



## CITY COUNCIL BUDGET DISCUSSIONS

Monday, January 19, 2026 at 5:30 PM

Council Chambers - 331 First Street East

### AGENDA

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#### RULES OF PROCEDURE

*Workshops are not Public Hearings. No member of the public or interested party has the right to make a presentation or address the Council on an item under consideration in a workshop or a study session.*

*During the City Council Work Session, the Council will primarily discuss and debate items intended to be formally considered at a future City Council Meeting. However, the Council may at any noticed meeting, including a City Council Work Session meeting, take action on any item shown on the posted agenda as a potential action item. The City Council Work Session meeting is a regular meeting of the Independence City Council.*

#### MEETING OPENING

Call the Meeting to Order

#### BUDGET DISCUSSION

1. Department CIP Budgets – FY 2027
2. Classification and Compensation Study

#### NEW BUSINESS

3. Council Topics
4. Mayor Topics
5. City Manager Topics

#### ADJOURNMENT

This agenda is subject to change.



## CITY COUNCIL WORK SESSION MEMORANDUM

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**TO:** Matthew R. Schmitz, MPA – City Manager

**FROM:** Susi Lampe, CMC, IaCMC, IaCFO – Assistant City Manager/City Clerk/Treasurer

**DATE OF MEETING:** January 19, 2026

**ITEM TITLE:** Department CIP Budgets – FY 2027

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**DISCUSSION:**

These are the proposed CIP budgets for all departments. More detail is included on the attached spreadsheet.

Below is a table that shows the FY2026 Budgeted Amount for each Department, the expended FY2025 amount, and the proposed FY2027 Budgeted amount.

Department Name	FY2025 Expended	FY2026 Budgeted	FY2027 Proposed Budget
Airport	\$16,286.52	\$475,000.00	\$474,000.00
Building Codes	\$1,500.00	\$69,500.00	\$0.00
City Admin	\$35,520.00	\$211,000.00	\$46,000.00
Fire	\$115,623.95	\$249,500.00	\$42,500.00
Library	\$118,658.53	\$6,000.00	\$43,250.00
Parks & Recreation	\$166,913.24	\$215,000.00	\$207,050.00
Police	\$68,538.32	\$252,700.00	\$186,500.00
Streets	\$217,327.53	\$207,500.00	\$230,000.00
Wastewater	\$176,631.65	\$120,000.00	\$600,000.00
Water	\$313,130.46	\$395,000.00	\$559,000.00

Airport – some of this is a carryover expense from FY26, as the Snow Removal Equipment project will cross the two fiscal years.

Fire is only asking to spend \$42,500 in FY27, and \$237,500 will be saved for future expenses of equipment. We do not need to have budget authority to put the money aside, but we do need authority to place the funds into the Fire Department CIP fund.

I will be researching whether Road Use Tax can be transferred into the CIP for the Street Department's proposed expenses. Right now, they will be budgeted within their regular operating budget.

**RECOMMENDATION:**

Staff recommends discussion of this topic. No action is needed at this meeting, as any decision items needed would be brought forward to a City Council meeting for approval.

1/16/2026 14:56	FY2027				ge	ip	g/i	hm	ff	le	rt	bd	mccl
					GEN. UTILITY FUND	FUND BAL.	Grant/IPAIT	HOTEL/MOTEL	FRAN. FEE	LOST	ROAD USE	BOND	MAIN CIP CASH LINE
<b>CURRENT AS OF</b>													
<b>MAIN CIP</b>			<b>HOTEL/MOTEL</b>		<b>LOST</b>								
anticipated in			anticipated in		anticipated in								
Franchise Fees (transferred in qtrly)	200,000.00		Monthly from the State of IA	100,000.00	Monthly from the State of IA	825,000.00							
	<b>200,000.00</b>			<b>100,000.00</b>									
anticipated out			anticipated out		anticipated out								
Franchise Fees POLICE	53,000.00		REG OP EXP dues	2,300.00	TRANSFER TO DEBT SVC	-							
Franchise Fees FIRE	80,000.00		REG OP EXP comm. Marketing	10,750.00	TRANSFER TO NEG PROJECTS	50,000.00							
Franchise Fees BLDG	-		REG OP EXP 3rd party requests	5,000.00		<b>50,000.00</b>							
Franchise Fees STREETS	-		REG OP EXP BCED dues	17,586.00									
Franchise Fees AIRPORT	35,000.00			<b>35,636.00</b>	left over for CIP funding	775,000.00							
Franchise Fees LIBRARY	-												
Franchise Fees PARKS 430, 445, 450	24,500.00		left over for CIP funding	64,364.00	CIP spending out Police	123,000.00		CIP spending out Parks	52,500.00				
Franchise Fees PARKS 441	5,250.00				CIP spending out Fire	200,000.00		CIP spending out Parks 441	-				
Franchise Fees PARKS 443	-		CIP spending out Library	23,337.00	CIP spending out Bldg	-		CIP spending out Parks 443	-				
Franchise Fees PARKS 444	-		CIP spending out Parks	20,000.00	CIP spending out Streets	-		CIP spending out Parks 444	-				
Franchise Fees PARKS 446	-		CIP spending out Parks 441	-	CIP spending out Airport	-		CIP spending out Parks 446	33,500.00				
Franchise Fees CITY HALL	-		CIP spending out Parks 443	-	CIP spending out Library	19,913.00		CIP spending out City Hall	10,000.00				
	<b>197,750.00</b>		CIP spending out Parks 444	-		<b>342,913.00</b>				<b>96,000.00</b>			
left to use	2,250.00		CIP spending out Parks 446	-									
			left to use	21,027.00	left to use	36,087.00							
<b>POLICE</b>													
anticipated in													
Transfer from MAIN CIP CASH LINE	5,250.00												
Transfer from LOST	123,000.00												
Bond Proceeds	-												
Grants	5,250.00												
FF from Main CIP	53,000.00												
	<b>186,500.00</b>												
anticipated out - in order of importance													
Bullet Resistant Vests	5,250.00	mccl	grant applied for some of this??										
	5,250.00	g/i											
Axon Taser Contract	18,000.00	ff											
Squad Car 6710	53,000.00	le											
Equipment (squads) 6727	27,000.00	ff	these two go together										
Bldg Maint/Roof/Tuckpoint	70,000.00	le											
Vehicle Computers 6727	6,000.00	ff											
Software Upgrades	2,000.00	ff											
	-												
	-												
	186,500.00												
Impact to Fund	-												
Fund Balance at end of FY	79.56												



1/16/2026 14:56	FY2027	ge	ip	g/i	hm	ff	le	rt	bd	mccl
CURRENT AS OF		GEN. UTILITY FUND	FUND BAL.	Grant/IPAIT	HOTEL/MOTEL	FRAN. FEE	LOST	ROAD USE	BOND	MAIN CIP CASH LINE
<b>STREETS</b>										
anticipated in										
Transfer from MAIN CIP CASH LINE	-									
Transfer from LOST	-									
Bond Proceeds										
Grants										
FF from Main CIP										
	-									
anticipated out										
		will be paid out of regular operating expenses								
		3/4 Truck w/ Tommy Gate (6710)	60,000.00	rt						
		Push Blade (6727)	35,000.00	rt						
		Road Resurface Equip (6727)	35,000.00	rt						
		Trailer 16' (6727)	15,000.00	rt						
		Repairs/improvements???(6799)	25,000.00	rt						
		Improve City Parking Lot (St. Johns) (6799)	60,000.00	rt						
	-									
Impact to Fund	-									
Fund Balance at end of FY	-									
<b>AIRPORT</b>										
anticipated in										
Transfer from MAIN CIP CASH LINE										
Transfer from LOST	-									
Bond Proceeds										
Grants	351,250.00	grant proceeds to be reimbursed potentially in FY27								
FF from Main CIP	35,000.00									
	386,250.00									
anticipated out										
Snow Removal Equipment	425,000.00	g/i								
Veeder root (fuel system)	14,000.00	ip								
Airport Master Plan city match	35,000.00	ff								
	474,000.00									
Impact to Fund	(87,750.00)									
Fund Balance at end of FY	114,680.94									

1/16/2026 14:56	FY2027	ge	ip	g/i	hm	ff	le	rt	bd	mccl
CURRENT AS OF		GEN. UTILITY FUND	FUND BAL.	Grant/IPAIT	HOTEL/MOTEL	FRAN. FEE	LOST	ROAD USE	BOND	MAIN CIP CASH LINE
<b>LIBRARY</b>										
anticipated in										
Transfer from MAIN CIP CASH LINE										
Transfer from LOST	19,913.00									
Transfer from H/M	23,337.00									
Bond Proceeds										
Grants										
FF from Main CIP	-									
	43,250.00									
anticipated out										
Computer equip 6727	2,413.00	le								
	5,837.00	hm								
Flooring replacement 6770	17,500.00	hm								
	17,500.00	le								
	43,250.00									
Impact to Fund	-									
Fund Balance at end of FY	2,413.95									
<b>PARKS, RV PARK, CEMETERY -</b>										
<b>430, 445, 450</b>										
anticipated in										
Transfer from MAIN CIP CASH LINE										
Transfer from LOST	52,500.00									
Transfer from H/M	20,000.00									
Bond Proceeds	-									
Grants/IPAIT	21,000.00									
FF from Main CIP	24,500.00									
	118,000.00									
anticipated out - in order of importance										
New Mower (replace 2016 7000 Zero Turn Toro)	16,000.00	g/i								
Replace playground at Jaycee Park	46,000.00	le								
Laptops Bob & Angie	3,500.00	ff	could regular IT 6507 pay for this?	Maybe						
Salt Dog for Kubota (salt/sand spreader for trails)	5,000.00	g/i								
Ditch/Trail maint. mower for mini excavator	5,000.00	ff	can share with streets & utilities - maybe split the cost?							
Debris blower for trails/fence lines	6,500.00	le								
Boat Dock replacement Bathing Beach Park	20,000.00	hm								
Replace swings at 3rd Ward Park	8,500.00	ff	wish list item							
Replace swings at 5th Ward Park	7,500.00	ff	wish list item							
	118,000.00									
Impact to Fund	-									
Fund Balance at end of FY	10,951.71									

1/16/2026 14:56	FY2027				ge	ip	g/i	hm	ff	le	rt	bd	mccl
CURRENT AS OF		GEN. UTILITY FUND				FUND BAL.	Grant/IPAIT	HOTEL/MOTEL	FRAN. FEE	LOST	ROAD USE	BOND	MAIN CIP CASH LINE
PARKS RIVERS EDGE - 441													
anticipated in													
Transfer from MAIN CIP CASH LINE	8,000.00												
Transfer from LOST													
Transfer from H/M													
Bond Proceeds													
Grants													
FF from Main CIP	5,250.00												
	13,250.00												
anticipated out													
New computer for RE manager	1,750.00	ff	could regular IT 6507 pay for this? This could be Susi's old desktop tower and then could get cut				Maybe						
3 wheel homeplate pitching machine	8,000.00	mccl											
LED transition	3,500.00	ff	wish list item										
	13,250.00												
Impact to Fund	-												
Fund Balance at end of FY	(13,683.19)												
<b>PARKS FCC - 443</b>													
anticipated in													
Transfer from MAIN CIP CASH LINE													
Transfer from LOST													
Transfer from H/M													
Bond Proceeds													
Grants													
FF from Main CIP													
	-												
anticipated out													
Small/Large Meeting Window replacement & Tuckpointing	25,000.00	ip											
Large Meeting room flooring	2,800.00	ip											
	27,800.00												
Impact to Fund	(27,800.00)												
Fund Balance at end of FY	68,955.59												

1/16/2026 14:56	FY2027				ge	ip	g/i	hm	ff	le	rt	bd	mccl
CURRENT AS OF					GEN. UTILITY FUND	FUND BAL.	Grant/IPAIT	HOTEL/MOTEL	FRAN. FEE	LOST	ROAD USE	BOND	MAIN CIP CASH LINE
PARKS POOL - 444													
anticipated in													
Transfer from MAIN CIP CASH LINE													
Transfer from LOST													
Transfer from H/M													
Bond Proceeds													
Grants													
FF from Main CIP													
-													
anticipated out													
Repair zero depth slide	2,500.00	ip											
Add exhaust fans to pump house	3,500.00	ip											
	6,000.00												
Impact to Fund	(6,000.00)												
Fund Balance at end of FY	62,952.00												
<b>PARKS COMPLEX - 446</b>													
anticipated in													
Transfer from MAIN CIP CASH LINE													
Transfer from LOST	33,500.00												
Transfer from H/M	-												
Bond Proceeds													
Grants/IPAIT	8,500.00												
FF from Main CIP	-												
	42,000.00												
anticipated out													
LED light replacement	30,000.00	le											
Portable restroom (2 or 3 stalls)	8,500.00	g/i											
hydrant	3,500.00	le	could cut as have something figured out										
	-												
	42,000.00												
Impact to Fund	-												
Fund Balance at end of FY	46,098.11												

1/16/2026 14:56	FY2027	ge	ip	g/i	hm	ff	le	rt	bd	mccl
CURRENT AS OF		GEN. UTILITY FUND	FUND BAL.	Grant/IPAIT	HOTEL/MOTEL	FRAN. FEE	LOST	ROAD USE	BOND	MAIN CIP CASH LINE
<b>CITY HALL</b>										
anticipated in										
Transfer from MAIN CIP CASH LINE										
Transfer from LOST	10,000.00									
Bond Proceeds	-									
Grants										
FF from Main CIP	-									
	10,000.00									
anticipated out										
Building Maintenance 6750	\$ 3,500.00	ip								
Furniture Replacement 6750	\$ 5,000.00	ip	more audience chairs to get rid of other pew							
Computers - Council 6727	\$ 10,000.00	le								
Server Upgrades	\$ 20,000.00	ip								
	-									
Building remodel 6750	\$ 7,500.00	ip	new flooring in entry way, main hallway area including to the bathroom, copy room, and bathroom							
	46,000.00									
Impact to Fund	(36,000.00)									
Fund Balance at end of FY	20,350.94									
<b>WATER</b>										
anticipated in										
Regular Revenue	1,202,000.00									
Transfer in from TIF	75,261.00									
	1,277,261.00									
anticipated out										
Regular Operating Expenses	1,196,496.00									
Transfer to Debt Service	92,055.00									
CIP Expenses										
Water Repairs	300,000.00	ge								
Water Tower Maint Program	59,000.00	ge								
Combo Truck	200,000.00	ge								
	-	ge								
	-	ge								
	1,847,551.00									
Impact to Fund	(570,290.00)									
Fund Balance at end of FY	323,320.65									
<b>SEWER - 815, 816</b>										
anticipated in										
Regular Revenue	2,428,270.00									
Transfer in from TIF	75,261.00									
	2,503,531.00									
anticipated out										
Regular Operating Expenses	1,668,232.00									
Transfer to Debt Service	343,151.00	This has the potential to have \$1,699,476 added IF we have to start paying the SRF loan for the New Plant								
CIP Expenses		Total would then be \$2,042,627								
816 - Combo Truck	400,000.00	ge								
816 - System repairs	200,000.00	ge								
	-	ge								
	2,611,383.00									
Impact to Fund	(107,852.00)									
Fund Balance at end of FY	9,069,153.01									



## CITY COUNCIL WORK SESSION MEMORANDUM

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**TO:** City Council

**FROM:** Matthew R. Schmitz, MPA - City Manager

**DATE OF MEETING:** January 19, 2026

**ITEM TITLE:** Classification and Compensation Study

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**DISCUSSION:** The City of Independence recently issued a Request for Proposals (RFP) to select a qualified consultant to conduct a comprehensive city-wide Classification and Compensation Study. This item was presented at the January 5, 2026, Work Session for initial discussion due to an increase in budgetary authority needed to perform the work, and then at the January 12, 2026, Regular Meeting, where the City Council tabled the item to allow for further discussion regarding the necessity and scope of the project.

**Clarification of Scope: Classification vs. Salary** It is important to clarify that this project is a *Classification* and Compensation Study, rather than strictly a "salary study." Salaries should be determined by what employees actually do. Currently, our job descriptions have evolved organically, meaning the written description may not match the daily reality of the employee's work.

Before we can discuss financial figures, we must ensure our job descriptions align with the actual duties being performed. Without this alignment, we are essentially building a budget on a cracked foundation. This study functions like an inspection of an older home; we are currently operating with "original wiring" that has not been updated to code. Deferring this maintenance, in my opinion, could increase the risk of significant liability later, such as pay equity lawsuits or Department of Labor audits regarding FLSA compliance.

**Operational Efficiency: Why utilize an External Consultant?** There has been discussion regarding whether this work could be performed internally by the City Manager. While staff appreciates the confidence in our internal capabilities, we believe utilizing an external consultant is necessary for three specific reasons:

1. **Strategic Focus:** The City Manager is tasked with high-level strategy, including legislative advocacy and major capital projects. This study involves the detailed statistical analysis of roughly 55 distinct job titles. Asking the City Manager to suspend management of major strategic priorities to perform months of data entry would, in my opinion, be a misuse of the City's investment. Much like a General Contractor, the City Manager's role is to manage the overall build rather than personally laying every tile.
2. **Legal Defensibility:** We pay for external financial audits to protect the City from liability. Similarly, a compensation study written internally could be viewed as a self-serving document. A study conducted by a certified firm like McGrath serves as a defensible legal document that can help to protect the City in the event of potential pay equity disputes.
3. **Objectivity and Internal Equity:** We believe that an external consultant is necessary to act as a neutral "conductor." If designed internally, the system risks perceived bias where departments advocate for their own teams. An external partner ensures that a clerk in the Police Department

is paid equitably compared to a clerk in City Hall, ensuring the results are accepted as fair by staff.

**Implementation Strategy** We recognize there are valid financial concerns regarding the results of the study. We intend to utilize a responsible plan for implementation:

- **Overpaid Positions:** If the study shows an employee is overpaid relative to the market, we would suggest "red circling" (freezing) that employee at their current rate until the market projection catches up to them. We would not suggest cutting salaries.
- **Underpaid Positions:** If an individual is found to be excessively underpaid, we will review this on a case-by-case basis. We would likely utilize a multi-year approach to remedy the gap rather than attempting to fix it in a single budget cycle.

**Consultant Selection and Financial Impact** The evaluation committee identified McGrath Human Resources Group as the best value partner for the City. We selected McGrath largely for their "teach-to-fish" methodology. They will build the foundation and train our leadership team on their analysis method. This creates a one-time setup cost that empowers us to manage the system internally moving forward.

Regarding the financial impact, the Council should note the following:

- **Budgeted Amount:** The City originally budgeted **\$35,000** for this project in the current fiscal year.
- **Actual Cost:** The base consultation fee for the study with McGrath is **\$37,344**, with additional provisions for travel expenses, although we don't believe we will need in-person meetings.

Because the selected proposal exceeds the initial budget allocation, we are asking the Council to recognize this variance and approve the necessary increase to cover the full cost of the contract. Funds are available within the current budget to cover this additional investment, and that approval will come at a future meeting as no action can be taken on this item during a work session.

#### **RECOMMENDATION:**

Staff recommends discussion of this topic. No action is needed at this meeting, as any decision items needed would be brought forward to a City Council meeting for approval.

## **AGREEMENT BETWEEN THE CITY OF INDEPENDENCE AND MCGRATH HUMAN RESOURCES GROUP FOR A COMPENSATION AND CLASSIFICATION STUDY**

**THIS AGREEMENT** made the by and between McGrath Human Resources, hereinafter called the Consultant, and the City of Independence, IA hereinafter called the City. (Consultant and City at times referred to as Parties, or individually as Party)

**WHEREAS**, the Consultant submitted a proposal, dated November 2025 to the City to conduct a compensation and classification survey for City.

**WHEREAS**, the City selected the Consultant to perform this study.

**NOW, THEREFORE**, the Parties (the City and the Consultant) do mutually agree to the following (“Agreement”):

The City shall engage the Consultant to perform the work described in its proposal of November referred to as the Project, which is incorporated herein by reference, and adopted as part hereof as if fully set forth verbatim herein.

The Project shall be undertaken and completed in such sequence as to assure the most expeditious completion and to best carry out the purposes of this Agreement.

The Consultant agrees to complete the Project in an agreed upon timeline for a total estimated cost of \$37,344 in consultation fees and expenses.

The City agrees to pay the Consultant for work on the Project and expenses incurred, as the performance of such work is demonstrated by submission of an invoice for \$4,000 upon receipt of the signed contract; \$10,069 upon submission of the draft report; \$4,000 upon submission of the draft report, and the balance of \$3,000 upon submission of the final report. Travel expenses will be billed separately and not to exceed \$5,000.

Job description project will be billed \$2,000 at the start of the project, and the balance based on actual number of job descriptions developed at \$205 per job title. Total estimated cost based on 55 job titles \$11,275.

The City shall remit payment within 30 days of receipt of said billing. In consideration of this Agreement, the City agrees to:

- Assure reasonable access to the members of the organization, i.e., City Manager, selected supervisors, and other appropriate employees.
- Afford prompt decisions on matters affecting the progress of the work.

## **GENERAL CONSIDERATIONS**

1. **City Ownership and Proprietary Information:** The Parties expressly agree that all data, documents, records, studies, or other information generated, created, found or otherwise completed by Consultant in the performance of Consultant's duties under the terms of this contract shall at all times remain the proprietary information of and under the ownership of the City. All data, documents, records, studies, or other information generated, referred to above, with the exception of the market raw data (which is deemed proprietary information), shall be provided to the City by Consultant upon request so long as the City is not in default under other terms of this Agreement.
2. **Nondiscrimination:** In consideration of the signing of this Agreement, the Parties hereto for themselves, their agents, officials, employees, and servants agree not to discriminate in any manner on the basis of race, color, creed, or national origin with reference to the performance of this Agreement.
3. **Successors and Assigns:** The City and the Consultant each bind the other and assigns, in all respects, to all of the terms, conditions, covenants, and provisions of this Agreement, and any assignment or transfer by the Consultant of its interest in this Agreement without the prior written consent of the City shall be void.
4. **Compliance with Law:** The Consultant will comply with any and all applicable federal, state, and local laws as the same exist and may be amended from time to time.
5. **Indemnification Clause:** For purposes of this section, work performed is described as the preparation of studies and recommendations pertaining to the scope of services contained in this Agreement, as presented to the City for review and approval. Notwithstanding anything herein to the contrary, to the maximum extent permitted by law, the Consultant shall not be liable for consequential damages or for actions resulting from working as an agent of the City in performance of this study.
7. **Confidential Information:** Any confidential information provided to or developed by the Consultant in the performance of the agreement shall be kept confidential and not made available to any individual or organization by the Consultant without the prior written approval and consent of the City.
8. **Independent Contractors:** The Consultant and its agents and employees are independent contractors performing professional services for the City and are not employees of the City. Nothing herein shall be construed as incurring for the City any liability for Worker's Compensation, FICA, withholding tax, unemployment compensation, or any other payment, which would be required to be paid by the City if the City and the Consultant were standing in an employer/employee relationship, and the Consultant hereby agrees to assume and pay all such liabilities.

## 9. General Terms and Provision:

- a. "Notices and Demands" Whenever this Agreement requires or permits any notice or written request by one Party to another, it shall be deemed to have been properly given if and when delivered in person or three (3) business days after having been deposited in any U.S. Postal Service and sent by regular or certified mail, postage prepaid, addressed as follows:

If to Consultant:

McGrath Consulting Group, Inc., DBA McGrath Human Resources Group  
 Attn: Dr. Victoria McGrath, CEO  
 Jamestown, TN

If to City:

City of Independence  
 Attn: Matthew R. Schmitz, MPA, City Manager / CAO  
 Independence, IA

or at such other address with respect to either Party as that Party may, from time to time designate in writing and provide to the other Party.

- b. "Binding Effect" This Agreement shall be binding upon and shall inure to the benefit of City and Consultant and their respective successors and assigns.
- c. "Execution By Scanning or Electronic Signature" The Parties agree that this Agreement may be transmitted between them by scanning or electronic signature. The Parties intend that the scanned or electronic signatures constitute original signatures and that such scanned or electronically signed Agreement containing the signatures (original, scanned, or e-signed) of all the Parties is binding on the Parties.
- d. "Responsibilities" Subject to the terms of this Agreement, Consultant will be solely responsible for completing all work on the Project. Neither Party will be considered an agent of the other for purposes of this Project, and each will hold harmless and indemnify the other for any damages suffered by any person or entity as a result of its own or its agents' acts or failures to act in performance of its obligations under this Agreement.
- e. "Assignment of Agreement" The Consultant may not assign, transfer or convey in whole or in part this Agreement, without the consent of the City, which will be given/determined in the sole discretion of the City Council.
- f. "Amendments" No change, modification, or termination of any of the terms, provisions or conditions of this Agreement shall be effective unless made in writing and signed by the Parties.
- g. "Entire Agreement" This Agreement contains the entire understanding between the City and the Consultant with respect to the Project.
- h. "Laws Ordinances and Regulations" Consultant shall comply with all laws, rules and regulations relating to its business, other than laws, rules and regulations the failure to comply with which or the sanctions and penalties

resulting therefrom, would not have a material adverse effect on the business, property, operations, financial or otherwise, of Consultant.

- i. "Governing Law / Jurisdiction" This Agreement shall be governed by Iowa law with jurisdiction in the Buchanan County District Court.
- j. "Non-Discrimination" In carrying out the Project, Consultant shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, sexual orientation, national origin, age or disability.
- k. "Conflict of Interest" Consultant agrees that no member, officer or employee of City, or its designees or agents, nor any consultant or member of the governing body of City, and no other public official of City who exercises or has exercised any functions or responsibilities with respect to the Project during his or her tenure, or who is in a position to participate in a decision-making process or gain insider information with regard to the Project, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the Project, or in any activity, or benefit therefrom, which is part of this Project at any time during or after such person's tenure. In connection with this obligation, Consultant shall have the right to rely upon the representations of any party with whom it does business and shall not be obligated to perform any further examination into such party's background.
- l. "Construction" Words and phrases herein, including acknowledgement hereof, shall be construed as in the singular or plural number, and as masculine, feminine, or neuter gender according to the context. The captions preceding the Sections are inserted only as a matter of convenience and for reference purposes and should not be considered substantive or relied upon in interpreting any provision of this Agreement. This Agreement shall be considered to have been jointly drafted by the Parties.
- m. "Captions" The captions preceding the Sections are inserted only as a matter of convenience and for reference purposes and should not be considered substantive or relied upon in interpreting any provision of this Agreement
- n. "Severability" If any part, term or provision of this Agreement is held to be illegal, in conflict with any law or otherwise invalid, the remaining portion or portions shall be considered severable and not be affected by such determination, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the illegal or invalid part, term, or provision.
- o. "Acknowledgement" The Parties, by signing this Agreement, acknowledge having carefully read the same, having had an opportunity to consult with counsel concerning the legal effect of this Agreement and its various terms and conditions, and have signed the Agreement voluntarily and without duress or coercion.

**10. Events of Default and Remedies:**

- a. **Events of Default Defined**" The following shall be "Events of Default" under this Agreement and the term "Event of Default" shall mean, whenever it is used in this Agreement, any one or more of the following events:
  - i. Failure by either Party to substantially observe or perform any material covenant, condition, obligation or agreement on its part to be observed or performed under this Agreement.
- b. **"Remedies on Default"** Whenever any Event of Default is alleged to have occurred, the Party alleging the default may take any one or more of the following actions after giving written notice to the other Party of the alleged Default, but only if the alleged Default has not been cured within twenty (20) days following such notice, or if the Default cannot be cured within twenty (20) days and the Party alleged to be in default does not provide adequate assurances found acceptable to non-defaulting Party that the Event of Default will be cured as soon as reasonably possible thereafter:
  - i. The non-defaulting may in its sole discretion choose to cancel and terminate this Agreement, or pursue any legal remedies available under applicable law; and
- c. **"No Remedy Exclusive"** No remedy herein conferred upon or reserved to either Party is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. Should either Party have to take legal action to enforce any term of this Agreement, the Party found to be in violation of this Agreement shall be liable for the other Party's legal expenses and costs.
- d. **"No Implied Waiver"** In the event any agreement contained in this Agreement should be breached by any Party and thereafter waived by any other Party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

**SIGNATURE PAGE TO FOLLOW**

The Parties have executed this Agreement on the dates shown below.

Approved By:

By:



City of Independence, IA

\_\_\_\_\_  
Date

Victoria McGrath, CEO  
McGrath Human Resources Group

\_\_\_\_\_  
Date

DRAFT