

May 1, 2017
Tipton Fire Station
301 Lynn Street
Tipton, Iowa

The City Council of the City of Tipton, Cedar County, Iowa, met in regular session at 5:30 p.m. Mayor Carney called the meeting to order. Upon roll being called the following named council members were present: Boots, Spear, Leeper, Anderson and McNeill. Also present: Long, Lenz, Nash, Downs, Penrod, Taber, Beck, Kepford, Daufeldt, Donohoe, Coppess, Smith, other visitors and the press.

Agenda:

Motion by Boots, second by McNeill to strike N1., under Discussion Items, Clarence Telephone Company Report on Fiber Optic Network Development for Tipton. Following the roll call vote the motion passed unanimously.

Motion by Boots, second by Spear to approve the agenda with the change to strike N1., under Discussion Items. Following the roll call vote the motion passed unanimously.

Communications:

1. Marlene Johnson thanked Interim City Manager Long for serving as the interim. She also thanked the council for all their hard work during the transition of hiring a new city manager. Johnson also wanted to be sure that the city employees are utilized for their expertise. And, she would like to see that the office search for Economic Development Director Beck is done timely when the new City Manager starts.

Consent Agenda:

Motion by Spear, second by Leeper to approve the consent agenda with one correction to the April 17, 2017, Council Meeting Minutes, a motion made by Boots, not Spear; March 2017, Library Minutes and Library Director's Report, and an outdoor service liquor license for Tiger's Den Food and Spirits. Following the roll call vote the motion passed unanimously.

Public Hearing:

1. Public Hearing for Mathews Memorial Airport Airfield Pavement Maintenance Project

Motion by Boots, second by Anderson to open the public hearing for the Mathews Memorial Airport Airfield Pavement Maintenance Project, at 5:34 p.m. Following the roll call vote the motion passed unanimously.

With no written or oral objections, a motion was made by Anderson, second by McNeill to close the public hearing at 5:40 p.m. Following the roll call vote the motion passed unanimously.

Motions for Approval:

1. Claims List

ALEXIS FIRE EQUIPMENT	SMALL TOOLS	36.00
ALTEC INDUSTRIES INC	DIGGER DERRICK	138900.00
BARRON MOTOR SUPPLY	SHOP SUPPLIES	12.66
BOUND TREE MEDICAL LLC	MEDICAL SUPPLIES	51.60
CEDAR CO PUBLIC HEALTH	HEP B SHOTS	90.00
CENTRAL IOWA DISTRIBUTING	SHOP SUPPLIES	115.30
CINTAS CORPORATION	FIRST AID SUPPLIES	153.20
CINTAS CORPORATION #342	UNIFORMS, SHOP TOWELS, MATS	168.94
CITY OF MECHANICSVILLE	MUTUAL AID	3600.00
CUSTOM BUILDERS INC	UPS CHARGES	56.18
EICCD	TRAINING	174.00
ELECTRICAL ENGINEERING & E	BATTERIES	23.06
ELIJAH ENTERPRISES	NITROGEN	26.00
FAMILY FOODS	MISC SUPPLIES	231.14

FISCHER BROS LLC	REPAIR OF STEPS/SLIDE-FINAL	9606.35
FLETCHER-REINHARDT CO.	OVERHEAD SUPPLIES	337.05
G & K SERVICES	UNIFORMS	62.10
GARDEN & ASSOCIATES INC	WATER MAIN REPLACEMENT CEDAR	2064.00
GRASSHOPPER LAWN CARE DBA	CLEANUP UNKEPT PROPERTY	305.00
GRAYBILL COMMUNICATIONS	TRUCK ANTENNA #180	179.35
HASTY AWARDS	305 SOCCER MEDALS	568.71
IMAGE TREND INC	CLEARING HOUSE SERVICES	132.00
INTEGRATED TECHNOLOGY PART	WATCHGUARD, SUPPLIES	1434.27
IOWA ASSOCIATION OF	EIA-861 REPORT	335.00
IOWA EMERGENCY MEDICAL SER	BILLING CONFERENCE	400.00
KOCH ELECTRIC	WIRING OF SOFT START E LAGOON	754.64
L L PELLING CO INC	7.32 TN COLD MIX	790.56
LIBERTY COMMUNICATIONS	SMART DOOR MONTHLY FEE	25.85
LYNCH DALLAS PC	ADMINISTRATION	3292.20
METERING & TECHNOLOGY SOLU	METER FOR MOTEL	100.34
MIDWEST BREATHING AIR LLC	NFPA QUARTERLY AIR TEST	158.70
MISC. VENDOR	PRO HYDRO TESTING:TST CYLNDRS	400.00
MUNICIPAL SUPPLY INC	COUPLINGS	34.80
O'ROURKE MOTORS INC	REPAIR PARTS #52	19.92
PACE SUPPLY	BAGS OF CHALK FOR DIAMONDS	128.40
RC SYTEMS INC	500 MEMBERSHIP CARDS FAC	75.00
REPUBLIC SERVICES OF IOWA	RECYCLING SORT FEES	704.15
S J SMITH CO INC	POWER PLANT SUPPLIES	1375.43
SANDRY FIRE SUPPLY LLC	GLOVES,HOODS,HELMETS,BOOTS	2696.44
SHERMCO INDUSTRIES INC	ARC FLASH STUDY FINAL	1681.25
SPEEDCONNECT	IT SERVICE	60.95
SPINUTECH INC	SEPT EMAIL MARKETING	25.00
SUPPLYWORKS	TP, HAND TOWELS, HAND SOAP	999.19
THE GAZETTE	ANNUAL SUBSCRIPTION	213.20
TIPTON ELECTRIC MOTORS	RENT PRESSURE WASHER	115.00
TIPTON PHARMACY	PATIENT MEDS	399.38
TRANSWORLD SYSTEMS INC	COLLECTION EXPENSE	10.00
WALMART COMMUNITY	OFFICE SUPPLIES	199.43
** TOTAL ** -City of Tipton		173321.74
Fund Totals		
001 GENERAL GOVERNMENT		18,711.43
160 ECONOMIC/INDUSTRIAL DEVEL		2,341.50
600 WATER OPERATING		2,141.83
610 WASTEWATER/AKA SEWER REVE		844.46
630 ELECTRIC OPERATING		3,871.34
640 GAS OPERATING		137.78
660 AIRPORT OPERATING		60.95

670 GARBAGE COLLECTION	4,244.37	
810 CENTRAL GARAGE	139,275.65	
835 ADMINISTRATIVE SERVICES	1,692.43	
GRAND TOTAL	173,321.74	
City Credit Card Statement	Card Ttl	5,104.38
Ambulance - One Card		
Postage/Shipping - USPS	16.70	
Total Charges		16.70
City Card - Check out card		
Travel Training - Best Western (Police)	126.20	
Travel Training - Culvers, McDonalds, Dairy Queen, Edgeweater BBQ, Arbys, Dunigans, Conoco (Gas)	100.93	
Travel Training - Culvers, McDonalds, Dairy Queen, Edgeweater BBQ, Arbys, Dunigans, Conoco (Electric)	100.94	
Misc - Amazon & Paypal (Police)	42.62	
Training - LECC & GTSB Conference (Police)	185.00	
Total Charges		555.69
Economic Dev Director - One Card		
Misc - Jethro's BBQ (Ambassador Trip)	109.32	
Misc - Caseys (Ambassador Trip)	40.46	
Training - Historic Treasures Conference	40.00	
Training - Historic Treasures Conference (City Manager)	40.00	
Total Charges		229.78
Electric - One Card		
Training - IAEI Spring Chapter Meeting	275.00	
Dues/Fees - IAEI Membership	336.00	
Travel Training - Holiday Inn (Refund)	-132.50	
Overhead Supplies - Global Industries	60.73	
Telecommunications Expense - Otterbox	4.99	
Total Charges		544.22
Finance Director - One Card		
Training - IMFOA Registration (Lenz & Fletcher)	250.00	
Total Charges		250.00
Fire - One Card		
Building/Maint Repair - Menards	28.96	
Operating Supplies - Amazon	250.58	
Misc - Walmart	114.00	
Total Charges		393.54
Gas - One Card		
Travel Training - Wild Rose Casino (Electric)	198.24	
Travel Training - Wild Rose Casino (Gas)	198.24	
Bldg Main & Repairs - Paypal (FAC)	111.10	
Small Tools - Ebay	11.98	
Operational Equipment Maint & Repair (FAC) - Paypal	550.00	
Total Charges		1,069.56
JKFAC/Recreation - One Card		
Operating Supplies (FAC) - Walmart, Staples	145.91	
Operating Supplies (Youth Rec) - Walmart	39.60	
Misc - Walmart	17.96	
Total Charges		203.47
Library - One Card		
Postage/Shipping - USPS	125.55	
Office Supplies - Demco, Walmart	356.07	

Materials - Amazon, Walmart, Best Buy	1,006.59	
Program Supplies - Family Foods, Dairy Queen	34.99	
Bldg Maint Supplies - Walmart	4.37	
Misc - Walmart, Family Foods	7.08	
Tech - Faronics	71.00	
Total Charges		1,605.65
Public Works - One Card		
Repair Parts - Ebay, Car Cover USA	99.99	
Operating Supplies - Menards	84.44	
Small Tools - Harbor Freight Tools	51.34	
Total Charges		235.77
Statement Total		5,104.38

Motion by Spear, second by Anderson to approve the list of claims as presented. Following the roll call vote the motion passed unanimously.

2. Amended Job Description for Park Grounds Maintenance Worker

Motion by Spear, second by Anderson to take off the table. Motion carried with the following roll call vote:

Aye: Spear, McNeill, Boots, Anderson

Nay: Leeper

After some discussion, a motion was made by Leeper, second by McNeill to table again. Following the roll call vote the motion passed unanimously.

3. Loan Agreement for TEDCO to Refinance a Loan for Property at the Industrial Park

Motion by Spear, second by Leeper to approve committing to a five-year loan agreement for TEDCO to refinance a loan for a certain 45 acres of property, at the Tipton Industrial Park. Following the roll call vote the motion passed unanimously.

4. Agreement for Engineering Services for Improvements to the Storm and Sanitary Sewer Systems from McClure Engineering

Motion by Leeper, second by Spear to approve an agreement from McClure Engineering for engineering services for improvements to the storm and sanitary sewer systems. Following the roll call vote the motion passed unanimously.

5. Award of Bid, Mathews Memorial Airport Project, Fahrner Asphalt Sealers

Motion by Anderson, second by Leeper to approve Fahrner Asphalt Sealers bid, in the amount of \$101,385.48, for the airports pavement crack sealing and maintenance. Following the roll call vote the motion passed unanimously.

6. Street, Sidewalk Closure Request, Tiger's Den Food & Spirits

Motion by Boots, second by Spear to approve on May 12th, 19th and 26th, to close off 20 feet by 85 feet of East 6th Street, just north of Tiger's Den Food & Spirits, from 4:00 p.m. until 11:00 p.m., for "Bike Nights". Following the roll call vote the motion passed unanimously.

7. Joint Agency Emergency Response Agreement with Iowa Water/Wastewater Agency Response Network (IOWARN)

Motion by Leeper, second by Boots to approve a joint agency emergency response mutual aid agreement with IOWARN. There is no cost or obligation. Following the roll call vote the motion passed unanimously.

8. Minor Subdivision Outside Corporate Limits

Motion by Anderson, second by Leeper to approve a minor subdivision, outside the corporate limits to the southwest, but within the comprehensive planning area of the City of Tipton, per Chapter 170 of the City code, "Land Subdivision", located in Secluded Ridge, Third Addition. Following the roll call vote the motion passed unanimously.

9. Garbage Partial Exemptions, 509 and 511 Cedar St.

Motion by McNeill, second by Leeper to approve garbage partial exemptions for 509 and 511 Cedar St. The current garbage rates for those two locations will be reduced to the minimum garbage exemption charge. Following the roll call vote the motion passed unanimously.

Discussion Items (no action):

1. Rationale and Planning for the Overhaul of the Fairbanks Morse OP Engine Generator Set

Overhaul of the Fairbanks-Morse OP Unit

We have solicited overhaul bids from four advertised Fairbanks-Morse service providers over the past 6 months – we’ve received two which represent valid and fair quotations, which we have attached: Cypress Engines of Cypress, Texas and Fairbanks Morse, Beloit, Wisconsin.

By our discussion with representatives of both firms, and from references, we find that both firms are competent and reliable providers.

Following is a brief analysis of the difference between the quotes.

Cypress Engines: \$353,953.

Fairbanks-Morse: \$279,073

Cypress Engines quotes the refurbishment and overhaul of the blower assembly and the two turbocharger units; Fairbanks does not, which is in large part the reason for the lower pricing from Fairbanks.

Both firms quote OEM (original equipment) parts. Cypress Engine will provide 2 - 3 of their staff to assist with the teardown and rebuilding of the engine; Fairbanks provides 1 person. The Utility is expected to provide 2 employees for the project.

Fleet Generation Capacity

Tipton’s generation “fleet” consists of six units, counting the Fairbanks-Morse OP unit that is currently out of service. With the five operable units, the Utility can generate 8.1 megawatts (mW) of electricity, leaving a shortfall of some 0.4 – 0.6 mW during the high-demand periods of summer. The shortfall can be made up by rotating blackout or load shedding. As a point of historical background, Tipton’s maximum electric load has exceeded available capacity during the peak summer period for each of the past eight years.

The Fairbanks OP unit back in service would provide 1.7 mW of additional generation, sufficient to meet all load on the hottest, highest demand periods.

Fleet Generation Capacity Credits

As we have discussed before, while having the ability to keep the electricity on even when our suppliers or the transmission systems are out of service provides real value, the greater on-going value stems from the capacity credits granted for having this generation capacity available. Presently, the Utility receives about \$115,000 per year in capacity credit via Retail Power Group of Iowa (RPGI). This is slightly less than half the credit available if we certify the entire operating fleet (adding the new Caterpillar and the two MTU units). RPGI energy economist Bob Latham calculates that we will increase our energy credits to some \$359,000 per year. With Council approval granted last summer, we began the process of accrediting these other units, with that process complete in 2018. The additional capacity credit that can be expected from putting the Fairbanks OP unit back in service is approximately \$62,000, which would bring the total annual capacity credits to \$421,000 per year.

The attached spreadsheet from RPGI shows in detail the breakout of capacity credits from several “mixes” of Tipton’s generation potential.

The point to be made most clearly for this discussion is the benefit of completing the overhaul of the Fairbanks OP unit. In addition to being able to meet or exceed the City’s peak load during a storm or other outage, having this unit overhauled and back in service will, again, create an additional \$62,000 in annual energy credit. There is an ROI of about 6 years.

We have explored multiple paths and providers for overhauling this unit, and think the overhaul is worth your official consideration. We would appreciate your observations and questions, and encourage you to stop in to visit with us on the subject.

This will be brought back to the next council meeting for a decision.

2. Review of and Discussion of Implementation of a Rate Structure for Gas and Electric Energy as Prepared by Latham Associates

Per the report, the biggest change is the rise of the basic charges, that would be used to cover overhead.

The energy charge per kilowatt would go down.

There would be more of a steady stream of income.

Revenue wise, it is comparable to now.

The demand charge is slightly increased. This is to encourage large users to be more efficient and help lower peaks.

Reports of Mayor/Council/Manager/Department Heads:

Interim Manager

Mayor Carney stated that the "Bike Ride" was a success. It was a nice day, with a lot of people downtown.

Interim Manager Long is working on several job descriptions.

Long stated that RFP's need to get out for the James Kennedy Family Aquatic Center repairs.

Police Chief Kepford stated that two stop signs that fold in and out have been purchased for the intersection of 7th and Lemon St., by the Tipton Elementary School. The street is very narrow there and other signs were being hit by vehicles.

Kepford also stated that they received a \$1,500.00, grant for the departments ballistic vests.

Adjourn:

With no further business to come before the council a motion to adjourn was made by Boots, second by Anderson.

Following the roll call vote the motion passed unanimously.

Meeting adjourned at 6:42 p.m.

Mayor

Attest:
City Clerk