

Michael Pfeifer turned in all his equipment and the Police Car to the Mayor . It was decided to advertize for a Policeman in the Omaha World Herald.

Motion by Keith Westphal to approve a Cigarette License to Evelyn L. Baudler d/b/a Twilight Cafe. Seconded by Randall Bond. Carried.

The Taylor Building and ZimmerlineProperty were discussed. The Council felt that proceedings should be started to eliminate the hazards connected with these buildings.

The hiring of summer help was discussed. Motion by Randall Bond to pay experienced help \$2.50 and inexperienced help \$2.20 per hour for school summer help. Seconded by Deane Darrow. Carried. The Council felt Mike Sickles and Hugh Homan should be rehired, and Delmer was to go through the list of applications and select one more person to work.

The Clerk was directed to contact Mr. Tom Mehl, to set up a meeting for May 6 to discuss Water Revenue Bonds to be sold. This meeting to be held at 7:00 p.m.

Wage negotiations were discussed but were tabled for the time being.

Motion by Deane Darrow to Adjourn. Seconded by Art Baudler. Carried.

Attest: Evelyn M. Kohner, Clerk

Betty V. Burcham, Mayor

Fontanelle, Iowa  
May 6, 1977

The City Council met in Special Session at 7:00 p.m. at the City Hall with Mayor Betty V. Burcham presiding. Council members present were: Art Baudler, ~~Deane Darrow~~, Deane Darrow, Ralph Means & Keith Westphal. Absent: ~~Randall Bond~~.

The purpose of the meeting was to meet with Mr. Tom Mehl of the Robert E. Schweser Co. Mr. Mehl proposed to sell \$90,000 in Water Revenue Bonds to cover part of the Pledge Orders. Mr. Mehl noted that there is a good markt and could get a good market bid on the bonds. He also stated this would give a \$500. break in his fee.

Motion by Keith Westphal to authorize the Mayor to sign the Letter of Intent with Robert E. Schweser Co. Seconded by Art Baudler. Carried.

LETTER OF INTENT

Gentlemen:

The City Council of Fontanelle, Iowa, is desirous of immediatly selling Water Revenue Bonds in the total principal amount of \$90,000. and Robert E. Schweser Company Incorporated has proposed to act as a special agent for the City Council in connection with the placement of the bonds. The parties hereby agree that Robert E. Schweser Company Incorporated of Des Moines, Iowa, Fiscal Agent for the City Council of the City of Fontanelle, Iowa, is hereby authorized, as agent for the City Council to undertake the placement with underwriters of \$90,000 Water Revenue Bonds. The Company is hereby authorized to commit the City Council to deliver to the purchaser or purchasers the Water Revenue Bonds of the City on the terms and conditions set out hereafter:

1. The bonds shall be dated June 1, 1977, be in \$5,000. denomination except those maturing in June 1, 1984 through June 1, 1987 inclusive, which shall be in \$1,000 denominations, shall mature June 1, 1978 through June 1 1990, with interest payable December 1, 1977 and semiannually thereafter on June 1 and December 1 of each of the years respectively.

2. Bonds maturing 1988 through 1990 shall be optional for payment on June 1, 1987, and any interest payment date thereafter at par plus accrued interest.

3. Attached hereto as a part of this Letter of Intent is a proposed maturity schedule showing the average interest cost.

4. The covenants of the Bond Resolution shall contain provisions common to revenue financing such as requiring: annual audits, adequate insurance coverage, proper surety bonding of utility officials, proper accounting and bookkeeping procedures, maintenance of adequate rates and charges to provide sufficient funds for operation and maintenance and bonded debt service requirements, and not sell, pledge, mortgage, lease, otherwise encumber or endanger any of the property or equipment of said utility.

5. Delivery of these bonds shall be on or about June 1, 1977. In consideration of the time and expense in connection with the placement of the bonds contemplated herein, the Company, at the time the bonds have been placed with the purchaser or purchasers, will receive as compensation for performing this service any premium paid by said purchaser or purchasers. The Company agrees that the expenses in connection with this issue involving the printing of the bonds and other out-of-pocket expenses of the Company shall be paid for by the Company as required under

their fiscal agreement with the City Council dated November 4, 1974. The preliminary official statement offering the bonds on behalf of the City Council will be filed with the City Clerk at the time of first offering the bonds and a complete recapitulation of the transaction will be filed with the City Clerk prior to closing.

If the proceeds of this entire issue have not been received by the City Council within 60 days of the date of this agreement, the authority for further placement shall cease unless the period has been extended by resolution of the City Council of Fontanelle, Iowa.

Respectfully submitted,

By /s/ Tom B. Mehl  
Assistant Vice President

The foregoing Letter of Intent is hereby agreed to and accepted by the Mayor and City Council of the City of Fontanelle, Iowa, this 6th day of May, 1977.

/s/ Betty V. Burcham  
Mayor

Attest: Evelyn M. Rohner  
City Clerk

CITY OF FONTANELLE, IOWA  
\$90,000 Water Revenue Bonds

Year	Principal	Coupon	Interest Cost	Total Principal and Interest
1978	\$ 5,000	5.50%	\$ 5,187.50	\$10,187.50
1979	5,000	5.50	4,912.50	9,912.50
1980	5,000	5.50	4,637.50	9,637.50
1981	5,000	5.50	4,362.50	9,362.50
1982	5,000	5.50	4,087.50	9,087.50
1983	5,000	5.75	3,812.50	8,812.50
1984	6,000	5.75	3,525.00	9,525.00
1985	8,000	5.75	3,180.00	11,180.00
1986	8,000	5.75	2,720.00	10,720.00
1987	8,000	5.75	2,260.00	10,260.00
1988/*	10,000	6.00	1,800.00	11,800.00
1989/*	10,000	6.00	1,200.00	11,200.00
1990/*	10,000	6.00	600.00	10,600.00
	<u>\$90,000</u>		<u>42,285.00</u>	<u>132,285.00</u>

Average Interest Rate= 5.84%  
Ten Year Option

##### Deane Darrow introduced Resolution No. 77.6 entitled "RESOLUTION Approving Street Construction for July 1, 1977 to June 30, 1978," and moved for its adoption. Ralph Means seconded the motion to adopt. Roll was called and the vote was: Ayes: Art Baudler, Deane Darrow, Ralph Means and Keith Westphal. Nays: None.

WHEREUPON, the Mayor declared Resolution No. 77.6 to be passed and approved on this 6th day of May, 1977.

RESOLUTION NO. 77.6

RESOLUTION APPROVING STREET CONSTRUCTION FOR  
JULY 1, 1977 to JUNE 30, 1978.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FONTANELLE, IOWA: That the Street Construction Report read at this meeting which includes Section 1 of the Storm Sewer Project and Street Construction plans for the coming year was approved as the official report for the City of Fontanelle.

Passed and approved this 6th day of May, 1977.

*Evelyn M. Rohner*  
Attest: Evelyn M. Rohner, Clerk

Betty V. Burcham, Mayor

Mr. & Mrs. Gary Bakerink were present to ask the Council about Water Hook up, and if the fee had been paid, by the previous owner. It was determined that the line had been run in before the hook up fee was established.

Wages were discussed. It was decided that it would be better to meet with each employee individually. The Mayor and Council will meet at 7:00 p.m. Wednesday night, May 11th, and the employees will meet with them starting at 7:30.

Don Shilling ask if the Council would be willing to get someone to mow the park while he is doing Police duty. Deane Darrow was given Authority to hire someone for \$100. or less if possible; to mow the park

and other areas for two weeks or until a new Policeman is hired.  
Motion by Deane Darrow to Adjourn. Seconded by Art Baudler. Carried.

Attest: *Evelyn M. Rohner*  
Evelyn M. Rohner, Clerk

Betty V. Burcham, Mayor

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Fontanelle, Iowa  
May 11, 1977

The City Council met in Special Session at 7 P.M. at the City Hall with Mayor Betty V. Burcham presiding. Council Members present were: Art Baudler, Randall Bond, Deane Darrow and Keith Westphal. Absent: Ralph Means.

The purpose of the meeting was to negotiate wages.

Motion by Deane Darrow to raise the City Clerk's wages 50¢ an hour. Seconded by Keith Westphal. Carried.

Motion by Deane Darrow to raise the Wages of Kerry Miller 50¢ an hour. Seconded by Randall Bond. Carried.

Wages for Police and Police/Custodian will remain at \$6890.00 annually. Delmer Miller is to give his answer at the next regular meeting.

Eight applications for a Policeman were reviewed. After much discussion it was decided that 2 applications would be further studied, and references would be checked thoroughly.

Motion to Adjourn by Deane Darrow. Seconded by Randall Bond. Carried.

Attest: *Evelyn M. Rohner*  
Evelyn M. Rohner  
Clerk

Betty V. Burcham, Mayor

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Fontanelle, Iowa  
May 13, 1977

The Council of the City of Fontanelle, Iowa, met in Special Session on the 13th day of May, 1977, at 7:00 o'clock p.m., at the City Hall, in the City. The Mayor presided and the roll was called showing the following members of the Council present and absent: Present: Art Baudler, Randall Bond, Deane Darrow and Keith Westphal. Absent: Ralph Means.

Council Member Keith Westphal introduced and the Clerk read the resolution hereinafter next set out and the said Council member moved its adoption, seconded by Council Member Deane Darrow. After due consideration thereof by the Council, the Mayor put the question upon the adoption of the said resolution and the roll being called, the following named Council Members voted: Ayes: Art Baudler, Randall Bond, Deane Darrow, and Keith Westphal. Nays: None

Whereupon, the Mayor declared the said resolution duly adopted, as follows:

RESOLUTION NO. 77.7

TO FIX A DATE OF MEETING AT WHICH IT IS PROPOSED TO TAKE ACTION FOR THE ISSUANCE OF \$90,000 WATER REVENUE BONDS, SERIES 1977.

WHEREAS, the City of Fontanelle, in Adair County, Iowa (hereinafter sometimes referred to as the "City") did heretofore in the year 1913 establish a Municipal Waterworks System in and for the City (hereinafter sometimes referred to as the "Utility") which has continuously supplied water and water services in and to the City and its inhabitants since its establishment as aforesaid; and

WHEREAS, The management and control of such Utility is now vested in the Council of the City, and no Board of Trustees exists for this purpose; and

WHEREAS, heretofore the City did order the construction of improvements to the Utility (the "Improvement"); and

WHEREAS, during the construction of the Improvement, pledge orders (the "Pledge Orders") payable from the net revenues of the Utility have been issued from time to time by the City to the contractors under the terms of their contracts on estimates approved by the engineer for work performed and materials furnished, and to other persons in payment of a part of the cost of the Improvement, and the amount of the outstanding Pledge Orders with interest to June 1, 1977 exceeds the sum of \$90,000; and