



**PLEASANT HILL CITY COUNCIL
REGULAR SESSION
OCTOBER 25, 2016
6:30 PM**

1. CALL TO ORDER/ROLL CALL

2. APPROVAL OF AGENDA

- 3. PUBLIC HEARING:** Consideration of a Lease agreement with TowerCo.
a. **Resolution #102516-01** – Approval of lease agreement with TowerCo.

4. PUBLIC INPUT (5 MINUTES FOR ITEMS NOT ON THE AGENDA)

5. CONSENT ITEMS

- a. Council Minutes - dated 10-11-16
- b. Claims Listing - dated 10-25-16
- c. Revenue Report - dated 09-30-16
- d. Expenditure Report - dated 09-30-16
- e. Treasurers Report - dated 09-30-16
- f. Library Board Minutes – dated 09-22-16
- g. **Resolution #102516-02** – Transfer of Funds – Emergency Fund to Equipment Replacement Fund
- h. **Resolution #102516-03** – Transfer of Funds – Employee Benefits Fund to General Fund
- i. **Resolution #102516-04** – Approval of Lien Schedule
- j. **Resolution #102516-05** – Transfer of Funds – from Water, Sewer, and General Funds to TIF
- k. **Resolution #102516-06** – Transfer of Funds – TIF to TIF CIP
- l. **Resolution #102516-07** – Resolution setting date for sale of General Obligation Street Improvement Bonds

6. BUSINESS ITEMS

- a. **Resolution #102516-08** – Approval of ICAAP Grant Application
- b. Third reading of **Ordinance 809** - Rezoning A-1 Agricultural to R1-90 Single Family Residential – Lots 2, 3, and 4, in Block 4, Rising Sun

7. CLOSING COMMENT

- 8. CLOSED SESSION-** Pursuant to Iowa Code Section 21.5.1(c) For City Council to discuss legal issues
a. City Council may return to open session and take action on items discussed during the closed session.

9. ADJOURNMENT



**CITY OF PLEASANT HILL, IOWA
CITY COUNCIL AGENDA COMMUNICATION**

DATE: October 25, 2016
TO: Mayor and Council
FROM: Donald Sandor, City Manager
SUBJECT: Public Hearing and Lease Agreement with TowerCo.

BACKGROUND:

At the October 11th Council meeting the City Council approved a site plan for a 190 ft. wireless communications monopole tower in Sunrise Park. The proposed tower will provide a location for the communication antennas that are currently on the water tower to be relocated. At that Council meeting a public hearing was set for tonight to consider the lease for the tower placement. The lease provides for the leasing of 2,100 square feet for the construction and ongoing operations of the proposed tower. The monthly rent for the land is set at \$1,750.00, with a term of five years and four renewals of five years each. The rent rate will be adjusted with each renewal.

ALTERNATIVES:

Not approve the lease. However this would require the antennas to remain of the water tower which, due to safety concerns and maintenance issues, is no longer a viable option.

FINANCIAL CONSIDERATIONS:

None with this action. The City currently receives rent from the antennas on the water tower so the rent for the land will replace that rent income.

RECOMMENDATION:

Conduct the public hearing. Approve the lease agreement.

RESOLUTION #102516-01

**A RESOLUTION APPROVING THE LEASE AGREEMENT WITH TOWERCO
FOR THE LOCATION OF A MONOPOLE ON CITY PROPERTY**

WHEREAS, TowerCo is desirous of constructing a communication tower in Sunrise Park for the purpose of relocating communication antennas from the existing water tower, and

WHEREAS, the City Council has reviewed a proposed lease agreement with TowerCo for land in Sunrise Park for the purpose of construction of a 190 foot monopole, and

WHEREAS, the City Council held a public hearing to consider all comments and concerns regarding the purposed lease;

NOW, THEREFORE BE IT RESOLVE that the City Council of the City of Pleasant Hill, Iowa does hereby approved the lease agreement with TowerCo, said lease attached to this resolution and thereby made a part of this resolution.

ADOPTED this 25th day of October, 2016.

Sara Kurovski, Mayor

ATTEST:

Dena Spooner, City Clerk/Finance Director

GROUND LEASE AGREEMENT

THIS GROUND LEASE AGREEMENT (“Agreement” or “Lease”) is effective as of the latter of the signature dates below (“Effective Date”) by and between the City of Pleasant Hill, Iowa (“City”), and TowerCo 2013 LLC, a Delaware limited liability company (“Lessee”).

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, THE PARTIES HERETO AGREE AS FOLLOWS:

1. Premises. City is the owner of certain real property located in the City of Pleasant Hill, County of Polk, State of Iowa, commonly known as Sunrise Park, 5414 Oakwood Drive, Pleasant Hill, IA 50317 (the “Parent Parcel”), as more particularly described in Exhibit “A” attached hereto. City hereby leases to Lessee and Lessee leases from City approximately Two Thousand and Fifty (2,050) square feet within the Parent Parcel and together with a license for access thereto through a defined Access and Utility Easement (“and a license to install or permit utility services and communication lines within a defined Access and Utility Easement, all as described in, and illustrated in Exhibit “B” annexed hereto (the “Premises”).
2. Contingency. This Lease shall be contingent upon Lessee’s commitment to build a One Hundred Ninety foot (190’) wireless communications monopole tower, without guy wires, together with antennas, and buildings, and related facilities and improvements as set forth in Paragraph 9 (“Lessee Facility”) on the Premises, after it obtains the binding commitment of the communications providers listed in Exhibit “C” annexed hereto to relocate all of their existing communication facilities from the water tower structure located on the Parent Parcel to the Lessee Facility, as subtenants or licensee of Lessee. Such removal shall include, but not limited to all facilities currently located within the support structure of the water tower. The Lessee Facility shall be built with sufficient capacity to permit all existing communications providers to relocate, and with expansion capacity for at least 3 additional sub-lessees or licensees. This lease shall terminate without notice, unless Lessee shall obtain the requisite relocation commitments and commence construction of the Lessee Facility on or before December 31, 2018.
3. Use. The Premises shall be used by Lessee and Lessee’s tenants and licensees for the transmission and receipt of wireless communication signals in any and all frequencies, the construction, maintenance, operation, subleasing, and licensing of the Lessee Facility, and for other uses which are incidental thereto, and only for such use (“Intended Use”). Lessee and its sub-lessees and licensees shall have access to the Premises twenty-four (24) hours a day, seven (7) days a week, solely for the Intended Use. City agrees to cooperate with Lessee in obtaining, at Lessee's expense, all licenses and permits required for Lessee's use of the Premises (the “Governmental Approvals”). City further agrees to cooperate with Lessee in executing and delivering documents, not inconsistent with the terms of this Lease reasonably requested by Lessee to obtain Government Approvals necessary for its Intended Use. In the event that Lessee's Intended Use of the Premises is actually or constructively prohibited then, in addition to any other remedies available to Lessee, Lessee shall have the option to terminate this Lease upon notice to City.

4. Term. The term of this Lease shall commence on the date that Lessee begins construction of the Lessee Facility and shall continue for five (5) years from the date Lessee begins commercial operation of the Lessee Facility, or twelve (12) months from the Effective Date, whichever first occurs (“Rent Commencement Date”) and terminating on the fifth (5th) anniversary of the Rent Commencement Date (the “Term”), unless extended under Paragraph 5, or as earlier terminated as provided herein.

5. Renewal Terms. Lessee shall have the right to extend this Lease for four (4) additional five (5) year terms (“Renewal Terms”). Each Renewal Term shall be on the same terms and conditions as set forth in this Lease except that Rent shall increase as provided in Paragraph 6. This Lease shall automatically be renewed for each successive Renewal Term unless Lessee notifies City in writing of Lessee’s intention not to renew the Lease at least one hundred twenty (120) days prior to the expiration of the Term or the Renewal Term which is then in effect.

6. Consideration. During the Term, Lessee shall pay City the sum of One Thousand Seven Hundred and Fifty DOLLARS (\$1,750) per month beginning on the Rent Commencement Date, plus the additional rent as defined below as applicable, with annual adjustments as herein provided (“Rent”). Rent shall be payable to City in advance on the first day of each month thereafter during the Term and any Renewal Terms. If this Lease is terminated at a time other than on the anniversary of the Rent Commencement Date, Rent shall be prorated for any partial month. As further consideration for City to enter into this Lease:

a) Lessee shall pay to City within ten (10) days of the Effective Date of this Lease, a one-time, signing fee of Two Thousand DOLLARS (\$2,000). Such fee shall be fully earned upon the Effective Date and shall not be refundable if the contingency of Paragraph 2 is not met.

b) The Additional Rent as provided for in Paragraph 18 shall be added to the Rent effective on the first day of the month immediately after Lessee begins collecting compensation from the Co-Locator.

c) The monthly Rent, including any Additional Rent as provided for in Paragraph 18, shall be increased on the anniversary of the Rent Commencement Date by 3 percent (3%) of the immediately preceding month’s Rent for each year that this Lease remains in effect, including years under all extensions of the term that arise as provided hereunder.

All sums shall be paid at City’s address as specified in Paragraph 28 below, or at such other place in Iowa, or elsewhere, as City may, from time to time, designate in writing. Delinquent payments shall draw interest at 5% per annum from the due date, until paid.

7. Possession. Lessee shall be entitled to possession of the Premises as of the Rent Commencement Date, for purposes of commencement of construction of the Lessee Facility, and during the Term and any Renewal Terms, and shall yield possession to the City at the end of the Term, or any Renewal Terms, whichever last occurs, except as herein otherwise expressly provided.

8. Condition Of Premises. Lessee takes the Premises in its present condition, except as may be expressly otherwise provided in this Lease. Neither Party will permit nor allow the Premises to be damaged or depreciated in value by any act, omission to act, or negligence of itself, its agents or employees.

9. Improvements; Utilities; Access.

a) Lessee shall have the right, at Lessee's sole cost and expense, to erect and maintain the Lessee Facility on the Premises including all improvements, installation of personal property and facilities necessary or desired for its Intended Use, all of which shall be deemed part of the Lessee Facility. The Lessee Facility shall remain the exclusive property of the Lessee throughout the Term and any Renewal Terms, and after the termination of this Lease. Lessee may construct, alter, reconstruct, restore, replace, supplement, modify and reconfigure the Lessee Facility at any time during the Term or any Renewal Term of this Lease. Lessee shall remove the Lessee Facility in its entirety, including removal of all foundations and footings to a depth of at least 24 inches below grade, not later than one hundred eighty (180) days following any termination of this Lease and restore the Premises to their original above-ground condition, unless City shall at its sole option elect to purchase any permanent improvement to the Premises, which is included as part of the Lessee Facility for its own use, by notice given not later than thirty (30) days following any termination of this Lease at a price to be determined by negotiation between the Parties, or if the Parties are unable to agree on such price by exercise by City of its power of eminent domain.

b) Lessee shall have the right and license to install power, telecommunications, cables, conduit, and any other utilities, within the Access and Utility Easement, including cabinets, vaults and improvements directly related to such utilities, on the Premises, at Lessee's expense, and to improve existing utilities on the Premises, including but not limited to the installation of emergency or back-up power generators. Lessee shall have the right to permanently place utilities on (or to bring utilities across or under) the Premises. In the event that utilities necessary to serve the equipment of Lessee or the equipment of Lessee's licensee(s) or sub-lessee(s) cannot be located within the Access and Utility Easement or elsewhere on the Premises, City agrees to cooperate with Lessee and to act reasonably in allowing the location of utilities on the Parent Parcel without requiring additional compensation from Lessee or Lessee's licensee(s) or sub-lessee(s), provided that such location can be accommodated without undue interference with City operations. In no event shall any utilities or facilities of Lessee be allowed to be located on, or within City's existing water tower, or within the areas described in Exhibit B as reserved for City's exclusive use (such tower and areas are "Exclusive Use Areas").

c) Lessee shall have the right to clear all trees, undergrowth, or other obstructions and to trim, cut, and keep trimmed and cut all tree limbs which may interfere with or fall upon the Lessee Facility or Premises upon reasonable notice to City, but only to the extent such activity does not impair City's enjoyment of the Exclusive Use Areas.

d) City grants to Lessee, its officers, agents, employees, sub-lessees, licensees and their independent contractors, the right and privilege to enter upon the Premises and the Parent Parcel, upon reasonable notice to City, to perform or cause to be performed test borings of the

soil, environmental audits, engineering studies and to conduct a survey of the Premises and all or part of the Parent Parcel, other than the Exclusive Use Areas. City grants Lessee and its sub-lessees and licensees a license to use such portion of City's property contiguous to the Premises, other than Exclusive Use Areas, on a temporary basis as reasonably required during the Term or any Renewal Terms for the construction, installation, maintenance or removal of the Lessee Facility, including access for construction machinery and equipment, storage of construction materials and equipment and staging areas.

e) Lessee shall at all times during this Lease enjoy ingress, egress and access from the Premises by means of the Access and Utility Easement twenty-four (24) hours a day, seven (7) days a week to an open and improved public road which presently exists and which shall be adequate to service the Premises and the Lessee Facility. If no such public road exists or ceases to exist in the future, City will grant an exclusive license to Lessee, Lessee's sub-lessees and assigns so that Lessee may, at its own expense, construct a suitable private access drive to the Premises and the Lessee Facility. City shall maintain access to the Access and Utility Easement in a free and open condition so that no interference is caused to Lessee by other lessees, licensees, invitees or agents of the City which may utilize the Access and Utility Easement.

10. Lessee Covenants.

a) Lessee shall keep the Premises and Lessee Facility in a safe and serviceable condition at its sole cost and expense. Lessee shall be solely responsible, at its sole cost and expense, to maintain and repair the Lessee Facility and to keep them in good safe condition.

b) Lessee will make no unlawful use of the Premises and shall comply with all applicable city and county regulations and ordinances, the laws of the State of Iowa and the federal government. Without limiting the generality of the foregoing, Lessee shall obtain all required state, county and city permits and shall comply with applicable safety, health and regulations.

c) Lessee shall, in respect to the condition of the Premises and at Lessee's sole cost and expense, comply with all building codes requiring modifications to the Premises due to the improvements being made by Lessee to the Premises.

d) Lessee shall use the Premises in a safe, orderly, and environmentally proper manner consistent with good engineering practice and without undue risk to any person or to the property of City or others and without any nuisance to others and maintain the Premises in a safe, clean, presentable condition. Lessee shall be solely responsible to use and maintain the Premises in a proper manner and to determine the nature and extent of all steps necessary and proper to achieve such objectives, but they shall include, at a minimum, adherence to following minimum standards:

i) Lessee shall ascertain all underground utility line conflicts before commencement of any borings, excavation or underground work, and shall conduct all such work to avoid such conflicts. Lessee shall register the underground portions of the Lessee Facilities with Iowa One Call and

shall be responsible for locating such facilities when one call locate requests are made.

- ii) Any areas of the Parent Parcel outside of the Premises disturbed by Lessee during its work on the Premises at any time will be restored to good condition and to City's satisfaction upon completion of the work.
- iii) Before commencing any subsequent alterations to the Premises, Lessee shall submit plans and specifications to the City for the City's written approval, which approval shall not be unreasonably withheld, conditioned or delayed. In the event the City does not either (i) object to the plans in writing or (ii) furnish the Lessee with written approval, within fifteen (15) days of the date of submission of the plans, City will be deemed to have approved them. All work to be done by Lessee shall be performed in accordance with the approved plans unless otherwise approved in writing by the City, which approval shall not be unreasonably withheld, conditioned or delayed. Lessee shall promptly supply as built drawings to City upon the completion of the work.
- iv) Lessee shall not place signage on the Premises except as required by law.
- v) Electromagnetic radiation emissions from the Premises shall be at frequencies and levels of power as are within limits of all applicable laws and regulations governing such emissions.
- vi) Lessee shall not store liquid fuels on the Premises, except the extent approved in advance by City in connection with emergency power generators, and shall not construct or operate any underground storage tanks on the Premises. Any back-up power generator shall be fueled by natural gas.
- vii) The use of the Premises shall at all times be conducted so as to be compatible with City's water supply and distribution activities on the Parent Parcel.

11. Lessee's Representations and Warranties. As an inducement for City to enter into and be bound by the terms of this Lease, Lessee represents and warrants to City and City's successors and assigns that:

- a) Lessee has been duly formed and is validly existing under the laws as a limited liability company under the laws of the State of Delaware and is qualified to do business in the State of Iowa.
- b) Lessee has the authority to enter into and be bound by the terms of this Lease.

c) To the best of Lessee's knowledge, there are no pending or threatened lawsuits, administrative actions (including bankruptcy or insolvency proceedings), suits, claims or causes of action against Lessee or which may otherwise affect its performance of this Lease.

d) The execution of this Lease is consistent with Lessee's Certificate of Organization, Operating Agreement and other governing documents, and has been duly and properly authorized by all required company action.

12. City's Representations and Warranties. As an inducement for Lessee to enter into and be bound by the terms of this Lease, City represents and warrants to Lessee and Lessee's successors and assigns that:

a) Good and marketable title to the Premises is held in the name of the City of Pleasant Hill, Iowa.

b) City has the authority to enter into and be bound by the terms of this Lease.

c) To the best of City's knowledge, there are no pending or threatened lawsuits, administrative actions (including bankruptcy or insolvency proceedings), suits, claims or causes of action against City or which may otherwise affect the Premises.

d) The Premises are not presently subject to an option, lease, agreement or other contract which may adversely affect City's ability to fulfill its obligations under this Lease, except those leases and licenses listed in Exhibit C. The representations and warranties of City shall survive the termination or expiration of this Lease.

13. Expiration.

a) This Lease shall terminate upon expiration of the original Term; or if exercised by the Lessee, then this Lease will terminate at the expiration of the last of the Renewal Terms.

b) Lessee agrees that upon termination of this Lease it will surrender and deliver the Premises in good condition, except the effects of ordinary wear and tear and depreciation arising from lapse of time, or damage without fault or liability of Lessee.

c) Continued possession by Lessee, beyond the expiration of its tenancy, coupled with the receipt of the specified rental by the City (and absent a written agreement by both parties for an extension of this lease, or for a new lease) shall constitute a month to month extension of the Lease.

14. Lessee Default and City Remedies.

a) Each of the following shall constitute an event of default by Lessee:

i) Failure to pay rent when due.

- ii) Failure to observe or perform any duties, obligations, agreements or conditions imposed on Lessee pursuant to terms of the Lease.
- iii) Abandonment of the premises, "Abandonment" means the Lessee has failed to engage in its usual and customary business activities on the premises for more than fifteen (15) consecutive business days.
- iv) Institution of bankruptcy proceedings by or against Lessee as a debtor.
- v) Assignment for the benefit of creditors of the interest of Lessee under this Lease.
- vi) Appointment of a receiver for the property or affairs of Lessee, where the receivership is not vacated within ten (10) days after the appointment of the receiver ("Lessee Default").

b) Upon the occurrence of a Lessee Default, City may give Lessee a written notice specifying the Lessee Default and, in such event Lessee shall have ten (10) days in which to correct the Lessee Default. If there is a Lessee Default (other than for nonpayment of a monetary obligation of Lessee, including rent) that cannot be remedied in ten (10) days by diligent efforts of the Lessee, Lessee shall propose an additional period of time in which to remedy the Lessee Default. Consent to additional time shall not be unreasonably withheld by the City. City shall not be required to give Lessee any more than one notice for the same default within any 365 day period.

c) In the event Lessee has not remedied a Lessee Default in a timely manner following a notice of such default, City may proceed with any and all available remedies at law or in equity, including but not limited to the following:

- i) City may declare this Lease to be terminated and shall give Lessee a written notice of such termination. In the event of termination of this lease, City shall be entitled to prove claim for and obtain judgment against Lessee for the balance of the rent agreed to be paid for the term herein provided, plus all expenses of City in regaining possession of the premises and the re-letting thereof, including attorney's fees and court costs, crediting against such claim, however, any amount obtained by reason of such re-letting; or
- ii) If a default is not remedied in a timely manner, City may declare this Lease to be forfeited and shall give the Lessee a written notice of such forfeiture, and may, at the time, give Lessee the notice to quit provided for in Chapter 648 of the Code of Iowa; or
- iii) City may proceed at law or in equity with any remedy provided by law or by this lease for the recovery of sums due hereunder, or for termination of this lease because of Lessee's default in its performance.

15. Lessee Termination Rights and Remedies. Except as otherwise provided herein, this Lease may be terminated by Lessee, without any penalty or further liability upon written notice as follows:

a) Upon the occurrence of any breach or nonperformance of any representation, warranty, covenant, agreement or undertaking made by City in this Lease (“City Default”) but which City Default is not cured within sixty (60) days of receipt of written notice of default (without, however, limiting any other rights available to the parties pursuant to any other provisions hereof); provided, that if City commences good faith efforts to cure the default within such period the cure period may be extended upon mutual agreement, in writing, of the Parties hereto, Lessee shall have the option to pursue any one or more of the following remedies without further notice or demand:

- i) Lessee, may, at its sole election, terminate the Lease;
- ii) Lessee, may, without being obligated and without waiving the City Default, cure the City Default, whereupon City shall pay to Lessee, upon demand, all costs expenses, and disbursements incurred by Lessee to cure the City Default. Lessee shall be permitted to offset said costs, expenses and disbursements incurred by Lessee against Rent or any other amounts due or becoming due by Lessee to City under this Lease; or
- iii) Lessee shall be entitled to pursue any and all other rights or remedies available at law or equity, including specific performance of this Lease, with respect to the City Default.

b) Upon thirty (30) days' written notice by Lessee to City if (i) Lessee is unable to obtain or maintain any license, permit or other Governmental Approval necessary for the construction and operation of the Lessee Facility or Lessee’s business or (ii) Lessee’s Intended Use of the Premises is actually or constructively prohibited or substantially frustrated.

c) If the Premises or the Lessee Facility are destroyed or damaged so as to hinder the effective use of the Improvements in Lessee’s judgment, Lessee may elect to terminate this Lease as of the date of the damage or destruction by so notifying the City.

16. Right Of Either Party To Make Good Any Default Of The Other. If default shall be made by either party in the performance of, or compliance with, any of the terms or conditions of this Lease, including but not limited to the requirements for insurance, and such default shall have continued for thirty (30) days after written notice thereof from one party to the other, the person aggrieved, in addition to all other remedies now or hereafter provided by law, may, but need not, perform such term or condition, or make good such default and any amount advanced shall be repaid forthwith on demand, together with interest at the rate of 5% per annum, from date of advance.

17. No Lessee Liens. Except as provided in Paragraph 30.b) neither the Lessee nor anyone claiming by, through, or under the Lessee, shall have the right to file or place any mechanic's liens or other lien of any kind or character whatsoever, upon the Premise, or upon the leasehold interest of the Lessee, and notice is hereby given that no contractor, sub-contractor, or anyone else who may furnish any material, service or labor for any building, improvements, alteration, repairs or any part thereof, shall at any time be or become entitled to any lien on the Premises, and for the further security of the City, the Lessee covenants and agrees to give actual notice thereof in advance, to any and all contractors and sub-contractors who may furnish or agree to furnish any such material, service or labor.

18. Subleases. Lessee at its sole discretion shall have the right, without the consent of or notice to City, to license or sublease a portion of the Premises and the Lessee Facility to one or more third party wireless companies provided that the monthly Rent shall be increased by Two Hundred Dollars (\$200) per month ("Additional Rent") per each additional sublessee or licensee ("Co-Locator"). Notwithstanding the above, Lessee shall be permitted to sublease or license to one sublessee or licensee ("Anchor Tenant") without being required to pay the Additional Rent to City as provided above. The Anchor Tenant shall not be considered a Co-Locator and Lessee shall have the right to substitute the Anchor Tenant at any time in the event the Anchor Tenant terminates its sublease or license with Lessee. Lessee's licensee(s) and sublessee(s) shall be entitled to modify the Lessee Facility, and erect and install additional improvements and personal property on the Premises and Lessee Facility, including but not limited to antennas, dishes, cabling, utilities, emergency or back-up power, generators, and equipment shelters. All such facilities shall be constructed in conformity with the terms of this Lease. Lessee's licensee(s) and sublessee(s) shall be entitled to all rights of ingress and egress to the Premises, the right to install utilities on the Premises and the right to use the Premises for the Intended Use as if said licensee or sublessee were the Lessee under this Lease.

19. Taxes. Lessee shall pay any property taxes assessed on the Lessee Facility in full. City shall pay when due all property taxes and all other fees and assessments attributable to the Premises, other than the Lessee Facility. In the event that either Party fails to pay when due any taxes affecting the Premises or the Lessee Facility, the other party shall have the right but not the obligation to pay such taxes and deduct the full amount of the taxes paid by Lessee on City's behalf from future payments of Rent. City agrees to provide to Lessee a copy of any notice, assessment or billing relating to any real or personal property taxes for which Lessee is responsible under this Lease within thirty (30) days of receipt of same by City. Lessee shall have the right, at its sole option, and at its sole cost and expense, to appeal, challenge or seek modification of any real or personal property tax assessment or billing for which Lessee is wholly or partly responsible for payment under this Lease. City shall reasonably cooperate with Lessee in filing, prosecuting and perfecting any appeal or challenge to property taxes as set forth herein, including but not limited to executing consent to appeal or other similar document.

20. Condemnation. If a condemning authority takes all of the Premises, or a portion sufficient in Lessee's determination, to render the Premises in the opinion of Lessee unsuitable for the use which Lessee was then making of the Premises, this Lease shall terminate the earlier of:

- a) The date title vests in the condemning authority; or,
- b) The date the condemning authority takes possession of the Premises or a portion of it.

City and Lessee shall share in the condemnation proceeds in proportion to the values of their respective interests in the Premises (which for Lessee shall include, where applicable, the value of its Improvements, moving expenses, prepaid rent, lost business, goodwill, and business relocation expenses). A sale of all or part of the Premises to a purchaser with the power of eminent domain in the face of the exercise of eminent domain power shall be treated as a taking by condemnation for the purposes of this paragraph. Except as provided in this paragraph, generally applicable condemnation law will apply in the event of a condemnation.

21. Insurance.

a) Each Party shall insure their respective real and personal property located on or in the Premises for perils covered by the causes of loss – special form (all risk) and in addition, coverage for flood, wind, earthquake, terrorism and boiler and machinery (if applicable). Such insurance shall be written on a replacement cost basis in an amount equal to one hundred percent (100%) of the full replacement value, customarily insured against for property of the type.

b) Lessee shall purchase and maintain, and shall cause its construction contractors to purchase and maintain, commercial general liability insurance naming City as an additional insured against any and all claims for bodily injury and property damage occurring in, or about the Premises arising out of Lessee's use and occupancy of the Premises. Such Insurance shall have a combined single limit of not less than Five Million Dollars (\$5,000,000) per project with a Five Million Dollars (\$5,000,000) aggregate limit. Such insurance shall be primary as relates to Lessee's operations and not contributing to any insurance available to City and City's insurance shall be in excess thereto. In no event shall the limits of such insurance be considered as limiting the liability of Lessee under this Lease.

c) Limits of insurance are to be satisfied by any combination of primary and umbrella coverage.

d) Lessee shall purchase and maintain, and shall cause its construction contractors to purchase and maintain, workers' compensation insurance in accordance with statutory law and employers' liability insurance with a limit of not less than One Million Dollars (\$1,000,000) per accident.

e) All insurance required of Lessee shall be written by companies which hold an A.M. Best A MINUS-VII rating or higher and are licensed to do business in the state of Iowa and domiciled in the USA. Each policy of insurance shall provide notification to City at least thirty (30) days before the policy is cancelled or materially changed. Each policy shall name City as an additional insured.

f) Prior to the time any work on the Premises shall commence under this Lease, Lessee will provide City with certificates of insurance showing compliance with all property and liability insurance requirements under this Lease, and such certificates shall include thirty (30) days advance notice of cancellation to the City. A renewal certificate shall be provided prior to expiration of the current policies, showing no lapse in coverage.

g) The Parties hereby mutually waive and release their respective rights of recovery against each other, and their respective officers, employees, agents, for any loss of or damage to, either parties property, to the extent that such loss or damage is insured by an insurance policy (or in the event either party elects to self-insure any property coverage required) required to be in effect at the time of such loss or damage. Each party shall obtain any special endorsements, if required by its insurer whereby the insurer waives its rights of subrogation against the other party.

h) Lessee will not do or omit doing of any act which would invalidate any insurance, or increase the insurance rates in force on the Premises.

i) Lessee further agrees to be liable for and to promptly pay, as if current rental, any increase in DMMW's insurance rates on said premises and on the building of which said premises are a part, due to increased risks or hazards resulting from Lessee's use of the Premises otherwise than as herein contemplated and agreed.

j) Subject to the notice and opportunity to cure provisions in Paragraph 14 in the event Lessee does not purchase the insurance required by this Lease or keep the same in full force and effect, City may, but shall not be obligated to, purchase the necessary insurance and pay the premium. Lessee shall repay to City, as additional rent, the amount so paid promptly upon demand. In addition, City may recover from Lessee and Lessee agrees to pay, as additional rent, any and all reasonable expenses (including attorneys' fees) and damages which City may sustain by reason of the failure to Lessee to obtain and maintain such insurance.

22. Liability For Damage. Each Party shall be liable to the other for all damage to the property of the other negligently, recklessly or intentionally caused by that Party (or their employees, agents, contractors, or invitees), except to the extent the loss is insured and subrogation is waived under this Lease.

23. Indemnity. Lessee, and its, grantees, successors, and assigns, shall indemnify, defend, reimburse and hold harmless City, and its trustees, officers, employees, attorneys, and agents, from all claims, including reasonable attorneys' fees, costs and expenses of defending against such claims, arising from the negligence or willful misconduct of Lessee or Lessee's employees, agents, sub-lessees, sublicenses, invitees, contractors in or about the Premises.

City, and its, grantees, successors, and assigns shall indemnify, defend, reimburse and hold harmless Lessee, and its members, managers, officers, employees, attorneys, and agents, from all claims, including reasonable attorneys' fees, costs and expenses of defending against such claims, arising from the negligence or willful misconduct of City or City's employees, agents, invitees, or contractors occurring in or about the Parent Parcel.

Neither party shall indemnify the other if both Parties are at fault, and no indemnity shall apply to the extent the loss is insured and subrogation is waived under this Lease. The duties described herein survive termination or expiration of this Lease.

24. Interference. City shall not, nor shall City permit its lessees, licensees, invitees or agents, to use any portion of the Parent Parcel or adjacent real property owned or controlled by City in any way which interferes with Lessee's Intended Use of the Premises. Such interference shall be deemed a material breach of this Lease by City and City shall have the responsibility to immediately terminate such interference. In the event such interference is not immediately rectified, City acknowledges that continuing interference will cause irreparable injury to Lessee, and Lessee shall have the right, in addition to any other rights that it may have at law or in equity, to bring an action to enjoin such interference or to terminate this Lease with notice to City.

25. City Environmental Compliance. City represents, warrants, and agrees:

a) That neither City nor, to City's knowledge, any third party has used, generated, stored or disposed of, or permitted the use, generation, storage or disposal of, any contaminants, oils, asbestos, PCBs, hazardous substances or wastes as defined by federal, state or local environmental laws, regulations or administrative orders or other materials the removal of which is required or the maintenance of which is prohibited, regulated or penalized by any federal, state or local government authority ("Hazardous Materials") on, under, about or within the Premises or the Parent Parcel in violation of any law or regulation.

b) That City will not, and will not permit any third party with its consent to use, generate, store or dispose of any Hazardous Materials on, under, about or within the Parent Parcel in violation of any law or regulation. This Lease shall, at the option of Lessee, terminate and be of no further force or effect if Hazardous Materials are discovered to exist on the Premises or the Parent Parcel through no fault of Lessee after Lessee takes possession of the Premises and Lessee shall be entitled to a refund of all the consideration paid in advance to City under this Lease.

c) City shall, upon demand of Lessee, and at City's sole cost and expense, promptly take all actions to remediate the Premises or Parent Parcel which are required by any federal, state or local governmental agency or political subdivision or which are reasonably necessary to mitigate environmental damages or to allow full economic use of the Premises, which remediation is necessitated from the presence upon, about or beneath the Premises or Parent Parcel of a Hazardous Material existing or introduced in violation of this Paragraph by City. Such actions shall include but not be limited to the investigation of the environmental condition of the Premises or Parent Parcel the preparation of any feasibility studies, reports or remedial plans, and the performance of any cleanup, remediation, containment, operation, maintenance, monitoring or actions necessary to restore the Premises or Parent Parcel to the condition existing prior to the introduction of Hazardous Material upon, about or beneath the Parent Parcel and/or Easement notwithstanding any lesser standard of remediation allowable under applicable law or governmental policies.

26. Lessee Environmental Compliance. Lessee represents, warrants, and agrees:

a) Lessee's use of the Premise will not include the use, generation, storage or disposal of any Hazardous Materials without Lessee first obtaining the written consent of City. Lessee understands and agrees that City's consent is at City's sole option and complete discretion and that such consent may be withheld or may be granted with any conditions or requirements that City deems appropriate.

b) Lessee shall be fully liable for all costs and expenses related to the use, storage, removal and disposal of Hazardous Materials used or kept on the property by Lessee, and Lessee shall give immediate notice to City of any violation or any potential violation of any environmental regulation, rule, statute or ordinance relating to the use, storage or disposal of any hazardous substance.

c) Lessee shall, upon demand of City, and at Lessee's sole cost and expense, promptly take all actions to remediate the Premises or Parent Parcel which are required by any federal, state or local governmental agency or political subdivision or which are reasonably necessary to mitigate environmental damages or to allow full economic use of the Premises or Parent parcel, which remediation is necessitated from the presence upon, about or beneath the Premises or Parent Parcel of a Hazardous Material existing or introduced in violation of this Paragraph by Lessee. Such actions shall include but not be limited to the investigation of the environmental condition of the Premises or Parent Parcel the preparation of any feasibility studies, reports or remedial plans, and the performance of any cleanup, remediation, containment, operation, maintenance, monitoring or actions necessary to restore the Premises or Parent Parcel to the condition existing prior to the introduction of Hazardous Material upon, about or beneath the Premises or Parent Parcel notwithstanding any lesser standard of remediation allowable under applicable law or governmental policies.

27. Environmental Indemnities.

a) City, its grantees, successors, and assigns shall indemnify, defend, reimburse and hold harmless Lessee its members, managers, officers, employees, attorneys, and agents from and against any and all claims, causes of action, damages, loss, costs, expense, penalties, fines, lawsuits, liabilities, attorney fees, engineering and consulting fees, including, but not limited to, injury or death to persons or damage to property, which may result from, or arise out of, or be in any manner connected with or arising from the presence or release of Hazardous Materials upon, about or beneath the Premises or Parent Parcel, which conditions exist or existed prior to or at the time of the Effective Date of this Lease or which may occur at any time in the future, except that no indemnity for any presence or release first arising after the Effective Date shall apply: (i) to any presence or release occurring by reason of act or omission by Lessee or its sub-tenants or licenses and their respective employees, officers, agents, contractors and vendors; or (ii) to any presence or release occurring through no act or omission of City after the Effective Date.

b) Lessee, its, grantees, successors, and assigns shall indemnify, defend, reimburse and hold harmless City and its trustees, officers, employees, attorneys, and agents from and

against any and all claims, causes of action, damages, loss, costs, expense, penalties, fines, lawsuits, liabilities, attorney fees, engineering and consulting fees, including, but not limited to, injury or death to persons or damage to property, which may result from, or arise out of, or be in any manner connected with, or arising from the presence or release of Hazardous Materials upon, about or beneath the Premises or the Parent Parcel, occurring by reason of act or omission of Lessee or its sub-tenants or licenses and their respective employees, officers, agents, contractors and vendors.

c) The duties and indemnifications in this paragraph shall survive expiration or termination of this Lease.

28. Notices. All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed given if personally delivered or mailed, certified mail, return receipt requested, or via a nationally recognized overnight delivery service to the following addresses or to such other addresses as may be specified in writing at any time during the term of this Lease:

If to City, to:

City of Pleasant Hill
5151 Maple Drive, Suite 1
Pleasant Hill, Iowa 50327
Attention: City Manager

If to Lessee, to:

TowerCo 2013 LLC
5000 Valleystone Drive
Cary, North Carolina 27519
Attention: Property Management
Site ID #: IA0227

29. Title and Quiet Enjoyment. City warrants and represents that:

- a) It has the full right, power, and authority to execute this Lease.
- b) It has good and marketable fee simple title to the Premises free and clear of any liens and encumbrances or mortgages.
- c) There are no easements, licenses, rights, covenants or restrictions on use related to or affecting the Premises which will interfere with Lessee's Intended Use of the Premises. The execution of this Lease by City will not cause a breach or an event of default of any other agreement(s) to which City is a party.
- d) The Premises constitutes a legal lot that may be leased without the need for any subdivision or platting approval. City covenants that it shall comply with all applicable laws, regulations and requirements related to the Premises and that Lessee shall have the quiet

enjoyment of the Premises during the term of this Lease. City shall indemnify Lessee from and against any loss, cost, expense or damage including attorney's fees associated with a breach of the foregoing covenants. In the event that City fails to keep the Premises free and clear of any liens and encumbrances, Lessee shall have the right but not the obligation to satisfy such lien or encumbrance and deduct the full amount paid by Lessee on City's behalf from future installments of Rent. City agrees to indemnify and hold harmless Lessee from any and all claims and/or notices of non-compliance brought against City for any breach by City of this warranty, and City agrees to allow Lessee to continue to quietly enjoy the use of City's Premises while City remedies any such non-compliance. Should Lessee's use of the Premises become compromised due to any breach of the warranty and covenants contained in this paragraph, City acknowledges that Lessee shall be substantially harmed and Lessee will seek to recover from City any damages Lessee may sustain.

30. Assignment.

a) Upon written notice to Lessee, City, is permitted to transfer this Lease only in connection with the sale of the Parent Parcel and only on the following conditions:

- i) The acquiring party must and will assume in writing all of the rights and obligations of City under this Lease on and after the date of purchase of the Parent Parcel.
- ii) City must retain no rights or obligations under the Lease after the date of sale of the Parent Parcel (a "City Permitted Assignment").

Other than a City Permitted Assignment, City is prohibited from assigning, selling or otherwise transferring the Lease in whole or in part and City is prohibited from granting any third party an easement or other real property interest in the Premises.

b) Lessee may assign this Lease only to a purchaser of substantially all of Lessee's assets, and by operation of law in the event of merger where Lessee is not the surviving entity, upon written notice thereof to City. Lessee may otherwise assign the Lease with written notice to and the consent of City which consent shall not be unreasonably withheld. From and after the date this Lease has been sold, assigned or transferred by Lessee to a financially responsible third party agreeing to be bound to the terms hereof, Lessee shall immediately be released from any and all liability under this Lease, including the payment of any rental or other sums due, without any further action. Additionally, Lessee may mortgage or grant a security interest in this Lease and the Improvements, and may assign this Lease and the Improvements to any such mortgagees or holders of security interests including their successors and assigns (hereinafter collectively referred to as "Secured Parties"). If requested, City shall execute such consent to leasehold financing as may reasonably be required by Secured Parties. City agrees to notify Lessee and Lessee's Secured Parties simultaneously of any default by Lessee and to give Secured Parties the same right to cure any default as Lessee except that the cure period for any Secured Party shall not be less than ten (10) days after the receipt of the default notice. If a termination, disaffirmance or rejection of the Lease pursuant to any laws (including any bankruptcy or insolvency laws) by Lessee shall occur, or if City shall terminate this Lease for any reason, City

will give to the Secured Parties prompt notice thereof and City will give the Secured Parties the right to enter upon the Premises during a thirty (30)-day period commencing upon the Secured Party's receipt of such notice for the purpose of removing any Improvements. City acknowledges that the Secured Parties shall be third-party beneficiaries of this Lease.

31. Successors and Assigns. This Lease shall run with the Premises and shall be binding upon and inure to the benefit of the Parties, their respective heirs, successors, personal representatives and assigns.

32. Waiver of Lessor's Lien. Lessor hereby waives any and all lien rights it may have, statutory or otherwise, in and to the Improvements or any portion thereof, regardless of whether or not same is deemed real or personal property under applicable laws.

33. Waiver of Incidental, Consequential and Punitive Damages. Except for indemnification provisions herein, neither Party shall be liable to the other, or any of their respective agents, representatives, employees for any lost revenue, lost profits, loss of technology, rights or services, incidental, punitive, indirect, special or consequential damages, loss of data, or interruption or loss of use of service, even if advised of the possibility of such damages, whether under theory of contract, tort (including negligence), strict liability or otherwise.

34. Independent Status. Under no circumstances shall this Lease be construed as one of agency, sponsorship, joint venture, or employment between the City and Lessee. None of the personnel under contract to or employed by Lessee as its authorized representatives shall be deemed to be employed by, or in any way to have any contractual relationship with City whatsoever.

35. Miscellaneous.

a) The substantially prevailing party in any litigation arising hereunder shall be entitled to its reasonable attorney's fees and court costs, including appeals, if any.

b) Each party agrees to furnish to the other, within ten (10) days after request, such truthful estoppel information as the other may reasonably request.

c) This Lease constitutes the entire agreement and understanding of the parties with respect to the subject matter of this Lease, and supersedes all offers, negotiations and other agreements. There are no representations or understandings of any kind not set forth herein. Any amendments to this Lease must be in writing and executed by the Parties.

d) If either Party is represented by a real estate broker in this transaction, that party shall be fully responsible for any fees due such broker and shall hold the other Party harmless from any claims for commission by such broker.

e) City agrees to cooperate with Lessee in executing any documents necessary to protect Lessee's rights under this Lease or Lessee's use of the Premises, including but not limited to affidavits relating to title curative measures and subordination and non-disturbance

agreements and to take any further action which Lessee may reasonably require as to effect the intent of this Lease.

f) This Lease shall be construed in accordance with the laws of the State of Iowa.

g) If any term of this Lease is found to be void or invalid, such invalidity shall not affect the remaining terms of this Lease, which shall continue in full force and effect.

h) Upon request of Lessee, City shall promptly execute and deliver to Lessee such documents as Lessee requests to evidence Lessee's rights in the Premises, including a memorandum of lease and/or amendments thereto. Lessee may file such documents of record in the property records in the county in which the Premises are located.

i) Lessee may obtain title insurance on its interest in the Premises and Easement, and City shall cooperate by executing documentation required by the title insurance company. In the event the Premises is encumbered by a mortgage or deed of trust, City agrees to obtain and furnish, within thirty (30) days written request by Lessee, a non-disturbance agreement to the effect that Lessee and Lessee's sublessees or licensees will not be disturbed in the occupancy of the Premises by any foreclosure; provided that the rights and interests of Lessee under this Lease shall be subject and subordinate to such mortgage or deed of trust.

j) This Lease may be executed in two or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by the each of the parties, it being understood that all parties need not sign the same counterpart and that scanned or electronically reproduced copies of this Lease shall have the same force and effect as originals.

k) In any case where the approval or consent of one party hereto is required, requested or otherwise to be given under this Lease, such party shall not unreasonably condition, delay or withhold its approval or consent.

l) The various rights, powers, options, elections and remedies of either party, provided in this lease, shall be construed as cumulative and no one of them as exclusive of the others, or exclusive of any rights, remedies or priorities allowed either party by law, and shall in no way affect or impair the right of either party to pursue any other equitable or legal remedy to which either party may be entitled as long as any default remains in any way unremedied, unsatisfied or undischarged.

m) Words and phrases herein, including acknowledgment hereof, shall be construed as in the singular or plural number, and as masculine, feminine or neuter gender according to the context.

[SIGNATURES BEGIN ON NEXT PAGE]

IN WITNESS WHEREOF, City and Lessee have executed this Lease and Lease as of the date affixed to their signatures below.

CITY:

CITY OF PLEASANT HILL, IOWA

By: _____
Name: _____
Title: _____
Date: _____

STATE OF IOWA)
) SS:
COUNTY OF POLK)

On this _____ day of _____, 2016, before me, a Notary Public in and for the State of Iowa, personally appeared Sara Kurovski and Dena Spooner, to me personally known, and, who, being by me duly sworn, did say that they are the Mayor and the City Clerk, respectively, of the City of Pleasant Hill, Iowa; that the seal affixed to the foregoing instrument is the corporate seal of the corporation, and that the attached instrument was signed and sealed on behalf of the corporation, by authority of its City Council as contained in the Resolution adopted by the City Council on the ____ day of _____, 2016, and that Sara Kurovski and Dena Spooner acknowledged the execution of the instrument to be the voluntary act and deed of the corporation, by it and by them voluntarily executed.

Notary Public in and for the State of Iowa

LESSEE:

TOWERCO 2013 LLC

By: _____
Name: _____
Title: _____
Date: _____

State of

County of

On this ____ day of _____, 2016, before me, the undersigned, Notary Public in and for said County and State, personally appeared _____ to me personally known, who being by me duly sworn, did say that he is the Manager of TowerCo 2013, LLC, executing the within and foregoing instrument, that he is authorized to execute the within and foregoing instrument on its behalf by authority of its operating agreement, and acknowledged that he executed the same as his voluntary act and deed of the limited liability company, by it and by him voluntarily executed.

WITNESS my hand and official seal, this ____ day of _____, 2016.

Signature _____

NOTARY SEAL

My commission expires: _____

EXHIBIT "A"

DESCRIPTION OF PARENT PARCEL

The Parent Parcel is described and/or depicted as follows:

the following described real estate situated in _____ County, Iowa, to-wit: *U*
An irregular parcel of land located in Plat 1, E.J. Ellison Estate, an Official Plat in Pleasant Hill, Polk County, Iowa is more accurately described as follows: "Commencing at the N.E. Corner of Section 4T78NR23 West of the 5th P.M.; Thence N90°00'W along the north line of the N.E. 1/4 of said Section 4, 2434.7 feet to the center line of North Shady View Blvd., as it is presently established; Thence S0°59'E along the center line of said North Shady View Blvd., 1415.65 feet; Thence N90°00'E. along the north line of Pleasant Hill Manor Plat No. 2, 1245.8 feet to the N.E. Corner of Lot 1, in said Plat No. 2 and to the point of beginning; Thence S19°40' 1/2'W along the east line of said Plat No. 2, 339.84 feet to the S.E. Corner of Lot 30 in said Plat No. 2; Thence S18°33' 1/2'W, 393.9 feet; Thence S21°41'W, 591.44 feet; Thence S1°34'E, 99.7 feet to a point on the north Right-of-way line of Oakwood Drive as it is presently established; Thence N88°26'E along the north Right-of-way of said Oakwood Drive 384.3 feet; Thence N0°11'W, 200.0 feet; Thence N88°26'E, 100.0 feet to the east line of said Lot 1, E.J. Ellison Estate; Thence N0°11'W, along the east line of said Lot 1, E.J. Ellison Estate, 1129.42 feet to the S.E. corner of Lot 1, Pleasant Hill Manor Plat No. 1; Thence N90°00'W along the south line of said Lot 1 in said Plat No. 1, 24.92 feet to the point of beginning." Reserving to Grantor sanitary and storm sewer easements necessary for future development. *P.H. 002-1*

now included in and forming a part of the City of Pleasant Hill, Iowa.

EXHIBIT "B"

DESCRIPTION OR DEPICTION OF PREMISES

An approximately ___ feet x ___ feet tract of land, together with Access and Utility Easement for ingress and egress and for utilities described or depicted as attached:

[Attach Plat]

PROPOSED LEASE AREA:

PART OF LOT 1, E.J. ELLISON ESTATE, POLK COUNTY, IOWA FURTHER DESCRIBED AS FOLLOWS:

COMMENCING AT THE SW CORNER OF LOT 18, HAWKEYE SUNRISE PARK, POLK COUNTY, IOWA;

THENCE S47°21'03"W, 21.32 FEET TO THE POINT OF BEGINNING;

THENCE S90°00'00"W, 25.00 FEET;

THENCE N45°00'00"W, 14.14 FEET;

THENCE N00°00'00"W, 50.00 FEET;

THENCE N90°00'00"E, 35.00 FEET;

THENCE S00°00'00"E, 60.00 FEET TO THE POINT OF BEGINNING CONTAINING 0.05 ACRES (2,050 SQ.FT.) MORE OR LESS.

SUBJECT TO EXISTING EASEMENTS AND RESTRICTIONS OF RECORD.

PROPOSED ACCESS EASEMENT:

PART OF LOT 1, E.J. ELLISON ESTATE, POLK COUNTY, IOWA FURTHER DESCRIBED AS FOLLOWS:

COMMENCING AT THE SW CORNER OF LOT 18, HAWKEYE SUNRISE PARK, POLK COUNTY, IOWA;

THENCE S47°21'03"W, 21.32 FEET;

THENCE S90°00'00"W, 25.00 FEET;

THENCE N45°00'00"W, 1.07 FEET TO THE POINT OF BEGINNING;

THENCE S45°00'00"W, 10.24 FEET;

THENCE S00°00'00"E, 45.02 FEET;

THENCE S89°56'02"W, 71.08 FEET;

THENCE S00°33'57"E, 217.72 FEET TO THE NORTH RIGHT-OF-WAY LINE OF OAKWOOD DRIVE;

THENCE S88°22'28"W ALONG SAID NORTH RIGHT-OF-WAY LINE, 12.00 FEET;

THENCE N00°33'57"W, 230.04 FEET;

THENCE N89°56'02"E, 71.20 FEET;

THENCE N00°00'00"W, 99.52 FEET;

THENCE N90°00'00"E, 10.00 FEET;

THENCE S00°00'00"E, 50.00 FEET;

THENCE S45°00'00"E, 13.07 FEET TO THE POINT OF BEGINNING CONTAINING 0.11 ACRES (4,757 SQ.FT.) MORE OR LESS.

SUBJECT TO EXISTING EASEMENTS AND RESTRICTIONS OF RECORD.

PROPOSED 10' UTILITY EASEMENT:

PART OF LOT 1, E.J. ELLISON ESTATE, POLK COUNTY, IOWA FURTHER DESCRIBED AS FOLLOWS:

COMMENCING AT THE SW CORNER OF LOT 18, HAWKEYE SUNRISE PARK, POLK COUNTY, IOWA;

THENCE S47°21'03"W, 21.32 FEET;

THENCE S90°00'00"W, 25.00 FEET TO THE POINT OF BEGINNING;

THENCE S90°00'00"W, 10.00 FEET;

THENCE S00°00'00"E, 22.77 FEET;

THENCE S90°00'00"W, 81.37 FEET;

THENCE S00°33'57"E, 246.87 FEET TO THE NORTH RIGHT-OF-WAY LINE OF OAKWOOD DRIVE;

THENCE S88°22'28"W ALONG SAID NORTH RIGHT-OF-WAY LINE, 10.00 FEET;

THENCE N00°33'57"W, 257.16 FEET;

THENCE N90°00'00"E, 81.47 FEET;

THENCE N00°00'00"W, 22.77 FEET;

THENCE N90°00'00"E, 10.00 FEET;

THENCE S45°00'00"E, 14.14 FEET TO THE POINT OF BEGINNING CONTAINING 0.08 ACRES (3,662 SQ.FT.) MORE OR LESS.

SUBJECT TO EXISTING EASEMENTS AND RESTRICTIONS OF RECORD

EXHIBIT “C”

COMMUNICATION PROVIDERS TO RELOCATE TO LESSEE FACILITY

Communication providers to relocate all of their communication facilities from the water tower structure located on the Parent Parcel to the Lessee Facility, as subtenants or licensee of Lessee:

T-Mobile USA

AT&T

Prepared by:

After recording return to:

TowerCo
5000 Valleystone Drive
Cary, North Carolina 27519

MEMORANDUM OF AGREEMENT

This Memorandum of Agreement is entered into on this ____ day of _____, 2016, by and between the City of Pleasant Hill, Iowa (“City”), 5151 Maple Drive, Suite 1, Pleasant Hill, Iowa 50327 (“City”) and TOWERCO 2013 LLC, a Delaware limited liability company having a mailing address of 5000 Valleystone Drive, Cary, North Carolina, 27519 (“Lessee”).

1. City and Lessee entered into that certain Ground Lease Agreement dated the ____ day of _____, 2016 (the “Lease”) for certain real property and easements as described in **Exhibit B** attached hereto (collectively, the “Premises”), which are a portion of that certain parcel of real property located in Pleasant Hill, County of Polk, State of Iowa, described in **Exhibit A** attached hereto (the “Land”).
2. The Lease has an initial term of five (5) years, with options to renew for four (4) additional five (5) year terms. Should Lessee fail to exercise the Option during the Option Initial Term or any Option Renewal Term, the Lease shall be void and of no further force or effect.
3. The purpose of this Memorandum is to give record notice of the Lease and of the rights created thereby, all of which are hereby confirmed. In the event of a conflict between the terms of this Memorandum or the addition of any terms in this Memorandum which are not contained in the Lease, the Lease shall control. The terms of the Lease are hereby incorporated by reference.
4. A copy of the full lease is available for inspection and copying at City Hall.

IN WITNESS WHEREOF, the parties have executed this Memorandum as of the dates set forth in the respective acknowledgements.

City:

CITY OF PLEASANT HILL, IOWA

By: _____
Name: _____
Title: _____
Date: _____

STATE OF IOWA)
) SS:
COUNTY OF POLK)

On this _____ day of _____, 2016, before me, a Notary Public in and for the State of Iowa, personally appeared Sara Kurovski and Dena Spooner, to me personally known, and, who, being by me duly sworn, did say that they are the Mayor and the City Clerk, respectively, of the City of Pleasant Hill, Iowa; that the seal affixed to the foregoing instrument is the corporate seal of the corporation, and that the attached instrument was signed and sealed on behalf of the corporation, by authority of its City Council as contained in the Resolution adopted by the City Council on the ____ day of _____, 2016, and that Sara Kurovski and Dena Spooner acknowledged the execution of the instrument to be the voluntary act and deed of the corporation, by it and by them voluntarily executed.

Notary Public in and for the State of Iowa

LESSEE:

TOWERCO 2013 LLC

By: _____
Name: _____
Title: _____
Date: _____

State of

County of

On this ____ day of _____, 2016, before me, the undersigned, Notary Public in and for said County and State, personally appeared _____ to me personally known, who being by me duly sworn, did say that he is the Manager of TowerCo 2013, LLC, executing the within and foregoing instrument, that he is authorized to execute the within and foregoing instrument on its behalf by authority of its operating agreement, and acknowledged that he executed the same as his voluntary act and deed of the limited liability company, by it and by him voluntarily executed.

WITNESS my hand and official seal, this ____ day of _____, 2016.

Signature _____

NOTARY SEAL

My commission expires: _____

EXHIBIT "A"

DESCRIPTION OF PARENT PARCEL

The Parent Parcel is described and/or depicted as follows:

the following described real estate situated in _____ County, Iowa, to-wit: *✓*
An irregular parcel of land located in Plat 1, E.J. Ellison Estate, an Official Plat in Pleasant Hill, Polk County, Iowa is more accurately described as follows: "Commencing at the N.E. Corner of Section 4T78NR23 West of the 5th P.M.; Thence N90°00'W along the north line of the N.E. 1/4 of said Section 4, 2434.7 feet to the center line of North Shady View Blvd., as it is presently established; Thence S0°59'E along the center line of said North Shady View Blvd., 1415.65 feet; Thence N90°00'E. along the north line of Pleasant Hill Manor Plat No. 2, 1245.8 feet to the N.E. Corner of Lot 1, in said Plat No. 2 and to the point of beginning; Thence S19°40' 1/2'W along the east line of said Plat No. 2, 339.84 feet to the S.E. Corner of Lot 30 in said Plat No. 2; Thence S18°33' 1/2'W, 393.9 feet; Thence S21°41'W, 591.44 feet; Thence S1°34'E, 99.7 feet to a point on the north Right-of-way line of Oakwood Drive as it is presently established; Thence N88°26'E along the north Right-of-way of said Oakwood Drive 384.3 feet; Thence N0°11'W, 200.0 feet; Thence N88°26'E, 100.0 feet to the east line of said Lot 1, E.J. Ellison Estate; Thence N0°11'W, along the east line of said Lot 1, E.J. Ellison Estate, 1129.42 feet to the S.E. corner of Lot 1, Pleasant Hill Manor Plat No. 1; Thence N90°00'W along the south line of said Lot 1 in said Plat No. 1, 24.92 feet to the point of beginning." Reserving to Grantor sanitary and storm sewer easements necessary for future development. *P.H. 002-1*

now included in and forming a part of the City of Pleasant Hill, Iowa.

EXHIBIT "B"

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An approximately ___ feet x ___ feet tract of land, together with Access Cooridors for ingress and egress and for utilities described or depicted as attached:

[Attach Plat]

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THENCE S47°21'03"W, 21.32 FEET TO THE POINT OF BEGINNING;

THENCE S90°00'00"W, 25.00 FEET;

THENCE N45°00'00"W, 14.14 FEET;

THENCE N00°00'00"W, 50.00 FEET;

THENCE N90°00'00"E, 35.00 FEET;

THENCE S00°00'00"E, 60.00 FEET TO THE POINT OF BEGINNING CONTAINING 0.05 ACRES (2,050 SQ.FT.) MORE OR LESS.

SUBJECT TO EXISTING EASEMENTS AND RESTRICTIONS OF RECORD.

PROPOSED ACCESS EASEMENT:

PART OF LOT 1, E.J. ELLISON ESTATE, POLK COUNTY, IOWA FURTHER DESCRIBED AS FOLLOWS:

COMMENCING AT THE SW CORNER OF LOT 18, HAWKEYE SUNRISE PARK, POLK COUNTY, IOWA;

THENCE S47°21'03"W, 21.32 FEET;

THENCE S90°00'00"W, 25.00 FEET;

THENCE N45°00'00"W, 1.07 FEET TO THE POINT OF BEGINNING;

THENCE S45°00'00"W, 10.24 FEET;

THENCE S00°00'00"E, 45.02 FEET;

THENCE S89°56'02"W, 71.08 FEET;

THENCE S00°33'57"E, 217.72 FEET TO THE NORTH RIGHT-OF-WAY LINE OF OAKWOOD DRIVE;

THENCE S88°22'28"W ALONG SAID NORTH RIGHT-OF-WAY LINE, 12.00 FEET;

THENCE N00°33'57"W, 230.04 FEET;

THENCE N89°56'02"E, 71.20 FEET;

THENCE N00°00'00"W, 99.52 FEET;

THENCE N90°00'00"E, 10.00 FEET;

THENCE S00°00'00"E, 50.00 FEET;

THENCE S45°00'00"E, 13.07 FEET TO THE POINT OF BEGINNING CONTAINING 0.11 ACRES (4,757 SQ.FT.) MORE OR LESS.

SUBJECT TO EXISTING EASEMENTS AND RESTRICTIONS OF RECORD.

PROPOSED 10' UTILITY EASEMENT:

PART OF LOT 1, E.J. ELLISON ESTATE, POLK COUNTY, IOWA FURTHER DESCRIBED AS FOLLOWS:

COMMENCING AT THE SW CORNER OF LOT 18, HAWKEYE SUNRISE PARK, POLK COUNTY, IOWA;

THENCE S47°21'03"W, 21.32 FEET;

THENCE S90°00'00"W, 25.00 FEET TO THE POINT OF BEGINNING;

THENCE S90°00'00"W, 10.00 FEET;

THENCE S00°00'00"E, 22.77 FEET;

THENCE S90°00'00"W, 81.37 FEET;

THENCE S00°33'57"E, 246.87 FEET TO THE NORTH RIGHT-OF-WAY LINE OF OAKWOOD DRIVE;

THENCE S88°22'28"W ALONG SAID NORTH RIGHT-OF-WAY LINE, 10.00 FEET;

THENCE N00°33'57"W, 257.16 FEET;

THENCE N90°00'00"E, 81.47 FEET;

THENCE N00°00'00"W, 22.77 FEET;

THENCE N90°00'00"E, 10.00 FEET;

THENCE S45°00'00"E, 14.14 FEET TO THE POINT OF BEGINNING CONTAINING 0.08 ACRES (3,662 SQ.FT.) MORE OR LESS.

SUBJECT TO EXISTING EASEMENTS AND RESTRICTIONS OF RECORD

GROUND LEASE AGREEMENT

THIS GROUND LEASE AGREEMENT (“Agreement” or “Lease”) is effective as of the latter of the signature dates below (“Effective Date”) by and between the City of Pleasant Hill, Iowa (“City”), and TowerCo 2013 LLC, a Delaware limited liability company (“Lessee”).

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, THE PARTIES HERETO AGREE AS FOLLOWS:

1. Premises. City is the owner of certain real property located in the City of Pleasant Hill, County of Polk, State of Iowa, commonly known as Sunrise Park, 5414 Oakwood Drive, Pleasant Hill, IA 50317 (the “Parent Parcel”), as more particularly described in Exhibit “A” attached hereto. City hereby leases to Lessee and Lessee leases from City approximately ~~Two Thousand and Fifty~~ (2,050) square feet within the Parent Parcel and together with a license for access thereto through a defined ~~access corridor~~ Access and Utility Easement (“~~Access Corridor~~ Access and utility easement”) and a license to install or permit utility services and communication lines within a defined ~~utility Access and Utility corridor Easement~~ (“Utility Corridor”), all as described in, and illustrated in Exhibit “B” annexed hereto (the “Premises”).

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2. Contingency. This Lease shall be contingent upon Lessee’s commitment to build a ~~One Hundred Ninety~~ foot (190’) wireless communications monopole tower, without guy wires, together with antennas, and buildings, and related facilities and improvements as set forth in Paragraph 9 (“Lessee Facility”) on the Premises, after it obtains the binding commitment of the communications providers listed in Exhibit “C” annexed hereto to relocate all of their existing communication facilities from the water tower structure located on the Parent Parcel to the Lessee Facility, as subtenants or licensee of Lessee. Such removal shall include, but not limited to all facilities currently located within the support structure of the water tower. The Lessee Facility shall be built with sufficient capacity to permit all existing communications providers to relocate, and with expansion capacity for at least 3 additional sub-lessees or licensees. This lease shall terminate without notice, unless Lessee shall obtain the requisite relocation commitments and commence construction of the Lessee Facility on or before December 31, 201~~8~~.

3. Use. The Premises shall be used by Lessee and Lessee’s tenants and licensees for the transmission and receipt of wireless communication signals in any and all frequencies, the construction, maintenance, operation, subleasing, and licensing of the Lessee Facility, and for other uses which are incidental thereto, and only for such use (“Intended Use”). Lessee and its sub-lessees and licensees shall have access to the Premises twenty-four (24) hours a day, seven (7) days a week, solely for the Intended Use. City agrees to cooperate with Lessee in obtaining, at Lessee’s expense, all licenses and permits required for Lessee’s use of the Premises (the “Governmental Approvals”). City further agrees to cooperate with Lessee in executing and delivering documents, not inconsistent with the terms of this Lease reasonably requested by Lessee to obtain Government Approvals necessary for its Intended Use. In the event that Lessee’s Intended Use of the Premises is actually or constructively prohibited then, in addition to

any other remedies available to Lessee, Lessee shall have the option to terminate this Lease upon notice to City.

4. Term. The term of this Lease shall commence on the date that Lessee begins construction of the Lessee Facility and shall continue for five (5) years from the date Lessee begins commercial operation of the Lessee Facility, or twelve (12) months from the Effective Date, whichever first occurs ("Rent Commencement Date") and terminating on the fifth (5th) anniversary of the Rent Commencement Date (the "Term"), unless extended under Paragraph 5, or as earlier terminated as provided herein.

5. Renewal Terms. Lessee shall have the right to extend this Lease for four (4) additional five (5) year terms ("Renewal Terms"). Each Renewal Term shall be on the same terms and conditions as set forth in this Lease except that Rent shall increase as provided in Paragraph 6. This Lease shall automatically be renewed for each successive Renewal Term unless Lessee notifies City in writing of Lessee's intention not to renew the Lease at least one hundred twenty (120) days prior to the expiration of the Term or the Renewal Term which is then in effect.

6. Consideration. During the Term, Lessee shall pay City the sum of One Thousand Seven Hundred and Fifty DOLLARS (\$1,750) per month beginning on the Rent Commencement Date, plus the additional rent as defined below as applicable, with annual adjustments as herein provided ("Rent"). Rent shall be payable to City in advance on the first day of each month thereafter during the Term and any Renewal Terms. If this Lease is terminated at a time other than on the anniversary of the Rent Commencement Date, Rent shall be prorated for any partial month. As further consideration for City to enter into this Lease:

a) Lessee shall pay to City within ten (10) days of the Effective Date of this Lease, a one-time, signing fee of Two Thousand DOLLARS (\$2,000). Such fee shall be fully earned upon the Effective Date and shall not be refundable if the contingency of Paragraph 2 is not met.

b) The Additional Rent as provided for in Paragraph 18 shall be added to the Rent effective on the first day of the month immediately after Lessee begins collecting compensation from the Co-Locator.

c) The monthly Rent, including any Additional Rent as provided for in Paragraph 18, shall be increased on the anniversary of the Rent Commencement Date by 3 percent (3%) of the immediately ~~preceeding~~~~preceding~~ month's Rent for each year that this Lease remains in effect, including years under all ~~extenion~~~~extensions~~ of the term that arise as provided hereunder.

All sums shall be paid at City's address as specified in Paragraph 28 below, or at such other place in Iowa, or elsewhere, as ~~City~~~~City~~ may, from time to time, designate in writing. Delinquent payments shall draw interest at 5% per annum from the due date, until paid.

7. Possession. Lessee shall be entitled to possession of the Premises as of the Rent Commencement Date, for purposes of commencement of construction of the Lessee Facility, and during the Term and any Renewal Terms, and shall yield possession to the City at the end of the

Term, or any Renewal Terms, whichever last occurs, except as herein otherwise expressly provided.

8. Condition Of Premises. Lessee takes the Premises in its present condition, except as may be expressly otherwise provided in this Lease. Neither Party will permit nor allow the Premises to be damaged or depreciated in value by any act, omission to act, or negligence of itself, its agents or employees.

9. Improvements; Utilities; Access.

a) Lessee shall have the right, at Lessee's sole cost and expense, to erect and maintain the Lessee Facility on the Premises including all improvements, installation of personal property and facilities necessary or desired for its Intended Use, all of which shall be deemed part of the Lessee Facility. The Lessee Facility shall remain the exclusive property of the Lessee throughout the Term and any Renewal Terms, and after the termination of this Lease. Lessee may construct, alter, reconstruct, restore, replace, supplement, modify and reconfigure the Lessee Facility at any time during the Term or any Renewal Term of this Lease. Lessee shall remove the Lessee Facility in its entirety, including removal of all foundations and footings to a depth of at least 24 inches below grade, not later than one hundred eighty (180) days following any termination of this Lease and restore the Premises to their original above-ground condition, unless City shall at its sole option elect to purchase any permanent improvement to the Premises, which is included as part of the Lessee Facility for its own use, by notice given not later than thirty (30) days following any termination of this Lease at a price to be determined by negotiation between the Parties, or if the Parties are unable to agree on such price by exercise by City of its power of eminent domain.

b) Lessee shall have the right and license to install power, telecommunications, cables, conduit, and any other utilities, within the ~~Utility Corridor~~Access and Utility Easement, including cabinets, vaults and improvements directly related to such utilities, on the Premises, at Lessee's expense, and to improve existing utilities on the Premises, including but not limited to the installation of emergency or back-up power generators. Lessee shall have the right to permanently place utilities on (or to bring utilities across or under) the Premises. In the event that utilities necessary to serve the equipment of Lessee or the equipment of Lessee's licensee(s) or sub-lessee(s) cannot be located within the ~~Utility Corridor~~Access and Utility Easement or elsewhere on the Premises, City agrees to cooperate with Lessee and to act reasonably in allowing the location of utilities on the Parent Parcel without requiring additional compensation from Lessee or Lessee's licensee(s) or sub-lessee(s), provided that such location can be accommodated without undue interference with City operations. In no event shall any utilities or facilities of Lessee be allowed to be located on, or within City's existing water tower, or within the areas described in Exhibit B as reserved for City's exclusive use (such tower and areas are "Exclusive Use Areas").

c) Lessee shall have the right to clear all trees, undergrowth, or other obstructions and to trim, cut, and keep trimmed and cut all tree limbs which may interfere with or fall upon the Lessee Facility or Premises upon reasonable notice to City, but only to the extent such activity does not impair City's enjoyment of the Exclusive Use Areas.

d) City grants to Lessee, its officers, agents, employees, sub-lessees, licensees and their independent contractors, the right and privilege to enter upon the Premises and the Parent Parcel, upon reasonable notice to City, to perform or cause to be performed test borings of the soil, environmental audits, engineering studies and to conduct a survey of the Premises and all or part of the Parent Parcel, other than the Exclusive Use Areas. City grants Lessee and its sub-lessees and licensees a license to use such portion of City's property contiguous to the Premises, other than Exclusive Use Areas, on a temporary basis as reasonably required during the Term or any Renewal Terms for the construction, installation, maintenance or removal of the Lessee Facility, including access for construction machinery and equipment, storage of construction materials and equipment and staging areas.

e) Lessee shall at all times during this Lease enjoy ingress, egress and access from the Premises by means of the ~~Access Corridor~~Access and Utility Easement twenty-four (24) hours a day, seven (7) days a week to an open and improved public road which presently exists and which shall be adequate to service the Premises and the Lessee Facility. If no such public road exists or ceases to exist in the future, City will grant an exclusive license to Lessee, Lessee's sub-lessees and assigns so that Lessee may, at its own expense, construct a suitable private access drive to the Premises and the Lessee Facility. City shall maintain access to the ~~Access corridor~~Access and Utility Easement in a free and open condition so that no interference is caused to Lessee by other lessees, licensees, invitees or agents of the City which may utilize the ~~Access Corridor~~Access and Utility Easement.

10. Lessee Covenants.

a) Lessee shall keep the Premises and Lessee Facility in a safe and serviceable condition at its sole cost and expense. Lessee shall be solely responsible, at its sole cost and expense, to maintain and repair the Lessee Facility and to keep them in good safe condition.

b) Lessee will make no unlawful use of the Premises and shall comply with all applicable city and county regulations and ordinances, the laws of the State of Iowa and the federal government. Without limiting the generality of the foregoing, Lessee shall obtain all required state, county and city permits and shall comply with applicable safety, health and regulations.

c) Lessee shall, in respect to the condition of the Premises and at Lessee's sole cost and expense, comply with all building codes requiring modifications to the Premises due to the improvements being made by Lessee to the Premises.

d) Lessee shall use the Premises in a safe, orderly, and environmentally proper manner consistent with good engineering practice and without undue risk to any person or to the property of ~~City or~~City or others and without any nuisance to others and maintain the Premises in a safe, clean, presentable condition. Lessee shall be solely responsible to use and maintain the Premises in a proper manner and to determine the nature and extent of all steps necessary and proper to

achieve such objectives, but they shall include, at a minimum, adherence to following minimum standards:

- i) Lessee shall ascertain all underground utility line conflicts before commencement of any borings, excavation or underground work, and shall conduct all such work to avoid such conflicts. Lessee shall register the underground portions of the Lessee Facilities with Iowa One Call and shall be responsible for locating such facilities when one call locate requests are made.
- ii) Any areas of the Parent Parcel outside of the Premises disturbed by Lessee during its work on the Premises at any time will be restored to good condition and to City's satisfaction upon completion of the work.
- iii) Before commencing any subsequent alterations to the Premises, Lessee shall submit plans and specifications to the City for the City's written approval, which approval shall not be unreasonably withheld, conditioned or delayed. In the event the City does not either (i) object to the plans in writing or (ii) furnish the Lessee with written approval, within fifteen (15) days of the date of submission of the plans, City will be deemed to have approved them. All work to be done by Lessee shall be performed in accordance with the approved plans unless otherwise approved in writing by the City, which approval shall not be unreasonably withheld, conditioned or delayed. Lessee shall promptly supply as built drawings to City upon the completion of the work.
- iv) Lessee shall not place signage on the Premises except as required by law.
- v) Electromagnetic radiation emissions from the Premises shall be at frequencies and levels of power as are within limits of all applicable laws and regulations governing such emissions.
- vi) Lessee shall not store liquid fuels on the Premises, except the extent approved in advance by City in connection with emergency power generators, and shall not construct or operate any underground storage tanks on the Premises. Any back-up power generator shall be fueled by natural gas.
- vii) The use of the Premises shall at all times be conducted so as to be compatible with City's water supply and distribution activities on the Parent Parcel.

11. Lessee's Representations and Warranties. As an inducement for City to enter into and be bound by the terms of this Lease, Lessee represents and warrants to City and City's successors and assigns that:

a) Lessee has been duly formed and is validly existing under the laws as a limited liability company under the laws of the State of Delaware and is qualified to do business in the State of Iowa.

b) Lessee has the authority to enter into and be bound by the terms of this Lease.

c) To the best of Lessee's knowledge, there are no pending or threatened lawsuits, administrative actions (including bankruptcy or insolvency proceedings), suits, claims or causes of action against Lessee or which may otherwise affect its performance of this Lease.

d) The execution of this Lease is ~~consistent with~~consistent with Lessee's Certificate of Organization, Operating Agreement and other governing documents, and has been duly and properly authorized by all required company action.

12. City's Representations and Warranties. As an inducement for Lessee to enter into and be bound by the terms of this Lease, City represents and warrants to Lessee and Lessee's successors and assigns that:

a) Good and marketable title to the Premises is held in the name of the City of Pleasant Hill, Iowa.

b) City has the authority to enter into and be bound by the terms of this Lease.

c) To the best of City's knowledge, there are no pending or threatened lawsuits, administrative actions (including bankruptcy or insolvency proceedings), suits, claims or causes of action against City or which may otherwise affect the Premises.

d) The Premises are not presently subject to an option, lease, agreement or other contract which may adversely affect City's ability to fulfill its obligations under this Lease, except those leases and licenses listed in Exhibit C. The representations and warranties of City shall survive the termination or expiration of this Lease.

13. Expiration.

a) This Lease shall terminate upon expiration of the original Term; or if exercised by the Lessee, then this Lease will terminate at the expiration of the last of the Renewal Terms.

b) Lessee agrees that upon termination of this Lease it will surrender and deliver the Premises in good condition, except the effects of ordinary wear and tear and depreciation arising from lapse of time, or damage without fault or liability of Lessee.

c) Continued possession by Lessee, beyond the expiration of its tenancy, coupled with the receipt of the specified rental by the City (and absent a written agreement by both parties for an extension of this lease, or for a new lease) shall constitute a month to month extension of the Lease.

14. Lessee Default and City Remedies.

- a) Each of the following shall constitute an event of default by Lessee:
- i) Failure to pay rent when due.
 - ii) Failure to observe or perform any duties, obligations, agreements or conditions imposed on Lessee pursuant to terms of the Lease.
 - iii) Abandonment of the premises, "Abandonment" means the Lessee has failed to engage in its usual and customary business activities on the premises for more than fifteen (15) consecutive business days.
 - iv) Institution of bankruptcy proceedings by or against Lessee as a debtor.
 - v) Assignment for the benefit of creditors of the interest of Lessee under this Lease.
 - vi) Appointment of a receiver for the property or affairs of Lessee, where the receivership is not vacated within ten (10) days after the appointment of the receiver ("Lessee Default").

b) Upon the occurrence of a Lessee Default, City may give Lessee a written notice specifying the Lessee Default and, in such event Lessee shall have ten (10) days in which to correct the Lessee Default. If there is a Lessee Default (other than for nonpayment of a monetary obligation of Lessee, including rent) that cannot be remedied in ten (10) days by diligent efforts of the Lessee, Lessee shall propose an additional period of time in which to remedy the Lessee Default. Consent to additional time shall not be unreasonably withheld by the City. City shall not be required to give Lessee any more than one notice for the same default within any 365 day period.

c) In the event Lessee has not remedied a Lessee Default in a timely manner following a notice of such default, City may proceed with any and all available remedies at law or in equity, including but not limited to the following:

- i) City may declare this Lease to be terminated and shall give Lessee a written notice of such termination. In the event of termination of this lease, City shall be entitled to prove claim for and obtain judgment against Lessee for the balance of the rent agreed to be paid for the term herein provided, plus all expenses of City in regaining possession of the premises and the re-letting thereof, including attorney's fees and court costs, crediting against such claim, however, any amount obtained by reason of such re-letting; or
- ii) If a default is not remedied in a timely manner, City may declare this Lease to be forfeited and shall give the Lessee a written notice of such forfeiture, and may, at the time, give Lessee the notice to quit provided for in Chapter 648 of the Code of Iowa; or

- iii) City may proceed at law or in equity with any remedy provided by law or by this lease for the recovery of sums due hereunder, or for termination of this lease because of Lessee's default in its performance.

15. Lessee Termination Rights and Remedies. Except as otherwise provided herein, this Lease may be terminated by Lessee, without any penalty or further liability upon written notice as follows:

a) Upon the occurrence of any breach or nonperformance of any representation, warranty, covenant, agreement or undertaking made by City in this Lease ("City Default") but which City Default is not cured within sixty (60) days of receipt of written notice of default (without, however, limiting any other rights available to the parties pursuant to any other provisions hereof); provided, that if City commences good faith efforts to cure the default within such period the cure period may be extended upon mutual agreement, in writing, of the Parties hereto, Lessee shall have the option to pursue any one or more of the following remedies without further notice or demand:

- i) Lessee, may, at its sole election, terminate the Lease;
- ii) Lessee, may, without being obligated and without waiving the City Default, cure the City Default, whereupon City shall pay to Lessee, upon demand, all costs expenses, and disbursements incurred by Lessee to cure the City Default. Lessee shall be permitted to offset said costs, expenses and disbursements incurred by Lessee against Rent or any other amounts due or becoming due by Lessee to City under this Lease; or
- iii) Lessee shall be entitled to pursue any and all other rights or remedies available at law or equity, including specific performance of this Lease, with respect to the City Default.

b) Upon thirty (30) days' written notice by Lessee to City if (i) Lessee is unable to obtain or maintain any license, permit or other Governmental Approval necessary for the construction and operation of the Lessee Facility or Lessee's business or (ii) Lessee's Intended Use of the Premises is actually or constructively prohibited or substantially frustrated.

c) If the Premises or the Lessee Facility are destroyed or damaged so as to hinder the effective use of the Improvements in Lessee's judgment, Lessee may elect to terminate this Lease as of the date of the damage or destruction by so notifying the City.

16. Right Of Either Party To Make Good Any Default Of The Other. If default shall be made by either party in the performance of, or compliance with, any of the terms or conditions of this Lease, including but not limited to the requirements for insurance, and such default shall have continued for thirty (30) days after written notice thereof from one party to the other, the person aggrieved, in addition to all other remedies now or hereafter provided by law, may, but need not, perform such term or condition, or make good such default and any amount advanced shall be

repaid forthwith on demand, together with interest at the rate of 5% per annum, from date of advance.

17. No Lessee Liens. Except as provided in Paragraph 30.b) neither the Lessee nor anyone claiming by, through, or under the Lessee, shall have the right to file or place any mechanic's liens or other lien of any kind or character whatsoever, upon the Premise, or upon the leasehold interest of the Lessee, and notice is hereby given that no contractor, sub-contractor, or anyone else who may furnish any material, service or labor for any building, improvements, alteration, repairs or any part thereof, shall at any time be or become entitled to any lien on the Premises, and for the further security of the City, the Lessee covenants and agrees to give actual notice thereof in advance, to any and all contractors and sub-contractors who may furnish or agree to furnish any such material, service or labor.

18. Subleases. Lessee at its sole discretion shall have the right, without the consent of or notice to City, to license or sublease a portion of the Premises and the Lessee Facility to one or more third party wireless companies provided that the monthly Rent shall be increased by Two Hundred Dollars (\$200) per month ("Additional Rent") per each additional sublessee or licensee ("Co-Locator"). Notwithstanding the above, Lessee shall be permitted to sublease or license to one sublessee or licensee ("Anchor Tenant") without being required to pay the Additional Rent to City as provided above. The Anchor Tenant shall not be considered a Co-Locator and Lessee shall have the right to substitute the Anchor Tenant at any time in the event the Anchor Tenant terminates its sublease or license with Lessee. Lessee's licensee(s) and sublessee(s) shall be entitled to modify the Lessee Facility, and erect and install additional improvements and personal property on the Premises and Lessee Facility, including but not limited to antennas, dishes, cabling, utilities, emergency or back-up power, generators, and equipment shelters. All such facilities shall be ~~constructed~~ inconstructed in conformity with the terms of this Lease. Lessee's licensee(s) and sublessee(s) shall be entitled to all rights of ingress and egress to the Premises, the right to install utilities on the Premises and the right to use the Premises for the Intended Use as if said licensee or sublessee were the Lessee under this Lease.

19. Taxes. Lessee shall pay any property taxes assessed on the Lessee Facility in full. City shall pay when due all property taxes and all other fees and assessments attributable to the Premises, other than the Lessee Facility. In the event that either Party fails to pay when due any taxes affecting the Premises or the Lessee Facility, the other party shall have the right but not the obligation to pay such taxes and deduct the full amount of the taxes paid by Lessee on City's behalf from future payments of Rent. City agrees to provide to Lessee a copy of any notice, assessment or billing relating to any real or personal property taxes for which Lessee is responsible under this Lease within thirty (30) days of receipt of same by City. Lessee shall have the right, at its sole option, and at its sole cost and expense, to appeal, challenge or seek modification of any real or personal property tax assessment or billing for which Lessee is wholly or partly responsible for payment under this Lease. City shall reasonably cooperate with Lessee in filing, prosecuting and perfecting any appeal or challenge to property taxes as set forth herein, including but not limited to executing consent to appeal or other similar document.

20. Condemnation. If a condemning authority takes all of the Premises, or a portion sufficient in Lessee's determination, to render the Premises in the opinion of Lessee unsuitable

for the use which Lessee was then making of the Premises, this Lease shall terminate the earlier of:

- a) The date title vests in the condemning authority; or,
- b) The date the condemning authority takes possession of the Premises or a portion of it.

City and Lessee shall share in the condemnation proceeds in proportion to the values of their respective interests in the Premises (which for Lessee shall include, where applicable, the value of its Improvements, moving expenses, prepaid rent, lost business, goodwill, and business relocation expenses). A sale of all or part of the Premises to a purchaser with the power of eminent domain in the face of the exercise of eminent domain power shall be treated as a taking by condemnation for the purposes of this paragraph. Except as provided in this paragraph, generally applicable condemnation law will apply in the event of a condemnation.

21. Insurance.

a) Each Party shall insure their respective real and personal property located on or in the Premises for perils covered by the causes of loss – special form (all risk) and in addition, coverage for flood, wind, earthquake, terrorism and boiler and machinery (if applicable). Such insurance shall be written on a replacement cost basis in an amount equal to one hundred percent (100%) of the full replacement value, customarily insured against for property of the type.

b) Lessee shall purchase and maintain, and shall cause its construction contractors to purchase and maintain, commercial general liability insurance naming City as an additional insured against any and all claims for bodily injury and property damage occurring in, or about the Premises arising out of Lessee’s use and occupancy of the Premises. Such Insurance shall have a combined single limit of not less than Five Million Dollars (\$5,000,000) per project with a Five Million Dollars (\$5,000,000) aggregate limit. Such insurance shall be primary as relates to Lessee’s operations and not contributing to any insurance available to City and City’s insurance shall be in excess thereto. In no event shall the limits of such insurance be considered as limiting the liability of Lessee under this Lease.

c) Limits of insurance are to be satisfied by any combination of primary and umbrella coverage.

d) Lessee shall purchase and maintain, and shall cause its construction contractors to purchase and maintain, workers’ compensation insurance in accordance with statutory law and employers’ liability insurance with a limit of not less than One Million Dollars (\$1,000,000) per accident.

e) All insurance required of Lessee shall be written by companies which hold an A.M. Best A MINUS-VII rating or higher and are licensed to do business in the state of Iowa and domiciled in the USA. Each policy of insurance shall provide notification to City at least thirty

(30) days before the policy is cancelled or materially changed. Each policy shall name City as an additional insured.

f) Prior to the time any work on the Premises shall commence under this Lease, Lessee will provide City with certificates of insurance showing compliance with all property and liability insurance requirements under this Lease, and such certificates shall include thirty (30) days advance notice of cancellation to the City. A renewal certificate shall be provided prior to expiration of the current policies, showing no lapse in coverage.

g) The Parties hereby mutually waive and release their respective rights of recovery against each other, and their respective officers, employees, agents, for any loss of or damage to, either parties property, to the extent that such loss or damage is insured by an insurance policy (or in the event either party elects to self-insure any property coverage required) required to be in effect at the time of such loss or damage. Each party shall obtain any special endorsements, if required by its insurer whereby the insurer waives its rights of subrogation against the other party.

h) Lessee will not do or omit doing of any act which would invalidate any insurance, or increase the insurance rates in force on the Premises.

i) Lessee further agrees to be liable for and to promptly pay, as if current rental, any increase in DMMW's insurance rates on said premises and on the building of which said premises are a part, due to increased risks or hazards resulting from Lessee's use of the Premises otherwise than as herein contemplated and agreed.

j) Subject to the notice and opportunity to cure provisions in Paragraph 14 in the event Lessee does not purchase the insurance required by this Lease or keep the same in full force and effect, City may, but shall not be obligated to, purchase the necessary insurance and pay the premium. Lessee shall repay to City, as additional rent, the amount so paid promptly upon demand. In addition, City may recover from Lessee and Lessee agrees to pay, as additional rent, any and all reasonable expenses (including attorneys' fees) and damages which City may sustain by reason of the failure to Lessee to obtain and maintain such insurance.

22. Liability For Damage. Each Party shall be liable to the other for all damage to the property of the other negligently, recklessly or intentionally caused by that Party (or their employees, agents, contractors, or invitees), except to the extent the loss is insured and subrogation is waived under this Lease.

23. Indemnity. Lessee, and its, grantees, successors, and assigns, shall indemnify, defend, reimburse and hold harmless City, and its trustees, officers, employees, attorneys, and agents, from all claims, including reasonable attorneys' fees, costs and expenses of defending against such claims, arising from the negligence or willful misconduct of Lessee or Lessee's employees, agents, sub-lessees, sublicenses, invitees, contractors in or about the Premises.

City, and its, grantees, successors, and assigns shall indemnify, defend, reimburse and hold harmless Lessee, and its members, managers, officers, employees, attorneys, and agents, from all claims, including reasonable attorneys' fees, costs and expenses of defending against such

claims, arising from the negligence or willful misconduct of City or City's employees, agents, invitees, or contractors occurring in or about the Parent Parcel.

Neither party shall indemnify the other if both Parties are at fault, and no indemnity shall apply to the extent the loss is insured and subrogation is waived under this Lease. The duties described herein survive termination or expiration of this Lease.

24. Interference. City shall not, nor shall City permit its lessees, licensees, invitees or agents, to use any portion of the Parent Parcel or adjacent real property owned or controlled by City in any way which interferes with Lessee's Intended Use of the Premises. Such interference shall be deemed a material breach of this Lease by City and City shall have the responsibility to immediately terminate such interference. In the event such interference is not immediately rectified, City acknowledges that continuing interference will cause irreparable injury to Lessee, and Lessee shall have the right, in addition to any other rights that it may have at law or in equity, to bring an action to enjoin such interference or to terminate this Lease with notice to City.

25. City Environmental Compliance. City represents, warrants, and agrees:

a) That neither City nor, to City's knowledge, any third party has used, generated, stored or disposed of, or permitted the use, generation, storage or disposal of, any contaminants, oils, asbestos, PCBs, hazardous substances or wastes as defined by federal, state or local environmental laws, regulations or administrative orders or other materials the removal of which is required or the maintenance of which is prohibited, regulated or penalized by any federal, state or local government authority ("Hazardous Materials") on, under, about or within the Premises or the Parent Parcel in violation of any law or regulation.

b) That City will not, and will not permit any third party with its consent to use, generate, store or dispose of any Hazardous Materials on, under, about or within the Parent Parcel in violation of any law or regulation. This Lease shall, at the option of Lessee, terminate and be of no further force or effect if Hazardous Materials are discovered to exist on the Premises or the Parent Parcel through no fault of Lessee after Lessee takes possession of the Premises and Lessee shall be entitled to a refund of all the consideration paid in advance to City under this Lease.

c) City shall, upon demand of Lessee, and at City's sole cost and expense, promptly take all actions to remediate the Premises or Parent Parcel which are required by any federal, state or local governmental agency or political subdivision or which are reasonably necessary to mitigate environmental damages or to allow full economic use of the Premises, which remediation is necessitated from the presence upon, about or beneath the Premises or Parent Parcel of a Hazardous Material existing or introduced in violation of this Paragraph by City. Such actions shall include but not be limited to the investigation of the environmental condition of the Premises or Parent Parcel the preparation of any feasibility studies, reports or remedial plans, and the performance of any cleanup, remediation, containment, operation, maintenance, monitoring or actions necessary to restore the Premises or Parent Parcel to the condition existing prior to the introduction of Hazardous Material upon, about or beneath the Parent Parcel and/or

Easement notwithstanding any lesser standard of remediation allowable under applicable law or governmental policies.

26. Lessee Environmental Compliance. Lessee represents, warrants, and agrees:

a) Lessee's use of the Premise will not include the use, generation, storage or disposal of any Hazardous Materials without Lessee first obtaining the written consent of City. Lessee understands and agrees that ~~City's~~ consent is at ~~City's~~ sole option and complete discretion and that such consent may be withheld or may be granted with any conditions or requirements that City deems appropriate.

b) Lessee shall be fully liable for all costs and expenses related to the use, storage, removal and disposal of Hazardous Materials used or kept on the property by Lessee, and Lessee shall give immediate notice to City of any violation or any potential violation of any environmental regulation, rule, statute or ordinance relating to the use, storage or disposal of any hazardous substance.

c) Lessee shall, upon demand of City, and at Lessee's sole cost and expense, promptly take all actions to remediate the Premises or Parent Parcel which are required by any federal, state or local governmental agency or political subdivision or which are reasonably necessary to mitigate environmental damages or to allow full economic use of the Premises or Parent parcel, which remediation is necessitated from the presence upon, about or beneath the Premises or Parent Parcel of a Hazardous Material existing or introduced in violation of this Paragraph by Lessee. Such actions shall include but not be limited to the investigation of the environmental condition of the Premises or Parent Parcel the preparation of any feasibility studies, reports or remedial plans, and the performance of any cleanup, remediation, containment, operation, maintenance, monitoring or actions necessary to restore the Premises or Parent Parcel to the condition existing prior to the introduction of Hazardous Material upon, about or beneath the Premises or Parent Parcel notwithstanding any lesser standard of remediation allowable under applicable law or governmental policies.

27. Environmental Indemnities.

a) City, its grantees, successors, and assigns shall indemnify, defend, reimburse and hold harmless Lessee its members, managers, officers, employees, attorneys, and agents from and against any and all claims, causes of action, damages, loss, costs, expense, penalties, fines, lawsuits, liabilities, attorney fees, engineering and consulting fees, including, but not limited to, injury or death to persons or damage to property, which may result from, or arise out of, or be in any manner connected with or arising from the presence or release of Hazardous Materials upon, about or beneath the Premises or Parent Parcel, which conditions exist or existed prior to or at the time of the Effective Date of this Lease or which may occur at any time in the future, except that no indemnity for any presence or release first arising after the Effective Date shall apply: (i) to any presence or release occurring by reason of act or omission by Lessee or its sub-tenants or licenses and their respective employees, officers, agents, contractors and vendors; or (ii) to any presence or release occurring through no act or omission of City after the Effective Date.

b) Lessee, its, grantees, successors, and assigns shall indemnify, defend, reimburse and hold harmless City and its trustees, officers, employees, attorneys, and agents from and against any and all claims, causes of action, damages, loss, costs, expense, penalties, fines, lawsuits, liabilities, attorney fees, engineering and consulting fees, including, but not limited to, injury or death to persons or damage to property, which may result from, or arise out of, or be in any manner connected with, or arising from the presence or release of Hazardous Materials upon, about or beneath the Premises or the Parent Parcel, occurring by reason of act or omission of Lessee or its sub-tenants or licenses and their respective employees, officers, agents, contractors and vendors.

c) The duties and indemnifications in this paragraph shall survive expiration or termination of this Lease.

28. Notices. All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed given if personally delivered or mailed, certified mail, return receipt requested, or via a nationally recognized overnight delivery service to the following addresses or to such other addresses as may be specified in writing at any time during the term of this Lease:

If to City, to:

City of Pleasant Hill
5151 Maple Drive, Suite 1
Pleasant Hill, Iowa 50327
Attention: City Manager

If to Lessee, to:

TowerCo 2013 LLC
5000 Vallestone Drive
Cary, North ~~Carolina 27519~~ Carolina 27519
Attention: ~~n~~ Property Management
Site ID #: IA-~~0227~~

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29. Title and Quiet Enjoyment. City warrants and represents that:

a) It has the full right, power, and authority to execute this Lease.

b) It has good and marketable fee simple title to the Premises free and clear of any liens and encumbrances or mortgages.

c) There are no easements, licenses, rights, covenants or restrictions on use related to or affecting the Premises which will interfere with Lessee's Intended Use of the ~~Premises. The~~ Premises. The execution of this Lease by City will not cause a breach or an event of default of any other agreement(s) to which City is a party.

d) The Premises constitutes a legal lot that may be leased without the need for any subdivision or platting approval. City covenants that it shall comply with all applicable laws, regulations and requirements related to the Premises and that Lessee shall have the quiet enjoyment of the Premises during the term of this Lease. City shall indemnify Lessee from and against any loss, cost, expense or damage including ~~attorneys~~attorney's fees associated with a breach of the foregoing covenants. In the event that City fails to keep the Premises free and clear of any liens and encumbrances, Lessee shall have the right but not the obligation to satisfy such lien or encumbrance and deduct the full amount paid by Lessee on City's behalf from future installments of Rent. City agrees to indemnify and hold harmless Lessee from any and all claims and/or notices of non-compliance brought against City for any breach by City of this warranty, and City agrees to allow Lessee to continue to quietly enjoy the use of City's Premises while City remedies any such non-compliance. Should Lessee's use of the Premises become compromised due to any breach of the warranty and covenants contained in this paragraph, City acknowledges that Lessee shall be substantially harmed and Lessee will seek to recover from City any damages Lessee may sustain.

30. Assignment.

a) Upon written notice to Lessee, City, is permitted to transfer this Lease only in connection with the sale of the Parent Parcel and only on the following conditions:

- i) The acquiring party must and will assume in writing all of the rights and obligations of City under this Lease on and after the date of purchase of the Parent Parcel.
- ii) City must retain no rights or obligations under the Lease after the date of sale of the Parent Parcel (a "City Permitted Assignment").

Other than a City Permitted Assignment, City is prohibited from assigning, selling or otherwise transferring the Lease in whole or in part and City is prohibited from granting any third party an easement or other real property interest in the Premises.

b) Lessee may assign this Lease only to a purchaser of substantially all of ~~Lessee's~~Lessee's assets, and by operation of law in the event of merger where Lessee is not the surviving entity, upon written notice thereof to City. Lessee may otherwise assign the Lease with written notice to and the consent of City which consent shall not be unreasonably withheld. From and after the date this Lease has been sold, assigned or transferred by Lessee to a financially responsible third party agreeing to be bound to the terms hereof, Lessee shall immediately be released from any and all liability under this Lease, including the payment of any rental or other sums due, without any further action. Additionally, Lessee may mortgage or grant a security interest in this Lease and the Improvements, and may assign this Lease and the Improvements to any such mortgagees or holders of security interests including their successors and assigns (hereinafter collectively referred to as "Secured Parties"). If requested, City shall execute such consent to leasehold financing as may reasonably be required by Secured Parties. City agrees to notify Lessee and Lessee's Secured Parties simultaneously of any default by Lessee and to give Secured Parties the same right to cure any default as Lessee except that the

cure period for any Secured Party shall not be less than ten (10) days after the receipt of the default notice. If a termination, disaffirmance or rejection of the Lease pursuant to any laws (including any bankruptcy or insolvency laws) by Lessee shall occur, or if City shall terminate this Lease for any reason, City will give to the Secured Parties prompt notice thereof and City will give the Secured Parties the right to enter upon the Premises during a thirty (30)-day period commencing upon the Secured Party's receipt of such notice for the purpose of removing any Improvements. City acknowledges that the Secured Parties shall be third-party beneficiaries of this Lease.

31. Successors and Assigns. This Lease shall run with the Premises and shall be binding upon and inure to the benefit of the Parties, their respective heirs, successors, personal representatives and assigns.

32. Waiver of Lessor's Lien. Lessor hereby waives any and all lien rights it may have, statutory or otherwise, in and to the Improvements or any portion thereof, regardless of whether or not same is deemed real or personal property under applicable laws.

33. Waiver of Incidental, Consequential and Punitive Damages. Except for indemnification provisions herein, neither Party shall be liable to the other, or any of their respective agents, representatives, employees for any lost revenue, lost profits, loss of technology, rights or services, incidental, punitive, indirect, special or consequential damages, loss of data, or interruption or loss of use of service, even if advised of the possibility of such damages, whether under theory of contract, tort (including negligence), strict liability or otherwise.

34. Independent Status. Under no circumstances shall this Lease be construed as one of agency, sponsorship, joint venture, or employment between the City and Lessee. None of the personnel under contract to or employed by Lessee as its authorized representatives shall be deemed to be employed by, or in any way to have any contractual relationship with City whatsoever.

35. Miscellaneous.

a) The substantially prevailing party in any litigation arising hereunder shall be entitled to its reasonable attorney's fees and court costs, including appeals, if any.

b) Each party agrees to furnish to the other, within ten (10) days after request, such truthful estoppel information as the other may reasonably request.

c) This Lease constitutes the entire agreement and understanding of the parties with respect to the subject matter of this Lease, and supersedes all offers, negotiations and other agreements. There are no representations or understandings of any kind not set forth herein. Any amendments to this Lease must be in writing and executed by the Parties.

d) If either Party is represented by a real estate broker in this transaction, that party shall be fully responsible for any fees due such broker and shall hold the other Party harmless from any claims for commission by such broker.

e) City agrees to cooperate with Lessee in executing any documents necessary to protect Lessee's rights under this Lease or Lessee's use of the Premises, including but not limited to affidavits relating to title curative measures and subordination and ~~non-disturbance~~non-disturbance agreements and to take any further action which Lessee may reasonably require as to effect the intent of this Lease.

f) This Lease shall be construed in accordance with the laws of the State of Iowa.

g) If any term of this Lease is found to be void or invalid, such invalidity shall not affect the remaining terms of this Lease, which shall continue in full force and effect.

h) Upon request of Lessee, City shall promptly execute and deliver to Lessee such documents as Lessee requests to evidence Lessee's rights in the Premises, including a memorandum of lease and/or amendments thereto. Lessee may file such documents of record in the property records in the county in which the Premises are located.

i) Lessee may obtain title insurance on its interest in the Premises and Easement, and City shall cooperate by executing documentation required by the title insurance company. In the event the Premises is encumbered by a mortgage or deed of trust, City agrees to obtain and furnish, within thirty (30) days written request by Lessee, a non-disturbance agreement to the effect that Lessee and Lessee's sublessees or licensees will not be disturbed in the occupancy of the Premises by any foreclosure; provided that the rights and interests of Lessee under this Lease shall be subject and subordinate to such mortgage or deed of trust.

j) This Lease may be executed in two or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by the each of the parties, it being understood that all parties need not sign the same counterpart and that scanned or electronically reproduced copies of this Lease shall have the same force and effect as originals.

k) In any case where the approval or consent of one party hereto is required, requested or otherwise to be given under this Lease, such party shall not unreasonably condition, delay or withhold its approval or consent.

l) The various rights, powers, options, elections and remedies of either party, provided in this lease, shall be construed as cumulative and no one of them as exclusive of the others, or exclusive of any rights, remedies or priorities allowed either party by law, and shall in no way affect or impair the right of either party to pursue any other equitable or legal remedy to which either party may be entitled as long as any default remains in any way unremedied, unsatisfied or undischarged.

m) Words and phrases herein, including acknowledgment hereof, shall be construed as in the singular or plural number, and as masculine, feminine or neuter gender according to the context.

[SIGNATURES BEGIN ON NEXT PAGE]

IN WITNESS WHEREOF, City and Lessee have executed this Lease and Lease as of the date affixed to their signatures below.

CITY:

CITY OF PLEASANT HILL, IOWA

By: _____
Name: _____
Title: _____
Date: _____

STATE OF IOWA)
) SS:
COUNTY OF POLK)

On this ____ day of _____, ~~2014~~2016, before me, a Notary Public in and for the State of Iowa, personally appeared Sara Kurovski and Dena Spooner, to me personally known, and, who, being by me duly sworn, did say that they are the Mayor and the City Clerk, respectively, of the City of Pleasant Hill, Iowa; that the seal affixed to the foregoing instrument is the corporate seal of the corporation, and that the attached instrument was signed and sealed on behalf of the corporation, by authority of its City Council as contained in the Resolution adopted by the City Council on the ____ day of _____, 201~~6~~4, and that Sara Kurovski and Dena Spooner acknowledged the execution of the instrument to be the voluntary act and deed of the corporation, by it and by them voluntarily executed.

Notary Public in and for the State of Iowa

LESSEE:

TOWERCO 2013 LLC

By: _____
Name: _____
Title: _____
Date: _____

State of _____

County of _____

On this ____ day of _____, ~~2014~~2016, before me, the undersigned, Notary Public in and for said County and State, personally appeared _____ to me personally known, who being by me duly sworn, did say that he is the Manager of TowerCo 2013, LLC, executing the within and foregoing instrument, that he is authorized to execute the within and foregoing instrument on its behalf by authority of its operating agreement, and acknowledged that he executed the same as his voluntary act and deed of the limited liability company, by it and by him voluntarily executed.

WITNESS my hand and official seal, this ____ day of _____, ~~2014~~2016.

Signature _____

NOTARY SEAL

My commission expires: _____

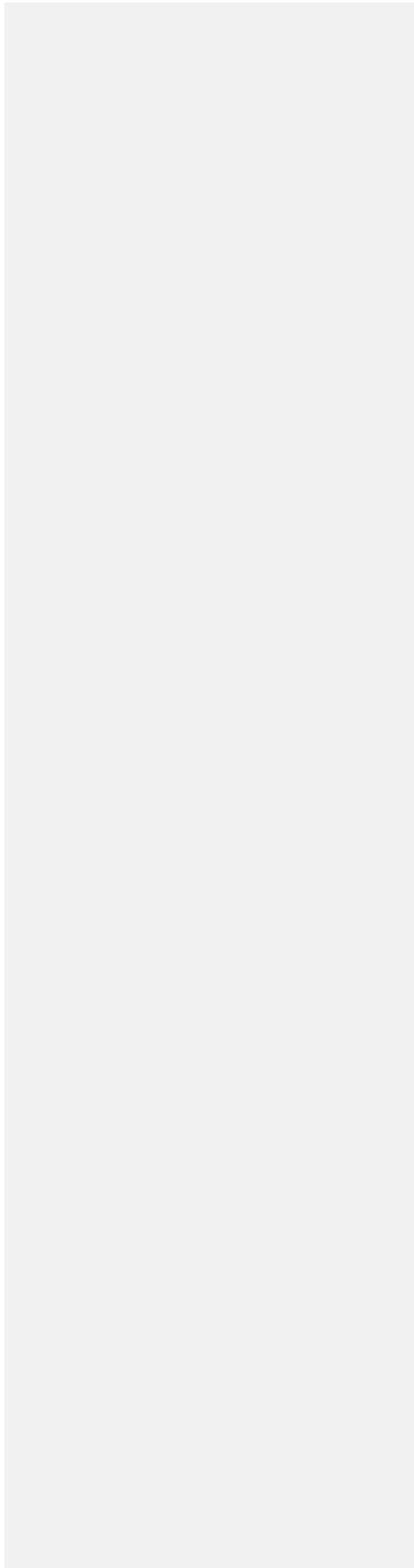


EXHIBIT "A"

DESCRIPTION OF PARENT PARCEL

The Parent Parcel is described and/or depicted as follows:

the following described real estate situated in _____ County, Iowa, to-wit: *U*
An irregular parcel of land located in Plat 1, E.J. Ellison Estate, an Official Plat in Pleasant Hill, Polk County, Iowa is more accurately described as follows: Commencing at the N.E. Corner of Section 4T78NR23 West of the 5th P.M.; Thence N90°00'W along the north line of the N.E. 1/4 of said Section 4, 2434.7 feet to the center line of North Shady View Blvd., as it is presently established; Thence S0°59'E along the center line of said North Shady View Blvd., 1415.65 feet; Thence N90°00'E. along the north line of Pleasant Hill Manor Plat No. 2, 1245.8 feet to the N.E. Corner of Lot 1, in said Plat No. 2 and to the point of beginning; Thence S19°40 1/2'W along the east line of said Plat No. 2, 329.84 feet to the S.E. Corner of Lot 30 in said Plat No. 2; Thence S18°33 1/2'W, 393.9 feet; Thence S21°41'W, 591.44 feet; Thence S1°34'E, 99.7 feet to a point on the north Right-of-way line of Oakwood Drive as it is presently established; Thence N88°26'E along the north Right-of-way of said Oakwood Drive 384.3 feet; Thence N0°11'W, 200.0 feet; Thence N88°26'E, 180.0 feet to the east line of said Lot 1, E.J. Ellison Estate; Thence N0°11'W, along the east line of said Lot 1, E.J. Ellison Estate, 1129.42 feet to the S.E. corner of Lot 1, Pleasant Hill Manor Plat No. 1; Thence N90°00'W along the south line of said Lot 1 in said Plat No. 1, 24.92 feet to the point of beginning." Reserving to Grantor sanitary and storm sewer easements necessary for future development. *P.H. 002-1*

now included in and forming a part of the City of Pleasant Hill, Iowa.

EXHIBIT "B"

DESCRIPTION OR DEPICTION OF PREMISES

An approximately ___ feet x ___ feet tract of land, together with Access and Utility Easement
~~Access Corridors~~ for ingress, and egress and for utilities described or depicted as attached:

[Attach Plat]

PROPOSED LEASE AREA:

PART OF LOT 1, E.J. ELLISON ESTATE, POLK COUNTY, IOWA FURTHER DESCRIBED AS FOLLOWS:

COMMENCING AT THE SW CORNER OF LOT 18, HAWKEYE SUNRISE PARK, POLK COUNTY, IOWA;

THENCE S47°21'03"W, 21.32 FEET TO THE POINT OF BEGINNING;

THENCE S90°00'00"W, 25.00 FEET;

THENCE N45°00'00"W, 14.14 FEET;

THENCE N00°00'00"W, 50.00 FEET;

THENCE N90°00'00"E, 35.00 FEET;

THENCE S00°00'00"E, 60.00 FEET TO THE POINT OF BEGINNING CONTAINING 0.05 ACRES (2,050 SQ.FT.) MORE OR LESS.

SUBJECT TO EXISTING EASEMENTS AND RESTRICTIONS OF RECORD.

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PROPOSED ACCESS EASEMENT:

PART OF LOT 1, E.J. ELLISON ESTATE, POLK COUNTY, IOWA FURTHER DESCRIBED AS FOLLOWS:

COMMENCING AT THE SW CORNER OF LOT 18, HAWKEYE SUNRISE PARK, POLK COUNTY, IOWA;

THENCE S47°21'03"W, 21.32 FEET;

THENCE S90°00'00"W, 25.00 FEET;

THENCE N45°00'00"W, 1.07 FEET TO THE POINT OF BEGINNING;

THENCE S45°00'00"W, 10.24 FEET;

THENCE S00°00'00"E, 45.02 FEET;

THENCE S89°56'02"W, 71.08 FEET;

THENCE S00°33'57"E, 217.72 FEET TO THE NORTH RIGHT-OF-WAY LINE OF OAKWOOD DRIVE;

THENCE S88°22'28"W ALONG SAID NORTH RIGHT-OF-WAY LINE, 12.00 FEET;

THENCE N00°33'57"W, 230.04 FEET;

THENCE N89°56'02"E, 71.20 FEET;

THENCE N00°00'00"W, 99.52 FEET;

THENCE N90°00'00"E, 10.00 FEET;

THENCE S00°00'00"E, 50.00 FEET;

THENCE S45°00'00"E, 13.07 FEET TO THE POINT OF BEGINNING CONTAINING 0.11 ACRES (4,757 SQ.FT.) MORE OR LESS.

SUBJECT TO EXISTING EASEMENTS AND RESTRICTIONS OF RECORD.

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PROPOSED 10' UTILITY EASEMENT:

PART OF LOT 1, E.J. ELLISON ESTATE, POLK COUNTY, IOWA FURTHER DESCRIBED AS FOLLOWS:

COMMENCING AT THE SW CORNER OF LOT 18, HAWKEYE SUNRISE PARK, POLK COUNTY, IOWA;

THENCE S47°21'03"W, 21.32 FEET;

THENCE S90°00'00"W, 25.00 FEET TO THE POINT OF BEGINNING;

THENCE S90°00'00"W, 10.00 FEET;

THENCE S00°00'00"E, 22.77 FEET;

THENCE S90°00'00"W, 81.37 FEET;

THENCE S00°33'57"E, 246.87 FEET TO THE NORTH RIGHT-OF-WAY LINE OF OAKWOOD DRIVE;

THENCE S88°22'28"W ALONG SAID NORTH RIGHT-OF-WAY LINE, 10.00 FEET;

THENCE N00°33'57"W, 257.16 FEET;

THENCE N90°00'00"E, 81.47 FEET;

THENCE N00°00'00"W, 22.77 FEET;

THENCE N90°00'00"E, 10.00 FEET;

THENCE S45°00'00"E, 14.14 FEET TO THE POINT OF BEGINNING CONTAINING 0.08 ACRES (3,662 SQ.FT.) MORE OR LESS.

SUBJECT TO EXISTING EASEMENTS AND RESTRICTIONS OF RECORD

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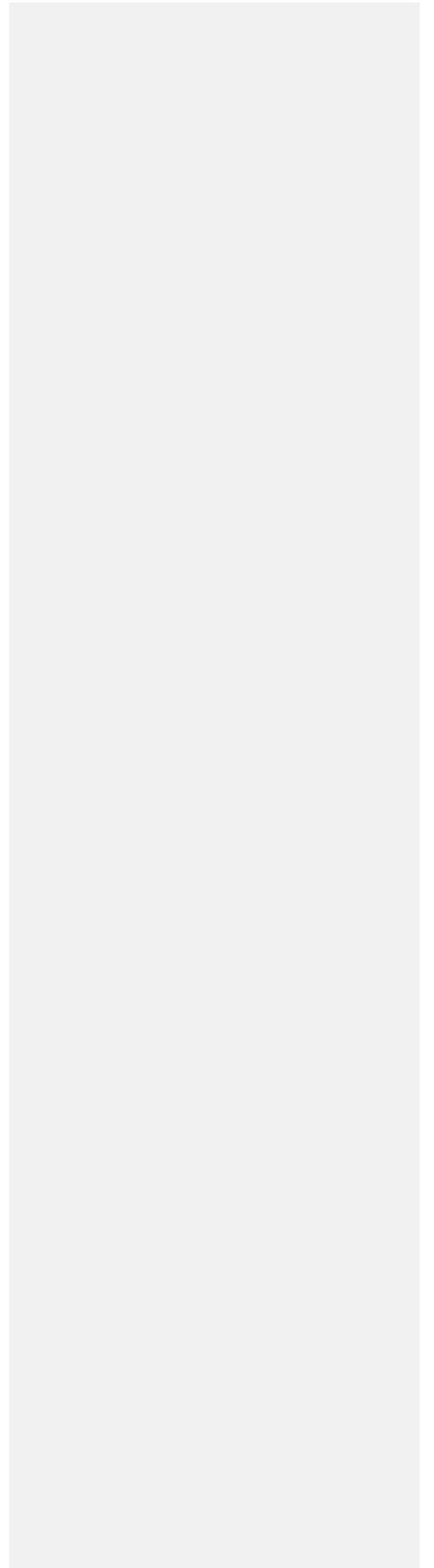
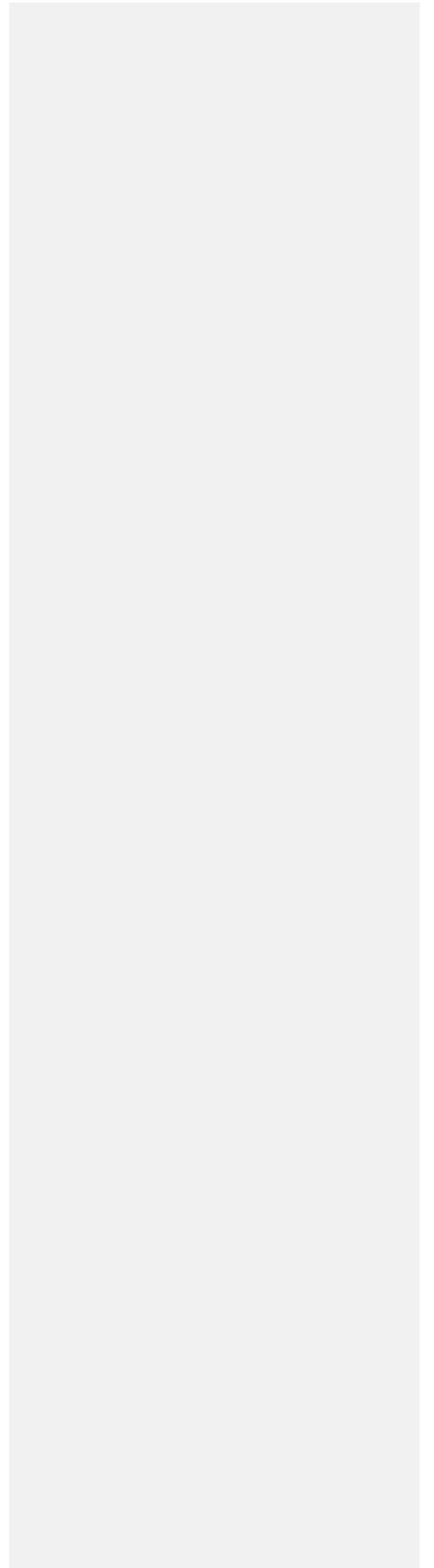


EXHIBIT "C"

COMMUNICATION PROVIDERS TO RELOCATE TO LESSEE FACILITY

Communication providers to relocate all of their communication facilities from the water tower structure located on the Parent Parcel to the Lessee Facility, as subtenants or licensee of Lessee:

T-Mobile USA
AT&T



Prepared by:

After recording return to:

TowerCo
5000 Valleystone Drive
Cary, North ~~Carolina 27519~~ Carolina

27519

MEMORANDUM OF AGREEMENT

This Memorandum of Agreement is entered into on this ____ day of _____, 20164, by and between the City of Pleasant Hill, Iowa ("City")~~Board of Water Works Trustees of the City of Pleasant Hill, Iowa, 5151, 5151~~ Maple Drive, Suite 1, Pleasant Hill, Iowa 50327 ("City") and TOWERCO 2013 LLC, a Delaware limited liability company having a mailing address ~~of 5000~~of 5000 Valleystone Drive, Cary, North Carolina, ~~27519, 27519~~ ("Lessee").

1. City and Lessee entered into that certain Ground Lease Agreement dated the ____ day of _____, 20164 (the "Lease") for certain real property and easements as described in **Exhibit B** attached hereto (collectively, the "Premises"), which are a portion of that certain parcel of real property located in Pleasant Hill, County of Polk, State of Iowa, described in **Exhibit A** attached hereto (the "Land").
2. The Lease has an initial term of five (5) years, with options to renew for four (4) additional five (5) year terms. Should Lessee fail to exercise the Option during the Option Initial Term or any Option Renewal Term, the Lease shall be void and of no further force or effect.
3. The purpose of this Memorandum is to give record notice of the Lease and of the rights created thereby, all of which are hereby confirmed. In the event of a conflict between the terms of this Memorandum or the addition of any terms in this Memorandum which are not contained in the Lease, the Lease shall control. The terms of the Lease are hereby incorporated by reference.
4. A copy of the full lease is available for inspection and copying at City Hall.

IN WITNESS WHEREOF, the parties have executed this Memorandum as of the dates set forth in the respective acknowledgements.

City:

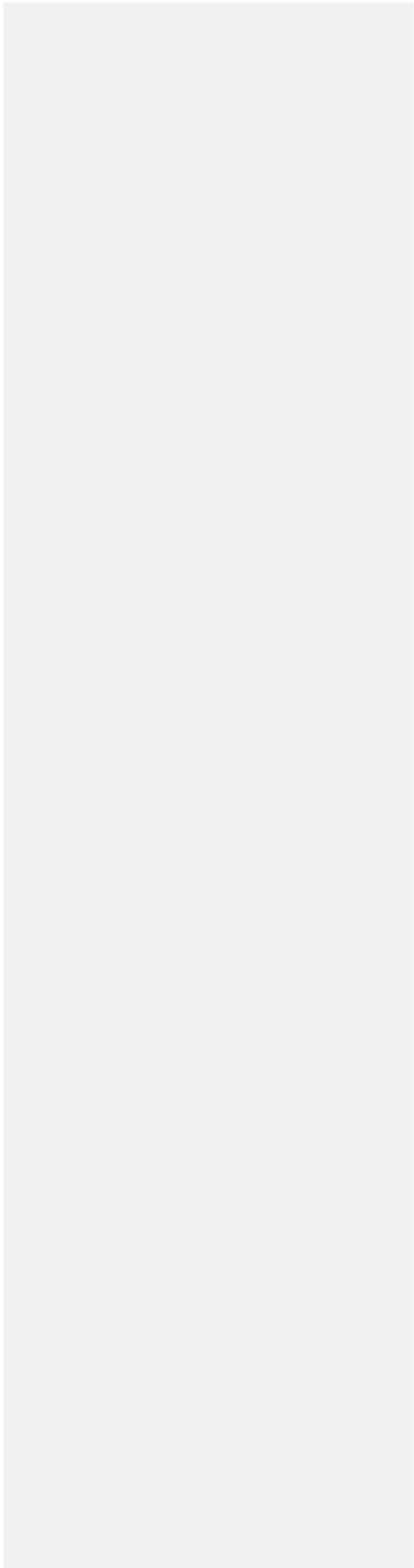
CITY OF PLEASANT HILL, IOWA

By: _____
Name: _____
Title: _____
Date: _____

STATE OF IOWA)
) SS:
COUNTY OF POLK)

| On this _____ day of _____, 2016, before me, a Notary Public in and for the State of Iowa, personally appeared Sara Kurovski and Dena Spooner, to me personally known, and, who, being by me duly sworn, did say that they are the Mayor and the City Clerk, respectively, of the City of Pleasant Hill, Iowa; that the seal affixed to the foregoing instrument is the corporate seal of the corporation, and that the attached instrument was signed and sealed on behalf of the corporation, by authority of its City Council as contained in the Resolution adopted by the City Council on the ____ day of _____, 2016, and that Sara Kurovski and Dena Spooner acknowledged the execution of the instrument to be the voluntary act and deed of the corporation, by it and by them voluntarily executed.

Notary Public in and for the State of Iowa



LESSEE:

TOWERCO 2013 LLC

By: _____
Name: _____
Title: _____
Date: _____

State of

County of

On this ____ day of _____, 201~~6~~4, before me, the undersigned, ~~a~~-Notary Public in and for said County and State, personally appeared _____ to me personally known, who being by me duly sworn, did say that he is the Manager of TowerCo 2013, LLC, executing the within and foregoing instrument, that he is authorized to execute the within and foregoing instrument on its behalf by authority of its operating agreement, and acknowledged that he executed the same as his voluntary act and deed of the limited liability company, by it and by him voluntarily executed.

WITNESS my hand and official seal, this ____ day of _____, 201~~6~~4.

Signature _____

NOTARY SEAL

My commission expires: _____

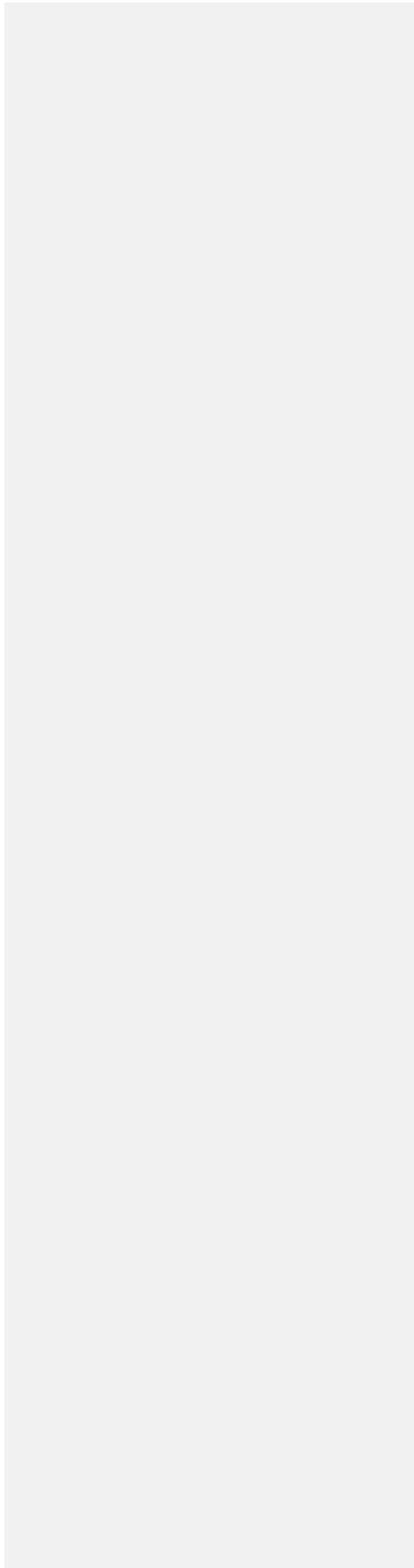


EXHIBIT "A"

DESCRIPTION OF PARENT PARCEL

The Parent Parcel is described and/or depicted as follows:

the following described real estate situated in _____ County, Iowa, to-wit: *U*
An irregular parcel of land located in Plat 1, E.J. Ellison Estate, an Official Plat in Pleasant Hill, Polk County, Iowa is more accurately described as follows: Commencing at the N.E. Corner of Section 4T78NR23 West of the 5th P.M.; Thence N90°00'W along the north line of the N.E. 1/4 of said Section 4, 2434.7 feet to the center line of North Shady View Blvd., as it is presently established; Thence S0°59'E along the center line of said North Shady View Blvd., 1415.65 feet; Thence N90°00'E. along the north line of Pleasant Hill Manor Plat No. 2, 1245.8 feet to the N.E. Corner of Lot 1, in said Plat No. 2 and to the point of beginning; Thence S19°40 1/2'W along the east line of said Plat No. 2, 329.84 feet to the S.E. Corner of Lot 30 in said Plat No. 2; Thence S18°33 1/2'W, 393.9 feet; Thence S21°41'W, 591.44 feet; Thence S1°34'E, 99.7 feet to a point on the north Right-of-way line of Oakwood Drive as it is presently established; Thence N88°26'E along the north Right-of-way of said Oakwood Drive 384.3 feet; Thence N0°11'W, 200.0 feet; Thence N88°26'E, 180.0 feet to the east line of said Lot 1, E.J. Ellison Estate; Thence N0°11'W, along the east line of said Lot 1, E.J. Ellison Estate, 1129.42 feet to the S.E. corner of Lot 1, Pleasant Hill Manor Plat No. 1; Thence N90°00'W along the south line of said Lot 1 in said Plat No. 1, 24.92 feet to the point of beginning." Reserving to Grantor sanitary and storm sewer easements necessary for future development. *P.H. 002-1*

now included in and forming a part of the City of Pleasant Hill, Iowa.

EXHIBIT "B"

DESCRIPTION OR DEPICTION OF PREMISES

An approximately ___ feet x ___ feet tract of land, together with Access Cooridors for ingress, and egress and for utilities described or depicted as attached:

[Attach Plat]

PROPOSED LEASE AREA:

PART OF LOT 1, E.J. ELLISON ESTATE, POLK COUNTY, IOWA FURTHER DESCRIBED AS FOLLOWS:

COMMENCING AT THE SW CORNER OF LOT 18, HAWKEYE SUNRISE PARK, POLK COUNTY, IOWA:

THENCE S47°21'03"W, 21.32 FEET TO THE POINT OF BEGINNING;

THENCE S90°00'00"W, 25.00 FEET;

THENCE N45°00'00"W, 14.14 FEET;

THENCE N00°00'00"W, 50.00 FEET;

THENCE N90°00'00"E, 35.00 FEET;

THENCE S00°00'00"E, 60.00 FEET TO THE POINT OF BEGINNING CONTAINING 0.05 ACRES (2,050 SQ.FT.) MORE OR LESS.

SUBJECT TO EXISTING EASEMENTS AND RESTRICTIONS OF RECORD.

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PROPOSED ACCESS EASEMENT:

PART OF LOT 1, E.J. ELLISON ESTATE, POLK COUNTY, IOWA FURTHER DESCRIBED AS FOLLOWS:

COMMENCING AT THE SW CORNER OF LOT 18, HAWKEYE SUNRISE PARK, POLK COUNTY, IOWA:

THENCE S47°21'03"W, 21.32 FEET;

THENCE S90°00'00"W, 25.00 FEET;

THENCE N45°00'00"W, 1.07 FEET TO THE POINT OF BEGINNING;

THENCE S45°00'00"W, 10.24 FEET;

THENCE S00°00'00"E, 45.02 FEET;

THENCE S89°56'02"W, 71.08 FEET;

THENCE S00°33'57"E, 217.72 FEET TO THE NORTH RIGHT-OF-WAY LINE OF OAKWOOD DRIVE;

THENCE S88°22'28"W ALONG SAID NORTH RIGHT-OF-WAY LINE, 12.00 FEET;

THENCE N00°33'57"W, 230.04 FEET;

THENCE N89°56'02"E, 71.20 FEET;

THENCE N00°00'00"W, 99.52 FEET;

THENCE N90°00'00"E, 10.00 FEET;

THENCE S00°00'00"E, 50.00 FEET;

THENCE S45°00'00"E, 13.07 FEET TO THE POINT OF BEGINNING CONTAINING 0.11 ACRES (4,757 SQ.FT.) MORE OR LESS.

SUBJECT TO EXISTING EASEMENTS AND RESTRICTIONS OF RECORD.

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PROPOSED 10' UTILITY EASEMENT:

PART OF LOT 1, E.J. ELLISON ESTATE, POLK COUNTY, IOWA FURTHER DESCRIBED AS FOLLOWS:

COMMENCING AT THE SW CORNER OF LOT 18, HAWKEYE SUNRISE PARK, POLK COUNTY, IOWA:

THENCE S47°21'03"W, 21.32 FEET;

THENCE S90°00'00"W, 25.00 FEET TO THE POINT OF BEGINNING;

THENCE S90°00'00"W, 10.00 FEET;

THENCE S00°00'00"E, 22.77 FEET;

THENCE S90°00'00"W, 81.37 FEET;

THENCE S00°33'57"E, 246.87 FEET TO THE NORTH RIGHT-OF-WAY LINE OF OAKWOOD DRIVE;

THENCE S88°22'28"W ALONG SAID NORTH RIGHT-OF-WAY LINE, 10.00 FEET;

THENCE N00°33'57"W, 257.16 FEET;

THENCE N90°00'00"E, 81.47 FEET;

THENCE N00°00'00"W, 22.77 FEET;

THENCE N90°00'00"E, 10.00 FEET;

THENCE S45°00'00"E, 14.14 FEET TO THE POINT OF BEGINNING CONTAINING 0.08 ACRES (3,662 SQ.FT.) MORE OR LESS.

SUBJECT TO EXISTING EASEMENTS AND RESTRICTIONS OF RECORD

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**PLEASANT HILL CITY COUNCIL
REGULAR SESSION
OCTOBER 11, 2016
6:30 PM**

1. CALL TO ORDER/ROLL CALL

Mayor Kurovski called the Pleasant Hill City Council meeting to order on October 11, 2016 at 6:30 p.m. in the City Council Chambers. PRESENT: Jeff Mullen, Curt Gause, Dean Cooper, Barb Malone, Mark Konrad and Mayor Sara Kurovski. ABSENT: none.

2. APPROVAL OF AGENDA

Cooper/Malone moved to approve the agenda. ROLL CALL: AYES: Mullen, Gause, Cooper, Malone, Konrad. NAYS: None. Motion carried 5-0.

3. NATIONAL COMMUNITY PLANNING MONTH PROCLAMATION

Mayor Kurovski proclaimed that the month of October is hereby designated as Community Planning Month in the City of Pleasant Hill in conjunction with the celebration of National Community Planning Month.

4. PUBLIC INPUT (5 MINUTES FOR ITEMS NOT ON THE AGENDA)

There were none.

5. CONSENT ITEMS

Konrad/Mullen moved to approve the **CONSENT ITEMS**: Council Minutes - dated 09-27-16, Claims Listing - dated 10-11-16, Liquor License Renewal – Hy-Vee Market Café, 4815 Maple Dr., Liquor License Renewal – Casey's General Store #2406, 1125 N. Hickory Blvd., Library Board Minutes dated 08-25-16, Public Works Dept Report - dated September 2016, Fire Dept Report - dated September 2016. ROLL CALL: AYES: Mullen, Gause, Cooper, Malone, Konrad. NAYS: None. Motion carried 5-0.

6. BUSINESS ITEMS

- a. **Resolution #101116-01** - Accepting an Offer for the Acquisition of Partial Fee Title and Temporary Construction Easement for the Pleasant Hill Boulevard / Vandalia Road Improvements Project
Malone/Cooper moved to approve **Resolution #101116-01** - Accepting an Offer for the Acquisition of Partial Fee Title and Temporary Construction Easement for the Pleasant Hill Boulevard / Vandalia Road Improvements Project. Senior Planner Madeline Sturms explained that the City of Pleasant Hill has been working with the City of Des Moines to plan and construct the SE Connector as a transportation corridor connecting the Highway 5/65 Bypass to downtown Des Moines for several years. Earlier this year, the City Council designated property needed for the roadway project and the City of Des Moines has been leading the acquisition process. The purpose of this agenda item is to accept the offer from Oak Ridge Estates Partnership for a portion of property necessary for the project. This property owner will be donating the property to the City. ROLL CALL: AYES: Mullen, Gause, Cooper, Malone, Konrad. NAYS: None. Motion carried 5-0.
- b. **Resolution #101116-02** – Termination of Agreement with Norfolk Southern Railway Company
Cooper/Gause moved to approve **Resolution #101116-02** – Termination of Agreement with Norfolk Southern Railway Company. Senior Planner Madeline Sturms explained that at the September 27, 2016 City Council meeting, a resolution and agreement were approved with Norfolk Southern Railway Company. The intention of the agreement is for the Company to provide preliminary engineering services related to the rail crossing improvements needed as part of the Pleasant Hill Boulevard and Vandalia Road Improvements project currently under design. Norfolk Southern has now informed the City that the agreement prepared by the Company was in error. Norfolk Southern has realized that it leases the subject portion of railway to the Burlington Northern Santa Fe and any agreement needs to involve the lease holder. This is a resolution acknowledging the request to void the agreement and providing for the City action to formally terminate. The Burlington Northern Santa Fe railway will be preparing a similar agreement for the City Council to consider at a later date. ROLL CALL: AYES: Mullen, Gause, Cooper, Malone, Konrad. NAYS: None. Motion carried 5-0.
- c. Second reading of **Ordinance 809** - Rezoning A-1 Agricultural to R1-90 Single Family Residential – Lots 2, 3, and 4, in Block 4, Rising Sun
Mullen/Konrad moved to approve the Second reading of **Ordinance 809** – Rezoning A-1 Agricultural to R1-90 Single Family Residential – Lots 2, 3, and 4, in Block 4, Rising Sun. Senior Planner Madeline Sturms explained there had

been no changes and no feedback received since the first reading. ROLL CALL: AYES: Mullen, Gause, Cooper, and Malone, Konrad. NAYS: None. Motion carried 5-0.

- d. Third reading of **Ordinance 808** – Amending Chapter 163 Fire Code
Mullen/Malone moved to approve the Third reading of **Ordinance 808** – Amending Chapter 163 Fire Code. Assistant City Manager Ben Champ explained that this is due to the current Building Official resignation. Moving the Fire Code Official role to the Fire Chief is an appropriate change at this time and would match the assignments in the other metro cities. There have been no changes or comments since the second reading. ROLL CALL: AYES: Mullen, Gause, Cooper, Malone, Konrad. NAYS: None. Motion carried 5-0.
- e. **Resolution #101116-03** – Approval of a Site Plan for Tower Co for the Relocation of Wireless Communications Facilities in Sunrise Park at 5414 East Oakwood Drive
Konrad/Malone moved to approve **Resolution #101116-03** – Approval of a Site Plan for Tower Co for the Relocation of Wireless Communications Facilities in Sunrise Park at 5414 East Oakwood Drive. Assistant City Manager Ben Champ explained that full control of the City's water system was transferred to Des Moines Water in 2005 and as the controlling entity the agency is no longer comfortable having the telecommunications equipment on the tower. The wiring and other apparatus makes cleaning, painting, and movement within and on the tower difficult and unsafe. Des Moines Water Works has recommended the City work to provide an alternate facility on the same site to improve safety and still meet the existing lease needs. This is a site plan for a new 190' tall monopole directly adjacent to the water tower with supporting equipment within a fenced in area, approved by the Planning and Zoning commission. ROLL CALL: AYES: Mullen, Gause, Cooper, Malone, Konrad. NAYS: None. Motion carried 5-0.
- f. **Resolution #101116-04** – Setting a Hearing for Consideration of a Lease agreement with Tower Co for the Relocation of Wireless Communication Facilities in Sunrise Park at 5414 East Oakwood Drive
Malone/Cooper moved to approve **Resolution #101116-04** – Setting a Hearing for Consideration of a Lease agreement with Tower Co for the Relocation of Wireless Communication Facilities in Sunrise Park at 5414 East Oakwood Drive. Assistant City Manager Ben Champ explained this agenda item is to set a hearing for the consideration of a lease for the property to TowerCo for October 25, 2016 at 6:30 PM. ROLL CALL: AYES: Mullen, Gause, Cooper, Malone, Konrad. NAYS: None. Motion carried 5-0.
- g. **Resolution #101116-05** – Approval of a Site Plan for the Orange Planet at 5650 Metro East Drive
Cooper/Gause moved to approve **Resolution #101116-05** – Approval of a Site Plan for the Orange Planet at 5650 Metro East Drive. Senior Planner Madeline Sturms explained that Pelds Engineering Company has been working with Edge Commercial on a site plan amendment for The Orange Planet. Holdahl Company, a woodworking, cabinet and furniture manufacturing company has recently moved into a portion of the building for warehousing and distribution use. The property is located at 5650 Metro East Drive and is in the I-2 Light Industrial Zoning District. The purpose of the site plan amendment is for the company to add new loading doors and additional pavement to the site for better circulation. No new utilities are being proposed as a part of this project. The amended site plan has been reviewed and recommended for approval by the Planning and Zoning Commission. ROLL CALL: AYES: Mullen, Gause, Cooper, Malone, Konrad. NAYS: None. Motion carried 5-0.
- h. **Resolution #101116-06** – Approval of Agreement for Professional Engineering Services for Copper Creek Drainage Study
Cooper/Malone moved to approve **Resolution #101116-06** – Approval of Agreement for Professional Engineering Services for Copper Creek Drainage Study. Assistant City Manager Ben Champ explained the City Council has identified the need for drainage improvements within the Copper Creek area in the current budget year. To determine the exact nature of the improvements a drainage study of the area is needed to determine options and recommended solutions. City staff has been working with the City Engineer to develop the attached scope of services for the study The proposed project will review the existing drainage on the Copper Creek Golf Course from the existing inlet structure along the east side of the No. 1 fairway, under Andrews Drive, to the channel along the west side of the No. 9 fairway and to the channel outlet south of Copper Creek Drive. Residents along the No. 1 fairway have experienced localized flooding and the drainage channel adjacent to the No. 9 fairway is badly eroded and several pipe ends have been damaged or are at risk for damage. During intense storm events, water pools across a portion of Andrews Drive creating a hazard for traffic. The study will identify potential improvements to mitigate flooding and stabilize the drainage channel. This is a resolution approving a contract for the engineering services in the amount of \$14,000.00. The Engineer was available at the Council meeting to discuss the project and answer questions. ROLL CALL: AYES: Mullen, Gause, Cooper, Malone, Konrad. NAYS: None. Motion carried 5-0.

- i. **Resolution #101116-07** – Approval of an Agreement for Professional Engineering Services for the 43rd Street Patching and Overlay Project
Konrad/Mullen moved to approve **Resolution #101116-07** – Approval of an Agreement for Professional Engineering Services for the 43rd Street Patching and Overlay Project. Assistant City Manager Ben Champ explained the City Council has prioritized funding for needed patching and overlay improvements to SE 43rd Street in an area south of Vandalia Road. The roadway straddles the shared corporate boundary line of Pleasant Hill and Des Moines and the two cities share the responsibility for maintenance. The scope of services with the City Engineer, Snyder and Associates has been developed for the plans, specifications, bidding, and construction observation of the project. An April 1, 2017 construction start date is targeted with design beginning this fall and winter. The City of Des Moines has agreed in concept to Pleasant Hill acting as the lead agency for the project and reimbursing Pleasant Hill for half of the costs in 2017. Legal staff with the City of Des Moines will be formalizing a proposal for the arrangement. This area has a large amount of truck traffic and heavy industrial uses and coordination will be needed with the businesses during the project for flagging and detouring. The project will also be occurring in the same season as planned improvements to Vandalia Road and Pleasant Hill Boulevard. This is a resolution approving a contract for the engineering services in the amount of \$51,000.00. The Engineer was available at the Council meeting to discuss the project and answer questions. ROLL CALL: AYES: Mullen, Gause, Cooper, Malone, Konrad. NAYS: None. Motion carried 5-0.

7. CLOSING COMMENT

Fire Chief Tom Solberg announced the annual pancake breakfast would be this Saturday, October 15th from 6:30am -11:00am and invited everyone to attend.

Police Chief Al Pizzano said they had a very productive meeting last week with Senator Joni Earnst, and thanked Mayor Kurovski for arranging it. He said Senator Earnst was very receptive to the challenges law enforcement faces and was eager to help. Chief Pizzano also reminded everyone about the upcoming Cops & Coffee event coming up October 22nd at 9:00am-11:00am and invited everyone to attend.

Library Director John Lerdal reminded everyone about the big book sale to be held this weekend Friday - Saturday for some great bargains. Mr. Lerdal also announced the Halloween Party to be held October 21st at the Youth Center @ 6:30pm.

Assistant City Manager Ben Champ announced there would be a work session next Tuesday, October 18th at 5:30pm. DART will have a presentation.

8. CLOSED SESSION- Pursuant to Iowa Code Section 21.5.1 (j) To Discuss with Council the Purchase of Particular Real Estate

Mullen/Konrad moved to move into Closed session: Pursuant to Iowa Code Section 21.5.1 (j) To Discuss with Council the Purchase of Particular Real Estate. ROLL CALL: AYES: Mullen, Gause, Cooper, Malone, Konrad. NAYS: None. Motion carried 5-0.

Council returned to open session. Mayor Kurovski announced no action was taken in closed session.

9. ADJOURNMENT

Malone/Mullen moved to adjourn the meeting. ROLL CALL: AYES: Mullen, Gause, Cooper, Malone, Konrad. NAYS: None. Motion carried 5-0. The meeting was adjourned at 7:53 p.m.

Sara Kurovski, Mayor

ATTEST:

Dena J. Spooner, City Clerk/Finance Director

=====PAYMENT DATES=====

PAID ITEMS DATES : 10/12/2016 THRU 10/25/2016

PARTIALLY ITEMS DATES: 10/12/2016 THRU 10/25/2016

UNPAID ITEMS DATES :

VENDOR NAME	DESCRIPTION	GROSS AMOUNT
ADVENTURES IN ADVERTISING	CITY LOGO JACKET	45.75
AFLAC INSURANCE	INSURANCE	1,008.94
AIR CLEANING TECHNOLOGIES,	AMBULANCE PARTS	688.50
ALERT-ALL CORP	PREVENTION MATERIALS	731.50
ALTOONA FIRE DEPARTMENT	PARAMEDIC ASSIST	250.00
AMERICAN SOCIETY OF LANDSC	NATIONAL DUES/IOWA CHAPTER	435.50
AMES POLICE DEPARTMENT	TRAVEL/CONFERENCE	125.00
BAKER & TAYLOR	BOOKS	2,169.05
BEN FREEBORN	CONTRACT CUSTODIAL	1,698.71
BETTER CONTAINERS	LIBRARY BAGS	115.94
BOB'S SHOOTING SUPPLIES	OPERATING SUPPLIES	1,448.00
BRIAN A. ISAACSON	REPAIR PLATE-SANITARY SEWER	130.92
BRICK, GENTRY, BOWERS LAW	LEGAL COUNSEL	6,855.82
BURKHEAD ELECTRIC LLC	CIRCUIT REPAIR-MAINT. SHOP	200.15
CALEA	EDUCATION/TRAINING	900.00
CAPITAL CITY EQUIPMENT CO	7-PIN HARNESS FOR T595	661.19
CARPENTER UNIFORMS/PROMOT	UNIFORM/SAFETY EQUIPMENT	121.87
CENTURY LINK	DSL DATA LINE - CITY HALL	68.99
CINTAS FIRST AID & SAFETY	FIRST AID SUPPLIES	158.98
CLARK EQUIPMENT CO. D/B/A	T595 AND BRUSHCAT	48,822.40
CLEAN SWEEP CARPET CARE	CLEAN CARPET-POLICE DEPARTMENT	475.00
CODE4 PSE	MISCELLANEOUS EQUIPMENT	1,081.00
COLLECTION SERVICES	GARNISHMENT WITHHOLDING	633.75
CONFLUENCE	PARK MASTER PLAN	5,000.00
CONSOLIDATED ELECTRICAL D	DOANES BB ELECTRICAL SUPPLIES	397.98
CONVERGINT TECHNOLOGIES LL	SOFTWARE LICENSE RENEWAL	2,634.79
CRAIG MCCLANAHAN	IT SUPPORT/REP/EQUIP-SEPT '16	7,110.34
CRYSTAL CLEAR WATER CO.	OPERATING SUPPLIES	28.00
D & K PRODUCTS	BRUSH CONTROL	171.95
D.R.I.V.E.	D.R.I.V.E. DEDUCTION	6.00
DEMCO	BOOK PROCESSING SUPPLIES	277.97
DES MOINES FEED & NATURE C	SEED-OAKWOOD STREET REPAIR	727.56
DOLLAR GENERAL -REGIONS 41	CUSTODIAL SUPPLIES	18.50
DON ROGERS	CARPET TRANSITIONS-NORTH COMPL	140.00
EVIDENT, INC.	OPERATING SUPPLIES	635.63
FORTERRA PIPE & PRECAST	STORM SEWER PROJECT MATERIALS	4,846.80
G & K SERVICES	FLOOR MAT	245.16
G&L CLOTHING	UNIFORMS/SAFETY EQUIPMENT	361.23
HALLETT MATERIALS	CRUSHED CONCRETE	386.43
HAWKEYE/VAN GINKEL LAWN &	LANDSCAPE WEED CONTROL	1,305.00
HILLYARD/DES MOINES	JANITORIAL SUPPLIES	120.69
HIREQUALITY SOLUTIONS, LLC	TEMPORARY STAFF	2,700.00
HOTSY CLEANING SYSTEMS,IN	HOTSY CONNECTION & MAINTENANCE	258.76
HY-VEE - FIRE ACCOUNT	SUPPLIES	52.70

=====PAYMENT DATES=====

PAID ITEMS DATES : 10/12/2016 THRU 10/25/2016

PARTIALLY ITEMS DATES: 10/12/2016 THRU 10/25/2016

UNPAID ITEMS DATES :

VENDOR NAME	DESCRIPTION	GROSS AMOUNT
HYDRO KLEAN	SANITARY SEWER CLEANING	1,704.60
I WORK & PLAY - PRO LINES,	UNIFORM/SAFETY EQUIPMENT	84.07
ICMA-RC	DEFERRED COMPENSATION	2,445.74
INTERNAL REVENUE SERVICE	FED WITHHOLDING	33,937.80
IOWA DEPT OF PUBLIC SFTY	IOWA SYSTEM OCT-DEC 2016	759.00
IOWA DEPT OF REVENUE & FI	STATE WITHHOLDING	5,588.00
IOWA LIVING MAGAZINE	PH LIVING MAGAZINE-SEPT '16	608.00
IOWA NATIVE TREES AND SHRU	ELKS BEACON GRANT TREES	4,000.00
IOWA STATE UNIVERSITY - TR	CERTIFICATION FEES	50.00
IOWA WORKFORCE DEVE	UNEMPLOYMENT INS-3RD QTR	222.31
IPERS-REGULAR	IPERS CONTRIBUTIONS	19,444.76
J. BENJAMIN CHAMP	TRAVEL/CONFERENCE	1,297.88
JEAN KOCH	FALL DECORATIONS-SOUTH COMPLEX	26.91
JIM'S JOHNS	KYBO RENTAL	378.00
KECK, INC	FUEL - SEPT 16	5,944.66
KELLY GEORGE TURF & IRRIGA	SOCCER FIELDS-FERTILIZE	2,010.85
KELTEK INCORPORATED	COMPUTER-NEW AMBULANCE	2,939.34
KIRKHAM MICHAEL & ASSOCIAT	PROJECT DESIGN & ENGINEERING	31,457.18
KOCH BROTHERS	OFFICE SUPPLIES	194.73
LARRY FLECK & SON TRUCKING	CRUSHED CONCRETE	1,022.40
LIBERTY READY MIX	STORM SEWER COLLECTION BOX	397.50
LYNN PEAVEY	MINOR EQUIPMENT	125.10
MEDIACOM	INTERNET ACCESS-CITY HALL	413.35
MENARDS-ALTOONA	OPERATING SUPPLIES	290.34
METRO WASTE AUTHORITY	PREMIUM YARD CART-SEPT. '16	290.00
MIDAMERICAN ENERGY CO	GAS & ELECTRIC	15,785.96
MISCELLANEOUS VENDOR	NELSON CUSTOM CONCRETE:REIMB	225.90
MUNICIPAL SUPPLY	STORM SEWER MANHOLE RING/COVER	229.00
NEW YORK LIFE INSURANCE	PAYROLL DEDUCTION	41.43
O'HALLORAN	REPAIR ENGINE - UNIT #40	2,484.87
O'REILLY AUTO PARTS	EQUIPMENT & VEHICLE PARTS	380.30
ORG ASSIST LLC	OPERATING SUPPLIES	412.50
ORIENTAL TRADING CO, INC	PROGRAM SUPPLIES	264.23
P & P SMALL ENGINES	WEED EATER REPAIR MATERIAL	5.98
PETERS LAWN & LANDSCAPING	MOWING	6,859.79
POLK COUNTY RECORDER	RECORD CEMETERY DEEDS	35.00
POLK COUNTY SHERIFF-CIVIL	GARNISHMENT WITHHOLDING	87.07
POLK COUNTY TREASURER	ANIMAL PICK-UP	68.43
PORTER DO IT BEST	OPERATING SUPPLIES	169.54
PRODUCTIVITY PLUS ACCOUNT	MAINTENANCE PARTS-#28	248.04
QUICK SUPPLY CO	EROSION CONTROL-E. OAKWOOD	945.00
QUILL	OFFICE SUPPLIES	289.47
RACOM CORPORATION	EDAC	916.50
RECORDED BOOKS	BOOKS ON CD	481.99

=====PAYMENT DATES=====

PAID ITEMS DATES : 10/12/2016 THRU 10/25/2016

PARTIALLY ITEMS DATES: 10/12/2016 THRU 10/25/2016

UNPAID ITEMS DATES :

VENDOR NAME	DESCRIPTION	GROSS AMOUNT
RED WING SHOE STORE	UNIFORMS/SAFETY EQUIPMENT	374.22
RELIANCE STANDARD	DENTAL PREMIUM PAYROLL DEDUCT	2,772.45
RELIASTAR LIFE INSURANCE C	DEFERRED COMP - ING	2,896.61
RR SALES	OPERATING SUPPLIES	1,240.78
SCHNEIDER GRAPHICS	SAFETY CHEVRON PROOF	90.00
SENECA COMPANIES	REPAIR FUEL PUMPS-MAINT. SHOP	233.00
SMITH AUTOMOTIVE	AMBULANCE REPAIRS	79.50
SNYDER & ASSOCIATES	NE 75TH STREET IMPROVEMENTS	24,881.72
STAPLES CREDIT PLAN	OFFICE SUPPLIES	834.15
STREICHER'S	UNIFORM/SAFETY EQUIPMENT	66.98
TASC	FLEXIBLE DEP BENE PLAN	2,219.50
TEAMSTERS LOCAL UNION #238	UNION DUES DEDUCTION	576.49
THE EQUITABLE	DEFERRED COMP - THE EQUITABLE	696.20
THE HARTFORD	DEFERRED COMP - THE HARTFORD	636.09
THE WILLIAMSON GROUP	DOANES COMMONS AREA	50,919.20
TIME	MAGAZINE	72.28
TOMPKINS INDUSTRIES INC	SWEEPER HOSE	102.99
TREASURER-STATE OF IA	SEPT 2016 SALES TAX-DMWW	1,662.00
TRITECH SOFTWARE SYSTEMS	EMS BILLING	1,575.00
TYLER TECHNOLOGIES, INC	ACCOUNTING SOFTWARE-ANNUAL	8,995.60
UNITED WAY OF CENTRAL IA	UNITED WAY CONTRIBUTION	38.00
UNUM LIFE INSURANCE COMPAN	VOLUNTARY LIFE INSURANCE	144.99
US BANK EQUIPMENT FINANCE	COPIER LEASE	101.69
VERIZON WIRELESS	MISCELLANEOUS CONTRACT	712.02
VILLAGES OF VAN BUREN	BEST TOUR	1,560.00
WELLMARK BLUE CROSS BLUE S	HEALTH INS PREM PAYROLL DEDUCT	19,361.24
WES JARNAGIN, INC	SIDEWALK REPAIR	921.00
WINDSTREAM	PHONE SERVICE-PARKS	42.47
WINTER EQUIPMENT CO, INC	SNOW BLADE CURB GUARDS	600.25
XTREME TREE	TRAIL TREE REMOVAL	3,140.00
** TOTAL **	-City of Pleasant Hill	369,362.39

=====PAYMENT DATES=====

PAID ITEMS DATES : 10/12/2016 THRU 10/25/2016

PARTIALLY ITEMS DATES: 10/12/2016 THRU 10/25/2016

UNPAID ITEMS DATES :

FUND TOTALS

001	GENERAL	167,687.08
110	ROAD USE	14,850.06
301	CAPITAL PROJECTS	14,322.10
304	TIF CAPITAL PROJECTS	96,976.14
610	SEWER	17,327.07
670	SOLID WASTE	290.00
699	EQUIPMENT REPLACEMENT	51,555.60
740	STORM WATER	6,354.34
GRAND TOTAL		369,362.39

CITY OF PLEASANT HILL
REVENUE PUBLICATION REPORT
AS OF: SEPTEMBER 30TH, 2016

	MONTHLY REVENUE
GENERAL	187,596.64
ROAD USE	113,295.53
EMPLOYEE BENEFIT FUND	17,339.76
EMERGENCY FUND	2,458.36
INDUSTRIAL TIF DISTRICT	25,765.59
EAST URBAN RENEWAL TIF	71,266.77
LMI FUND	5.23
SPECIAL ASSESSMENT	0.06
URBAN RENEWAL CCRK TIF	45,321.02
FEDERAL PROCEEDS	3,792.57
AVENUE OF FLAGS T & A	0.22
P&R COMPLEX TRUST & AGNCY	2.75
LIBRARY TRUST & AGENCY	3.36
MEMORIAL TRUST & AGENCY	0.13
DEBT SERVICE	17,981.71
CAPITAL PROJECTS	331.33
WATER PARK PROJECT	0.00
TIF CAPITAL PROJECTS	508.86
PERPETUAL TRUST & AGENCY	1,014.77
WATER	146.79
SEWER	119,260.72
SEWER CONSTRUCTION FUND	0.00
SOLID WASTE	36,166.32
EQUIPMENT REPLACEMENT	353.51
STORM WATER	<u>18,272.11</u>
GRAND TOTAL REVENUES	660,884.11

CITY OF PLEASANT HILL
 EXPENDITURES BY PROGRAM, AREA & DEPARTMENT
 AS OF: SEPTEMBER 30TH, 2016

% OF YEAR COMPLETED - 25.00

EXPENDITURES	CURRENT BUDGET	MONTHLY ACTUAL	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
PUBLIC SAFETY					
=====					
POLICE DEPARTMENT	2,329,485	252,747.58	653,909.26	1,675,575.74	28.07
EMERGENCY FUND	0	0.00	0.00	0.00	0.00
EMERGENCY MANAGEMENT	13,350	184.27	442.63	12,907.37	3.32
FIRE DEPARTMENT	841,368	37,411.01	202,887.62	638,480.38	24.11
EMS/AMBULANCE	75,950	6,951.43	14,311.08	61,638.92	18.84
ANIMAL CONTROL	3,000	359.68	644.68	2,355.32	21.49
TOTAL PUBLIC SAFETY	3,263,153	297,653.97	872,195.27	2,390,957.73	26.73
PUBLIC WORKS					
=====					
ROADS, BRIDGES & SIDEWALK	987,528	74,875.08	289,864.45	697,663.55	29.35
STREET LIGHTING	138,000	10,587.14	31,133.90	106,866.10	22.56
TRAFFIC CONTROL	50,000	21,913.46	33,302.74	16,697.26	66.61
SNOW REMOVAL	65,000	0.00	566.00	64,434.00	0.87
STREET CLEANING	0	0.00	0.00	0.00	0.00
STORM SEWERS	0	0.00	0.00	0.00	0.00
ADMINISTRATIVE	0	0.00	0.00	0.00	0.00
TOTAL PUBLIC WORKS	1,240,528	107,375.68	354,867.09	885,660.91	28.61
HEALTH/SOCIAL SERVICES					
=====					
MOSQUITO CONTROL	11,600	0.00	7,023.44	4,576.56	60.55
TOTAL HEALTH/SOCIAL SERVICES	11,600	0.00	7,023.44	4,576.56	60.55
CULTURE/RECREATION					
=====					
LIBRARY	614,064	64,676.06	145,413.98	468,650.02	23.68
PARKS	281,780	21,664.52	72,285.81	209,494.19	25.65
RECREATION	183,866	27,763.97	53,442.22	130,423.78	29.07
CEMETERY	30,450	3,880.86	5,602.75	24,847.25	18.40
TOTAL CULTURE/RECREATION	1,110,160	117,985.41	276,744.76	833,415.24	24.93
COMMUNITY ECONOMIC DEVELOPMENT					
=====					
LMI	26,000	0.00	0.00	26,000.00	0.00
TIF	29,145	0.00	0.00	29,145.00	0.00
PLANNING & ZONING	545,091	96,321.08	193,536.55	351,554.45	35.51
TOTAL COMMUNITY ECONOMIC DEVELOPMENT	600,236	96,321.08	193,536.55	406,699.45	32.24

CITY OF PLEASANT HILL
EXPENDITURES BY PROGRAM, AREA & DEPARTMENT
AS OF: SEPTEMBER 30TH, 2016

% OF YEAR COMPLETED - 25.00

EXPENDITURES	CURRENT BUDGET	MONTHLY ACTUAL	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
GENERAL GOVERNMENT					
=====					
MAYOR	10,510	456.16	1,467.54	9,042.46	13.96
COUNCIL	98,050	4,465.52	49,612.14	48,437.86	50.60
CLERK, TREASURER, ADMIN.	390,963	33,798.43	85,062.75	305,900.25	21.76
ELECTIONS	0	0.00	0.00	0.00	0.00
LEGAL SERVICES/CITY ATTY	145,000	23,389.32	40,797.41	104,202.59	28.14
CITY HALL & BUILDINGS	272,138	29,071.55	72,691.73	199,446.27	26.71
UTILITY FRANCHISE	90,000	8,727.02	37,649.76	52,350.24	41.83
IT	<u>125,500</u>	<u>14,019.51</u>	<u>49,495.52</u>	<u>76,004.48</u>	<u>39.44</u>
TOTAL GENERAL GOVERNMENT	1,132,161	113,927.51	336,776.85	795,384.15	29.75
DEBT SERVICE					
=====					
DEBT SERVICE	0	0.00	0.00	0.00	0.00
2004 URB RENEW	0	0.00	0.00	0.00	0.00
2003 URB RENEW	0	0.00	0.00	0.00	0.00
2006 URB REN/CORP PURP	0	0.00	0.00	0.00	0.00
2007 URB REN/CORP PURP	0	0.00	0.00	0.00	0.00
2010 URB REN/CORP PURP	0	0.00	0.00	0.00	0.00
2009 CORP PURP/REFUNDING	196,770	0.00	0.00	196,770.00	0.00
2009 SEWER IMPROVEMENT	66,785	0.00	0.00	66,785.00	0.00
BOX CULVERT REPLACE-EVAN	22,376	0.00	22,376.23	0.02	100.00
2011 URB REN/CORP PURP	0	0.00	0.00	0.00	0.00
2012 ESSEN/CORP/GEN PURP	316,190	0.00	0.00	316,190.00	0.00
2012 URB REN	0	0.00	0.00	0.00	0.00
2015 BOND	<u>144,325</u>	<u>0.00</u>	<u>0.00</u>	<u>144,325.00</u>	<u>0.00</u>
TOTAL DEBT SERVICE	746,446	0.00	22,376.23	724,070.02	3.00
CAPITAL PROJECTS					
=====					
CAPITAL PROJECTS	<u>17,539,000</u>	<u>275,354.29</u>	<u>713,297.52</u>	<u>16,825,702.48</u>	<u>4.07</u>
TOTAL CAPITAL PROJECTS	17,539,000	275,354.29	713,297.52	16,825,702.48	4.07
BUSINESS TYPE ACTIVITIES					
=====					
WATER ADMINISTRATION	350,000	0.00	0.00	350,000.00	0.00
SEWER DEPARTMENT	1,408,106	128,361.22	502,068.31	906,037.69	35.66
SOLID WASTE DEPARTMENT	424,750	34,459.31	103,462.82	321,287.18	24.36
EQUIPMENT REPLACEMENT	300,500	8,436.63	239,915.40	60,584.60	79.84
STORM WATER	<u>188,500</u>	<u>9,613.52</u>	<u>18,668.02</u>	<u>169,831.98</u>	<u>9.90</u>
TOTAL BUSINESS TYPE ACTIVITIES	2,671,856	180,870.68	864,114.55	1,807,741.45	32.34

CITY OF PLEASANT HILL
 EXPENDITURES BY PROGRAM, AREA & DEPARTMENT
 AS OF: SEPTEMBER 30TH, 2016

% OF YEAR COMPLETED - 25.00

EXPENDITURES	CURRENT BUDGET	MONTHLY ACTUAL	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
NON-PROGRAM =====					
NON-DEPARTMENTAL	<u>0</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL NON-PROGRAM	<u>0</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL EXPENDITURES	28,315,140	1,189,488.62	3,640,932.26	24,674,207.99	12.86
	=====	=====	=====	=====	=====

TREASURER'S REPORT
CITY OF PLEASANT HILL
9/30/2016

FUND	BALANCE MONTH BEGINNING	REVENUE	EXPENSES	BALANCE MONTH ENDING
001-1110 Cash	2,403,694.49	187,490.44	658,245.67	1,932,939.26
001-1112 Money Market	5,032.33	0.21		5,032.54
001-1114 Cash - DMCU	34.57			34.57
001-1120 Petty Cash	1,450.00			1,450.00
001-1150 Investments	61,921.78			61,921.78
110-1110 Road Use	760,864.51	113,295.53	74,873.62	799,286.42
112-1110 Cash-Employee Benefits	489.92	17,339.76	489.92	17,339.76
119-1110 Emergency Fund	69.42	2,458.36	69.42	2,458.36
125-1110 Industrial TIF District	28,745.86	25,765.59		54,511.45
126-1110 East Urban Renewal TIF	48,113.21	71,266.77		119,379.98
127-1110 LMI Fund	53,267.72	5.23		53,272.95
130-1110 Special Assessment	641.13	0.06		641.19
145-1110 Urban Renewal CCRK TIF	48,254.27	45,321.02		93,575.29
177-1110 Drug Forfeitures	52,620.11	3,792.57		56,412.68
180-1110 Avenue of Flags	2,283.28	0.22		2,283.50
182-1110 Park/Rec	2,903.04	2.75		2,905.79
182-1150 Park/Rec Investments	25,267.78			25,267.78
183-1110 Library	26,778.06	3.36		26,781.42
183-1150 Library Investments	7,488.32			7,488.32
184-1110 Memorial	1,281.13	0.13		1,281.26
200-1110 Debt Service	(15,513.72)	17,981.71		2,467.99
301-1110 CIP Projects Fund	1,843,145.62	331.33	11,876.10	1,831,600.85
301-1150 CIP Projects Investments	1,017,207.41			1,017,207.41
304-1110 TIF CIP Projects Fund	3,246,769.92	508.86	263,478.19	2,983,800.59
500-1110 Cemetery	31,053.92	1,014.77		32,068.69
500-1150 Cemetery Investments	39,821.37	45.17		39,866.54
600-1110 Water	2,280,647.45	146.79	2.34	2,280,791.90
600-1150 Investments	109,567.58			109,567.58
600-1170 Meter Deposits	23,807.37	2.34		23,809.71
610-1110 Sewer	1,833,793.98	118,129.36	127,224.02	1,824,699.32
670-1110 Garbage/Recycling	92,843.20	33,903.59	32,196.58	94,550.21
699-1110 Equipment Replacement	193,726.90	353.51	8,436.63	185,643.78
740-1110 Storm Water	143,573.80	17,140.75	8,482.16	152,232.39
TOTAL	14,371,645.73	656,300.18	1,185,374.65	13,842,571.26

City Clerk/Finance Director

City Manager

Pleasant Hill Library Board of Trustees
September 22, 2016 5:00 p.m.

ROLL CALL: President Michael Diver called the meeting to order at 5:00 p.m. Trustees Present: Janette Diamond, Michael Diver, Jill Duden, Christine Ross and Anne Timmerman. Absent: None. Also present: City Manager Don Sandor and Library Director John Lerdal.

62-2016: APPROVAL OF THE AGENDA: TIMMERMAN/DIAMOND moved to approve the agenda with the correction of 5b. should read November instead of September. All ayes.

63-2016: APPROVE MINUTES: DUDEN/ROSS moved to approve the minutes of the August 25, 2016 regular meeting. All ayes.

64-2016: PUBLIC INPUT: None

65-2016: CONSENT AGENDA: DIAMOND/TIMMERMAN moved to approve the bills from August 25, 2016 to September 22, 2016 in the amount of \$17,091.86 and meeting dates of November 17, 2016 and October 20, 2016. Both meeting dates are one week early. Director Lerdal will be at a conference for the regularly scheduled October meeting and Thanksgiving is the fourth Thursday. Trustee Timmerman asked about the Value Line cost. This is a weekly periodical that is a tool used for stocks, individual industries and how stocks are performing. This is a yearly cost. The Innovative expense is the maintenance contract for Polaris. President Diver stated this has been a great upgrade for the Library. All ayes.

NEW BUSINESS:

66-2016: Halloween Party – The party is scheduled for Friday, October 21, 2016 from 6:30 – 8:00 p.m. This party is co-sponsored with Park and Recreation. Attendance ranges between 250 and 400 participants. This year the teen board and the summer teen volunteers will be helping with activities.

67-2016: Library Shelves Position – Interviews were held today (9/22). Director Lerdal will be checking references and will be contacting Trustees with his recommendation. The position is 8 hours/week and the duties are not as comprehensive as the other positions in the Library. The starting salary will be \$8.75 per hour.

68-2016: ILA/ARSL Conference – Director Lerdal has registered for both conferences. The ILA is being held in Dubuque and Sue McMillen and Gale Rivas will also be attending. The ARSL is being held in Fargo, North Dakota.

69-2016: Space Utilization Study – Director Lerdal has met with George Lawson Consulting regarding conducting a study. George Lawson has 41 years experience as a librarian and 24 years experience consulting. Director Lerdal recommends pursuing this to study re-tasking existing space. It is estimated to take three months to complete the study at a cost of \$6,850. It is believed there are funds this fiscal year to pay for the study. As part of the CIP budget next year, the Library will be asking for funds to replace the carpeting in the Library, as well as painting. This would be a good time to have the study in order to be able to rearrange areas within the Library. Change can encourage people to take a fresh look at the Library and what it offers. Trustee Ross suggested that Director Lerdal talk with directors of libraries that have used the consulting firm to see how many of the recommendations were implemented and if they are happy with the recommendations/results. Director Lerdal believes that a lot of changes could be made at a minimal cost. The Library has a trust fund that could be used, as well as asking the Friends of the Library for donations. Director Lerdal will be getting bids for carpet replacement and painting within the next few weeks. He will also contact Jones Library Service for a bid on assisting with moving books/shelves during this time. Director Lerdal will bring back results of discussions with other libraries about the consulting firm for discussion.

OLD BUSINESS:

A. STEM Program – Kim Kietzman, Altoona Library Director has been contacted by staff working with the Governor’s STEM Task Force at Iowa State, who indicated they will be providing the curriculum and training by January, 2017. Director Lerdal will bring additional information received to the next meeting.

B. Staffing Assessment – Director Lerdal is working on the proposed budget for the work session, including a three percent salary increase. He will provide a basic budget, as well as variations with positions added.

C. Trustees Manual – President Diver discussed highlighted areas in the first few chapters. The role of the Board of Trustees is to act as keeper of others’ property. The Board should help set the direction of the Library by being involved in the Library and visit regularly. The Trustees should be an advocate for the Library in the community in a responsible way. In regards to budget, trustees can move money around within the budget to pay for items within a different line item. Under the Code of Ethics category, the Board oversees the Library Director although they do not interfere with management abilities/responsibilities. The Board and Director Lerdal have been diligent when patrons challenge items they deem inappropriate and request removal from circulation. Responsibilities of the Trustees – The Board President does not have any power beyond other trustees and assures all trustees have the chance to participate. At a later meeting the manual will be further discussed starting with Chapter 6.

D. Work Session – The work session is scheduled for Thursday, September 29, 2016 at 5:30 p.m. to discuss the staffing assessment.

LIBRARY DIRECTOR’S REPORT:

The RFP for analysis of compensation and job classifications within the city have been sent out. The deadline for return is the second week of October and at that time a firm will be selected.

The City is conducting a community survey that will include questions about library services. They plan to send to 2500 random households.

The membership drive is continuing for Friends of the Library. Encourage everyone to join or renewing their membership.

AGENDA ITEMS FOR NEXT MEETING:

- a. Budget
- b. Space Utilization
- c. ILA Conference
- d. STEM
- e. Staffing

TRUSTEE’S COMMENTS:

- a. Jan Diamond – Nothing
- b. Michael Diver – Looking forward to the work session
- c. Jill Duden – Nothing
- d. Christine Ross - Nothing
- e. Anne Timmerman – Nothing

ADJOURNMENT:

DIAMOND/TIMMERMAN moved to adjourn. All ayes. Meeting adjourned at 6:00 p.m.

Cindy Konrad
Recording Secretary

RESOLUTION #102516-02

**A RESOLUTION APPROVING THE TRANSFER OF FUNDS,
EMERGENCY FUND TO EQUIPMENT REPLACEMENT FUND**

WHEREAS, the Pleasant Hill City Council recognizes the need to approve the transfer of funds, as follows:

Emergency Fund to Equipment Replacement Fund \$2,458.36

THEREFORE, BE IT RESOLVED, that the City Council of Pleasant Hill, Iowa, in Polk County, Iowa, does hereby approve this transfer.

ADOPTED this 25th day of October, 2016.

Sara Kurovski, Mayor

ATTEST:

Dena Spooner, City Clerk/Finance Director

RESOLUTION #102516-03

**A RESOLUTION APPROVING THE TRANSFER OF FUNDS,
EMPLOYEE BENEFITS FUND TO THE GENERAL FUND**

WHEREAS, the Pleasant Hill City Council recognizes the need to approve the transfer of funds, as follows:

Employee Benefits Fund to General Fund \$17,339.76

THEREFORE, BE IT RESOLVED, that the City Council of Pleasant Hill, Iowa, in Polk County, Iowa, does hereby approve this transfer.

ADOPTED this 25th day of October, 2016.

Sara Kurovski, Mayor

ATTEST:

Dena Spooner, City Clerk/Finance Director

RESOLUTION #102516-04

**RESOLUTION APPROVING THE LIEN SCHEDULES FOR SEWER, GARBAGE,
AND STORM WATER**

WHEREAS, Des Moines Water Works has submitted lien schedules for the city's sewer, garbage, and storm water services; and,

WHEREAS, the schedules represent charges on final accounts that have not been successfully collected via other means, such as water termination; and,

WHEREAS, the September schedule, that represents the amount of \$285.44 uncollected for sewer, \$112.47 uncollected for solid waste, and \$28.10 uncollected for storm water is ready to be presented to the County Treasurer.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Pleasant Hill, Iowa that staff is authorized to present the lien schedule to the County Treasurer.

ADOPTED October 25, 2016.

Sara Kurovski, Mayor

ATTEST:

Dena Spooner, City Clerk/Finance Director

RESOLUTION #102516-05

**A RESOLUTION APPROVING THE TRANSFER OF FUNDS,
WATER, SEWER, AND GENERAL FUNDS TO TAX INCREMENT FUND (TIF)
Internal Loan #3**

WHEREAS, the Pleasant Hill City Council recognizes the need to approve the transfer of funds, as follows for the FY16 certified Internal Loan #3:

General Fund to TIF	\$ 1,450,000.00
Water Fund to TIF	\$ 1,000,000.00
Sewer Fund to TIF	\$ 1,400,000.00

Resolution 111015-06: Approved Internal Loan #3 to the Tax Increment Fund.

"Section 1. It is hereby directed that, in order to pay the cost of the Projects, advances shall be made to the Tax Increment Revenue Fund, as follows: from the General Fund -- \$1,450,000, from the Water Fund -- \$1,000,000, and from the Sewer Fund -- \$1,400,000. These advances shall be treated as loans (the "Loans") to the Tax Increment Revenue Fund and shall be repaid to the General Fund, Water Fund and Sewer Fund out of incremental tax revenues received with respect to the Urban Renewal Area."

THEREFORE, BE IT RESOLVED, that the City Council of Pleasant Hill, Iowa, in Polk County, Iowa, does hereby approve this transfer.

ADOPTED this 25th day of October, 2016.

Sara Kurovski, Mayor

ATTEST:

Dena Spooner, City Clerk/Finance Director

RESOLUTION #102516-06

**A RESOLUTION APPROVING THE TRANSFER OF FUNDS,
TIF TO TIF CAPITAL IMPROVEMENT FUND (CIP)
Internal Loan #3**

WHEREAS, the Pleasant Hill City Council recognizes the need to approve the transfer of funds for Internal Loan #3, which was approved via resolution 111015-06, as follows:

Tax Increment Financing Fund (TIF) to TIF Capital Improvement Fund (CIP)
\$3,850,000.00.

THEREFORE, BE IT RESOLVED, that the City Council of Pleasant Hill, Iowa, in Polk County, Iowa, does hereby approve this transfer.

ADOPTED this 25th day of October, 2016

Sara Kurovski, Mayor

ATTEST:

Dena Spooner, City Clerk/Finance Director

SET DATE FOR SALE AND APPROVE
OFFICIAL STATEMENT FOR SERIES
2016 BONDS

424826-74

Pleasant Hill, Iowa

October 25, 2016

The City Council of the City of Pleasant Hill, Iowa, met on October 25, 2016, at 6:30 o'clock p.m., at the City Hall, Pleasant Hill, Iowa.

The meeting was called to order by the Mayor, and the roll was called showing the following members of the City Council present and absent:

Present: _____

Absent: _____.

It was reported that Jon Burmeister of PFM Financial Advisors LLC had prepared details related to the sale of \$8,000,000 General Obligation Street Improvement Bonds by the City, and that it was necessary for the Council to review those details and set the date for the sale of such bonds.

Council Member _____ introduced the following resolution and moved its adoption, seconded by Council Member _____. After due consideration and discussion, the Mayor put the question upon the adoption of said resolution, and the roll being called, the following Council Members voted:

Ayes: _____

Nays: _____

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

••••

At the conclusion of the meeting and upon motion and vote, the City Council adjourned.

Mayor

Attest:

City Clerk

RESOLUTION NO. 102516-07

Resolution setting date for sale of General Obligation Street Improvement Bonds, Series 2016 and authorizing the use of a preliminary official statement in connection with the sale of the Bonds

WHEREAS, the City of Pleasant Hill (the “City”), in Polk County, State of Iowa, proposes to enter into a general obligation loan agreement (the “Loan Agreement”) in a principal amount not to exceed \$8,000,000, pursuant to the provisions of Section 384.24A of the Code of Iowa, for the purpose of paying the cost, to that extent, of construction of street improvements and has published notice and held a hearing on the proposal to enter into the Loan Agreement; and

WHEREAS, it is necessary to set a date for the sale of \$8,000,000 General Obligation Street Improvement Bonds, Series 2016 (the “Bonds”), to be issued pursuant to the Loan Agreement; and

WHEREAS, a preliminary official statement (the “Preliminary Official Statement”) has been prepared related to the sale of the Bonds, and it is now necessary to make provision for the approval of the Preliminary Official Statement and to authorize its use by PFM Financial Advisors LLC;

NOW, THEREFORE, It Is Resolved by the City Council of the City of Pleasant Hill, Iowa, as follows:

Section 1. The 8th day of November, 2016, is hereby set as date for the sale of the Bonds, and the City Council will meet on that date to review the bids received and to take action to award the sale of the Bonds.

Section 2. The use by PFM Financial Advisors LLC of the Preliminary Official Statement relating to the Bonds, in substantially the form as has been presented to and considered by the City Council, is hereby approved, and PFM Financial Advisors LLC is hereby authorized to prepare and use a final Official Statement for the Bonds substantially in the form of the Preliminary Official Statement, but with such changes therein as are required to conform the same to the terms of the Bonds and, when adopted, the resolution authorizing the issuance of the Bonds, and the City Clerk is hereby authorized and directed to execute a final Official Statement for the Bonds, if requested. The Preliminary Official Statement as of its date is deemed final by the City within the meaning of Rule 15(c)(2)-12 of the Securities and Exchange Commission.

Section 3. Pursuant to Section 75.14 of the Code of Iowa, the City Council hereby authorizes the use of electronic bidding procedures for the sale of the Bonds through PARITY[®], and hereby finds and determines that the PARITY[®] competitive bidding system will provide reasonable security and maintain the integrity of the competitive bidding process and will facilitate the delivery of bids by interested parties under the circumstances of this bond sale.

Section 4. 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 5. This resolution shall be in full force and effect immediately upon its adoption and approval, as provided by law.

Passed and approved October 25, 2016.

Mayor

Attest:

City Clerk

STATE OF IOWA
COUNTY OF POLK
CITY OF PLEASANT HILL

SS:

I, the undersigned, City Clerk of the City of Pleasant Hill, do hereby certify that attached hereto is a true and correct copy of the proceedings of the City Council relating to setting a date for the sale of bonds and the approval of an official statement, as referred to herein.

WITNESS MY HAND this ____ day of _____, 2016.

City Clerk

PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 25, 2016

New Issue

Rating: Application made to Moody’s Investor Services

In the opinion of Dorsey & Whitney LLP, Bond Counsel, according to present laws, rulings and decisions and assuming compliance with certain covenants, the interest on the Bonds (including any original issue discount properly allocable to an owner thereof) is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; it should be noted, however, that for the purpose of computing the alternative minimum tax imposed on corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted current earnings. The City will designate the Bonds as “qualified tax-exempt obligations.” Finally, interest on the Bonds paid to the holders thereof is included in gross income for purposes of Iowa income taxes. See “TAX EXEMPTION AND RELATED CONSIDERATIONS” herein.

CITY OF PLEASANT HILL, IOWA

\$8,000,000* General Obligation Street Improvement Bonds, Series 2016

BIDS RECEIVED: Tuesday, November 8, 2016, 10:00 o’clock A.M., Central Time

AWARD: Tuesday, November 8, 2016, 6:30 o’clock P.M., Central Time

Dated: Date of Delivery (November 28, 2016)

Principal Due: June 1 as shown inside front cover

The \$8,000,000* General Obligation Street Improvement Bonds, Series 2016 (the “Bonds”) are being issued pursuant to Division III of Chapter 384 of the Code of Iowa, and a resolution to be adopted by the City Council of the City of Pleasant Hill, Iowa (the “City”). The Bonds are being issued for the essential corporate purpose of financing construction of street improvements. The purchaser of the Bonds agrees to enter into a loan agreement (the “Loan Agreement”) with the City pursuant to authority contained in Section 384.24A of the Code of Iowa. The Bonds are issued in evidence of the City’s obligations under the Loan Agreement. The Bonds and the interest thereon are general obligations of the City, and all taxable property within the corporate boundaries of the City is subject to the levy of taxes to pay the principal of and interest on the Bonds without constitutional or statutory limitation as to rate or amount.

The Bonds will be issued as fully registered bonds without coupons and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company (“DTC”). DTC will act as securities depository for the Bonds. Individual purchases may be made in book-entry form only, in the principal amount of \$5,000 and integral multiples thereof. Purchasers will not receive certificates representing their interest in the Bonds purchased. Principal of the Bonds, payable annually on each June 1, beginning June 1, 2018, and interest on the Bonds, payable initially on June 1, 2017 and thereafter on each December 1 and June 1, will be paid to DTC by the City’s Registrar/Paying Agent, Bankers Trust Company, Des Moines, Iowa (the “Registrar”). DTC will in turn remit such principal and interest to its participants for subsequent disbursements to the beneficial owners of the Bonds as described herein. Interest and principal shall be paid to the registered holder of a bond as shown on the records of ownership maintained by the Registrar at the close of business on the 15th day of the month (whether or not a business day) next preceding the interest payment date (the “Record Date”).

THE BONDS WILL MATURE AS LISTED ON THE INSIDE FRONT COVER

MINIMUM BID:	\$7,960,000
GOOD FAITH DEPOSIT:	Required of Purchaser Only
TAX MATTERS:	Federal: Tax-Exempt State: Taxable See “TAX EXEMPTION AND RELATED CONSIDERATIONS” for more information.

The Bonds are offered, subject to prior sale, withdrawal or modification, when, as and if issued and subject to the unqualified approving legal opinion of Dorsey & Whitney LLP, Bond Counsel, Des Moines, Iowa, to be furnished upon delivery of the Bonds. It is expected that the Bonds will be available for delivery on or about November 28, 2016. This Preliminary Official Statement will be further supplemented by offering prices, interest rates, aggregate principal amount, principal amount per maturity, selling compensation, anticipated delivery date and underwriter, together with any other information required by law, and shall constitute a “deemed final Official Statement” of the City with respect to the Bonds, as defined in Rule 15c2-12.

*Preliminary; subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion, amendment or other change without notice. The Bonds may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the applicable securities laws of any such jurisdiction.

CITY OF PLEASANT HILL, IOWA

\$8,000,000* General Obligation Street Improvement Bonds, Series 2016

MATURITY: The Bonds will mature June 1 in the years and amounts as follows:

<u>Year</u>	<u>Amount*</u>
2018	\$2,700,000
2019	1,030,000
2020	1,045,000
2021	1,060,000
2022	1,075,000
2023	1,090,000

*** PRINCIPAL**

ADJUSTMENT: Preliminary; subject to change. The City reserves the right to decrease the aggregate principal amount of the Bonds and to increase or reduce each scheduled maturity thereof after the determination of the successful bidder. The City may increase or decrease each maturity in increments of \$5,000 but the total amount to be issued will not exceed \$8,000,000. Interest rates specified by the successful bidder for each maturity will not change. Final adjustments shall be in the sole discretion of the City.

The dollar amount of the purchase price proposed by the successful bidder will be changed if the aggregate principal amount of the Bonds is adjusted as described above. Any change in the principal amount of any maturity of the Bonds will be made while maintaining, as closely as possible, the successful bidder's net compensation, calculated as a percentage of bond principal. The successful bidder may not withdraw or modify its bid as a result of any post-bid adjustment. Any adjustment shall be conclusive, and shall be binding upon the successful bidder.

INTEREST: Interest on the Bonds will be payable on June 1, 2017 and semiannually thereafter.

REDEMPTION: The Bonds will NOT be subject to early redemption prior to their stated maturity.

COMPLIANCE WITH S.E.C. RULE 15c2-12

Municipal obligations (issued in an aggregate amount over \$1,000,000) are subject to General Rules and Regulations, Securities Exchange Act of 1934, Rule 15c2-12 Municipal Securities Disclosure.

Preliminary Official Statement: This Preliminary Official Statement was prepared for the City for dissemination to prospective bidders. Its primary purpose is to disclose information regarding the Bonds to prospective bidders in the interest of receiving competitive bids in accordance with the TERMS OF OFFERING contained herein. Unless an addendum is received prior to the sale, this document shall be deemed the “Near Final Official Statement”.

Review Period: This Preliminary Official Statement has been distributed to City staff as well as to prospective bidders for an objective review of its disclosure. Comments or omissions or inaccuracies must be submitted to PFM Financial Advisors LLC (the “Municipal Advisor”) at least two business days prior to the sale. Requests for additional information or corrections in the Preliminary Official Statement received on or before this date will not be considered a qualification of a bid received. If there are any changes, corrections or additions to the Preliminary Official Statement, prospective bidders will be informed by an addendum at least one business day prior to the sale.

Final Official Statement: Upon award of sale of the Bonds, the legislative body will authorize the preparation of a Final Official Statement that includes the offering prices, interest rates, aggregate principal amount, principal amount per maturity, selling compensation, anticipated delivery date and other information required by law and the identity of the underwriter (the “Syndicate Manager”) and syndicate members. Copies of the Final Official Statement will be delivered to the Syndicate Manager within seven business days following the bid acceptance.

REPRESENTATIONS

No dealer, broker, salesperson or other person has been authorized by the City to give any information or to make any representations, other than those contained in the Preliminary Official Statement. This Preliminary Official Statement does not constitute any offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person, in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information, estimates and expressions of opinion herein are subject to change without notice and neither the delivery of this Preliminary Official Statement nor any sale made hereunder, shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof. This Preliminary Official Statement is submitted in connection with the sale of the securities referred to herein and may not be reproduced or used, in whole or in part, for any other purpose.

This Preliminary Official Statement and any addenda thereto were prepared relying on information from the City and other sources, which are believed to be reliable.

Bond Counsel has not participated in the preparation of this Preliminary Official Statement and is not expressing any opinion as to the completeness or accuracy of the information contained therein.

Compensation of the Municipal Advisor, payable entirely by the City, is contingent upon the sale of the issue.

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TABLE OF CONTENTS

TERMS OF OFFERING i

SCHEDULE OF BOND YEARS vi

INTRODUCTION..... 1

Authority and Purpose..... 1

Optional Redemption 1

Interest..... 1

Payment of and Security for the Bonds..... 2

Book-Entry-Only Issuance 2

Future Financing..... 4

Litigation 4

Debt Payment History 4

Legal Matters..... 4

Tax Exemption and Related Considerations 4

Related Tax Matters 6

Rating 7

Municipal Advisor..... 7

Continuing Disclosure 7

Certification..... 7

CITY PROPERTY VALUES..... 8

Iowa Property Valuations 8

Property Valuations (1/1/2015 Valuations for Taxes Payable July 1, 2016 to June 30, 2017) 8

2015 Gross Taxable Valuation by Class of Property..... 8

Trend of Valuations..... 9

Larger Taxpayers..... 9

Property Tax Legislation 10

CITY INDEBTEDNESS..... 11

Debt Limit 11

Direct Debt 11

Other Debt 12

Indirect General Obligation Debt 14

Debt Ratios 14

Financial Information 15

Levies and Tax Collections 16

Tax Rates..... 16

Levy Limits 16

City Funds on Hand (Cash and Investments as of June 30, 2016) 17

THE CITY 18

City Government 18

Employees and Pensions 18

Other Post-Employment Benefits..... 19

Union Contracts..... 19

Insurance 20

GENERAL INFORMATION 21

Location and Transportation..... 21

Larger Employers 21

Building Permits..... 22

U.S. Census Data..... 22

Unemployment Rates 22

Education..... 22

Financial Services; Financial Statement..... 23

APPENDIX A - FORM OF LEGAL OPINION

APPENDIX B - JUNE 30, 2015 INDEPENDENT AUDITOR’S REPORTS

APPENDIX C - FORM OF CONTINUING DISCLOSURE CERTIFICATE

OFFICIAL BID FORM

City of Pleasant Hill, Iowa

City Council

Sara Kurovski	Mayor
Dean Cooper	Council Member
Mark A. Konrad	Council Member
Barb Malone	Council Member
Jeff Mullen	Council Member
Curt Gause	Council Member

Administration

Don Sandor, City Manager
Ben Champ, Assistant City Manager
Dena Spooner, City Clerk/Finance Director

City Attorney

Skinner Law Firm
Altoona, Iowa

Bond Counsel

Dorsey & Whitney LLP
Des Moines, Iowa

Municipal Advisor

PFM Financial Advisors LLC
Des Moines, Iowa

TERMS OF OFFERING

CITY OF PLEASANT HILL, IOWA

Bids for the purchase of the City of Pleasant Hill, Iowa’s \$8,000,000* General Obligation Street Improvement Bonds, Series 2016 (the “Bonds”) will be received on Tuesday, November 8, 2016 before 10:00 o’clock A.M. Central Time after which time they will be tabulated. The City Council will consider award of the Bonds at 6:30 o’clock P.M. Central Time, on the same day. Questions regarding the sale of the Bonds should be directed to the City’s Municipal Advisor at (515) 243-2600. This section sets forth the description of certain terms of the Bonds as well as the TERMS OF OFFERING with which all bidders and bid proposals are required to comply, as follows:

DETAILS OF THE BONDS

GENERAL OBLIGATION STREET IMPROVEMENT BONDS, SERIES 2016 (the “Bonds”), in the principal amount of \$8,000,000* to be dated the date of delivery (anticipated to be November 28, 2016) will be in the denomination of \$5,000 or multiples thereof and will mature June 1, as follows:

<u>Year</u>	<u>Amount*</u>
2018	\$2,700,000
2019	1,030,000
2020	1,045,000
2021	1,060,000
2022	1,075,000
2023	1,090,000

*Preliminary; subject to change.

ADJUSTMENT TO BOND MATURITY AMOUNTS

The City reserves the right to decrease the aggregate principal amount of the Bonds and to increase or reduce each scheduled maturity thereof after the determination of the successful bidder. The City may increase or decrease each maturity in increments of \$5,000 but the total amount to be issued will not exceed \$8,000,000. Interest rates specified by the successful bidder for each maturity will not change. Final adjustments shall be in the sole discretion of the City.

The dollar amount of the purchase price proposed by the successful bidder will be changed if the aggregate principal amount of the Bonds is adjusted as described above. Any change in the principal amount of any maturity of the Bonds will be made while maintaining, as closely as possible, the successful bidder's net compensation, calculated as a percentage of bond principal. The successful bidder may not withdraw or modify its bid as a result of any post-bid adjustment. Any adjustment shall be conclusive, and shall be binding upon the successful bidder.

TERM-BOND OPTION

Bidders shall have the option of designating the Bonds as serial bonds or term bonds, or both. The bid must designate whether each of the principal amounts shown above represent a serial maturity or a mandatory redemption requirement for a term bond maturity. (See the OFFICIAL BID FORM for more information.) In any event, the above principal amount scheduled shall be represented by either serial bond maturities or mandatory redemption requirements, or a combination of both.

OPTIONAL REDEMPTION

The Bonds will NOT be subject to redemption prior to their stated maturity.

INTEREST

Interest on the Bonds will be payable on June 1, 2017 and semiannually on the 1st day of December and June thereafter. Interest and principal shall be paid to the registered holder of a bond as shown on the records of ownership maintained by the Registrar at the close of business on the 15th day of the month (whether or not a business day) next preceding the interest payment date (the "Record Date"). Interest will be computed on the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board.

GOOD FAITH DEPOSIT

A good faith deposit (the "Deposit") in the amount of \$80,000 is required from the lowest bidder only. The lowest bidder is required to submit such Deposit payable to the order of the City in the form of either (i) a cashier's check provided to the City or its Municipal Advisor or (ii) a wire transfer as instructed by the City's Municipal Advisor not later than 12:00 o'clock P.M. Central Time on the day of sale of the Bonds. If not so received, the bid of the lowest bidder may be rejected and the City may direct the second lowest bidder to submit a Deposit and thereafter may award the sale of the Bonds to the same. No interest on a Deposit will accrue to the successful bidder (the "Purchaser"). The Deposit will be applied to the purchase price of the Bonds. In the event a Purchaser fails to honor its accepted bid proposal, the Deposit will be retained by the City.

FORM OF BIDS AND AWARD

All bids shall be unconditional for the entire issue of the Bonds for a price not less than \$7,960,000, plus accrued interest, and shall specify the rate or rates of interest in conformity to the limitations set forth under the "BIDDING PARAMETERS" section. Bids must be submitted on or in substantial compliance with the OFFICIAL BID FORM provided by the City. The Bonds will be awarded to the bidder offering the lowest interest rate to be determined on a true interest cost (the "TIC") basis assuming compliance with the "GOOD FAITH DEPOSIT" section. The TIC shall be determined by the present value method, i.e., by ascertaining the semiannual rate, compounded semiannually, necessary to discount to present value as of the dated date of the Bonds, the amount payable on each interest payment date and on each stated maturity date or earlier mandatory redemption, so that the aggregate of such amounts will equal the aggregate purchase price offered therefore. The TIC shall be stated in terms of an annual percentage rate and shall be that rate of interest, which is twice the semiannual rate so ascertained (also known as the Canadian Method). The TIC shall be as determined by the Municipal Advisor based on the TERMS OF OFFERING and all amendments, and on the bids as submitted. The Municipal Advisor's computation of the TIC of each bid shall be controlling. In the event of tie bids for the lowest TIC, the Bonds will be awarded by lot.

The City will reserve the right to: (i) waive non-substantive informalities of any bid or of matters relating to the receipt of bids and award of the Bonds, (ii) reject all bids without cause and (iii) reject any bid which the City determines to have failed to comply with the terms herein.

BIDDING PARAMETERS

Each bidder's proposal must conform to the following limitations:

1. Each annual maturity must bear a single rate of interest from the dated date of the Bonds to the date of maturity.
2. Rates of interest bid must be in multiples of one-eighth or one-twentieth of one percent.
3. The initial price to the public for each maturity must be 98% or greater.

RECEIPT OF BIDS

Forms of Bids: Bids must be submitted on or in substantial compliance with the TERMS OF OFFERING and OFFICIAL BID FORM provided by the City or through PARITY[®] competitive bidding system (the “Internet Bid System”). Neither the City nor its agents shall be responsible for malfunction or mistake made by any person, or as a result of the use of an electronic bid or any other means used to deliver or complete a bid. The use of such facilities or means is at the sole risk of the prospective bidder who shall be bound by the terms of the bid as received.

No bid will be accepted after the time specified in the TERMS OF OFFERING and OFFICIAL BID FORM. The time as maintained by the Internet Bid System shall constitute the official time with respect to all bids submitted. A bid may be withdrawn before the bid deadline using the same method used to submit the bid. If more than one bid is received from a bidder, the last bid received shall be considered.

Sealed Bidding: Sealed bids may be submitted and will be received at the office of the City Clerk/Finance Director, City Hall, 5160 Maple Drive, Suite A, Pleasant Hill, Iowa 50327.

Electronic Internet Bidding: Electronic internet bids will be received at the office of the City’s Municipal Advisor, PFM Financial Advisors LLC, 801 Grand Avenue, Ste. 3300, Des Moines, Iowa. Electronic internet bids must be submitted through the Internet Bid System. Information about the Electronic Internet Bid System may be obtained by calling 212-404-8102.

Each bidder shall be solely responsible for making necessary arrangements to access the Internet Bid System for purposes of submitting its internet bid in a timely manner and in compliance with the requirements of the TERMS OF OFFERING and OFFICIAL BID FORM. The City is permitting bidders to use the services of the Internet Bid System solely as a communication mechanism to conduct the Internet bidding and the Internet Bid System is not an agent of the City. Provisions of the TERMS OF OFFERING and OFFICIAL BID FORM shall control in the event of conflict with information provided by the Internet Bid System.

Electronic Facsimile Bidding: Electronic facsimile bids will be received at the office of the City’s Municipal Advisor, PFM Financial Advisors LLC, (facsimile number: (515) 243-6994). Electronic facsimile bids will be sealed and treated as sealed bids.

Electronic facsimile transmissions received after the deadline will be rejected. Bidders electing to submit bids via facsimile transmission bear full responsibility for the transmission of such bid. Neither the City nor its agents shall be responsible for malfunction or mistake made by any person, or as a result of the use of the facsimile facilities or any other means used to deliver or complete a bid. The use of such facilities or means is at the sole risk of the prospective bidder who shall be bound by the terms of the bid as received. Neither the City nor its agents will assume liability for the inability of the bidder to reach the above named facsimile numbers prior to the time of sale specified above. Time of receipt shall be the time recorded by the facsimile operator receiving the bids.

BOOK-ENTRY-ONLY ISSUANCE

The Bonds will be issued by means of a book-entry system with no physical distribution of bond certificates made to the public. The Bonds will be issued in fully registered form and one bond certificate, representing the aggregate principal amount of the Bonds maturing in each year will be registered in the name of Cede & Co. as nominee of The Depository Trust Company (“DTC”), New York, New York, which will act as securities depository of the Bonds. Individual purchases of the Bonds may be made in the principal amount of \$5,000 or any multiple thereof of a single maturity through book entries made on the books and records of DTC and its participants. Principal and interest are payable by the Registrar to DTC or its nominee as registered owner of the Bonds. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC; transfer of principal and interest payments to beneficial owners by participants will be the responsibility of such participants and other nominees of beneficial owners. The Purchaser, as a condition of delivery of the Bonds, will be required to deposit the bond certificates with DTC.

MUNICIPAL BOND INSURANCE AT PURCHASER'S OPTION

If the Bonds qualify for issuance of any policy of municipal bond insurance or commitment therefore at the option of the bidder, the purchase of any such insurance policy or the issuance of any such commitment shall be at the sole option and expense of the Purchaser. Any increased costs of issuance of the Bonds resulting from such purchase of insurance shall be paid by the Purchaser, except that, if the City has requested and received a rating on the Bonds from a rating agency, the City will pay that initial rating fee. Any other rating agency fees shall be the responsibility of the Purchaser. Failure of the municipal bond insurer to issue the policy after the Bonds have been awarded to the Purchaser shall not constitute cause for failure or refusal by the Purchaser to accept delivery on the Bonds. The City reserves the right in its sole discretion to accept or deny changes to the financing documents requested by the insurer selected by the Purchaser.

DELIVERY

The Bonds will be delivered to the Purchaser via Fast Automated Securities Transfer ("FAST") delivery with the Registrar holding the Bonds on behalf of DTC, against full payment in immediately available cash or federal funds. The Bonds are expected to be delivered within forty-five days after the sale. Should delivery be delayed beyond sixty days from the date of sale for any reason except failure of performance by the Purchaser, the Purchaser may withdraw their bid and thereafter their interest in and liability for the Bonds will cease. When the Bonds are ready for delivery, the City will give the Purchaser five working days' notice of the delivery date and the City will expect payment in full on that date, otherwise reserving the right at its option to determine that the Purchaser failed to comply with the offer of purchase.

INFORMATION FROM PURCHASER

The Purchaser will be required to certify to the City immediately after the opening of bids: (i) the initial public offering price of each maturity of the Bonds (not including sales to bond houses and brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at which price a substantial amount of the Bonds (not less than 10% of each maturity) were sold to the public; or (ii) if less than 10% of any maturity has been sold, the price for that maturity determined as of the time of the sale based upon the reasonably expected initial offering price to the public and (iii) that the initial public offering price does not exceed their fair market value of the Bonds on the sale date. The Purchaser will also be required to provide a certificate at closing confirming the information required by this paragraph.

OFFICIAL STATEMENT

The City has authorized the preparation of a Preliminary Official Statement containing pertinent information relative to the Bonds. The Preliminary Official Statement when further supplemented with maturity dates, principal amounts, selling compensation and interest rates of the Bonds, and any other information required by law or deemed appropriate by the City, shall constitute a Final Official Statement of the City with respect to the Bonds, as that term is defined in Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the "Rule"). By awarding the Bonds to any underwriter or underwriting syndicate submitting an OFFICIAL BID FORM therefore, the City agrees that, no more than seven (7) business days after the date of such award, it shall provide without cost to the senior managing underwriter of the syndicate to which each series of the Bonds are awarded up to 25 copies of the Final Official Statement to permit each "Participating Underwriter" (as that term is defined in Rule 15c2-12) to comply with the provisions of Rule 15c2-12. The City shall treat the senior managing underwriter of the syndicate to which the Bonds are awarded as its designated agent for purposes of distributing copies of the Final Official Statement to Participating Underwriters. Any underwriter executing and delivering an OFFICIAL BID FORM with respect to the Bonds agrees thereby that if its bid is accepted by the City, (i) it shall accept such designation and (ii) it shall enter into a contractual relationship with all Participating Underwriters of the Bonds for purposes of assuring the receipt by each such Participating Underwriter of the Final Official Statement.

CONTINUING DISCLOSURE

In order to assist bidders in complying with paragraph (b)(5) of the Rule, the City will undertake, pursuant to the resolution for the Bonds and the Continuing Disclosure Certificate, to provide certain annual financial information and notices of the occurrence of certain material events (the “Undertakings”). A description of the Undertakings is set forth in APPENDIX C of this Preliminary Official Statement. The City will deliver the Continuing Disclosure Certificate at closing, and any failure on the part of the City to deliver the same shall relieve the Purchaser of its obligations to purchase the Bonds.

During the past five years, to the best of its knowledge, the City has complied in all material respects with its previous continuing disclosure undertakings entered into under the Rule.

Breach of the Undertakings will not constitute a default or an “Event of Default” under the Bonds or the resolution for the Bonds. A broker or dealer is to consider a known breach of the Undertakings, however, before recommending the purchase or sale of the Bonds in the secondary market. Thus, a failure on the part of the City to observe the Undertakings may adversely affect the transferability and liquidity of the Bonds and their market price.

CUSIP NUMBERS

It is anticipated that Committee on Uniform Security Identification Procedures (“CUSIP”) numbers will be printed on the Bonds and the Purchaser must agree in the bid proposal to pay the cost thereof. In no event will the City, Bond Counsel or Municipal Advisor be responsible for the review or express any opinion that the CUSIP numbers are correct. Incorrect CUSIP numbers on said Bonds shall not be cause for the Purchaser to refuse to accept delivery of said Bonds.

BY ORDER OF THE CITY COUNCIL
City of Pleasant Hill
Dena Spooner, City Clerk/Finance Director
5160 Maple Drive, Suite A
Pleasant Hill, Iowa 50327

SCHEDULE OF BOND YEARS

\$8,000,000*

**CITY OF PLEASANT HILL, IOWA
General Obligation Bonds, Series 2016**

Bonds Dated: November 28, 2016

Interest Due: June 1, 2017 and each December 1 and June 1 to maturity

Principal Due: June 1, 2018 - 2023

<u>Year</u>	<u>Principal*</u>	<u>Bond Years</u>	<u>Cumulative Bond Years</u>
2018	\$2,700,000	4,072.50	4,072.50
2019	1,030,000	2,583.58	6,656.08
2020	1,045,000	3,666.21	10,322.29
2021	1,060,000	4,778.83	15,101.13
2022	1,075,000	5,921.46	21,022.58
2023	1,090,000	7,094.08	28,116.67

Average Maturity (dated date): 3.515 Years

*Preliminary; subject to change.

PRELIMINARY OFFICIAL STATEMENT

CITY OF PLEASANT HILL, IOWA

\$8,000,000* General Obligation Street Improvement Bonds, Series 2016

INTRODUCTION

This Preliminary Official Statement contains information relating to the City of Pleasant Hill, Iowa (the “City”) and its issuance of \$8,000,000* General Obligation Street Improvement Bonds, Series 2016 (the “Bonds”). This Preliminary Official Statement has been executed on behalf of the City and its City Clerk/Finance Director and may be distributed in connection with the sale of the Bonds authorized therein. Inquiries may be made to PFM Financial Advisors LLC, 801 Grand Avenue, Suite 3300, Des Moines, Iowa, 50309 or by telephoning (515) 243-2600. Information can also be obtained from Ms. Dena Spooner, City Clerk/Finance Director, City of Pleasant Hill, 5160 Maple Drive, Suite A, Pleasant Hill, Iowa 50327, or by telephoning (515) 309-9410.

AUTHORITY AND PURPOSE

The Bonds are being issued pursuant to Division III of Chapter 384 of the Code of Iowa, and a resolution to be adopted by the City Council of the City of Pleasant Hill, Iowa (the “City”). The Bonds are being issued for the essential corporate purpose of financing construction of street improvements. The Purchaser of the Bonds agrees to enter into a loan agreement (the “Loan Agreement”) with the City pursuant to authority contained in Section 384.24A of the Code of Iowa. The Bonds are issued in evidence of the City’s obligations under the Loan Agreement.

The estimated Sources and Uses of the Bonds are as follows:

Sources of Funds

Par Amount of the Bonds \$8,000,000.00*

Uses of Funds

Deposit to Project Fund	\$7,848,782.83
Deposit to Capitalized Interest Account	60,217.17
Underwriter’s Discount	40,000.00
Cost of Issuance	<u>51,000.00</u>
Total Uses	\$8,000,000.00*

*Preliminary; subject to change.

OPTIONAL REDEMPTION

The Bonds will NOT be subject to redemption prior to their stated maturity.

INTEREST

Interest on the Bonds will be payable on June 1, 2017 and semiannually on the 1st day of December and June thereafter. Interest and principal shall be paid to the registered holder of a bond as shown on the records of ownership maintained by the Registrar at the close of business on the 15th day of the month (whether or not a business day) next preceding the interest payment date (the “Record Date”). Interest will be computed on the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board.

PAYMENT OF AND SECURITY FOR THE BONDS

The Bonds constitute valid and binding general obligations of the City, and all taxable property within the corporate boundaries of the City is subject to the levy of taxes to pay the principal of and interest on the Bonds. If the amount credited to the debt service fund for payment of the Bonds is insufficient to pay principal and interest, whether from transfers or from original levies, the City must use funds in its treasury and is required to levy ad valorem taxes upon all taxable property in the City sufficient to pay the debt service deficiency without limit as to rate or amount.

BOOK-ENTRY-ONLY ISSUANCE

The information contained in the following paragraphs of this subsection “Book-Entry-Only Issuance” has been extracted from a schedule prepared by Depository Trust Company (“DTC”) entitled “SAMPLE OFFERING DOCUMENT LANGUAGE DESCRIBING DTC AND BOOK-ENTRY-ONLY ISSUANCE.” The information in this section concerning DTC and DTC’s book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the securities (the “Securities”). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each issue of the Securities, each in the aggregate principal amount of such issue, and will be deposited with DTC. If, however, the aggregate principal amount of any issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC’s participants (the “Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (the “Indirect Participants”). DTC has Standard & Poor’s rating: AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC’s records. The ownership interest of each actual purchaser of each Security (the “Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co., nor any other DTC nominee, will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date identified in a listing attached to the Omnibus Proxy.

Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC, is the responsibility of the City or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to Tender/Remarketing Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to Tender/Remarketing Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to Tender/Remarketing Agent's DTC account.

DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the City or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

FUTURE FINANCING

The City anticipates no additional borrowings within 90 days of the date of this Preliminary Official Statement.

LITIGATION

The City is not aware of any threatened or pending litigation affecting the validity of the Bonds or the City's ability to meet its financial obligations.

DEBT PAYMENT HISTORY

The City knows of no instance in which it has defaulted in the payment of principal or interest on its debt.

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Bonds and with regard to the tax-exempt or taxable status of the interest thereon (see "TAX EXEMPTION AND RELATED CONSIDERATIONS" herein) are subject to the approving legal opinion of Dorsey & Whitney LLP, Des Moines, Iowa, Bond Counsel, a form of which is attached hereto as APPENDIX A. Signed copies of the opinion, dated and premised on law in effect as of the date of original delivery of the Bonds, will be delivered to the Purchaser at the time of such original delivery. The Bonds are offered subject to prior sale and to the approval of legality of the Bonds by Bond Counsel.

The legal opinion will express the professional judgment of Bond Counsel and by rendering a legal opinion, Bond Counsel does not become an insurer or guarantor of the result indicated by that expression of professional judgment or of the transaction or the future performance of the parties to the transaction.

Bond Counsel has not been engaged, nor has it undertaken, to prepare or to independently verify the accuracy of the Preliminary Official Statement, including but not limited to financial or statistical information of the City and risks associated with the purchase of the Bonds, except Bond Counsel has reviewed and/or prepared the information and statements contained in the Preliminary Official Statement under "AUTHORITY AND PURPOSE", "PAYMENT OF AND SECURITY FOR THE BONDS", "TAX EXEMPTION AND RELATED CONSIDERATIONS" and "CONTINUING DISCLOSURE" insofar as such statements contained under such captions purport to summarize certain provisions of the Internal Revenue Code of 1986, the Bonds and any opinions rendered by Bond Counsel. Bond Counsel has prepared the documents contained in APPENDIX A and APPENDIX C.

TAX EXEMPTION AND RELATED CONSIDERATIONS

Federal Income Tax Exemption and State Taxability: The opinion of Bond Counsel will state that under present laws and rulings, interest on the Bonds (including any original issue discount properly allocable to an owner thereof) is excluded from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations under the Internal Revenue Code of 1986, as amended (the "Code"), provided, however, that such interest must be taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on corporations (as defined for federal income tax purposes).

The opinion set forth in the preceding sentence will be subject to the condition that the City comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal income tax purposes to be retroactive to the date of issuance of the Bonds. In the resolution for the Bonds, the City will covenant to comply with all such requirements.

There may be certain other federal tax consequences to the ownership of the Bonds by certain taxpayers, including without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies,

certain S corporations, individual recipients of Social Security and Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations. Bond Counsel will express no opinion with respect to other federal tax consequences to owners of the Bonds. Prospective purchasers of such Bonds should consult with their tax advisors as to such matters.

Interest on the Bonds is not exempt from present Iowa income taxes.

Ownership of the Bonds may result in other state and local tax consequences to certain taxpayers. Bond Counsel expresses no opinion regarding any such collateral consequences arising with respect to the Bonds. Prospective purchasers of the Bonds should consult their tax advisors regarding the applicability of any such state and local taxes.

Qualified Tax-Exempt Obligations: In the resolution authorizing the issuance of the Bonds, the City will designate the Bonds as “qualified tax exempt obligations” within the meaning of Section 265(b)(3) of the Code relating to the ability of financial institutions to deduct from income for federal income tax purposes a portion of the interest expense that is allocable to tax-exempt obligations.

Proposed Changes in Federal and State Tax Law: From time to time, there are Presidential proposals, proposals of various federal committees, and legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to herein or adversely affect the marketability or market value of the Bonds or otherwise prevent holders of the Bonds from realizing the full benefit of the tax exemption of interest on the Bonds. Further, such proposals may impact the marketability or market value of the Bonds simply by being proposed. No prediction is made whether such provisions will be enacted as proposed or concerning other future legislation affecting the tax treatment of interest on the Bonds. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value, marketability or tax status of the Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds would be impacted thereby.

Purchaser of the Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any proposed or pending legislation, regulatory initiatives or litigation.

Original Issue Discount: The Bonds maturing in the years ____ through ____ (collectively, the “Discount Bonds”) are being sold at a discount from the principal amount payable on such Bonds at maturity. The difference between the price at which a substantial amount of the Discount Bonds of a given maturity is first sold to the public (the “Issue Price”) and the principal amount payable at maturity constitutes “original issue discount” under the Code. The amount of original issue discount that accrues to a holder of Discount Bonds under section 1288 of the Code is excluded from federal gross income to the same extent that stated interest on such Discount Bonds would be so excluded. The amount of the original issue discount that accrues with respect to Discount Bonds under section 1288 is added to the owner’s federal tax basis in determining gain or loss upon disposition of such Discount Bonds (whether by sale, exchange, redemption or payment at maturity).

Interest in the form of original issue discount accrues under section 1288 pursuant to a constant yield method that reflects semiannual compounding on dates that are determined by reference to the maturity date of the Discount Bonds. The amount of original issue discount that accrues for any particular semiannual accrual period generally is equal to the excess of (1) the product of (a) one-half of the yield on such Discount Bonds (adjusted as necessary for an initial short period) and (b) the adjusted issue price of such Discount Bonds, over (2) the amount of stated interest actually payable. For purposes of the preceding sentence, the adjusted issue price is determined by adding to the Issue Price for such Discount Bonds the original issue discount that is treated as having accrued during all prior semiannual accrual periods. If Discount Bonds are sold or otherwise disposed of between semiannual compounding dates, then the original issue discount that would have accrued for that semiannual accrual period for federal income tax purposes is allocated ratably to the days in such accrual period.

An owner of Discount Bonds who disposes of such Discount Bonds prior to maturity should consult owner's tax advisor as to the amount of original issue discount accrued over the period held and the amount of taxable gain or loss upon the sale or other disposition of such Discount Bonds prior to maturity. Owners who purchase Discount Bonds in the initial public offering but at a price different than the Issue Price should consult their own tax advisors with respect to the tax consequences of the ownership Discount Bonds.

The Code contains provisions relating to the accrual of original issue discount in the case of subsequent purchasers of bonds such as the Discount Bonds. Owners who do not purchase Discount Bonds in the initial offering should consult their own tax advisors with respect to the tax consequences of the ownership of the Discount Bonds.

Original issue discount that accrues in each year to an owner of Discount Bonds may result in collateral federal income tax consequences to certain taxpayers. No opinion is expressed as to state and local income tax treatment of original issue discount. All owners of Discount Bonds should consult their own tax advisors with respect to the federal, state, local and foreign tax consequences associated with the purchase, ownership, redemption, sale or other disposition of Discount Bonds.

Original Issue Premium: The Bonds maturing in the years ____ through ____ are being issued at a premium to the principal amount payable at maturity. Except in the case of dealers, which are subject to special rules, Bondholders who acquire Bonds at a premium must, from time to time, reduce their federal tax bases for the Bonds for purposes of determining gain or loss on the sale or payment of such Bonds. Premium generally is amortized for federal income tax purposes on the basis of a bondholder's constant yield to maturity or to certain call dates with semiannual compounding. Bondholders who acquire any Bonds at a premium might recognize taxable gain upon sale of the Bonds, even if such Bonds are sold for an amount equal to or less than their any original cost. Amortized premium is not deductible for federal income tax purposes. Bondholders who acquire any Bonds at a premium should consult their tax advisors concerning the calculation of bond premium and the timing and rate of premium amortization, as well as the state and local tax consequences of owning and selling the Bonds acquired at a premium.

RELATED TAX MATTERS

Information Reporting and Back-up Withholding; Audits: In general, information reporting requirements will apply with respect to payments to an owner of principal and interest (and with respect to annual accruals of OID) on the Bonds, and with respect to payments to an owner of any proceeds from a disposition of the Bonds. This information reporting obligation, however, does not apply with respect to certain owners including corporations, tax-exempt organizations, qualified pension and profit sharing trusts, and individual retirement accounts. In the event that an owner subject to the reporting requirements described above fails to supply its correct taxpayer identification number in the manner required by applicable law or is notified by the Internal Revenue Service (the "Service") that it has failed to properly report payments of interest and dividends, a backup withholding tax (currently at a rate of 28%) generally will be imposed on the amount of any interest and principal and the amount of any sales proceeds received by the owner on or with respect to the Bonds.

Any amounts withheld under the backup withholding provisions may be credited against the United States federal income tax liability of the beneficial owner, and may entitle the beneficial owner to a refund, provided that the required information is furnished to the Service.

The Service has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether or not the Service will commence an audit of the Bonds. If an audit is commenced, under current procedures the Service may treat the City as a taxpayer and the bondholders may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the Bonds until the audit is concluded, regardless of the ultimate outcome.

Opinion: Bond Counsel's opinion is not a guarantee of a result, or of the transaction on which the opinion is rendered, or of the future performance of parties to the transaction, but represents its legal judgment based upon its review of existing statutes, regulations, published rulings and court decisions and the representations and covenants of the City

described in this section. No ruling has been sought from the Service with respect to the matters addressed in the opinion of Bond Counsel and Bond Counsel’s opinion is not binding on the Service. Bond Counsel assumes no obligation to update its opinion after the issue date to reflect any further action, fact or circumstance, or change in law or interpretation, or otherwise.

RATING

The City has requested a rating on the Bonds from Moody’s Investors Service, Inc. (“Moody’s”). In addition, Moody’s currently maintains a rating of ‘Aa3’ on the City’s long-term general obligation debt. Such ratings, if and when received, will reflect only the view of the rating agency and any explanation of the significance of such ratings may only be obtained from Moody’s. There is no assurance that such ratings, if and when received, will continue for any period of time or that they will not be revised or withdrawn.

MUNICIPAL ADVISOR

The City has retained PFM Financial Advisors LLC, Des Moines, Iowa (the “Municipal Advisor”) in connection with the preparation of the City’s issuance of the Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume responsibility for the accuracy, completeness or fairness of the information contained in the Preliminary Official Statement. PFM Financial Advisors LLC is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities.

CONTINUING DISCLOSURE

In order to assist bidders in complying with paragraph (b)(5) of the Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, the City will undertake, pursuant to the resolution for the Bonds and the Continuing Disclosure Certificate, to provide certain annual financial information and notices of the occurrence of certain material events (the “Undertakings”). A description of the Undertakings is set forth in APPENDIX C of this Preliminary Official Statement. The City will deliver the Continuing Disclosure Certificate at closing, and any failure on the part of the City to deliver the same shall relieve the Purchaser of its obligations to purchase the Bonds.

During the past five years, to the best of its knowledge, the City has complied in all material respects with its previous continuing disclosure undertakings entered into under the Rule.

Breach of the Undertakings will not constitute a default or an “Event of Default” under the Bonds or the resolution for the Bonds. A broker or dealer is to consider a known breach of the Undertakings, however, before recommending the purchase or sale of the Bonds in the secondary market. Thus, a failure on the part of the City to observe the Undertakings may adversely affect the transferability and liquidity of the Bonds and their market price.

CERTIFICATION

The City has authorized the distribution of this Preliminary Official Statement for use in connection with the initial sale of the Bonds. I have reviewed the information contained within the Preliminary Official Statement prepared on behalf of the City of Pleasant Hill, Iowa, by PFM Financial Advisors LLC, Des Moines, Iowa, and said Preliminary Official Statement does not contain any material misstatements of fact nor omission of any material fact regarding the issuance of \$8,000,000* General Obligation Street Improvement Bonds, Series 2016.

CITY OF PLEASANT HILL, IOWA
/s/ Dena Spooner, City Clerk/Finance Director

*Preliminary; subject to change.

CITY PROPERTY VALUES

IOWA PROPERTY VALUATIONS

In compliance with Section 441.21 of the Code of Iowa, the State Director of Revenue annually directs the county auditors to apply prescribed statutory percentages to the assessments of certain categories of real property. The Polk County Auditors adjusted the final Actual Values for 2015. The reduced values, determined after the application of rollback percentages, are the taxable values subject to tax levy. For assessment year 2015, the taxable value rollback rate was 55.6259% of actual value for residential property; 86.2500% of actual value for multiresidential property; 46.1068% of actual value for agricultural property; and 90% of actual value for commercial, industrial, and railroad property. No adjustment was ordered for utility property because its assessed value did not increase enough to qualify for reduction. Utility property is limited to an 8% annual growth.

The Legislature's intent has been to limit the growth of statewide taxable valuations for the specific classes of property to 3% annually. Political subdivisions whose taxable values are thus reduced or are unusually low in growth are allowed to appeal the valuations to the State Appeal Board, in order to continue to fund present services.

PROPERTY VALUATIONS (1/1/2015 Valuations for Taxes Payable July 1, 2016 to June 30, 2017)

	<u>100% Actual Value</u>	<u>Taxable Value (With Rollback)</u>
Residential	\$461,347,007	\$226,687,794
Commercial	69,728,161	59,322,866
Industrial	4,671,557	4,069,697
Multiresidential	14,906,896	12,447,849
Railroads	2,085,984	1,877,385
Utilities w/o Gas & Electric	<u>86,723,313</u>	<u>86,723,313</u>
Gross valuation	\$639,462,918	\$391,128,904
Less military exemption	<u>(707,464)</u>	<u>(707,464)</u>
Net valuation	\$638,755,454	\$390,421,440
TIF increment (used to compute debt service levies and constitutional debt limit)	\$106,122,319	\$106,122,319
Taxed separately:		
Ag. Land	\$3,072,456	\$1,416,607
Ag. Buildings	\$24,240	\$11,176
Gas & Electric Utilities	\$414,974,583	\$75,167,807

2015 GROSS TAXABLE VALUATION BY CLASS OF PROPERTY¹⁾

	<u>Taxable Valuation</u>	<u>Percent Total</u>
Residential	\$226,687,794	48.61%
Commercial, Industrial and Utilities	150,115,876	32.20%
Multiresidential	12,447,849	2.67%
Gas & Electric Utilities	75,167,807	16.12%
Railroads	<u>1,877,385</u>	<u>0.40%</u>
Total Gross Taxable Valuation	\$466,296,711	100.00%

1) Excludes Taxable TIF Increment, Ag. Land and Ag. Buildings.

TREND OF VALUATIONS

<u>Assessment Year</u>	<u>Payable Fiscal Year</u>	<u>100% Actual Valuation</u>	<u>Taxable Valuation (With Rollback)</u>	<u>Taxable TIF Increment</u>
2011	2012-13	\$1,022,887,883	\$355,489,174	\$119,225,800
2012	2013-14	1,067,678,811	396,423,872	114,965,965
2013	2014-15	1,002,693,171	402,412,210	114,883,739
2014	2015-16	1,102,012,052	441,566,569	104,320,803
2015	2016-17	1,162,949,052	465,589,247	106,122,319

The 100% Actual Valuation, before rollback and after reduction of military exemption, includes Ag. Land, Ag. Buildings, Taxable TIF Increment and Gas & Electric Utilities. The Taxable Valuation, with the rollback and after the reduction of military exemption, includes Gas & Electric Utilities and excludes Ag. Land, Ag. Buildings and the Taxable TIF Increment. Iowa cities certify operating levies against Taxable Valuation excluding the Taxable TIF Increment and debt service levies are certified against Taxable Valuation including the Taxable TIF Increment.

LARGER TAXPAYERS

Set forth in the following table are the persons or entities which represent larger taxpayers within the boundaries of the City, as provided by the Polk County Auditor's Office. No independent investigation has been made of and no representation is made herein as to the financial condition of any of the taxpayers listed below or that such taxpayers will continue to maintain their status as major taxpayers in the City. With the exception of the electric and natural gas provider noted below (which is subject to an excise tax in accordance with Iowa Code chapter 437A), the City's mill levy is uniformly applicable to all of the properties included in the table, and thus taxes expected to be received by the City from such taxpayers will be in proportion to the assessed valuations of the properties. The total tax bill for each of the properties is dependent upon the mill levies of the other taxing entities which overlap the properties.

<u>Taxpayer</u> ¹⁾	<u>Type of Property/Business</u>	<u>1/1/2015 Taxable Valuation</u>
Mid American Energy	Utility	\$74,976,238
Magellan Pipeline Co.	Utility	62,176,390
Oneok North System LLC	Utility	23,210,652
Deery Investments Inc.	Commercial	7,056,000
Medical Development LC	Commercial	6,120,000
Pleasant Hill I LLC	Commercial	4,294,319
Canterbury One LLC	Commercial	4,234,876
Landus Cooperative ²⁾	Commercial	4,170,150
G & K Services Co.	Commercial	3,906,000
Jetaime LLC	Commercial	3,783,600

1) This list represents some of the top taxpayers in this jurisdiction, not necessarily the Top 10 Taxpayers.

2) Previously known as Countrywide Grain Terminal LLC.

Source: Polk County Auditor's Office.

PROPERTY TAX LEGISLATION

During the 2013 legislative session, the Iowa General Assembly enacted Senate File 295 (the “Act”), which the Governor signed into law on June 12, 2013. Among other things, the Act (i) reduced the maximum annual taxable value growth percent, due to revaluation of existing residential and agricultural property, from 4% to 3%, (ii) assigned a “rollback” (the percentage of a property’s value that is subject to tax) to commercial, industrial and railroad property of 95% for the 2013 assessment year and 90% for the 2014 assessment year and all years thereafter, (iii) created a new property tax classification for multiresidential properties (mobile home parks, manufactured home communities, land-lease communities, assisted living facilities and property primarily used or intended for human habitation containing three or more separate dwelling units) (“Multiresidential Property”) that began in the 2015 assessment year, and assigned a declining rollback percentage of 3.75% to such properties for each subsequent year until the 2021 assessment year (the rollback percentage for Multiresidential Properties is equal to the residential rollback percentage in the 2022 assessment year and thereafter) and (iv) exempted a specified portion of the assessed value of telecommunication properties.

The Act included a standing appropriation to replace some of the tax revenues lost by local governments, including tax increment districts, resulting from the new rollback for commercial and industrial property. Prior to Fiscal Year 2017-18, the appropriation is a standing unlimited appropriation, but beginning in Fiscal Year 2017-18 the standing appropriation cannot exceed the actual Fiscal Year 2016-17 appropriation amount. The appropriation does not replace losses to local governments resulting from the Act’s provisions that reduce the annual revaluation growth limit for residential and agricultural properties from 4% to 3%, the gradual transition for Multiresidential Property from the commercial rollback percentage (100% of Actual Valuation) to the residential rollback percentage (currently 55.6259% of Actual Valuation), or the reduction in the percentage of telecommunications property that is subject to taxation.

Given the wide scope of the statutory changes, and the State of Iowa’s discretion in establishing the annual replacement amount that is appropriated each year commencing in Fiscal Year 2017-18, the impact of the Act on the City’s future property tax collections is uncertain and the City is unable to accurately assess the financial impact of the Act’s provisions on the City’s future operations.

Notwithstanding any decrease in property tax revenues that may result from the Act, Iowa Code section 76.2 provides that when an Iowa political subdivision issues general obligation bonds, “the governing authority of these political subdivisions before issuing bonds shall, by resolution, provide for the assessment of an annual levy upon all the taxable property in the political subdivision sufficient to pay the interest and principal of the bonds within a period named not exceeding twenty years. A certified copy of this resolution shall be filed with the county auditor or the auditors of the counties in which the political subdivision is located; and the filing shall make it a duty of the auditors to enter annually this levy for collection from the taxable property within the boundaries of the political subdivision until funds are realized to pay the bonds in full.”

From time to time, other legislative proposals may be considered by the Iowa General Assembly that would, if enacted, alter or amend one or more of the property tax matters described in this Official Statement. It cannot be predicted whether or in what forms any of such proposals may be enacted, and there can be no assurance that such proposals will not apply to valuation, assessment or levy procedures for the levy of taxes by the City.

CITY INDEBTEDNESS

DEBT LIMIT

Article XI, Section 3 of the State of Iowa Constitution limits the amount of debt outstanding at any time of any county, municipality or other political subdivision to no more than 5% of the actual value of all taxable property within the corporate limits, as taken from the last state and county tax list. The debt limit for the City, based on its 2015 valuation currently applicable to the Fiscal Year 2016-17 is as follows:

2015 Actual Valuation of Property	\$1,163,656,516
Less: Military Exemption	<u>(707,464)</u>
Subtotal	\$1,162,949,052
Legal Debt Limit of 5%	<u>0.05</u>
Legal Debt Limit	\$58,147,453
Less: General Obligation Debt Subject to Limit	(11,957,129) *
Less: Other Debt ¹⁾	(244,000)
Less: Developer Rebate Agreements ²⁾	<u>(18,367)</u>
Net Debt Limit	\$45,927,957 *

- 1) The City has entered into a utility extension agreement with Polk County and a developer. The agreement calls for the repayment to be made by the developer and from sewer connection fees the City collects.
- 2) As reported by the City pursuant to development agreements for urban renewal projects under the authority of Iowa Code Chapter 403.

DIRECT DEBT

General Obligation Debt Paid by Taxes and Tax Increment (Includes the Bonds)

<u>Date of Issue</u>	<u>Original Amount</u>	<u>Purpose</u>	<u>Final Maturity</u>	<u>Principal Outstanding As of 11/28/16</u>
11/08	\$223,762	Box Culvert (28E Agreement) ³⁾	6/19	\$67,129
4/09	2,865,000	Imp./Refunding	6/17	190,000
12/09B	620,000	Sewer Improvements	6/21	305,000
7/12	2,000,000	Improvements	6/19	1,275,000
7/15	2,120,000	Improvements	6/26	2,120,000
11/16	8,000,000 *	Improvements	6/23	<u>8,000,000 *</u>
Total General Obligation Debt Subject to Debt Limit				\$11,957,129 *

- 3) The City entered into a 28E agreement with Polk County for the cost of culvert replacement under Evans Boulevard.

* Preliminary; subject to change.

Annual Fiscal Year Debt Service Payments

General Obligation Debt Paid by Taxes and Tax Increment (Includes the Bonds)

Fiscal Year	Current Outstanding		Bonds		Total Outstanding	
	Principal	Principal & Interest	Principal*	Principal & Interest*	Principal*	Principal & Interest*
2017	\$667,376	\$744,446		\$0 ¹⁾	\$667,376	\$744,446
2018	662,376	726,916	\$2,700,000	2,818,460	3,362,376	3,545,376
2019	677,376	723,616	1,030,000	1,113,360	1,707,376	1,836,976
2020	305,000	349,590	1,045,000	1,113,940	1,350,000	1,463,530
2021	310,000	348,390	1,060,000	1,113,788	1,370,000	1,462,178
2022	250,000	280,825	1,075,000	1,112,358	1,325,000	1,393,183
2023	260,000	285,825	<u>1,090,000</u>	1,109,620	1,350,000	1,395,445
2024	265,000	285,625			265,000	285,625
2025	275,000	289,000			275,000	289,000
2026	<u>285,000</u>	292,125			<u>285,000</u>	292,125
	\$3,957,128		\$8,000,000 *		\$11,957,128 *	

1) The June 1, 2017 interest payment in the amount of \$60,217 will be made with capitalized interest.

OTHER DEBT

Des Moines Metropolitan Wastewater Reclamation Authority (“WRA”) Proposed Payment Obligations

WRA has authorized and is planning to issue the following State Revolving Fund Loans in the near future. The amounts below represent the City’s share of the debt service payments of the proposed issues. Other participating communities of the WRA pay the remaining amount. Flow-based allocations are subject to change on an annual basis; as such the amount outstanding may be greater than the amount issued due to fluctuations in flow.

Date of Issue	Original Amount	Purpose	Final Maturity	Principal Outstanding As of 11/25/16
TBD	\$177,840*	Sewer Improvements (SRF)	TBD	\$177,840 ²⁾ *
TBD	387,900*	Sewer Improvements (SRF)	TBD	387,900 ³⁾ *
TBD	129,300*	Sewer Improvements (SRF)	TBD	<u>129,300</u> ⁴⁾ *
Total				\$695,040 *

2) The City’s flow-based share of the WRA’s proposed SRF loan in the amount of \$12,000,000. *

3) The City’s flow-based share of the WRA’s proposed SRF loan in the amount of \$30,000,000. *

4) The City’s flow-based share of the WRA’s proposed SRF loan in the amount of \$10,000,000. *

* Preliminary; subject to change.

Des Moines Metropolitan Wastewater Reclamation Authority Existing Payment Obligations

The City is a member of the Des Moines Metropolitan Wastewater Reclamation Authority and has entered into a financing agreement with the WRA to provide for the City's share of capital contribution for the construction and ongoing expansion of a metropolitan waste water system. The City is responsible for a portion of the WRA sewer revenue debt payable from the revenues of their Sewer System; its responsibilities pursuant to the WRA Financing Agreement stand as nearly as practicable on a parity and equality of rank with the City's direct sewer revenue bonds and parity obligations.

The City's portion of outstanding WRA debt is as follows:

<u>Date of Issue</u>	<u>Original Amount</u>	<u>Purpose</u>	<u>Final Maturity</u>	<u>Principal Outstanding As of 11/28/16</u>
6/96	\$132,569	Sewer Revenue (SRF Loan No. 7)	6/18	\$18,662 ¹⁾
6/08A	198,240	Sewer Improvements (SRF Loan)	6/39	139,871 ²⁾
4/10A	101,180	Sewer Improvements (SRF Loan)	6/40	74,436 ³⁾
6/10C-1	35,711	Sewer Improvements (SRF Loan)	6/32	29,581 ⁴⁾
6/10C-2	383,390	Sewer Improvements (SRF Loan)	6/32	265,619 ⁵⁾
5/11A	1,071,322	Sewer Improvements (SRF Loan)	6/42	830,602 ⁶⁾
5/11C	114,274	Sewer Improvements (SRF Loan)	6/41	86,361 ⁷⁾
12/11D	179,149	Sewer Improvements (SRF Loan)	6/43	146,135 ⁸⁾
5/12C	261,885	Sewer Improvements (SRF Loan)	6/43	255,215 ⁹⁾
5/12D	101,844	Sewer Improvements (SRF Loan)	6/42	96,878 ¹⁰⁾
11/12G	213,400	Sewer Improvements (SRF Loan)	6/44	233,188 ¹¹⁾
4/13A	112,035	Sewer Improvements (SRF Loan)	6/43	109,994 ¹²⁾
6/13B	492,880	Sewer Revenue Bonds	6/34	463,528 ¹³⁾
1/14A	23,112	Sewer Improvements (SRF Loan)	6/34	24,468 ¹⁴⁾
2/14D	51,360	Sewer Improvements (SRF Loan)	6/34	56,672 ¹⁵⁾
1/15A	82,305	Sewer Improvements (SRF Loan)	6/35	88,100 ¹⁶⁾
1/15B	4,910	Sewer Improvements (SRF Loan)	6/34	5,024 ¹⁷⁾
5/15E	233,287	Sewer Revenue Bonds	6/36	257,721 ¹⁸⁾
2/16A	118,560	Sewer Improvements (SRF Loan)	6/35	<u>112,113</u> ¹⁹⁾
Total				\$3,294,168

The amounts above represent the City's share of the principal payments of the various issues. Other participating communities within the WRA area pay the remaining amounts. Flow-based allocations are subject to change on an annual basis; as such the amount outstanding may be greater than the amount issued due to fluctuations in flow.

- 1) The City's share of the WRA's SRF Loan No. 7 outstanding in the amount of \$868,000.
- 2) The City's flow-based share of the WRA's Series 2008A SRF loan outstanding in the amount of \$14,157,000.
- 3) The City's flow based share of the WRA's Series 2010A SRF loan outstanding in the amount of \$7,534,000.
- 4) The City's flow based share of the WRA's Series 2010C-1 SRF loan outstanding in the amount of \$1,996,000.
- 5) The City's flow based share of the WRA's Series 2010C-2 SRF loan outstanding in the amount of \$17,923,000.
- 6) The City's flow based share of the WRA's Series 2011A SRF loan outstanding in the amount of \$56,046,000.
- 7) The City's flow based share of the WRA's Series 2011C SRF loan outstanding in the amount of \$8,741,000.
- 8) The City's flow based share of the WRA's Series 2011D SRF loan outstanding in the amount of \$14,791,000.
- 9) The City's flow based share of the WRA's Series 2012C SRF loan outstanding in the amount of \$17,221,000.
- 10) The City's flow based share of the WRA's Series 2012D SRF loan outstanding in the amount of \$6,537,000.
- 11) The City's flow based share of the WRA's Series 2012G SRF loan outstanding in the amount of \$23,602,000.
- 12) The City's flow based share of the WRA's Series 2013A SRF loan outstanding in the amount of \$7,422,000.
- 13) The City's flow based share of the WRA's Series 2013B Bonds outstanding in the amount of \$52,405,000.
- 14) The City's flow based share of the WRA's Series 2014A SRF loan outstanding in the amount of \$1,651,000.
- 15) The City's flow based share of the WRA's Series 2014D SRF loan outstanding in the amount of \$5,736,000.
- 16) The City's flow based share of the WRA's Series 2015A SRF loan outstanding in the amount of \$8,917,000.
- 17) The City's flow based share of the WRA's Series 2015B SRF loan outstanding in the amount of \$339,000.
- 18) The City's flow based share of the WRA's Series 2015E Bonds outstanding in the amount of \$31,865,000.
- 19) The City's flow based share of the WRA's Series 2016A Bonds outstanding in the amount of \$7,565,000.

INDIRECT GENERAL OBLIGATION DEBT

<u>Taxing District</u>	<u>1/1/2015 Taxable Valuation</u> ¹⁾	<u>Portion of Taxable Valuation Within City</u>	<u>Percent In City</u>	<u>G.O. Debt</u> ²⁾	<u>City's Proportionate Share</u>
Polk County	\$22,662,536,006	\$573,139,349	2.53%	\$292,180,000	\$7,392,154
SE Polk CSD	1,852,026,527	449,581,652	24.28%	30,605,000	7,430,894
Des Moines Ind. CSD	7,487,146,657	123,557,697	1.65%	0	0
Des Moines Area CC	42,301,482,075	573,139,349	1.35%	82,960,000	<u>1,119,960</u>
City's share of total overlapping debt					\$15,943,008

- 1) Taxable Valuation excludes military exemption and includes Ag. Land & Buildings, Taxable TIF Increment and all Utilities.
- 2) Includes general obligation bonds, PPEL notes, certificates of participation and new jobs training certificates.

DEBT RATIOS

	<u>G.O. Debt</u>	<u>Debt/Actual Market Value (\$1,162,949,052)</u> ³⁾	<u>Debt/8,785 Population</u> ⁴⁾
Total General Obligation Debt	\$11,957,129 *	1.03% *	\$1,361.08 *
City's share of total overlapping debt	\$15,943,008	1.37%	\$1,814.80

- 3) Based on the City's 1/1/2015 100% Actual Valuation; includes Ag Land, Ag Buildings, all Utilities and TIF Increment.
- 4) Population based on the City's 2010 U.S. Census.

* Preliminary; subject to change.

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FINANCIAL INFORMATION

The City's annual financial statements are audited by an independent accountant. Copies of the City's Independent Auditor's Reports for the years ended June 30, 2014 and 2015 are available on the City's website or are available upon request from the City's Municipal Advisor, Public Financial Management, Inc. Financial reports for the year ended June 30, 2016 are unaudited received from the City. The City's Independent Auditor's Reports for the fiscal year ended June 30, 2015 is attached in APPENDIX B of this Preliminary Official Statement. The Table below presents a statement of cash receipts and disbursements of the City's General Fund for the fiscal years ended June 30, 2014 and 2015 and unaudited year ended June 30, 2016.

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Receipts			
Property Taxes	\$ 2,496,944	\$ 2,496,944	\$ 2,647,063
Tax Increment financing	0	0	0
Other City Tax	1,475,652	1,475,652	1,208,152
Licenses and Permits	180,312	180,312	117,608
Use of Money & Property	58,146	58,146	56,664
Intergovernmental	252,608	252,608	258,676
Charges for Services	391,375	391,375	374,398
Miscellaneous Revenues	<u>105,143</u>	<u>105,143</u>	<u>141,156</u>
Total Revenues	<u>\$4,960,180</u>	<u>\$4,960,180</u>	<u>\$4,803,717</u>
Disbursements			
Operating			
Public Safety	\$ 2,719,722	\$ 2,719,722	\$ 2,502,611
Public Works	159,636	159,636	186,800
Health and Social Services	6,849	6,849	3,449
Culture and Recreation	922,443	922,443	913,620
Community and Economic Development	417,458	417,458	346,780
General Government	1,020,329	1,020,329	1,073,006
Debt Service			
Capital Projects	<u>--</u>	<u>--</u>	<u>--</u>
Total Expenditures	<u>\$ 5,246,437</u>	<u>\$ 5,246,437</u>	<u>\$ 5,026,266</u>
Excess of Revenues Over (Under)	<u>\$ (286,257)</u>	<u>\$ (286,257)</u>	<u>\$ (222,549)</u>
Expenditures			
Other Financing Sources (Uses)			
Proceeds from Sale of Capital Assets	\$ --	\$ --	\$ --
Operating transfers in	2,376,200	2,376,200	809,370
Operating transfers out	<u>(1,626,083)</u>	<u>(1,626,083)</u>	<u>(337,561)</u>
Total Other Financing Sources (Uses)	<u>\$ (750,117)</u>	<u>\$ (750,117)</u>	<u>\$ (471,809)</u>
Net Changes in Fund Balances	<u>\$ 463,860</u>	<u>\$ 463,860</u>	<u>\$ 249,260</u>
Beginning Fund Balance	<u>2,253,328</u>	<u>2,253,328</u>	<u>2,004,068</u>
Ending Fund Balance	<u>\$ 2,717,188</u>	<u>\$ 2,717,188</u>	<u>\$ 2,253,328</u>

LEVIES AND TAX COLLECTIONS

<u>Fiscal Year</u>	<u>Levy</u>	<u>Collections During Collection Year</u>	<u>Percent Collected</u>
2012-13	\$8,903,168	8,908,689	100.06%
2013-14	9,154,259	9,132,182	99.76%
2014-15	9,130,732	9,122,312	99.91%
2015-16	9,093,976	9,091,842	99.98%
2016-17	9,382,769	---- In Process of Collection ----	

Collections include delinquent taxes from all prior years. Taxes in Iowa are delinquent each October 1 and April 1 and a late payment penalty of 1% per month of delinquency is enforced as of those dates. If delinquent taxes are not paid, the property may be offered at the regular tax sale on the third Monday of June following the delinquency date. Purchasers at the tax sale must pay an amount equal to the taxes, special assessments, interest and penalties due on the property and funds so received are applied to taxes. A property owner may redeem from the regular tax sale but, failing redemption within three years, the tax sale purchaser is entitled to a deed, which in general conveys the title free and clear of all liens except future tax installments.

TAX RATES

	<u>FY 2012-13</u>	<u>FY 2013-14</u>	<u>FY 2014-15</u>	<u>FY 2015-16</u>	<u>FY 2016-17</u>
	<u>\$/1,000</u>	<u>\$/1,000</u>	<u>\$/1,000</u>	<u>\$/1,000</u>	<u>\$/1,000</u>
Polk County ¹⁾	10.07059	10.25715	10.60460	10.84198	10.39630
City of Pleasant Hill	11.65600	11.64997	11.65000	11.65000	11.65000
Des Moines Regional Transit Authority	0.37900	0.45900	0.52400	0.58900	0.60900
Southeast Polk CSD	21.65866	21.65866	21.65866	20.65563	20.31754
Des Moines Independent CSD	18.34845	18.34842	18.14592	18.42809	18.50586
Des Moines Area Community College	0.58466	0.69120	0.65724	0.67574	0.72334
State of Iowa	0.00330	0.00330	0.00330	0.00330	0.00330
Total Tax Rate -					
Des Moines Ind. CSD Resident	41.04200	41.40904	41.58506	42.18811	41.88780
Total Tax Rate -					
Southeast Polk CSD Resident	44.35221	44.71928	45.09780	44.41565	43.69948

1) Polk County tax rate includes the following tax rates: Polk County-wide, Polk County Assessor, Polk County Ag. Extension and the Broadlawns Medical Center.

LEVY LIMITS

A city’s general fund tax levy is limited to \$8.10 per \$1,000 of taxable value, with provision for an additional \$0.27 per \$1,000 levy for an emergency fund which can be used for general fund purposes (Code of Iowa, Chapter 384, Division I). Cities may exceed the \$8.10 limitation upon authorization by a special levy election. Further, there are limited special purpose levies, which may be certified outside of the above-described levy limits (Code of Iowa, Section 384.12). The amount of the City’s general fund levy subject to the \$8.10 limitation is \$8.10 for Fiscal Year 2016-17. The City levies \$0.27 for the emergency fund. The City levies a portion of costs for employee benefits in addition to the \$8.10 general fund limit as authorized by law. Debt service levies are not limited.

CITY FUNDS ON HAND (Cash and Investments as of June 30, 2016)

Cash	\$3,228,049
Money Market	5,032
Cash-DMCU	35
Petty Cash	1,450
Investments	61,922
Road Use	774,518
Cash-Employee Benefits	3,558
Emergency Fund	451
Industrial TIF District	20,592
East Urban Renewal TIF	19,507
LMI Fund	53,256
Special Assessment	641
Urban Renewal CCRK TIF	43,354
Drug Forfeitures	52,609
Avenue of Flags	2,283
Park/Rec	2,897
Park/Rec Investments	25,268
Library	26,771
Library Investments	7,488
Memorial	1,281
Debt Service	2,841
CIP Projects Fund	2,061,226
CIP Investments	1,017,207
TIF CIP Projects Fund	3,076,036
Cemetery	30,767
Cemetery Investments	39,821
Water	2,280,336
Investments	109,568
Meter Deposits	23,802
Sewer	1,989,615
Garbage/Recycling	95,753
Equipment Replacement	336,638
Storm Water	<u>115,245</u>
Total Cash and Investments	\$15,509,817

THE CITY

CITY GOVERNMENT

The City of Pleasant Hill, Iowa (the “City”) was organized as a municipality in 1956 and comprises approximately nine square miles. The City operates under a statutory form of government consisting of a five-member City Council and a Mayor who is not a voting member. The full-time City Manager is responsible for administrative details and a full-time City Finance Director is responsible for financial records.

EMPLOYEES AND PENSIONS

The City has 47 full-time, 62 part-time (including fire department paid/on-call/dayshift and police department reserves), and 1 seasonal/temporary employees. Of the City’s 110 total employees, 18 are full-time police officers and 2 are part time police officers. In addition, the City has 36 paid/on-call firefighters. The City participates in the Iowa Public Employees Retirement System (“IPERS”), administered by the State of Iowa.

Iowa Public Employees Retirement System: The City contributes to IPERS, which is a cost-sharing multiple-employer, contributory defined benefit public employee retirement system. IPERS provides retirement and death benefits, which are established by state statute, to plan members and beneficiaries. IPERS is authorized to adjust the total contribution rate up or down each year, by no more than 1 percentage point, based upon the actuarially required contribution rate. The City’s contributions to IPERS for the Fiscal Years ended June 30, 2013, 2014, 2015 and 2016, as shown below equal the required contributions for each year.

	<u>FY 2012-13</u>	<u>FY 2013-14</u>	<u>FY 2014-15</u>	<u>FY 2015-16</u>
IPERS City Contribution	\$235,978	\$277,853	\$300,070	\$302,521 ¹⁾

The IPERS Comprehensive Annual Financial Report (“CAFR”) is available on the IPERS website, <https://www.ipers.org/financial-and-investment>, or by contacting IPERS at 7401 Register Drive P.O. Box 9117, Des Moines, IA 50321.

Bond Counsel, the City and the Municipal Advisor undertake no responsibility for and make no representations as to the accuracy or completeness of the information available from the IPERS discussed above or included on the IPERS website, including, but not limited to, updates of such information on the State Auditor’s website or links to other Internet sites accessed through the IPERS website.

Pursuant to Governmental Accounting Standards Board (“GASB”) Statement No. 68, the City reported a liability of \$548,908 within its Independent Auditor’s Reports as of June 30, 2015 for its proportionate share of the net pension liability. The net pension liability is the amount by which the total actuarial liability exceeds the pension plan’s net assets or fiduciary net position (essentially the market value) available for paying benefits. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City’s proportion of the net pension liability was based on the City’s share of contributions to the pension plan relative to the contributions of all IPERS participating employers. At June 30, 2014, the City’s collective proportion was 0.013841% which was an increase of 0.010072% from its proportion measured as of June 30, 2013.

Pursuant to Governmental Accounting Standards Board (“GASB”) Statement No. 68, the City will report a liability of \$952,263¹⁾ within its Independent Auditor’s Reports as of June 30, 2016 for its proportionate share of the net pension liability. The net pension liability is the amount by which the total actuarial liability exceeds the pension plan’s net assets or fiduciary net position (essentially the market value) available for paying benefits. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City’s proportion of the net pension liability was based on the City’s share of contributions to the pension plan relative to the contributions of all IPERS participating employers. At June 30, 2015, the City’s collective proportion was 0.019275%¹⁾ which was an increase of 0.005434%¹⁾ from its proportion measured as of June 30, 2014.

For additional information regarding the City’s Pension Plan, refer to Note 6 beginning on page 25 of the City’s June 30, 2015 Independent Auditor’s Reports contained as APPENDIX B of this Official Statement.

1) FY 2015-16 amounts are unaudited as of the date of this Preliminary Official Statement.

OTHER POST-EMPLOYMENT BENEFITS

The Governmental Accounting Standards Board (“GASB”) has issued Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions (“GASB 45”), which addresses how state and local governments must account for and report their obligations related to post-employment healthcare and other non-pension benefits (referred to as Other Post-Employment Benefits or “OPEB”). GASB 45 requires that local governments account for and report the annual cost of OPEB and the outstanding obligations and commitments related to OPEB in essentially the same manner as they currently do for pensions.

All full-time employees who retire and become disabled are offered the following post-employment benefit options: (i) health insurance – The option of continuing with the City’s health insurance plan at the individual’s own cost (ii) life insurance – the option of converting the employee’s City-paid policy from term insurance to whole life insurance at the individual’s expense with the City’s life insurance carrier, and (iii) long-term disability – the option of converting employee’s City-paid policy from group policy to a personal policy at the individual’s expense with the City’s long-term disability insurance carrier.

There are 47 active, 0 COBRA and 1 retired members in the plan. Participants must be age 55 or older at retirement. The medical/prescription drug coverage is provided through a fully-insured plan. Retirees under age 65 pay the same premium for medical/prescription drug benefit as active employees, which results in an implicit subsidy and other post-employment benefit (“OPEB”) liability.

The contribution requirements of plan members are established and may be amended by the City. The City currently finances the retiree benefits plan on a pay-as-you-go basis. As of June 30, 2015, active member monthly premiums for the City and plan members were approximately \$1,100 per month. The same monthly premiums applied to retirees. The City contributed approximately \$12,000 to the plan.

As of June 30, 2016, active and retired member’s monthly premiums were approximately \$1,250 per month. The City contributed an estimated \$27,000 to the plan.

The City has entered into agreements with the City Manager and Police Chief which formally identifies the financial obligation of the City to them in the event of an involuntary employment termination. The severance agreements provide for a termination payment equal to six to nine months of wages plus six to nine months of medical insurance benefits. The compensation rate is based upon the compensation paid to the applicable employees at the time of termination.

For additional information regarding the City’s Other Post-Employment Benefits, refer to Note 12 beginning on page 32 of the City’s June 30, 2015 Independent Auditor’s Reports contained as APPENDIX B of this Preliminary Official Statement.

UNION CONTRACTS

The City currently has the following union contracts:

<u>Union</u>	<u>Expiration Date</u>
Police Union – Teamsters Local 238	June 30, 2018
Public Works Union – Teamsters Local 238	June 30, 2021

INSURANCE

<u>Type of Insurance</u>	<u>Coverage</u>
Blanket buildings/contents	\$12,100,945/\$2,185,007
Misc. Property Schedule/Unscheduled	\$1,452,706
Commercial Umbrella, General Liability, Automobile	\$6,000,000 Occurrence \$6,000,000 Aggregate \$6,000,000 Combined Single Limit \$1,000,000 Under and Uninsured Motorists Limit
Limit	
Comprehensive	\$200 Deductible
Collision	\$1,000 Deductible
Vehicle Fleet	\$4,709,996
Equipment	\$500 Deductible \$201,500 Hardware/ \$53,350 Software \$500 Deductible
Workers Compensation	\$1,000,000 Each accident \$1,000,000 Each disease \$1,000,000 Disease policy limit
Boiler & Machinery	\$14,285,952/\$1,000 Deductible
Public Employee Fidelity	\$200,000 Blanket Employee Coverage \$100,000 Forgery or Alteration
Errors and Omissions	\$2,000,000 Each Claim \$4,000,000 Excess Coverage

GENERAL INFORMATION

LOCATION AND TRANSPORTATION

The City, with a 2010 census population of 8,785, is located in central Iowa, directly east of the City of Des Moines. Road transportation is provided by U.S. Highways 65 and 163 that intersect the City, and by Interstate Highways 235, 35 and 80. Commercial airline service is available at the Des Moines International Airport, located just south of Des Moines.

LARGER EMPLOYERS

A representative list of larger employers in the City is as follows:

<u>Employer</u>	<u>Type of Business</u>	<u>Approximate Number of Employees</u>
Southeast Polk Comm. School District ¹⁾	Education	859 ¹⁾
Hy-Vee Food Store	Grocery Store	320
Elder Corporation	Earth Excavating	160
G & K Services	Uniform Supply Company	115
City of Pleasant Hill	Municipal Government	110
Parkridge Nursing and Rehabilitation Center	Nursing Home	70
Mercy East Medical Clinic	Healthcare	50
Spartech Townsend	Acrylic Tubing and Rods	45
Pleasant Hill Elementary School	Education	39 ²⁾
Magellan Pipeline Company	Petroleum Transport	38
Copper Creek Golf Course	Golf Course	30

1) Includes all schools for the Southeast Polk School District of which Four Mile Elementary, Junior High, 6th grade center, administration center, and the high school are located within the City.

2) Includes only employees for this school located within the City which is part of Des Moines Independent Schools.

Source: The City and September 2016 telephone survey.

Some additional major employers in the Des Moines metropolitan area include, but are not limited to the following:

<u>Employer</u>	<u>Type of Business</u>	<u>Approximate Number of Employees</u>
Wells Fargo	Financial Services	14,000 ¹⁾
State of Iowa	State Government	7,630 ²⁾
Mercy Hospital Medical Center	Healthcare (Hospitals and Clinics)	7,055
UnityPoint Health	Healthcare	6,435
Principal Financial Group	Insurance	6,066
Des Moines Public Schools	Education	5,125 ³⁾
Nationwide/Allied Insurance	Insurance	4,269
DuPont Pioneer	Agribusiness	2,800
John Deere Companies	Agricultural Machinery & Consumer Financial Services	1,900 ⁴⁾

1) Includes both Wells Fargo Banks and Wells Fargo Financial.

2) Total is for the Greater Des Moines metropolitan statistical area which includes Dallas, Guthrie, Madison, Polk and Warren counties.

3) Total does not include substitute teachers.

4) Includes both John Deere Des Moines Works and John Deere Credit Company.

Source: The Greater Des Moines Partnership as of September 2016 and telephone interviews conducted June 2016. The list is updated frequently as changes are identified and is not to be construed as a complete profile.

BUILDING PERMITS

City officials reported the following construction activity as of August 31, 2016. Permits for the City are reported on a calendar year basis. The figures below include both new construction and remodeling.

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<u>Single Family Homes:</u>					
No. of new homes:	33	41	29	45	32
Valuation:	\$5,003,143	\$6,151,553	\$6,642,155	\$10,955,741	\$6,417,180
<u>No. of Multi-Family:</u>					
No. of new homes:	0	0	1	1	0
Valuation:	\$0	\$0	\$1,198,399	\$7,791,393	\$0
<u>Commercial/Industrial/Other:</u>					
No. of new buildings:	3	5	4	9	2
Valuation:	<u>\$21,098,800</u>	<u>\$4,534,758</u>	<u>\$2,799,433</u>	<u>\$10,061,010</u>	<u>\$10,153,270</u>
Total Permits	36	46	34	55	34
Total Valuations	\$26,101,943	\$10,686,311	\$10,639,987	\$28,808,144	\$16,570,450

U.S. CENSUS DATA

Population Trend

1990 U.S. Census	3,671
2000 U.S. Census	5,070
2005 Special City Census	6,961
2010 U.S. Census	8,785

Source: U.S. Census Bureau website.

UNEMPLOYMENT RATES

Annual Averages:	<u>Polk County</u>	<u>State of Iowa</u>
2012	5.2%	5.1%
2013	4.8%	4.7%
2014	4.2%	4.2%
2015	3.6%	3.7%
2016 (through August)	3.9%	4.1%

Source: Iowa Workforce Development Center website.

EDUCATION

The Southeast Polk Community School District (the “District”) provides public education, with a certified enrollment as of October 2015 (used for Fiscal Year 2016-17) of 6,802. The District, with approximately 859 employees, owns and operates eight elementary schools, one sixth grade center, one junior high school and one high school. One of the District’s elementary schools and the new high school are located within the City. The City is also served by the Des Moines Independent Community School District, with approximately 5,215 employees and an October 2015 certified enrollment (used for Fiscal Year 2016-17) of 32,582. Four-year college programs and vocational-technical training schools are available throughout the Des Moines metropolitan area.

FINANCIAL SERVICES

Financial services are provided to residents of the City by branch offices of Community State Bank, N.A., Great Southern Bank, Keystone Savings Bank and Wells Fargo Bank, N.A. The Pleasant Hill branch offices of Community State Bank, N.A., Keystone Savings Bank and Wells Fargo Bank, N.A. report the following deposits as of June 30th for each year:

<u>Year</u>	<u>Community State Bank, N.A.</u>	<u>Keystone Savings Bank</u>	<u>Wells Fargo Bank, N.A.</u>
2012	\$43,543,000	\$9,617,000	\$28,019,000
2013	41,130,000	10,925,000	29,093,000
2014	47,728,000	6,654,000	32,761,000
2015	48,173,000	8,522,000	35,274,000
2016	53,944,000	10,861,000	39,916,000

FINANCIAL STATEMENTS

The City's INDEPENDENT AUDITOR'S REPORTS for the Fiscal Year ended June 30, 2015, as prepared by a certified public accountant, is reproduced as APPENDIX B. The City's certified public accountant has not consented to distribution of the audited financial statements and has not undertaken added review of their presentation. Further information regarding financial performance and copies of the City's Independent Auditor's Reports may be obtained from the City's Municipal Advisor PFM Financial Advisors LLC

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APPENDIX A

FORM OF LEGAL OPINION

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[Form of Bond Counsel Opinion]*

We hereby certify that we have examined certified copies of the proceedings (the “Proceedings”) of the City Council of the City of Pleasant Hill (the “Issuer”), in Polk County, Iowa, passed preliminary to the issue by the Issuer of its General Obligation Street Improvement Bonds, Series 2016 (the “Bonds”) in the amount of \$8,000,000* dated November 28, 2016, in the denomination of \$5,000 each, or any integral multiple thereof, in evidence of the Issuer’s obligation under a certain loan agreement (the “Loan Agreement”), dated as of November 28, 2016. The Bonds mature on June 1 in each of the respective years and in the principal amounts and bear interest payable semiannually, commencing June 1, 2017, at the respective rates as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate Per Annum</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate Per Annum</u>
2018	\$2,700,000	____%	2021	\$1,060,000	____%
2019	\$1,030,000	____%	2022	\$1,075,000	____%
2020	\$1,045,000	____%	2023	\$1,090,000	____%

The Bonds are not subject to redemption prior to maturity.

Based upon our examination, we are of the opinion, as of the date hereof, that:

1. The Proceedings show lawful authority for such issue under the laws of the State of Iowa.
2. The Bonds and the Loan Agreement are valid and binding general obligations of the Issuer.
3. All taxable property within the corporate boundaries of the Issuer is subject to the levy of taxes to pay the principal of and interest on the Bonds without constitutional or statutory limitation as to rate or amount.
4. The interest on the Bonds (including any original issue discount properly allocable to an owner thereof) is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; it should be noted, however, that for the purpose of computing the alternative minimum tax imposed on corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted current earnings. The

opinions set forth in the preceding sentence are subject to the condition that the Issuer comply with all requirements of the Internal Revenue Code of 1986 (the “Code”) that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The Issuer has covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal income tax purposes to be retroactive to the date of issuance of the Bonds.

5. The Bonds are “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code. The opinion set forth in the preceding sentence is subject to the condition that the Issuer comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that the Bonds be, or continue to be, qualified tax-exempt obligations. The Issuer has covenanted to comply with each such requirement.

We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

The rights of the owners of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights heretofore or hereafter enacted to the extent constitutionally applicable, and their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

DORSEY & WHITNEY LLP

*Subject to adjustment

APPENDIX B

JUNE 30, 2015 INDEPENDENT AUDITOR'S REPORTS

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APPENDIX C

FORM OF CONTINUING DISCLOSURE CERTIFICATE

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[Form of CONTINUING DISCLOSURE CERTIFICATE]

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the City of Pleasant Hill, Iowa (the “Issuer”), in connection with the issuance of \$8,000,000 General Obligation Street Improvement Bonds, Series 2016 (the “Bonds”), dated November 28, 2016. The Bonds are being issued pursuant to a resolution of the Issuer approved on November 8, 2016 (the “Resolution”). The Issuer covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriters in complying with S.E.C. Rule 15c2-12.

Section 2. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“Beneficial Owner” shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“Dissemination Agent” shall mean the Dissemination Agent, if any, designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

“EMMA” shall mean the MSRB’s Electronic Municipal Market Access system available at <http://emma.msrb.org>.

“Holders” shall mean the registered holders of the Bonds, as recorded in the registration books of the Registrar.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

“Municipal Securities Rulemaking Board” or “MSRB” shall mean the Municipal Securities Rulemaking Board, 1300 I Street, N.W., Suite 1000, Washington, D.C. 20005.

“Participating Underwriter” shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“Rule” shall mean Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“State” shall mean the State of Iowa.

Section 3. Provision of Annual Reports.

(a) Not later than June 30 (the “Submission Deadline”) of each year following the end of the 2015-2016 fiscal year, the Issuer shall, or shall cause the Dissemination Agent (if any) to, file on EMMA an electronic copy of its Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate in a format and accompanied by such identifying information as prescribed by the MSRB. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report and later than the Submission Deadline if they are not available by that date. If the Issuer’s fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(c), and the Submission Deadline beginning with the subsequent fiscal year will become one year following the end of the changed fiscal year.

(b) If the Issuer has designated a Dissemination Agent, then not later than fifteen (15) business days prior to the Submission Deadline, the Issuer shall provide the Annual Report to the Dissemination Agent.

(c) If the Issuer is unable to provide an Annual Report by the Submission Deadline, in a timely manner thereafter, the Issuer shall, or shall cause the Dissemination Agent (if any) to, file a notice on EMMA stating that there has been a failure to provide an Annual Report on or before the Submission Deadline.

Section 4. Content of Annual Reports. The Issuer’s Annual Report shall contain or include by reference the following:

(a) The audited financial statements of the Issuer for the prior fiscal year, prepared in accordance with generally accepted accounting principles promulgated by the Financial Accounting Standards Board as modified in accordance with the governmental accounting standards promulgated by the Governmental Accounting Standards Board or as otherwise provided under State law, as in effect from time to time, or, if and to the extent such audited financial statements have not been prepared in accordance with generally accepted accounting principles, noting the discrepancies therefrom and the effect thereof. If the Issuer’s audited financial statements are not available by the Submission Deadline, the Annual Report shall contain unaudited financial information (which may include any annual filing information required by State law) accompanied by a notice that the audited financial statements are not yet available, and the audited financial statements shall be filed on EMMA when they become available.

(b) Tables, schedules or other information contained in the official statement for the Bonds, under the following captions:

1/1/2015 Valuations
Trend of Valuations
Larger Taxpayers
Direct Debt
Indirect General Obligation Debt
Debt Ratios
Tax Rates
Levies and Tax Collections

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Issuer or related public entities, which are available on EMMA or are filed with the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available on EMMA. The Issuer shall clearly identify each such other document so included by reference.

Section 5. Reporting of Significant Events

(a) Pursuant to the provisions of this Section 5, the Issuer shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds:

- (1) Principal and interest payment delinquencies.
- (2) Non-payment related defaults, if material.
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties.
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties.
- (5) Substitution of credit or liquidity providers, or their failure to perform.
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security.
- (7) Modifications to rights of security holders, if material.
- (8) Bond calls, if material, and tender offers.
- (9) Defeasances.
- (10) Release, substitution, or sale of property securing repayment of the securities, if material.

(11) Rating changes.

(12) Bankruptcy, insolvency, receivership or similar event of the obligated person.

Note to paragraph (12): For the purposes of the event identified in subparagraph (12), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(13) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.

(14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

(b) If a Listed Event described in Section 5(a) paragraph (2), (7), (8) (but only with respect to bond calls under (8)), (10), (13) or (14) has occurred and the Issuer has determined that such Listed Event is material under applicable federal securities laws, the Issuer shall, in a timely manner but not later than ten business days after the occurrence of such Listed Event, promptly file, or cause to be filed, a notice of such occurrence on EMMA, with such notice in a format and accompanied by such identifying information as prescribed by the MSRB.

(c) If a Listed Event described in Section 5(a) paragraph (1), (3), (4), (5), (6), (8) (but only with respect to tender offers under (8)), (9), (11) or (12) above has occurred the Issuer shall, in a timely manner but not later than ten business days after the occurrence of such Listed Event, promptly file, or cause to be filed, a notice of such occurrence on EMMA, with such notice in a format and accompanied by such identifying information as prescribed by the MSRB. Notwithstanding the foregoing, notice of Listed Events described in Section (5)(a) paragraphs (8) and (9) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Holders of affected Bonds pursuant to the Resolution.

Section 6. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds or upon the Issuer's receipt of an opinion of nationally recognized bond counsel to the effect that, because of legislative action or final judicial action or administrative actions or proceedings, the failure of the Issuer to comply with the terms hereof will not cause

Participating Underwriters to be in violation of the Rule or other applicable requirements of the Securities Exchange Act of 1934, as amended.

Section 7. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or Annual Report prepared by the Issuer pursuant to this Disclosure Certificate.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) (i) the amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted; (ii) the undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and (iii) the amendment or waiver either (1) is approved by a majority of the Holders, or (2) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners; or

(b) the amendment or waiver is necessary to comply with modifications to or interpretations of the provisions of the Rule as announced by the Securities and Exchange Commission.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the Issuer shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing audited financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(c), and (ii) the Annual Report for the year in which the change is made will present a comparison or other discussion in narrative form (and also, if feasible, in quantitative form) describing or illustrating the material differences between the audited financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to

include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate, any Holder or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Certificate. Direct, indirect, consequential and punitive damages shall not be recoverable by any person for any default hereunder and are hereby waived to the extent permitted by law. A default under this Disclosure Certificate shall not be deemed an event of default under the Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

Section 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent, if any, shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Issuer agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

Section 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriters and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Dated: November 28, 2016

CITY OF PLEASANT HILL, IOWA

By _____
Mayor

Attest:

By _____
City Clerk

OFFICIAL BID FORM

To: City Council of
City of Pleasant Hill, Iowa

Sale Date: November 8, 2016
10:00 o'clock AM, Central Time

RE: \$8,000,000* General Obligation Street Improvement Bonds, Series 2016 (the "Bonds")

For all or none of the above Bonds, in accordance with the TERMS OF OFFERING, we will pay you \$_____ (not less than \$7,960,000) plus accrued interest to date of delivery for fully registered Bonds bearing interest rates and maturing in the stated years as follows:

<u>Coupon</u>	<u>Maturity</u>	<u>Coupon</u>	<u>Maturity</u>
_____	2018	_____	2021
_____	2019	_____	2022
_____	2020	_____	2023

* Preliminary; subject to change. The City reserves the right to decrease the aggregate principal amount of the Bonds and to increase or reduce each scheduled maturity thereof after the determination of the successful bidder. The Issuer may increase or decrease each maturity in increments of \$5,000 but the total amount to be issued will not exceed \$8,000,000. Interest rates specified by the successful bidder for each maturity will not change. Final adjustments shall be in the sole discretion of the City.

The dollar amount of the purchase price proposed by the successful bidder will be changed if the aggregate principal amount of the Bonds is adjusted as described above. Any change in the principal amount of any maturity of the Bonds will be made while maintaining, as closely as possible, the successful bidder's net compensation, calculated as a percentage of bond principal. The successful bidder may not withdraw or modify its bid as a result of any post-bid adjustment. Any adjustment shall be conclusive, and shall be binding upon the successful bidder.

We hereby designate that the following Bonds to be aggregated into term bonds maturing on June 1 of the following years and in the following amounts (leave blank if no term bonds are specified):

<u>Years Aggregated</u>	<u>Maturity Year</u>	<u>Aggregate Amount</u>
_____ through _____	_____	_____
_____ through _____	_____	_____
_____ through _____	_____	_____
_____ through _____	_____	_____

In making this offer we accept all of the terms and conditions of the TERMS OF OFFERING published in the Preliminary Official Statement dated October 25, 2016. In the event of failure to deliver these Bonds in accordance with the TERMS OF OFFERING as printed in the Preliminary Official Statement and made a part hereof, we reserve the right to withdraw our offer. All blank spaces of this offer are intentional and are not to be construed as an omission.

Not as a part of our offer, the above quoted prices being controlling, but only as an aid for the verification of the offer, we have made the following computations:

NET INTEREST COST: \$_____

TRUE INTEREST COST: _____% (Based on dated date of November 28, 2016)

Account Manager: _____ By: _____

Account Members: _____

The foregoing offer is hereby accepted by and on behalf of the City Council of the City of Pleasant Hill, Iowa this 8th day of November, 2016.

Attest: _____ By: _____

Title: _____ Title: _____



**CITY OF PLEASANT HILL, IOWA
CITY COUNCIL AGENDA COMMUNICATION**

DATE: October 25, 2016
TO: Mayor and Council
FROM: Donald Sandor, City Manager
SUBJECT: Resolution authorizing submittal of a grant application to IDOT

BACKGROUND:

The proposed resolution will authorize the submission of a grant application with IDOT for funding for updating the traffic signal system to an adaptive traffic signal control system, which responds to the volume of traffic. Systems are installed in West Des Moines and Clive already to help facilitate traffic flow and reduce gas emissions. The grant application is for 80% of the projected cost estimate of \$721,000. The City will also request that IDOT fund 10% of the remaining 20%. If that is also obtained the City share would be 10% of the total cost of the project, which would have to be budgeted in the FY 18 budget. This project would cover all thirteen signals in Pleasant Hill, the ten along University Ave. and the signals at Hickory and Maple, 56th and NE 12th, and Meacham Drive and 80th.

ALTERNATIVES:

The grant application is due November 1. Not approving the resolution will terminate the application for this round.

FINANCIAL CONSIDERATIONS:

None at this time. If the grant request is awarded the City will need to fund the local share.

RECOMMENDATION:

Approve resolution.

RESOLUTION #102516-08

RESOLUTION AUTHORIZING THE CITY OF PLEASANT HILL, IOWA TO SUBMIT AN APPLICATION TO THE IOWA DEPARTMENT OF TRANSPORTATION IOWA CLEAN AIR ATTAINMENT PROGRAM FUNDING FOR ADAPTIVE TRAFFIC SIGNAL CONTROL SYSTEM - IOWA 163 / UNIVERSITY AVENUE PROJECT.

IN THE NAME AND BY THE AUTHORITY OF THE CITY OF PLEASANT HILL, IOWA

WHEREAS, Fixing America’s Surface Transportation (FAST) Act allows Iowa Department of Transportation to allocate funding to Transportation Alternative program including Iowa Clean Air Attainment Program; and,

WHEREAS, said program allows for funding to be provided to local jurisdictions for eligible transportation projects or programs that will contribute to meeting of National Ambient Air Quality Standards; and,

WHEREAS, the City of Pleasant Hill has determined that by updating traffic signal system to adaptive traffic signal control system along Iowa 163 from Copper Creek Drive to NE 80th Street will aid in mitigating traffic congestion resulting in a reduction of stops, travel time, fuel consumption and vehicle emissions thus improving air quality. The project will include the system engineering, procurement, and installation of an adaptive traffic signal control system.

NOW THEREFORE BE IT RESOLVED by the City of Pleasant Hill City Council in session this 25th day of October, 2016, that:

1. City Council supports and approves the application for Iowa Clean Air Attainment Program funding.
2. The City Council hereby commits the additional City funds necessary for construction of the project beyond and Iowa Clean Air Attainment Program funding.
3. The City Council hereby commits to accepting and maintaining these improvements.
4. The Mayor hereby authorized to execute the application on behalf of the City.

PASSED AND APPROVED this 25th day of October, 2016.

Sara Kurovski, Mayor

ATTEST:

Dena Spooner, City Clerk/Finance Director



CITY OF PLEASANT HILL, IOWA
CITY COUNCIL AGENDA COMMUNICATION

DATE: OCTOBER 25, 2016

TO: MAYOR & CITY COUNCIL

FROM: MADELINE STURMS, AICP, CPM
SENIOR PLANNER

SUBJECT: ORDINANCE REZONING A-1 AGRICULTURAL TO R1-90 SINGLE FAMILY RESIDENTIAL
LOTS 2, 3, AND 4, IN BLOCK 4, RISING SUN

BACKGROUND:

Property owners Jason and Cheryl Hild recently acquired Lots 2, 3, & 4, Block 4, of Rising Sun, locally known as 6439 NE 5th Ave. The property owners wish to make improvements to the home including a new foundation and moving the location of the structure within the parcel. In order to make these improvements, the property needs to be assigned appropriate zoning. It is currently zoned A-1 Agricultural, a designation that is automatically assigned when property is annexed into the City until another district is assigned that coincides with the Comprehensive Plan. At this time the property is being proposed for zoning assignment in accordance with the City's adopted Comprehensive Plan and Future Land Use Plan. Hild's have petitioned to rezone the property from A-1 Agricultural to R1-90 Single Family Residential.

The statement of intent for the R1-90 zoning district according to the adopted Zoning Ordinance is as follows:

The R1-90 Zoning District is intended and designed to preserve existing single-family residential neighborhoods and to promote new single-family residential neighborhoods.

The attached Future Land Use Plan designates the entire parcel as Low Density which correlates to the request for the R1-90 rezoning request. The Low Density Residential classification is defined by the following characteristics:

The Low Density Residential land use category includes detached, single-unit residential structures, although these areas may include small amounts of attached single-family housing.

The Planning and Zoning Commission has reviewed the request with a recommendation for approval. Following is the third reading of an ordinance to assign the R1-90 designation to the property.

ALTERNATIVES:

Not approve the third reading of the ordinance for the zoning change. However, the change would assign a zoning designation matching the City's adopted future land use plan.

FINANCIAL CONSIDERATIONS:

N/A

RECOMMENDATION:

Approve the third reading of the ordinance for the zoning change.

ORDINANCE NO. 809

AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF PLEASANT HILL, IOWA 1998, BY AMENDING ZONING DESIGNATION TO SPECIFIC PROPERTIES

BE IT ENACTED by the Pleasant Hill City Council of the City of Pleasant Hill, Iowa:

WHEREAS, a rezoning request has been proposed from A-1 Agricultural to R1-90 Residential Single Family for the property legally described as follows:

LOTS 2, 3, AND 4, BLOCK 4, RISING SUN, IN THE CITY OF PLEASANT HILL, POLK COUNTY, IOWA.

Containing 0.6 acres, more or less.

WHEREAS, a public hearing was held on Tuesday, September 27, 2016, at 6:30 p.m. at Pleasant Hill City council chambers, Pleasant Hill, Iowa, in accordance with Code of Iowa; and,

WHEREAS, the City Council of Pleasant Hill, Iowa, has the authority to grant this request and has found it to be consistent with the comprehensive plan for the City; and

WHEREAS, the Official Zoning Map for the City of Pleasant Hill, Iowa has been amended, per Chapter 165, Section 165.05 Boundaries; Map, City Code, 1998, City of Pleasant Hill, Iowa;

BE IT ENACTED by the City Council of Pleasant Hill, Iowa:

SECTION 1. ZONING. The property is rezoned from A-1 Agricultural to R1-90 Residential Single Family for the property legally described as follows:

LOTS 2, 3, AND 4, BLOCK 4, RISING SUN, IN THE CITY OF PLEASANT HILL, POLK COUNTY, IOWA.

Containing 0.6 acres, more or less.

SECTION 2. SEVERABILITY CLAUSE. If any such section, provision, or part of this ordinance shall be adjudged invalid or unconstitutional, such adjudication shall not affect the validity of the ordinance as a whole or any section, provision or part thereof not adjudged invalid or unconstitutional.

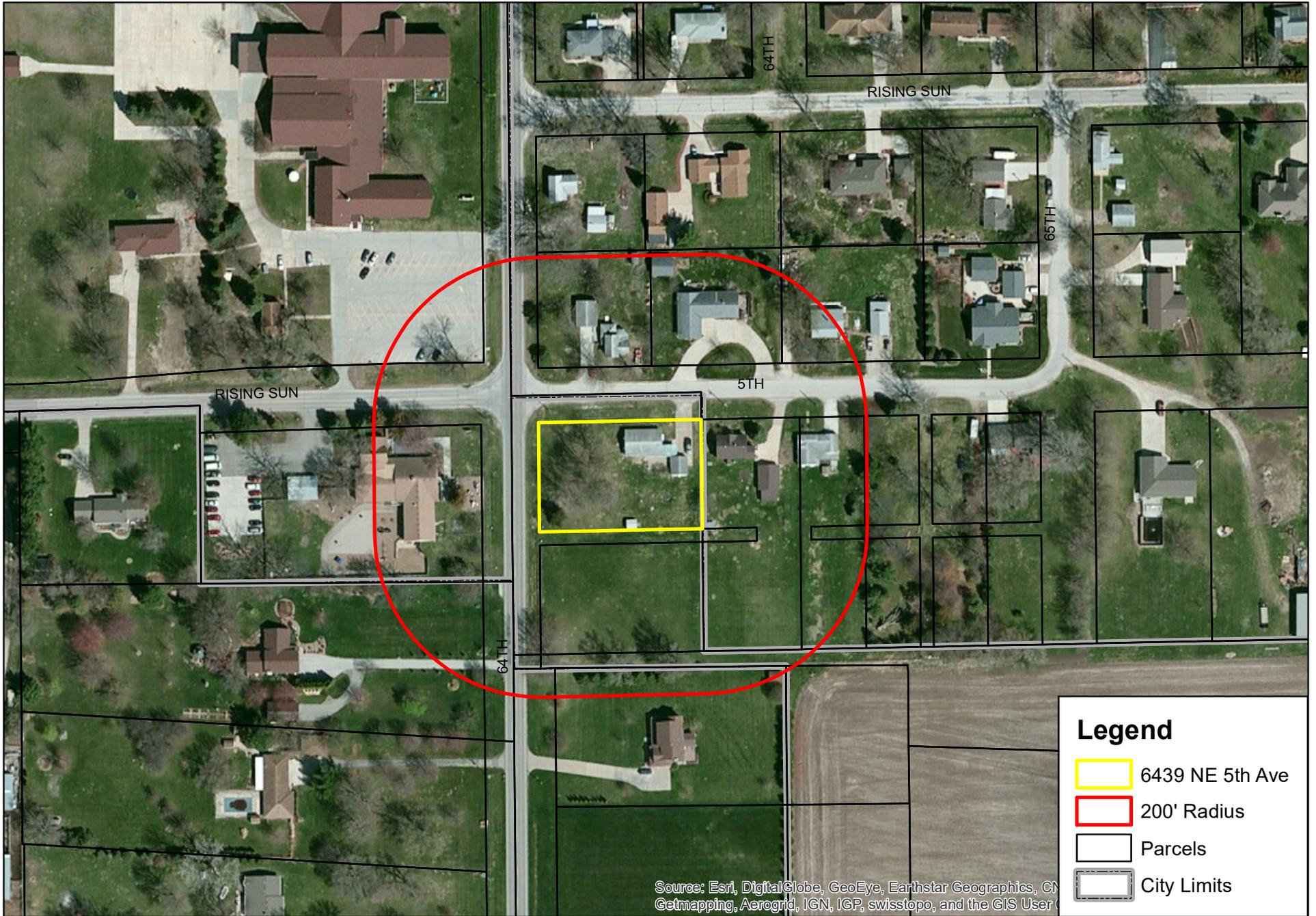
SECTION 3. WHEN EFFECTIVE. This ordinance shall be in effect from and after its final passage, approval, and publication, as provided by law.

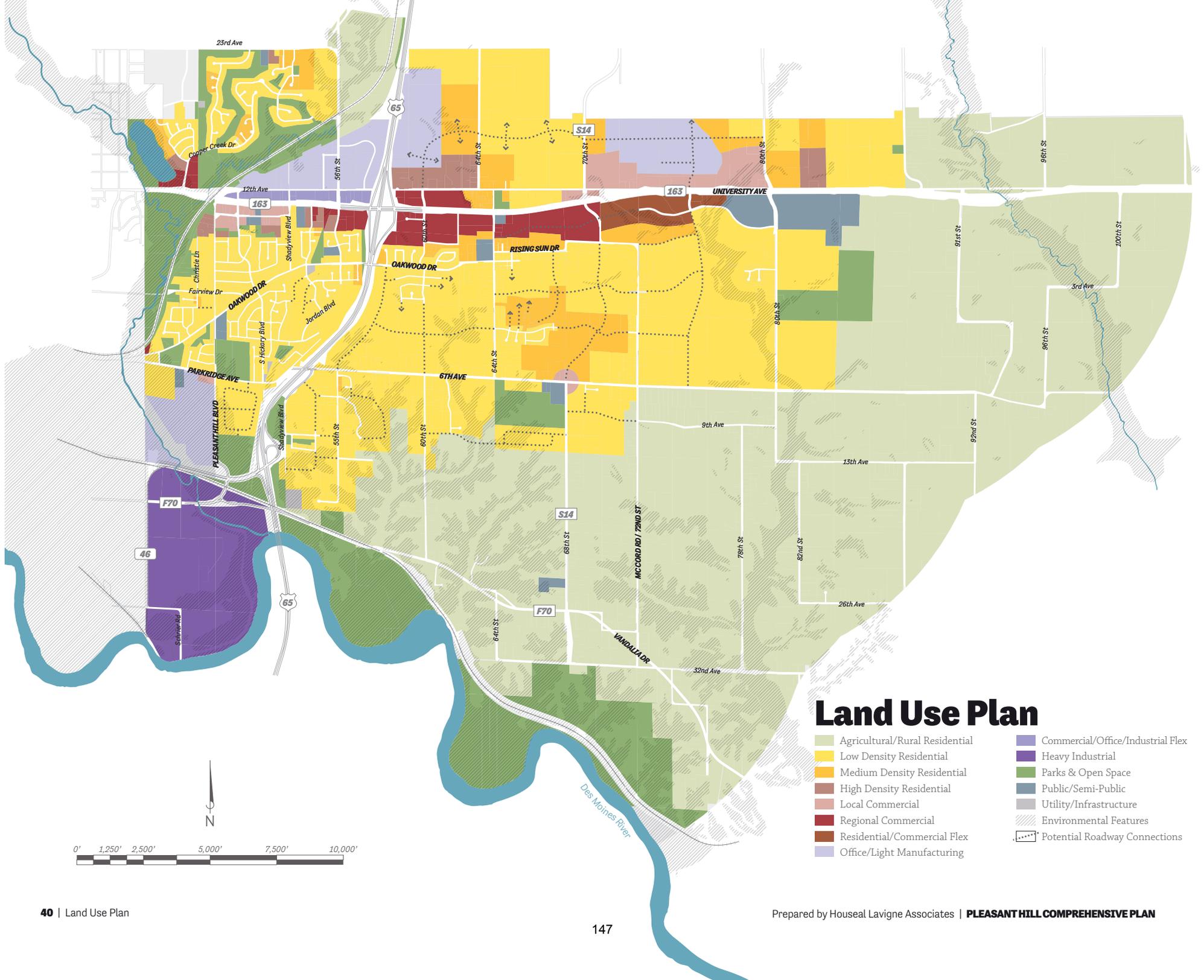
PASSED AND APPROVED by the Pleasant Hill City Council on _____, 2016.

Sara Kurovski, Mayor

ATTEST:

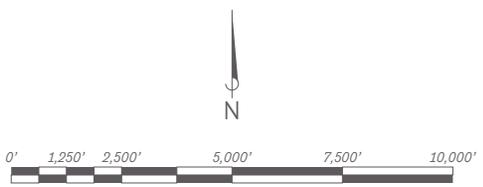
Dena Spooner, City Clerk/Finance Director





Land Use Plan

- Agricultural/Rural Residential
- Low Density Residential
- Medium Density Residential
- High Density Residential
- Local Commercial
- Regional Commercial
- Residential/Commercial Flex
- Office/Light Manufacturing
- Commercial/Office/Industrial Flex
- Heavy Industrial
- Parks & Open Space
- Public/Semi-Public
- Utility/Infrastructure
- Environmental Features
- Potential Roadway Connections

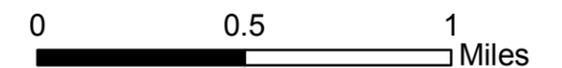


CITY OF PLEASANT HILL, IOWA ZONING MAP

Community Development Department
5160 Maple Drive, Suite A
Pleasant Hill, IA 50327
Tel (515) 309-9461 Fax (515) 309-9458
www.pleasanthilliowa.org

DISCLAIMER: This Zoning Map is provided for informational purposes "as is" without warranties of any kind either express or implied or any representation of accuracy, timeliness or completeness. This map is dynamic and is subject to change. To obtain an official zoning determination or to see the Official Zoning Map of Pleasant Hill, contact the Community Development Department. For questions regarding parcel ownership and legal descriptions, please contact the Polk County Auditor.

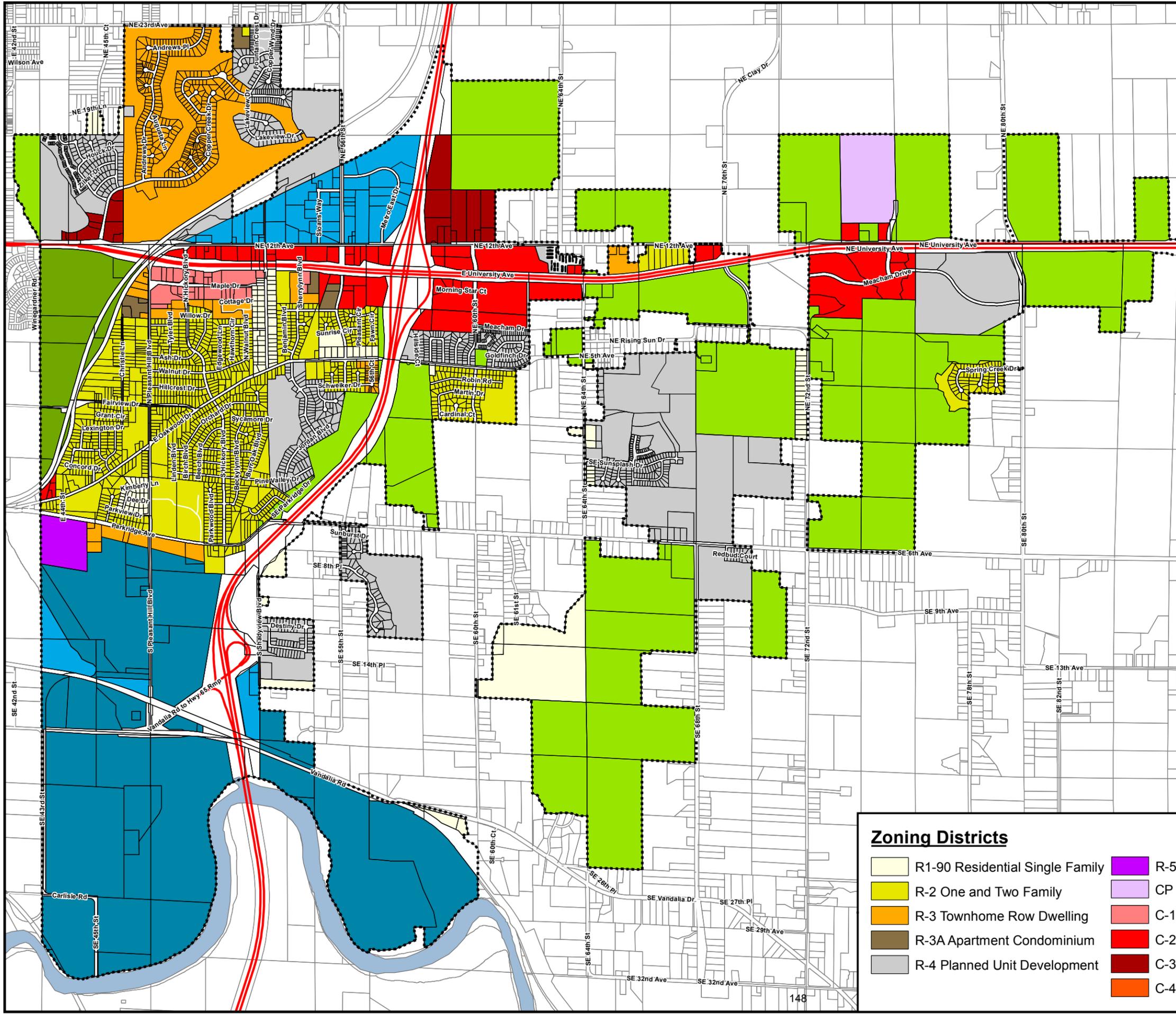
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Updated July 14, 2015

Zoning Districts

- | | | |
|---|--|--|
|  R1-90 Residential Single Family |  R-5 Mobile Home Park |  I-1 Limited Industrial |
|  R-2 One and Two Family |  CP Commerce Park |  I-2 Light Industrial |
|  R-3 Townhome Row Dwelling |  C-1 Local Commercial |  I-3 Heavy Industrial |
|  R-3A Apartment Condominium |  C-2 General Commercial / Highway Service |  A-1 Agricultural |
|  R-4 Planned Unit Development |  C-3 Planned Commercial |  U-1 Floodplain |
| |  C-4 Planned Office Park | |





**CITY OF PLEASANT HILL, IOWA
CITY COUNCIL AGENDA COMMUNICATION**

DATE: OCTOBER 25, 2016
TO: MAYOR AND CITY COUNCIL
FROM: DON SANDOR, CITY MANAGER
SUBJECT: CLOSED SESSION FOR LITIGATION

BACKGROUND: City Staff is requesting a closed session with the Council to discuss pending litigation with legal counsel. The Council may want to take action in open session after the closed session discussion.

ALTERNATIVES:

FINANCIAL CONSIDERATIONS:

RECOMMENDATION: For the City Council to adjourn to a closed session under Iowa Code Section 21.5.1 (c) to discuss pending litigation with legal counsel. After coming out of the closed session the City Council may take action.