

March 20, 2006
Council Chambers
City Hall
Tipton, Iowa

The City Council of the City of Tipton, Iowa, met in Regular session at 5:30 p.m. Mayor Young called the meeting to order. Upon roll call the following named council members were present: Anderson, Kepford, Johnson, McGlaughlin, Wethington. Also present Boldt, Foley, Nash, Hakeman, Hembry, Packwood, Witry. Several visitors and the press were also present.

AGENDA: Motion by Anderson, seconded by McGlaughlin to approve the agenda as presented. Motion carried by the following vote:

Aye: Anderson, Kepford, Johnson, McGlaughlin, Wethington
Nay: None

COMMUNICATIONS:

Scheduled – None
Unscheduled – None

CONSENT AGENDA: Motion by Kepford, seconded by Wethington to approve the Consent Agenda which includes the following:

1. Minutes from the previous meetings.
2. Clerks/Investment Reports.
3. Garbage Exemption – Ron's Feed & Supply/All Star Turf.

Motion carried by the following vote:

Aye: Anderson, Kepford, Johnson, McGlaughlin, Wethington
Nay: None

RESOLUTION – SHERIDAN ADDITION: City Manager Boldt reported that the Tipton Planning and Zoning Board are recommending approval of the Resolution of Sheridan Addition. After a brief discussion, motion was made by Kepford and seconded by Anderson to approve Resolution No. 032006A which is a Resolution Approving Preliminary Plat Sheridan Addition in the City of Tipton, Cedar County, Iowa. Motion carried by the following vote:

Aye: Anderson, Kepford, Johnson, McGlaughlin, Wethington
Nay: None

ECIA ADMINISTRATION CONTRACT: Motion by Anderson, seconded by McGlaughlin to approve Resolution No. 032006B which is a Resolution of the City of Tipton Approving the Contract for the 2006 Iowa Department of Economic Development Community Development Block Grant (Contract #06-WS-094) for Administration to East Central Intergovernmental Association. Motion carried by the following vote:

Aye: Anderson, Kepford, Johnson, McGlaughlin, Wethington
Nay: None

CLAIMS LIST: Motion by Kepford, seconded by Johnson to approve the following list of claims:

ALLIANCE WATER RESOURCES	17157.00
ALLIANT ENERGY	191.61
ARAMARK	168.80
BEST WESTERN REGENCY	72.23
BUSINESS RADIO SALES	277.75
CBE GROUP	11.25
CEDAR COUNTY CO-OP	2294.44
CEDAR COUNTY ENGINEER	1392.40
CEDAR COUNTY SOLID WASTE	1690.50
CEDAR RAPIDS WELDING	8.90
CITY CARTON	562.80
CUMMINS MANUFACTURING	40.00
EASTERN IA. LIGHT & PWR.	710.53
FARM PLAN CORPORATION	586.97
FEUSS, DIANE	200.00
FINANCIAL ADJUSTMENT BUR.	88.75
FLETCHER-REINHARDT	222.02
G&K SERVICES	131.93
GARDEN & ASSOCIATES	6216.75
GENERAL PEST CONTROL	95.44
INSTITUTE OF PUBLIC AFFAIRS	325.00
IOWA ASSOCIATION	6487.01
IOWA BOOK & SUPPLY	303.89
IA. FIRE CHIEF'S ASSOCIATION	25.00
IOWA NETWORK SERVICES	12.99
LAW ENFORCEMENT SYSTEMS	353.00
LINN CO, CHARLES	54.00
MIDWEST BREATHING AIR	193.40
NEW HORIZON FS	420.36
NEWTON HOME OIL	30.00
O'ROURKE MOTORS	67.42
ORTIVUS NORTH AMERICA	575.00
P & E ENGINEERING	3707.25
QUAD CITY TESTING LAB	100.00
QUILL CORPORATION	123.39
RESCO	1939.80
RK DIXON	26.62
STURLAND CHEVY OLDS	19.90
TERRY DURIN COMPANY	66.00
TIPTON CONSERVATIVE	399.98
TIPTON TIRE & AUTO	18.00
TIPTON ELECTRIC MOTORS	54.32
WITRY, BERNIE	63.98

Motion carried by the following vote:

Aye: Anderson, Kepford, Johnson, McGlaughlin, Wethington
Nay: None

ANNUAL 1% ADJUSTMENT OF ELECTRIC RATE: At the recommendation of Electric Superintendent Packwood, the council was in agreement to allow the automatic 1% electric rate increase to be implemented as provided in the City Ordinance. This will allow Tipton's base rates to stay somewhat in pace with increasing costs of labor, materials, and equipment, and avoid significant increases in the future. The effect of this increase to residential customers is an average of \$0.69 per month. No motion was necessary to approve the rate increase.

ELECTRICAL COST OF PURCHASED POWER INDEX: In a letter to City Manager Boldt, Electric Superintendent Packwood advises that the State mandates a review of the Purchased Power Index (PPI) at this time each year with any Purchase Price Adjustment (PPA) to become effective with the first billing cycle in April.

Packwood said the rate structure includes a PPI of \$0.0240 per kWh. The PPI calculated for 2005 was 0.04049 or a difference of \$0.01649, which indicates the PPA, should be increased \$0.00652 over the April 1, 2005 PPA.

Packwood said the reasons for the increase were:

1. The severe increase in the cost of fuel and thus market energy during economic interrupt by Ameren Energy, the supplier to RPGI (Resale Power Group of Iowa), resulting in market energy purchases of \$199,174.
2. The loss of Louisa energy sales in the amount of about \$160,500 due to a major maintenance outage to the station which extended seven weeks longer than planned.

The required PPA to be implemented April 1, 2005 is \$0.01649. The effect of this increase to residential customers is an average of \$4.67 per month.

Motion by Kepford, seconded by Johnson to approve the required PPA to be implemented April 1, 2006 at \$0.01649. Motion carried by the following vote:

Aye: Anderson, Kepford, Johnson, McGlaughlin, Wethington
Nay: None

PURCHASE OF NEW AMBULANCE: Ambulance Coordinator Bernie Witry addressed the council about the purchase of a new ambulance. Witry said he would look to trade in the 2000 model which currently has 60,000 plus miles. He thought that he would probably get between \$25,000 and \$30,000 for trade in. A new model would cost around \$110,000. Witry said he would like to solicit bids for a new Type 3 unit which when selected will take about six months to manufacture. Motion by Kepford, seconded by McGlaughlin to proceed with the solicitation of bids for a new ambulance. Motion carried by the following vote:

Aye: Anderson, Kepford, Johnson, McGlaughlin, Wethington
Nay: None

MONTHLY WATER REPORT: Motion by Anderson, seconded by McGlaughlin to approve monthly water report for February. Motion carried by the following vote:

Aye: Anderson, Kepford, Johnson, McGlaughlin, Wethington
Nay: None

AIRPORT COMMITTEE: Council member Johnson, a member of the Airport Committee gave a brief update on the expansion of the Airport. He said that about \$100,000 is still needed for construction of four additional hangers. Johnson said they are applying for a State Grant which would help in the funding of the new hangers. Johnson also said that about \$20,000 is available in the Airport Reserve Fund.

City Manager Boldt said that if there is a shortage that an internal loan could be made to help fill the gap. He said the loan would be paid back through gas sales and additional hanger rent. Boldt lastly said that the four additional hangers are needed if the Airport is going to be eligible for NPIAS funding which will greatly benefit future expansion of the Airport.

CCEDCO UPDATE: City Manager Boldt said that Council member Kepford wanted to discuss the recent audit that was conducted on CCEDCO and reviewed by council members. Jeff Meyer, President of the TEDCO Board gave a brief summary of what his Board has discussed since their review of the audit. He said the Board feels there may have been an oversight in management but does not want to act to quickly based on review of the audit. Meyer said he believes that TEDCO thinks it is in their best interest to let CCEDCO address the concerns at hand and see if they feel there was an oversight in management.

Both Meyer and Mayor Young said it would not be wise to make a quick judgment and withdraw city funds from CCEDCO. They feel more information is needed before a decision like that is made by the council. Council member Kepford agreed along with other council members.

FIRE DEPARTMENT COMMITTEE: Mayor Young appointed council members Kepford and Johnson to the committee which is shared with Fire Chief Miller and Assistant Fire Chief Kofron. They will be meeting to discuss the status of the new Fire Station.

ADJOURN: With no further business to come before the council, motion to adjourn was made by Anderson and seconded by McGlaughlin. Motion carried by the following vote:

Aye: Anderson, Kepford, Johnson, McGlaughlin, Wethington
Nay: None

Mayor

ATTEST: _____
City Clerk

REVENUES RECEIVED – FEBRUARY 2006

PROPERTY TAXES	4529.82
LICENSES & PERMITS	64.50
USE OF MONEY & PROPERTY	29651.98
INTERGOVERNMENTAL	24029.36
CHARGE FOR SERVICES	681950.10
MISCELLANEOUS	35551.71
LOCAL OPTION TAX	14755.60