

April 27, 1998

The Conrad City Council met in regular session on 4/27/98 in council chambers. Answering roll call was Steve Mugge, Kevyn Zacharias, Lloyd Weber, Kenny Sanderson. Absent: Robert Lutes. Also present was Gary Moler, Denise Hoy, City Clerk, and Chuck Friend, TR Correspondent. Mayor Gearhart called the meeting to order at 7:00 p.m.

Moler reported that the City will be repairing the man hole by Hanzelka's Truck Service and will submit a bill to Tenneco. He also informed council of water leaks that he had been repairing, and that he will be cleaning up the sites through out this summer.

The Conrad Postmaster, Rocky, requested that the handicap parking space council designated at the last meeting be moved from in front of the post office, too the front of Classic Cuts. Weber motioned to move the designated space from the North side of the drive in front of the post office to the South side of the drive in front of Classic Cuts. Zacharias seconded, Ayes 4.

Roger Poe addressed council in regards to a low explosives permit that he was denied at the previous council meeting. He informed council of the exact material that he would be using and requested a modification of the ordinance. City Clerk Hoy was instructed to consult legal council on the matter and report back to Mr. Poe as soon as possible.

Sanderson introduced resolution #109-4.98 " A RESOLUTION AUTHORIZING THE ISSUANCE OF A \$600,000 URBAN RENEWAL TAX INCREMENT REVENUE BOND, SERIES 1998, PLEDGING TO THE PAYMENT OF THE BOND FUNDS AND PORTIONS OF TAXES CREATED PURSUANT TO THE AUTHORITY OF SUBSECTION 2 OF SECTION 403.19 OF THE CODE OF IOWA AND PROVIDING FOR THE SECURING OF SUCH BOND, ALL FOR URBAN RENEWAL PURPOSES OF THE CITY OF CONRAD, IOWA ". Then Sanderson moved to adopt said resolution, seconded by Mugge. Roll as follows: Ayes: Weber, Zacharias, Sanderson, Mugge. Nays: none. Whereupon , the Mayor declared the resolution duly adopted.

Sanderson moved to adopt resolution #110-4.98 " A RESOLUTION ENTERING INTO CONTRACT WITH IDED ( CONTRACT #98-WS-078-97) FOR THE PURPOSE OF ACCEPTING A \$250,000 CDBG GRANT FOR THE PURPOSE OF BUILDING A NEW WASTE WATER TREATMENT PLANT ". Mugge seconded the motion and roll was as follows: Ayes: Weber, Zacharias, Sanderson, Mugge. Nays: none. Whereupon the Mayor signed and entered into contract with IDED.

Motion by Sanderson, seconded by Weber to adopt resolution #111-4.98 " A RESOLUTION ENTERING INTO CONTRACT WITH SIMMERING - CORY, INC. FOR THE PURPOSE OF ADMINISTERING THE \$250,000 CDBG GRANT ". Ayes: Weber, Zacharias, Sanderson, Mugge. Nays: none. Whereupon the Mayor signed and entered into contract with Simmering-Cory, Inc.

Motion by Mugge, seconded by Zacharias to move forward with proceedings to annex the land purchased for the sewer plant into City limits. Ayes - 4.

Discussion on the City audit was table until both finance committee members could be present at the meeting.

Motion by Sanderson, seconded by Mugge to accept a June 30th warranty date with Weidner Construction for the swimming pool. Ayes: 4.

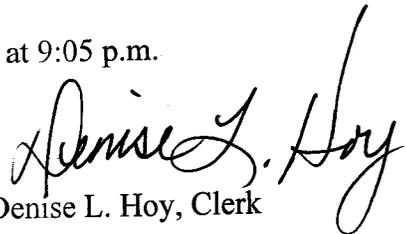
Under other business, council agreed that the sand volley ball court at the pool should be part of the pool project costs. Mayor Gearhart also reported that the new pieces for the water slide should arrive this week.

Mugge moved to install two new fire hydrants on West Center near Green Pet Products and Tenneco. The water committee is in charge of deciding the exact location. Weber seconded, Ayes 4.

Sanderson brought up the question of spraying alleys for dust control. Council agreed that the alley by Casey's was frequently traveled and should be sprayed, however no other alley's would be allowed.

With no further business, meeting was adjourned in a motion at 9:05 p.m.

Bill Gearhart, Mayor

  
Denise L. Hoy, Clerk

For Your Records

MINUTES AUTHORIZING THE ISSUANCE  
OF A \$600,000 URBAN RENEWAL TAX  
INCREMENT REVENUE BOND

Conrad, Iowa

420912-4

April 27, 1998

The City Council of the City of Conrad, Iowa, met at the Council Chambers, in the City, at 7:00 o'clock P.m., on April 27, 1998. The meeting was called to order and there were present the Mayor in the chair, and the following named Council Members:

Present: Sanderson, Mugge, Weber, Zacharias,

Absent: Lutes

The matter of instituting proceedings for the issuance of a \$600,000 Urban Renewal Tax Increment Revenue Bond was considered by the Council. Whereupon, Council Member Sanderson introduced a proposed resolution entitled: "Resolution authorizing the issuance of a \$600,000 Urban Renewal Tax Increment Revenue Bond, Series 1998, pledging to the payment of the bond funds and portions of taxes created pursuant to the authority of Subsection 2 of Section 403.19 of the Code of Iowa and providing for the securing of such bond, all for urban renewal purposes of the City of Conrad, Iowa".

Council Member Sanderson moved that the said resolution be adopted, seconded by Council Member Mugge and after due consideration thereof by the Council, the Mayor put the question on the motion for adoption of the said resolution and, the roll being called, the following named Council Members voted:

Ayes: Sanderson, Mugge, Weber & Zacharias

Nays: None

Whereupon, the Mayor declared the resolution as hereinafter set out duly adopted.

RESOLUTION NO. 109-4.98

Resolution authorizing the issuance of a \$600,000 Urban Renewal Tax Increment Revenue Bond, Series 1998, pledging to the payment of the bond funds and portions of taxes created pursuant to the authority of Subsection 2 of Section 403.19 of the Code of Iowa and providing for the securing of such bond, all for urban renewal purposes of the City of Conrad, Iowa

WHEREAS, the City of Conrad, Iowa, pursuant to and in strict compliance with all laws applicable to the City, and in particular the provisions of Chapter 403 of Code of Iowa, has adopted an Urban Renewal Plan by resolution of the Council for the Conrad Urban Renewal Area; and

WHEREAS, this Council has adopted an Ordinance for the division of taxes levied on taxable property in the Conrad Urban Renewal Area which establishes the fund referred to in Subsection 2 of Section 403.19 of the Code of Iowa (the "Urban Renewal Tax Revenue Fund"), which fund and the portion of taxes referred to in that subsection may be irrevocably pledged by the City for the payment of the principal and interest on bonds or notes issued under the authority of Section 403.9 of the Code to finance or refinance in whole or in part projects in the Conrad Urban Renewal Area; and

WHEREAS, it is now necessary and advisable that a \$600,000 Tax Increment Revenue Bond, Series 1998 (the "1998 Bond"), be issued pursuant to the provisions of Section 403.9(1) of the Code of Iowa payable solely from the income and proceeds of the Urban Renewal Tax Revenue Fund;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Conrad, Iowa, as follows:

Section 1. Pursuant to and as authorized by the Constitution and laws of the State of Iowa, and particularly Section 403.9 of the Code of Iowa, there is hereby authorized to be issued a \$600,000 Urban Renewal Tax Increment Revenue Bond, Series 1998, to be dated as of the date of its delivery to the purchaser. The 1998 Bond shall bear interest, shall be payable as to principal and interest, and shall have such other terms as are incorporated in the form of the 1998 Bond set out in Section 2 hereof. The City reserves the right to call and prepay any principal amount of the 1998 Bond at any time, upon the City giving notice by regular mail to the Registered Holder addressed to such Registered Holder at his registered address and placed in the mail not less than thirty (30) days prior to the date fixed for prepayment. In the event of prepayment on a date other than an annual interest payment date, interest shall be paid to the date of prepayment only. The 1998 Bond shall be fully registered as to principal and interest in the name of the holder on the books of the City Clerk

of the City, such registration to be noted upon the 1998 Bond and after such registration, payment of the principal and interest thereof shall be made only to the Registered Holder. Upon the request in writing of such Holder personally or by his attorney in fact the 1998 Bond may be transferred to a designated transferee.

Section 2. The 1998 Bond shall be in substantially the following form:

(Form of Bond)

**UNITED STATES OF AMERICA  
STATE OF IOWA COUNTY OF GRUNDY  
CITY OF CONRAD  
URBAN RENEWAL TAX INCREMENT REVENUE BOND  
(Series 1998)**

\$600,000

RATE	MATURITY DATE	BOND DATE
5.3%	June 1, 2005	May 15, 1998

The City of Conrad, in the County of Grundy, State of Iowa, for value received, promises to pay to

First State Bank  
Conrad, Iowa

or registered assigns, the principal sum of SIX HUNDRED THOUSAND DOLLARS (\$600,000), in accordance with the provisions set out below, and to pay to the Registered Holder hereof, interest on the outstanding principal hereof from the date hereof or from the most recent interest payment date on which interest has been paid, at the rate of Five and Three-Tenths Percent (5.3%) per annum, on June 1, 1998, and on each December 1 and June 1 thereafter until maturity. Both principal and interest are payable in lawful money of the United States of America at the office of the City Clerk in and of the City of Conrad, Iowa.

Semi-annual installments of principal and interest in the amount of \$50,000 each shall be paid on each June 1 and December 1, beginning June 1, 1998, and continuing through and including December 1, 2004, with one final payment of all remaining principal and interest to be made on June 1, 2005.

This Bond is issued by the City pursuant to and in strict compliance with the provisions of Section 403.9 of the Code of Iowa, and all of the laws amendatory thereof and supplemental thereto,

and in conformity with the resolution of the City Council of such City duly passed on April 27, 1998 (the "Resolution"), which resolution authorized the issuance of this Bond, and to which resolution reference is hereby made for a more complete statement as to the source of payment of this Bond and the rights of the holders of this Bond.

This Bond is issued for the purpose of defraying a portion of the costs of carrying out an urban renewal project in the Conrad Urban Renewal Area of the City of Conrad, Iowa; consisting of the construction of a swimming pool; this Bond is not a general obligation of the City, but this Bond and any additional bonds as may be hereafter issued and outstanding from time to time ranking on a parity herewith under the conditions set forth in the Resolution, are payable solely from the income and proceeds of the Urban Renewal Tax Revenue Fund established in the Resolution, and portion of taxes to be paid into such Fund, referred to and authorized in Subsection 2 of Section 403.19 of the Code of Iowa.

The City of Conrad reserves the right to call and prepay any principal amount of this Bond at any time, upon the City giving notice by regular mail to the Registered Holder addressed to such Registered Holder at his registered address and placed in the mail not less than thirty (30) days prior to the date fixed for prepayment. In the event of prepayment on a date other than an annual interest payment date, interest shall be paid to the date of prepayment only. This Bond shall be fully registered as to principal and interest in the name of the holder on the books of the City Clerk of the City, such registration to be noted hereon and after such registration, payment of the principal and interest thereof shall be made only to the Registered Holder. Upon the request in writing of such Holder personally or by his attorney in fact this Bond may be transferred to a designated transferee.

This Bond is transferable by the Registered Holder hereof in person or by his attorney duly authorized in writing at the office of the City Clerk, but only in the manner and subject to the limitations provided in the Resolution. The City may deem and treat the Registered Holder hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes and the City shall not be affected by any other notice to the contrary.

This Bond has been issued by the City in connection with the aforementioned urban renewal project which is an urban renewal project as defined in Chapter 403 of the Code of Iowa.

AND IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions, and things required to exist, happen and be performed precedent to and in the issuance of this Bond have existed, have happened, and have been performed in due time, form and manner, as required by law, and that the issuance of this Bond does not exceed or violate any constitutional or statutory limitation or provision.

IN TESTIMONY WHEREOF, the City, by its City Council has caused this Bond to be signed by its Mayor and attested by its City Clerk with the seal of the City affixed all as of the 15th day of May, 1998.

CITY OF CONRAD, IOWA

By *B. B. B. B. B.*  
Mayor

Attest:

*A. L. H.*  
City Clerk

(Seal)

**ASSIGNMENT**

For valuable consideration, receipt of which is hereby acknowledged, the undersigned assigns this Bond to

\_\_\_\_\_

(please print or type name and address of Assignee)

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

and does hereby irrevocably appoint \_\_\_\_\_, Attorney, to transfer this Bond on the books kept for registration thereof with full power of substitution.

Dated:

Signature guaranteed:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
NOTICE: The signature to this Assignment must correspond with the name of the registered owner as it appears on this Bond in every particular, without alteration or enlargement or any change whatever.

Section 3. The Mayor is authorized and directed to execute and the Clerk is authorized and directed to attest the 1998 Bond and the Clerk shall register such Bond and thereafter deliver it to the purchaser.

Section 4. As provided and required by Chapter 403 of the Code of Iowa and Section 403.9, the 1998 Bond and interest thereon shall be payable solely from the income and proceeds of the Urban Renewal Tax Revenue Fund.

Section 5. The City hereby pledges to the payment of the 1998 Bond the Urban Renewal Tax Revenue Fund, and the portion of taxes referred to in Subsection 2 of Section 403.19 of the Code of Iowa to be paid into such fund.

Section 6. The 1998 Bond shall not be subject to the provisions of any other law relating to the authorization, issuance or sale of bonds except Section 403.9 of the Code of Iowa. The 1998 Bond issued pursuant to this resolution is declared to be issued for an essential public and governmental purpose.

Section 7. The 1998 Bond shall recite in substance that it has been issued by the City in connection with an urban renewal project as defined in Chapter 403 of the Code of Iowa and in any suit, action or proceeding involving the validity or enforceability of any bond issued hereunder or the security therefor, such bond shall be conclusively deemed to have been issued for such purpose and such project shall be conclusively deemed to have been planned, located and carried out in accordance with the provisions of Chapter 403 of the Code of Iowa.

Section 8. The City reserves the right and privilege of issuing additional obligations from time to time payable from the Urban Renewal Tax Revenue Fund and ranking on a parity with the 1998 Bond in order to pay the cost of additional projects in the Conrad Urban Renewal Area or for refunding any bonds or obligations payable from the Urban Renewal Tax Revenue Fund.

Section 9. The proceeds of the 1998 Bond shall be expended for purposes which are consistent with the urban renewal plan for the Conrad Urban Renewal Area.

Section 10. After its adoption, a copy of this resolution shall be filed in the office of the County Auditor of Grundy County to evidence the continuing pledging of the Urban Renewal Tax Revenue Fund and the portion of taxes to be paid into such fund and, pursuant to the direction of Section 403.19 of the Code of Iowa, the Auditor shall allocate the taxes in accordance therewith and in accordance with the tax allocation ordinance referred to in the preamble hereof.

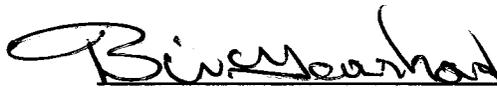
Section 11. It is the intention of the City that interest on the 1998 Bond be and remain excluded from gross income for federal income tax purposes pursuant to the appropriate provisions of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations in effect with respect thereto (all of the foregoing herein referred to as the "Internal Revenue Code"). In furtherance thereof, the City covenants to comply with the provisions of the Internal Revenue Code as they may from time to time be in effect or amended and further covenants to comply with the applicable future laws, regulations, published rulings and court decisions as may be necessary to insure that the interest on the 1998 Bond will remain excluded from gross income for federal income tax purposes. Any and all of the officers of the City are hereby authorized and directed to take any and all actions as may be necessary to comply with the covenants herein contained.

The City hereby designates the 1998 Bond as a "Qualified Tax Exempt Obligation" as that term is used in Section 265(b)(3)(B) of the Internal Revenue Code.

Section 12. All resolutions and orders or parts thereof in conflict with the provisions of this resolution are, to the extent of such conflict, hereby repealed.

Section 13. This resolution shall be in full force and effect immediately upon its adoption and approval as provided by law.

PASSED AND APPROVED April 27, 1998.

  
\_\_\_\_\_  
Mayor

Attest:

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

\*\*\*

On motion and vote the meeting adjourned.

A handwritten signature in cursive script, appearing to read "Bivens", is written over a horizontal line.

Mayor

Attest:

A handwritten signature in cursive script, appearing to read "Denise L. Hoy", is written over a horizontal line.

City Clerk

STATE OF IOWA  
COUNTY OF GRUNDY  
CITY OF CONRAD

SS

I, the undersigned, being first duly sworn, hereby depose and certify that I am the duly appointed, qualified and acting Clerk of the aforementioned City and that as such I have in my possession or have access to the complete corporate records of the City and of its Council and officers and that I have carefully compared the transcript hereto attached with the aforesaid corporate records and that the transcript hereto attached is a true, correct, and complete copy of all the corporate records in relation to the authorization and issuance of a \$600,000 Urban Renewal Tax Increment Revenue Bond, Series 1998, of the municipality and that the transcript hereto attached contains a true and correct 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 and issuance of the Bond.

WITNESS MY HAND and the corporate seal of the aforementioned City hereto affixed this  
4 day of May, 1998.

(Seal)

  
City Clerk

STATE OF IOWA

SS:

COUNTY OF GRUNDY

I, the undersigned, County Auditor of the aforementioned County, in the State of Iowa, do hereby certify that on the 26<sup>th</sup> day of May, 1998, the City Clerk of the City of Conrad filed in my office a certified copy of a resolution of such City shown to have been adopted by the Council and approved by the Mayor thereof on April 27, 1998, entitled: "Resolution authorizing the issuance of a \$600,000 Urban Renewal Tax Increment Revenue Bond, Series 1998, pledging to the payment of the bond funds and portions of taxes created pursuant to the authority of Subsection 2 of Section 403.19 of the Code of Iowa and providing for the securing of the Bond, all for urban renewal purposes of the City of Conrad, Iowa", and that I have duly placed the copy of the resolution on file in my records.

WITNESS MY HAND and the seal of the County hereto affixed this 26<sup>th</sup> day of May, 1998.

Mary L. Schmidt  
County Auditor

(Seal)