two quotes for possible replacement will be considered at a future meeting.

Dave McCann, Shell Rock River Watershed Representative asked for project guidance from the council. The council discussed further discovery of nitrate issue at Beaver Creek and signage at access points.

Motion by Schuldt to adjourn at 8:13 pm.



Mike Klinefelter, Mayor

ATTEST:



Jessica Meyer, City Clerk

EXPENDITURES

AFFORDABLE TREE SERVICE	TREE REMOVAL	4,800.00
AMERICAN RED CROSS	LIFEGUARD RECERT	276.00
AT&T	LONG DISTANCE	10.17
BLACKHAWK SPRINKLERS	BACKFLOW TEST	130.00
BUTLER COUNTY SOLID WASTE	SOLID WASTE DISPOSAL	5,389.00
BUTLER COUNTY SHERIFF	LAW ENFORCEMENT CONTRACT	25,000.00
CAPITAL ONE	POOL CONCESSIONS	757.08
CENTRAL IOWA DISTRIBUTING	CLEANING SUPPLIES	101.00
CITY LAUNDERING CO.	FLOOR MATS	199.18
CREATIVE PLANNING TECHNOLOGY	IT SERVICES	112.47
DANKO EMERGENCY EQUIPMENT	TRAFFIC WAND	61.19
DUNCAN, JESSICA	EMS CALLS	75.00
INTERNAL REVENUE SERVICE	FED/FICA TAX	533.54
INTERNAL REVENUE SERVICE	FED/FICA TAX	5,847.97
ELAN FINANCIAL SERVICES	CONCESSION	3,769.09
ELSAMILLER ELECTRIC	ELEC SERVICE CALL	250.83
FEHR GRAHAM ENGINEERING	STREET ENGINEERING	13,500.00

FIDELITY SECURITY LIFE	VISION INS	45.54
GFC LEASING - WI	COPIER LEASE	199.88
GREEN, DAVID	EMS CALLS	20.00
GREEN, MICHAEL	EMS CALLS	5.00
HAWKINS, INC.	WASTEWATER SUPPLIES	573.40
HUNEMILLER, JESSICA	MILEAGE	398.46
HUNEMILLER, JESSICA	EMS CALLS	5.00
IA WORKFORCE DEVELOPMENT	UNEMPLOYMENT INS	57.83
JANESVILLE LUMBER	PARKS	2.33
JC CROSS CO.	BLOWER	4,765.86
JENDRO, INC	GARBAGE COLLECTIONS	6,112.13
JOHN DEERE FINANCIAL	SUPPLIES	107.79
KWIK TRIP INC.	FUEL	545.08
MENARDS - CEDAR FALLS	SUPPLIES	52.54
MEYER, JESSICA	MILEAGE	135.34
MICROBAC LABORATORIES INC	TESTING	597.50
MIDAMERICAN ENERGY CO	ELECTRIC & GAS	7,098.63
MIDWEST BREATHING AIR LLC	AIR TESTING	193.45
MUNICIPAL SUPPLY INC.	SMART POINT 108	19,656.00
OUTDOOR & MORE	BLADE & FILTER	108.92
P & K MIDWEST	FUEL PUMP	108.19
POOL TECH	POOL MAINTENANCE	2,675.25
U.S. POSTAL SERVICE	POSTAGE	313.43
RELIANCE STANDARD LIFE INS CO	LTD INS	100.68
RIVERSIDE CEMETERY ASSOC	CEMETERY DONATION	5,000.00
RYAN EXTERMINATING	PEST CONTROL	90.17
STOKES WELDING	SUPPLIES	181.00
UMB BANK NA	INTEREST ESB BOND	250.00
USABLUEBOOK	SUPPLIES	189.19
WAVERLY NEWSPAPERS	PUBLICATION	749.47
WELLMARK BLUE CROSS	GROUP INSURANCE	2,592.20
WILSON, KERI	MILEAGE	890.00
WILSON, KERI	EMS CALLS	30.00
PAYROLL		28,011.17
***** REPORT TOTAL *****		142,673.95

EXPENDITURE BY FUND

GENERAL	77,458.24
ROAD USE TAX	20,940.98
DEBT SERVICE	250.00
WATER	22,468.98
SEWER	9,489.94
LANDFILL/GARBAGE	12,065.81
TOTAL FUNDS	142,673.95

REVENUE

GENERAL	107,079.80
ROAD USE TAX	20,217.25
EMPLOYEE BENEFITS	857.61
LOCAL OPTION SALES TAX	8,294.63
DEBT SERVICE	102,368.72
CAPITAL PROJECTS	18646.07
WATER	10,627.02
WATER DEPOSITS	104.41
WATER DEPRECIATION	1279.71
SEWER	15,926.85
SEWER DEPRECIATION	1250.68
LANDFILL/GARBAGE	13,037.61
**** REVENUE TOTAL ****	299,690.36