

CITY COUNCIL MEETING
RAND CENTER
MARCH 20, 2012
7:00 P.M.

Mayor Sargent opened the Public Hearing on the G.O. Bond Agreement at 7:00 p.m. There were no oral or written comments and he closed the meeting.

Mayor Sargent opened the Public Hearing on the Water Revenue Bond Agreement. There were no oral or written comments and he closed the meeting.

Mayor Sargent called the regular session to order at 7:01 p.m. with the following Council members present: Isom, Dillinger, Struble, Dinsmore and Ratliff. Also present were City Clerk/Administrator Miller and visitors: Curt Bonham, Doug Harris, Mark Mahoney, John Riley, Jeff Gute, Alice Barnhart and Chip Schultz.

The Pledge of Allegiance was recited.

Moved by Council member Struble to approve the agenda for March 20, 2012 with the addition of emergency action to replace the damaged brush truck, seconded by Council member Dinsmore. Motion carried on a 5-0 vote.

Moved by Council member Struble to approve the consent agenda, seconded by Council member Dinsmore. Motion carried on a 5-0 vote.

Doug Harris with C & H Trash Hauling introduced himself to the Council.

Mayor Sargent opened the bids for trash service at City facilities as follows: C & H Hauling \$230/mth; Bonham & Sons \$258.33/mth (averaged); Papillion Sanitation \$340.86/mth.

Moved by Council member Dillinger to accept the bid from C & H Hauling of \$230/mth, seconded by Council member Struble. Motion carried on a 5-0 vote.

Fire Chief Walker explained the 1981 brush truck broke down at a grass fire over the weekend. The transmission is out and there is an electrical problem. This puts the department down to one brush truck going into a grass fire season where they have already had numerous calls. The estimated cost to repair is a minimum of \$8,600. They have an opportunity to purchase a 2005 F350 with 90,000 miles for \$17,000 plus \$3,000 to convert the bed (this includes transferring equipment etc). There is a hydraulic box on it that they could sell and also a v-plow, which could be sold or used by another department. They would then strip the 1981 down to the chassis and sell it. Questions were asked about how to pay for the vehicle since it wasn't budgeted for this year, with consensus being the funds could be loaned from the EMS reserves.

Moved by Council member Dinsmore to allow Chief Walker to proceed with the purchase of the 2005 F-350 for a brush truck, seconded by Council member Struble. Council member Ratliff asked what the departments intentions were for the 1961 LaFrance fire truck. Council requested this be added to the next agenda.

Public Works Director Riesland addressed the Council regarding dust control on rock roads. The best method of control would be to make them all hard surface, but that would be cost prohibitive, as would be to apply calcium chloride regularly on each road at approximately \$10,000 - \$20,000 per application. With the calcium chloride, if it rains it's gone and once the road is graded, it's gone. Council felt the main problem with dust is on S 9th Street because of the amount of traffic. Riesland informed Council he would put asphalt millings on S 9th Street and felt it would pack down well. Council was in agreement for him to try the millings and see how well they hold up to the traffic.

Moved by Council member Struble to donate a child season pool pass to the PTO, seconded by Council member Dinsmore.

AYES: Struble, Dinsmore, Ratliff, Dillinger

NAYS: Isom. Motion carried.

City Clerk/Administrator Miller informed Council she had received a request from a resident on N 1st Street for the Council to consider a lower speed limit on the North end of 1st Street. Following discussion, Council requested Public Works Director Riesland contact the County to request they install a 'reduced speed ahead' sign, that the speed trailer be set along there, and that the police monitor the area.

Council discussed a training program for City officials and felt it would be beneficial for Council and also City Boards. Moved by Council member Isom to pursue the training opportunity, seconded by Council member Dillinger. Motion carried on a 5-0 vote.

City Clerk/Administrator Miller will contact Board Members to determine interest and set up a meeting for April or June.

Moved by Council member Struble to go into executive session for collective bargaining, pursuant to I.C. Chapter 20.17(3), seconded by Council member Dillinger. Roll call.

AYES: Struble, Dinsmore, Ratliff, Dillinger, Isom

NAYS: None. Motion carried. Meeting adjourned at 7:50 p.m.

Moved by Council member Struble to reconvene open session, seconded by Council member Isom. Motion carried on a 5-0 vote. Meeting reconvened at 8:26 a.m.

Moved by Council member Struble to proceed with contract negotiations as set out in executive session, seconded by Council member Dinsmore. Motion carried on a 5-0 vote.

Chip Schultz, Ruan Securities, explained the bond issue calls and new bond issue, and presented an overview of the financing.

Moved by Council member Struble to approve Resolution 12-08, “Resolution Taking Additional Action To Enter Into A Loan Agreement, Approving Bond Purchase Agreement And Authorizing Call Of Bonds”, seconded by Council member Dinsmore. Motion carried on a 5-0 vote.

RESOLUTION 12-08

Resolution Taking Additional Action To Enter Into A Loan Agreement, Approving Bond Purchase Agreement And Authorizing Call Of Bonds

WHEREAS, the City of Missouri Valley (the “City”), in the County of Harrison, State of Iowa, previously issued its \$980,000 General Obligation Corporate Purpose and Refunding Bonds, Series 2005A, dated November 15, 2005 (the “2005A Bonds”) a portion of which currently remain outstanding maturing on such dates and in such amounts and bearing interest at such rates as follows:

Maturity Date (June 1)	Principal	Rate	Maturity Date (June 1)	Principal	Rate
2012	\$90,000	3.80%	2014	\$100,000	4.00%
2013	\$95,000	3.90%	2015	\$100,000	4.10%

; and

WHEREAS, pursuant to the resolution (the “2005A Issuance Resolution”) authorizing the issuance of the 2005A Bonds, the City reserved the right to call the 2005A Bonds maturing in the years 2011 through 2015 (the “Callable 2005A Bonds”) for early redemption on any date on or after June 1, 2010, subject to the provisions of the 2005A Issuance Resolution; and

WHEREAS, the City previously issued its \$2,980,000 General Obligation Water Improvement Bonds, Series 2008A, dated April 15, 2008 (the “2008A Bonds”) a portion of which currently remain outstanding maturing on such dates and in such amounts and bearing interest at such rates as follows:

Maturity Date (June 1)	Principal	Rate	Maturity Date (June 1)	Principal	Rate
2012	\$125,000	3.00%	2020	\$170,000	4.15%
2013	\$130,000	3.20%	2021	\$175,000	4.20%
2014	\$135,000	3.40%	2022	\$185,000	4.25%
2015	\$140,000	3.60%	2023	\$190,000	4.30%
2016	\$145,000	3.80%	2024	\$200,000	4.35%
2017	\$150,000	3.90%	2025	\$210,000	4.40%
2018	\$155,000	4.00%	2026	\$215,000	4.45%
2019	\$165,000	4.10%	2027	\$225,000	4.50%

; and

WHEREAS, pursuant to the resolution (the “2008A Issuance Resolution”) authorizing the issuance of the 2008A Bonds, the City reserved the right to call the 2008A Bonds maturing in the years 2016 through 2027 (the “Callable 2008A Bonds”) for early redemption on any date on or after June 1, 2015, subject to the provisions of the 2008A Issuance Resolution; and

WHEREAS, the City previously issued its \$1,050,000 General Obligation Street Improvement and Refunding Bonds, Series 2009, dated November 24, 2009 (the “2009 Bonds”) a portion of which currently remain outstanding maturing on such dates and in such amounts and bearing interest at such rates as follows:

Maturity Date (June 1)	Principal	Rate	Maturity Date (June 1)	Principal	Rate
2012	\$200,000	1.80%	2015	\$105,000	3.15%
2013	\$100,000	2.35%	2016	\$110,000	3.40%
2014	\$100,000	2.75%			

; and

WHEREAS, pursuant to the resolution (the “2009 Issuance Resolution”) authorizing the issuance of the 2009 Bonds, the City reserved the right to call the 2009 Bonds maturing in the years 2015 and 2016 (the “Callable 2009 Bonds”) for early redemption on any date on or after June 1, 2014, subject to the provisions of the 2009 Issuance Resolution; and

WHEREAS, the City, pursuant to a resolution of the City Council adopted on January 19, 2010 (the “2010 Note Resolution”), previously issued its \$235,000 General Obligation Fire Truck Acquisition Note, dated February 4, 2010 (the “2010 Note”), a portion of which remains outstanding

WHEREAS, pursuant to the 2010 Note Resolution, the City reserved the right to call the 2010 Note for redemption prior to maturity, in whole or in part at the option of the City, on any date upon payment of the par value of the principal amount of the 2010 Note plus accrued interest thereon to the date of such redemption; and

WHEREAS, the City has heretofore proposed to enter into a General Obligation Loan Agreement (the “Loan Agreement”) in a principal amount not to exceed \$3,240,000 pursuant to the provisions of Section 384.24A of the Code of Iowa for the purpose of paying the cost, to that extent, of (1) current refunding a portion of the Callable 2005A Bonds; (2) advance refunding the Callable 2008A Bonds; (3) advance refunding the Callable 2009 Bonds; (4) current refunding the outstanding principal balance of the 2010 Note; and (5) acquiring of a rescue vehicle, and it is now necessary to fix a date of meeting of the City Council at which it is proposed to take action to enter into the Loan Agreement has published notice of the proposed action and has held a hearing thereon on March 20, 2012; and

WHEREAS, a Preliminary Official Statement (the "P.O.S.") has been prepared to facilitate the sale of \$3,170,000 General Obligation Rescue Vehicle and Refunding Bonds, Series 2012A (the "Bonds") in evidence of the obligation of the City under the Loan Agreement, and the City has approved the P.O.S. and has authorized its use by Ruan Securities, a Division of D.A. Davidson & Co. (the "Underwriter"); and

WHEREAS, the Underwriter has prepared a certain Bond Purchase Agreement (the "Bond Purchase Agreement") with respect to the Loan Agreement and the Bonds, and it is now necessary for the City Council to approve the Bond Purchase Agreement and make provision for its execution and delivery; and

WHEREAS, it is now necessary to authorize the calling of the Callable 2005A Bonds and the Callable 2010 Notes for early redemption;

NOW, THEREFORE, It Is Resolved by the City Council of the City of Missouri Valley, Iowa, as follows:

Section 1. The City Council hereby determines to enter into the Loan Agreement in the future and orders that the Bonds be issued at such time, in evidence thereof. The City Council further declares that this resolution constitutes the "additional action" required by Section 384.24A of the Code of Iowa.

Section 2. Bankers Trust Company, Des Moines, Iowa, as Registrar and Paying Agent for the Callable 2005A Bonds is hereby authorized to take all action necessary to call the outstanding Callable 2005A Bonds for early redemption on April 25, 2012 (the "Redemption Date"), and is further authorized and directed to give notice of such redemption by sending notice to each of the registered owners of the Callable 2005A Bonds to be redeemed at the addresses shown on the City's registration books, not less than 30 and not more than 60 days prior to the Redemption Date.

Section 3. The City Clerk, as Registrar and Paying Agent for the Callable 2010 Notes is hereby authorized to take all action necessary to call the outstanding Callable 2010 Notes for early redemption on the Redemption Date.

Section 4. The City Council hereby approves the Bond Purchase Agreement in substantially the form as has been presented to the City Council. The Mayor and the City Clerk are hereby authorized to execute the Bond Purchase Agreement on behalf of the City and to deliver the same to the Underwriter.

Section 5. Further action with respect to the authorization of the Loan Agreement and the issuance of the Bonds is hereby adjourned to the City Council meeting on April 3, 2012.

Section 6. All resolutions and orders or parts thereof in conflict with the provisions of this resolution, to the extent of such conflict, are hereby repealed.

Section 7. This resolution shall be in full force and effect immediately upon its adoption and approval, as provided by law.

Passed and approved March 20, 2012.

Clint Sargent, Mayor

Attest:

Rita M. Miller
City Clerk/Administrator

Moved by Council member Dinsmore to approve Resolution 12-09, "Resolution Taking Additional Action To Enter Into A Water Revenue Refunding Loan Agreement And Approving Bond Purchase Agreement", seconded by Council member Dillinger. Motion carried on a 5-0 vote.

RESOLUTION 12-09

Resolution Taking Additional Action To Enter Into A Water Revenue Refunding Loan Agreement And Approving Bond Purchase Agreement

WHEREAS, the City of Missouri Valley, in the County of Harrison, State of Iowa (hereinafter referred to as the "City"), did heretofore establish a Municipal Waterworks System (the "Utility") in and for the City which has continuously supplied water and water service in and to the City and its inhabitants since its establishment; and

WHEREAS, the management and control of the Utility are vested in the City Council and no board of trustees exists for this purpose; and

WHEREAS, the City previously issued its \$1,725,000 Water Revenue Bonds, Series 2008, dated April 15, 2008 (the "2008 Bonds") a portion of which currently remain outstanding maturing on such dates and in such amounts and bearing interest at such rates as follows:

Maturity Date (June 1)	Principal	Rate	Maturity Date (June 1)	Principal	Rate
2012	\$70,000	3.15%	2020	\$95,000	4.30%
2013	\$70,000	3.35%	2021	\$100,000	4.35%
2014	\$75,000	3.55%	2022	\$105,000	4.40%

2015	\$80,000	3.75%	2023	\$110,000	4.45%
2016	\$80,000	3.95%	2024	\$115,000	4.50%
2017	\$85,000	4.05%	2025	\$120,000	4.55%
2018	\$85,000	4.15%	2026	\$125,000	4.60%
2019	\$90,000	4.25%	2027	\$130,000	4.65%

; and

WHEREAS, pursuant to the resolution (the “2008 Issuance Resolution”) authorizing the issuance of the 2008 Bonds, the City reserved the right to call the 2008 Bonds maturing in the years 2016 through 2027 (the “Callable 2008 Bonds”) for early redemption on any date on or after June 1, 2015, subject to the provisions of the 2008 Issuance Resolution; and

WHEREAS, the City has heretofore proposed to enter into a Water Revenue Refunding Loan Agreement (the “Loan Agreement”) in a principal amount not to exceed \$1,375,000 pursuant to the provisions of Section 384.24A of the Code of Iowa for the purpose of paying the cost, to that extent, of advance refunding a portion of the Callable 2008 Bonds, and has published notice of the proposed action and has held a hearing thereon on March 20, 2012; and

WHEREAS, a Preliminary Official Statement (the “P.O.S.”) has been prepared to facilitate the sale of \$1,360,000 Water Revenue Refunding Bonds, Series 2012 (the “Bonds”) in evidence of the obligation of the City under the Loan Agreement, and the City has approved the P.O.S. and authorized its use by Ruan Securities, a Division of D.A. Davidson & Co. (the “Underwriter”); and

WHEREAS, the Underwriter has prepared a certain Bond Purchase Agreement (the “Bond Purchase Agreement”) with respect to the Loan Agreement and the Bonds, and it is now necessary for the City Council to approve the Bond Purchase Agreement and make provision for its execution and delivery;

NOW, THEREFORE, Be It Resolved by the City Council of the City of Missouri Valley, as follows:

Section 1. The City Council hereby determines to enter into the Loan Agreement in the future and orders that Water Revenue Refunding Bonds be issued at such time, in evidence thereof. The City Council further declares that this resolution constitutes the “additional action” required by Section 384.24A of the Code of Iowa.

Section 2. The City Council hereby approves the Bond Purchase Agreement with the Underwriter in substantially the form as has been presented to the City Council. The Mayor and the City Administrator are hereby authorized to execute the Bond Purchase Agreement on behalf of the City and to deliver the same to the Purchaser

Section 3. All resolutions or parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section 4. Further action with respect to the authorization of the Loan Agreement and the issuance of the Bonds is hereby adjourned to the City Council meeting scheduled for April 3, 2012.

Section 5. This resolution shall be in full force and effect immediately upon its adoption and approval, as provided by law.

Passed and approved March 20, 2012.

Clint Sargent, Mayor

Attest:

Rita M. Miller
City Clerk/Administrator

City Clerk/Administrator Miller informed Council of the water line repairs on N 3rd Street. She also gave status reports on the water line project and the filtration tank demolition.

Moved to adjourn by Council member Struble, seconded by Council member Dillinger. Motion carried on a 5-0 vote. Meeting adjourned at 8:50 p.m.

Clint Sargent, Mayor

Attest:
Rita Miller
City Clerk/Administrator