

December 15, 2008  
Council Chambers  
City Hall  
Tipton, Iowa

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

AGENDA: Motion by Klemme, seconded by Anderson to approve the agenda as presented. Upon roll call the vote was:

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

COMMUNICATIONS: Scheduled – Steve Lacina, Annual CCEDCO Report.

Steve Lacina, President of CCEDCO, presented the council with the Cedar County Economic Development Commission 2008 Report. Below are some of the highlights Lacina commented on:

Recruitment efforts:

1. Had over 40 presentations from businesses through the Community Venture Network.
2. Continue in efforts to attract supply chain vendors for companies located in West Branch.
3. Worked to help with annexation of land in West Branch for industrial development.

Expansions:

1. Pioneer in Durant, \$4million, 6 jobs.
2. Acciona in West Branch, \$4 million addition, 80 more jobs.
3. Assisted with getting sales tax refunds from the State for Norfolk's \$258,000 expansion.

Region formation:

1. Wrote a grant to the State to form new 5 county region which includes Cedar, Clinton, Jackson, Muscatine, QCDG (Scott), CCEDCO awarded \$50,000.
2. CCEDCO is the central point of contact for leads and communications.

In closing Lacina said the last increase for annual dues was in 2003-2004. He said costs have gone up considerably and said that CCEDCO has been cutting expenses where/when they can. Lacina said there is a modest increase of \$567.00 for 2009-2010. Annual dues for Tipton is \$8453.00, due July 1, 2009. Motion by Johnson, seconded by McGlaughlin to approve annual dues in the amount of \$8453.00 to CCEDCO for 2009-2010. Upon roll call the vote was:

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

CONSENT AGENDA: Motion by Johnson, seconded by McGlaughlin to approve consent agenda which included the following:

1. Council minutes from the previous meeting.
2. Clerk's/Investment reports.
3. Beer License Renewal – Cedar Lanes.
4. November Airport Committee minutes.

Upon roll call the vote was:

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

UPDATED REVOLVING LOAN FUND PROGRAM: Community Development Director Travis Alden presented the following additions/changes to the Updated Revolving Loan Fund Program:

DRAFT #2

1. A group of four local bankers will serve as non-voting advisory members of the Loan Committee, with the task of reviewing each applicant's financial information. Each application will be reviewed by two members of this group, on a rotating basis. These advisory members will provide the TDC with a professional assessment of the applicant's risk level and/or creditworthiness, to take the form of a simple score of "A" for a "good risk" and so forth. These advisory members consist of:

Dan Conrad – Assistant Vice President, Liberty Trust & Savings Bank in Tipton  
Eric Newton – President and CEO, Community State Bank in Tipton  
Nic Weers – Assistant Vice President, Citizens Bank in Tipton and Anamosa  
Tim Martig – Vice President, US bank in Tipton

The TDC (voting members of the Loan Committee) will not review the finances of the applicant's, as the TDC is an Official City commission. All financial information will remain confidential at all times, and will not be revealed in any public forum.

DRAFT #4

1. A group of four local bankers will serve as non-voting advisory members of the Loan Committee.
2. Greenhouses added under Limitation on loans from the RLF.
3. Under Other Lending criteria, Loans made from the RLF typically will not be less than \$2,500 and not more than \$10,000. The Loan Committee may authorize smaller or larger loans on a case-by-case basis if unusual circumstances are present.
4. Under Other Information, the following were added:
  - A. A group of four local bankers, approved by the City Council, will serve as non-voting advisory members of the Loan Committee.
  - B. The Advisory Committee members will review the applicant's financial information in order to make a recommendation to the Loan Committee as to the financial strength of the applicant. This recommendation may take the form of a score, such as an "A" for an applicant considered to be a "good risk" and so forth.

- C. The professional recommendation of the advisory committee members, as bankers, will be used as part of the Committee's decision to recommend approval or denial of the request to City Council. The Tipton Development Commission, as an official City commission, will not view the submitted financial information of the applicant.
- D. It is agreed between the Loan Committee and the applicant that all financial information will remain confidential and shall not be revealed in any public forum.

After a brief discussion among Alden and the council, council member McGlaughlin had some concerns and was not in favor of the Revolving Loan Fund Program.

McGlaughlin's concerns were presented and answered by Alden. With no further discussion, motion was made by Klemme and seconded by Anderson. Upon roll call the vote was:

Aye: Johnson, Klemme, Wethington, Anderson  
Nay: McGlaughlin

RESOLUTION NO: 121508A: Motion by Klemme and seconded by Anderson to approve Resolution No. 121508A, which is a Resolution saying that the City Council of the City of Tipton, Iowa, approves this resolution in support of the Revolving Loan Fund Program and thereby accepts responsibilities of the program as spelled out in DRAFT#2 and DRAFT#4. Upon roll call the vote was:

Aye: Klemme, Wethington, Anderson, Johnson  
Nay: McGlaughlin

CLAIMS LIST: Motion by McGlaughlin, seconded by Wethington to approve the following list of claims:

ACTERRA GROUP	1967.70
ADVANCED DRAINAGE SYSTEMS	31.00
ALEXIS FIRE EQUIPMENT	207.00
ALLIANCE WATER RESOURCES	21596.25
ALTORFER	75.65
ARAMARK	44.36
ARROW QUICK	798.95
BUSINESS RADIO SALES	1202.75
CBE GROUP	227.68
CDW GOVERNMENT	250.00
CEDAR COUNTY AUTO PARTS	337.52
CEDAR COUNTY CO-OP	26002.86
CEDAR COUNTY ENGINEER	2230.80
CEDAR COUNTY SOLID WASTE	1934.00
CENTRAL PETROLEUM EQUIPMENT	444.38
CENTURY MANUFACTURING	1429.00
CITY CARTON	609.35
CITY ELECTRIC SUPPLY	26.45
CLARENCE LOWDED SUN NEWS	222.51
COMMSPEED	29.95
CUSTOM FIBERGLASS OF ILLINOS	800.00
EASTERN IA. LIGHT & PWR.	711.84
ENERGY ECONOMICS	132.06
FAMILY FOODS	16.92
FARM PLAN CORPORATION	867.22
FRIENDS OF ANIMALS	450.00
GARDEN & ASSOCIATES	10181.66

GENERAL PEST CONTROL	116.03
GRAINGER	1170.60
HARGRAVE COMPANY	81.64
HASTY AWARDS	76.42
HYGIENIC LABORATORY	11.00
IOWA DIVISION OF LABOR	105.00
IOWA ONE CALL	32.40
KOFRON BUILDERS	600.00
KUNDE OUTDOOR EQUIPMENT	40.00
NEWTON HOME OIL	4804.55
ORTIVUS NORTH AMERICA	577.50
P&E ENGINEERING	2217.07
PRAXAIR DISTRIBUTION	55.14
RADIO COMMUNICATIONS	141.45
RK DIXON	16.51
SENECA COMPANIES	1015.00
SPHAN & ROSE	319.68
TERRY DURIN COMPANY	395.10
TIPTON CONSERVATIVE	893.36
TIPTON ELECTRIC MOTORS	17.66
TIPTON STRUCTURAL FABRICATION	48.25
TIPTON TIRE & AUTO	236.44
UTILITY EQUIPMENT	1251.18
WENDLING QUARRIES	81.76
WASTE MANAGEMENT	9921.67
XEROX CORPORATION	1124.47

Upon roll call the vote was:

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

TAX INCREMENT FINANCING, J&L PIPELINE SERVICES: Jeff Meyer addressed the council regarding a request from J&L Pipeline Services for Tax Increment Financing Incentive. Meyer presented the council with the Financial Incentive Matrix for J&L Pipeline Services located at 603 West South Street. He said Dave Anderson and Laurie Brandenburg purchased the building from John Dornfeld and have doubled the size and will be using the expanded portion to use as a Midwest training center for pipeline mechanics and installers. Meyer said J&L Pipeline Services qualifies at the four-year, 60% level of incentive based on the qualification model. After a short discussion, motion was made by Anderson and seconded by Wethington to approve Tax Increment Financing Incentive for J&L Pipeline Services. Upon roll call the vote was:

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

PREPARE DEVELOPMENT AGREEMENT: City Manager Boldt said with the approval of Tax Increment Financing Incentive for J&L Pipeline Services that the council needs to make a motion for him to contact Dorsey & Whitney to prepare a Development Agreement with the information that was provided in the incentive matrix. Pending favorable review from the council, a Public Hearing will need to be set for the January 19th, 2009 council meeting. Motion was made by Johnson and seconded by McGlaughlin to authorize City Manager Boldt to contact Dorsey & Whitney to prepare Development Agreement for J&L Pipeline Services. Upon roll call the vote was:

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

IOWA AGENCY FOR MUNICIPAL WIND PROJECT: Electric Superintendent John Packwood again presented information to the council regarding Iowa Agency for Municipal Wind (IAMWIND). Packwood said the cost for the Carroll County Project is expected to be in the range of 4.3 cents to 5.2 cents per kilowatt hour. The cost for the Ridge Port Project is expected to be in the range of 4.3 cents to 6.3 cents per kilowatt hour. Packwood said Tipton's monthly average cost for energy delivered this year has ranged from 4.2 cents to 6.2 cents per kilowatt hour.

Packwood said if the council wishes to consider participation in these projects, he would suggest a participation level of 2.0 MW. These projects will be 40% efficient (the highest he is aware of to date) which would yield an average output of about 800 kW. He said this would yield a 10% minimum renewable energy supply goal for Tipton without purchasing certificates on the market. Packwood said the actual energy generated could be scheduled for Tipton when economically feasible, or just sold into the market at a profit. After some discussion, motion was made by Wethington and seconded by Klemme to Participate in the Iowa Agency for Municipal Wind project. Upon roll call the vote was:

Aye: Johnson, Klemme, Wethington, Anderson, McGlaughlin  
Nay: none

MONTHLY WATER REPORT: Motion by Anderson, seconded by McGlaughlin to approve monthly water report for November. Upon roll call the vote was:

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

MONTHLY COMMUNITY DEVELOPMENT REPORT: Motion by Johnson, seconded by Wethington to approve monthly community development report. Upon roll call the vote was:

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

MAYOR REPORT: Mayor Kepford thanked council member Warren Wethington for his three years of service to the City of Tipton. Wethington's resignation is effective January 1<sup>st</sup>, 2009. She also thanked Tipton's Community Development Director Travis Alden for his years of service. Alden has taken a similar position in the State of Michigan.

CITY MANAGER REPORT: City Manager Boldt reported that the goal setting session is scheduled for January 21<sup>st</sup> at 5:00 p.m.

Boldt also thanked Warren Wethington for his three years of service on the city council. He said the city has accomplished many goals in the three years Wethington has been on the council.

Boldt praised Travis Alden for his two and a half years of service to the City of Tipton. He said Tipton has made many great strides since the hiring of Alden as Director of Community Development. He told Alden he will be greatly missed and wished him the best of luck in his new position in Michigan.

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

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

\_\_\_\_\_  
Mayor

ATTEST: \_\_\_\_\_  
City Clerk

REVENUE RECEIVED – NOVEMBER 2008

PROPERTY TAXES	108,821.45
LOCAL OPTION SALES TAX	16,482.23
LICENSES & PERMITS	156.50
USE OF MONEY & PROPERTY	20,472.29
INTERGOVERNMENTAL	42,299.65
CHARGE FOR SERVICES	608,137.89
SPECIAL ASSESSMENT	1,081.00
MISCELLANEOUS	44,711.10
TOTAL	842,162.11