

Regular Meeting
January 9, 1989

The regular meeting of the Conrad City Council was called to order by Mayor Bill Gearhart at 7:00 P.M. in the Council Chambers.

Council members present: Sanderson, Schiebel, Reece, King, Lutes
Others present: Gary Moler, Gregg Sharp, Chuck Friend, Bob Kruse,
Don Kliebenstein, Dixie Walters, Rick & Penny Hughes

The minutes of the December December 12 meeting were approved.

The treasurer's report was approved in a motion by Sanderson, second by Schiebel. Carried.

The finance committee presented the following bills:

City of Conrad's Bond Checking Acct.	Coupon payment	460.00
Judicial Magistrate Court	Court costs	74.44
First State Bank	Deposit in TCD	80,500.00
Iowa Electric Light & Power	Bills 11/88	2,571.95
Time Insurance Company	Premium 1/89	802.00
Reva Ladehoff	Cleaning	9.00
IPERS	IPERS 12/88	588.52
Treasurer, State of Iowa	IA WH 12/88	205.35
First State Bank	SS & Fed WH 12/88	1,434.30
Bill Gearhart	Mayors salary	450.00
Kathy Grant	Treasurer's salary	175.00
Ken Sanderson	Council salary & mileage	134.10
Alan Schiebel	Council salary	110.00
Verne A. Reece	Council salary & mileage	255.68
Dorothy King	Council salary	110.00
Robert Lutes	Council salary	110.00
Cheryl Meester	Clerk pro tem	15.03
Conrad Public Library	Budget allotment	14,465.00
Friday's Service, Inc.	'89 Dodge Colt Wagon	10,210.00
Hank Mennenga	Water deposit refund	13.21
Animal Rescue League	Boarding & euthanasia	38.50
Johnston	Services/personnel & vehicle	63.00
Grundy County Engineer	Sand & salt	1,148.45
Northeast Iowa Water Laboratory	Tests/water	56.00
City of Marshalltown	Tests/waste water	176.00
Denny Hines	Sludge hauling	630.00
Schiebel Electric	Light bulbs	3.50
Conrad Record	Publication 12/88	76.35
Charlie's Market	Distilled water	5.02
Bill Hartwig Excavating	Snow removal	510.00
Don Kliebenstein	Dec. '88 & retainer fee	1,071.85
General Telephone	Bills 12/88	232.44
Cessford Construction	Sylvax patch mix	458.08
Conrad Sales Co., Inc.	Light & parts	45.18
Conrad Tire & Auto	Clutch, pressure plate	283.02
Water Products Co.	Water meters	239.40
Bidall	Citralene	386.22
Electric Pump & Tool Service	Jet pump, valve, gauges	414.48
Lacal Equipment, Inc.	Street sweeper parts	549.97
NAPA Auto Parts	Batteries & parts	184.98
Zimmer & Francescon	Filters/sewer plant	24.83
Kibby, Inc.	Supplies	77.79
HACH	Supplies	39.99
Clapsaddle-Garber Associates	Dec. services	2,068.00
Bob's Farm Center	Hauling & diesel fuel	134.57
Pitt-Des Moines, Inc.	Work to date/tower	46,709.12
Grundy County Auditor	Landfill 1/89	838.34

Motion by King, second by Reece that the above bills be accepted and warrants drawn on the same. Carried.

(This Notice to be posted)

NOTICE AND CALL OF PUBLIC MEETING

Governmental Body: The City Council of Conrad, Iowa.

Date of Meeting: January 9, 198~~8~~⁹.

Time of Meeting: 7:00 o'clock P..M.

Place of Meeting: Council Chambers, City Hall, Conrad, Iowa.

PUBLIC NOTICE IS HEREBY GIVEN that the above mentioned governmental body will meet at the date, time and place above set out. The tentative agenda for said meeting is as follows:

\$150,000 General Obligation Bonds.

- Resolution fixing date for a meeting on the proposition to issue.
- Resolution directing the advertisement for sale.

Such additional matters as are set forth on the additional 1 pages(s) attached hereto.
(number)

This notice is given at the direction of the Mayor pursuant to Chapter 21, Code of Iowa, and the local rules of said governmental body.


Clerk, Conrad, Iowa

January 9, 1988

The City Council of Conrad, Iowa, met in Regular session, in the Council Chambers, City Hall, Conrad, Iowa, at 7:00 o'clock P.M., on the above date. There were present Mayor Gearhart, in the chair, and the following named Council Members:

Sanderson, Schiebel, Reece, King, Lutes

Absent: None

* * * * *

Council Member Schiebel introduced the following Resolution entitled "RESOLUTION FIXING DATE FOR A MEETING ON THE PROPOSITION OF THE ISSUANCE OF \$150,000 GENERAL OBLIGATION BONDS (FOR AN ESSENTIAL CORPORATE PURPOSE) OF CONRAD, IOWA, AND PROVIDING FOR PUBLICATION OF NOTICE THEREOF", and moved that the same be adopted. Council Member Sanderson seconded the motion to adopt. The roll was called and the vote was,

AYES: Schiebel, Sanderson, Lutes, King, Reece

NAYS: None

Whereupon, the Mayor declared the Resolution duly adopted as follows:

RESOLUTION FIXING DATE FOR A MEETING ON
THE PROPOSITION OF THE ISSUANCE OF
\$150,000 GENERAL OBLIGATION BONDS
(FOR AN ESSENTIAL CORPORATE PURPOSE) OF
CONRAD, IOWA, AND PROVIDING FOR
PUBLICATION OF NOTICE THEREOF

WHEREAS, it is deemed necessary and advisable that the City of Conrad, Iowa, should issue General Obligation Bonds to the amount of \$150,000, as authorized by Section 384.25, of the City Code of Iowa, for the purpose of providing funds to pay costs of carrying out an essential corporate purpose project as hereinafter described; and

WHEREAS, before said Bonds may be issued, it is necessary to comply with the provisions of said Code, and to publish a notice of the proposal to issue such Bonds and of the time and place of the meeting at which the Council proposes to take action for the issuance of the Bonds and to receive oral and/or written objections from any resident or property owner of said City to such action:

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

Section 1. That this Council meet in the Council Chambers, City Hall, Conrad, Iowa, at 7:30 o'clock P..M., on the 13th day of February, 1989, for the purpose of taking action on the matter of the issuance of \$150,000 General

Obligation Bonds for an essential corporate purpose of said City, the proceeds of which Bonds will be used to provide funds to pay costs of constructing improvements and extensions to the Municipal Water Utility of said City.

Section 2. That the Clerk is hereby directed to cause at least one publication to be made of a notice of said meeting, in a legal newspaper, printed wholly in the English language, published at least once weekly, and having general circulation in said City, said publication to be not less than four clear days nor more than twenty days before the date of said public meeting on the issuance of said Bonds.

Section 3. The notice of the proposed action to issue said Bonds shall be in substantially the following form:

NOTICE OF MEETING OF THE COUNCIL OF THE CITY
OF CONRAD, IOWA, ON THE MATTER OF THE
PROPOSED ISSUANCE OF \$150,000 GENERAL
OBLIGATION BONDS (FOR AN ESSENTIAL CORPORATE
PURPOSE) OF SAID CITY, AND THE HEARING ON THE
ISSUANCE THEREOF

PUBLIC NOTICE is hereby given that the Council of the City of Conrad, Iowa, will hold a public hearing on the 13th day of February, 1989, at 7:30 o'clock P..M., in the Council Chambers, City Hall, Conrad, Iowa, at which meeting the Council proposes to take additional action for the issuance of \$150,000 General Obligation Bonds for an essential corporate purpose of said City, in order to provide funds to pay costs of constructing improvements and extensions to the Municipal Water Utility of said City.

At the above meeting the Council shall receive oral or written objections from any resident or property owner of said City, to the above action. After all objections have been received and considered, the Council will at this meeting or at any adjournment thereof, take additional action for the issuance of said Bonds or will abandon the proposal to issue said Bonds.

This notice is given by order of the Council of Conrad, Iowa, as provided by Section 384.25 of the City Code of Iowa.

Dated this 9th day of January, 198~~8~~⁹.

Carol Whipple
City Clerk of Conrad, Iowa

(End of Notice)

PASSED AND APPROVED this 9th day of January, 198~~8~~⁹

Bill Seaborn
Mayor

ATTEST:

Carole Whipple
Clerk

* * * * *

Lutes introduced the following Resolution entitled "RESOLUTION DIRECTING THE ADVERTISEMENT FOR SALE OF \$150,000 GENERAL OBLIGATION BONDS," and moved its adoption. Reece seconded the motion to adopt. The roll was called and the vote was,

AYES: Schiebel, Sanderson, Lutes, King, Reece

NAYS: None

Whereupon, the Mayor declared the Resolution duly adopted as follows:

RESOLUTION DIRECTING THE ADVERTISEMENT
FOR SALE OF \$150,000 GENERAL OBLIGATION
BONDS

WHEREAS, the City of Conrad, Iowa, is in need of funds to pay costs of constructing improvements and extensions to the Municipal Water Utility of said City, an essential corporate purpose project, and it is deemed necessary and advisable that

the City issue General Obligation Bonds for said purpose to the amount of \$150,000, as authorized by Section 384.25 of the City Code of Iowa; and

WHEREAS, this Council has ordered that notice be published as required by Section 384.25 of the City Code of Iowa, of a 9 public meeting and hearing to be held on February 13, 1988, upon the proposal to institute proceedings for the issuance of General Obligation Bonds for the aforesaid essential corporate purpose and it is deemed necessary that said Bonds be advertised for public sale to be held following said hearing in the event that this Council shall determine to proceed with the issuance of the Bonds:

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

Section 1. That the Bonds hereinafter described be offered at public sale, pursuant to advertisement as required by law.

Section 2. That the Clerk is hereby directed to publish notice of sale of said Bonds at least once, the last one of which shall be not less than four clear days nor more than twenty days before the date of the sale. Publication shall be made in the "Conrad Record", a legal newspaper, printed wholly in the English language, published within the County in which the Bonds are to be offered for sale or an adjacent County. Said notice is given pursuant to Chapter 75 of the Code of Iowa, and shall state that this Council, on the 13th day of February, 1989, at 7:30 o'clock p..M., will hold a meeting to receive and act upon bids for said Bonds; said notice to be in substantially the following form:

(One publication required)

NOTICE OF BOND SALE

Time and Place of Sale: The sale of Bonds of the City of Conrad, Iowa, will be held at the Council Chambers, City Hall, in the City of Conrad, Iowa, (the "Issuer") at 7:30 o'clock P.M., on the 13th day of February, 1989.

Sealed Bids: Sealed bids will be received at the office of the City Clerk as stated above, until the Clerk declares the time for the filing of sealed bids to be closed. The bids will then be publicly opened at the above place of sale and thereafter referred for action to the meeting of the City Council to be held on the above date at 7:30 o'clock P.M.

The Bonds. The Bonds to be offered are the following:

GENERAL OBLIGATION BONDS, in the principal amount of \$150,000, to be dated January 1, 1989, in the denomination of \$5,000 or multiples thereof, and to mature as follows:

<u>Principal Amount</u>	<u>Maturity June 1st</u>
\$ 5,000	1990
\$10,000	1991
\$10,000	1992
\$15,000	1993
\$15,000	1994
\$15,000	1995
\$15,000	1996
\$20,000	1997
\$20,000	1998
\$25,000	1999

Optional Redemption: All of said Bonds due after June 1, 1997, will be subject to call prior to maturity in whole or from time to time in part, in inverse order of maturity and within a maturity by lot on said date or on any interest payment date thereafter at the option of the Issuer, upon terms of par plus accrued interest to date of call.

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Interest: Interest on said Bonds will be payable on December 1, 1989, and semiannually on the 1st day of June and December thereafter. Principal and interest will be payable at the office of the City Clerk.

Registration: The above Bonds will be issued in registered form as to principal and interest. The Issuer has designated the City Clerk of Conrad, Iowa, as the initial Registrar. Payments will be made by check mailed to the address of the owner of the Bond as of the record date as shown by the records of the Registrar. Payment of principal will be made upon surrender of the Bond. The Issuer will furnish at its expense to each named owner, one Bond for each annual maturity. Additional Bonds in lesser denominations will be furnished if an owner so requests.

Not more than fifteen (15) days after the Bond sale date the purchaser shall notify the Registrar of the names and tax identification numbers of registered owners to be shown at the initial delivery of the Bonds, showing principal amounts for each annual maturity. Otherwise the Bonds will be registered in the name of the bidder or in the name of the first participant listed in the bid.

Bid Security: None required.

Form of Bids: All bids shall be unconditional except as provided in this notice, for an entire issue of Bonds for a price not less than ninety-eight and fifty one-hundredths (98.5) percent of par, plus accrued interest, and shall specify the rate or rates of interest in conformity to the limitations of the following paragraph. Bids must be submitted on or in substantial compliance with the official bid form provided by the Issuer. The Bonds will be awarded to the bidder offering the lowest interest cost, which will be determined by aggregating any permissible discount, if any, with the interest payable by the Issuer over the life of the Bonds in accordance with the terms of each bid presented, and deducting therefrom the premium, if any, stipulated in said proposal.

Rates of Interest: The rates of interest specified in the bidder's proposal must conform to the limitations following:

1. All Bonds of each annual maturity must bear the same interest rate.
2. Rates of interest bid must be in multiples of one-eighth or one-twentieth of one percent.

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3. No rate of interest named shall be more than three per cent higher than the lowest rate of interest named.

Delivery: The Bonds will be delivered, without expense to the purchaser at any mutually acceptable bank and trust company at anywhere in the continental United States, against full payment in immediately available cash or federal funds. The Bonds are expected to be delivered within thirty days after the sale. Should delivery be delayed beyond sixty days from date of sale for any reason except failure of performance by the purchaser, the purchaser may withdraw his bid and thereafter his interest in and liability for the Bonds will cease. (When the Bonds are ready for delivery, the Issuer may give the successful bidder five working days notice of the delivery date and the Issuer will expect payment in full on that date, otherwise reserving the right at its option to determine that the bidder has failed to comply with the offer of purchase.)

Certificate of Purchaser: The Purchaser of said Bonds will be required as a condition of the sale to execute and submit to the Issuer within 15 days after the date of sale, a Certificate in a form satisfactory to the Issuer as to the initial offering price of the Bonds to the public (not including 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 in fact sold, and certifying that the prices are not greater than as shown on the Certificate and that the prices are not unreasonably low.

CUSIP Numbers: CUSIP numbers will not be printed on the Bonds.

Legal Opinion: Said Bonds will be sold subject to the opinion of Ahlers, Cooney, Dorweiler, Haynie, Smith & Allbee, Attorneys of Des Moines, Iowa, as to the legality and their opinion will be furnished together with the printed Bonds without cost to the Purchaser and all bids will be so conditioned. Except to the extent necessary to issue their opinion as to the legality of the Bonds, the Attorneys will not examine or review or express any opinion with respect to the accuracy or completeness of documents, materials or statements made or furnished in connection with the sale, issuance or marketing of the Bonds. The opinion will be printed on the back of the Bonds.

Rights Reserved: The right is reserved to reject any or all bids, and to waive any irregularities as deemed to be in the best interests of the public.

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By order of the City Council of the City of Conrad, Iowa.

Carol Whipple
City Clerk of the City of
Conrad, Iowa

(End of Notice)

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AHLERS, COONEY, DORWEILER, HAYNE, SMITH & ALBEE
ATTORNEYS AT LAW DES MOINES, IOWA

9 PASSED AND APPROVED this 9th day of January,
1988.

Bill Seabart
Mayor

ATTEST:

Carol Whipple
Clerk

CERTIFICATE

STATE OF IOWA

)

) SS

COUNTY OF GRUNDY

)

I, the undersigned City Clerk of Conrad, Iowa, do hereby certify that attached is a true and complete copy of the portion of the corporate records of said Municipality showing proceedings of the Council, and the same is a true and complete copy of the action taken by said Council with respect to said matter at the meeting held on the date indicated in the attachment, which proceedings remain in full force and effect, and have not been amended or rescinded in any way; that meeting and all action thereat was duly and publicly held in accordance with a notice of meeting and tentative agenda, a copy of which was timely served on each member of the Council and posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the Council (a copy of the face sheet of said agenda being attached hereto) pursuant to the local rules of the Council and the provisions of Chapter 21, Code of Iowa, upon reasonable advance notice to the public and media at least twenty-four hours prior to the commencement of the meeting as required by said law and with members of the public present in attendance; I further certify that the individuals named therein were on the date thereof duly and lawfully possessed of their respective city offices as indicated therein, that no Council vacancy existed except as may be stated in said proceedings, and that no controversy or litigation is pending, prayed or threatened involving the incorporation, organization, existence or boundaries of the City or the right of the individuals named therein as officers to their respective positions.

WITNESS my hand and the seal of said Municipality hereto affixed this 9th day of January, 1988 9.

Paul Whipple

City Clerk, Conrad, Iowa

SEAL

Total revenue for December 1988:	\$42,696.67
General - 34,419.28	Road Use Tax - 3,320.52
Sewer - 167.53	Debt Service - 4,181.99
Water - 607.35	

No building permits were issued during December.

Gary Moler reported the following:

- Need policy on sanding for private businesses as he has done this in the past. If was agreed in the future he will determine the charge by size.
- Asked what to do with the snow on Church between Ritchie and the Presbyterian Church. Was advised to push it north and pick it up. Then to push the snow in the alley east of Ritchie straight through.
- The chemical analysis of the sludge showed ~~showed~~ 26000 mg/l of zinc and the state allows 2000 mg/l. He was advised to obtain composite samplers to be used in the manhole adjacent to Ritchie's discharge to see if this is where it is coming from.

Dixie Walters stated she was concerned about a truck driving on her property when the tree between the City Hall and Johanna Katzer is removed in the spring. She was assured that the City was first on the tree trimmers list in the spring and that any damage to her lawn would be repaired.

She also asked if it was necessary to have the fire whistle blow at noon. After some discussion it was agreed that this was more tradition than anything. The council asked for input from the citizens as to whether the whistle should be blown at noon and they will make a decision at the next meeting.

The transfer of property to Ritchie's was tabled until the February meeting because of an incomplete description of this piece of property.

Gregg Sharp, of the Conrad Development Committee, made a presentation on radon testing to the council. The Development Committee would like to organize the community to have 100% participation in the testing. They felt publicity from newspapers and TV as first in nation to do this would be good for community.

There was a motion by Reece, second by Lutes to support the Conrad Development Committee in their efforts concerning radon testing. Carried.

Wilda Schryver, Wayne Sloat and Eileen Minnich were reappointed to three terms on the Planning and Zoning Commission in a motion by Schiebel, second by King. Carried.

Reece made the motion to reappoint Bruce Olson to a five year term on the Board of Adjustment. Second by Schiebel. Carried.

The following budget requests were received for FY '89-'90 and will be considered when the budget is prepared:

- Operation Threshold -\$550
- Conrad Cemetery -\$600
- Conrad Park Board -\$12,500

The Conrad Record was named the official city newspaper for all legal publications for 1989 in a motion by Lutes, second by King. Carried.

Don Kliebenstein was named city attorney for 1989 and his retainer fee set at \$500 in a motion by Reece, second by Sanderson. Carried.

Resolution

Councilmember Schiebel introduced the resolution naming the First State Bank as the official city depository in 1989 with deposits not to exceed \$1,000,000 and moved it be adopted. Councilmember Sanderson seconded the motion to adopt.

Roll call vote; Ayes: Sanderson, Schiebel, Reece, King, Lutes
Nays: None
Mayor Gearhart declared this resolution duly passed and adopted
this 9th day of January, 1989.

Bill Gearhart
Bill Gearhart, Mayor

Attest: Carol Whipple
Carol Whipple, Clerk

Resolution

Councilmember Lutes introduced the resolution to use \$10,210 in Federal Revenue Sharing Funds to purchase an '89 Dodge Colt Wagon to be used as a police car and moved it be adopted. Councilmember Reece seconded the motion to adopt.

Roll call vote: Ayes: Sanderson, Schiebel, Reece, King, Lutes
Nays: None

Mayor Gearhart declared this resolution duly passed and adopted this 9th day of January, 1989.

Bill Gearhart
Bill Gearhart, Mayor

Attest: Carol Whipple
Carol Whipple, Clerk

Mayor Gearhart reported the city's liability insurance had been changed to cover the First Responders at a cost of \$429. Also that the coverage has been switched to the new police car.

The council made a commitment to make the library entrance handicap accessible and also to do some landscaping in front of the library in the spring.

Mayor Gearhart stated that Schiebel, Sanderson, himself, officers of the Fire Department and First Responders will be meeting to work out some problems.

Sanderson reported that the county landfill is installing a scale and drilling a well and that their doubled budget this year will be met by charging a user fee of \$30 per ton. There will be a meeting in April with the Landfill Commission, mayors, councilmembers and haulers from Grundy County to discuss the problems.

There was a motion by Schiebel, second by King to establish a policy in the future to take care of Johnston's expenses when they are called by the police department. Motion carried.

Financing the water tower was discussed and the following resolution was passed.

Resolution

Councilmember Schiebel introduced the resolution fixing the date and time to sell \$150,00 in General Obligation bonds as February 13, 1989 at 7:30 P.M. at the Conrad City Hall and directing the advertisement for their sale, and moved it be adopted. Councilmember Sanderson seconded the motion to adopt.

Roll call vote: Ayes: Sanderson, Schiebel, Reece, King, Lutes
Nays: None

Mayor Gearhart declared this resolution duly passed and adopted this 9th day of January, 1989.

Bill Gearhart
Bill Gearhart, Mayor

Attest: Carol Whipple
Carol Whipple, Clerk

Motion to adjourn by Sanderson, second by Reece. Carried.

Bill Gearhart
Bill Gearhart, Mayor

Attest: Carol Whipple
Carol Whipple, Clerk

AHLERS, COONEY, DORWEILER, HAYNIE, SMITH & ALLBEE

ATTORNEYS AT LAW

100 COURT AVENUE SUITE 600
DES MOINES, IOWA 50309-2207
FAX 515 243 2149
515 243 7611

PHILIP J. DORWEILER
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JOHN F. MCKINNEY, JR.
L. W. ROSEBROOK
RICHARD G. SANTI
EDGAR H. BITTLE
MORRIS E. KNOPF

RONALD L. SUTPHIN
TERRY L. MONSON
LANCE A. COPPOCK
ELI J. WIRTZ
DAVID H. LUGINBILL
MARK W. BEERMAN
EDWARD W. REMSBURG
THOMAS E. STANBERRY
RANDALL H. STEFANI
ELIZABETH GREGG KENNEDY

PATRICIA J. MARTIN
WADE R. HAUSER III
WILLIAM J. NOTH
DAVID SWINTON
SUSAN E. HOYMAN
ELIZABETH A. NELSON
PETER PASHLER
R. MARK CORY
STEVEN K. GAER
RONALD L. PEELER

JANE B. McALLISTER
PATRICIA L. LETO

OF COUNSEL
PAUL F. AHLERS
JAMES EVANS COONEY
SERGE H. GARRISON

April 3, 1989

We hereby certify that we have examined a certified transcript of the proceedings of the City Council and acts of administrative officers of the City of Conrad, Iowa (the "Issuer"), relating to the issuance of General Obligation Bonds by said City, dated January 1, 1989, in the denomination of \$5,000 or multiples thereof, in the aggregate amount of \$150,000.

We have examined the law and such certified proceedings and other papers as we deem necessary to render this opinion as bond counsel.

As to questions of fact material to our opinion, we have relied upon representations of the Issuer contained in the Resolution authorizing issuance of the Bonds (the "Resolution") and in the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

We have not been engaged to or undertaken to review the accuracy, completeness or sufficiency of the official statement or other offering material relating to the Bonds and we express no opinion relating thereto.

Based on our examination and in reliance upon the certified proceedings and other certifications described above, we are of the opinion, under existing law, as follows:

1. The Issuer is duly created and validly existing as a body corporate and politic and political subdivision of the State of Iowa with the corporate power to adopt and perform the Resolution and issue the Bonds.
2. The Bonds are valid and binding general obligations of the Issuer.

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\$150,000 Conrad, Iowa - General
Obligation Bonds, Dated
January 1, 1989

April 3, 1989

3. All taxable property in the territory of the Issuer is subject to ad valorem taxation without limitation as to rate or amount to pay the Bonds. Taxes have been levied by the Resolution for the payment of the Bonds and the Issuer is required by law to include in its annual tax levy the principal and interest coming due on the Bonds to the extent the necessary funds are not provided from other sources.

4. The interest on the Bonds is excluded from gross income for federal income tax purposes and interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, with respect to corporations (as defined for federal income tax purposes), such interest is included in adjusted net book income for the purpose of determining the alternative minimum tax imposed on such corporations and, for taxable years after December 31, 1989, such interest will be included in adjusted current earnings and profits for such purpose. We express no opinion regarding other federal income tax consequences caused by the receipt or accrual of interest on the Bonds.

For the purpose of rendering the opinion set forth in paragraph numbered 4 above, we have assumed compliance by the Issuer with requirements of the Internal Revenue Code of 1986 (the "Code") that must be met subsequent to the issuance of the Bonds in order that interest thereon be and remain excluded from gross income for federal income tax purposes. Failure to comply with such requirements could cause the interest on the Bonds to be so included in gross income retroactive to the date of issuance of the Bonds. The Issuer has covenanted to comply with such requirements.

It is to be understood that the rights of the holders 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 that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

Respectfully submitted,

Ahlers, Cooney, Dorweiler, Haynie, Smith & Allbee

Ahlers, Cooney, Dorweiler, Haynie, Smith & Allbee, Lawyers, Des Moines, Iowa

STATE OF IOWA)
) SS
COUNTY OF GRUNDY)

I, the undersigned, do hereby certify that I am now and was at the times hereinafter mentioned, the duly qualified and acting Clerk of the City of Conrad, in the County of Grundy, State of Iowa, and that as such Clerk and by full authority from the Council of said City, I have caused a

NOTICE OF HEARING ON ISSUANCE

of which the clipping annexed to the publisher's affidavit hereto attached is in words and figures a correct and complete copy, to be published in the "Conrad Record", a legal newspaper published at least once weekly, printed wholly in the English language, published regularly and mailed through the post office of current entry for more than two years and which has had for more than two years a bona fide paid circulation recognized by the postal laws of the United States, and having general circulation in said City, and that said Notice was published in said newspaper in all of the issues thereof published and circulated on the following date:

January 26, 198~~8~~⁹.

WITNESS my official signature at Conrad, Iowa, this 31st
day of January, 198~~8~~⁹.

Carol Whipple
Clerk

SEAL

STATE OF IOWA)
) SS
COUNTY OF GRUNDY)

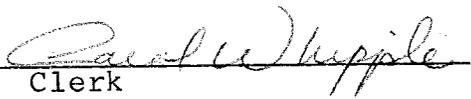
I, the undersigned, do hereby certify that I am now and was at the times hereinafter mentioned, the duly qualified and acting Clerk of the City of Conrad, in the County of Grundy, State of Iowa, and that as such Clerk and by full authority from the Council of said City, I have caused a

NOTICE OF BOND SALE

of which the clipping annexed to the publisher's affidavit hereto attached is in words and figures a correct and complete copy, to be published at least once in the "Conrad Record", a legal newspaper published at least once weekly, printed wholly in the English language, published regularly and mailed through the post office of current entry for more than two years and which has had for more than two years a bona fide paid circulation recognized by the postal laws of the United States, and which is published in said County or a County contiguous to the place of sale, and has a general circulation therein, and that said Notice was published in said newspaper in all of the issues thereof published and circulated on the following date:

January 26 ⁹, 198~~8~~.

WITNESS my official signature at Conrad, Iowa, this
31st day of January, 198~~8~~9


Clerk

(SEAL)

I, the undersigned, being first duly sworn, do hereby depose and certify that I am the duly appointed, qualified and acting Clerk of the City of Conrad, Iowa, and that as such Clerk I have in my possession or have access to the complete corporate records of said City and of its Council and officials, and that I have carefully compared the transcript hereto attached with the aforesaid corporate records and that said transcript hereto attached is a true and complete copy of all the corporate records in relation to the authorization, issuance and disposition of \$150,000 General Obligation Bonds of said City dated January 1, 1989, and that said transcript hereto attached contains a true and complete statement of all the measures adopted and proceedings, acts and things had, done and performed up to the present time, in relation to the authorization, issuance and disposition of said bonds, and that said Council consists of a Mayor and five Council Members, and that said offices were duly and lawfully filled by the individuals listed in the attached transcript as of the dates and times referred to therein.

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

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

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

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AHLERS, COONEY, DORWEILER, HAYNE, SMITH & ALLBEE
ATTORNEYS AT LAW DES MOINES, IOWA

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

Mayor: Bill Gearhart
(Type Name)

Bill Gearhart
(Original Signature)

City Clerk: Carol Whipple
(Type Name)

Carol Whipple
(Original Signature)

Treasurer: Kathy Grant
(Type Name)

Kathy Grant
(Original Signature)

WITNESS my hand and the seal of said City hereto attached this 3rd day of April, 1989, at Conrad, Iowa.

Carol Whipple
City Clerk, Conrad, Iowa

(SEAL)

STATE OF IOWA
COUNTY OF GRUNDY

)
) SS
)

Subscribed and sworn to before me by Carol Whipple, on this 3rd day of April, 1989.

Jane Katzer
Notary Public in and for
Grundy County, Iowa

(SEAL)

DELIVERY CERTIFICATE

We the undersigned, City officials, do hereby certify that we are the officers, respectively below indicated, of a municipal corporation in the State of Iowa, known as the City of Conrad, Iowa; that in pursuance of the provisions of Chapter or Section 384.25, Code of Iowa, there have been heretofore lawfully authorized and this day by us lawfully executed, issued, caused to be registered and authenticated and delivered fully registered General Obligation Bonds of the City of Conrad, Iowa, in the amount of \$150,000, dated January 1, 1989, bearing interest and maturing as follows:

<u>Interest Rate</u>	<u>Principal Amount</u>	<u>Maturity June 1st</u>
6.10%	\$ 5,000	1990
6.20%	\$10,000	1991
6.30%	\$10,000	1992
6.40%	\$15,000	1993
6.45%	\$15,000	1994
6.50%	\$15,000	1995
6.60%	\$15,000	1996
6.70%	\$20,000	1997
6.75%	\$20,000	1998
6.80%	\$25,000	1999

Each of the bonds has been executed with the facsimile signature of the Mayor and the facsimile signature of the City Clerk of the City.

The bonds have been delivered to:

Shearson Lehman Hutton, Inc. of Omaha, Nebraska,

and have been paid for in accordance with the terms of the contract of sale and at a price of \$147,918 and accrued interest.

We further certify that no controversy or litigation is pending, prayed or threatened involving the incorporation, organization, existence or boundaries of the City, or the titles of the undersigned City officers to their respective positions, or the validity of the bonds, or the power and duty of the City to provide and apply adequate taxes for the full and prompt payment of the principal and interest of the bonds, and that no measure or provision for the authorization or issuance of the bonds has been repealed or rescinded.

We further certify that due provision has been made for the collection with the next levies of taxes, of a sufficient tax to meet all payments coming due, whether of principal or of interest on the bond issue, prior to the collection of the next succeeding levies of taxes; that all payments coming due before the collection of the tax provided for as aforesaid will be paid promptly when due from cash on hand; and that the proceedings authorizing the issuance and delivery of the bonds remain in full force and effect and have not been withdrawn, amended or rescinded.

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

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

Assessed and taxable value of all taxable property within the City, except moneys and credits and tax free lands (Year 1987), according to the last completed State and County tax lists (100% - Before Rollback) \$19,471,066

Total general obligation bonded indebtedness of the City, including this issue: \$ 410,000

All other general obligation indebtedness of any kind (including stamped warrants, warrants, judgments, contracts of purchase or lease/purchase and revenue bonds issued under Code Section 403.9) \$ N O N E

IN WITNESS WHEREOF, we have hereunto affixed our hands at Conrad, Iowa, this 3rd day of April, 1989.

Bill Leabart Mayor
Carol Whipple City Clerk
Kathy Grant Financial Officer

(SEAL)

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AHLERS, COONEY, DORWEILER, HAYNIE, SMITH & ALLBEE
ATTORNEYS AT LAW DES MOINES, IOWA

I, the undersigned, the officer of the bank indicated by my signature hereto, do hereby certify that I am personally acquainted with the persons whose signatures, each known to me to be genuine, are signed to the foregoing certificate; and that I know that the persons aforesaid are the officers of the City named in said certificate, indicated respectively by the title appended to the respective signature and whose signatures appear on the bonds mentioned in said certificate.

Dated at Conrad, Iowa, the date last above written.

FIRST STATE BANK, CONRAD, IOWA
(Name of Bank)

By

Jane Katzer
Asst. Vice President
(Title)

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AHLERS, GOONEY, DORWEILER, HAYNIE, SMITH & ALLBEE
ATTORNEYS AT LAW DES MOINES, IOWA