



TENTATIVE AGENDA  
OTTUMWA CITY COUNCIL

REGULAR MEETING NO. 15  
Bridge View Center, 102 Church St.

April 15, 2025  
5:30 O'Clock P.M.

PLEDGE OF ALLEGIANCE

A. ROLL CALL: Council Member Reid, Galloway, Hoffman, McAntire, Caviness and Mayor Johnson

B. CONSENT AGENDA:

1. Minutes from Special Meeting No. 12 on March 27, 2025, Special Meeting No. 13 on April 1, 2025 and Regular Meeting No. 14 on April 1, 2025 as presented.
2. Acknowledge and approve April 15, 2025 Claims List as submitted by the Finance Department.
3. Acknowledge March 2025 Financial Statements as submitted by the Finance Department.
4. Civil Service Eligibility Lists for April 9, 2025: Code Compliance Officer Entrance; Police Officer Entrance; Master Firefighter Promotional; Fire Captain Promotional; Assistant Fire Chief Promotional.
5. Proclamation of May 2025 as Mental Health Month.
6. Resolution No. 58-2025 – approving the purchase of a 2025 Polaris Ranger for the Ottumwa Regional Airport, in the amount of \$17,914.46.
7. Resolution No. 62-2025, Setting May 6, 2025 as the date for a Public Hearing on the proposal to convey certain real property located at 422 North Wapello, to Alma Perez and providing publication and notice thereof.
8. Resolution No. 63-2025, Setting May 6, 2025 as the date for a Public Hearing on the proposal to convey certain real property located at 126 South Cooper, to Samuel Duran and providing publication and notice thereof.
9. Beer and/or liquor applications for: Walgreens, 327 W. Fourth St.; Parkview Plaza (Hotel Ottumwa), 107 E. Second St.; All applications pending final inspections.

C. APPROVAL OF AGENDA

D. ADMINISTRATORS REPORT TO COUNCIL AND CITIZENS:

1. Legislative Update

***All items on this agenda are subject to discussion and/or action.***

E. IDENTIFICATION OF CITIZENS DESIRING TO COMMENT ON AGENDA ITEMS:

(When called upon by the Mayor, step to the microphone; state their name, address and agenda item to be addressed. The Mayor will invite you to address the Council when that topic is being discussed. Remarks will be limited to **three minutes or less**. The City Clerk shall keep the time and notify the Mayor when the allotted time limit has been reached. Comments are to be directly germane to the agenda item being discussed; if not directly germane as determined by the Mayor will be ruled out of order.)

F. PUBLIC HEARING:

1. This is the time, place and date set for a public hearing approving the Plans, Specifications, Form of Contract and Estimated Cost for the Washington Street Reconstruction Project.
  - A. Open the public hearing.
  - B. Close the public hearing.
  - C. Resolution No. 53-2025, approving the Plans, Specifications, Form of Contract and Estimated

Cost for the Washington Street Reconstruction Project.

RECOMMENDATION: Pass and adopt Resolution No. 53-2025.

2. This is the time, place and date set for a public hearing on the FY26 Annual City Budget and certifying taxes for the City of Ottumwa.

A. Open the public hearing.

B. Close the public hearing.

C. Consideration of Administrative Specialist – Fire Department (Salary \$44,644.57)

RECOMMENDATION: Motion/Second, Vote.

D. Consideration of Senior Maintenance Worker (Turf Specialist) – Parks Department (Salary \$54,208.81)

RECOMMENDATION: Motion/Second, Vote.

E. Consideration of Facility Maintenance Manager – (Salary \$63,767.52)

RECOMMENDATION: Motion/Second, Vote.

F. Resolution No. 60-2025, a Resolution Adopting the Annual Budget Estimate for the Fiscal Year Ending June 30, 2026.

RECOMMENDATION: Pass and adopt Resolution No. 60-2025.

3. This is the time, place and date set for a public hearing approving the Plans, Specifications, Form of Contract and Estimated Cost for the Mary Street Reconstruction Project.

A. Open the public hearing.

B. Close the public hearing.

C. Resolution No. 65-2025, approving the Plans, Specification, Form of Contract and Estimated Cost for the Mary Street Reconstruction Project.

RECOMMENDATION: Pass and adopt Resolution No. 65-2025.

#### G. ORDINANCES:

1. Ordinance No. 3242-2025, Establishing Solid Waste Fees for Noncommercial Establishments by Repealing and Replacing Section 31 ½ - 35 of the Municipal Code of the City of Ottumwa, Wapello County, Iowa.

RECOMMENDATION: Pass the second consideration of Ordinance No. 3242-2025.

#### H. DEPARTMENTAL, BOARD, OR COMMISSION RECOMMENDATIONS/REPORTS:

1. Parks and Recreation Railroad Clubhouse Fee Increase.

RECOMMENDATION: Approve a fee of \$150 and a \$50 Damage Deposit for Rental of Railroad Clubhouse.

2. Parks and Recreation Beach Ottumwa Fee Increases.

RECOMMENDATION: Approve the fees of \$7 per day for Summer Daily Admission and \$5 per

day for indoor pool use only (effective opening of summer 2025 season).

3. Implementing a “Graffiti Wall” in the Third Street Parking Lot (on the retaining wall side in front of Fourth Street).

RECOMMENDATION: Grant Authorization to the Ottumwa Area Arts Council to create a Graffiti Wall in the specified area.

#### I. RESOLUTIONS:

1. Resolution No. 59-2025, removing special assessments applied to 112 College contained on the following Resolutions: 131-2009, 1-2010, 13-2011, 215-2011, 238-2012, 252-2013, 291-2014, 268-2015, 286-2016, 267-2017, 284-2018, 266-2019, 260-2020, 209-2021, 41-2023 and 199-2024.

RECOMMENDATION: Pass and adopt Resolution No. 59-2025.

2. Resolution No. 61-2025, Approving and Authorizing a form of Loan and Disbursement Agreement by and Between the City of Ottumwa, Iowa and the Iowa Finance Authority, and Authorizing and Providing for the Issuance and Securing the Payment of \$16,000,000 Sewer Revenue Capital Loan Notes, Series 2025A, of the City of Ottumwa, Iowa, Under the Provisions of the Code of Iowa, and Providing for a Method of Payment of Said Notes; Approval of the Tax Exemption Certificate.

RECOMMENDATION: Pass and adopt Resolution No. 61-2025.

3. Resolution No. 64-2025, approving the Professional Services for Veenstra & Kimm, Inc. for the CSO Long-Term Control Plan (LTCP) Update Agreement and Authorize the Mayor to sign the Agreement.

RECOMMENDATION: Pass and adopt Resolution No. 64-2025.

4. Resolution 66-2025, awarding the Mary Street Reconstruction Project to Jones Contracting of West Point, Iowa, in the amount of \$2,731,777.

RECOMMENDATION: Pass and adopt Resolution No. 66-2025.

5. Resolution No. 67-2025, approving the Change Order No. 1 for the Blake’s Branch Sewer Separation Phase 8, Division 3 Project.

RECOMMENDATION: Pass and adopt Resolution No. 67-2025.

6. Resolution No. 68-2025, approving a Professional Services Agreement between the City of Ottumwa and French Reneker for the WPCF Concrete Repair Project.

RECOMMENDATION: Pass and adopt Resolution No. 68-2025.

#### J. PUBLIC FORUM:

The Mayor will request comments from the public on topics of city business or operations other than those listed on this agenda. Comments shall not be personalized and limited to three minutes or less. Comments not directly applicable to operations, inappropriate, or an improper utilization of meeting time, as determined by the Mayor, will be ruled out of order. When called upon by the Mayor, step to the microphone; give your name, address and topic on which to address the Council. The Council is not likely to take any action

on your comments due to requirements of the Open Meetings Law. Pertinent questions, comments or suggestions may be referred to the appropriate department, city administrator or legal counsel for response, if relevant.

## K. MAYOR/CITY COUNCIL REPORT AND/OR COMMUNICATIONS

### ADJOURN

**\*\*\* It is the goal of the City of Ottumwa that all City Council public meetings are accessible to people with disabilities. If you need assistance in participating in City Council meetings due to a disability as defined under the ADA, please call the City Clerk's Office at (641) 683-0621 at least one (1) business day prior to the scheduled meeting to request an accommodation. \*\*\***





[ CITY OF ]

OTTUMWA

## FAX COVER SHEET

City of Ottumwa

DATE: 4/11/2025 TIME: 4:00 PM NO. OF PAGES 5  
(Including Cover Sheet)

TO: News Media CO: \_\_\_\_\_

FAX NO: \_\_\_\_\_

FROM: Christina Reinhard

FAX NO: 641-683-0613 PHONE NO: 641-683-0620

MEMO: Tentative Agenda for the Regular City Council Meeting #15 to be held on  
4/15/2025 at 5:30 P.M. at the Bridge View Center, 102 Church Street.

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FAX MULTI TX REPORT  
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JOB NO. 0507  
DEPT. ID 4717  
PGS. 5

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ERROR 916416847834  
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KTVO  
Ottumwa Waterworks  
Ottumwa Courier  
Tom FM

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## TX REPORT

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OTTUMWA CITY COUNCIL MINUTES

Item No. B.-1.

SPECIAL MEETING NO. 12  
Room 8B – Depot Conference Room

March 27, 2025  
4:00 O'Clock P.M.

The meeting was called to order at 4:00 P.M.

Present were Council Member Hoffman, McAntire, Caviness, Reid and Mayor Johnson.  
Council Member Galloway was absent.

Hoffman moved, seconded by Reid to approve agenda as presented. Motion carried 4-1. Absent: Galloway.

Caviness moved, seconded by Hoffman that Res. No. 52-2025, A Resolution Recommitting to Trail Extension and Approving the Iowa's Transportation Alternatives Program (TAP) Application and Auth. Mayor to Sign, be passed and adopted. Kim Hellige provided history of the project and answered questions. Motion carried 4-1. Absent: Galloway.

There being no further business, Reid moved, seconded by McAntire that the mtg. adjourn. Motion carried 4-1. Absent: Galloway.

Adjournment was at 4:12 P.M.

ATTEST:



*Christina Reinhard*  
Christina Reinhard, CMC, City Clerk

CITY OF OTTUMWA, IOWA

*Richard W. Johnson*  
Richard W. Johnson, Mayor

Published in the Ottumwa Courier on 4/5/2025.



OTTUMWA CITY COUNCIL MINUTES

SPECIAL MEETING NO. 13  
Bridge View Center, 102 Church St.

April 1, 2025  
5:30 O'Clock P.M.

The meeting was called to order at 5:30 P.M.

Present were Council Member McAntire, Caviness, Reid, Galloway, Hoffman, and Mayor Johnson.

Reid moved, seconded by Galloway to approve agenda as presented. All ayes.

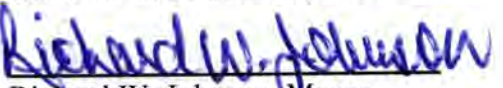
Mayor Johnson opened the public hearing on proposed Property Tax Levy for City of Ottumwa, FY 25/26 and introduced Finance Dir., O'Donnell to discuss.

Mayor Johnson inquired if anyone from the audience wished to address an item on the agenda. Two citizens: Travis Decker, 719 Glenwood Ave. and Roy Turner, 655 Minneopa; both disagreed with any increase to property taxes.

There being no further business, Hoffman moved, seconded by Reid to adjourn. All ayes.

Adjournment was at 5:58 P.M.

CITY OF OTTUMWA, IOWA

  
Richard W. Johnson, Mayor

ATTEST

  
  
Sherrie Jones, Acting City Clerk

Published in the Ottumwa Courier on 4/12/2025.

## OTTUMWA CITY COUNCIL MINUTES

REGULAR MEETING NO. 14  
Bridge View Center, 102 Church St.

April 1, 2025  
6:00 O'Clock P.M.

The meeting was called to order at 6:00 P.M.

Present were Council Member Caviness, Reid, Galloway, Hoffman, McAntire and Mayor Johnson.

Hoffman moved, seconded by McAntire to approve consent agenda items: Mins. from Regular Mtg. No. 10 on March 18, 2025 and Special Work Session No. 11 on March 25, 2025 as presented; approve April 1, 2025 Claims List submitted by Finance; Arbor Day Proclamation; Beer and/or liquor applications for: Pizza Hut, 1247 Theater Dr.; Las Palmas Bar & Grill, 321 East 2<sup>nd</sup> St.; Joe's Italian Restaurant, 332 E. Main. Motion carried 4-1. Ayes: Caviness, Galloway, Hoffman, McAntire. Nays: Reid.

Caviness moved, seconded by Hoffman to approve agenda as presented. All ayes.

Mayor Johnson designated April as Child Abuse Prevention month and presented proclamation to Angie Mach with Wapello County Children's Alliance.

City Admin. Rath introduced Youth City Council for their presentation; each member introduced themselves and had a part in reading the presentation. They are requesting City's support in having a Career Day where city leaders visit during Connections and discuss their careers and have a Shadow Day where students spend a day shadowing city leaders in their roles.

Rath provided Legislative Update.

Mayor Johnson inquired if anyone in the audience wished to speak on an agenda item. There was one Anthony Long, 120<sup>th</sup> Street, on item H.2. Delay Sewer Base Fee on Multi-Family & Mobile Home Units.

This was the time, place and date set for a public hearing on approving plans, specs., form of contract and est. cost for Apron Improvements Project at Ottumwa Reg. Airport. No objections rec'd. Hoffman moved, seconded by Galloway to close public hearing. All ayes.

Caviness moved, seconded by Hoffman that Res. No. 45-2025, approving plans, specs., form of contract and est. cost for Apron Improvements Project at Ottumwa Reg. Airport, be passed and adopted. All ayes.

This was the time, place and date set for a public hearing on proposal to convey certain real property located at 422 N. Wapello St. to Alma Perez. No objections rec'd. Hoffman moved, seconded by Reid to close public hearing. All ayes.

Reid moved, seconded by McAntire that Res. No. 51-2025, accepting bid and approving disposal of 422 N. Wapello St. to Alma Perez for the sum of \$7,777.77, be passed and adopted. All ayes.

This was the time, place and date set for a public hearing on Ord. No. 3242-2025, Establishing Solid Waste Fees for Noncommercial Establishments by Repealing and Replacing Section 31 ½ - 35 of the Municipal Code of the City of Ottumwa, Wapello County, Iowa. Mayor inquired if anyone wished to address this item, Katy Bowers, 1111 Hamilton St. asked question on budget. No objections rec'd. Hoffman moved, seconded by Caviness to close public hearing. All ayes.

McAntire moved, seconded by Hoffman to pass first consideration of Ord. No. 3242-2025. All ayes.

Hoffman moved, seconded by Reid to approve new Agt. between City of Ottumwa and Wapello County for maintenance of the Joint Law Enforcement Center. All ayes.

Galloway moved, seconded by Reid to approve delaying imposition of sewer base fees on each unit within a multi-family dwelling and each mobile home lot of a mobile home park until Jan. 1, 2026. Anthony Long, 14277 120<sup>th</sup> St., owns low income apartment bldgs. and his tenants are not happy that he needs to raise rent due to this policy. He states it should be \$20 per meter not per unit; he was told there are 15,000 homes at \$20 would be \$300,000/mo. Finance Dir. O'Donnell said there is already a base fee we would just be raising it and then start charging per unit not just meter, so it might be 1,500 x 1.50. Long asked what the Hotels, Schools etc. pay. O'Donnell stated Commercial users if they only have one meter then they pay only one base fee. At this point we are only looking at Residential users, if Council would like to add Commercial users we can. PW Dir/City Eng. Burgmeier referenced a study done in 2005 for Sewer Separation showing charging more to Residential than Commercial. Council feels more discussion needs to happen on this. All ayes.

Caviness moved, seconded by Hoffman that Res. No. 50-2025, setting April 15, 2025 at 5:30 PM as the date and time for a public hearing on FY26 Annual City Budget and certifying taxes for the City of Ottumwa, be passed and adopted. O'Donnell reported after the last work session he added to the Gen. Fund all revenue enhancements and expenditure reductions that Council wanted with the exception of three (3) new positions. When we hold the public hearing you will be asked to vote on approving each of these positions separately then the certifications. State allows us after we publish and certify the budget we can go down but cannot increase. So we are perfectly fine approving the public hearing with certification I present to you as is. It should be noted that with all changes to budget the shortfall in Gen. Fund is \$576,896 and if you do not add (3) new positions the shortfall would be \$444 and some change. All ayes.

Galloway moved, seconded by Reid that Res. No. 54-2025, awarding Contract to Christner Contracting Inc. and approving contract, bonds and cert. of ins. for the S. Market St. Gateway Project funded by Legacy Foundation, be passed and adopted. All ayes.

Galloway moved, seconded by Caviness that Res. No. 55-2025, accepting work as final and complete and approving Final Pay Request for Wapello St. Ext. Trail Project funded by Legacy Grant, be passed and adopted. All ayes.

Caviness moved, seconded by Galloway that Res. No. 56-2025, approving combined Change Orders (6, 7, 8 and 9) for the Greater Ottumwa Park Soccer Complex Project (Legacy Fields) funded by Legacy Foundation, be passed and adopted. All ayes.

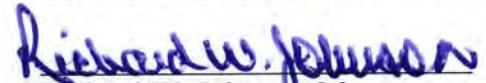
Galloway moved, seconded by Reid that Res. No. 57-2025, approving proposal submitted by Black Hawk Roof Company, Inc. for WPCF Headworks Bldg. Reroofing Project, in the amt. of \$106,616, be passed and adopted. All ayes.

Mayor Johnson inquired if anyone wished to address Council on any non-agenda items. There were none.

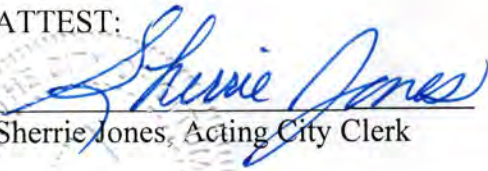
There being no further business, Galloway moved, seconded by Hoffman to adjourn. Motion carried 4-1. Ayes: Reid, Galloway, Hoffman, McAntire. Absent: Caviness.

Adjournment was at 7:20 P.M.

CITY OF OTTUMWA, IOWA

  
Richard W. Johnson, Mayor

ATTEST:

  
Sherrie Jones, Acting City Clerk

Published in the Ottumwa Courier on 4/12/2025.



## Item No. B.-2.

CITY OF OTTUMWA		
CLAIMS LISTING FOR 4-15-25 COUNCIL MEETING		
Vendor Name	Purpose	Amount
MENARDS	OPERATING SUPPLIES	5,023.34
BAILEY OFFICE EQUIPMENT	OFFICE SUPPLIES	214.3
CARQUEST AUTO	VHCL MTCE SUPPLIES	510.85
CARROLL CONSTRUCTION SUPP	TOOLS & SMALL EQUIP	4,041.65
QUALITY SERVICES 149	VHCL MTCE SUPPLIES	278
SINCLAIR NAPA	VHCL MTCE SUPPLIES	1,618.61
AHLERS & COONEY P.C.	Legal Fees	640.5
ALLIANT ENERGY COMPANY	ELECTRIC	5,568.56
ALTORFER	VHCL MTCE SUPPLIES	2,581.72
AMERICAN BOTTLING COMPANY	MERCHANDISE - RESALE	242.11
ATLANTIC BOTTLING COMPANY	CONCESSION - RESALE	89.48
BP	FUEL	15.64
BRIDGE VIEW CENTER	OPERATING SUPPLIES	2,450.86
BUB'S TREE CARE	TREE TRIMMING	4,300.00
CANTERA AGGREGATES LLC	STREET MAINT SUPPLIES	2,048.90
CENTRAL IOWA FASTENERS	OTHER SUPPLIES	197.63
CITY OF JEFFERSON	TRAVEL & CONFERENCE	135.18
CITY OF OTTUMWA, CEMETERY	CASH INVESTED PASSBK SVNG	325
CLAYTON ERHARDT	RENTS & LEASES	330
CLUB SENTRY SOFTWARE	TECHNOLOGY SERVICES	32.95
CNH INDUSTRIAL ACCOUNTS	VHCL MTCE SUPPLIES	380
COLE O'DONNELL	TRAVEL & CONFERENCE	163.28
CRANE CONCRETE READY MIX INC	STREET MAINT SUPPLIES	2,722.50
CREDIT BUREAU SERVICES	OTHER PROF SERV	240
CRESCENT ELECTRIC SUP CO	STREET MAINT SUPPLIES	26,298.00
D P PLUMBING PLUS	BUILDING MAINT REPAIR	437.5
DINGES FIRE COMPANY	OTHER SMALL CAPITAL	134
ECOSYSTEMS INC	SLUDGE HAULING	22,500.00
ELECTRIC PUMP INC.	CAPITAL IMPROVEMENTS	115,917.21
ELIAS COBLENTZ	PROGRAM SUPPLIES	210
ELLIOTT OIL COMPANY	FUEL	21.23
EUROFINS ENVIRONMENT	LAB SUPPLIES	3,507.46
EVIDENT INC.	TOOLS & SMALL EQUIP	219.24
FASTENAL COMPANY	OPERATING SUPPLIES	182.57
GEOTECH SAND & STONE INC	STREET MAINT SUPPLIES	3,892.96
GRAINGER	EQUIP REPAIR	457.64
GREGG YOUNG AUTOMOTIVE	VHCL MTCE SUPPLIES	4.5
HEARTLAND AVIATION	RENTS & LEASES	365
HEARTLAND HUMANE SOCIETY	OTHER PROF SERV	249
IBTSA	TRAINING	35
IDEAL READY MIX	STREET MAINT SUPPLIES	694.13
INDUSTRIAL CHEMICAL	GROUND MAINT & REPAIR	76
INGRAM LIBRARY SERVICES	LIBRARY MATERIALS	2,728.64
IOWA DEPT NATURAL RESOURC	TRAINING	30

J&K CONTRACTING	CONTRACTUAL	494,089.57
JOHN LLOYD	CLOTHING ALLOWANCE	180
KAREN VELADO	REFUNDS	50
KIRKHAM MICHAEL	ENGINEERING	30,005.90
KOHL WHOLESale	CONCESSION - RESALE	506.56
LEE COUNTY SHERIFF'S OFFICE	OTHER SUPPLIES	34.04
LOKTRONICS SECURITY CORP	TECHNOLOGY SERVICES	234
MACQUEEN EQUIPMENT	VHCL MTCE SUPPLIES	579.16
MANATT'S INC	STREET MAINT SUPPLIES	1,046.01
MATHIAS ROSOKOU	REFUNDS	50
MCMaster-CARR	OPERATING SUPPLIES	142.05
MEET OTTUMWA	CONV & VISITOR BUREAU	14,588.47
MIDWEST ALARM SERVICES	BLDG MAINT & REPAIR	6,288.00
MIDWEST TAPE	LIBRARY MAT-GRUBB ESTATE	5.94
MOTION INDUSTRIES	OTHER MAINT & REPAIR	176.28
MUELLER CO LLC	OTHER MAINT & REPAIR	39,573.00
MUNICIPAL SUPPLY INC	OPERATING SUPPLIES	159.5
NORRIS ASPHALT PAVING INC	STREET MAINT SUPPLIES	1,211.10
O'REILLY AUTOMOTIVE	VHCL MTCE SUPPLIES	576.97
PARKER TREE SERVICE	CONTRACTUAL SERVICES	15,000.00
PETTY CASH OTTUMWA PARK	TOOLS & SMALL EQUIP	8.55
PHILIP RATH	TRAVEL & CONFERENCE	238.91
PLAN IT SOFTWARE LLC	CONTRACTUAL SERVICES	10,500.00
PORTZEN CONSTRUCTION INC	CONTRACTUAL SERVICES	859,015.17
PRAIRIE AG SUPPLY INC	TOOLS & SMALL EQUIP	1,343.98
PROFESSIONAL JANITORIAL	JANITORIAL	3,180.00
RACOM CORPORATION	VHCL MTCE SUPPLIES	2,821.20
RG CONSTRUCTION LLC	CONTRACTUAL SERVICES	210,790.65
RIPPLING WATERS	REIMBURSEMENT	20,000.00
RJ PERFORMANCE INC	VHCL MTCE SUPPLIES	375.89
ROYAL PORTABLE TOILETS	SANITATION	231.12
S & L ALL SEASON	EQUIP REPAIR	710.84
SAMANTHA CAIN	TRAVEL & CONFERENCE	15.4
SUPREME STAFFING INC	CONTRACT EMPLOYEES	11,903.23
THE STITCH DOCTOR	SUSTENANCE SUPPLIES	805.95
THUMBS UP GIFTS & AWARDS	OTHER SUPPLIES	105
TIFANI YOUNG	TRAINING	143.5
TK CONCRETE	INFRASTRUCTURE	12,325.90
TORRES CONSTRUCTION	CONTRACTUAL SERVICES	18,200.00
TRUITT ABSTRACT COMPANY	CONTRACTUAL SERVICES	525
VAN METER INCORPORATED	OTHER MAINT & REPAIR	949.55
VEENSTRA & KIMM INC	ENGINEERING	49,078.62
VETTER'S INC-CULLIGAN WAT	LAB SUPPLIES	437.49
WILLETT HOFMANN	CONTRACTUAL SERVICES	1,180.00
WINGER COMPANIES	OTHER MAINT & REPAIR	1,785.26
BLACKHAWK BODYSHOP AND	VHCL MTCE SUPPLIES	4877.45
CAPITAL ONE	OPERATING SUPPLIES	205.03

FIDELITY SECURITY LIFE	AVESIS PAYABLE	2609.63
MANATT'S INC	STREET MAINT SUPPLIES	15554.22
MIDAMERICAN ENERGY CO	NATURAL GAS	2820.1
OTTUMWA WATER & HYDRO	BILLING FEES-WW	13397.75
RG CONSTRUCTION LLC	BUILDINGS	32775
STIVERS FORD	AUTOMOTIVE EQUIPMENT	99978
SYMETRA LIFE INSURANCE CO	GROUP LIFE PREMIUMS	4693.87
WAPELLO RURAL WATER ASSC	WATER	45.23
CAPITAL ONE	OPERATING SUPPLIES	1088.16
CENTURYLINK	TELEPHONE/IT	1077.47
CHILD SUPPORT SERVICES	CHILD SUPPORT PAYABLE	2093.67
HUMANA INSURANCE CO	HEALTH CLAIMS	25968.4
MIDAMERICAN ENERGY CO	NATURAL GAS	347.41
MISSIONSQUARE	ICMA DEF COMP PAYABLE	1305.38
NOEL INSURANCE INC	PROPERTY INSURANCE	9412
OTTUMWA WATER & HYDRO	BILLING FEES-WW	13196.73
PETTY CASH OTTUMWA PARK	CAMPING FEES	200
WAPELLO COUNTY UNITED WAY	UNITED WAY DED PAYABLE	10
	TOTAL	2,254,934.40

## STATEMENT OF CASH BALANCES AND TREASURER'S REPORT

3/31/2025

Fund #	Fund	Balance 2/28/2025	Receipts	Disbursements	Balance 3/31/2025
001	GENERAL OPERATING FUND	\$ 2,354,411.01	\$ 461,712.84	\$ (304,503.11)	\$ 2,511,620.74
002	PARKING RAMP	\$ 71,664.35	\$ 948.00	\$ (935.00)	\$ 71,677.35
003	ARPA	\$ (3,865.23)	\$ -	\$ -	\$ (3,865.23)
005	FRANCHISE FEES	\$ 847,241.34	\$ -	\$ -	\$ 847,241.34
110	ROAD USE TAX	\$ 4,276,698.04	\$ 233,771.79	\$ (226,424.08)	\$ 4,284,045.75
112	EMPLOYEE BENEFITS	\$ 2,695,356.49	\$ -	\$ -	\$ 2,695,356.49
119	EMERGENCY TAX	\$ 2,265.96	\$ -	\$ -	\$ 2,265.96
121	SALES TAX 1%	\$ 9,142,717.43	\$ 328,201.35	\$ -	\$ 9,470,918.78
125	WESTGATE TIF	\$ 632,823.39	\$ -	\$ -	\$ 632,823.39
126	AIRPORT TIF	\$ 179,163.26	\$ -	\$ -	\$ 179,163.26
128	WILDWOOD HWY 34 TIF	\$ (3,584.08)	\$ -	\$ -	\$ (3,584.08)
129	RISK MANAGEMENT	\$ 996,645.40	\$ -	\$ (427,482.00)	\$ 569,163.40
130	411 MEDICAL COSTS	\$ (199,453.32)	\$ -	\$ (17,684.51)	\$ (217,137.83)
131	AIRPORT	\$ 781,238.71	\$ 250,956.88	\$ (77,044.55)	\$ 955,151.04
133	LIBRARY	\$ (111,087.55)	\$ 1,163.91	\$ (28,945.93)	\$ (138,869.57)
135	CEMETERY	\$ 211,909.77	\$ 9,257.25	\$ (14,732.91)	\$ 206,434.11
137	HAZMAT	\$ 162,207.87	\$ 2,280.67	\$ (4,995.41)	\$ 159,493.13
141	2023 UPPER SOTRY HSG CDBG	\$ 216,461.32	\$ -	\$ -	\$ 216,461.32
146	DOWNTOWN STR	\$ 148,253.34	\$ -	\$ -	\$ 148,253.34
147	CDBG P-2 MAS	\$ 18,376.15	\$ -	\$ -	\$ 18,376.15
151	OTHER BOND PROJECTS	\$ 4,121,733.30	\$ 90.00	\$ (355,032.53)	\$ 3,766,790.77
162	SSMID DISTRICT	\$ 222,295.58	\$ -	\$ -	\$ 222,295.58
167	FIRE BEQUEST	\$ 13,084.66	\$ 510.00	\$ -	\$ 13,594.66
171	RETIREE HEALTH	\$ 1.23	\$ -	\$ -	\$ 1.23
173	LIBRARY BEQUEST	\$ 181,334.06	\$ 1,443.02	\$ (3,323.44)	\$ 179,453.64
174	COMMUNITY DEVELOPMENT	\$ 251,112.99	\$ -	\$ -	\$ 251,112.99
175	POLICE BEQUEST	\$ 221,524.34	\$ 686.00	\$ -	\$ 222,210.34
176	REIMBURSEMENT GRANTS	\$ 1,866.67	\$ -	\$ -	\$ 1,866.67
177	HISTORIC PRESERVATION	\$ 19,380.71	\$ -	\$ -	\$ 19,380.71
200	DEBT SERVICE	\$ (2,279,569.66)	\$ -	\$ -	\$ (2,279,569.66)
301	STREET PROJECTS	\$ 341,666.33	\$ -	\$ -	\$ 341,666.33
303	AIRPORT PROJECTS	\$ 392,622.12	\$ -	\$ (19,503.84)	\$ 373,118.28
307	SIDEWALK & CURB PROJECTS	\$ 31,407.97	\$ -	\$ -	\$ 31,407.97
309	PARK PROJECTS	\$ (52,321.66)	\$ 46,228.14	\$ (23,922.39)	\$ (30,015.91)
310	EQUIPMENT PURCHASE	\$ 1,487,863.65	\$ -	\$ (13,803.81)	\$ 1,474,059.84
311	LEVEE PROJECTS	\$ 990,895.65	\$ -	\$ (7,051.99)	\$ 983,843.66
313	EVENT CENTER CONSTR	\$ 429,707.17	\$ -	\$ -	\$ 429,707.17
315	SEWER CONSTRUCTION	\$ 5,578,460.03	\$ -	\$ (121,636.48)	\$ 5,456,823.55
501	CEMETERY MEMORIAL	\$ 1,070.11	\$ -	\$ -	\$ 1,070.11
503	CEMETERY PERPETUAL CARE	\$ 21,457.34	\$ 9,778.28	\$ (355.00)	\$ 30,880.62
610	SEWER UTILITY	\$ 3,683,991.07	\$ 871,818.45	\$ (353,181.53)	\$ 4,202,627.99
611	SEWER SINKING	\$ 778,463.27	\$ -	\$ -	\$ 778,463.27
613	SEWER IMPROVEMENT	\$ 5,308,453.50	\$ -	\$ -	\$ 5,308,453.50
670	LANDFILL	\$ 2,266,457.90	\$ 203,909.07	\$ (70,366.24)	\$ 2,400,000.73
671	LANDFILL RESERVE	\$ 1,411,177.99	\$ -	\$ -	\$ 1,411,177.99
673	RECYCLING	\$ 336,286.99	\$ 13,270.00	\$ (78,564.10)	\$ 270,992.89
690	TRANSIT FUND	\$ 653,345.86	\$ -	\$ -	\$ 653,345.86
720	BRIDGEVIEW EVENT CENTER	\$ (274,723.41)	\$ -	\$ (128,202.00)	\$ (402,925.41)
750	GOLF COURSE	\$ (75,783.83)	\$ -	\$ (4,718.00)	\$ (80,501.83)
810	POOLED INVESTMENT	\$ (50,975,808.07)	\$ 24,449.32	\$ -	\$ (50,951,358.75)
820	PAYROLL CLEARING	\$ 428,226.72	\$ 879.90	\$ (11,132.08)	\$ 417,974.54
860	GROUP HEALTH INSURANCE	\$ 6,971,456.63	\$ 7,508.62	\$ (1,904.44)	\$ 6,977,060.81
861	POST 65 RETIREE HEALTH INS	\$ 290,481.06	\$ 13,536.00	\$ (26,109.40)	\$ 277,907.66
862	DENTAL INSURANCE	\$ 45,384.67	\$ -	\$ -	\$ 45,384.67
863	LIFE INSURANCE	\$ 92,211.68	\$ -	\$ (4,856.25)	\$ 87,355.43
	<b>TOTAL</b>	<b>\$ 5,334,658.27</b>	<b>\$ 2,482,399.49</b>	<b>\$ (2,326,411.02)</b>	<b>\$ 5,490,646.74</b>



**INVESTMENTS**  
**AS OF 03/31/2025**

INSTITUTION	INSTRUMENT	TERM	RATE	BALANCE	RENEWAL DATE
ISB	CD	6 MOS	4.25%	\$ 1,000,000	4/21/2025
ISB	CD	6 MOS	4.25%	\$ 1,000,000	4/21/2025
ISB	CD	6 MOS	4.25%	\$ 1,000,000	4/21/2025
ISB	CD	6 MOS	4.25%	\$ 1,000,000	4/21/2025
COMM 1ST	CD	12 MOS	3.10%	\$ 1,000,000	4/24/2025
COMM 1ST	CD	12 MOS	3.10%	\$ 1,000,000	4/24/2025
COMM 1ST	CD	12 MOS	3.10%	\$ 1,000,000	4/24/2025
COMM 1ST	CD	12 MOS	3.10%	\$ 1,000,000	4/24/2025
ISB	CD	12 MOS	5.00%	\$ 1,000,000	6/3/2025
ISB	CD	12 MOS	5.00%	\$ 1,000,000	6/3/2025
ISB	CD	12 MOS	5.00%	\$ 1,000,000	6/3/2025
ISB	CD	12 MOS	5.00%	\$ 1,000,000	6/3/2025
COMM 1ST	CD	13 Mos	5.15%	\$ 1,000,000	9/26/2025
COMM 1ST	CD	13 Mos	5.15%	\$ 1,000,000	9/26/2025
COMM 1ST	CD	13 Mos	5.15%	\$ 1,000,000	9/26/2025
COMM 1ST	CD	12 MOS	4.25%	\$ 1,000,000	2/4/2026
COMM 1ST	CD	12 MOS	4.25%	\$ 1,000,000	2/4/2026
COMM 1ST	CD	12 MOS	4.25%	\$ 1,000,000	2/4/2026
COMM 1ST	CD	12 MOS	4.25%	\$ 1,000,000	2/4/2026
COMM 1ST	CD	12 MOS	4.25%	\$ 1,000,000	2/4/2026
COMM 1ST	CD	12 MOS	4.25%	\$ 1,000,000	2/4/2026
COMM 1ST	CD	12 MOS	4.25%	\$ 1,000,000	3/4/2026
COMM 1ST	CD	24 MOS	3.26%	\$ 1,000,000	3/25/2026
COMM 1ST	CD	24 MOS	3.26%	\$ 1,000,000	3/25/2026
COMM 1ST	CD	24 MOS	3.26%	\$ 1,000,000	3/25/2026
COMM 1ST	CD	24 MOS	3.26%	\$ 1,000,000	4/24/2026
COMM 1ST	CD	24 MOS	3.26%	\$ 1,000,000	4/24/2026
COMM 1ST	CD	24 MOS	3.26%	\$ 1,000,000	4/24/2026
IPAIT	IBA	NONE	4.15%	\$ 8,556,990	NONE
IPAIT	FRI	30 DAYS	4.23%	\$ 6,000,000	
ISB	SAVINGS	NONE	4.11%	\$ 10,000,000	NONE
<b>AVERAGE YEILD</b>			<b>4.08%</b>	<b>\$ 51,556,990</b>	

**OTTUMWA CIVIL SERVICE COMMISSION**

**Code Compliance Officer – Entrance Eligibility List**

1. Billy Benavidez
2. Adam Davis
3. Donna Dobson
4. Charles Gamino
5. Roberto Garcia
6. Kyle Kerby
7. Jack Kyle
8. Chad Lawrence
9. Barbara Oropeza

Certified April 9, 2025

OTTUMWA CIVIL SERVICE COMMISSION

Ed Wilson, Chairman  
Ann Youngman  
Amy Gardner

# **OTTUMWA CIVIL SERVICE COMMISSION**

## **Police Officer – Entrance Eligibility List**

1. Wyatt Carlston

Certified April 9, 2025

**OTTUMWA CIVIL SERVICE COMMISSION**

Ed Wilson, Chairman

Ann Youngman

Amy Gardner

# **OTTUMWA CIVIL SERVICE COMMISSION**

## **Master Firefighter – Promotional Eligibility List**

1. Chance Crandall
2. Jerry Lemeuse

Certified April 9, 2025

**OTTUMWA CIVIL SERVICE COMMISSION**

Ed Wilson, Chairman  
Ann Youngman  
Amy Gardner



# **OTTUMWA CIVIL SERVICE COMMISSION**

## **Fire Captain – Promotional Eligibility List**

1. Jerry Lemeuse
2. William Munley
3. Cole Owens
4. Troy Pilcher

Certified April 9, 2025

**OTTUMWA CIVIL SERVICE COMMISSION**

Ed Wilson, Chairman  
Ann Youngman  
Amy Gardner

# **OTTUMWA CIVIL SERVICE COMMISSION**

## **Assistant Fire Chief – Promotional Eligibility List**

1. Josh Chance
2. William Munley
3. Cole Owens
4. Troy Pilcher
5. Nathan West

Certified April 9, 2025

**OTTUMWA CIVIL SERVICE COMMISSION**

Ed Wilson, Chairman  
Ann Youngman  
Amy Gardner



CITY OF  
OTTUMWA**PROCLAMATION  
Mental Health Month  
May 2025**

WHEREAS, Mental health is essential to everyone's overall health and well-being; and

WHEREAS, Mental illnesses are real and prevalent in our nation, and half of us will have a mental health diagnosis at some point in our lives; and

WHEREAS, All Americans experience times of difficulty and stress in their lives and should feel comfortable in seeking help and support to manage these times; and

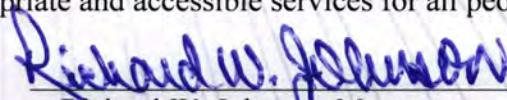
WHEREAS, Engaging in prevention, early identification, and early intervention are effective ways to reduce the burden of mental illnesses as they are to reduce the burden of other chronic conditions; and

WHEREAS, There is a strong body of research that identifies behavioral health risks and supports specific tools that all Americans can use to protect their health and well-being; and


WHEREAS, With effective treatment all individuals with mental illnesses-even serious mental illnesses-can make progress toward recovery and lead full, productive lives; and

WHEREAS, Each business, school, government agency, healthcare provider, organization and citizen has a responsibility to promote mental health and well-being for all.

**NOW, THEREFORE, I, Richard W. Johnson, Mayor,** City of Ottumwa, proclaim May 2025 as Mental Health Month in Ottumwa, Iowa. I also call upon the citizens, government agencies, public and private institutions, businesses and schools in Ottumwa to recommit our community to increasing awareness and understanding of mental health, the steps our citizens can take to protect their mental health and the need for appropriate and accessible services for all people with mental illnesses.

  
Richard W. Johnson, Mayor

ATTEST:

  
Christina Reinhard, City Clerk



received

4-7-25 4:30pm

**CITY OF OTTUMWA**  
**Staff Summary**

**\*\* ACTION ITEM \*\***

Council Meeting of : Apr 15, 2025

Airport  
Department

JD Wheaton

Prepared By

JD Wheaton

Department Head

City Administrator Approval

AGENDA TITLE: Resolution #58-2025 Approve the purchase of a 2025 Polaris Ranger from R/J Powersports, Ottumwa Iowa, in the amount of \$17,914.46.

\*\*\*\*\*

☐

\*\*Public hearing required if this box is checked.\*\*

RECOMMENDATION: Approve the purchase of a 2025 Polaris Ranger from R/J Powersports, Ottumwa Iowa in the amount of \$17,914.46.

DISCUSSION: Three bids were received with the best qualified bid from R/J Powersports. This will replace unit #558 which is a 1995 Kawasaki Mule.

Unit #558 was evaluated by the Central Garage which they suggested replacing. The Fleet Committee approved the replacement at the 12/12/2023 Fleet meeting. This was also approved in the FY25 Budget.

R/J Powersports \$17,914.46

C&C Custom Cycle \$18,224.11

Slayton Polaris \$18,485.00

Source of Funds: Airport Fund

Budgeted Item:



Budget Amendment Needed: No

**RESOLUTION #58-2025**

**A RESOLUTION APPROVING THE PURCHASE OF A 2025 POLARIS RANGER FOR THE OTTUMWA REGIONAL AIRPORT**

WHEREAS, The fleet committee approved the purchase of a new utility vehicle for the Airport at the December 23, 2023 meeting to replace unit #558; and,

WHEREAS, The specs were approved by the Fleet Committee at its May 29, 2024 meeting; and,

WHEREAS, The utility vehicle was approved for purchase in the FY25 budget.

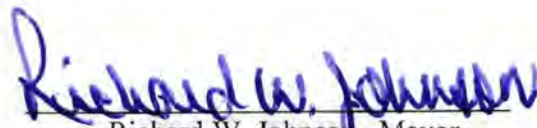
NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF OTTUMWA, IOWA. THAT: The purchase of a 2025 Polaris Ranger for the Airport is hereby approved.

PASSED AND ADOPT this April 1<sup>st</sup>, 2025

CITY OF OTTUMWA, IOWA

ATTEST:

  
  
Christina Reinhard, City Clerk

  
Richard W. Johnson, Mayor



# Buyer's Order



City Of Ottumwa Airport

14802 Terminal st.  
Ottumwa, IA 52501

H (641) 683-0619 W

C

Email wheatonj@ottumwa.us

I hereby agree to purchase the following unit(s) from you under the terms and conditions specified. Delivery is to be made as soon as possible. It is agreed, however, that neither you nor the manufacturer will be liable for failure to make delivery.

## Unit Information

New/U	Year	Make	Model	Serial No.	Stock No.	Price (Incl factory options)
New	2025	Polaris	R25TAE99AJ	3NSTAE999SH103384	POL103384	\$16,499.00

Parts and Labor:

Price	Qty	Ext Price	Dealer Unit Price	
			Parts & Accessories	\$16,499.00
			Labor	\$0.00
			Freight	\$2,951.46
			Dealer Prep	\$0.00

Labor price includes the following:

Turn Signal & Horn  
Side mirrors  
rear view mirror  
rear glass

Customer Rebates (\$1,750.00)

Labor:

front tip out glass windshield

Cash Price	\$17,700.46
Trade Allowance	\$0.00
Payoff	\$0.00
Net Trade	\$0.00

**Net Sale** (Cash Price - Net Trade) \$17,700.46

Sales Tax \$0.00

Title/License/Registration Fees \$34.00

Document or Administration Fees \$180.00

Total Other Charges \$214.00

**Sub Total** (Net Sale + Other Charges) \$17,914.46

Cash Down Payment \$0.00

**Amount to Pay/Finance** \$17,914.46

Notes:

Trade Information

**Monthly Payment of \$380.54 For 60 Months at 9.99% Interest**

ALL SALES FINAL- NO REFUNDS. DEPOSITS NON-REFUNDABLE. ALL USED VEHICLES "AS IS," NO WARRANTY EXPRESSED OR IMPLIED. PRICE REFLECTS ALL FACTORY REBATES & DEALER INCENTIVES. RETURNED CHECK FEE OF \$35.00 PLUS ANY LEGAL FEES INCURRED. THE TERMS AND CONDITIONS OF THIS BILL OF SALE COMPRISE THE ENTIRE AGREEMENT PERTAINING TO THIS PURCHASE AND NO OTHER AGREEMENT OF ANY KIND. NO VERBAL UNDERSTANDING OR PROMISE WHATSOEVER WILL BE RECOGNIZED. UPON FAILURE OR REFUSAL OF THE PURCHASER TO COMPLETE THIS AGREEMENT FOR ANY REASON, ALL OR PART OF THE CASH DEPOSIT MAY BE DETAINED AS LIQUIDATED DAMAGES. THE PURCHASER CERTIFIES HE OR SHE IS OF LEGAL AGE AND HEREBY ACCEPTS AND ACKNOWLEDGES A COPY OF THIS BILL OF SALE. NOT VALID UNLESS ACCEPTED BY AUTHORIZED REPRESENTATIVE. THANK YOU VERY MUCH FOR YOUR BUSINESS!

Customer(s) Signature \_\_\_\_\_

03/28/2025

Dealer Signature \_\_\_\_\_

Date

Customer(s) Signature \_\_\_\_\_

Date

Thank You for Your Business!

## Buyers Order

<b>C&amp;C Custom Cycle</b> 130 East Lincoln Chariton, IA 50049- 641/774-7494 888/475-2243
---

<b>Salesperson Details</b> Name: GREG CHIPP Email: greg@cc-cycle.com
---

Buyer Information	
CITY OF OTTUMWA 105 EAST THIRD ST OTTUMWA, IA 52501	641-683-0600 641-683-0619 WHEATONJ@ottumwa.us

N/U	Year	Make	Model	Stock #	VIN
New	2025	POLARIS	RANGER 1000 PREM	152453	3NSTAE995SH152453

Manufacturer Options, Parts and Labor	
K-WNDSHLD,TIPOUT(P)	\$1,189.99
LOCK & RIDE PRO-FIT GLASS REAR(P)	\$441.99
LABOR QUOTE TO INSTALL ACCESS.(L)	\$400.00
STD TURN SIGNAL KIT POL(P)	\$279.65
K-ACCY,MIRROR,SIDE,ROPS,RGR(P)	\$152.99
K-MIRROR,RRVW,CAB,RGT(P)	\$76.49

Pricing Details	
Manufacturer Base Price	\$17,999.00
Price as Equipped	\$20,917.96
Discount	(\$2,693.85)
Unit Subtotal	\$18,224.11
Net Selling Price	\$18,224.11
Amount Financed	\$18,224.11

Payment Options Matrix			
Down	\$0.00	\$0.00	\$1,000.00
0 Term	\$0.00	\$0.00	\$0.00
1 Term	\$0.00	\$0.00	\$0.00
7 Term	\$0.00	\$0.00	\$0.00
Estimated APR			

Customer	Date
Dealer Representative	Date



Wheaton J @ Ottumwa, US  
PARTS AND ACCESSORIES

**SLAYTON POLARIS**

AUTHORIZED POLARIS DEALER SINCE 1988

RANGERS

**POLARIS**

ATV'S



10456 State Route B, DOWNING, MO 63536  
(560) 328-6627

6 miles west of Memphis  
then north on B 13 miles

*price Quote*

*641-683-0614*

*4-1-25*

CUSTOMER'S  
ORDER NO.

DATE

20

M

ADDRESS

CITY

STATE

SOLD BY	CASH	C.O.D.	CHARGE	ON ACCT.	MDSE. RETD.	PAID OUT	
QUANTITY	DESCRIPTION					PRICE	AMOUNT
1	1	2025 polaris Ranger					16000 <sup>00</sup>
2		1000 premium Mirage Gray					
3							
4							
5							
6		Turn signals & Horn					575 <sup>00</sup>
7		Side mirrors					190 <sup>00</sup>
8		Glass R					520 <sup>00</sup>
9		Tipout Glass w/s					1400 <sup>00</sup>
10							18685 <sup>00</sup>
11		Acc Discount					200 <sup>00</sup>
12							18485 <sup>00</sup>
13							
14							
<i>Thank You</i> All claims and returned goods MUST be accompanied by this bill.						SALES TAX	
						TOTAL	

Received by \_\_\_\_\_

**received**  
4/9/25 1pm

# CITY OF OTTUMWA

## Staff Summary

**\*\* ACTION ITEM \*\***

Council Meeting of: Apr 15, 2025

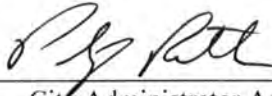
Jake Rusch

Prepared By

Planning & Development

Department

Department Head



City Administrator Approval

AGENDA TITLE: Resolution No. 62- 2025, a resolution setting May 6th, 2025 as the date of a Public Hearing on the disposition of City owned property located at 422 N Wapello.

\*\*\*\*\*

☐

**\*\*Public hearing required if this box is checked.\*\***

☐

\*\*\*The Proof of Publication for each Public Hearing must be attached to this Staff Summary. If the Proof of Publication is not attached, the item will not be placed on the agenda.\*\*\*

RECOMMENDATION: Pass and adopt Resolution No. 62- 2025

DISCUSSION: The City owns a house at 422 N Wapello. The city seeks to sell this property to Alma Perez (The highest bidder) for \$7,777.77. The proposal will be brought to the May 6th, 2025 City Council meeting.

Source of Funds:

Budgeted Item:

☐

Budget Amendment Needed:



RESOLUTION No. 62 - 2025

A RESOLUTION SETTING MAY 6TH , 2025 AS THE DATE OF A PUBLIC HEARING ON THE DISPOSITION OF CITY OWNED PROPERTY LOCATED AT 422 N WAPELLO

WHEREAS, the City of Ottumwa, is the present title holder to the property legally described as GRANT'S SUB. OF GIL. N 40 1/2' LOT 23 City of Ottumwa, Wapello County, Iowa, also known as 422 N Wapello; and

WHEREAS, the above described property is a Placarded Property within the city of Ottumwa; and

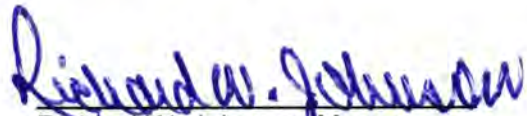
WHEREAS, the City will dispose of the property to the interested party (Alma Perez).

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

That the 6th day of May 2025 at 5:30 PM at the City Council meeting located at 102 Church Street in the City of Ottumwa, Iowa, be and the same is hereby fixed as the time, date and place for a public hearing on the notice of intent to dispose of real property legally described above to the interested party and the City Clerk is authorized and directed to publish notice of said public hearing as provided by law.

PASSED AND ADOPTED this 15th day of April 2025.

City of Ottumwa, Iowa

  
Richard W. Johnson, Mayor

ATTEST:

  
  
Christina Reinhard, City Clerk



**PURCHASE AGREEMENT BID FORM  
FOR  
422 N WAPELLO  
OTTUMWA, IOWA**

This proposal is for a City owned property located at **GRANT'S SUB. OF GIL. N 40 1/2' LOT 23 City of Ottumwa, Wapello County, Iowa legally known as 422 N WAPELLO**. The property is located in an R-4 Residential zoning district and must be used in that regard.

The property is offered for sale subject to the following conditions: **A bid security in the form of a certified check or cash in the amount of 10% of the bid price is required to be submitted with the proposal.** The property will be transferred by **Quit Claim Deed with no abstract** and the buyer will pay the costs of conveyance as well as any property taxes owed.

It is understood that the City of Ottumwa reserves the right to accept or reject any or all proposals, to disregard any formality in connection therewith, or to accept any proposal which in its opinion is in the best interest of the City.

Bidders also understand that the costs of conveyance (publishing the public hearing notice, recording fees and preparation of the deed) and any property taxes owed are costs that are in addition to the total purchase price offered for the property.

It is understood and agreed that a Purchase Agreement Form, once submitted and opened, cannot be withdrawn without the consent of the City of Ottumwa.

\$ Seven thousand & Seven hundred Seventy seven 77/100

**TOTAL PURCHASE PRICE OFFERED FOR THIS PROPERTY**

If my proposal is accepted, I the undersigned further agree to keep the property free of any and all nuisances and to keep the grass cut below 10" in height.

Alma Perez

**NAME OF BIDDER (PRINTED)**

1929 E Main St.

Ottumwa, IA, 52501

**MAILING ADDRESS**

03/12/25

**DATE**

(647) 954-0010

**TELEPHONE NUMBER**

A.P.

**SIGNATURE**

alma.021@hotmail.com  
**EMAIL ADDRESS**

THIS DOCUMENT HAS VISIBLE FIBERS, INVISIBLE FLUORESCENT FIBERS, CHEMICAL REACTANT STAINS, AND A WATERMARK



MAIN OFFICE:  
235 RICHMOND  
OTTUMWA, IOWA 52501  
866.360.5370



12-1512/2139

Community 1st Credit Union

**CASHIER'S CHECK**

\*\*\* SEVEN HUNDRED SEVENTY-SEVEN DOLLARS AND 77 CENTS \*\*\*

03/11/25

\$777.77

PAY

TO THE  
ORDER  
OF

**EXACTLY 777 Dollars 77 Cents**

\*CITY OF OTTUMWA\*

VOID AFTER 90 DAYS

*James M. Hille*

AUTHORIZED SIGNATURE

422 NORTH WAPELLO ST.

**(One publication required)**

NOTICE OF PUBLIC HEARING OF THE CITY COUNCIL OF THE  
CITY OF OTTUMWA IN THE STATE OF IOWA, ON THE MATTER  
OF THE PROPOSAL TO CONVEY REAL PROPERTY LOCATED AT  
422 NORTH WAPELLO, OTTUMWA, IOWA, TO ALMA PEREZ, AND  
THE HEARING THEREON

PUBLIC NOTICE is hereby given that the Council of the City of Ottumwa in the State of Iowa, will hold a public hearing on May 6, 2025, at 5:30 p.m. in the Bridge View Center, 102 Church Street, Ottumwa, Iowa, at which meeting the Council proposes to take action on the proposal to convey certain City-owned real property to Alma Perez (the "Buyer") for \$7,777.77 and other good and valuable consideration. The real property proposed to be sold and conveyed is legally described as follows:

GRANT'S SUB. OF. GIL. N 40 1/2' LOT 23 City of Ottumwa, Wapello  
County, Iowa,

and locally known as 422 North Wapello, Ottumwa, Iowa.

At the time and place set for the public hearing, interested individuals will be given the opportunity to express their views, both orally and in writing, on the proposed conveyance and proposed Agreement. After the public hearing, the Council may make a final determination to approve the Agreement as submitted, or upon condition that certain terms be changed, or the Council may defer action on the Agreement and proposal until a subsequent meeting.

This notice is given by order of the City Council of the City of Ottumwa in the State of Iowa, as provided by Section 364.7 of the City Code of Iowa.

Dated this 15th day of April, 2025.

Christina Reinhard  
\_\_\_\_\_  
City Clerk, City of Ottumwa in the State of  
Iowa





# CITY OF OTTUMWA

## Staff Summary

**\*\* ACTION ITEM \*\***

Council Meeting of: Apr 15, 2025

Jake Rusch

Prepared By

Planning & Development

Department

Department Head

City Administrator Approval

AGENDA TITLE: Resolution No. 63- 2025, a resolution setting May 6th, 2025 as the date of a Public Hearing on the disposition of City owned property located at 126 S Cooper.

\*\*\*\*\*

☐

**\*\*Public hearing required if this box is checked.\*\***

☐

\*\*\*The Proof of Publication for each Public Hearing must be attached to this Staff Summary. If the Proof of Publication is not attached, the item will not be placed on the agenda.\*\*\*

RECOMMENDATION: Pass and adopt Resolution No. 63- 2025

DISCUSSION: The City owns a house at 126 S Cooper. The city seeks to sell this property to Samuel Duran (The highest bidder) for \$25,607.00. The proposal will be brought to the May 6th, 2025 City Council meeting.

Source of Funds:

Budgeted Item:

☐

Budget Amendment Needed:

RESOLUTION No. 63 - 2025

A RESOLUTION SETTING MAY 6TH , 2025 AS THE DATE OF A PUBLIC HEARING ON THE DISPOSITION OF CITY OWNED PROPERTY LOCATED AT 126 S COOPER

WHEREAS, the City of Ottumwa, is the present title holder to the property legally described as JANNEY ADD LOT 26 BLK 2 City of Ottumwa, Wapello County, Iowa, also known as 126 S COOPER; and

WHEREAS, the above described property is a Placarded Property within the city of Ottumwa; and

WHEREAS, the City will dispose of the property to the interested party (Samuel Duran).

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

That the 6th day of May 2025 at 5:30 PM at the City Council meeting located at 102 Church Street in the City of Ottumwa, Iowa, be and the same is hereby fixed as the time, date and place for a public hearing on the notice of intent to dispose of real property legally described above to the interested party and the City Clerk is authorized and directed to publish notice of said public hearing as provided by law.

PASSED AND ADOPTED this 15th day of April 2025.

City of Ottumwa, Iowa

  
Richard W. Johnson, Mayor

ATTEST:

  
  
Christina Reinhard, City Clerk



**PURCHASE AGREEMENT BID FORM  
FOR  
126 S COOPER  
OTTUMWA, IOWA**

This proposal is for a City owned property located at **JANNEY ADD LOT 26 BLK 2 City of Ottumwa, Wapello County, Iowa legally known as 126 S Cooper**. The property is located in an R-4 Residential zoning district and must be used in that regard.

The property is offered for sale subject to the following conditions: **A bid security in the form of a certified check or cash in the amount of 10% of the bid price is required to be submitted with the proposal.** The property will be transferred by **Quit Claim Deed with no abstract** and the buyer will pay the costs of conveyance as well as any property taxes owed.

It is understood that the City of Ottumwa reserves the right to accept or reject any or all proposals, to disregard any formality in connection therewith, or to accept any proposal which in its opinion is in the best interest of the City.

Bidders also understand that the costs of conveyance (publishing the public hearing notice, recording fees and preparation of the deed) and any property taxes owed are costs that are in addition to the total purchase price offered for the property.

It is understood and agreed that a Purchase Agreement Form, once submitted and opened, cannot be withdrawn without the consent of the City of Ottumwa.

\$ 25,607

**TOTAL PURCHASE PRICE OFFERED FOR THIS PROPERTY**

If my proposal is accepted, I the undersigned further agree to keep the property free of any and all nuisances and to keep the grass cut below 10" in height.

Samuel Duran

**NAME OF BIDDER (PRINTED)**

707 Chester Ave

Ottumwa IA 52501

**MAILING ADDRESS**

3-24-25

**DATE**

641-226-2670

**TELEPHONE NUMBER**

Samuel Duran

**SIGNATURE**

SamuelDuran774@gmail.com

**EMAIL ADDRESS**

**(One publication required)**

NOTICE OF PUBLIC HEARING OF THE CITY COUNCIL OF THE  
CITY OF OTTUMWA IN THE STATE OF IOWA, ON THE MATTER  
OF THE PROPOSAL TO CONVEY REAL PROPERTY LOCATED AT  
126 SOUTH COOPER, OTTUMWA, IOWA, TO SAMUEL DURAN,  
AND THE HEARING THEREON

PUBLIC NOTICE is hereby given that the Council of the City of Ottumwa in the State of Iowa, will hold a public hearing on May 6, 2025, at 5:30 p.m. in the Bridge View Center, 102 Church Street, Ottumwa, Iowa, at which meeting the Council proposes to take action on the proposal to convey certain City-owned real property to Samuel Duran (the "Buyer") for \$25,607 and other good and valuable consideration. The real property proposed to be sold and conveyed is legally described as follows:

JANNEY ADD LOT 26 BLK 2 City of Ottumwa, Wapello County, Iowa,

and locally known as 126 South Cooper, Ottumwa, Iowa.

At the time and place set for the public hearing, interested individuals will be given the opportunity to express their views, both orally and in writing, on the proposed conveyance and proposed Agreement. After the public hearing, the Council may make a final determination to approve the Agreement as submitted, or upon condition that certain terms be changed, or the Council may defer action on the Agreement and proposal until a subsequent meeting.

This notice is given by order of the City Council of the City of Ottumwa in the State of Iowa, as provided by Section 364.7 of the City Code of Iowa.

Dated this 15th day of April, 2025.

Christina Reinhard

---

City Clerk, City of Ottumwa in the State of  
Iowa

received  
4/10/25 @ 2:13pm

Item No. F.-1.

CITY OF OTTUMWA

Staff Summary

**\*\* ACTION ITEM \*\***

Council Meeting of: April 15, 2025

\_\_\_\_\_  
Engineering  
Department

\_\_\_\_\_  
Phillip Burgmeier  
Prepared By

\_\_\_\_\_  
*Phillip Burgmeier*  
Department Head

\_\_\_\_\_  
*[Signature]*  
City Administrator Approval

AGENDA TITLE: Resolution #53-2025. Approving the Plans, Specifications, Form of Contract and Estimated Cost for the Washington Street Reconstruction Project.

\*\*\*\*\*

☒ \*\*Public hearing required if this box is checked. \*\*

☒ \*\*The Proof of Publication for each Public Hearing must be attached to this Staff Summary. If the Proof of Publication is not attached, the item will not be placed on the agenda. \*\*

RECOMMENDATION: Pass and adopt Resolution #53-2025.

DISCUSSION: This project will consist of, full width, full depth pavement reconstruction of Washington Street from 100' north of 5<sup>th</sup> Street to the south side of the 4<sup>th</sup> Street intersection. While the pavement is out new sanitary and a separated storm sewer system will be installed. The storm sewer will be recombined at 4<sup>th</sup> Street until the trunk lines from Gateway make it to the area.

Bids will be received and opened by the City of Ottumwa on April 30, 2025 at 2:00 p.m. The bid report and bid award recommendation will be presented at the City Council meeting on May 6, 2025, or at a later date as determined by staff.

Estimate: \$794,661

Funding: \$72,000 OWW  
\$722,661 301 - Street Construction

Source of Funds: 301, OWW

Budgeted Item: Yes

Budget Amendment Needed: No



RESOLUTION #53-2025

A RESOLUTION APPROVING THE PLANS, SPECIFICATIONS, FORM OF CONTRACT,  
AND ESTIMATED COST FOR THE WASHINGTON STREET RECONSTRUCTION PROJECT

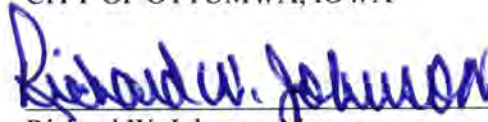
WHEREAS, The City Council of the City of Ottumwa, Iowa has conducted a public hearing on the plans, specifications, form of contract, and estimated cost for the above referenced project; and,

WHEREAS, No objections to the said plans, specifications, form of contract and estimated cost were received.

NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF OTTUMWA, IOWA THAT: The plans, specifications, form of contract, and estimated cost for the above referenced project are hereby approved and adopted.

APPROVED, PASSED, AND ADOPTED, this 15<sup>th</sup> day of April, 2025.

CITY OF OTTUMWA, IOWA

  
Richard W. Johnson, Mayor

ATTEST:

  
  
Christina Reinhard, City Clerk

4/3/25

**SECTION 00010  
NOTICE OF  
PUBLIC HEARING**

The City Council of Ottumwa, Iowa, will hold a public hearing on the proposed Plans and Specifications, form of contract and estimate of cost for the construction of said improvements described in general as "Washington Street Reconstruction, Ottumwa, Iowa" at 5:30 o'clock p.m. on April 15, 2025, at the Bridge View Center, Ottumwa, Iowa. At said hearing any interested person may appear and file objections thereto or to the cost of the improvements. At the hearing, the City will receive and consider any objections made by any interested party, to the Plans and Specifications, proposed form of Contract, and the estimate of cost for the project.

The work to be done is as follows: Furnish all labor, materials and equipment to construct the following:

This project will consist full depth reconstruction of Washington Street from 6th Street through the 4th Street intersection along with new sanitary sewer, ADA sidewalk ramps, a separated storm sewer, and water main replacement where requested by Ottumwa Water Works.

All work and materials are to be in strict compliance with the Plans and Specifications prepared by the City of Ottumwa Engineering Department which together with the proposed form of contract and estimate of cost have heretofore been approved by the City and are now on file for public examination in the office of the Clerk, and are by this reference made a part hereof as though fully set out and incorporated herein.

CITY OF OTTUMWA, IOWA

By:

Richard W. Johnson, Mayor

ATTEST:

Christina Reinhard, City Clerk





Item No. F.-2.  
**received**  
4.9.25 1pm

## CITY OF OTTUMWA Staff Summary

**\*\* ACTION ITEM \*\***

Council Meeting of: Apr 15, 2025

Finance

Department

O'Donnell

Prepared By

O'Donnell

Department Head

City Administrator Approval

AGENDA TITLE: A RESOLUTION ADOPTING THE ANNUAL BUDGET ESTIMATE FOR  
THE FISCAL YEAR ENDING JUNE 30, 2026

\*\*\*\*\*



\*\*Public hearing required if this box is checked.\*\*



The Proof of Publication for each Public Hearing must be attached to this Staff Summary. If the Proof of Publication is not attached, the item will not be placed on the agenda.

RECOMMENDATION: 1. Open public hearing.  
2. Presentation by city staff & receive comment(s), Call for written and oral objections.  
3. Close public hearing.  
4. Consider motions on proposed positions.  
5. Pass and adopt Resolution 60-2025

DISCUSSION: This is to hold a public hearing for the purpose of receiving citizen comments prior to consideration of the attached Resolution - 60-2025. You will also vote to authorize or not authorize the following proposed new positions within the General Fund:

Administrative Specialist- Fire Department- Salary \$44,644.57  
Senior Maintenance Worker (Turf Specialist)- Salary \$54,208.81  
Facility Maintenance Manager- Salary \$63,767.52

Each position will have a separate vote. Since the State budget forms are

Source of Funds: N/A

Budgeted Item:



Budget Amendment Needed: No

locked due to the publication requirements, you will adopt Resolution 60-2025 and the budget as presented. However, the Resolution contains language that directs the Director of Finance to prepare an amendment, as soon as practical, amending the budget to reflect any decrease in expenditures due to any or all of the positions not being approved.

## RESOLUTION NO. 60-2025

### A RESOLUTION ADOPTING THE ANNUAL BUDGET ESTIMATE FOR THE FISCAL YEAR ENDING JUNE 30, 2026

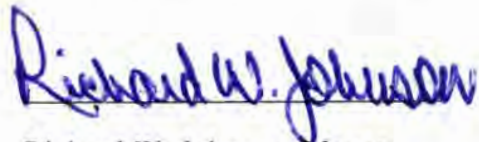
**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY  
OF OTTUMWA, IOWA, THAT:**

The annual budget for fiscal year ending June 30, 2026, as set forth in the Budget Summary Certificate and in the detailed budget in support thereof showing the revenue estimates and appropriation expenditures and allocations to functions and activities for said fiscal year is adopted, and the Director of Finance is directed to make the filings required by law and set up the books in accordance with the summary and details as adopted.

Further, the Director of Finance is directed to modify the budget within the financial accounting system to reflect the approved or unapproved revenues and expenditures within the General Fund and prepare, at such time as is practical, an amendment to the Fiscal Year 26 budget with changes in expenditures resulting from any budgetary adjustments made following the public hearing held April 15, 2025.

APPROVED, PASSED AND ADOPTED, this 15<sup>th</sup> day of April, 2025.

CITY OF OTTUMWA, IOWA



Richard W. Johnson, Mayor

ATTEST:

  
Chris Reinhard, City Clerk



# Annual Budget for Fiscal Year 2026

Presented on April 15, 2025



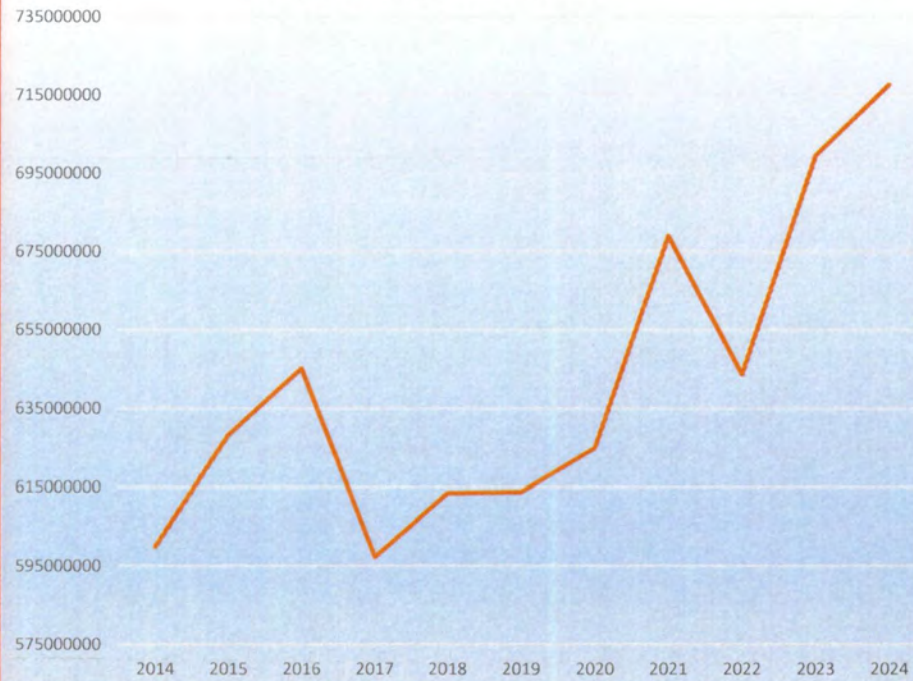


# OVERVIEW

- SECOND YEAR UNDER HF 718
- FIRST PROPERTY TAX LEVY INCREASE AFTER FIVE YEARS OF REDUCTIONS
- FIRST YEAR WITH CIP
  - START OF ANNUAL STREET MAINTENANCE OF \$3 MILLION/YEAR
- SHORTFALLS
  - SOME PLANNED OTHERS NOT



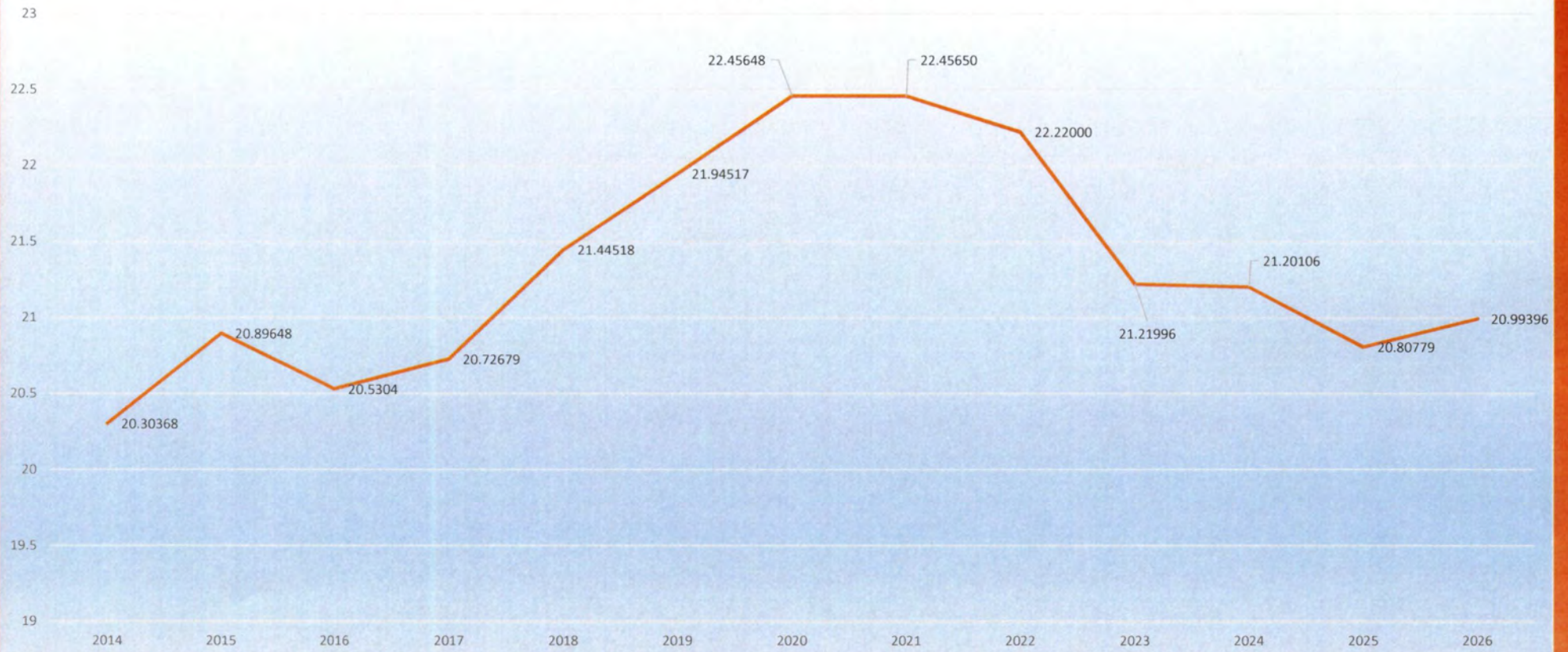
10 YEAR TAXABLE VALUATION



10 YEAR 100% VALUATION



### 10 YEAR LEVY RATE HISTORY





City	Population	Taxable Val.	FY 24 GF Levy	Add. GF Levies	Debt Service	Empty Benefit	Total Levy	Tax Generated	Tax Per Capita*
MASON CITY	27,338	1,280,617,390	8.51000	0.62569	2.97487	1.86736	13.97792	\$ 17,900,367	\$ 654.78
CLINTON	24,469	1,009,437,627	8.12621	1.14127	2.07852	3.93203	15.27803	\$ 15,422,218	\$ 630.28
BURLINGTON	23,982	792,547,618	8.51942	0.60483	3.79790	3.01422	15.93637	\$ 12,630,332	\$ 526.66
MARSHALLTOWN	27,591	1,036,595,601	8.41805	1.60548	2.31455	3.66192	16.00000	\$ 16,585,530	\$ 601.12
MUSCATINE	23,797	1,053,574,238	8.28713	0.55858	2.14904	4.95853	15.95328	\$ 16,807,965	\$ 706.31
<b>OTTUMWA</b>	<b>25,529</b>	<b>717,473,014</b>	<b>8.51942</b>	<b>0.79362</b>	<b>4.06475</b>	<b>7.61617</b>	20.99396	\$ 15,062,600	\$ 590.02
FORT DODGE	24,871	793,465,447	8.53924	1.17429	4.50000	6.53647	20.75000	\$ 16,464,408	\$ 661.99
Average	25,368	954,815,848	8.41707	0.92911	3.12566	4.51239	16.98422	\$ 15,839,060	\$ 624.45
Median	24,871	1,009,437,627	8.51000	0.79362	2.97487	3.93203	15.95328	\$ 16,464,408	\$ 630.28
Max	27,591	1,280,617,390	8.53924	1.60548	4.50000	7.61617	20.99396	\$ 17,900,367	\$ 706.31
Min	23,797	717,473,014	8.12621	0.55858	2.07852	1.86736	13.97792	\$ 12,630,332	\$ 526.66

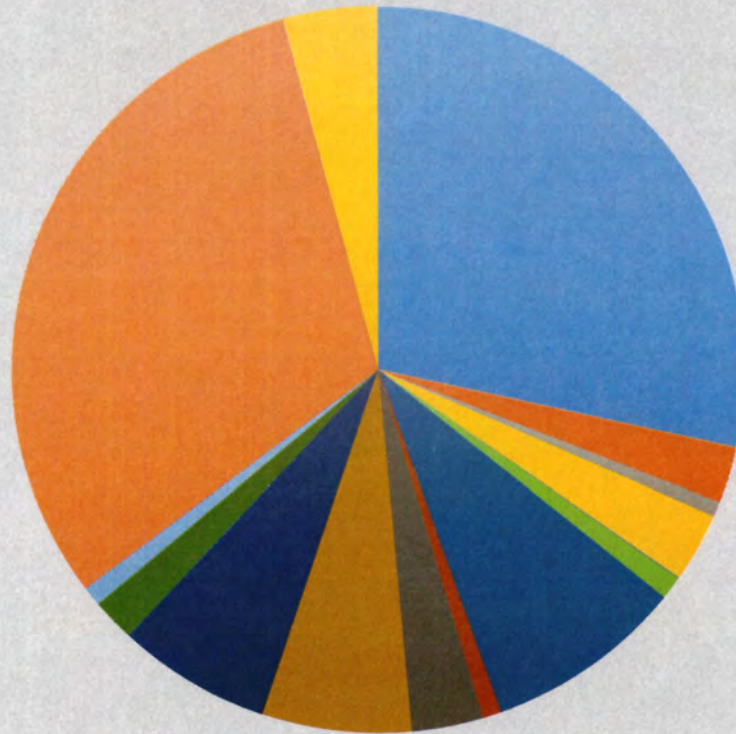


# REVENUES

- WHERE DOES THE MONEY COME FROM?
- SOURCES LIMITED BY THE STATE
- SOURCES IN A NUTSHELL
  - TAXES
  - GRANTS
  - CHARGES FOR SERVICES
  - INCOME ON PROPERTY AND ASSETS
  - NON CATEGORIZED



## ALL REVENUES BY SOURCE



■ PROPERTY TAX \$14,859,147 28.49%  
 ■ UTILITY FRANCHISE \$1,595,000 3.06%  
 ■ LOSST \$4,600,000 8.82%  
 ■ FEDERAL GRANTS \$3,431,417 6.58%  
 ■ LOCAL GRANTS \$459,408 0.88%  
 ■ MISCELLANEOUS \$2,164,000 4.15%

■ TIF REVENUE \$1,299,383 2.49%  
 ■ MOBILE HOME TAX \$22,925 0.04%  
 ■ LICENSES & PERMITS \$424,950 0.81%  
 ■ ROAD USE TAX \$3,547,906 6.80%  
 ■ CHARGES FOR SERVICES \$16,194,201 31.05%

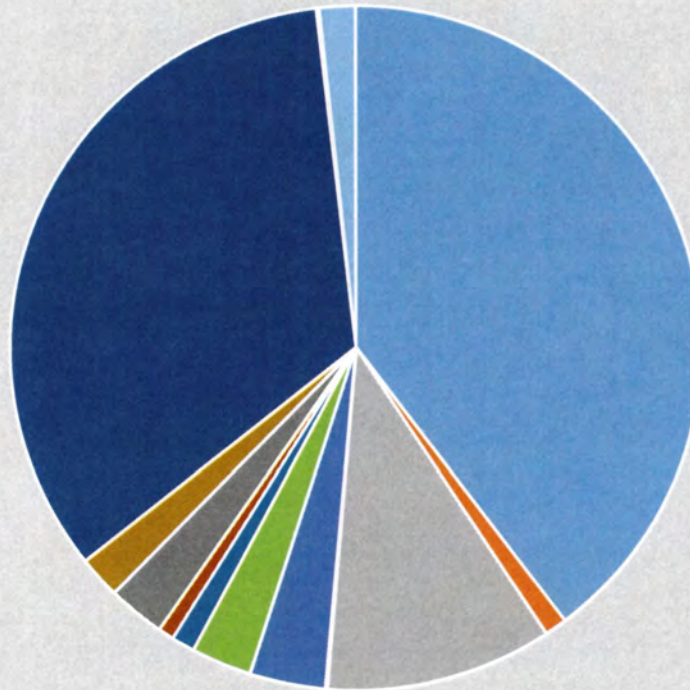
■ UTILITY REPLACEMENT \$357,492 0.69%  
 ■ HOTEL/MOTEL \$535,000 1.03%  
 ■ USE OF MONEY & PROPERTY \$1,643,182 3.15%  
 ■ STATE GRANTS \$1,000,326 1.92%  
 ■ SPECIAL ASSESSMENTS \$20,000 0.04%



CITY OF  
OTTUMWA



GENERAL FUND REVENUES BY SOURCE



■ PROPERTY TAX \$5,970,460 39.68%  
 ■ MOBILE HOME TAX \$12,000 0.08%  
 ■ USE OF MONEY & PROPERTY \$167,000 1.11%  
 ■ LOCAL GRANTS \$299,000 1.99%  
 ■ MISCELLANEOUS \$255,435 1.70%

■ UTILITY REPLACEMENT \$158,583 1.05%  
 ■ HOTEL/MOTEL \$535,000 3.56%  
 ■ FEDERAL GRANTS \$111,700 0.74%  
 ■ CHARGES FOR SERVICES \$5,091,731 33.84%

■ UTILITY FRANCHISE \$1,595,000 10.60%  
 ■ LICENSES & PERMITS \$424,950 2.82%  
 ■ STATE GRANTS \$404,848 2.69%  
 ■ SPECIAL ASSESSMENTS \$20,000 0.13%



CITY OF  
OTTUMWA

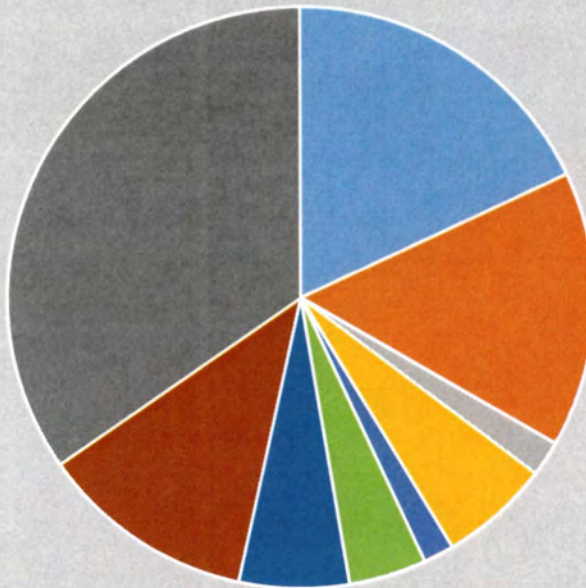


# EXPENDITURES

- WHERE IS THE MONEY GOING?
- EXPENDITURES HAVE TWO CATEGORIES
  - EXPENSES BY PROGRAM
  - EXPENSES BY TYPE
- PROGRAMS SET BY STATE
- TYPE ACCORDING TO IOWA UNIFORM CHART OF ACCOUNTS



# ALL EXPENDITURES BY PROGRAM



■ PUBLIC SAFETY \$12,552,332 18.06%

■ CULTURE & REC \$4,225,454 6.08%

■ DEBT SERVICE \$4,222,617 6.08%

■ PUBLIC WORKS \$10,642,586 15.32%

■ COMMUNITY & ECONOMIC DEV \$1,167,607 1.68%

■ BUSINESS TYPE ACTIVITIES \$8,260,245 11.89%

■ HEALTH & SOCIAL SERVICES \$1,360,034 1.96%

■ GENERAL GOVERNMENT \$2,975,263 4.28%

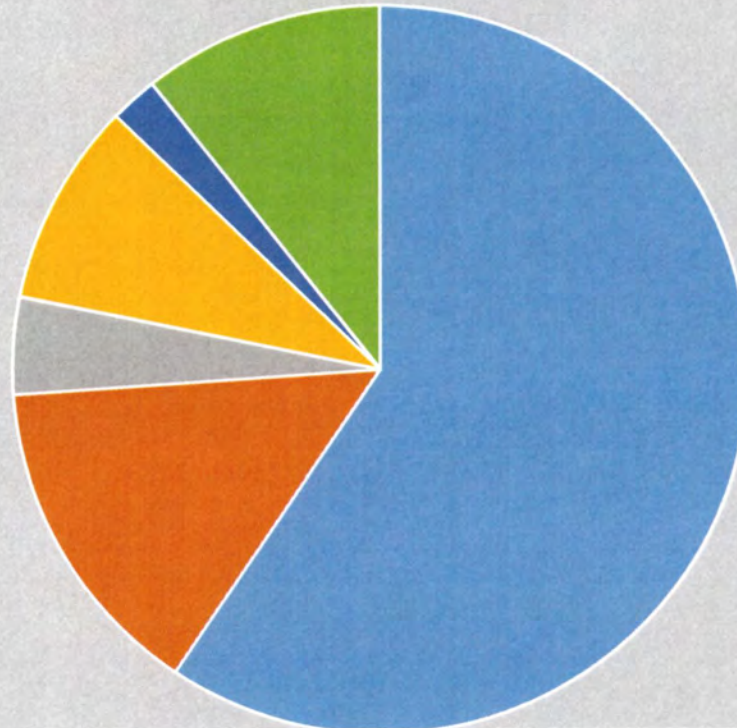
■ CAPITAL PTOJECTS \$24,078,422 34.65%



CITY OF  
OTTUMWA



# GENERAL FUND EXPENDITURES BY PROGRAM



■ PUBLIC SAFETY \$12,154,836 59.44%

■ PUBLIC WORKS \$2,962,377 14.49%

■ HEALTH & SOCIAL SERVICES \$882,834 4.32%

■ CULTURE & REC \$1,846,137 9.03%

■ COMMUNITY & ECONOMIC DEV \$431,732 2.11%

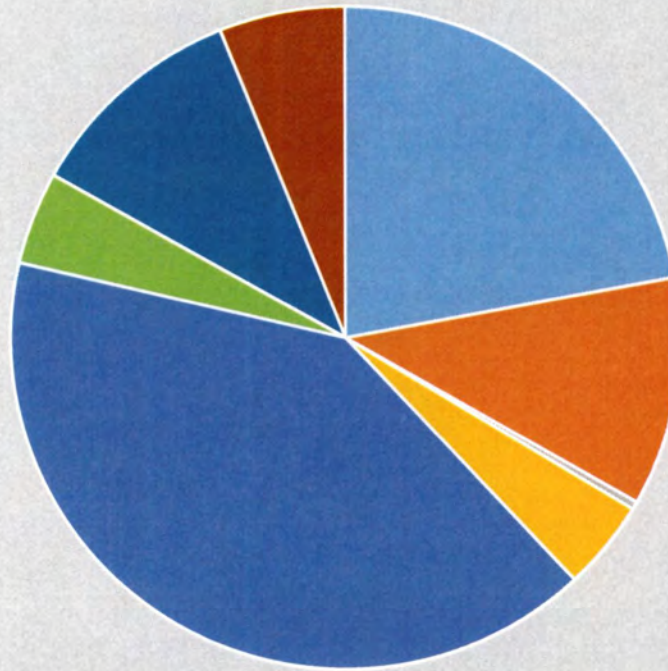
■ GENERAL GOVERNMENT \$2,172,217 10.62%



CITY OF  
OTTUMWA



ALL EXPENDITURES BY TYPE



■ WAGES & SALARIES \$15,345,323 22.08%

■ EMPLOYEE BENEFITS \$7,767,635 11.18%

■ STAFF DEVELOPMENT \$267,379 0.38%

■ REPAIR, MAINT, UTILITIES \$3,040,916 4.38%

■ CONTRACTUAL \$28,234,228 40.63%

■ COMMODITIES \$3,142,596 4.52%

■ CAPITAL \$7,463,866 10.74%

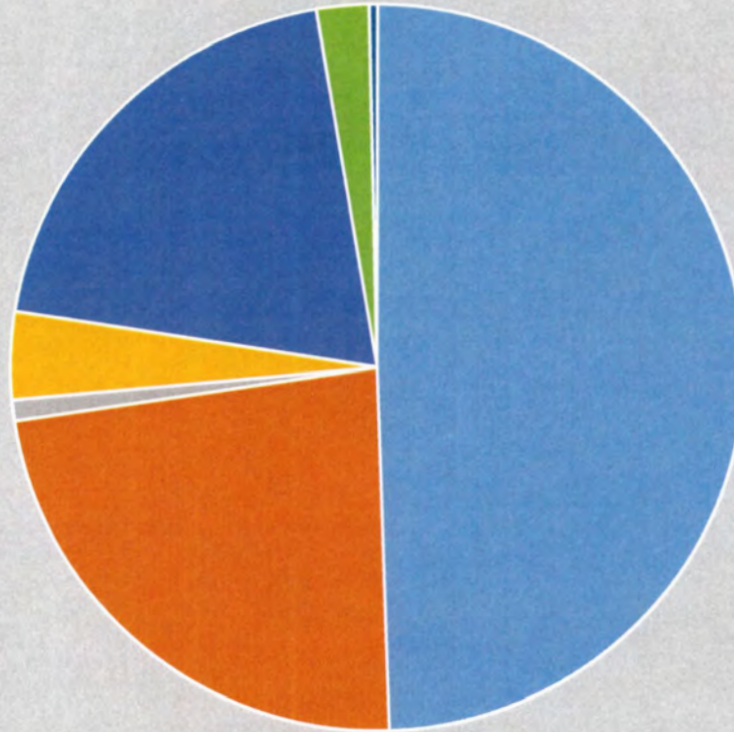
■ DEBT SERVICE \$4,222,617 6.08%



CITY OF  
OTTUMWA



# GENERAL FUND EXPENDITURES BY TYPE



■ WAGES & SALARIES \$10,106,002 49.44%	■ EMPLOYEE BENEFITS \$4,737,766 23.18%	■ STAFF DEVELOPMENT \$189,669 0.93%	■ REPAIR, MAINT, UTILITIES \$796,411 3.90%
■ CONTRACTUAL \$4,062,440 19.87%	■ COMMODITIES \$471,796 2.31%	■ CAPITAL \$78,550 0.38%	





**received**  
 4/10/25 @ 2:13pm

## CITY OF OTTUMWA

## Staff Summary


\*\* ACTION ITEM \*\*Council Meeting of: April 15, 2025\_\_\_\_\_  
Phillip Burgmeier

Prepared By

\_\_\_\_\_  
Engineering Department

Department

\_\_\_\_\_  
Department Head

\_\_\_\_\_  
  
 City Administrator Approval

AGENDA TITLE: Resolution #65-2025. Approving the Plans and Specifications for the Mary Street Reconstruction Project.

\*\*\*\*\*



\*\*Public hearing required if this box is checked. \*\*



\*\*The Proof of Publication for each Public Hearing must be attached to this Staff Summary. If the Proof of Publication is not attached, the item will not be placed on the agenda.\*\*

RECOMMENDATION: Pass and adopt Resolution #65-2025.

DISCUSSION: The proposed project will consist of full-depth, full-width reconstruction of Mary Street from Ferry Street to Shaul Avenue. This construction project is a full width, full depth PCC project and includes replacement of sidewalks to ADA standards, storm and sanitary sewer improvements, and water main replacement where requested by Ottumwa Water Works. A turn lane is being added at the Ferry Street intersection.

The Notice to Bidders, plan distribution and letting were handled by the Iowa Department of Transportation. A bid report and bid award recommendation will be presented after approval of the plans and specifications.

Estimated Cost: \$3,336,367.40

Source of Funds: STBG/SWAP, ESRP

Budgeted Item: Yes

Budget Amendment Needed: Yes



RESOLUTION #65-2025

A RESOLUTION APPROVING THE PLANS, SPECIFICATIONS, AND AN ESTIMATED  
COST FOR THE MARY STREET RECONSTRUCTION PROJECT

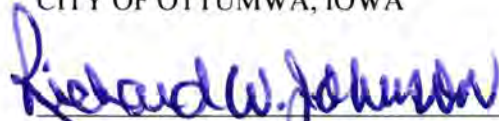
WHEREAS, The City Council of the City of Ottumwa, Iowa has conducted a public hearing on the plans, specifications, form of contract and estimated cost for the above referenced project.

WHEREAS, No objections to the said plans, specifications, form of contract and estimated cost were received.



NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF OTTUMWA, IOWA THAT: The plans, specifications, form of contract, and estimated cost for the Mary Street Reconstruction Project are hereby approved.

APPROVED, PASSED, AND ADOPTED, this 15<sup>th</sup> day of April, 2025.

CITY OF OTTUMWA, IOWA

  
Richard W. Johnson, Mayor

ATTEST:

  
  
Christina Reinhard, City Clerk

4/5/25

**SECTION 00010  
NOTICE OF  
PUBLIC HEARING**

The City Council of Ottumwa, Iowa, will hold a public hearing on the proposed Plans and Specifications, form of contract and estimate of cost for the construction of said improvements described in general as Mary Street Reconstruction Project, Ottumwa, Iowa" at 5:30 o'clock p.m. on April 15, 2025, in the Council Chambers, City Hall, Ottumwa, Iowa. At said hearing any interested person may appear and file objections thereto or to the cost of the improvements. At the hearing, the City will receive and consider any objections made by any interested party, to the Plans and Specifications, proposed form of Contract, and the estimate of cost for the project.

The work to be done is as follows: Furnish all labor, materials and equipment to construct the following:

The project will consist of full depth reconstruction of Mary Street from Ferry Street to Shaul Avenue along with replacement of sidewalks to ADA standards, storm and sanitary sewer improvements, and water main replacement where requested by Ottumwa Water Works.

All work and materials are to be in strict compliance with the Plans and Specifications prepared by the City of Ottumwa Engineering Department which together with the proposed form of contract and estimate of cost have heretofore been approved by the City and are now on file for public examination in the office of the Clerk, and are by this reference made a part hereof as though fully set out and incorporated herein.

CITY OF OTTUMWA, IOWA

By:

Richard W. Johnson, Mayor

ATTEST:

Christina Reinhard, City Clerk



received  
4-7-2025 830AM

Item No. G.-1.

## CITY OF OTTUMWA Staff Summary

**\*\* ACTION ITEM \*\***

Council Meeting of: Apr 15, 2025

Philip Rath

Prepared By

Administration

Department

Department Head

City Administrator Approval

AGENDA TITLE: Ordinance 3242-2025 - An Ordinance Establishing Solid Waste Fees for Noncommercial Establishments by Repealing and Replacing Section 31 1/2 - 35 of the Municipal Code of the City of Ottumwa, Wapello County, Iowa

\*\*\*\*\*

☐

\*\*Public hearing required if this box is checked.\*\*

RECOMMENDATION: Pass and adopt the second reading of Ordinance 3242-2025

DISCUSSION: This ordinance adopts new solid waste fees for noncommercial establishment customers. Per the agreement with Bridge City Sanitation, the per unit cost will increase. To cover this increase as well as potential increases related to landfill tipping fees, fuel surcharges, clean-ups, and administrative costs an increased fee of \$1.50 / unit / month is recommended for FY26 and again in FY27. This adjustment would result in a new rate of \$24.50 / month on July 1, 2025 and \$26.00 / month on July 1, 2026. The first reading was adopted by a vote of 5-0 on April 1, 2025.

Source of Funds: N/A

Budgeted Item:



Budget Amendment Needed: No

**ORDINANCE NO. 3242-2025**

**AN ORDINANCE ESTABLISHING SOLID WASTE FEES FOR  
NONCOMMERCIAL ESTABLISHMENTS BY REPEALING AND  
REPLACING SECTION 31 ½ - 35 OF THE MUNICIPAL CODE OF  
THE CITY OF OTTUMWA, WAPELLO COUNTY, IOWA**

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY  
OF OTTUMWA, IOWA, THAT:**

**SECTION ONE.**

Section 31 ½ - 35 of the municipal code of the City of Ottumwa is hereby amended by repealing Section 31 ½ -35 in its entirety and enacting the following in lieu thereof:

**Sec. 31 ½ - 35. Solid Waste Fees for Noncommercial Establishment Customers.**

- (a) Solid waste fees are mandatory for all single-family dwellings and other dwellings containing four units or less. This shall not apply to mobile home parks wherein water service is metered by one meter for the mobile home park, places of worship, or multi-family dwellings containing more than four dwelling units. Dwelling units housed with a commercial and/or business building shall also be exempt providing there is a written agreement between the tenant and business landlord that the commercial or business building owner or occupant will provide weekly solid waste disposal from a city licensed hauler. Any of the above referenced exceptions may subscribe to the city's solid waste collection services if the contractor agrees to provide service. The mandatory monthly collection rates are hereby established for garbage, refuse, recyclables and bulk items per residence for 64 gallons of refuse, in a cart provided by the contractor for curbside customers or two 32-gallon bags, provided by the customer, for walk up customers, one bulky item and recyclables in the provided bin for the following rates:

July 1, 2025 through June 30, 2026: \$24.50 per unit per month

July 1, 2026 through June 30, 2027: \$26.00 per unit per month

- (1) Additional 32-gallons or less bags with properly attached city stickers costing \$1.00 each will be collected. Bags without these stickers will not be collected. Rates for yard waste bag stickers will be \$1.00 each.
- (2) Residents qualifying for Southern Iowa Economic Development Association (SIEDA) Energy Assistance Program are allowed to pay a reduced rate of \$2.00 per month lower than the rates listed above (e.g. \$22.50).
- (b) The Ottumwa Water and Hydro shall collect noncommercial establishment solid waste fees, as established in this section, as a part of the monthly water bill for the applicable customer.
- (c) The city shall direct bill those noncommercial establishment customers that are not billed by the Ottumwa Water and Hydro for water service.

**SECTION TWO.** 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 hereof.

**SECTION THREE.** Repealer. All ordinances or parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed.

**SECTION FOUR.** Effective. This Ordinance shall be in full force and effect, from and after its passage, adoption, and approval and publication as required by law, unless a subsequent effective date is set out hereinabove.

**SECTION FIVE.** When this Ordinance is in effect, it shall automatically supplement, amend, and become a part of the City of Ottumwa, Iowa Code of Ordinance (Municipal Code) of the City of Ottumwa, Iowa.

PASSED on its first consideration the 1st day of April, 2025.

PASSED on its second consideration the 15 day of April, 2025.

Requirement of consideration and vote at two (2) prior Council meetings suspended the \_\_\_\_\_ day of \_\_\_\_\_, 2025.

APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

CITY OF OTTUMWA, IOWA

By: \_\_\_\_\_  
Richard W. Johnson, Mayor

\_\_\_\_\_ No action taken by Mayor.

\_\_\_\_\_ Vetoed this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

\_\_\_\_\_  
Richard W. Johnson, Mayor



\_\_\_\_\_ Repassed and adopted over the veto this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

\_\_\_\_\_ Veto affirmed this \_\_\_\_\_ day of \_\_\_\_\_, 2025 by failure of vote taken to repass.

\_\_\_\_\_ Veto affirmed no timely vote taken to repass over veto.

ATTEST:

\_\_\_\_\_  
Chris Reinhard, City Clerk

received  
49-25 1pm

Item No. H.-1.

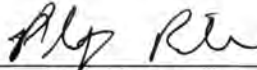
## CITY OF OTTUMWA Staff Summary

**\*\* ACTION ITEM \*\***

Council Meeting of : Apr 15, 2025

Park & Recreation  
Department

Gene Rathje  
Prepared By  
Gene Rathje  
Department Head



City Administrator Approval

AGENDA TITLE: **Railroad Clubhouse Fee Increase**

\*\*\*\*\*

☐

\*\*Public hearing required if this box is checked.\*\*

RECOMMENDATION: Approve a Fee of \$150 and a \$50 Damage Deposit for Renting the Railroad Clubhouse

DISCUSSION: The Parks and Recreation Department has started renting the Railroad Clubhouse, and demand has been strong. The fee was set at \$50 per day by city staff, but that fee is too low. After discussing the fees with other parks department staff, I recommend a new fee of \$150 per day and a \$50 deposit. This fee increase was approved by the Ottumwa Parks Advisory Board at their meeting on April 8, 2025.

Source of Funds:

Budgeted Item:

☐

Budget Amendment Needed: No

**CITY OF OTTUMWA**  
**Staff Summary**

**\*\* ACTION ITEM \*\***

Council Meeting of: Apr 15, 2025

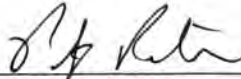
Park & Recreation  
Department

Gene Rathje

Prepared By

Gene Rathje

Department Head



City Administrator Approval

AGENDA TITLE: **Beach Ottumwa Fee Increases**

\*\*\*\*\*

☐

\*\*Public hearing required if this box is checked.\*\*

RECOMMENDATION: Approve the Fee Increases for the Beach Ottumwa

DISCUSSION: The City of Ottumwa Parks and Recreation Department is looking for opportunities to generate more revenue from fees and charges due to decreasing general fund revenue. The Summer daily admission fee for the Beach has not been increased since 2016. Staff recommends an increase from the current \$6 per day to \$7 per day. The indoor only fee should be increased from \$4 per day to \$5 per day. Listed below are the daily admission fees at area pools:

1. Bloomfield = \$5
2. Monroe County Aquatic Center = \$3.50
3. Kirksville, MO = \$7.50
4. Pella Aquatic Center = \$9

Source of Funds:

Budgeted Item:

☐

Budget Amendment Needed:



5. Burlington -Fun City = \$12 per day.

Increasing the Summer daily admission fee to \$7 per day and the indoor only fee to \$5 per day should increase Beach Ottumwa revenue by approximately \$40,000 per year.

## Gene Rathje

---

**From:** Alexis MacQueen  
**Sent:** Wednesday, March 12, 2025 3:14 PM  
**To:** Gene Rathje  
**Subject:** Admission Prices

Gene,

My recommendation is to raise outdoor admission prices from \$6.00 to \$7.00, and indoor from \$4.00 to \$5.00. These prices would start at the opening of our summer season.

Thanks,

*Alexis MacQueen*  
*Beach Ottumwa*  
*Aquatics Facility Manager*  
641-682-7873  
641-244-2318

This message and accompanying documents are covered by the Electronic Communications Privacy Act, 18 USC 2510-2521, and contain information intended for the specified individual(s) only. This information is confidential. If you are not the intended recipient or an agent responsible for delivering it to the intended recipient, you are hereby notified that you have received this document in error and that any review, dissemination, copying, or the taking of any action based on the contents of this information is strictly prohibited. If you have received this communication in error, please notify us immediately by e-mail, and delete the original message.

**CITY OF OTTUMWA**  
**Staff Summary**

**\*\* ACTION ITEM \*\***

Council Meeting of : Apr 15, 2025

Philip Rath

Prepared By

Administration

Department

Department Head



City Administrator Approval

AGENDA TITLE: Authorization for Implementing a "Graffiti Wall" in the Third Street  
Parking Lot

\*\*\*\*\*

☐

\*\*Public hearing required if this box is checked.\*\*

RECOMMENDATION: Grant authorization to the Ottumwa Area Arts Council to create a  
Graffiti Wall in the specified area

DISCUSSION: City staff was contacted by the Ottumwa Area Arts Council regarding a potential project in the Third Street parking lot. The project would designate the retaining wall in this lot as a "graffiti wall" for a two-year period. The Arts Council would oversee the project and maintain the wall, ensuring the artwork is appropriate and would remove any inappropriate work within 96 hours of notification. The wall would be open to any public art contributions following the initial installation. The wall would be restored to a neutral color following the two years unless a future extension of the project were approved.

Source of Funds:

Budgeted Item:

☐

Budget Amendment Needed:



## **Graffiti Wall Project –**

### **Overview:**

The Ottumwa Area Arts Council is seeking approval from the City Council to manage the parking lot barrier wall of the Third Street parking lot as a designated graffiti wall for a two-year period. This initiative aims to provide a creative outlet for local artists, youth, and college students while promoting community engagement and reducing unauthorized graffiti elsewhere in the city.

### **Project Details:**

- The Arts Council will oversee and maintain the wall, ensuring all artwork remains appropriate. Any inappropriate graffiti will be removed within 96 hours of being noticed.
- A professional graffiti artist will be invited to collaborate with youth and college students to create the initial artwork, setting the stage for an engaging and inspiring community space.
- The wall will be open for public art contributions after the initial installation, encouraging local artist participation and fostering a sense of ownership among the community.
- The wall will be periodically repainted to provide a fresh canvas and allow for new artistic expressions.

### **Community Impact & Benefits:**

- Provides a designated, legal space for graffiti-style art, reducing vandalism in other areas.
- Encourages positive youth engagement in the arts and supports local artists.
- Fosters community pride and artistic expression.
- Creates a unique visual attraction that enhances the urban environment.
- Encourages self-regulation among artists, as community buy-in is expected to help discourage inappropriate art.

By supporting this initiative, the City Council will help promote creative expression, community collaboration, and a proactive approach to graffiti management. The Arts Council is committed to ensuring the success and upkeep of the project and looks forward to partnering with the city to make this a reality.

We appreciate your consideration and respectfully request your support in approving this proposal.

**CITY OF OTTUMWA**  
**Staff Summary**

**\*\* ACTION ITEM \*\***

Council Meeting of: Apr 15, 2025

Philip Rath

Prepared By

Administration

Department

Department Head



City Administrator Approval

AGENDA TITLE: Resolution No 59-2025 A Resolution Removing Special Assessments Applied to 112 College on Resolutions No. 131-2009, 1-2010, 13-2011, 215-2011, 238-2012, 252-2013, 291-2014, 268-2015, 286-2016, 267-2017, 284-2018, 266-2019, 260-2020, 209-2021, 41-2023 and 199-2024

\*\*\*\*\*

☐

\*\*Public hearing required if this box is checked.\*\*

RECOMMENDATION: Pass and Adopt Resolution No 59-2025

DISCUSSION: City staff was contacted by the Ottumwa Community School District regarding a potential acquisition of the property at 112 College - across the street from the competition gym. This property is a vacant lot which would be utilized for parking. As part of the District's consideration to purchase they are requesting that the outstanding and pending special assessments be removed if and when the District would take tax deed to the property. The current special assessments date back to 2009 and total \$14,804.88 with an additional \$28,939.00 in interest and administrative fees. There is an additional \$905 pending and would become due 9/1/2025.

Source of Funds:

Budgeted Item:

☐

Budget Amendment Needed:

## RESOLUTION NO 59-2025

A RESOLUTION REMOVING SPECIAL ASSESSMENTS APPLIED TO 112 COLLEGE ON RESOLUTIONS NO 131-2009, 1-2010, 13-2011, 215-2011, 238-2012, 252-2013, 291-2014, 268-2015, 286-2016, 267-2017, 284-2018, 266-2019, 260-2020, 209-2021, 41-2023 and 199-2024

WHEREAS, Resolution No. 131-2009 included an assessment for demolition of condemned property for 112 College in the amount of \$7,529.88 plus \$9.00 in administrative costs; and

WHEREAS, Resolution No. 1-2010 included an assessment for delinquent mowing fess for 112 College in the amount of \$316.00 plus \$9.00 in administrative costs; and

WHEREAS, Resolution No. 13-2011 included an assessment for delinquent mowing fess for 112 College in the amount of \$424.00 plus \$9.00 in administrative costs; and

WHEREAS, Resolution No. 215-2011 included an assessment for delinquent mowing fess for 112 College in the amount of \$316.00 plus \$9.00 in administrative costs; and

WHEREAS, Resolution No. 238-2012 included an assessment for delinquent mowing fess for 112 College in the amount of \$424.00 plus \$9.00 in administrative costs; and

WHEREAS, Resolution No. 252-2013 included an assessment for delinquent mowing fess for 112 College in the amount of \$500.00 plus \$9.00 in administrative costs; and

WHEREAS, Resolution No. 291-2014 included an assessment for delinquent mowing fess for 112 College in the amount of \$500.00 plus \$9.00 in administrative costs; and

WHEREAS, Resolution No. 268-2015 included an assessment for delinquent mowing fess for 112 College in the amount of \$500.00 plus \$9.00 in administrative costs; and

WHEREAS, Resolution No. 286-2016 included an assessment for delinquent mowing fess for 112 College in the amount of \$600.00 plus \$9.00 in administrative costs; and

WHEREAS, Resolution No. 267-2017 included an assessment for delinquent mowing fess for 112 College in the amount of \$750.00 plus \$9.00 in administrative costs; and

WHEREAS, Resolution No. 284-2018 included an assessment for delinquent mowing fess for 112 College in the amount of \$650.00 plus \$9.00 in administrative costs; and

WHEREAS, Resolution No. 266-2019 included an assessment for delinquent mowing fess for 112 College in the amount of \$650.00 plus \$9.00 in administrative costs; and

WHEREAS, Resolution No. 260-2020 included an assessment for delinquent mowing fess for 112 College in the amount of \$695.00 plus \$9.00 in administrative costs; and

WHEREAS, Resolution No. 209-2021 included an assessment for delinquent mowing fess for 112 College in the amount of \$650.00 plus \$9.00 in administrative costs; and

WHEREAS, Resolution No. 41-2023 included an assessment for delinquent mowing fess for 112 College in the amount of \$300.00 plus \$9.00 in administrative costs; and



WHEREAS, Resolution No. 199-2024 included an assessment for delinquent mowing fess for 112 College in the amount of \$900.00 plus \$5.00 in administrative costs; and

WHEREAS, the Ottumwa Community School District is interested in obtaining a tax sale deed to the property at 112 College in consideration for waiving the identified special assessments;

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

If and when, a tax sale deed to the property at 112 College is obtained by Ottumwa Community School District, that the special assessments for 112 College in the amount of \$15,704.88 including administration costs and all interest be removed from Resolutions No. 131-2009, 1-2010, 13-2011, 215-2011, 238-2012, 252-2013, 291-2014, 268-2015, 286-2016, 267-2017, 284-2018, 266-2019, 260-2020, 209-2021, 41-2023 and 199-2024.

Approved, passed and adopted this 15<sup>th</sup> day of April 2025.

CITY OF OTTUMWA, IOWA

BY

  
Richard W. Johnson, Mayor

ATTEST:

  
Chris Reinhard, City Clerk

## STATEMENT OF TAXES

Laurie L. Fountain  
 Wapello County Treasurer  
 101 W Fourth St  
 Ottumwa, IA 52501-2518 (641) 683-0040  
 wapcotreas@wapellocounty.org

Page- 1

Date 04/08/2025

Entity#: 9901713  
 Name: Page, Cynthia M  
 Address: 33550 E State Highway 96 Lot 258  
 City: Pueblo, CO 99999

Statement amounts reflect calculation through end of 4/2025			
Receipt Key	1st Tax	Interest	Drainage
Dist Parcel/V.I.N.	2nd Due	Due	INT Due
			Cost
			Total Due
2010/2011-90-00035-01	7,529.88	19,314.00	9.00
460- 00741-124-0108-000			26,852.88
112 COLLEGE OTTUMWA - OTTUMWA NUIS/DEMO #131-09			
2010/2011-90-00159-01	316.00	811.00	9.00
460- 00741-124-0108-000			1,136.00
112 COLLEGE OTTUMWA - OTTUMWA 2009 WEED #1-2010			
2011/2012-90-11105-01	424.00	1,011.00	9.00
460- 00741-124-0108-000			1,444.00
112 COLLEGE OTTUMWA - OTTUMWA WEED RES#13-2011			
2012/2013-90-00072-01	316.00	697.00	9.00
460- 00741-124-0108-000			1,022.00
112 COLLEGE OTTUMWA - OTTUMWA WEED RES#215-2011			
2013/2014-90-00197-01	424.00	859.00	9.00
460- 00741-124-0108-000			1,292.00
112 COLLEGE OTTUMWA - OTTUMWA WEED RES#238-2012			
2014/2015-90-00107-01	500.00	923.00	9.00
460- 00741-124-0108-000			1,432.00
112 COLLEGE OTTUMWA - OTTUMWA WEED RES#252-2013			
2015/2016-90-00149-01	500.00	833.00	9.00
460- 00741-124-0108-000			1,342.00
112 COLLEGE OTTUMWA - OTTUMWA WEED RES#291-2014			
2016/2017-90-00097-01	500.00	743.00	9.00
460- 00741-124-0108-000			1,252.00
112 COLLEGE OTTUMWA - OTTUMWA WEED RES#268-2015			
2017/2018-90-00050-01	600.00	783.00	9.00
460- 00741-124-0108-000			1,392.00
112 COLLEGE OTTUMWA - OTTUMWA WEED RES#286-2016			
2018/2019-90-00072-01	750.00	844.00	9.00
460- 00741-124-0108-000			1,603.00
112 COLLEGE OTTUMWA - OTTUMWA WEED RES#267-2017			
2019/2020-90-00061-01	650.00	614.00	9.00
460- 00741-124-0108-000			1,273.00
112 COLLEGE OTTUMWA - OTTUMWA WEED RES#284-2018			

## STATEMENT OF TAXES

Laurie L. Fountain  
 Wapello County Treasurer  
 101 W Fourth St  
 Ottumwa, IA 52501-2518 (641) 683-0040  
 wapcotreas@wapellocounty.org

Page- 2

Date 04/08/2025

Entity#: 9901713  
 Name: Page, Cynthia M  
 Address: 33550 E State Highway 96 Lot 258  
 City: Pueblo, CO 99999

Statement amounts reflect calculation through end of 4/2025				
Receipt Key	1st Tax	Interest	Drainage	Cost
Dist Parcel/V.I.N.	2nd Due	Due	INT Due	Total Due
2020/2021-90-00053-01	650.00	536.00		9.00
460- 00741-124-0108-000				1,195.00
112 COLLEGE OTTUMWA - OTTUMWA WEED RES#266-2019				
2021/2022-90-00037-01	695.00	448.00		9.00
460- 00741-124-0108-000				1,152.00
112 COLLEGE OTTUMWA - OTTUMWA WEED RES#260-2020				
2022/2023-90-00070-01	650.00	302.00		9.00
460- 00741-124-0108-000				961.00
112 COLLEGE OTTUMWA - OTTUMWA WEED RES#209-2021				
2023/2024-90-00020-01	300.00	86.00		9.00
460- 00741-124-0108-000				395.00
112 COLLEGE OTTUMWA - OTTUMWA WEED RES. 41-23				

	Tax Due:	14,804.88
	Interest Due:	28,804.00
Acre: .00	Drainage Interest Due:	
	Cost/Admin. Due:	135.00
	Grand Total Due:	43,743.88
	Total Consolidated Tax:	43,743.88





Previous

Project	Tract	Assessment	Admin	Description
0431	00003	\$900.00	\$5.00	OTTUMWA WEED RES#199-2024

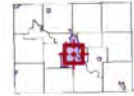
= \$905.<sup>00</sup> will become  
due Sept. 1, 2025.

Previous **Page 1** Next

**✖ Preliminary Special found Proj/Tract: 0431 /3**



## Overview



## Legend

-  Easements
-  Lots
- Parcels**
  -  <blank>
  -  Subdivisions
  -  City Limits
  -  Lot Symbols
  -  Misc Symbols
  -  Parcel Symbols
  -  Road Symbols
  -  Right-of-Way Line
- Roads**
  -  Sections
  -  Section Center
  -  Quarter Lines
  -  Quarter Quarter Lines

Parcel ID	007411240108000	Alternate ID	n/a	Owner Address	Page, Cynthia M
Sec/Twp/Rng	0-0-0	Class	R		33550 E State Highway 96 Lot 258
Property Address	112 COLLEGE	Acreage	n/a		Pueblo, CO 99999
	OTTUMWA				
District	OTTUMWA/OTTUMWA /WESTGATE2 TIF				
Brief Tax Description	OTTUMWA ORIG. NW 9'				
	OF NE 36' LT273 BLK				
	19;NE 36' LT274 BLK				
	19 (112 S COLLEGE)				
	(Note: Not to be used on legal documents)				

Date created: 4/10/2025  
Last Data Uploaded: 4/10/2025 6:03:00 AM

Developed by  **SCHNEIDER**  
GEOSPATIAL

received  
4.8.25 1:50pm

Item No. I.-2.

## CITY OF OTTUMWA Staff Summary

**\*\* ACTION ITEM \*\***

Council Meeting of: Apr 15, 2025

Finance

Department

O'Donnell

Prepared By

O'Donnell

Department Head



City Administrator Approval

AGENDA TITLE: A RESOLUTION APPROVING AND AUTHORIZING A FORM OF LOAN AND DISBURSEMENT AGREEMENT BY AND BETWEEN THE CITY OF OTTUMWA, IOWA AND THE IOWA FINANCE AUTHORITY, AND AUTHORIZING AND PROVIDING FOR THE ISSUANCE AND SECURING THE PAYMENT OF \$16,000,000 SEWER REVENUE CAPITAL LOAN NOTES, SERIES 2025A, OF THE CITY OF OTTUMWA, IOWA, UNDER THE PROVISIONS OF THE CODE OF IOWA, AND PROVIDING FOR A METHOD OF PAYMENT OF SAID NOTES; APPROVAL OF THE TAX EXEMPTION CERTIFICATE

\*\*\*\*\*

☐

\*\*Public hearing required if this box is checked.\*\*

☐

The Proof of Publication for each Public Hearing must be attached to this Staff Summary. If the Proof of Publication is not attached, the item will not be placed on the agenda.

RECOMMENDATION: Pass and adopt Resolution 61-2025.

DISCUSSION: The resolution approves the loan agreement form for, authorizes the issuance of, and approves the tax exempt certificate for the \$16,000,000 SRF loan. This loan is for Division 8, Phase 3 of the sewer separation project. Repayment of the note will be through sewer base and user fees. Term of the note is twenty years. Interest rate to be set at 2.84% per annum. Draw down will occur as expenses are incurred.

Source of Funds: N/A

Budgeted Item:

☐

Budget Amendment Needed: No



**ITEMS TO INCLUDE ON AGENDA FOR  
THE COUNCIL MEETING ON APRIL 15, 2025**

**CITY OF OTTUMWA, IOWA**

\$16,000,000 Sewer Revenue Capital Loan Notes, Series 2025A.

- Resolution approving and authorizing a form of Loan and Disbursement Agreement by and between the City of Ottumwa, Iowa, and the Iowa Finance Authority, and authorizing and providing for the issuance and securing the payment of \$16,000,000 Sewer Revenue Capital Loan Notes, Series 2025A, of the City of Ottumwa, Iowa, under the provisions of the Code of Iowa, and providing for a method of payment of said Notes; Approval of the Tax Exemption Certificate.

NOTICE MUST BE GIVEN PURSUANT TO IOWA CODE  
CHAPTER 21 AND THE LOCAL RULES OF THE CITY.

April 15, 2025

The City Council of the City of Ottumwa, State of Iowa, met in regular session, at the Bridge View Center, 102 Church Street, Ottumwa, Iowa, 52501, at 5:30 o'clock P.M., on the above date. There were present Mayor Johnson, in the chair, and the following named Council Members:

Dan Reid, Cara Galloway, Bill Hoffman Jr., Doug McAntire, Keith Caviness

Absent: \_\_\_\_\_

Vacant: \_\_\_\_\_

\* \* \* \* \*

Council Member McAntire introduced the following Resolution entitled "A RESOLUTION APPROVING AND AUTHORIZING A FORM OF LOAN AND DISBURSEMENT AGREEMENT BY AND BETWEEN THE CITY OF OTTUMWA, IOWA AND THE IOWA FINANCE AUTHORITY, AND AUTHORIZING AND PROVIDING FOR THE ISSUANCE AND SECURING THE PAYMENT OF \$16,000,000 SEWER REVENUE CAPITAL LOAN NOTES, SERIES 2025A, OF THE CITY OF OTTUMWA, IOWA, UNDER THE PROVISIONS OF THE CODE OF IOWA, AND PROVIDING FOR A METHOD OF PAYMENT OF SAID NOTES; APPROVAL OF THE TAX EXEMPTION CERTIFICATE", and moved its adoption. Council Member Hoffman seconded the motion to adopt. The roll was called and the vote was:

AYES: Dan Reid, Cara Galloway, Bill Hoffman Jr., Doug  
McAntire, Keith Caviness

NAYS: \_\_\_\_\_

Whereupon the Mayor declared the following Resolution duly adopted:

Resolution No. 61-2025

A RESOLUTION APPROVING AND AUTHORIZING A FORM OF LOAN AND DISBURSEMENT AGREEMENT BY AND BETWEEN THE CITY OF OTTUMWA, IOWA AND THE IOWA FINANCE AUTHORITY, AND AUTHORIZING AND PROVIDING FOR THE ISSUANCE AND SECURING THE PAYMENT OF \$16,000,000 SEWER REVENUE CAPITAL LOAN NOTES, SERIES 2025A, OF THE CITY OF OTTUMWA, IOWA, UNDER THE PROVISIONS OF THE CODE OF IOWA, AND PROVIDING FOR A METHOD OF PAYMENT OF SAID NOTES; APPROVAL OF THE TAX EXEMPTION CERTIFICATE

WHEREAS, the City Council of the City of Ottumwa, Iowa, sometimes hereinafter referred to as the "Issuer", has heretofore established charges, rates and rentals for services which are and will continue to be collected as system revenues of the municipal sewer system, sometimes hereinafter referred to as the "System", and said revenues are available for the payment of Sewer Revenue Capital Loan Notes, Series 2025A, subject to the following premises; and



WHEREAS, the Issuer proposes to issue its Sewer Revenue Capital Loan Notes, Series 2025A, to the extent of \$16,000,000, for the purpose of defraying the costs of the Project as set forth in Section 1 of this Resolution; and, it is deemed necessary and advisable and in the best interests of the City that a form of Loan and Disbursement Agreement by and between the City and the Iowa Finance Authority, be approved and authorized; and

WHEREAS, there have been previously issued \$4,800,000 Sewer Revenue Capital Loan Notes, Series 2014, originally dated September 5, 2014 and reissued on April 22, 2016, in the amount of \$5,105,000 for a Sponsored Project Amendment, part of which remain outstanding and are a lien on the Net Revenues of the System; \$3,400,000 Sewer Revenue Capital Loan Note, Series 2008, dated August 20, 2008, reissued by \$2,674,000 Sewer Revenue Capital Loan Notes, Series 2018, dated December 1, 2018, for a 2008 Rate Reset, part of which remain outstanding and are a lien on the Net Revenues of the System; and \$5,426,000 Sewer Revenue Capital Loan Notes, Series 2010, dated, dated January 27, 2010, reissued by \$4,697,000 Sewer Revenue Capital Loan Notes, Series 2020, dated July 21, 2020, for a 2020 Rate Reset, part of which remain outstanding and are a lien on the Net Revenues of the System (the "Outstanding Obligations"); and

WHEREAS, in the resolutions authorizing the issuance of the Outstanding Obligations (the "Prior Note Resolutions") it is provided that additional revenue notes or bonds may be issued on a parity with the outstanding notes or bonds, for the costs of future improvements and extensions to the System, provided that there has been procured and placed on file with the City Clerk, a statement complying with the conditions and limitations therein imposed upon the issuance of said parity notes or bonds; and

WHEREAS, the Original Purchaser of the current issue of Notes also purchased and holds certain of the Outstanding Obligations issue and has waived any requirement in the Prior Note Resolutions to obtain a "parity certificate" from an independent auditor, and hereby consents to the current issue on an equal parity to the Outstanding Obligations; and

WHEREAS, the notice of intention of Issuer to take action for the issuance of not to exceed \$16,000,000 Sewer Revenue Capital Loan Notes, Series 2025A has heretofore been duly published and no objections to such proposed action have been filed.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF OTTUMWA, STATE OF IOWA:

Section 1. Definitions. The following terms shall have the following meanings in this Resolution unless the text expressly or by necessary implication requires otherwise:

♦ "Additional Obligations" shall mean any sewer revenue bonds or notes or other obligations issued on a parity with the Notes in accordance with the provisions of Section 21 hereof.

♦ "Agreement" shall mean a Loan and Disbursement Agreement dated as of the Closing between the City and the Original Purchaser relating to the Loan made to the City under the Program.

♦ "City Clerk" shall mean the City Clerk or such other officer of the successor Governing Body as shall be charged with substantially the same duties and responsibilities.

♦ "Closing" shall mean the date of delivery of the Note to the Original Purchaser and the funding of the Loan.

♦ "Corporate Seal" shall mean the official seal of Issuer adopted by the Governing Body.

♦ "Fiscal Year" shall mean the twelve months' period beginning on July 1 of each year and ending on the last day of June of the following year, or any other consecutive twelve-month period adopted by the Governing Body or by law as the official accounting period of the System; provided, that the requirements of a fiscal year as expressed in this Resolution shall exclude any payment of principal or interest falling due on the first day of the fiscal year and include any payment of principal or interest falling due on the first day of the succeeding fiscal year.

♦ "Governing Body" shall mean the City Council, or its successor in function with respect to the operation and control of the System.

♦ "Independent Auditor" shall mean an independent firm of certified public accountants or the Auditor of State.

♦ "Issuer" and "City" shall mean the City of Ottumwa, Iowa.

♦ "Loan" shall mean the principal amount allocated by the Original Purchaser to the City under the Program, equal in amount to the principal amount of the Notes.

♦ "Net Revenues" shall mean gross earnings of the System after deduction of Current Expenses; "Current Expenses" shall mean and include the reasonable and necessary cost of operating, maintaining, repairing and insuring the System, including purchases at wholesale, if any, salaries, wages, and costs of materials and supplies, but excluding depreciation and principal of and interest on the Notes and any Parity Obligations or payments to the various funds established herein; capital costs, depreciation and interest or principal payments are not System expenses.

♦ "Notes" or "Note" shall mean \$16,000,000 Sewer Revenue Capital Loan Notes, Series 2025A, authorized to be issued by this Resolution.

♦ "Original Purchaser" shall mean the Iowa Finance Authority, as the purchaser of the Notes from the Issuer at the time of their original issuance.

♦ "Outstanding Obligations" shall mean the (i) \$4,800,000 Sewer Revenue Capital Loan Notes, Series 2014, dated September 5, 2014, adopted August 19, 2014, and reissued on April 22, 2016 in the amount of \$5,105,000; (ii) \$2,674,000 Sewer Revenue Capital Loan Notes, Series 2018, dated December 1, 2018, issued in accordance with a resolution adopted November 20, 2018 for a 2008 Rate Reset; and (iii) \$4,697,000 Sewer Revenue Capital Loan Notes, Series 2020, dated July 21, 2020, issued in accordance with a resolution adopted July 21, 2010 for a 2010 Rate Reset.

♦ "Parity Obligations" shall mean sewer revenue notes, bonds, or other obligations payable solely from the Net Revenues of the System on an equal basis with the Notes herein authorized to be issued and shall include Additional Obligations as authorized to be issued under the terms of this Resolution and the Outstanding Obligations.

♦ "Paying Agent" shall mean the City Clerk, or such successor as may be approved by Issuer as provided herein and who shall carry out the duties prescribed herein as Issuer's Agent to provide for the payment of principal of and interest on the Notes as the same shall become due.

♦ "Permitted Investments" shall mean:

- direct obligations of (including obligations issued or held in book entry form on the books of) the Department of the Treasury of the United States of America;
- cash (insured at all times by the Federal Deposit Insurance Corporation or otherwise collateralized with obligations described in the above paragraph);
- obligations of any of the following federal agencies which obligations represent full faith and credit of the United States of America, including:

- Export - Import Bank
- Farm Credit System Financial Assistance Corporation
- USDA - Rural Development
- General Services Administration
- U.S. Maritime Administration
- Small Business Administration
- Government National Mortgage Association (GNMA)
- U.S. Department of Housing & Urban Development (PHA's)
- Federal Housing Administration

- repurchase agreements whose underlying collateral consists of the investments set out above if the Issuer takes delivery of the collateral either



directly or through an authorized custodian. Repurchase agreements do not include reverse repurchase agreements;

- senior debt obligations rated "AAA" by Standard & Poor's Corporation (S&P) or "Aaa" by Moody's Investors Service Inc. (Moody's) issued by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation;
- U.S. dollar denominated deposit accounts, federal funds and banker's acceptances with domestic commercial banks which have a rating on their short-term certificates of deposit on the date of purchase of "A-1" or "A-1+" by S&P or "P-1" by Moody's and maturing no more than 360 days after the date of purchase (ratings on holding companies are not considered as the rating of the bank);
- commercial paper which is rated at the time of purchase in the single highest classification, "A-1+" by S&P or "P-1" by Moody's and which matures not more than 270 days after the date of purchase;
- investments in a money market fund rated "AAAm" or "AAAm-G" or better by S&P;
- pre-refunded Municipal Obligations, defined as any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and (a) which are rated, based on an irrevocable escrow account or fund (the "escrow"), in the highest rating category of S&P or Moody's or any successors thereto; or (b)(i) which are fully secured as to principal and interest and redemption premium, if any, by an escrow consisting only of cash or direct obligations of the Department of the Treasury of the United States of America, which escrow may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate; and (ii) which escrow is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates specified in the irrevocable instructions referred to above, as appropriate;
- tax exempt bonds as defined and permitted by section 148 of the Internal Revenue Code and applicable regulations and only if rated within the two highest classifications as established by at least one of the standard rating services approved by the superintendent of banking by rule adopted pursuant to chapter 17A Code of Iowa;

- an investment contract rated within the two highest classifications as established by at least one of the standard rating services approved by the superintendent of banking by rule adopted pursuant to chapter 17A Code of Iowa; and
- Iowa Public Agency Investment Trust.
- ♦ "Prior Note Resolution(s)" shall mean the resolution of the City Council originally adopted on August 19, 2014, authorizing the issuance of the \$4,800,000 Sewer Revenue Capital Loan Notes, Series 2014, dated September 5, 2014, reissued on April 22, 2016 by resolution adopted April 5, 2016 in the amount of \$5,105,000 (Sponsored Project Amendment); the resolution of the City Council originally adopted on August 5, 2008 authorizing the issuance of \$3,400,000 Sewer Revenue Capital Loan Notes, Series 2008, dated August 20, 2008; reissued on December 1, 2018 in the amount of \$2,674,000 (2008 Rate Reset); and the resolution of the City Council original adopted on January 11, 2010, authorizing the issuance of the \$7,426,000 Sewer Revenue Capital Loan Notes, Series 2010, dated January 27, 2010; reissued on July 21, 2020 in the amount of \$4,697,000 (2010 Rate Reset).
- ♦ "Program" shall mean the Iowa Water Pollution Control Works Financing Program undertaken by the Original Purchaser.
- ♦ "Project" shall mean the costs of acquisition, construction, reconstruction, extending, remodeling, improving, repairing and equipping all or part of the Municipal Sewer System, including those costs associated with the Blake's Branch Sewer Separation, Phase 8, Division 3 project.
- ♦ "Project Fund" shall mean the Loan Account maintained under the Program for the benefit of the Issuer, into which the proceeds of the Loan and the Note shall be allocated and held until disbursed to pay Project costs.
- ♦ "Rebate Fund" shall mean the fund so defined in and established pursuant to the Tax Exemption Certificate.
- ♦ "Registrar" shall be the City Clerk, or such successor as may be approved by Issuer as provided herein and who shall carry out the duties prescribed herein with respect to maintaining a register of the owners of the Notes. Unless otherwise specified, the Registrar shall also act as Transfer Agent for the Notes.
- ♦ "System" shall mean the municipal sewer system utility of the Issuer and all properties of every nature hereinafter owned by the Issuer comprising part of or used as a part of the System, including all wastewater treatment facilities, including all wastewater treatment facilities, sanitary sewers, force mains, pumping stations and all related property and improvements and extensions made by Issuer while any of the Notes or Parity Obligations remain outstanding; all real and personal property; and all appurtenances, contracts, leases, franchises and other intangibles.

♦ "Tax Exemption Certificate" shall mean the Tax Exemption Certificate executed by the Treasurer and delivered at the time of issuance and delivery of the Notes.

♦ "Treasurer" shall mean the City Treasurer or such other officer as shall succeed to the same duties and responsibilities with respect to the recording and payment of the Notes issued hereunder.

♦ "Yield Restricted" shall mean required to be invested at a yield that is not materially higher than the yield on the Notes under Section 148(a) of the Internal Revenue Code or regulations issued thereunder.

Section 2. Authority. The Agreement and the Notes authorized by this Resolution shall be issued pursuant to Sections 384.24A and 384.82 of the Code of Iowa, and in compliance with all applicable provisions of the Constitution and laws of the State of Iowa. The Agreement shall be substantially in the form attached to this Resolution and is authorized to be executed and issued on behalf of the Issuer by the Mayor and attested by the City Clerk.

Section 3. Authorization and Purpose. There are hereby authorized to be issued, negotiable, serial, fully registered Revenue Notes of the City of Ottumwa, in the County of Wapello, Iowa, each to be designated as "Sewer Revenue Capital Loan Note, Series 2025A", in the aggregate amount of \$16,000,000, for the purpose of paying costs of the Project. The City Council, pursuant to Sections 384.24A and 384.83 of the Code of Iowa, hereby finds and determines that it is necessary and advisable to issue said Notes authorized by the Agreement and this Resolution.

Section 4. Source of Payment. The Notes herein authorized and Parity Obligations and the interest thereon shall be payable solely and only out of the Net Revenues of the System and shall be a first lien on the future Net Revenues of the System. The Notes shall not be general obligations of the Issuer nor shall they be payable in any manner by taxation and the Issuer shall be in no manner liable by reason of the failure of the said Net Revenues to be sufficient for the payment of the Notes.

Section 5. Note Details. Sewer Revenue Capital Loan Notes, Series 2025A, of the City in the amount of \$16,000,000, shall be issued to evidence the obligations of the Issuer under the Agreement pursuant to the provisions of Sections 384.24A and 384.83 of the Code of Iowa for the aforesaid purpose. The Notes shall be designated "SEWER REVENUE CAPITAL LOAN NOTE, SERIES 2025A", be dated the date of delivery, and bear interest at the rate of 2.84% per annum from the date of each advancement made under the Agreement, until payment thereof, at the office of the Paying Agent, said interest payable on December 1, 2025, and semi-annually thereafter on the 1st day of June and December in each year until maturity as set forth on the Debt Service Schedule attached to the Agreement as Exhibit A and incorporated herein by this reference. As set forth on said Debt Service Schedule, principal shall be payable on June 1, 2028 and annually thereafter on the 1st day of June in the amounts set forth therein until principal and interest are fully paid, except that the final installment of the entire balance of principal and interest, if not sooner paid, shall become due and payable on June 1, 2047. Notwithstanding the



foregoing or any other provision hereof, principal and interest shall be payable as shown on said Debt Service Schedule until completion of the Project, at which time the final Debt Service Schedule shall be determined based upon actual advancements, final costs and completion of the Project, all as provided in the administrative rules governing the Program. Payment of principal and interest on the Notes shall at all times conform to said Debt Service Schedule and the rules of the Program.

The Notes shall be executed by the manual or facsimile signature of the Mayor and attested by the manual or facsimile signature of the Clerk, and impressed or imprinted with the seal of the City and shall be fully registered as to both principal and interest as provided in this Resolution; principal, interest and premium, if any, shall be payable at the office of the Paying Agent by mailing of a check, wire transfer or automated clearing house system transfer to the registered owner of the Note. The Notes shall be in the denomination of \$1,000 or multiples thereof and may at the request of the Original Purchaser be initially issued as a single Note in the denomination of \$16,000,000 and numbered R-1.

Section 6. Initiation Fee and Servicing Fee. In addition to the payment of principal of and interest on the Notes, the Issuer also agrees to pay the Initiation Fee and the Servicing Fee as defined and in accordance with the terms of the Agreement.

Section 7. Redemption. The Notes are subject to optional redemption at a price of par plus accrued interest (i) on any date upon receipt of written consent of the Original Purchaser or (ii) in the event that all or substantially all of the Project is damaged or destroyed. Any optional redemption of the Notes may be made from any funds regardless of source, in whole or from time to time in part, in inverse order of maturity, by giving not less than thirty (30) days' notice of redemption by certified or registered mail to the Original Purchaser (or any other registered owner of the Note). The terms of redemption shall be par, plus accrued interest to date of call. The Notes are also subject to mandatory redemption as set forth in Section 5 of the Agreement.

Section 8. Registration of Notes; Appointment of Registrar; Transfer; Ownership; Delivery; and Cancellation.

(a) Registration. The ownership of Notes may be transferred only by the making of an entry upon the books kept for the registration and transfer of ownership of the Notes, and in no other way. The Treasurer is hereby appointed as Note Registrar under the terms of this Resolution. Registrar shall maintain the books of the Issuer for the registration of ownership of the Notes for the payment of principal of and interest on the Notes as provided in this Resolution. All Notes shall be negotiable as provided in Article 8 of the Uniform Commercial Code subject to the provisions for registration and transfer contained in the Notes and in this Resolution.

(b) Transfer. The ownership of any Note may be transferred only upon the Registration Books kept for the registration and transfer of Notes and only upon surrender thereof at the office of the Registrar together with an assignment duly executed by the holder or his duly authorized attorney in fact in such form as shall be satisfactory to the Registrar, along with the address and social security number or federal employer

identification number of such transferee (or, if registration is to be made in the name of multiple individuals, of all such transferees). In the event that the address of the registered owner of a Note (other than a registered owner which is the nominee of the broker or dealer in question) is that of a broker or dealer, there must be disclosed on the Registration Books the information pertaining to the registered owner required above. Upon the transfer of any such Note, a new fully registered Note, of any denomination or denominations permitted by this Resolution in aggregate principal amount equal to the unmatured and unredeemed principal amount of such transferred fully registered Note, and bearing interest at the same rate and maturing on the same date or dates shall be delivered by the Registrar.

(c) Registration of Transferred Notes. In all cases of the transfer of the Notes, the Registrar shall register, at the earliest practicable time, on the Registration Books, the Notes, in accordance with the provisions of this Resolution.

(d) Ownership. As to any Note, the person in whose name the ownership of the same shall be registered on the Registration Books of the Registrar shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal of any such Notes and the premium, if any, and interest thereon shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note, including the interest thereon, to the extent of the sum or sums so paid.

(e) Cancellation. All Notes which have been redeemed shall not be reissued but shall be cancelled by the Registrar. All Notes which are cancelled by the Registrar shall be destroyed and a Certificate of the destruction thereof shall be furnished promptly to the Issuer; provided that if the Issuer shall so direct, the Registrar shall forward the cancelled Notes to the Issuer.

(f) Non-Presentment of Notes. In the event any payment check, wire, or electronic transfer of funds representing payment of principal of or interest on the Notes is returned to the Paying Agent or if any note is not presented for payment of principal at the maturity or redemption date, if funds sufficient to pay such principal of or interest on Notes shall have been made available to the Paying Agent for the benefit of the owner thereof, all liability of the Issuer to the owner thereof for such interest or payment of such Notes shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the owner of such Notes who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Resolution or on, or with respect to, such interest or Notes. The Paying Agent's obligation to hold such funds shall continue for a period equal to two years and six months following the date on which such interest or principal became due, whether at maturity, or at the date fixed for redemption thereof, or otherwise, at which time the Paying Agent shall surrender any remaining funds so held to the Issuer, whereupon any claim under this Resolution by the Owners of such interest or Notes of whatever nature shall be made upon the Issuer.

Section 9. Reissuance of Mutilated, Destroyed, Stolen or Lost Notes. In case any outstanding Note shall become mutilated or be destroyed, stolen or lost, the Issuer shall at the request of Registrar authenticate and deliver a new Note of like tenor and amount as the Note so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Note to Registrar, upon surrender of such mutilated Note, or in lieu of and substitution for the Note destroyed, stolen or lost, upon filing with the Registrar evidence satisfactory to the Registrar and Issuer that such Note has been destroyed, stolen or lost and proof of ownership thereof, and upon furnishing the Registrar and Issuer with satisfactory indemnity and complying with such other reasonable regulations as the Issuer or its agent may prescribe and paying such expenses as the Issuer may incur in connection therewith.

Section 10. Record Date. Payments of principal and interest, otherwise than upon full redemption, made in respect of any Note, shall be made to the registered holder thereof or to their designated Agent as the same appear on the books of the Registrar on the 15th day of the month preceding the payment date. All such payments shall fully discharge the obligations of the Issuer in respect of such Notes to the extent of the payments so made. Upon receipt of the final payment of principal, the holder of the Note shall surrender the Note to the Paying Agent.

Section 11. Execution, Authentication and Delivery of the Notes. Upon the adoption of this Resolution, the Mayor and City Clerk shall execute the Notes by their manual or authorized signature and deliver the Notes to the Registrar, who shall authenticate the Notes and deliver the same to or upon order of the Original Purchaser. No Note shall be valid or obligatory for any purpose or shall be entitled to any right or benefit hereunder unless the Registrar shall duly endorse and execute on such Note a Certificate of Authentication substantially in the form of the Certificate herein set forth. Such Certificate upon any Note executed on behalf of the Issuer shall be conclusive evidence that the Note so authenticated has been duly issued under this Resolution and that the holder thereof is entitled to the benefits of this Resolution.

Section 12. Right to Name Substitute Paying Agent or Registrar. Issuer reserves the right to name a substitute, successor Registrar or Paying Agent upon giving prompt written notice to each registered noteholder.

Section 13. Form of Note. Notes shall be printed in substantial compliance with standards proposed by the American Standards Institute substantially in the form as follows:



(6)				(6)
(7)				(8)
(1)				
(2)	(3)	(4)	(5)	
(9)				
(9a)				
(10) (Continued on the back of this Bond)				
(11)(12)(13)	(14)	(15)		

FIGURE 1  
(Front)

(10) (Continued)		(16)
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FIGURE 2  
(Back)

The text of the Notes to be located thereon at the item numbers shown shall be as follows:

Item 1, figure 1 = "STATE OF IOWA"  
"COUNTY OF WAPELLO"  
" CITY OF OTTUMWA"  
"SEWER REVENUE CAPITAL LOAN NOTE"

"SERIES 2025A"

Item 2, figure 1 = Rate: 2.84%  
Item 3, figure 1 = Final Maturity: \_\_\_\_\_  
Item 4, figure 1 = Note Date: \_\_\_\_\_  
Item 5, figure 1 = CUSIP # - N/A  
Item 6, figure 1 = "Registered"  
Item 7, figure 1 = Certificate No. R-1  
Item 8, figure 1 = Principal Amount: \_\_\_\_\_

Item 9, figure 1 = The City of Ottumwa, Iowa, a municipal corporation organized and existing under and by virtue of the Constitution and laws of the State of Iowa (the "Issuer"), for value received, promises to pay from the source and as hereinafter provided, on the maturity date indicated above, to

**IOWA FINANCE AUTHORITY**

Item 10, figure 1 = or registered assigns, the principal sum of (principal amount written out) in lawful money of the United States of America, on the maturity dates and in the principal amounts set forth on the Debt Service Schedule attached hereto and incorporated herein by this reference, with interest on said sum from the date of each advancement made under a certain Loan and Disbursement Agreement dated as of the date hereof until paid at the rate of 2.84% per annum, payable on December 1, 2025, and semi-annually thereafter on the 1st day of June and December in each year. As set forth on said Debt Service Schedule, principal shall be payable on June 1, 2028 and annually thereafter on the first day of June in the amounts set forth therein until principal and interest are fully paid, except that the final installment of the entire balance of principal and interest, if not sooner paid, shall become due and payable on June 1, 2047. Notwithstanding the foregoing or any other provision hereof, principal and interest shall be payable as shown on said Debt Service Schedule until completion of the Project, at which time the final Debt Service Schedule shall be determined and attached hereto based upon actual advancements, final costs and completion of the Project, all as provided in the administrative rules governing the Iowa Water Pollution Control Works Financing Program. Payment of principal and interest of this Note shall at all times conform to said Debt Service Schedule and the rules of the Iowa Water Pollution Control Works Financing Program.

Interest and principal shall be paid to the registered holder of the Note as shown on the records of ownership maintained by the Registrar as of the 15th day of the month next preceding such interest payment date. Interest shall be computed on the basis of a 360-day year of twelve 30-day months.

This Note is issued pursuant to the provisions of Sections 384.24A and 384.83 of the Code of Iowa, for the purpose of paying costs of acquisition, construction, reconstruction, extending, remodeling, improving, repairing and equipping all or part of the Municipal Sewer System, including those costs associated with the Blake's Branch Sewer Separation, Phase 8, Division 3 project, and evidences amounts payable under a certain Loan and Disbursement Agreement dated as of the date hereof, in conformity to a Resolution of the City Council of the



City duly passed and approved. For a complete statement of the revenues and funds from which and the conditions under which this Note is payable, a statement of the conditions under which additional notes or bonds of equal standing may be issued, and the general covenants and provisions pursuant to which this Note is issued, reference is made to the above-described Loan and Disbursement Agreement and Resolution.

This Note is subject to optional redemption at a price of par plus accrued interest (i) on any date upon receipt of written consent of the Iowa Finance Authority or (ii) in the event that all or substantially all of the Project is damaged or destroyed. Any optional redemption of this Note may be made from any funds regardless of source, in whole or from time to time in part, in inverse order of maturity, by lot by giving thirty (30) days' notice of redemption by certified or registered mail, to the Iowa Finance Authority (or any other registered owner of the Note). This Note is also subject to mandatory redemption as set forth in Section 5 of the Agreement.

Ownership of this Note may be transferred only by transfer upon the books kept for such purpose by the City Clerk, Ottumwa, Iowa, Iowa, the Registrar. Such transfer on the books shall occur only upon presentation and surrender of this Note at the office of the Registrar, together with an assignment duly executed by the owner hereof or his duly authorized attorney in the form as shall be satisfactory to the Registrar. Issuer reserves the right to substitute the Registrar and Paying Agent but shall, however, promptly give notice to registered Noteholders of such change. All Notes shall be negotiable as provided in Article 8 of the Uniform Commercial Code and subject to the provisions for registration and transfer contained in the Note Resolution.

This Note and the series of which it forms a part, Outstanding Obligations ranking on a parity therewith and any Additional Obligations which may be hereafter issued and outstanding from time to time on a parity with the Notes, as provided in the Resolution and Loan and Disbursement Agreement of which notice is hereby given and which are hereby made a part hereof, are payable from and secured by a pledge of the Net Revenues of the municipal sewer system utility (the "System"), as defined and provided in said Resolution. There has heretofore been established and the City covenants and agrees that it will maintain just and equitable rates or charges for the use of and service rendered by said System in each year for the payment of the proper and reasonable expenses of operation and maintenance of said System and for the establishment of a sufficient sinking fund to meet the principal of and interest on this series of Notes, and other obligations ranking on a parity therewith, as the same become due. This Note is not payable in any manner by taxation and under no circumstances shall the City be in any manner liable by reason of the failure of said Net Revenues to be sufficient for the payment hereof.

And it is hereby represented and certified that all acts, conditions and things requisite, according to the laws and Constitution of the State of Iowa, to exist, to be had, to be done, or to be performed precedent to the lawful issue of this Note, have been existent, had, done and performed as required by law.

IN TESTIMONY WHEREOF, said City by its City Council has caused this Note to be signed by the manual or facsimile signature of its Mayor and attested by the manual or facsimile signature of its City Clerk, with the seal of said City impressed hereon, and authenticated by the

manual or facsimile signature of an authorized representative of the Registrar, the City Clerk of the City of Ottumwa, Iowa, all as of the \_\_\_\_\_ day of \_\_\_\_\_, 2025.

- Item 11, figure 1 = Date of authentication:  
Item 12, figure 1 = This is one of the Notes described in the within mentioned Resolution, as registered by the City Clerk.

CITY CLERK

By: \_\_\_\_\_  
Registrar

- Item 13, figure 1 = Registrar and Transfer Agent: City Clerk  
Paying Agent: City Clerk

SEE REVERSE FOR CERTAIN DEFINITIONS

- Item 14, figure 1 = (Seal)  
Item 15, figure 1 = (Signature Block)

CITY OF OTTUMWA, STATE OF IOWA

By: manual or facsimile \_\_\_\_\_  
Mayor

ATTEST:

By: manual or facsimile \_\_\_\_\_  
City Clerk

- Item 17, figure 2 = [Assignment Block]  
[Information Required for Registration]

#### ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ (Social Security or Tax Identification No. \_\_\_\_\_) the within Note and does hereby irrevocably constitute and appoint \_\_\_\_\_ attorney in fact to transfer the said Note on the books kept for registration of the within Note, with full power of substitution in the premises.

Dated: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
(Person(s) executing this Assignment sign(s) here)

SIGNATURE )

GUARANTEED) \_\_\_\_\_

### IMPORTANT - READ CAREFULLY

The signature(s) to this Power must correspond with the name(s) as written upon the face of the certificate(s) or bond(s) in every particular without alteration or enlargement or any change whatever. Signature guarantee must be provided in accordance with the prevailing standards and procedures of the Registrar and Transfer Agent. Such standards and procedures may require signature to be guaranteed by certain eligible guarantor institutions that participate in a recognized signature guarantee program.

### INFORMATION REQUIRED FOR REGISTRATION OF TRANSFER

Name of Transferee(s) \_\_\_\_\_

Address of Transferee(s) \_\_\_\_\_

Social Security or Tax Identification \_\_\_\_\_

Number of Transferee(s) \_\_\_\_\_

Transferee is a(n):

Individual\* \_\_\_\_\_

Corporation \_\_\_\_\_

Partnership \_\_\_\_\_

Trust \_\_\_\_\_

\*If the Note is to be registered in the names of multiple individual owners, the names of all such owners and one address and social security number must be provided.

The following abbreviations, when used in the inscription on the face of this Note, shall be construed as though written out in full according to applicable laws or regulations:

TEN COM - as tenants in common

TEN ENT - as tenants by the entireties

JT TEN - as joint tenants with rights of survivorship and not as tenants in common

IA UNIF TRANS MIN ACT - ..... Custodian .....

(Cust)

(Minor)

Under Iowa Uniform Transfers to Minors Act.....

(State)

Section 14. Equality of Lien. The timely payment of principal of and interest on the Notes and Parity Obligations shall be secured equally and ratably by the Net Revenues of the System without priority by reason of number or time of sale or delivery; and the Net Revenues of the System are hereby irrevocably pledged to the timely payment of both principal and interest as the same become due.



Section 15. Application of Note Proceeds - Project Fund. Proceeds of the Notes shall be credited to the Project Fund and expended therefrom for the purposes of issuance. Any amounts on hand in the Project Fund shall be available for the payment of the principal of or interest on the Notes at any time that other funds of the System shall be insufficient to the purpose, in which event such funds shall be repaid to the Project Fund at the earliest opportunity. Any balance on hand in the Project Fund and not immediately required for its purposes may be invested not inconsistent with limitations provided by law, the Internal Revenue Code and this Resolution.

Section 16. User Rates. There has heretofore been established and published as required by law, just and equitable rates or charges for the use of the service rendered by the System. Said rates or charges shall be paid by the owner of each and every lot, parcel of real estate, or building that is connected with and uses the System, by or through any part of the System or that in any way uses or is served by the System.

Any revenue paid and collected for the use of the System and its services by the Issuer or any department, agency or instrumentality of the Issuer shall be used and accounted for in the same manner as any other revenues derived from the operations of the System.

Section 17. Application of Revenues. From and after the delivery of any Notes, and as long as any of the Notes or Parity Obligations shall be outstanding and unpaid either as to principal or as to interest, or until all of the Notes and Parity Obligations then outstanding shall have been discharged and satisfied in the manner provided in this Resolution, the entire income and revenues of the System shall be deposited as collected in a fund to be known as the Sewer Revenue Fund (the "Revenue Fund"), and shall be disbursed only as follows:

The provisions in the Prior Note Resolutions whereby there was created and is to be maintained a Sewer Revenue Note Principal and Interest Sinking Fund, and for the monthly payment into said fund from the future Net Revenues of the System such portion thereof as will be sufficient to meet the principal and interest of the Outstanding Obligations, are hereby ratified and confirmed, and all such provisions inure to and constitute the security for the payment of the principal and interest on Notes hereby authorized to be issued; provided, however, that the amounts to be set aside and paid into the Sewer Revenue Note Principal and Interest Sinking Fund in equal monthly installments from the earnings shall be sufficient to pay the principal and interest due each year, not only on the Outstanding Obligations, but also the principal and interest of the Notes herein authorized to be issued. Sections 17, 19 and 21 of the Prior Note Resolutions are hereby ratified, confirmed, adopted and incorporated herein as a part of this Resolution. Except as may be otherwise provided in the above Prior Note Resolution(s), proceeds of the Notes or other funds may be invested in Permitted Investments.

Nothing in this Resolution shall be construed to impair the rights vested in the Outstanding Obligations. The amounts herein required to be paid into the various funds named in this Section shall be inclusive of payments required in respect to the Outstanding Obligations. The provisions of the legislation authorizing the Outstanding Obligations and the provisions of this Resolution are to be construed wherever possible so that the same will not be in conflict. In the event such construction is not possible, the provisions of the resolution first adopted shall

prevail until such time as the notes or bonds authorized by said resolution have been paid in full or otherwise satisfied as therein provided at which time the provisions of this Resolution shall again prevail.

At such time as the Outstanding Obligations are paid and so long as the Notes or Parity Obligations remain outstanding and unpaid the same are discharged and satisfied in the manner provided in this Resolution, the entire income and revenues of the system shall be deposited and collected in a fund to be known as the Revenue Fund, and shall be disbursed only as follows:

- Operation and Maintenance Fund. Money in the Revenue Fund shall first be disbursed to make deposits into a separate and special fund to pay current expenses. The fund shall be known as the Sewer Utility Operation and Maintenance Fund (the "Operation and Maintenance Fund"). There shall be deposited in the Operation and Maintenance Fund each month an amount sufficient to meet the current expenses of the month plus an amount equal to 1/12th of expenses payable on an annual basis such as insurance. After the first day of the month, further deposits may be made to this account from the Revenue Fund to the extent necessary to pay current expenses accrued and payable to the extent that funds are not available in the Surplus Fund.
- Sinking Fund. Money in the Revenue Fund shall next be disbursed to make deposits into a separate and special fund to pay principal of and interest on the Notes and Parity Obligations. The fund shall be known as the Sewer Revenue Note Principal and Interest Sinking Fund (the "Sinking Fund"). The required amount to be deposited in the Sinking Fund in any month shall be an amount equal to 1/6th of the installment of interest coming due on the next interest payment date on the then outstanding Notes and Parity Obligations, plus 1/12th of the installment of principal coming due on such Notes on the next succeeding principal payment date until the full amount of such installment is on hand. If for any reason the amount on hand in the Sinking Fund exceeds the required amount, the excess shall forthwith be withdrawn and paid into the Revenue Fund. Money in the Sinking Fund shall be used solely for the purpose of paying principal of and interest on the Notes and Parity Obligations as the same shall become due and payable.
- Subordinate Obligations. Money in the Revenue Fund may next be used to pay principal of and interest on (including reasonable reserves therefor) any other obligations which by their terms shall be payable from the Net Revenues of the System, but subordinate to the Notes and Parity Obligations, and which have been issued for the purposes of extensions and improvements to the System or to retire the Notes or Parity Obligations in advance of maturity, or to pay for extraordinary repairs or replacements to the System.
- Surplus Revenue. All money thereafter remaining in the Revenue Fund at the close of each month may be deposited in any of the funds created by this Resolution, to pay for extraordinary repairs or replacements to the System, or may be used to pay or redeem the Notes or Parity Obligations, any of them, or for any lawful purpose.

Money in the Revenue Fund shall be allotted and paid into the various funds and accounts hereinbefore referred to in the order in which said funds are listed, on a cumulative basis on the 10th day of each month, or on the next succeeding business day when the 10th shall not be a business day; and if in any month the money in the Revenue Fund shall be insufficient to deposit or transfer the required amount in any of said funds or accounts, the deficiency shall be made up in the following month or months after payments into all funds and accounts enjoying a prior claim to the revenues shall have been met in full.

Section 18. Investments. Moneys on hand in the Project Fund and all of the funds provided by this Resolution may be invested only in Permitted Investments or deposited in financial institutions which are members of the Federal Deposit Insurance Corporation, or its equivalent successor, and the deposits of which are insured thereby and all such deposits exceeding the maximum amount insured from time to time by FDIC or its equivalent successor in any one financial institution shall be continuously secured in compliance with Iowa Code chapter 12C, or otherwise by a valid pledge of direct obligations of the United States Government having an equivalent market value. All investments shall mature before the date on which the moneys are required for the purposes for which the fund was created or otherwise as herein provided. The provisions of this Section shall not be construed to require the Issuer to maintain separate accounts for the funds created by this Resolution.

The Sinking Fund shall be segregated in a separate account but may be invested in the same manner as other funds of the Issuer but designated as a trust fund on the books and records of the Issuer. The Sinking Fund shall not be available for any other purposes other than those specified in this Resolution.

All income derived from such investments shall be deposited in the Revenue Fund and shall be regarded as revenues of the System. Investments shall at any time necessary be liquidated and the proceeds thereof applied to the purpose for which the respective fund was created.

Section 19. Covenants Regarding the Operation of the System. The Issuer hereby covenants and agrees with each and every holder of the Notes and Parity Obligations:

- (a) Maintenance and Efficiency. The Issuer will maintain the System in good condition and operate it in an efficient manner and at reasonable cost.
- (b) Sufficiency of Rates. On or before the beginning of each Fiscal Year the Governing Body will adopt or continue in effect rates for all services rendered by the System determined to be sufficient to produce Net Revenues for the next succeeding Fiscal Year which are (i) adequate to pay the principal and interest requirements thereof and to create or maintain the reserves as provided in this Resolution, and (ii) not less than 110 percent of the principal and interest requirements of the next succeeding Fiscal Year. No free use of the System by the Issuer or any department, agency or instrumentality of the Issuer shall be permitted except upon the determination of the Governing Body that the rates and changes otherwise in effect are sufficient to provide Net Revenues at least equal to the requirements of this subsection.



(c) Insurance. The Issuer shall maintain insurance for the benefit of the Noteholders on the insurable portions of the System of a kind and in an amount which normally would be carried by private companies engaged in a similar kind of business. The proceeds of any insurance, except public liability insurance, shall be used to repair or replace the part or parts of the System damaged or destroyed, or if not so used shall be placed in an improvement fund for the benefit of the System.

(d) Accounting and Audits. The Issuer will cause to be kept proper books and accounts adapted to the System and in accordance with generally accepted accounting practices and will diligently act to cause the books and accounts to be audited and reported upon by an Independent Auditor and will provide copies of the audit report to the Department, all as provided in the Agreement. The Original Purchaser and holders of any of the Notes and Parity Obligations shall have at all reasonable times the right to inspect the System and the records, accounts and data of the Issuer relating thereto.

(e) State Laws. The Issuer will faithfully and punctually perform all duties with reference to the System required by the Constitution and laws of the State of Iowa, including the making and collecting of reasonable and sufficient rates for services rendered by the System as above provided, and will segregate the revenues of the System and apply said revenues to the funds specified in this Resolution.

(f) Property. The Issuer will not sell, lease, mortgage or in any manner dispose of the System, or any capital part thereof, including any and all extensions and additions that may be made thereto, until satisfaction and discharge of all of the Notes and Parity Obligations shall have been provided for in the manner provided in this Resolution; provided, however, this covenant shall not be construed to prevent the disposal by the Issuer of property which in the judgment of its Governing Body has become inexpedient or unprofitable to use in connection with the System, or if it is to the advantage of the System that other property of equal or higher value be substituted therefor, and provided further that the proceeds of the disposition of such property shall be placed in a revolving fund to be used in preference to other sources for capital improvements to the System. Any such proceeds of the disposition of property acquired with the proceeds of the Notes or Parity Obligations shall not be used to pay principal or interest on the Notes and Parity Obligations or for payments into the Sinking Funds.

(g) Fidelity Bond. That the Issuer shall maintain fidelity bond coverage in amounts which normally would be carried by private companies engaged in a similar kind of business on each officer or employee having custody of funds of the System.

(h) Additional Charges. The Issuer will require proper connecting charges and/or other security for the payment of service charges.

(i) Budget. The Governing Body of the Issuer shall approve and conduct operations pursuant to a system budget of revenues and current expenses for each Fiscal Year. Such budget shall take into account revenues and current expenses during the current and last

preceding Fiscal Years. Copies of such budget and any amendments thereto shall be mailed to the Original Purchaser and to the Noteholders upon request.

(j) Loan and Disbursement Agreement. The Issuer will comply with the terms and conditions of the Loan and Disbursement Agreement and perform as provided thereunder.

Section 20. Remedies of Noteholders. Except as herein expressly limited the holder or holders of the Notes and Parity Obligations shall have and possess all the rights of action and remedies afforded by the common law, the Constitution and statutes of the State of Iowa, and of the United States of America, for the enforcement of payment of their Notes and interest thereon, and of the pledge of the Net Revenues made hereunder, and of all covenants of the Issuer hereunder.

Section 21. Prior Lien and Parity Obligations. The Issuer will issue no other notes, bonds or obligations of any kind or nature payable from or enjoying a lien or claim on the property or Net Revenues of the System having priority over the Notes or Parity Obligations.

Additional Obligations may be issued on a parity and equality of rank with the Notes with respect to the lien and claim of such Additional Obligations to the Net Revenues of the System and the money on deposit in the funds adopted by this Resolution, for the following purposes and under the following conditions, but not otherwise:

(a) For the purpose of refunding any of the Notes or Parity Obligations which shall have matured or which shall mature not later than three months after the date of delivery of such refunding obligation and for the payment of which there shall be insufficient money in the Sinking Fund;

(b) For the purpose of making extensions, additions, improvements or replacements to the System, or refunding any outstanding Notes, Parity Obligations or Additional Obligations issued for such extensions, additions and improvements, if all of the following conditions shall have been met:

(i) before any such Additional Obligations ranking on a parity are issued, there will have been procured and filed with the Clerk, a statement of an Independent Auditor, independent consulting engineer, or independent municipal advisor, not a regular employee of the Issuer, reciting the opinion based upon necessary investigations that the Net Revenues of the System for the preceding Fiscal Year (with adjustments as hereinafter provided) were equal to at least 1.10 times the maximum amount that will be required in any Fiscal Year prior to the longest maturity of any of the then outstanding Notes or Parity Obligations for both principal of and interest on all Notes or Parity Obligations then outstanding which are payable from the Net Revenues of the System and the Additional Obligations then proposed to be issued.

For the purpose of determining the Net Revenues of the System for the preceding Fiscal Year as aforesaid, the amount of the gross revenues for such year may be adjusted by an independent consulting engineer, the Independent Municipal Advisor or by the Independent Auditor, so as to reflect any changes in the amount of such revenues which would have resulted had any revision of the schedule of rates or charges imposed at or prior to the time of the issuance of any such Additional Bonds been in effect during all of such preceding Fiscal Year.

(ii) the Additional Obligations must be payable as to principal and as to interest on the same month and day as the Notes herein authorized.

(iii) for the purposes of this Section, principal and interest falling due on the first day of a Fiscal Year shall be deemed a requirement of the immediately preceding Fiscal Year.

(iv) for the purposes of this Section, general obligation bonds or notes shall be refunded only upon a finding of necessity by the Governing Body and only to the extent the general obligation bonds or notes were issued or the proceeds thereof were expended for the System.

(v) for purposes of this Section, "preceding Fiscal Year" shall be the most recently completed Fiscal Year for which audited financial statements prepared by a certified public accountant are issued and available, but in no event a Fiscal Year which ended more than eighteen months prior to the date of issuance of the Additional Obligations.

Section 22. Disposition of Proceeds; Arbitrage Not Permitted. The Issuer reasonably expects and covenants that no use will be made of the proceeds from the issuance and sale of the Notes issued hereunder which will cause any of the Notes to be classified as arbitrage bonds within the meaning of Section 148(a) and (b) of the Internal Revenue Code of the United States, and that throughout the term of said Notes it will comply with the requirements of said statute and regulations issued thereunder.

To the best knowledge and belief of the Issuer, there are no facts or circumstances that would materially change the foregoing statements or the conclusion that it is not expected that the proceeds of the Notes will be used in a manner that would cause the Notes to be arbitrage bonds. Without limiting the generality of the foregoing, the Issuer hereby agrees to comply with the provisions of the Tax Exemption Certificate and the provisions of the Tax Exemption Certificate are hereby incorporated by reference as part of this Resolution. The Treasurer is hereby directed to make and insert all calculations and determinations necessary to complete the Tax Exemption Certificate in all respects and to execute and deliver the Tax Exemption Certificate at issuance of the Notes to certify as to the reasonable expectations and covenants of the Issuer at that date.

The Issuer covenants that it will treat as Yield Restricted any proceeds of the Notes remaining unexpended after three years from the issuance and any other funds required by the



Tax Exemption Certificate to be so treated. If any investments are held with respect to the Notes and Parity Obligations, the Issuer shall treat the same for the purpose of restricted yield as held in proportion to the original principal amounts of each issue.

The Issuer covenants that it will exceed any investment yield restriction provided in this Resolution only in the event that it shall first obtain an opinion of recognized bond counsel that the proposed investment action will not cause the Notes to be classified as arbitrage bonds under Section 148(a) and (b) the Internal Revenue Code or regulations issued thereunder.

The Issuer covenants that it will proceed with due diligence to spend the proceeds of the Notes for the purpose set forth in this Resolution. The Issuer further covenants that it will make no change in the use of the proceeds available for the construction of facilities or change in the use of any portion of the facilities constructed therefrom by persons other than the Issuer or the general public unless it has obtained an opinion of bond counsel or a revenue ruling that the proposed project or use will not be of such character as to cause interest on any of the Notes not to be exempt from federal income taxes in the hands of holders other than substantial users of the project, under the provisions of Section 142(a) of the Internal Revenue Code of the United States, related statutes and regulations.

Section 23. Additional Covenants, Representations and Warranties of the Issuer. The Issuer certifies and covenants with the purchasers and holders of the Notes from time to time outstanding that the Issuer through its officers, (a) will make such further specific covenants, representations and assurances as may be necessary or advisable; (b) comply with all representations, covenants and assurances contained in the Tax Exemption Certificate, which Tax Exemption Certificate shall constitute a part of the contract between the Issuer and the owners of the Notes; (c) consult with bond counsel (as defined in the Tax Exemption Certificate); (d) pay to the United States, as necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Notes; (e) file such forms, statements and supporting documents as may be required and in a timely manner; and (f) if deemed necessary or advisable by its officers, to employ and pay fiscal agents, financial advisors, attorneys and other persons to assist the Issuer in such compliance.

Section 24. Amendment of Resolution to Maintain Tax Exemption. This Resolution may be amended without the consent of any owner of the Notes if, in the opinion of bond counsel, such amendment is necessary to maintain tax exemption with respect to the Notes under applicable Federal law or regulations.

Section 25. Discharge and Satisfaction of Notes. The covenants, liens and pledges entered into, created or imposed pursuant to this Resolution may be fully discharged and satisfied with respect to the Notes and Parity Obligations, or any of them, in any one or more of the following ways:

- (a) By paying the Notes or Parity Obligations when the same shall become due and payable; and

(b) By depositing in trust with the Treasurer, or with a corporate trustee designated by the Governing Body, for the payment of said obligations and irrevocably appropriated exclusively to that purpose an amount in cash or direct obligations of the United States the maturities and income of which shall be sufficient to retire at maturity, or by redemption prior to maturity on a designated date upon which said obligations may be redeemed, all of such obligations outstanding at the time, together with the interest thereon to maturity or to the designated redemption date, premiums thereon, if any that may be payable on the redemption of the same; provided that proper notice of redemption of all such obligations to be redeemed shall have been previously published or provisions shall have been made for such publication.

Upon such payment or deposit of money or securities, or both, in the amount and manner provided by this Section, all liability of the Issuer with respect to the Notes or Obligations shall cease, determine and be completely discharged, and the holders thereof shall be entitled only to payment out of the money or securities so deposited.

Section 26. Resolution a Contract. The provisions of this Resolution shall constitute a contract between the Issuer and the holder or holders of the Notes and Parity Obligations, and after the issuance of any of the Notes no change, variation or alteration of any kind in the provisions of this Resolution shall be made in any manner, except as provided in the next succeeding Section, until such time as all of the Notes and Parity Obligations, and interest due thereon, shall have been satisfied and discharged as provided in this Resolution.

Section 27. Amendment of Resolution Without Consent. The Issuer may, without the consent of or notice to any of the holders of the Bonds and Parity Obligations, amend or supplement this Resolution for any one or more of the following purposes:

(a) to cure any ambiguity, defect, omission or inconsistent provision in this Resolution or in the Notes or Parity Obligations; or to comply with any applicable provision of law or regulation of federal or state agencies; provided, however, that such action shall not materially adversely affect the interests of the holders of the Notes or Parity Obligations;

(b) to change the terms or provisions of this Resolution to the extent necessary to prevent the interest on the Notes or Parity Obligations from being includable within the gross income of the holders thereof for federal income tax purposes;

(c) to grant to or confer upon the holders of the Notes or Parity Obligations any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the holders of the Notes;

(d) to add to the covenants and agreements of the Issuer contained in this Resolution other covenants and agreements of, or conditions or restrictions upon, the Issuer or to surrender or eliminate any right or power reserved to or conferred upon the Issuer in this Resolution; or

(e) to subject to the lien and pledge of this Resolution additional pledged revenues as may be permitted by law.

Section 28. Amendment of Resolution Requiring Consent. This Resolution may be amended from time to time if such amendment shall have been consented to by holders of not less than two-thirds in principal amount of the Notes and Parity Obligations at any time outstanding (not including in any case any Notes which may then be held or owned by or for the account of the Issuer, but including such Refunding Obligations as may have been issued for the purpose of refunding any of such Notes if such Refunding Obligations shall not then be owned by the Issuer); but this Resolution may not be so amended in such manner as to:

- (a) Make any change in the maturity or interest rate of the Notes, or modify the terms of payment of principal of or interest on the Notes or any of them or impose any conditions with respect to such payment;
- (b) Materially affect the rights of the holders of less than all of the Notes and Parity Obligations then outstanding; and
- (c) Reduce the percentage of the principal amount of Notes, the consent of the holders of which is required to effect a further amendment.

Whenever the Issuer shall propose to amend this Resolution under the provisions of this Section, it shall cause notice of the proposed amendment to be filed with the Original Purchaser and to be mailed by certified mail to each registered owner of any Note as shown by the records of the Registrar. Such notice shall set forth the nature of the proposed amendment and shall state that a copy of the proposed amendatory Resolution is on file in the office of the City Clerk.

Whenever at any time within one year from the date of the mailing of said notice there shall be filed with the City Clerk an instrument or instruments executed by the holders of at least two-thirds in aggregate principal amount of the Notes then outstanding as in this Section defined, which instrument or instruments shall refer to the proposed amendatory Resolution described in said notice and shall specifically consent to and approve the adoption thereof, thereupon, but not otherwise, the Governing Body of the Issuer may adopt such amendatory Resolution and such Resolution shall become effective and binding upon the holders of all of the Notes and Parity Obligations.

Any consent given by the holder of a Note pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of the instrument evidencing such consent and shall be conclusive and binding upon all future holders of the same Note during such period. Such consent may be revoked at any time after six months from the date of such instrument by the holder who gave such consent or by a successor in title by filing notice of such revocation with the City Clerk.

The fact and date of the execution of any instrument under the provisions of this Section may be proved by the certificate of any officer in any jurisdiction who by the laws thereof is authorized to take acknowledgments of deeds within such jurisdiction that the person signing



such instrument acknowledged before him the execution thereof, or may be proved by an affidavit of a witness to such execution sworn to before such officer.

The amount and numbers of the Notes held by any person executing such instrument and the date of his holding the same may be proved by an affidavit by such person or by a certificate executed by an officer of a bank or trust company showing that on the date therein mentioned such person had on deposit with such bank or trust company the Notes described in such certificate.

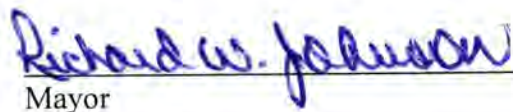
Notwithstanding anything in this Section to the contrary, the holder or holders of 100% of the Notes and Parity Obligations may consent to any amendment of this Resolution, or waive any notices required hereunder, on such terms and under such conditions as said holders shall determine to be appropriate.

Section 29. Severability. If any section, paragraph, or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions.


Section 30. Repeal of Conflicting Ordinances or Resolutions and Effective Date. All other Ordinances, Resolutions and orders, or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed; and this Resolution shall be in effect from and after its adoption.

Section 31. Rule of Construction. This Resolution and the terms and conditions of the Notes authorized hereby shall be construed whenever possible so as not to conflict with the terms and conditions of the Loan and Disbursement Agreement. In the event such construction is not possible, or in the event of any conflict or inconsistency between the terms hereof and those of the Loan and Disbursement Agreement, the terms of the Loan and Disbursement Agreement shall prevail and be given effect to the extent necessary to resolve any such conflict or inconsistency.

PASSED AND APPROVED this 15<sup>th</sup> day of April, 2025.

  
\_\_\_\_\_  
Mayor

ATTEST:

  
\_\_\_\_\_  
City Clerk

CERTIFICATE

STATE OF IOWA

)

) SS

COUNTY OF WAPELLO

)

I, the undersigned City Clerk of the City of Ottumwa, 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 15 day of April, 2025.

Christine Reinhard  
City Clerk, City of Ottumwa, State of Iowa

(SEAL)

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TAX EXEMPTION CERTIFICATE

of

CITY OF OTTUMWA, COUNTY OF WAPELLO  
STATE OF IOWA, ISSUER

\$16,000,000 Sewer Revenue Capital Loan Notes, Series 2025A

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This instrument was prepared by:

Ahlers & Cooney, P.C.  
100 Court Avenue, Suite 600  
Des Moines, Iowa 50309  
(515) 243-7611



## **TAX EXEMPTION CERTIFICATE**

### **CITY OF OTTUMWA, IOWA**

THIS TAX EXEMPTION CERTIFICATE made and entered into on May 9, 2025, by the City of Ottumwa, State of Iowa (the "Issuer").

### **INTRODUCTION**

This Certificate is executed and delivered in connection with the issuance by the Issuer of its \$16,000,000 Sewer Revenue Capital Loan Note, Series 2025A (the "Bonds"). The Bonds are issued pursuant to the provisions of the Resolution of the Issuer authorizing the issuance of the Bonds. Such Resolution provides that the covenants contained in this Certificate constitute a part of the Issuer's contract with the owners of the Bonds.

The Issuer recognizes that under the Code (as defined below) the tax-exempt status of the interest received by the owners of the Bonds is dependent upon, among other things, the facts, circumstances, and reasonable expectations of the Issuer as to future facts not in existence at this time, as well as the observance of certain covenants in the future. The Issuer covenants that it will take such action with respect to the Bonds as may be required by the Code, and pertinent legal regulations issued thereunder in order to establish and maintain the tax-exempt status of the Bonds, including the observance of all specific covenants contained in the Resolution and this Certificate.

### **ARTICLE I**

#### **DEFINITIONS**

The following terms as used in this Certificate shall have the meanings set forth below. The terms defined in the Resolution shall retain the meanings set forth therein when used in this Certificate. Other terms used in this Certificate shall have the meanings set forth in the Code or in the Regulations.

"Annual Debt Service" means the principal of and interest on the Bonds scheduled to be paid during a given Bond Year.

"Bonds" means the \$16,000,000 aggregate principal amount of a Sewer Revenue Capital Loan Note of the Issuer issued in registered form pursuant to the Resolution.

"Bond Counsel" means Ahlers & Cooney, P.C., Des Moines, Iowa, or an attorney at law or a firm of attorneys of nationally recognized standing in matters pertaining to the tax-exempt status of interest on obligations issued by states and their political subdivisions, duly admitted to the practice of law before the highest court of any State of the United States of America.

"Bond Fund" means the Sinking Fund described in the Resolution.

"Bond Year", as defined in Regulation 1.148-1(b), means a one-year period beginning on the day after expiration of the preceding Bond Year. The first Bond Year shall be the one-year or shorter period beginning on the Closing Date and ending on a principal or interest payment date, unless Issuer selects another date.

"Bond Yield" means that discount rate which produces an amount equal to the Issue Price of the Bonds when used in computing the present value of all payments of principal and interest to be paid on the Bonds, using semiannual compounding on a 360-day year as computed under Regulation 1.148-4.

"Certificate" means this Tax Exemption Certificate.

"Closing" means the delivery of the Bonds in exchange for the agreed upon purchase price.

"Closing Date" means the date of Closing.

"Code" means the Internal Revenue Code of 1986, as amended, and any statutes which replace or supplement the Internal Revenue Code of 1986.

"Computation Date" means each five-year period from the Closing Date through the last day of the fifth and each succeeding fifth Bond Year.

"Excess Earnings" means the amount earned on all Nonpurpose Investments minus the amount which would have been earned if such Nonpurpose Investments were invested at a rate equal to the Bond Yield, plus any income attributable to such excess.

"Final Bond Retirement Date" means the date on which the Bonds are actually paid in full.

"Governmental Obligations" means direct general obligations of, or obligations the timely payment of the principal of and interest on which is unconditionally guaranteed by the United States.

"Gross Proceeds", as defined in Regulation 1.148-1(b), means any Proceeds of the Bonds and any replacement proceeds (as defined in Regulation 1.148-1(c)) of the Bonds.

"Gross Proceeds Funds" means the Project Fund and any other fund or account held for the benefit of the owners of the Bonds or containing Gross Proceeds of the Bonds except the Bond Fund and the Rebate Fund.

"Issue Price", as defined in Regulation 1.148-1(b), means the initial offering price of the Bonds to the public (not including bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at which price a substantial amount of the Bonds were sold to the public. The Purchasers have certified the Issue Price to be not more than \$16,000,000.

"Issuer" means the City of Ottumwa, State of Iowa.

"Minor Portion of the Bonds", as defined in Regulation 1.148-2(g), means the lesser of five (5) percent of Proceeds or \$100,000. The Minor Portion of the Bonds is computed to be \$100,000.

"Nonpurpose Investments" means any investment property which is acquired with Gross Proceeds and is not acquired to carry out the governmental purpose of the Bonds, and may include but is not limited to U.S. Treasury bonds, corporate bonds, or certificates of deposit.

"Proceeds", as defined in Regulation 1.148-1(b), means Sale Proceeds, investment proceeds and transferred proceeds of the Bonds.

"Project" means the acquisition, construction, reconstruction, extending, remodeling, improving, repairing and equipping all or part of the Municipal Sewer System, including those costs associated with Blake's Branch Sewer Separation, Phase 8, Division 3, as more fully described in the Resolution.

"Project Fund" means the fund established in the Resolution.

"Purchaser" means the Iowa Finance Authority, Des Moines, Iowa, constituting the initial purchaser of the Bonds from the Issuer.

"Rebate Amount" means the amount computed as described in this Certificate.

"Rebate Fund" means the fund to be created, if necessary, pursuant to this Certificate.

"Rebate Payment Date" means a date chosen by the Issuer which is not more than 60 days following each Computation Date or the Final Bond Retirement Date.

"Regulations" means the Income Tax Regulations, amendments and successor provisions promulgated by the Department of the Treasury under Sections 103, 148 and 149 of the Code, or



other Sections of the Code relating to "arbitrage bonds", including without limitation Regulations 1.148-1 through 1.148-11, 1.149(b)-1, 1.149-d(1), 1.150-1 and 1.150-2.

"Replacement Proceeds" include, but are not limited to, sinking funds, amounts that are pledged as security for an issue, and amounts that are replaced because of a sufficiently direct nexus to a governmental purpose of an issue.

"Resolution" means the resolution of the Issuer adopted on April 15, 2025 authorizing the issuance of the Bonds.

"Sale Proceeds", as defined in Regulation 1.148-1(b), means any amounts actually or constructively received from the sale of the Bonds, including amounts used to pay underwriter's discount or compensation and accrued interest other than pre-issuance accrued interest.

"Sinking Fund" means the Bond Fund.

"Tax Exempt Obligations" means bonds or other obligations the interest on which is excludable from the gross income of the owners thereof under Section 103 of the Code and include certain regulated investment companies, stock in tax-exempt mutual funds and demand deposit SLGS.

"Taxable Obligations" means all investment property, obligations or securities other than Tax Exempt Obligations.

"Verification Certificate" means the certificate attached to this Certificate as Exhibit A, establishing that the Purchaser will not reoffer or sell the Bonds to the public.

## **ARTICLE II**

### **SPECIFIC CERTIFICATIONS, REPRESENTATIONS AND AGREEMENTS**

The Issuer hereby certifies, represents and agrees as follows:

#### Section 2.1 Authority to Certify and Expectations

(a) The undersigned officer of the Issuer along with other officers of the Issuer, are charged with the responsibility of issuing the Bonds.

(b) This Certificate is being executed and delivered in part for the purposes specified in Section 1.148-2(b)(2) of the Regulations and is intended (among other purposes) to establish reasonable expectations of the Issuer at this time.

(c) The Issuer has not been notified of any disqualification or proposed disqualification of it by the Commissioner of the Internal Revenue Service as a bond issuer which may certify bond issues under Section 1.148-2(b)(2) of the Regulations.

(d) The certifications, representations and agreements set forth in this Article II are made on the basis of the facts, estimates and circumstances in existence on the date hereof, including the following: (1) with respect to amounts expected to be received from delivery of the Bonds, amounts actually received, (2) with respect to payments of amounts into various funds or accounts, review of the authorizations or directions for such payments made by the Issuer pursuant to the Resolution and this Certificate, (3) with respect to the Issue Price, the certifications of the Purchaser as set forth in the Verification Certificate, (4) with respect to expenditure of the Proceeds of the Bonds, actual expenditures and reasonable expectations of the Issuer as to when the Proceeds will be spent for purposes of the Project, (5) with respect to Bond Yield, review of the Verification Certificate, and (6) with respect to the amount of governmental and Code Section 501(c)(3) bonds to be issued during the calendar year, the budgeting and present planning of Issuer. The Issuer has no reason to believe such facts, estimates or circumstances are untrue or incomplete in any material way.

(e) To the best of the knowledge and belief of the undersigned officer of the Issuer, there are no facts, estimates or circumstances that would materially change the representations, certifications or agreements set forth in this Certificate, and the expectations herein set out are reasonable.

(f) No arrangement exists under which the payment of principal or interest on the Bonds would be directly or indirectly guaranteed by the United States or any agency or instrumentality thereof.

(g) After the expiration of any applicable temporary periods, and excluding investments in a bona fide debt service fund or reserve fund, not more than five percent (5%) of the Proceeds of the Bonds will be (a) used to make loans which are guaranteed by the United States or any agency or instrumentality thereof, or (b) invested in federally insured deposits or accounts.

(h) The Issuer will file with the Internal Revenue Service in a timely fashion Form 8038-G, Information Return for Tax-Exempt Governmental Obligations, with respect to the Bonds and such other reports required to comply with the Code and applicable Regulations.

(i) The Issuer will take no action which would cause the Bonds to become "private activity bonds" as defined in Section 141(a) of the Code, including any use of the Project by any person other than a governmental unit if such use will be as other than a member of the general public. None of the Proceeds of the Bonds will be used directly or indirectly to make or finance loans to any person other than a governmental unit.

(j) The Issuer will make no change in the nature or purpose of the Project except as provided in Section 6.1 hereof.

(k) Except as provided in Section 6.1 hereof, the Issuer will not establish any sinking fund, bond fund, reserve fund, debt service fund or other fund reasonably expected to be used to pay debt service on the Bonds (other than the Bond Fund), exercise its option to redeem Bonds prior to maturity or effect a refunding of the Bonds.

(l) No bonds or other obligations of the Issuer (1) were sold in the 15 days preceding the date of sale of the Bonds, (2) were sold or will be sold within the 15 days after the date of sale of the Bonds, (3) have been delivered in the past 15 days or (4) will be delivered in the next 15 days pursuant to a common plan of financing for the issuance of the Bonds and payable out of substantially the same source of revenues.

(m) None of the Proceeds of the Bonds will be used directly or indirectly to replace funds of the Issuer used directly or indirectly to acquire obligations having a yield higher than the Bond Yield.

(n) No portion of the Bonds will be issued for the purpose of investing such portion at a higher yield than the Bond Yield.

(o) The Issuer does not expect that the Proceeds of the Bonds will be used in a manner that would cause them to be "arbitrage bonds" as defined in Section 148(a) of the Code. The Issuer does not expect that the Proceeds of the Bonds will be used in a manner that would cause the interest on the Bonds to be includable in the gross income of the owners of the Bonds under the Code. The Issuer will not intentionally use any portion of the Proceeds to acquire higher yielding investments.

(p) The Issuer will not use the Proceeds of the Bonds to exploit the difference between tax-exempt and taxable interest rates to obtain a material financial advantage.

(q) The Issuer has not issued more Bonds, issued the Bonds earlier, or allowed the Bonds to remain outstanding longer than is reasonably necessary to accomplish the governmental purposes of the Bonds.

(r) The Issuer has not employed a device in connection with the issuance of the Bonds to obtain a material financial advantage (based on arbitrage) apart from savings attributable to lower interest rates. The Issuer will not realize any material financial advantage (based on arbitrage or otherwise) in connection with the issuance of the Bonds, or in connection with any transaction or series of transactions connected with the issuance of the Bonds, apart from savings attributable to lower interest rates.

(s) The Bonds will not be Hedge Bonds as described in Section 149(g)(3) of the Code because the Issuer reasonably expects that it will meet the Expenditure Test set forth in Section 2.5(b) hereof and that not more than 50% of the Proceeds will be invested in Nonpurpose Investments having a substantially guaranteed yield for four or more years.

## Section 2.2 Receipts and Expenditures of Sale Proceeds

Sale Proceeds received at Closing are expected to be deposited and expended as follows:

- (a) \$19,400 representing costs of issuing the Bonds and the Initiation Fee for the Loan will be used within six months of the Closing Date to pay the costs of issuance of the Bonds (with any excess remaining on deposit in the Project Fund); and
- (b) \$15,980,600 will be deposited into the Project Fund and will be used together with earnings thereon to pay the costs of the Project and will not exceed the amount necessary to accomplish the governmental purposes of the Bonds.

### Section 2.2A Reimbursement Bonds

(a) Not later than 60 days after payment of Original Expenditures, the Issuer has adopted an Official Intent and has declared its intention to make a Reimbursement Allocation of Original Expenditures incurred in connection with Project Segment(s) from proceeds of the Reimbursement Bonds.

(b) The Reimbursement Allocation will occur on or before the later of (i) eighteen months after the Original Expenditures are paid or (ii) eighteen months after the first Project Segment is placed in service, but in no event more than three years after the Original Expenditures are paid.

(c) No other Reimbursement Allocation will be made except for Preliminary Expenditures.

(d) The Reimbursement Allocation has not been undertaken to avoid, in whole or in part, arbitrage yield restrictions or arbitrage rebate requirements and will not employ an abusive arbitrage device under Regulation 1.148-10.

(e) Within one year of the Closing Date, the Reimbursement Allocation will not be used in a manner that results in the creation of replacement proceeds, as defined in Regulation 1.148-1.

(f) For purposes of Section 2.2A, the following terms shall have the meanings set forth below:

(i) "Official Intent" means a declaration of intent described under Regulation 1.150-2 to reimburse Original Expenditures with the proceeds of the Bonds.

(ii) "Original Expenditure" means an expenditure for a governmental purpose that is originally paid from a source other than the Reimbursement Bonds.



(iii) "Preliminary Expenditures", as defined in Regulation 1.150-2(f)(2), means architectural, engineering, surveying, soil tests, Reimbursement Bond issuance costs, and similar costs incurred prior to commencement of construction, rehabilitation or acquisition of a Project Segment which do not exceed 20% of the Issue Price of the portion of the Bonds that finances the Project Segment for which they were incurred.

(iv) "Project Segment" means the costs, described in an Official Intent of the Issuer, incurred prior to the Closing Date to acquire, construct, or improve land, buildings or equipment excluding current operating expenses but including costs of issuing the Reimbursement Bonds.

(v) "Reimbursement Allocation" means written evidence of the use of Reimbursement Bond proceeds to reimburse a fund of the Issuer for Original Expenditures paid or advanced prior to the Closing Date and incurred in connection with a Project Segment.

(vi) "Reimbursement Bonds" means the portion of the Bonds which are allocated to reimburse the Original Expenditures paid prior to the Closing Date and incurred in connection with a Project Segment.

### Section 2.3 Purpose of Bonds

The Issuer is issuing the Bonds to pay costs of acquisition, construction, reconstruction, extending, remodeling, improving, repairing and equipping all or part of the Municipal Sewer System, including those costs associated with the Blake's Branch Sewer Separation, Phase 8, Division 3 project.

### Section 2.4 Facts Supporting Tax-Exemption Classification

The Bonds are considered to be governmental bonds, not subject to the provisions of the alternate minimum tax. Proceeds of the Bonds will be used for the purpose of paying costs of construction of certain improvements and extensions to the Sewer System Utility of the City, including those costs associated with Blake's Branch Sewer Separation, Phase 8, Division 3. All of the financed facilities are owned by the City and are expected to be used by the public generally, including industrial users. There are no contractual arrangements or agreements between the City and any contributing industry using the Sewer System Utility, and there are no other lease, management contract or other similar arrangements with respect to the Sewer System Utility. Contributing industries using the Sewer System Utility may be or become subject to additional surcharges above the current user charges, depending on the strength and volume of the waste they generate. All such surcharges, however, are or will be imposed by virtue of City ordinances applicable to all entities meeting the standards set forth therein. No other charges or payments will be imposed or paid to the City by any contributing industry for wastewater treatment services or Project-related construction and acquisition beyond those mandated by ordinance for certain classes of users.

No amount of Proceeds of the Bonds is to be used directly or indirectly to make or finance loans to persons other than governmental units.

## Section 2.5 Facts Supporting Temporary Periods for Proceeds

(a) Time Test. Not later than six months after the Closing Date, the Issuer will incur a substantial binding obligation to a third party to expend at least 5% of the net Sale Proceeds of the Bonds.

(b) Expenditure Test. Not less than 85% of the net Sale Proceeds will be expended for Project costs, including the reimbursement of other funds expended to date, within a three-year temporary period from the Closing Date.

(c) Due Diligence Test. Not later than six months after Closing, work on the Project will have commenced and will proceed with due diligence to completion.

(d) Proceeds of the Bonds representing less than six months accrued interest on the Bonds will be spent within six months of this date to pay interest on the Bonds, and will be invested without restriction as to yield for a temporary period not in excess of six months.

## Section 2.6 Resolution Funds at Restricted or Unrestricted Yield

(a) Proceeds of the Bonds will be held and accounted for in the manner provided in the Resolution. The Issuer has not and does not expect to create or establish any other bond fund, reserve fund, or similar fund or account for the Bonds. The Issuer has not and will not pledge any moneys or Taxable Obligations in order to pay debt service on the Bonds or restrict the use of such moneys or Taxable Obligations so as to give reasonable assurances of their availability for such purposes.

(b) Any monies which are invested beyond a temporary period are expected to constitute less than a major portion of the Bonds or to be restricted for investment at a yield not greater than one-eighth of one percent above the Bond Yield.

(c) The Issuer has established and will use the Bond Fund primarily to achieve a proper matching of revenues and debt service within each Bond Year and the Issuer will apply moneys deposited into the Bond Fund to pay the principal of and interest on the Bonds. Such Fund will be depleted at least once each Bond Year except for a reasonable carryover amount. The carryover amount will not exceed the greater of (1) one year's earnings on the Bond Fund or (2) one-twelfth of Annual Debt Service. The Issuer will spend moneys deposited from time to time into such fund within 13 months after the date of deposit. Revenues, intended to be used to pay debt service on the Bonds, will be deposited into the Bond Fund as set forth in the Resolution. The Issuer will spend interest earned on moneys in such fund not more than 12 months after receipt. Accordingly, the Issuer will treat the Bond Fund as a bona fide debt service fund as defined in Regulation 1.148-1(b).

Investment of amounts on deposit in the Bond Fund will not be subject to arbitrage rebate requirements as the Bonds meet the safe harbor set forth in Regulation 1.148-3(k), because the average annual debt service on the Bonds will not exceed \$2,500,000.

- (d) The Minor Portion of the Bonds will be invested without regard to yield.

#### Section 2.7 Pertaining to Yields

(a) The purchase price of all Taxable Obligations to which restrictions apply under this Certificate as to investment yield or rebate of Excess Earnings, if any, has been and shall be calculated using (i) the price taking into account discount, premium and accrued interest, as applicable, actually paid or (ii) the fair market value if less than the price actually paid and if such Taxable Obligations were not purchased directly from the United States Treasury. The Issuer will acquire all such Taxable Obligations directly from the United States Treasury or in an arm's length transaction without regard to any amounts paid to reduce the yield on such Taxable Obligations. The Issuer will not pay or permit the payment of any amounts (other than to the United States) to reduce the yield on any Taxable Obligations. Obligations pledged to the payment of debt service on the Bonds, or deposited into any reserve fund after they have been acquired by the Issuer will be treated as though they were acquired for their fair market value on the date of such pledge or deposit. Obligations on deposit in any reserve fund on the Closing Date shall be treated as if acquired for their fair market value on the Closing Date.

- (b) Qualified guarantees have not been used in computing yield.

(c) The Bond Yield has been computed as not less than 2.839875 percent. This Bond Yield has been computed on the basis of a purchase price for the Bonds equal to the Issue Price.

### **ARTICLE III**

#### **REBATE**

##### Section 3.1 Records

Sale Proceeds of the Bonds will be held and accounted for in the manner provided in the Resolution. The Issuer will maintain adequate records for funds created by the Resolution and this Certificate including all deposits, withdrawals, transfers from, transfers to, investments, reinvestments, sales, purchases, redemptions, liquidations and use of money or obligations until six years after the Final Bond Retirement Date.

##### Section 3.2 Rebate Fund

(a) In the Resolution, the Issuer has covenanted to pay to the United States the Rebate Amount, an amount equal to the Excess Earnings on the Gross Proceeds Funds, if any, at the times and in the manner required or permitted and subject to stated special rules and allowable exceptions or exemptions.

(b) The Issuer may establish a fund pursuant to the Resolution and this Certificate which is herein referred to as the Rebate Fund. The Issuer will invest and expend amounts on deposit in the Rebate Fund in accordance with this Certificate.

(c) Moneys in the Rebate Fund shall be held by the Issuer or its designee and, subject to Sections 3.4, 3.5 and 6.1 hereof, shall be held for future payment to the United States as contemplated under the provisions of this Certificate and shall not constitute part of the trust estate held for the benefit of the owners of the Bonds or the Issuer.

(d) The Issuer will pay to the United States from legally available money of the Issuer (whether or not such available money is on deposit in any fund or account related to the Bonds) any amount which is required to be paid to the United States.

### Section 3.3 Exceptions to Rebate

The Issuer reasonably expects that the Bonds are eligible for one or more exceptions from the arbitrage rebate rules set forth in the Regulations. If the Bonds are ineligible, or become ineligible, for an exception to the arbitrage rebate rules, the Issuer will comply with the provisions of this Article III. A description of the applicable rebate exception(s) is as follows:

- **Eighteen-Month Exception**

The Gross Proceeds of the Bonds are expected to be expended for the governmental purposes for which the Bonds were issued in accordance with the following schedule:

- 1) 15 percent spent within six months of the Closing Date;
- 2) 60 percent spent within one year of the Closing Date;
- 3) 100 percent spent within eighteen months of the Closing Date (subject to 5 percent retainage for not more than one year).

In any event, the Issuer expects that the 5% reasonable retainage will be spent within 30 months of the Closing Date. For purposes of determining compliance with the six-month and twelve-month spending periods, the amount of investment earnings included shall be based on the Issuer's reasonable expectations that the average annual interest rate on investments will be not more than 5%. For purposes of determining compliance with the eighteen-month spending period, the amount of investment earnings included shall be based on actual earnings. If the Issuer fails to meet the foregoing expenditure schedule, the Issuer shall comply with the arbitrage rebate requirements of the Code.

- **Election to Treat as Construction Bonds.**

The Bonds qualify as a "construction issue" as defined in Section 148(f)(4)(C)(vi) of the Code. The Issuer reasonably expects that more than 75 percent of the "available construction proceeds" ("ACP") of the Bonds, as defined in Section 148(f)(4)(C)(vi) of the Code, will be used for construction expenditures and that not less than the following percentages of the available construction proceeds will be spent within the following periods:

- 1) 10 percent spent within six months of the Closing Date;
- 2) 45 percent spent within one year of the Closing Date;



- 3) 75 percent spent within eighteen months of the Closing Date;
- 4) 100 percent spent within two years of the Closing Date (subject to 5 percent retainage for not more than one year).

In any event, the Issuer expects that the 5% reasonable retainage will be spent within a three-year period beginning on the Closing Date. A failure to spend an amount that does not exceed the lesser of (i) 3% of the issue price or (ii) \$250,000, is disregarded if the Issuer exercises due diligence to complete the Project.

- Election with respect to future earnings

Pursuant to Section 1.148-7(h)(i)(3) of the Regulations, the Issuer shall calculate the amount of future earnings to be used in determining compliance with the first three spending periods based on its reasonable expectations that the average annual interest rate on investments of the ACP will be not more than 5%. Compliance with the final spending period shall be calculated using actual earnings.

If the Issuer fails to meet one of the foregoing expenditure schedules, the Issuer shall comply with the arbitrage rebate requirements of the Code.

#### Section 3.4 Calculation of Rebate Amount

(a) As soon after each Computation Date as practicable, the Issuer shall, if necessary, calculate and determine the Excess Earnings on the Gross Proceeds Funds (the "Rebate Amount"). All calculations and determinations with respect to the Rebate Amount will be made on the basis of actual facts as of the Computation Date and reasonable expectations as to future events.

(b) If the Rebate Amount exceeds the amount currently on deposit in the Rebate Fund, the Issuer may deposit an amount in the Rebate Fund such that the balance in the Rebate Fund after such deposit equals the Rebate Amount. If the amount in the Rebate Fund exceeds the Rebate Amount, the Issuer may withdraw such excess amount provided that such withdrawal can be made from amounts originally transferred to the Rebate Fund and not from earnings thereon, which may not be transferred, and only if such withdrawal may be made without liquidating investments at a loss.

#### Section 3.5 Rebate Requirements and the Bond Fund

It is expected that the Bond Fund described in the Resolution and Section 2.6(c) of this Certificate will be treated as a bona fide debt service fund as defined in Regulation 1.148-1(b). As such, any amount earned during a Bond Year on the Bond Fund and amounts earned on such amounts, if allocated to the Bond Fund, will not be taken into account in calculating the Rebate Amount for the reasons outlined in Section 2.6(c) hereof. However, should the Bond Fund cease to be treated as a bona fide debt service fund, the Bond Fund will become subject to the rebate requirements set forth in Section 3.4 hereof.

### Section 3.6 Investment of the Rebate Fund

(a) Immediately upon a transfer to the Rebate Fund, the Issuer may invest all amounts in the Rebate Fund not already invested and held in the Rebate Fund, to the extent possible, in (1) SLGS, such investments to be made at a yield of not more than one-eighth of one percent above the Bond Yield, (2) Tax Exempt Obligations, (3) direct obligations of the United States or (4) certificates of deposit of any bank or savings and loan association. All investments in the Rebate Fund shall be made to mature not later than the next Rebate Payment Date.

(b) If the Issuer invests in SLGS, the Issuer shall file timely subscription forms for such securities (if required). To the extent possible, amounts received from maturing SLGS shall be reinvested immediately in zero yield SLGS maturing on or before the next Rebate Payment Date.

### Section 3.7 Payment to the United States

(a) On each Rebate Payment Date, the Issuer will pay to the United States at least ninety percent (90%) of the Rebate Amount less a computation credit of \$1,000 per Bond Year for which the payment is made.

(b) The Issuer will pay to the United States not later than sixty (60) days after the Final Bond Retirement Date all the rebatable arbitrage as of such date and any income attributable to such rebatable arbitrage as described in Regulation 1.148-3(f)(2).

(c) If necessary, on each Rebate Payment Date, the Issuer will mail a check to the Internal Revenue Service Center, Ogden, UT 84201. Each payment shall be accompanied by a copy of Form 8038-T, Arbitrage Rebate, filed with respect to the Bonds or other information reporting form as is required to comply with the Code and applicable Regulations.

### Section 3.8 Records

(a) The Issuer will keep and retain adequate records with respect to the Bonds, the Gross Proceeds Funds, the Bond Fund, and the Rebate Fund until six years after the Final Bond Retirement Date. Such records shall include descriptions of all calculations of amounts transferred to the Rebate Fund, if any, and descriptions of all calculations of amounts paid to the United States as required by this Certificate. Such records will also show all amounts earned on moneys invested in such funds, and the actual dates and amounts of all principal, interest and redemption premiums (if any) paid on the Bonds.

(b) Records relating to the investments in such Funds shall completely describe all transfers, deposits, disbursements and earnings including:

(i) a complete list of all investments and reinvestments of amounts in each such Fund including, if applicable, purchase price, purchase date, type of security, accrued interest paid, interest rate, dated date, principal amount, date of maturity, interest payment dates, date of liquidation, receipt upon liquidation, market value of such

investment on the Final Bond Retirement Date if held by the Issuer on the Final Bond Retirement Date, and market value of the investment on the date pledged to the payment of the Bonds, or the Closing Date if different from the purchase date.

(ii) the amount and source of each payment to, and the amount, purpose and payee of each payment from, each such Fund.

#### Section 3.9 Additional Payments

The Issuer hereby agrees to pay to the United States from legally available money of the Issuer (whether or not such available money is on deposit in any fund or account related to the Bonds) any amount which is required to be paid to the United States, but which is not available in a fund related to the Bonds for transfer to the Rebate Fund or payment to the United States.

### **ARTICLE IV**

#### **INVESTMENT RESTRICTIONS**

##### Section 4.1 Avoidance of Prohibited Payments

The Issuer will not enter into any transaction that reduces the amount required to be deposited into the Rebate Fund or paid to the United States because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Bond Yield not been relevant to either party. The Issuer will not invest or direct the investment of any funds in a manner which reduces an amount required to be paid to the United States because such transaction results in a small profit or larger loss than would have resulted if the transaction had been at arm's length and had the Bond Yield not been relevant to the Issuer. In particular, notwithstanding anything to the contrary contained herein or in the Resolution, the Issuer will not invest or direct the investment of any funds in a manner which would violate any provision of this Article IV.

##### Section 4.2 Market Price Requirement

(a) The Issuer will not purchase or direct the purchase of Taxable Obligations for more than the then available market price for such Taxable Obligations. The Issuer will not sell, liquidate or direct the sale or liquidation of Taxable Obligations for less than the then available market price.

(b) For purposes of this Certificate, United States Treasury obligations purchased directly from the United States Treasury will be deemed to be purchased at the market price.

##### Section 4.3 Investment in Certificates of Deposit

(a) Notwithstanding anything to the contrary contained herein or in the Resolution, the Issuer will invest or direct the investment of funds on deposit in the Gross Proceeds Fund, the

Bond Fund, and the Rebate Fund, in a certificate of deposit of a bank or savings bank which is permitted by law and by the Resolution only if (1) the price at which such certificate of deposit is purchased or sold is the bona fide bid price quoted by a dealer who maintains an active secondary market in certificates of deposit of the same type or (2) if there is no active secondary market in such certificates of deposit, the certificate of deposit must have a yield (A) as high or higher than the yield on comparable obligations traded on an active secondary market, as certified by a dealer who maintains such a market, and (B) as high or higher than the yield available on comparable obligations of the United States Treasury.

(b) The certificate of deposit described in part 2(A) of paragraph 4.3(a) above must be executed by a dealer who maintains an active secondary market in comparable certificates of deposit and must be based on actual trades adjusted to reflect the size and term of that certificate of deposit and the stability and reputation of the bank or savings bank issuing the certificate of deposit.

#### Section 4.4 Investment Pursuant to Investment Contracts and Agreements

The Issuer will invest or direct the investment of funds on deposit in the Gross Proceeds Funds, the Bond Fund, and the Rebate Fund pursuant to an investment contract (including a repurchase agreement) only if all of the following requirements are satisfied:

(a) The Issuer makes a bona fide solicitation for the purchase of the investment. A bona fide solicitation is a solicitation that satisfies all of the following requirements:

(1) The bid specifications are in writing and are timely forwarded to potential providers.

(2) The bid specifications include all material terms of the bid. A term is material if it may directly or indirectly affect the yield or the cost of the investment.

(3) The bid specifications include a statement notifying potential providers that submission of a bid is a representation that the potential provider did not consult with any other potential provider about its bid, that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the issuer or any other person (whether or not in connection with the Bonds), and that the bid is not being submitted solely as a courtesy to the issuer or any other person for purposes of satisfying the requirements of paragraph (d)(6)(iii)(B)(1) or (2) of section 1.148-5 of the Regulations.

(4) The terms of the bid specifications are commercially reasonable. A term is commercially reasonable if there is a legitimate business purpose for the term other than to increase the purchase price or reduce the yield of the investment.

(5) For purchases of guaranteed investment contracts only, the terms of the solicitation take into account the Issuer's reasonably expected deposit and drawdown schedule for the amounts to be invested.



(6) All potential providers have an equal opportunity to bid and no potential provider is given the opportunity to review other bids (i.e., a last look) before providing a bid.

(7) At least three reasonably competitive providers are solicited for bids. A reasonably competitive provider is a provider that has an established industry reputation as a competitive provider of the type of investments being purchased.

(b) The bids received by the Issuer meet all of the following requirements:

(1) The Issuer receives at least three bids from providers that the Issuer solicited under a bona fide solicitation meeting the requirements of paragraph (d)(6)(iii)(A) of section 1.148-5 of the Regulations and that do not have a material financial interest in the issue. A lead underwriter in a negotiated underwriting transaction is deemed to have a material financial interest in the issue until 15 days after the issue date of the issue. In addition, any entity acting as a financial advisor with respect to the purchase of the investment at the time the bid specifications are forwarded to potential providers has a material financial interest in the issue. A provider that is a related party to a provider that has a material financial interest in the issue is deemed to have a material financial interest in the issue.

(2) At least one of the three bids described in paragraph (d)(6)(iii)(B)(1) of section 1.148-5 of the Regulations is from a reasonably competitive provider, within the meaning of paragraph (d)(6)(iii)(A)(7) of section 1.148-5 of the Regulations.

(3) If the Issuer uses an agent to conduct the bidding process, the agent did not bid to provide the investment.

(c) The winning bid meets the following requirements:

(1) Guaranteed investment contracts. If the investment is a guaranteed investment contract, the winning bid is the highest yielding bona fide bid (determined net of any broker's fees).

(2) Other investments. If the investment is not a guaranteed investment contract, the winning bid is the lowest cost bona fide bid (including any broker's fees).

(d) The provider of the investments or the obligor on the guaranteed investment contract certifies the administrative costs that it pays (or expects to pay, if any) to third parties in connection with supplying the investment.

(e) The Issuer will retain the following records with the bond documents until three years after the last outstanding bond is redeemed:

- (1) For purchases of guaranteed investment contracts, a copy of the contract, and for purchases of investments other than guaranteed investment contracts, the purchase agreement or confirmation.
- (2) The receipt or other record of the amount actually paid by the Issuer for the investments, including a record of any administrative costs paid by the Issuer, and the certification under paragraph (d)(6)(iii)(D) of section 1.148-5 of the Regulations.
- (3) For each bid that is submitted, the name of the person and entity submitting the bid, the time and date of the bid, and the bid results.
- (4) The bid solicitation form and, if the terms of the purchase agreement or the guaranteed investment contract deviated from the bid solicitation form or a submitted bid is modified, a brief statement explaining the deviation and stating the purpose for the deviation.
- (5) For purchases of investments other than guaranteed investment contracts, the cost of the most efficient portfolio of State and Local Government Series Securities, determined at the time that the bids were required to be submitted pursuant to the terms of the bid specifications.

#### Section 4.5 Records

The Issuer will maintain records of all purchases, sales, liquidations, investments, reinvestments, redemptions, disbursements, deposits, and transfers of amounts on deposit.

#### Section 4.6 Investments to be Legal

All investments required to be made pursuant to this Certificate shall be made to the extent permitted by law. In the event that any such investment is determined to be ultra vires, it shall be liquidated and the proceeds thereof shall be invested in a legal investment, provided that prior to reinvesting such proceeds, the Issuer shall obtain an opinion of Bond Counsel to the effect that such reinvestment will not cause the Bonds to become arbitrage bonds under Sections 103, 148, 149, or any other applicable provision of the Code.

### **ARTICLE V**

#### **GENERAL COVENANTS**

The Issuer hereby covenants to perform all acts within its power necessary to ensure that the reasonable expectations set forth in Article II hereof will be realized. The Issuer reasonably expects to comply with all covenants contained in this Certificate.

## ARTICLE VI

### AMENDMENTS AND ADDITIONAL AGREEMENTS

#### Section 6.1 Opinion of Bond Counsel; Amendments

The various provisions of this Certificate need not be observed and this Certificate may be amended or supplemented at any time by the Issuer if the Issuer receives an opinion or opinions of Bond Counsel that the failure to comply with such provisions will not cause any of the Bonds to become "arbitrage bonds" under the Code and that the terms of such amendment or supplement will not cause any of the Bonds to become "arbitrage bonds" under the Code, or otherwise cause interest on any of the Bonds to become includable in gross income for federal income tax purposes.

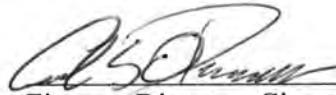
#### Section 6.2 Additional Covenants, Agreements

The Issuer hereby covenants to make, execute and enter into (and to take such actions, if any, as may be necessary to enable it to do so) such agreements as may be necessary to comply with any changes in law or regulations in order to preserve the tax-exempt status of the Bonds to the extent that it may lawfully do so. The Issuer further covenants (1) to impose such limitations on the investment or use of moneys or investments related to the Bonds, (2) to make such payments to the United States Treasury, (3) to maintain such records, (4) to perform such calculations, and (5) to perform such other lawful acts as may be necessary to preserve the tax-exempt status of the Bonds.

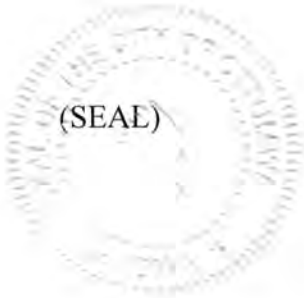
#### Section 6.3 Amendments

Except as otherwise provided in Section 6.1 hereof, all the rights, powers, duties and obligations of the Issuer shall be irrevocable and binding upon the Issuer and shall not be subject to amendment or modification by the Issuer.

IN WITNESS WHEREOF, the Issuer has caused this Certificate to be executed by its duly authorized officer, all as of the day first above written.



\_\_\_\_\_  
Finance Director, City of Ottumwa, State of  
Iowa





## EXHIBIT A

### VERIFICATION CERTIFICATE OF THE PURCHASER

The undersigned officer of the Iowa Finance Authority (the "Purchaser"), hereby certifies as follows:

1. The Purchaser and the City of Ottumwa, Iowa (the "Issuer"), have entered into a Loan and Disbursement Agreement (the "Agreement"), providing for the purchase of a \$16,000,000 Sewer Revenue Capital Loan Note of the City dated as of the date of delivery (the "Notes").

2. The Agreement is in full force and effect and has not been repealed, rescinded or amended.

3. The Purchaser hereby confirms that the Notes were purchased at par and will not be reoffered to the public, the terms of purchase being as follows:

Principal Amount Issued	Principal Amount Sold	Interest Rate	Price (% of par) (do not include accrued interest)
\$16,000,000	None	2.84%	100%

IN WITNESS WHEREOF, the Purchaser has caused this Verification Certificate to be executed by its duly authorized officer this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

IOWA FINANCE AUTHORITY

By: \_\_\_\_\_

Its: \_\_\_\_\_

LOAN AND DISBURSEMENT AGREEMENT  
\$16,000,000 SEWER REVENUE CAPITAL LOAN NOTES, SERIES 2025A

This Loan and Disbursement Agreement (the "Agreement") is made and entered into as of May 9, 2025, by and between the City of Ottumwa, Iowa (the "Participant") and the Iowa Finance Authority, an agency and public instrumentality of the State of Iowa (the "Issuer").

WHEREAS, the Issuer, in cooperation with the Iowa Department of Natural Resources (the "Department"), is authorized to undertake the creation, administration and financing of the Iowa Water Pollution Control Works Financing Program (the "Program") established in the Code of Iowa, Sections 16.131 through 16.135 and Sections 455B.291 through 455B.299, including, among other things, the making of loans to Iowa municipalities for purposes of the Program; and

WHEREAS, the Participant desires to participate in the Program as a means of financing all or part of the construction of certain wastewater treatment facilities serving the Participant and its residents; and

WHEREAS, to assist in financing the Project (defined herein), the Issuer desires to make a loan to the Participant in the amount set forth in Section 2 hereof;

NOW, THEREFORE, the parties agree as follows:

Section 1. Definitions. In addition to other definitions set forth herein, the following terms as used in this Agreement shall, unless the context clearly requires otherwise, have the following meanings:

(a) "Bonds" shall mean any State Revolving Fund Revenue Bonds that were or in the future are issued by the Issuer for the purpose of providing moneys to finance the Loan to the Participant.

(b) "Code" shall mean the Internal Revenue Code of 1986, as amended, and all lawfully promulgated regulations thereunder.

(c) "Project" shall mean the particular construction activities approved by the Department and being undertaken by the Participant with respect to its Wastewater Treatment System, as described in the Resolution.

(d) "Regulations" shall mean the administrative rules of the Department relating to the Program, set forth in Title 567, Chapter 92 of the Iowa Administrative Code, and the administrative rules of the Issuer relating to the Program set forth in Title 265, Chapter 26 of the Iowa Administrative Code.

05/01/2020

(e) "Resolution" shall mean the resolution of the City Council of the Participant providing for the authorization and issuance of the Revenue Bond, attached hereto as Exhibit B, adopted on April 15, 2025, approving and authorizing the execution of this Agreement and the issuance of the Revenue Bond (as defined herein).

(f) "Wastewater Treatment System" shall mean the wastewater treatment system of the Participant, all facilities being used in conjunction therewith and all appurtenances and extensions thereto, including but not limited to the wastewater treatment system project which the Participant is financing under this Agreement.

Section 2. Loan; Purchase of Revenue Bond. The Issuer agrees to purchase a duly authorized and issued sewer revenue bond or capital loan note of the Participant (the "Revenue Bond") in order to make a loan to the Participant, and will disburse proceeds as set forth herein. The Participant agrees to borrow and accept from the Issuer, a loan in the principal amount of \$16,000,000 (the "Loan").

The Participant shall use the proceeds of the Loan strictly (a) to finance a portion of the costs of construction of the Project and (b), where applicable, to reimburse the Participant for a portion of the costs of the Project, which portion was paid or incurred in anticipation of reimbursement through the Program and which is eligible for such reimbursement under and pursuant to the Regulations and the Code.

Section 3. Disbursements. Proceeds of the Loan shall be made available to the Participant in the form of one or more periodic disbursements as provided in this Section. The Issuer thereafter shall make disbursements of a portion of the Loan for payment of costs of the Project upon receipt of the following:

- (a) a completed payment request on a form acceptable to and available from the Issuer;
  - (b) current construction payment estimates;
  - (c) engineering service statements;
  - (d) purchase orders or invoices for items not included within other contracts;
- and
- (e) evidence that the costs for which the disbursement is requested have been incurred.

Solely with respect to the request for the final disbursement of proceeds of the Loan, the Participant shall submit to the Issuer (via the Department), in addition to items (a) through (e) above, a certification of completion and acceptance of the Project by the Participant or evidence of an acceptable settlement if the Project is subject to a dispute between the Participant and any contractor.

Disbursements shall be made in a timely fashion following the receipt of the information as set forth above. Unless otherwise agreed to in writing by the Issuer, funds shall be payable to the Participant via automated clearinghouse system transfer to the account specified by the Participant.

Section 4. Completion of Project. The Participant covenants and agrees (i) to exercise its best efforts in accordance with prudent wastewater treatment utility practices to complete the Project; and (ii) to provide from its own fiscal resources all monies, in excess of the total amount of Loan proceeds it receives under the Agreement, required to complete the Project.

Section 5. Repayment of Loan; Issuance of Revenue Bonds. The Participant's obligation to repay the Loan and interest thereon shall be evidenced by the Revenue Bond in the principal amount of the Loan, complying in all material respects with the Regulations and being in substantially the form set forth in the Resolution, which Resolution is attached hereto as Exhibit B. The Revenue Bond shall be delivered to the Issuer as the original purchaser and registered holder thereof at the closing of the Loan. The Revenue Bond shall be accompanied by a legal opinion of bond counsel, in form satisfactory to the Issuer, to evidence the legality, security position and tax-exempt status of interest on the Revenue Bond. The parties agree that a payment of principal of or interest on the Revenue Bond shall be deemed to be a payment of the same on the Loan and a payment of principal of or interest on the Loan shall be deemed to be a payment of the same on the Revenue Bond. Unless otherwise agreed to in writing by the Issuer, all payments of principal and interest due under the Loan shall be made via automated clearinghouse transfer, from an account specified by the Participant.

The Revenue Bond shall be dated the date of delivery to the Issuer, with interest and the Servicing Fee (together, the "Interest Rate" as set forth in Section 6 hereof) payable semiannually on June 1 and December 1 of each year (unless the resolution authorizing a previous series of outstanding bonds on a parity with the Revenue Bond requires interest to be paid on other interest payment dates, in which case such other dates shall apply) from the date of each disbursement of a part of the Loan from the Issuer to the Participant (which are initially expected to be on approximately the dates set forth on Exhibit A attached hereto and incorporated herein). The first repayment of principal of the Loan shall be due and payable not later than one year after substantial completion of the Project and payments of principal, interest and the Servicing Fee shall continue thereafter until the Loan is paid in full. Following the final disbursement of Loan proceeds to the Participant, Exhibit A shall be adjusted by the Issuer, with the approval of the Participant, based upon actual disbursements to the Participant under the Agreement. Such revised Exhibit A thereafter shall be deemed to be incorporated herein by reference and made a part hereof and shall supersede and replace that initially attached hereto and to the Revenue Bond.

The Revenue Bond shall be subject to optional redemption by the Participant at a price of par plus accrued interest (i) on any date upon receipt of written consent by the Issuer, or (ii) in the event that all or substantially all of the Project is damaged or destroyed. Any such optional redemption of the Revenue Bond by the Participant may be made from any funds regardless of source, in whole or from time to time in part, upon not less than thirty (30) days' notice of redemption by e-mail, facsimile, certified or registered mail to the Issuer (or any other registered



owner of the Revenue Bond). The Revenue Bond is also subject to mandatory redemption in the event the costs of the Project are less than initially projected, in which case the amount of the Loan shall be reduced to an amount equal to the actual Project costs disbursed. The Participant and the Issuer agree that following such adjustment, the principal amount due under the Revenue Bond shall be automatically reduced to equal the principal amount of the adjusted Loan.

The Revenue Bond and the interest thereon and any additional obligations as may be hereafter issued and outstanding from time to time under the conditions set forth in the Resolution shall be payable solely and only from the Net Revenues (as defined in the Resolution) of the Wastewater Treatment System of the Participant, a sufficient portion of which has been and shall be ordered set aside and pledged for such purpose under the provisions of the Resolution. Neither this Agreement nor the Revenue Bond is a general obligation of the Participant, and under no circumstance shall the Participant be in any manner liable by reason of the failure of the aforesaid Net Revenues to be sufficient to pay the Revenue Bond and the interest thereon or to otherwise discharge the Participant's obligation hereunder.

Section 6. Interest Rate, Initiation Fee and Servicing Fees.

(a) No initiation fee shall be due and payable by the Participant on the day of Closing.

(b) The Participant agrees to pay a Loan servicing fee (the "Servicing Fee") to the Issuer in an amount equal to 0.25% per annum of the principal amount of the Loan outstanding. The Servicing Fee shall be paid as described in Section 5 and Section 6(c) hereof.

(c) The Loan shall bear interest at 2.84% per annum (the "Rate"). As described in Section 5, payments hereunder shall be calculated based on the Rate plus the Servicing Fee (such 3.09%, the "Interest Rate").

Section 7. Compliance with Applicable Laws, Performance Under Loan Agreement; Rates. The Participant covenants and agrees (i) to comply with all applicable State of Iowa and federal laws, rules and regulations (including but not limited to the Regulations), judicial decisions, and executive orders in the performance of the Agreement and in the financing, construction, operation, maintenance and use of the Project and the Wastewater Treatment System; (ii) to maintain its Wastewater Treatment System in good repair, working order and operating condition; (iii) to cooperate with the Issuer in the observance and performance of their respective duties, covenants, obligations and agreements under the Agreement; (iv) to comply with all terms and conditions of the Resolution; and (v) to establish, levy and collect rents, rates and other charges for the products and services provided by its Wastewater Treatment System, which rents, rates and other charges shall be at least sufficient (A) to meet the operation and maintenance expenses of such Wastewater Treatment System, (B) to produce and maintain Net Revenues at a level not less than 110% of the amount of principal and interest on the Revenue Bond and any other obligations secured by a pledge of the Net Revenues falling due in the same year, (C) to comply with all covenants pertaining thereto contained in, and all other provisions of, any bond resolution, trust indenture or other security agreement, if any, relating to any bonds or other evidences of indebtedness issued or to be issued by the Participant, (D) to pay the debt service requirements on

any bonds, notes or other evidences of indebtedness, whether now outstanding or incurred in the future, secured by such revenues or other receipts and issued to finance improvements to the Wastewater Treatment System and to make any other payments required by the laws of the State of Iowa, (E) to generate funds sufficient to fulfill the terms of all other contracts and agreements made by the Participant, including, without limitation, the Agreement and the Revenue Bond and (F) to pay all other amounts payable from or constituting a lien or charge on the operating revenues of its Wastewater Treatment System.

Section 8. Exclusion of Interest from Gross Income. Unless otherwise agreed to by the Issuer in writing, the Participant covenants and agrees as follows:

(a) The Participant shall not take any action or omit to take any action which would result in a loss of the exclusion of the interest on the Bonds from gross income for federal income taxation as that status is governed by Section 103(a) of the Code.

(b) The Participant shall not take any action or omit to take any action, which action or omission would cause its Revenue Bond or the Bonds (assuming solely for this purpose that the proceeds of the Bonds loaned to the Participant represent all of the proceeds of the Bonds) to be "private activity bonds" within the meaning of Section 141(a) of the Code. Accordingly, unless the Participant receives the prior written approval of the Issuer, the Participant shall not (A) permit any of the proceeds of the Bonds loaned to the Participant or the Project financed with such proceeds to be used, either directly or indirectly, in any manner that would constitute "private business use" within the meaning of Section 141(b)(6) of the Code, taking into account for this purpose all such use by persons other than governmental units on an aggregate basis, (B) use, either directly or indirectly, any of the proceeds of the Bonds loaned to the Participant to make or finance loans to persons other than governmental units (as such term is used in Section 141(c) of the Code) or (C) use, either directly or indirectly, any of the proceeds of the Bonds loaned to the Participant to acquire any "non-governmental output property" within the meaning of Section 141(d)(2) of the Code.

(c) The Participant shall not directly or indirectly use or permit the use of any proceeds of the Bonds (or amounts replaced with such proceeds) or any other funds or take any action or omit to take any action, which use or action or omission would (assuming solely for this purpose that the proceeds of the Bonds loaned to the Participant represent all of the proceeds of the Bonds) cause the Bonds to be "arbitrage bonds" within the meaning of Section 148(a) of the Code.

(d) The Participant shall not directly or indirectly use or permit the use of any proceeds of the Bonds to pay the principal of or interest on any issue of State or local governmental obligations ("refinancing of indebtedness") unless the Participant shall establish to the satisfaction of the Issuer that such refinancing of indebtedness will not adversely affect the exclusion from gross income of interest on the Bonds for federal income tax purposes and the Participant delivers an opinion to such effect of bond counsel acceptable to the Issuer.

(e) The Participant shall not directly or indirectly use or permit the use of any proceeds of the Bonds to reimburse the Participant for any portion of the cost of the Project unless such cost was paid or incurred by the Participant in anticipation of reimbursement from the proceeds of the Bonds or other State or local governmental borrowing in accordance with the Code, published rulings of the Internal Revenue Service and the Regulations.

(f) The Participant shall not use the proceeds of the Bonds (assuming solely for this purpose that the proceeds of the Bonds loaned to the Participant represent all of the proceeds of the Bonds) in any manner which would cause the Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code or "hedge bonds" within the meaning of Section 149(g) of the Code.

(g) The Participant shall comply with all provisions of the Code relating to the rebate of any profits from arbitrage attributable to the Participant, and shall indemnify and hold the Issuer harmless therefrom.

Section 9. Insurance; Audits; Disposal of Property. The Participant covenants and agrees (a) to maintain insurance on, or to self-insure, the insurable portions of the Wastewater Treatment System of a kind and in an amount which normally would be carried by private companies engaged in a similar type of business, (b) to keep proper books and accounts adapted to the Wastewater Treatment System, showing the complete and correct entry of all transactions relating thereto, and to cause said books and accounts to be audited or examined by an independent auditor or the State Auditor (i) at such times and for such periods as may be required by the federal Single Audit Act of 1984, OMB Circular A-133 or State law, and (ii) at such other times and for such other periods as may be requested at any time and from time to time by the Issuer (which requests may require an audit to be performed for a period that would not otherwise be required to be audited under State law), and (c) unless the Participant has received a waiver and consent from the Issuer, it shall not sell, lease or in any manner dispose of the Wastewater Treatment System, or any capital part thereof, including any and all extensions and additions which may be made thereto, until the Revenue Bond shall have been paid in full or otherwise discharged as provided in the Resolution; provided, however, that the Participant may dispose of any property which in the judgment of its governing body is no longer useful or profitable to use in connection with the operation of the Wastewater Treatment System or essential to the continued operation thereof.

Section 10. Maintenance of Documents; Access. The Participant agrees to maintain its project accounts in accordance with generally accepted accounting principles ("GAAP") as issued by the Governmental Accounting Standards Board, including GAAP requirements relating to the reporting of infrastructure assets.

The Participant agrees to permit the Issuer or its duly authorized representative access to all files and documents relating to the Project for purposes of conducting audits and reviews in accordance with any of the Regulations.



Section 11. Continuing Disclosure. As a means of enabling the Issuer to comply with the “continuing disclosure” requirements set forth in Rule 15c2-12 (the “Rule”) of the Securities and Exchange Commission, the Participant agrees, during the term of the Loan, but only upon written notification from the Issuer to the Participant that this Section 11 applies to such Participant for a particular fiscal year, to provide the Issuer with (i) the comprehensive audit report of the Participant, prepared and certified by an independent auditor or the State Auditor, or unaudited financial information if the audit is not available, not later than 180 days after the end of each fiscal year for which this section applies and (ii) such other information and operating data as the Issuer may reasonably request from time to time with respect to the Wastewater Treatment System, the Project or the Participant.

The Participant hereby consents to the inclusion of all or any portion of the foregoing information and materials in a public filing made by the Issuer under the Rule. The Participant agrees to indemnify and hold harmless the Issuer, and its officers, directors, employees and agents from and against any and all claims, damages, losses, liabilities, reasonable costs and expenses whatsoever (including attorney fees) which such indemnified party may incur by reason of or in connection with the disclosure of information permitted under this Section; provided that no such indemnification shall be required for any claims, damages, losses, liabilities, costs or expenses to the extent, but only to the extent, caused by the willful misconduct or gross negligence of the Issuer in the disclosure of such information.

Section 12. Events of Default. If any one or more of the following events occur, it is hereby defined as and declared to constitute an “Event of Default” under this Agreement:

(a) Failure by the Participant to pay, or cause to be paid, any Loan repayment (including the Servicing Fee) required to be paid under this Agreement when due, which failure shall continue for a period of fifteen (15) days.

(b) Failure by the Participant to make, or cause to be made, any required payments of principal, redemption premium, if any, and interest on any bonds, notes or other obligations of the Participant (other than the Loan and the Revenue Bond), the payment of which are secured by operating revenues of the Wastewater Treatment System.

(c) Failure by the Participant to observe and perform any duty, covenant, obligation or agreement on its part to be observed or performed under the Agreement or the Resolution, other than the obligation to make Loan repayments, which failure shall continue for a period of thirty (30) days after written notice, specifying such failure and requesting that it be remedied, is given to the Participant by the Issuer, unless the Issuer shall agree in writing to an extension of such time prior to its expiration or the failure stated in such notice is correctable but cannot be corrected in the applicable period, in which case the Issuer may not unreasonably withhold its consent to an extension of such time up to one hundred twenty (120) days from the delivery of the written notice referred to above if corrective action is commenced by the Participant within the applicable period and diligently pursued until the Event of Default is corrected.



Section 13. Remedies on Default. Whenever an Event of Default shall have occurred and be continuing, the Issuer shall have the right to take any action authorized under the Regulations, the Revenue Bond or this Agreement and to take whatever other action at law or equity may appear necessary or desirable to collect the amounts then due and thereafter to become due under the Agreement or to enforce the performance and observance of any duty, covenant, obligation or agreement of the Participant under the Agreement or the Resolution.

Section 14. Amendments. This Agreement may not be amended, supplemented or modified except by a writing executed by all of the parties hereto.

Section 15. Termination. The Participant understands and agrees that the Loan may be terminated at the option of the Issuer if construction of the Project has not commenced within one year of the date of execution of this Agreement, all as set forth in the Regulations.

Section 16. Rule of Construction. This Agreement is executed pursuant to the provisions of Section 384.24A of the Code of Iowa and shall be read and construed as conforming to all provisions and requirements of that statute.

In the event of any inconsistency or conflict between the terms and conditions of the Revenue Bond and this Agreement or the Regulations, the parties acknowledge and agree that the terms of this Agreement or the Regulations, as the case may be, shall take precedence over any such terms of the Revenue Bond and shall be controlling, and that the payment of principal and interest on the Loan shall at all times conform to the schedule set forth on Exhibit A, as adjusted, and the Regulations.

Section 17. Federal Requirements. The Participant agrees to comply with all applicable federal requirements including, but not limited to, Davis-Bacon wage requirements and the requirements relating to the use of American iron and steel products.

Section 18. Application of Uniform Electronic Transactions Act. The Issuer and the Participant agree this Agreement and all documents related thereto and referenced herein may be entered into and provided for pursuant to and in accordance with Chapter 554D of the Code of Iowa.

IN WITNESS WHEREOF, we have hereunto affixed our signatures all as of the date first above written.

CITY OF OTTUMWA, IOWA



Attest:

Christine Runhard  
City Clerk

By: Richard W. Johnson  
Mayor

IN WITNESS WHEREOF, I have hereunto affixed my signature all as of the date first above written.

IOWA FINANCE AUTHORITY

By: \_\_\_\_\_  
Its:

**EXHIBIT A**

**ESTIMATED DISBURSEMENTS AND  
DEBT SERVICE REPAYMENT SCHEDULE**



**EXHIBIT B**

**AUTHORIZATION/ISSUANCE RESOLUTION OF PARTICIPANT**

4935-2617-5281-1\10981-183

## DELIVERY CERTIFICATE

We, the undersigned City officials, do hereby certify that we are the officers, respectively below indicated, of a municipal corporation in the State of Iowa, known as the City of Ottumwa, Iowa; that in pursuance of the provisions of Sections 384.24A and 384.83, Code of Iowa, there have been heretofore lawfully authorized and this day by us lawfully executed, issued, caused to be registered and authenticated and delivered one fully registered Sewer Revenue Capital Loan Note, Series 2025A, of said City of Ottumwa, Iowa, in the amount of \$16,000,000, dated the date of delivery, bearing interest at the rate of 2.84% per annum set forth on the Debt Service Schedule attached hereto and incorporated herein by this reference.

The Note has been executed with the manual signature of the Mayor and the manual signature of the Clerk of said City.

The Note has been delivered to:

Iowa Finance Authority of Des Moines, Iowa,

and has been paid for in accordance with the terms of the contract of sale and at a price of par.

We further certify that no controversy or litigation is pending, prayed or threatened involving the incorporation, organization, existence or boundaries of the City, or the titles of the undersigned officers to their respective positions, or the validity of the Note, or the pledge of the net earnings of the municipal sewer system, (the "System"), to the payment of the Note or the power and duty of the City to construct, own and operate its System as a revenue producing undertaking and to provide, charge and apply adequate rates and charges for the full and prompt payment of the principal and interest of the Note, and that none of the proceedings or authority for the issuance of the Note has been repealed, revoked, rescinded, or modified in any manner.

We further certify that each of the officers whose signatures appear on the Note were in occupancy and possession of their respective offices at the time the Note was executed and do hereby adopt and affirm their signatures appearing in the Note.

We further certify that the present financial condition of the City is as follows:

Total sewer revenue bonded indebtedness, including above-mentioned Sewer Revenue Capital Loan Note	\$23,674,000
All other indebtedness of any kind, payable from Sewer Revenues	\$0

IN WITNESS WHEREOF, we have hereunto affixed our hands at Ottumwa, Iowa, this  
\_\_\_\_\_ day of \_\_\_\_\_, 2025.

Richard W. Johnson  
Mayor

Christina Reinhard  
City Clerk

A.S.O. Russell  
Finance Director

(SEAL)

## TRANSCRIPT CERTIFICATE

I, the undersigned, being first duly sworn, do hereby depose and certify that I am the duly appointed, qualified and acting Clerk of the City of Ottumwa, Iowa, and that as such Clerk I have in my possession or have access to the complete corporate records of said City and of its City Council and officials, and that I have carefully compared the transcript hereto attached with the aforesaid corporate records and that said transcript hereto attached is a true and complete copy of all the corporate records in relation to the authorization, issuance and disposition of a \$16,000,000 Sewer Revenue Capital Loan Note, Series 2025A, of said City dated the date of delivery, and that said transcript hereto attached contains a true and complete statement of all the measures adopted and proceedings, acts and things had, done and performed up to the present time, in relation to the authorization, issuance and disposition of said Note, and that said City Council consists of a Mayor and five(5) Council Members, and that said offices were duly and lawfully filled by the individuals listed in the attached transcript as of the dates and times referred to therein.

I further certify that said City is and throughout the period of said proceedings has been governed under the Mayor/Council form of municipal government authorized by Chapter 372, Code of Iowa, under the provisions of its charter as recorded with the Secretary of State.

I further certify that all meetings of the City Council of said City at which action was taken in connection with said Note were open to the public at all times in accordance with a notice of meeting and tentative agenda, a copy of which was timely served on each member of the City Council and was duly given at least twenty-four hours prior to the commencement of the meeting by notification of the communications media having requested such notice and posted on a bulletin board or other prominent place designated for the purpose and easily accessible to the public at the principal office of the City Council all pursuant to the provisions and in accordance with the conditions of the local rules of the City Council and Chapter 21, Code of Iowa.

I further certify that no City officer or employee has any interest in the contract for the sale of the Note or any matter incidental thereto, according to my best knowledge and belief.

WITNESS my hand and the seal of the City hereto attached this 15 day of April, 2025, at Ottumwa, Iowa.

Christine Rauhara  
City Clerk, City of Ottumwa, State of Iowa

(SEAL)



Finally, the below stated officers whose signatures appear hereafter are now the duly qualified and acting officials of the City, possessed of the offices as designated below, to-wit:

Mayor

Richard W. Johnson

Richard W. Johnson  
(Original Signature)

City Clerk

Christina Reinhard

Christina Reinhard  
(Original Signature)

Finance Director

Cole O'Donnell

Cole O'Donnell  
(Original Signature)

STATE OF IOWA

)

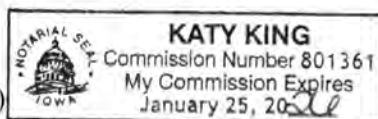
) SS

COUNTY OF WAPELLO

)

Subscribed and sworn to before me by Richard W. Johnson, Christina Reinhard and Cole O'Donnell on this April 21<sup>st</sup> day of April, 2025.

(SEAL)



Katy King  
Notary Public in and for Wapello County,  
Iowa

**Information Return for Tax-Exempt Governmental Bonds**

► Under Internal Revenue Code section 149(e)

► See separate instructions.

Caution: If the issue price is under \$100,000, use Form 8038-GC.

► Go to [www.irs.gov/F8038G](http://www.irs.gov/F8038G) for instructions and the latest information.

OMB No. 1545-0047

Department of the Treasury  
Internal Revenue Service

**Part I Reporting Authority**

Check box if **Amended Return** ► ☐

<b>1</b> Issuer's name City of Ottumwa, Iowa		<b>2</b> Issuer's employer identification number (EIN)
<b>3a</b> Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions)		<b>3b</b> Telephone number of other person shown on 3a
<b>4</b> Number and street (or P.O. box if mail is not delivered to street address) 105 East Third Street	<b>Room/suite</b>	<b>5</b> Report number (For IRS Use Only) 3
<b>6</b> City, town, or post office, state, and ZIP code Ottumwa, Iowa 52501-2904		<b>7</b> Date of issue 05/09/2025
<b>8</b> Name of issue Sewer Revenue Capital Loan Notes, Series 2025A		<b>9</b> CUSIP number NONE
<b>10a</b> Name and title of officer or other employee of the issuer whom the IRS may call for more information Cole O'Donnell, Director of Finance		<b>10b</b> Telephone number of officer or other employee shown on 10a 641-683-0600

**Part II Type of Issue (Enter the issue price.)** See the instructions and attach schedule.

<b>11</b> Education	<b>11</b>
<b>12</b> Health and hospital	<b>12</b>
<b>13</b> Transportation	<b>13</b>
<b>14</b> Public safety	<b>14</b>
<b>15</b> Environment (including sewage bonds)	<b>15</b>
<b>16</b> Housing	<b>16</b>
<b>17</b> Utilities	<b>17</b> 16,000,000
<b>18</b> Other. Describe ►	<b>18</b>
<b>19a</b> If bonds are TANs or RANs, check only box 19a ► <input type="checkbox"/>	
<b>b</b> If bonds are BANs, check only box 19b ► <input type="checkbox"/>	
<b>20</b> If bonds are in the form of a lease or installment sale, check box ► <input type="checkbox"/>	

**Part III Description of Bonds.** Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
<b>21</b>	06/01/2047	\$ 16,000,000	\$ 16,000,000	13.568 years	2.8398 %

**Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)**

<b>22</b> Proceeds used for accrued interest	<b>22</b>	-0-
<b>23</b> Issue price of entire issue (enter amount from line 21, column (b))	<b>23</b>	16,000,000.00
<b>24</b> Proceeds used for bond issuance costs (including underwriters' discount)	<b>24</b>	19,400.00
<b>25</b> Proceeds used for credit enhancement	<b>25</b>	-0-
<b>26</b> Proceeds allocated to reasonably required reserve or replacement fund	<b>26</b>	-0-
<b>27</b> Proceeds used to refund prior tax-exempt bonds. Complete Part V	<b>27</b>	-0-
<b>28</b> Proceeds used to refund prior taxable bonds. Complete Part V	<b>28</b>	-0-
<b>29</b> Total (add lines 24 through 28)	<b>29</b>	19,400.00
<b>30</b> Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	<b>30</b>	15,980,600.00

**Part V Description of Refunded Bonds.** Complete this part only for refunding bonds.

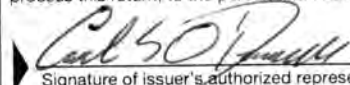
<b>31</b> Enter the remaining weighted average maturity of the tax-exempt bonds to be refunded	►	0.0000 years
<b>32</b> Enter the remaining weighted average maturity of the taxable bonds to be refunded	►	0.0000 years
<b>33</b> Enter the last date on which the refunded tax-exempt bonds will be called (MM/DD/YYYY)	►	
<b>34</b> Enter the date(s) the refunded bonds were issued ► (MM/DD/YYYY)	►	

**Part VI Miscellaneous**

- 35** Enter the amount of the state volume cap allocated to the issue under section 141(b)(5) . . . . . **35** -0-
- 36a** Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC). See instructions . . . . . **36a** -0-
- b** Enter the final maturity date of the GIC ► (MM/DD/YYYY) \_\_\_\_\_
- c** Enter the name of the GIC provider ► \_\_\_\_\_
- 37** Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units . . . . . **37** -0-
- 38a** If this issue is a loan made from the proceeds of another tax-exempt issue, check box ► ☒ and enter the following information:
- b** Enter the date of the master pool bond ► (MM/DD/YYYY) \_\_\_\_\_ unknown
- c** Enter the EIN of the issuer of the master pool bond ► \_\_\_\_\_ attached
- d** Enter the name of the issuer of the master pool bond ► attached (Iowa Finance Authority)
- 39** If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box . . . . . ► ☐
- 40** If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box . . . . . ► ☐
- 41a** If the issuer has identified a hedge, check here ► ☐ and enter the following information:
- b** Name of hedge provider ► \_\_\_\_\_
- c** Type of hedge ► \_\_\_\_\_
- d** Term of hedge ► \_\_\_\_\_
- 42** If the issuer has superintegrated the hedge, check box . . . . . ► ☐
- 43** If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box . . . . . ► ☒
- 44** If the issuer has established written procedures to monitor the requirements of section 148, check box . . . . . ► ☒
- 45a** If some portion of the proceeds was used to reimburse expenditures, check here ► ☒ and enter the amount of reimbursement . . . . . ► \_\_\_\_\_
- b** Enter the date the official intent was adopted ► (MM/DD/YYYY) 09/03/2024

**Signature and Consent**

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.



Signature of issuer's authorized representative

Date

Cole O'Donnell, Director of Finance

Type or print name and title

**Paid Preparer Use Only**

Print/Type preparer's name

Preparer's signature

Date

Check ☐ if self-employed

PTIN

Kristin Billingsley Cooper

P02001942

Firm's name ► Ahlers &amp; Cooney, P.C.

Firm's EIN ► 42-1323559

Firm's address ► 100 Court Avenue, Suite 600, Des Moines, Iowa 50309

Phone no. 515-243-7611



**REGISTERED**  
Certificate No. R-1

**REGISTERED**  
Principal Amount \$16,000,000

**UNITED STATES OF AMERICA  
STATE OF IOWA  
COUNTY OF WAPELLO  
CITY OF OTTUMWA  
SEWER REVENUE CAPITAL LOAN NOTE  
SERIES 2025A**

<u>Interest Rate</u>	<u>Final Maturity Date</u>	<u>Note Date</u>
<b>2.840%</b>	<b>June 1, 2047</b>	<b>May 9, 2025</b>

The City of Ottumwa, Iowa, a municipal corporation organized and existing under and by virtue of the Constitution and laws of the State of Iowa (the "Issuer"), for value received, promises to pay from the source and as hereinafter provided, on the maturity date indicated above, to

**Iowa Finance Authority, Des Moines, Iowa**

or registered assigns, the principal sum of SIXTEEN MILLION DOLLARS in lawful money of the United States of America, on the maturity dates and in the principal amounts set forth on the Debt Service Schedule attached hereto and incorporated herein by this reference, with interest on said sum from the date of each advancement made under a certain Loan and Disbursement Agreement dated as of the date hereof until paid at the rate of 2.84% per annum, payable on December 1, 2025, and semi-annually thereafter on the 1st day of June and December in each year. As set forth on said Debt Service Schedule, principal shall be payable on June 1, 2028 and annually thereafter on the first day of June in the amounts set forth therein until principal and interest are fully paid, except that the final installment of the entire balance of principal and interest, if not sooner paid, shall become due and payable on June 1, 2047. Notwithstanding the foregoing or any other provision hereof, principal and interest shall be payable as shown on said Debt Service Schedule until completion of the Project, at which time the final Debt Service Schedule shall be determined and attached hereto based upon actual advancements, final costs and completion of the Project, all as provided in the administrative rules governing the Iowa Water Pollution Control Works Financing Program. Payment of principal and interest of this Note shall at all times conform to said Debt Service Schedule and the rules of the Iowa Water Pollution Control Works Financing Program.

Interest and principal shall be paid to the registered holder of the Note as shown on the records of ownership maintained by the Registrar as of the 15th day of the month next preceding such interest payment date. Interest shall be computed on the basis of a 360-day year of twelve 30-day months.

This Note is issued pursuant to the provisions of Sections 384.24A and 384.83 of the Code of Iowa, for the purpose of paying costs of acquisition, construction, reconstruction, extending, remodeling, improving, repairing and equipping all or part of the Municipal Sewer System, including those costs associated with the Blake's Branch Sewer Separation, Phase 8, Division 3 project, and evidences amounts payable under a certain Loan and Disbursement Agreement dated as of the date hereof, in conformity to a Resolution of the City Council of the City duly passed and approved. For a complete statement of the revenues and funds from which and the conditions under which this Note is payable, a statement of the conditions under which additional notes or bonds of equal standing may be issued, and the general covenants and provisions pursuant to which this Note is issued, reference is made to the above-described Loan and Disbursement Agreement and Resolution.

This Note is subject to optional redemption at a price of par plus accrued interest (i) on any date upon receipt of written consent of the Iowa Finance Authority or (ii) in the event that all or substantially all of the Project is damaged or destroyed. Any optional redemption of this Note may be made from any funds regardless of source, in whole or from time to time in part, in inverse order of maturity, by lot by giving thirty (30) days' notice of redemption by certified or registered mail, to the Iowa Finance Authority (or any other



registered owner of the Note). This Note is also subject to mandatory redemption as set forth in Section 5 of the Agreement.

Ownership of this Note may be transferred only by transfer upon the books kept for such purpose by the City Clerk, Ottumwa, Iowa, Iowa, the Registrar. Such transfer on the books shall occur only upon presentation and surrender of this Note at the office of the Registrar, together with an assignment duly executed by the owner hereof or his duly authorized attorney in the form as shall be satisfactory to the Registrar. Issuer reserves the right to substitute the Registrar and Paying Agent but shall, however, promptly give notice to registered Noteholders of such change. All Notes shall be negotiable as provided in Article 8 of the Uniform Commercial Code and subject to the provisions for registration and transfer contained in the Note Resolution.

This Note and the series of which it forms a part, Outstanding Obligations ranking on a parity therewith and any Additional Obligations which may be hereafter issued and outstanding from time to time on a parity with the Notes, as provided in the Resolution and Loan and Disbursement Agreement of which notice is hereby given and which are hereby made a part hereof, are payable from and secured by a pledge of the Net Revenues of the municipal sewer system utility (the "System"), as defined and provided in said Resolution. There has heretofore been established and the City covenants and agrees that it will maintain just and equitable rates or charges for the use of and service rendered by said System in each year for the payment of the proper and reasonable expenses of operation and maintenance of said System and for the establishment of a sufficient sinking fund to meet the principal of and interest on this series of Notes, and other obligations ranking on a parity therewith, as the same become due. This Note is not payable in any manner by taxation and under no circumstances shall the City be in any manner liable by reason of the failure of said Net Revenues to be sufficient for the payment hereof.

And it is hereby represented and certified that all acts, conditions and things requisite, according to the laws and Constitution of the State of Iowa, to exist, to be had, to be done, or to be performed precedent to the lawful issue of this Note, have been existent, had, done and performed as required by law.

IN TESTIMONY WHEREOF, said City by its City Council has caused this Note to be signed by the manual or facsimile signature of its Mayor and attested by the manual or facsimile signature of its City Clerk, with the seal of said City impressed hereon, and authenticated by the manual or facsimile signature of an authorized representative of the Registrar, the City Clerk of the City of Ottumwa, Iowa, all as of the 15 day of April, 2025.

Date of authentication: \_\_\_\_\_

CITY OF OTTUMWA, STATE OF IOWA

This is one of the Notes described in the within mentioned Resolution, as registered by the City Clerk

By: Richard W. Johnson

Mayor

CITY CLERK, Registrar

By: [Signature]

Authorized Signature

ATTEST:

By: Christina Reinhard

City Clerk

Registrar and Transfer Agent: City Clerk

Paying Agent: City Clerk

(SEAL)

## ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ (Social Security or Tax Identification No. \_\_\_\_\_) the within Note and does hereby irrevocably constitute and appoint \_\_\_\_\_ attorney in fact to transfer the said Note on the books kept for registration of the within Note, with full power of substitution in the premises.

Dated: \_\_\_\_\_

\_\_\_\_\_  
(Person(s) executing this Assignment sign(s) here)

SIGNATURE )  
GUARANTEED) \_\_\_\_\_

## IMPORTANT - READ CAREFULLY

The signature(s) to this Power must correspond with the name(s) as written upon the face of the certificate(s) or Note(s) in every particular without alteration or enlargement or any change whatever. Signature guarantee must be provided in accordance with the prevailing standards and procedures of the Registrar and Transfer Agent. Such standards and procedures may require signature to be guaranteed by certain eligible guarantor institutions that participate in a recognized signature guarantee program.

## INFORMATION REQUIRED FOR REGISTRATION OF TRANSFER

Name of Transferee(s) \_\_\_\_\_  
Address of Transferee(s) \_\_\_\_\_  
Social Security or Tax Identification \_\_\_\_\_  
Number of Transferee(s) \_\_\_\_\_  
Transferee is a(n):  
Individual\* \_\_\_\_\_ Corporation \_\_\_\_\_  
Partnership \_\_\_\_\_ Trust \_\_\_\_\_

\*If the Note is to be registered in the names of multiple individual owners, the names of all such owners and one address and social security number must be provided.

The following abbreviations, when used in the inscription on the face of this Note, shall be construed as though written out in full according to applicable laws or regulations:

TEN COM - as tenants in common  
TEN ENT - as tenants by the entireties  
JT TEN - as joint tenants with rights of survivorship and not as tenants in common  
IA UNIF TRANS MIN ACT - ..... Custodian .....  
(Cust) (Minor)  
Under Iowa Uniform Transfers to Minors Act.....  
(State)

ADDITIONAL ABBREVIATIONS MAY ALSO BE USED THOUGH NOT IN THE ABOVE LIST

received  
4/10/25 @ 2:13pm

Item No. I.-3.

CITY OF OTTUMWA

Staff Summary

**\*\* ACTION ITEM \*\***

Council Meeting of: April 15, 2025

Engineering  
Department

Phillip Burgmeier  
Prepared By

*Phil Burgmeier*  
Department Head

*[Signature]*  
City Administrator Approval

AGENDA TITLE: Resolution #64-2025. Approve the Professional Services for Veenstra & Kimm, Inc. for the CSO Long-Term Control Plan (LTCP) Update Agreement and Authorize the Mayor to sign the Agreement.

\*\*\*\*\*

☐

\*\*Public hearing required if this box is checked, \*\*

☐

\*\*The Proof of Publication for each Public Hearing must be attached to this Staff Summary. If the Proof of Publication is not attached, the item will not be placed on the agenda \*\*

RECOMMENDATION: Pass and adopt Resolution #64-2025.

DISCUSSION: The Long Term Control Plan (LTCP) was developed to fulfill a requirement from the Iowa DNR for the Water Pollution Control Facility's discharge permit. Essentially, for the DNR to allow Ottumwa to continue discharging treated sewage Ottumwa had to submit a plan to reduce the discharge of untreated sewage via combined sewer overflows.

The original LTCP was submitted in 2007. It was updated in 2011, with an anticipated completion date of 2035. This Agreement is to once again update the LTCP. The update will include information explaining completed sewer separation projects, and will also develop scopes of work, schedules and budgets for future separation projects. The intent of updating the plan is to secure an extended schedule which better aligns with the financial realities facing the city. Ottumwa is a financially distressed municipality under the CSO Policy so we are optimistic additional flexibility will be provided.

The total fee for professional services covered under the Long-Term Control Plan Update Agreement shall not exceed \$49,500.00.

Source of Funds: 610-815-6490

Budgeted Item: Yes

Budget Amendment Needed: No



RESOLUTION NO. #64-2025

A RESOLUTION APPROVING PROFESSIONAL SERVICES WITH VEENSTRA & KIMM, INC  
FOR THE CSO LONG-TERM CONTROL PLAN UPDATE  
AGREEMENT AND AUTHORIZING THE MAYOR TO SIGN THE AGREEMENT

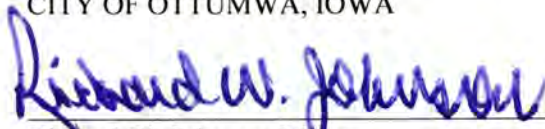
WHEREAS, This Agreement will provide for professional services for the CSO Long-Term Control Plan Update Agreement; and,

WHEREAS, The professional services of Veenstra & Kimm, Inc., shall not exceed \$49,500 as described in the agreement

NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF OTTUMWA, IOWA THAT: The Professional Services for Veenstra & Kimm, Inc. for the CSO Long-Term Control Plan Update Agreement is hereby approved.

APPROVED, PASSED, AND ADOPTED, this 15<sup>th</sup> day of April, 2025.

CITY OF OTTUMWA, IOWA



Richard W. Johnson, Mayor



ATTEST:



Christina Reinhard, City Clerk





**VEENSTRA & KIMM INC.**

6775 Vista Drive  
West Des Moines, Iowa 50266

515.225.8000 // 800.241.8000  
www.v-k.net

March 26, 2025

Phillip Burgmeier  
Public Works Director  
City of Ottumwa  
City Hall  
Attn: Engineering Department  
105 E. Third Street  
Ottumwa, Iowa 52501

OTTUMWA, IOWA  
COMBINED SEWER OVERFLOWS LONG-TERM CONTROL PLAN UPDATE  
AGREEMENT FOR PROFESSIONAL SERVICES

Enclosed are two copies of the Agreement for professional engineering services for the Combined Sewer Overflows Long-Term Control Plan Update project. The Agreement is to develop a letter report with updated information of past sewer separation projects and future separation projects, costs and schedules. The letter report will be sent to the Iowa Department of Natural Resources to document the City's continued commitment to separate combined sewers.

Please review the Agreement for professional engineering services for the Combined Sewer Overflows Long-Term Control Plan Update. If the Agreement is satisfactory, please arrange for execution of both copies of the document and return one signed copy to this office.

We appreciate the opportunity to continue our relationship with the City of Ottumwa through this very important project for the community and we look forward to providing services for this project. If you have any questions regarding this Agreement, please contact us at 515-225-8000.

VEENSTRA & KIMM, INC.

A handwritten signature in blue ink, appearing to read 'Randy Johnson'.

Randy M. Johnson, P.E.

409  
Enclosures

## AGREEMENT FOR PROFESSIONAL SERVICES

### COMBINED SEWER OVERFLOWS LONG-TERM CONTROL PLAN UPDATE OTTUMWA, IOWA

**THIS AGREEMENT**, made and entered into this 15 day of April, 2025, by and between the **CITY OF OTTUMWA, IOWA**, a municipal corporation organized and existing pursuant to the laws of the State of Iowa, hereinafter referred to as the **City** or **Owner**, and **VEENSTRA & KIMM, INC.**, a corporation organized and existing under the laws of the State of Iowa hereinafter referred to as the **Engineers**, with principal offices located in West Des Moines, Iowa.

**WITNESSETH: THAT WHEREAS**, the City owns and operates an activated sludge wastewater treatment facility, and

**WHEREAS**, the City has obtained a National Pollution Discharge Elimination System (NPDES) permit from the Iowa Department of Natural Resources (IDNR) for operation of the wastewater treatment facility, and

**WHEREAS**, NPDES Permit No. IA0058611 reissued by IDNR on April 21, 2002 contained a schedule to develop a Long-Term Control Plan (LTCP) for eliminating and reducing the effects of combined sewer overflows and sanitary sewer overflows, and

**WHEREAS**, the City entered into an Agreement with the Engineers to develop the LTCP to respond to IDNR, and

**WHEREAS**, in 2007, Engineers created and the City submitted "Report on Combined Sewer Overflows and Long-Term Strategy" to IDNR, and

**WHEREAS**, in 2011, the City submitted an Updated LTCP to IDNR with 10 phases of projects to minimize combined sewer overflows and sanitary sewer overflows, and

**WHEREAS**, the City desires to update the LTCP to submit to IDNR, explaining projects completed and develop future project scopes of work, schedules and budgets, and

**WHEREAS**, the City desires to move forward with the development of an updated Long-Term Control Plan with said project being referred to as the **Combined Sewer Overflows Long-Term Control Plan Update** or the **Project**, and

**WHEREAS**, the City desires to retain the services of the Engineers for the design services for the Project.

**NOW, THEREFORE,** it is hereby agreed by and between the parties hereto that the City retains the Engineers to provide professional engineering services for the Project subject to the following terms and conditions:

- 1. SCOPE OF SERVICES.** The Scope of Services for the project includes, but not necessarily be limited to, the following:
  - a. Review of past City CSO Separation Reports developed for IDNR.
  - b. Review of past City CSO separation projects and develop concept list of remaining areas within the City to construct separate sanitary and storm sewer systems.
  - c. Develop concept anticipated scopes of work and aerial maps of each project.
  - d. Develop preliminary concept cost estimates from the list of projects remaining for sewer separation.
  - e. Develop concept design and construction schedules for the list of CSO separation projects.
  - f. Evaluate the finances of the sewer enterprise fund to determine the impact of the recommended sewer separation projects on the expenses of the fund.
  - g. Evaluate the sewer user charge rates and overall economic impact of municipal costs on average users in the City.
  - h. Based on evaluation of the financial impact, develop a recommended timeline for implementation of the sewer separation projects.
  - i. Prepare a draft Long-Term Control Plan Update report with recommendations of future sewer separation projects.
  - j. Review the draft report with representatives of the City and incorporate appropriate modifications in the report based on comments from City representatives.
  - k. Prepare and present a final report on the Long-Term Control Plan Update to the City.
  - l. Transmit the final report on the Long-Term Control Plan Update to the Iowa Department of Natural Resources.
- 2. REPORT DOCUMENTS.** The results of the study will be compiled and set forth in a written report presented to the City as outlined in **1. SCOPE OF SERVICES**. Five (5) copies of the draft report and five (5) copies of the final report will be provided.



- 3. RESPONSIBILITY OF THE CITY.** It is understood and agreed the City will provide assistance to the Engineers including making available relevant information on the sewer separation projects and financial information for the sewer enterprise fund.
- 4. SERVICES NOT INCLUDED.** Services under this Agreement shall not include the following:
- a. Preparation of any working drawings or contract documents, preparation of plans and specifications, or taking of bids for any project recommended as part of this Agreement.
  - b. Services associated with easement preparation, easement acquisition or condemnation proceedings.
  - c. Services associated with soil or groundwater pollution testing and abatement.
  - d. Services associated with historical/archaeological investigations.
  - e. Services associated with exploratory excavation to locate utilities and pipelines.
  - f. Services associated with special assessments.
  - g. Work under this Agreement shall not include any services associated with litigation or claims resolution resulting from the final adoption of the report by the City. Any additional services as a result of litigation or claims resolution shall be considered Extra Work.
- 5. EXTRA WORK.** The fees under this Agreement shall cover the services outlined in this Agreement for the project. If the City requires additional services of the Engineers in connection with the Project or changes, or modifications in the Project, the Engineers shall receive additional compensation for such services. Such additional compensation shall be on the basis of a compensation mutually agreed to by the City and the Engineers and set forth in a written amendment to this Agreement.
- 6. ASSIGNMENT.** This Agreement and each and every portion thereof shall be binding upon the successors and heirs of the parties hereto.
- 7. TERMINATION.** Should the City abandon the Project before the Engineers have completed their work, the Engineers shall be paid proportionally for the work and services performed until the date of termination.



8. **COMPENSATION.** The fees for services under this Agreement shall be on the basis of the standard hourly fees of the Engineers personnel actually engaged in the performance of the services, plus direct out-of-pocket expenses. The services under this Agreement shall not exceed the sum of Forty-Nine Thousand Five Hundred Dollars (\$49,500). The fees for services under this Agreement shall be due and payable on a monthly basis as invoiced by the Engineers on the basis of work completed.
9. **TIME OF COMPLETION.** The Engineers shall complete the work outlined in this Agreement within a time mutually agreed upon by the City and Engineers.
10. **INDEMNIFICATION.** The Engineers shall and hereby agree to hold and save the City harmless from any and all claims, settlements and judgments, to include all reasonable investigative fees, attorneys' fees, suit and court costs for personnel injury, property damage and/or death arising out of the Engineers' or any of its agents', servants' and employees' errors, omissions or negligent acts for services under this Agreement, and for all injury and/or death to any and all of the Engineers personnel, agents, servants and employees occurring under the Worker's Compensation Act of the State of Iowa.
11. **INSURANCE.** The Engineers shall furnish the Owner with certificates of insurance by insurance companies licensed to do business in the State of Iowa, upon which the Owner is endorsed as an additional named insured, in the following limits. It must be clearly disclosed on the face of the certificates that the coverage is on an occurrence basis.

General Liability*	\$1,000,000/2,000,000
Automobile Liability	\$1,000,000
Excess Liability (Umbrella)*	\$8,000,000/8,000,000
Workers' Compensation, Statutory Benefits Coverage B	\$1,000,000
Professional Liability**, ***	\$2,000,000/2,000,000

\*Occurrence/Aggregate

\*\* The Owner is not to be named as an additional insured

\*\*\*Claims made basis

The undersigned do hereby covenant and state that this Agreement is executed in duplicate as though each were an original and there are no oral agreements that have not been reduced to writing in this instrument.

It is further covenanted and stated that there are no other considerations or monies contingent upon or resulting from the execution of this Agreement, nor have any of the above been implied by or for any party to this Agreement.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names on the date first written above.

CITY OF OTTUMWA, IOWA

ATTEST:

By Richard W. Johnson  
Mayor

By Christine Reeshard  
City Clerk



VEENSTRA & KIMM, INC.

ATTEST:

By Lang Johnson  
Vice President

By L Fredith Coon

CITY OF OTTUMWA

Staff Summary

**\*\* ACTION ITEM \*\***

Council Meeting of: April 15, 2025

<u>Engineering</u> Department	<u>Philip Burgmeier</u> Prepared By  Department Head
----------------------------------	---

City Administrator Approval

AGENDA TITLE: Resolution #66-2025. Awarding Mary Street Reconstruction Project.

\*\*\*\*\*

<input type="checkbox"/> <b>**Public hearing required if this box is checked. **</b>	<input type="checkbox"/> <b>**The Proof of Publication for each Public Hearing must be attached to this Staff Summary. If the Proof of Publication is not attached, the item will not be placed on the agenda.**</b>
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RECOMMENDATION: Pass and adopt Resolution #66-2025.

DISCUSSION: Bids were received and opened by the Iowa Department of Transportation on March 18, 2025. Four (4) bids were received, and the low bidder is Jones Contracting of West Point Iowa, in the amount of \$2,731,777. Engineer’s estimate was \$3,336,367.40.

Surface Transportation Block Grant funds will cover all costs for paving, sidewalks, and storm sewers. Ottumwa Water and Hydro will once again team up with the City and take advantage of the construction opportunity to replace water main where necessary. The remaining cost for sanitary sewer work will be covered by the City of Ottumwa.

<u>Funding Source</u>	<u>Funding Amount</u>
STBG/SWAP	\$ 2,173,460.08
610-817 – Sewer Maintenance	\$ 490,044.40
Ottumwa Water Works	\$ 68,272.52
As-Bid Construction Cost	\$ 2,731,777.00

RESOLUTION #66-2025

A RESOLUTION AWARDING THE MARY STREET RECONSTRUCTION PROJECT

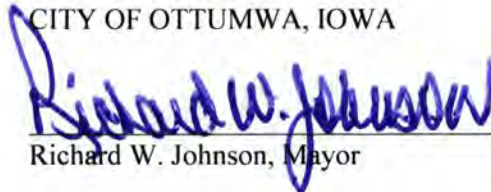
WHEREAS, The Iowa Department of Transportation did advertise and accept bids for the above referenced project; and,

WHEREAS, Bids were received, proper, and mathematically correct.

NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF OTTUMWA, IOWA THAT: The award of the above referenced project is made to the lowest responsible bidder, Jones Contracting Corp of West Point, Iowa the amount of \$2,731,777.

APPROVED, PASSED, AND ADOPTED, this 15<sup>th</sup> day of April, 2025.

CITY OF OTTUMWA, IOWA

  
Richard W. Johnson, Mayor

ATTEST:

  
  
Christina Reinhard, City Clerk



received  
4/10/25 @ 2:13

CITY OF OTTUMWA

Staff Summary

**\*\* ACTION ITEM \*\***

Council Meeting of: April 15, 2025

Engineering Department  
Department

Phillip Burgmeier  
Prepared By  
Phil Burgmeier  
Department Head

[Signature]  
City Administrator Approval

AGENDA TITLE: Resolution #67-2025. Approve Change Order #1 for the Blake's Branch Sewer Separation Phase 8, Division 3 Project.

\*\*\*\*\*

☐

\*\*Public hearing required if this box is checked. \*\*

☐

\*\*The Proof of Publication for each Public Hearing must be attached to this Staff Summary. If the Proof of Publication is not attached, the item will not be placed on the agenda.\*\*

RECOMMENDATION: Pass and adopt Resolution #67-2025.

DISCUSSION: Change Order #1 replaces 100 LF of trenchless 36" sanitary sewer with trenched sewer pipe. The price of the remaining trenchless pipe is increasing to account for specialty equipment being spread over fewer lineal feet of pipe. The change order also adds zinc coating to ductile iron water main and fittings per Ottumwa Water and Hydro standards.

Change Order #1 decreases the contract amount by \$426,489.67. The new contract sum is \$14,281,073.33.

Contract: \$14,707,563.00  
CO #1: (426,489.67)  
New Contract: \$14,281,073.33

Budgeted amount: \$16,000,000

Source of Funds: SRF

Budgeted Item: Yes

Budget Amendment Needed: No

RESOLUTION #67-2025

A RESOLUTION APPROVING CHANGE ORDER #1  
FOR THE BLAKE'S BRANCH SEWER SEPARATION PHASE 8, DIVISION 3 PROJECT

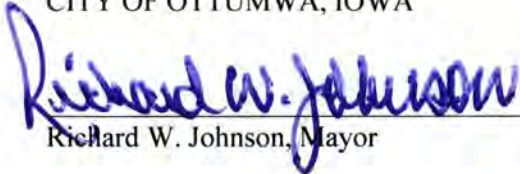
WHEREAS, The City Council of the City of Ottumwa, Iowa entered into a contract with Portzen Construction of Dubuque, Iowa on October 15, 2025 for the above referenced project; and

WHEREAS, Change Order #1 decreases the contract amount by \$426,489.67 resulting in a new contract sum of \$14,281,073.33;

NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF OTTUMWA, IOWA THAT: The above mentioned change order for this project is hereby approved.

APPROVED, PASSED, AND ADOPTED, this 15<sup>th</sup> day of April, 2025.

CITY OF OTTUMWA, IOWA

  
Richard W. Johnson, Mayor

ATTEST:

  
  
Christina Reinhard, City Clerk



**VEENSTRA & KIMM INC.**

6775 Vista Drive  
West Des Moines, Iowa 50266

515.225.8000 // 800.241.8000  
www.v-k.net

April 4, 2025

Phillip Burgmeier, Public Works Director  
City of Ottumwa, Engineering Department  
105 East Third Street  
Ottumwa, Iowa 52501

CITY OF OTTUMWA, IOWA  
BLAKE'S BRANCH SEWER SEPARATION, PHASE 8, DIVISION 3  
CHANGE ORDER NO. 1

Enclosed are three copies of Change Order No. 1 for Blake's Branch Sewer Separation, Phase 8, Division 3 Project. Change Order No. 1 provides compensation for removal of 100 LF of trenchless 36" sanitary sewer and add zinc coating to the ductile iron water main and fittings per Ottumwa Water and Hydro standards. Change Order No. 1 decreases the contract amount by \$426,489.67.

Veenstra & Kimm, Inc. has reviewed and recommends approval of Change Order No 1. Upon approval of Change Order No. 1, please sign and return one copy of Change Order No. 1 to our office and one copy to Portzen Construction Inc.  
If you have any questions or comments, please contact us at 515-225-8000.

VEENSTRA & KIMM, INC.

Brittany Luchini, P.E.

40990  
Enclosures

CHANGE ORDER NO. 1  
FOR  
BLAKE'S BRANCH SEWER SEPARATION  
PHASE 8, DIVISION 3  
OTTUMWA, IOWA

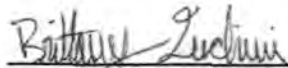


I hereby certify that this engineering document was prepared by  
me or under my direct personal supervision and that I am a duly  
licensed Professional Engineer under the laws of the State of Iowa.



Signed:

Date:



4-4-2025

Brittany C. Luchini, P.E.

Iowa License No. 27688

My license renewal date is December 31, 2025

Detailed parts covered by this seal:

Change Order No. 1

Prepared by  
VEENSTRA & KIMM, INC.  
West Des Moines,  
Iowa





**VEENSTRA & KIMM INC.**

6775 Vista Drive  
West Des Moines, Iowa 50266

515.225.8000 // 800.241.8000  
www.v-k.net

March 27, 2025

Laura Knispel, SRF Project Coordinator  
Iowa Department of Natural Resources  
6200 Park Ave, Suite 200  
Des Moines, IA 50321

CITY OF OTTUMWA, IOWA  
BLAKE'S BRANCH SEWER SEPARATION, PHASE 8, DIVISION 3  
CHANGE ORDER NO. 1

As requested, enclosed is Change Order No. 1 for the Blake's Branch Sewer Separation, Phase 8, Division 3 project. Change Order No. 1 removes 100 Linear Feet of 36-inch sanitary sewer by trenchless method. Discussions between the City, Contractor and Engineer determined it was possible to install the first 100 linear feet of sanitary sewer with trench boxes resulting in a cost savings. Change Order No. 1 also includes adding zinc coating to the ductile iron watermain and fittings. The zinc coating will aid in corrosion protection of the pipe and fittings and add service life to the new water main. Change Order No. 1 decreases the construction contract amount by \$426,489.67.

Veenstra & Kimm, Inc. has reviewed and recommends approval of Change Order No. 1. Please respond back with IDNR's approval of Change Order No. 1.

If you have any questions or comments, please contact us at 515-225-8000.

VEENSTRA & KIMM, INC.

Brittany Luchini, P.E.

40990  
Enclosures



**VEENSTRA & KIMM INC.**

3000 Westown Parkway  
West Des Moines, Iowa 50266

515.225.8000 // 800.241.8000  
www.v-k.net

March 10, 2025

**CHANGE ORDER NO. 1**

CITY OF OTTUMWA  
BLAKE'S BRANCH SEWER SEPARATION,  
PHASE 8, DIVISION 3

This change order is to provide compensation to the Contractor for the following items:

- Delete 100 LF of trenchless 36" sanitary sewer with casing pipe and install 100 LF of 36" sanitary sewer with a trench box. The City acquired the property adjacent to Birch Street 36" trunk sewer pipe. The Contractor can construct 100 Linear Feet of 36" pipe by trenched method and not by trenchless method. Changing 100 LF of sanitary sewer from trenchless to trenched construction will be a cost savings to the project. The project will add bid item 93, "Sanitary Sewer Gravity Main, 36" Trenchless in Casing Pipe, Shallow Slope" to compensate contractor for specialty equipment purchased to install the pipe at a shallow grade.
- Add Zinc Coating to the Ductile Iron water main and fittings per Ottumwa Water and Hydro standards. Zinc Coating will improve the corrosion resistance and help protect the water pipe.

The cost adjustment for the change order as requested by the City is based on existing and negotiated unit prices as follows:

Change Order No. 1 make the following modifications to the contract:

Delete Item 59, 275 LF of "Sanitary Sewer Gravity Main, 36", Trenchless in Casing Pipe"

Delete Item 74, 272 LF of "Water Main, 6", DIP, Trenched"

Delete Item 75, 66 EA of "Water Main Fittings, 6" to 8"

Add Item 93, 175 LF of "Sanitary Sewer Gravity Main, 36", Trenchless in Casing Pipe, Shallow Slope".

Add Item 94, 300 LF of "Water Main, 6", DIP, Zinc Coated, Trenched"

Add Item 95, 66 EA of "Water Main Fittings, Zinc Coated, 6" to 8"

New Item 93 Description: "See Standard Specifications Section 3020, 4010, 4060 and 5010; unit price includes all labor, materials, and special equipment necessary to meet a 0.2% grade for trenchless construction of sanitary gravity main under Blake's Branch brick box and other locations as shown on plans; includes cleaning and testing requirements as specified; Carrier pipe: meet requirements for sanitary sewer force mains with mechanical restrained joints, includes tracer wire with stations at each end;

City of Ottumwa  
Blake's Branch Sewer Separation, Phase 8, Division 3  
Change Order No. 1

*Casing pipe: Steel pipe per 3020, 2.02; minimum casing pipe thickness: 0.281" for casing pipe up to 26" diameter, 0.312" for casing pipe up to 34" diameter, 0.344 for casing pipe up to 48" diameter, payment measured in linear feet along centerline of pipe from end of pipe to end of pipe."*

New Item 94 Description: *"See Standard Specifications Section 5010 and Section 5030, Ductile Iron Pipe, Class P-1 Bedding, Polyethylene film as manufactured by V-BIO Enhanced polyethylene encasement, 8 mil thick, meet ANSI/AWWA C105/A21.5. SUDAS Figure 3010.10; nitrile gaskets; this item is for installation of water main pipe on Jefferson Street between Station 0+40 and Station 2+58. Installation and materials to meet Ottumwa Water and Hydro Standards."*

New Item 95 Description: *"See Standard Specifications Section 5010; this item is for all water main fittings for construction of water main as shown on the plans or as directed by the Engineer. Installation and materials to meet Ottumwa Water and Hydro Standards."*

The price breakdown for the changes to the scope of work listed above is as follows:

	<u>Quantity</u>	<u>Unit Price</u>	<u>Total Price</u>
Item 59	-275 LF	\$5,150.00	(\$1,416,250.00)
Item 74	-272 LF	\$129.00	(\$35,088.00)
Item 75	- 66 EA	\$825.00	(\$54,450.00)
Item 93	-175 LF	\$5,607.15	\$981,251.25
Item 94	-300 LF	\$135.23	\$40,569.00
Item 95	- 66 EA	\$870.88	\$57,478.08
	TOTAL		\$426,489.67

Change Order No. 1 decreases the contract amount by **\$426,489.67**.

Completion Date

Change Order No. 1 adds zero (0) days to the Project Completion Date.  
Project Completion Date: November 19, 2027

City of Ottumwa  
Blake's Branch Sewer Separation, Phase 8, Division 3  
Change Order No. 1

PC ~~VEENSTRA & KIMM, INC.~~

By

Chris Riemenapp

Title Project Manager

Date

03/27/2025

CITY OF OTTUMWA

By

Phil Brynner

Title

Public Works Director

Date

04-07-2025

VEENSTRA & KIMM, INC.

By

Brittany Ludwig

Title

Project Engineer

Date

3/27/2025



April 4, 2025

City of Ottumwa  
Attn: Phillip Burgmeier  
105 East Third St.  
Ottumwa, Iowa 52501

RE: Blake's Branch Sewer Separation Phase 8, Division 3  
City of Ottumwa  
DNR Project No. 2019-0263B  
CWSRF No. CS192097201

Subject: Change Order No. 1

Dear Mr. Burgmeier:

Enclosed are approved copies of Change Order No. 1 for the above referenced project. The approved State Revolving Fund (SRF) eligible change orders adjust the project amount as follows:

Table 1. SRF eligible project amount

Action	Description	Cost	SRF Eligible Cost
Project Bid Amount	Bid Cost	\$14,707,563.00	\$14,707,563.00
Change Order 1	change construction method to trenched for some of the sewer; add zinc coating to water main to provide corrosion protection	(\$426,489.67)	(\$426,489.67)

Total: \$ 14,281,073.33 \$ 14,281,073.33

This approval does not relieve the owner of the responsibility of complying with local, state, and federal requirements. Approval in any SRF eligible cost increase is subject to the current SRF loan agreement amount. Any amount that exceeds the current SRF loan agreement cannot be funded with the current SRF loan.

The owner should retain these change orders as part of the permanent record for this project. Always remember to submit certified copies of all change orders for approval. Should you have any questions please contact me at 515-725-8423 or [laura.knispel@dnr.iowa.gov](mailto:laura.knispel@dnr.iowa.gov).

Sincerely,

**Laura Knispel**

Digitally signed by Laura Knispel  
Date: 2025.04.04 11:23:34 -05'00'

Laura Knispel  
Project Manager  
Wastewater Engineering Section

Enclosures

CC: DNR Field Office #6 (Washington, Iowa)  
DNR Sewage File 6-90-83-0-01  
Brittany Luchini – V&K ([bluchini@v-k.net](mailto:bluchini@v-k.net))  
Meredith Coon – V&K ([mcoon@v-k.net](mailto:mcoon@v-k.net))  
SRF File CS192097201  
Anthony Shellenberger – IDNR  
Tracy Scebold – IFA  
Tony Toigo – IFA  
Lee Wagner – IFA

CITY OF OTTUMWA


Staff Summary

**\*\* ACTION ITEM \*\***

Council Meeting of: April 15, 2025

\_\_\_\_\_  
Engineering  
Department

\_\_\_\_\_  
Phillip Burgmeier  
Prepared By

  
\_\_\_\_\_  
Department Head

  
\_\_\_\_\_  
City Administrator Approval

AGENDA TITLE: Resolution #68-2025. Approving a Professional Services Agreement between the City of Ottumwa and French Reneker for the WPCF Concrete Repair Project.

\*\*\*\*\*

☐

\*\*Public hearing required if this box is checked. \*\*

☐

\*\*The Proof of Publication for each Public Hearing must be attached to this Staff Summary. If the Proof of Publication is not attached, the item will not be placed on the agenda.\*\*

RECOMMENDATION: Pass and adopt Resolution #68-2025.

DISCUSSION: This Agreement provides for professional services in connection with design, bid and construction phases. There is a lump sum of \$40,000 for design services and an estimated cost of \$36,000 for construction services, which are to be billed at an hourly rate as costs are incurred.

The project will include concrete repairs at the treatment plant, and to the Orchard, Walnut, and Grandview Pump Stations. There is \$450,000 left in our concrete repair budget for FY25. The target construction budget is \$350,000 after accounting for contracted professional services.

Estimated Design Contract: \$76,000.00

RESOLUTION NO. #68-2025

A RESOLUTION APPROVING THE PROFESSIONAL SERVICES  
AGREEMENT BETWEEN THE CITY OF OTTUMWA AND FRENCH RENEKER ASSOCIATES  
FOR THE WPCF CONCRETE REPAIRS PROJECT

WHEREAS, This agreement will provide for professional services for the design of the WPCF Concrete Repairs Project and,

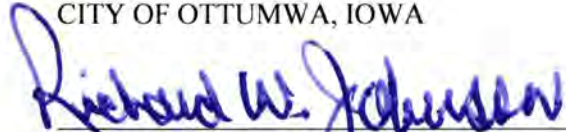
WHEREAS, French Reneker Associates will provide the following services; preparation of construction documents, bidding administration, and construction administration; as described in the agreement; and

WHEREAS, Total not to estimated contract amount is \$76,000.


NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF OTTUMWA, IOWA THAT: The Agreement between the City of Ottumwa and French Reneker Associates for the above referenced project is hereby approved.

APPROVED, PASSED, AND ADOPTED, this 15<sup>th</sup> day of April, 2025.

CITY OF OTTUMWA, IOWA

  
Richard W. Johnson, Mayor

ATTEST:

  
Christina Reinhard, City Clerk



## ENGINEERING SERVICES AGREEMENT

French-Reneker-Associates, Inc., Engineers & Surveyors of Fairfield, Iowa, (hereinafter referred to as the ENGINEER) hereby offers engineering services to the City of Ottumwa, Iowa (hereinafter referred to as the OWNER) in connection with rehabilitating concrete structures in the OWNER's sanitary sewer system.

The OWNER would like to rehabilitate as much concrete as possible within their budget. At this time, the rehabilitation work is anticipated to include the following areas:

1. Primary Clarifiers at the Water Pollution Control Facility (WPCF). The rehabilitation at the primary clarifiers is anticipated to be surface repairs of vertical concrete walls below the normal water level. The extent of the repairs is unknown at this time and will be determined after the primary clarifier is drawn down and visual observations are made.
2. Walnut Avenue Lift Station. The rehabilitation includes removal and replacement of the exterior, exposed concrete wall and channel on the northeast wall of the lift station.
3. Orchard Street Lift Station. The rehabilitation includes removal and replacement of the exterior, exposed concrete wall and channel on the southeast wall of the lift station.
4. Grandview Lift Station. The rehabilitation includes removal of the 6" PCC slab covering the wet well and replacement with a concrete slab or corrosion resistant metal cover.

### I. SCOPE OF SERVICES

The ENGINEER agrees to provide engineering services for the proposed project as outlined in the elements shown below.

#### A. Design Services

Services to be provided relating to engineering and technician needs during design are as follows:

1. Work with the OWNER to determine the project's general features and define the project concept.
2. Make field surveys upon which to base the design. This scope item assumes the survey will be limited to field-verifying dimensions of the structures against record drawings provided by the OWNER. In order to give the OWNER time to draw down the primary clarifier, the ENGINEER will give the OWNER at least two business days' notice prior to needing access to

the primary clarifiers. This scope item assumes approximately two days of field verification for all four of the work areas.

3. Make designs of the proposed improvements. This scope item assumes the rehabilitation can be characterized in a few typical scenarios, such as, surface repair and full-depth replacement.
4. Prepare drawings, specifications, and contract documents and submit them to the OWNER for review and comment.
5. Alert the utilities to the upcoming project.
6. Compute and tabulate estimates of project quantities and probable construction costs.
7. Furnish drawings, specifications, and contract documents, upon request from potential bidders, for their use in preparing and submitting bids.
8. Assist the OWNER in securing bids from bidders, analyzing such bids, and processing agreements.

B. Engineering Services During Construction

Services to be provided relating to engineering and technician needs during construction are as follows:

1. Set up and conduct a preconstruction conference.
2. Perform observation of the various elements of the project during the construction process to determine compliance with the drawings and specifications. (Nothing in this Agreement shall be construed to mean that the ENGINEER will direct the Contractor's operation, guarantee the Contractor's faithful performance, or guarantee to detect faulty construction if it occurs.)
3. Explain and interpret drawings and specifications.
4. Set up procedures and monitor materials quality control.
5. Prepare and submit proposed construction Contract change orders when applicable.
6. Review the Contractor's monthly payment requests and recommend payment to the OWNER.
7. Make a final review of the construction and prepare a declaration of completion.

### C. Other Services

In addition to the foregoing, other services are available from the ENGINEER as the need is verified and upon authorization by the OWNER. Among these are the following:

1. Property, boundary, and right-of-way surveys.
2. Consultations regarding soils and subsurface conditions.
3. Consultations and testing for materials quality control.
4. Changes in approved drawings and specifications.
5. Other engineering services specifically requested by the OWNER.

## II. REMUNERATION

The ENGINEER shall submit a monthly invoice for payment for work performed under this Agreement for which the ENGINEER believes payment is due.

Upon review and approval of the invoice by the OWNER, payment will be made promptly in the amount of 100% of the work covered by the invoice. The payment due to the ENGINEER shall be made within 40 days of the invoice date.

Payments not received within 40 days of the date of the invoice will be considered delinquent and will be subject to a late charge of 10% per annum calculated from the 41<sup>st</sup> day after the date of the original invoice.

The OWNER agrees to pay all costs of collection, including attorney fees, which may be incurred in the collection of the sums due to the ENGINEER pursuant to this Agreement.

The engineering fee for the services in Section IA is a lump sum of \$40,000, payable in monthly installments in an amount based on the percentage of the total work completed during the month.

The billing for services under Section IB shall be the sum of the professional service charges plus expenses as defined below:

Professional Service Charges.....	Hours worked multiplied by individual Charge Rates
Outside Expenses .....	See Attachment A
Outside Consultant and Testing Expenses.....	See Attachment A

Charge Rates are defined in the 2025 Schedule of Charge Rates included as Attachment A to this Agreement.

The term Outside Expenses means non-payroll costs incurred directly in connection with the assignment, such as travel expenses, materials, supplies, etc.

The term Outside Consultant and Testing Expenses means the cost associated with hiring various outside consultant and testing services necessary to complete the work under this Agreement.

An engineering budget of \$36,000 has been estimated for Section IB to cover the cost of the engineering services envisioned in this Agreement. The budget for Section IB includes an estimated 18 trips for construction observation. The budget for Section IB was developed based on making three trips per site (mark removals, review prior to forming, review reinforcing steel) and an estimated six sites (three chambers of primary clarifier, Walnut LS, Orchard LS, and Grandview LS). If at any time during the course of the work, it appears the unexpended portion of the budget is not sufficient, the ENGINEER shall make a report to the OWNER, requesting direction as to how the remaining portion of the budget is to be expended.

The total engineering budget for this Agreement is a combination of the above-stated amounts, which is \$76,000.

A budget for work under Section IC will be defined at the time of authorization of Other Services by the OWNER.

### III. SALES TAX AND/OR VALUE-ADDED TAX

Sales tax or value-added tax is not included in the fees described above. If any sales tax or value-added tax for professional services is imposed by any governmental entity, federal, state, or local, the amount of said tax shall be considered a project extra, shall be identified as such on the statements for professional services, and shall be paid in addition to the fees described above.

### IV. SCHEDULE

The following project schedule has been established to aid the project's coordination and encourage timely completion. The ENGINEER will endeavor to complete his work within the schedule.

It is understood that the achievement of this project schedule will depend upon timely reviews, timely Notices to Proceed to the ENGINEER, weather conditions, OWNER's needs, and other activities beyond the ENGINEER's control.



Approval of Engineering Services Agreement and Issue Notice to Proceed	April 2025
Drawings and Specifications Placed on File	June 2025

V. OWNERSHIP AND REUSE OF INSTRUMENTS OF SERVICE

All computer files, field data, notes, or other documents prepared by the ENGINEER pursuant to this Agreement are instruments of service and are not intended or represented to be suitable for reuse by the OWNER or others. They shall remain the property of the ENGINEER, who shall retain all common law statutory and other reserved rights, including the copyright thereto.

The ENGINEER will make additional paper copies of all maps, specifications, or drawings furnished as a part of this Agreement available to the OWNER for the normal and customary cost of reproduction.

Any reuse of documents shall be at the OWNER's sole risk and without liability or legal exposure to the ENGINEER. The OWNER shall indemnify and hold harmless the ENGINEER from all claims, damages, losses, and expenses, including attorney's fees, arising out of or resulting therefrom.

VI. INDEMNIFICATION AND LIMITATION OF LIABILITY

The ENGINEER agrees, to the fullest extent permitted by law, to indemnify and hold harmless the OWNER, against all damages, liabilities, or costs, including reasonable attorney's fees and defense costs, to the extent caused by the ENGINEER's negligent performance of professional services under this Agreement and that of its subconsultants or anyone for whom the ENGINEER is legally liable.

The OWNER agrees, to the fullest extent permitted by law, to indemnify and hold harmless the ENGINEER against all damages, liabilities, or costs, including reasonable attorney's fees and defense costs, to the extent caused by the OWNER's negligent acts in connection with the project and the acts of its contractors, subcontractors, or other consultants or anyone for whom the OWNER is legally liable.

Neither the OWNER nor the ENGINEER will be obligated to indemnify the other party in any manner whatsoever for the other party's own negligence or for the negligence of others.

To the maximum extent permitted by law, the OWNER agrees to limit the ENGINEER's liability for the OWNER's damages to the sum of \$50,000 or the ENGINEER's fee, whichever is greater. This limitation shall apply regardless of the cause of action or legal theory pled or asserted.

VII. DURATION OF AGREEMENT

This Agreement will remain in full force and effect until terminated. Either party may terminate it upon two weeks' written notice and payment by the OWNER for the work done at the rate set forth in Section II.

FRENCH-RENEKER-ASSOCIATES, INC.  
(ENGINEER)

Date: April 10, 2025

Signed: Stephen W. Hausner  
Stephen W. Hausner, President  
French-Reneker-Associates, Inc.  
1501 South Main  
Fairfield, IA 52556

The above Agreement is hereby accepted by the City of Ottumwa, Iowa.

ATTEST:

CITY OF OTTUMWA, IOWA  
(OWNER)

Chris Reinhard  
Chris Reinhard, City Clerk

Signed: Richard W. Johnson  
Richard W. Johnson, Mayor  
City Hall  
105 East Third Street  
Ottumwa, IA 52501

Date: April 15, 2025



**ATTACHMENT A**  
**SCHEDULE OF CHARGE RATES**  
**FRENCH-RENEKER-ASSOCIATES, INC.**  
**EFFECTIVE JANUARY 1, 2025**

<b>STAFF</b>	<b>Rate/Hour</b>
1 Engineer I - Licensed	\$ 190.00
2 Engineer II - Licensed	\$ 175.00
3 Engineer III - Licensed	\$ 150.00
4 Engineer IV - Licensed	\$ 125.00
5 Engineer V - Engineering Intern	\$ 100.00
6 Land Surveyor - Licensed	\$ 155.00
7 Technician I	\$ 120.00
8 Technician II	\$ 100.00
9 Technician III	\$ 86.00
10 Technician IV	\$ 76.00
11 Technician V	\$ 61.00

<b>REIMBURSABLE EXPENSES</b>	<b>Cost</b>
1. Travel and Subsistence Costs:	
- Mileage	Federal Mileage Rate
- Lodging and meals associated with overnight stays.	Actual Cost
2. Cost of outside consultation, inspection, sampling, testing, and laboratory; and other outside services.	Invoice Cost + 5%
3. Prints	Invoice Cost + 5%
4. Bid Document Downloads	Invoice Cost + 5%
5. Postage	Invoice Cost + 5%
6. Survey and Field Supplies	Invoice Cost + 5%
7. Use of ATV, computer, survey instruments, and other equipment.	No Charge
8. State sales tax and/or value added tax.	If required.
9. General Liability Certificate of Insurance:	
- Additional Insured	Actual Cost
- Certificate of Waiver of Subrogation	Actual Cost
- Proof of Insurance	No Charge

THE ABOVE RATES ARE EFFECTIVE DURING THE TERM OF THE AGREEMENT TO WHICH IT IS ATTACHED OR UNTIL DECEMBER 31, 2025, WHICHEVER OCCURS LATER.



CITY OF  
OTTUMWA

## Citizen Input Request Form

4.15.2025

Council Meeting Date

Name:

Ed Paxton

Address:

1620 E Main St

Item No. to Address:

(Agenda will be provided to complete this section)

If you are addressing the Council on an item not listed on the agenda, briefly explain the item you wish to speak on:

Side walks Mattress on porch 1619 E Main St  
purchase old Foster St

1523 1525 1531 1543

\*\*\*\*\*

The Mayor will invite you to address the City Council at the appropriate time. When called upon by the Mayor, step to the microphone and please state your name for the record. Comments are to be directly germane to City business, operations, or an item listed on this agenda. Remarks shall not be personalized and will be limited to three minutes or less. The City Clerk shall keep the time and notify the Mayor when the allotted time limit has been reached. Comments not directly germane to City business, operations, or an item listed on the agenda, as determined by the Mayor, will be ruled out of order. If you are addressing an item not listed on the agenda the Council will not take any action on the item due to requirements of the Open Meetings Law. Pertinent questions, comments or suggestions may be referred to the appropriate department for response, if relevant.