

February 22, 2024

**Via Email**

Brian Wagner  
City Manager / City Hall  
Tipton, Iowa

Re: \$1,495,000 Electric Revenue Bonds, Series 2024  
Our File No. 419554-47

Dear Brian:

We have prepared and attach proceedings to be used at the February 26th City Council meeting to adopt the resolution approving the Loan Agreement, providing for the issuance of the Electric Revenue Bonds, Series 2024.

The proceedings attached include the following items:

1. Minutes of the meeting covering the adoption of the resolution approving the Loan Agreement and providing for the issuance of the Bonds.

The form of Bond, Authentication Certificate and Assignment set out under the resolution should not be completed or executed.

2. Attestation Certificate attesting to validity of the transcript.

On February 26th, the City Council should meet as scheduled to adopt the attached resolution. All Council Members present should vote on the passage of the resolution, and the vote of each member should be called and recorded by name.

Also attached is a Loan Agreement for the City Clerk and the Mayor to sign. Please retain one executed copy for the City's records and e-mail a copy to us as soon as possible and in advance of closing.

We are also attaching a Continuing Disclosure Certificate for the City Clerk and Mayor to sign. Please retain one executed copy for the City's records and e-mail a copy to us as soon as possible and in advance of closing

Page - 2 -

Finally, we are attaching a Registrar and Paying Agent Agreement for the City Clerk and the Mayor to sign. Please print a copy for execution, after which it should be returned to us by scan and email so that we may forward it to UMB Bank, n.a. for signature **as soon as available and ahead of closing.**

As soon as possible after the Council meeting, please return one fully executed copy of all of the completed pages in these proceedings. If you have any questions, please contact Emily Hammond, Erin Regan, Cheryl Ritter or me.

Best regards,

John P. Danos

cc: Melissa Armstrong / Floyd Taber / Amy Lenz  
Speer Financial, Inc.  
Bernardi Securities, Inc.

MINUTES TO PROVIDE FOR THE  
ISSUANCE OF BONDS

(ELECTRIC REVENUE)

419554-47

Tipton, Iowa

February 26, 2024

The City Council of the City of Tipton, Iowa, met on February 26, 2024, at \_\_\_\_\_  
o'clock \_\_\_\_m., at the \_\_\_\_\_, Tipton,  
Iowa.

The meeting was called to order by the Mayor, and the roll was called showing the  
following Council Members present and absent:

Present: \_\_\_\_\_

Absent: \_\_\_\_\_.

After due consideration and discussion, Council Member \_\_\_\_\_  
introduced the following resolution and moved its adoption, seconded by Council Member  
\_\_\_\_\_. The Mayor put the question upon the adoption of said  
resolution, and the roll being called, the following Council Members voted:

Ayes: \_\_\_\_\_

Nays: \_\_\_\_\_.

Whereupon, the Mayor declared the resolution duly adopted, as hereinafter set out.

RESOLUTION NO. 022624B

Resolution authorizing and approving a Loan Agreement, providing for the issuance and securing the payment of \$1,495,000 Electric Revenue Bonds, Series 2024

WHEREAS, the City of Tipton (the "City"), in Cedar County, State of Iowa, did heretofore establish a Municipal Electric Utility System (the "Utility") in and for the City which has continuously supplied electric service in and to the City and its inhabitants since its establishment; and

WHEREAS, the management and control of the Utility are vested in the City Council (the "Council") of the Utility; and

WHEREAS, pursuant to prior resolution (the "2012 Bond Resolution") of the Council, the City has previously issued its \$2,720,000 Electric Revenue Bonds, Series 2012, dated March 28, 2012 (the "Series 2012 Bonds"), and the City reserved the right to issue additional obligations payable from the same source as and ranking on a parity with the Series 2012 Bonds subject to the terms of the 2012 Bond Resolution; and

WHEREAS, the City acting by and through the Council heretofore proposed to enter into an Electric Revenue Loan Agreement (the "Loan Agreement") and to borrow money thereunder in a principal amount not to exceed \$5,750,000 pursuant to the provisions of Section 384.24A of the Code of Iowa for the purpose of paying the cost, to that extent, of acquiring and installing solar generation assets and constructing distribution improvements for the Utility, and has published notice of the proposed action and has held a hearing thereon on July 6, 2022; and

WHEREAS, a Preliminary Official Statement (the "P.O.S.") has been prepared to facilitate the sale of Electric Revenue Bonds, Series 2024 (the "Bonds") in evidence of the obligation of the City under the Loan Agreement, and the City has made provision for the approval of the P.O.S. and has authorized its use by Speer Financial, Inc. (the "Financial Advisor"), as municipal financial advisor to the City; and

WHEREAS, pursuant to advertisement of sale, bids for the purchase of the Bonds were received and canvassed on behalf of the City and the substance of such bids noted in the minutes; and

WHEREAS, upon final consideration of all bids, the bid of Bernardi Securities, Inc., Northfield, Illinois (the "Purchaser"), was determined to be the best, such bid proposing the lowest interest cost to the City for the Bonds; and

WHEREAS, the Purchaser has executed a certain official bid form/sale agreement (the "Sale Agreement") with respect to the Loan Agreement and the Bonds, and the City Council has previously approved the Sale Agreement and has made provision for its execution and delivery; and



WHEREAS, it is now necessary to make final provision for approval of the Loan Agreement, to authorize the issuance of the Bonds, as Parity Obligations under the 2012 Bond Resolution;

NOW, THEREFORE, Be It Resolved by the City Council of the City of Tipton, Iowa, as follows:

Section 1. The City shall enter into the Loan Agreement with the Underwriter in substantially the form as has been placed on file with the City Council, providing for a loan to the City in the principal amount of \$1,495,000, for the purpose set forth in the preamble hereof.

The Mayor and City Clerk are authorized and directed to sign the Loan Agreement on behalf of the City, and the Loan Agreement is hereby approved.

Section 2. The Bonds, in the aggregate principal amount of \$1,495,000, are hereby authorized to be issued in evidence of the City’s obligations under the Loan Agreement. The Bonds shall be dated March 12, 2024, shall be issued in the denomination of \$5,000 each or any integral multiple thereof and shall mature on June 1 in each of the years, in the respective principal amounts, and bear interest at the respective rates as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate Per Annum</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate Per Annum</u>
2025	\$100,000	4.00%	2030	\$155,000	4.00%
2026	\$125,000	4.00%	2031	\$160,000	4.00%
2027	\$130,000	4.00%	2032	\$170,000	4.00%
2028	\$140,000	4.00%	2033	\$180,000	4.00%
2029	\$145,000	4.00%	2034	\$190,000	4.00%

Section 3. UMB BANK, N.A., West Des Moines, Iowa, is hereby designated as the Registrar and Paying Agent for the Bonds and may be hereinafter referred to as the “Registrar” or the “Paying Agent.” The City shall enter into an agreement (the “Registrar/Paying Agent Agreement”) with the Registrar, in substantially the form as has been placed on file with the City Council; the Mayor and City Clerk are hereby authorized and directed to sign the Registrar/Paying Agent Agreement on behalf of the City; and the Registrar/Paying Agent Agreement is hereby approved.

The City reserves the right to optionally prepay part or all of the principal of the Bonds maturing in the years 2032 to 2034, inclusive, prior to and in any order of maturity on June 1, 2031, or on any date thereafter upon terms of par and accrued interest. If less than all of the Bonds of any like maturity are to be redeemed, the particular part of those Bonds to be redeemed shall be selected by the Registrar by lot. The Bonds may be called in part in one or more units of \$5,000.

If less than the entire principal amount of any Bond in a denomination of more than \$5,000 is to be redeemed, the Registrar will issue and deliver to the registered owner thereof, upon surrender of such original Bond, a new Bond or Bonds, in any authorized denomination, in a total aggregate principal amount equal to the unredeemed balance of the original Bond. Notice

of such redemption as aforesaid identifying the Bond or Bonds (or portion thereof) to be redeemed shall be sent by electronic means or mailed by certified mail to the registered owners thereof at the addresses shown on the City's registration books not less than 30 days prior to such redemption date. Any notice of redemption may contain a statement that the redemption is conditioned upon the receipt by the Paying Agent of funds on or before the date fixed for redemption sufficient to pay the redemption price of the Bonds so called for redemption, and that if funds are not available, such redemption shall be cancelled by written notice to the owners of the Bonds called for redemption in the same manner as the original redemption notice was sent. All of such Bonds as to which the City reserves and exercises the right of redemption and as to which notice as aforesaid shall have been given and for the redemption of which funds are duly provided, shall cease to bear interest on the redemption date.

Accrued interest on the Bonds shall be payable semiannually on the first day of June and December in each year, commencing December 1, 2024. Interest shall be calculated on the basis of a 360-day year comprised of twelve 30-day months. Payment of interest on the Bonds shall be made to the registered owners appearing on the registration books of the City at the close of business on the fifteenth day of the month next preceding the interest payment date and shall be paid to the registered owners at the addresses shown on such registration books. Principal of the Bonds shall be payable in lawful money of the United States of America to the registered owners or their legal representatives upon presentation and surrender of the Bond or Bonds at the office of the Paying Agent.

The Bonds shall be executed on behalf of the City with the official manual or facsimile signature of the Mayor and attested with the official manual or facsimile signature of the City Clerk, and shall be fully registered Bonds without interest coupons. The issuance of the Bonds shall be recorded in the office of the City Treasurer, and the certificate on the back of each Bond shall be executed with the official manual or facsimile signature of the City Treasurer. In case any officer whose signature or the facsimile of whose signature appears on the Bonds shall cease to be such officer before the delivery of such Bonds, such signature or such facsimile signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

The Bonds shall not be valid or become obligatory for any purpose until the Certificate of Authentication thereon shall have been signed by the Registrar.

All of the Bonds and the interest thereon, together with the Series 2012 Bonds and any additional obligations as may be hereafter issued and outstanding from time to time ranking on a parity therewith under the conditions set forth herein (which additional obligations are hereinafter sometimes referred to as "Parity Obligations"), shall be payable solely from the Net Revenues of the Utility and the Sinking Fund and certain funds pledged to the payment thereof, which are hereby pledged to the payment of the Bonds. The Bonds shall be a valid claim of the owners thereof only against said Net Revenues and Sinking Fund and certain funds pledged to the payment thereof. None of the Bonds shall be a general obligation of the City, nor payable in any manner by taxation, and under no circumstances shall the City be in any manner liable by reason of the failure of the Net Revenues of the Utility to be sufficient for the payment in whole or in part of the Bonds and the interest thereon.



The Bonds shall be fully registered as to principal and interest in the names of the owners on the registration books of the City kept by the Registrar, and after such registration, payment of the principal thereof and interest thereon shall be made only to the registered owners, or their legal representatives or assigns. Each Bond shall be transferable only upon the registration books of the City upon presentation to the Registrar, together with either a written instrument of transfer satisfactory to the Registrar or the assignment form thereon completed and duly executed by the registered owner or the duly authorized attorney for such registered owner.

The record and identity of the owners of the Bonds shall be kept confidential as provided by Section 22.7 of the Code of Iowa.

Section 4. Notwithstanding anything above to the contrary, the Bonds shall be issued initially as Depository Bonds, with one fully registered Bond for each maturity date, in principal amounts equal to the amount of principal maturing on each such date, and registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). On original issue, the Bonds shall be deposited with DTC for the purpose of maintaining a book-entry system for recording the ownership interests of its participants and the transfer of those interests among its participants (the "Participants"). In the event that DTC determines not to continue to act as securities depository for the Bonds or the City determines not to continue the book-entry system for recording ownership interests in the Bonds with DTC, the City will discontinue the book-entry system with DTC. If the City does not select another qualified securities depository to replace DTC (or a successor depository) in order to continue a book-entry system, the City will register and deliver replacement bonds in the form of fully registered certificates, in authorized denominations of \$5,000 or integral multiples of \$5,000, in accordance with instructions from Cede & Co., as nominee for DTC. In the event that the City identifies a qualified securities depository to replace DTC, the City will register and deliver replacement bonds, fully registered in the name of such depository, or its nominee, in the denominations as set forth above, as reduced from time to time prior to maturity in connection with redemptions or retirements by call or payment, and in such event, such depository will then maintain the book-entry system for recording ownership interests in the Bonds.

Ownership interest in the Bonds may be purchased by or through Participants. Such Participants and the persons for whom they acquire interests in the Bonds as nominees will not receive certificated Bonds, but each such Participant will receive a credit balance in the records of DTC in the amount of such Participant's interest in the Bonds, which will be confirmed in accordance with DTC's standard procedures. Each such person for which a Participant has an interest in the Bonds, as nominee, may desire to make arrangements with such Participant to have all notices of redemption or other communications of the City to DTC, which may affect such person, forwarded in writing by such Participant and to have notification made of all interest payments.

The City will have no responsibility or obligation to such Participants or the persons for whom they act as nominees with respect to payment to or providing of notice for such Participants or the persons for whom they act as nominees.

As used herein, the term "Beneficial Owner" shall hereinafter be deemed to include the person for whom the Participant acquires an interest in the Bonds.

DTC will receive payments from the City, to be remitted by DTC to the Participants for subsequent disbursement to the Beneficial Owners. The ownership interest of each Beneficial Owner in the Bonds will be recorded on the records of the Participants whose ownership interest will be recorded on a computerized book-entry system kept by DTC.

When reference is made to any action which is required or permitted to be taken by the Beneficial Owners, such reference shall only relate to those permitted to act (by statute, regulation or otherwise) on behalf of such Beneficial Owners for such purposes. When notices are given, they shall be sent by the City to DTC, and DTC shall forward (or cause to be forwarded) the notices to the Participants so that the Participants can forward the same to the Beneficial Owners.

Beneficial Owners will receive written confirmations of their purchases from the Participants acting on behalf of the Beneficial Owners detailing the terms of the Bonds acquired. Transfers of ownership interest in the Bonds will be accomplished by book entries made by DTC and the Participants who act on behalf of the Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except as specifically provided herein. Interest and principal will be paid when due by the City to DTC, then paid by DTC to the Participants and thereafter paid by the Participants to the Beneficial Owners.

Section 5. The Bonds shall be in substantially the following form:



(Form of Bond)

UNITED STATES OF AMERICA  
STATE OF IOWA  
CEDAR COUNTY  
CITY OF TIPTON

ELECTRIC REVENUE BOND, SERIES 2024

No. \_\_\_\_\_ \$ \_\_\_\_\_

RATE	MATURITY DATE	BOND DATE	CUSIP
_____ %	June 1, ____	March 12, 2024	888164 ____

The City of Tipton (the "City"), in Cedar County, State of Iowa, for value received, promises to pay on the maturity date of this Bond to:

Cede & Co.  
New York, NY

or registered assigns, the principal sum of

THOUSAND DOLLARS

in lawful money of the United States of America upon presentation and surrender of this Bond at the office of UMB BANK, N.A., West Des Moines, Iowa (hereinafter referred to as the "Registrar" or the "Paying Agent") with interest on said sum, until paid, at the rate per annum specified above from the date of this Bond, or from the most recent interest payment date on which interest has been paid, on June 1 and December 1 of each year, commencing December 1, 2024, except as the provisions hereinafter set forth with respect to redemption prior to maturity may be or become applicable hereto. Interest on this Bond is payable to the registered owner appearing on the registration books of the City at the close of business on the fifteenth day of the month next preceding the interest payment date, and shall be paid to the registered owner at the address shown on such registration books. Interest shall be calculated on the basis of a 360-day year comprised of twelve 30-day months.

This Bond shall not be valid or become obligatory for any purpose until the Certificate of Authentication hereon shall have been signed by the Registrar.

This Bond is one of a series of Electric Revenue Bonds, Series 2024 (the "Bonds") issued by the City to evidence its obligation under a certain Loan Agreement, dated as of March 12, 2024 (the "Loan Agreement") entered into by the City for the purpose of paying the cost, to that extent, of acquiring and installing solar generation assets and constructing distribution improvements for the City's municipal electric utility system (the "Utility").

The Bonds are issued pursuant to and in strict compliance with the provisions of Chapter 384 of the Code of Iowa, 2023, and all other laws amendatory thereof and supplemental thereto, and in conformity with a resolution of the City Council authorizing and approving the Loan Agreement and providing for the issuance and securing the payment of the Bonds (the "Resolution"), and reference is hereby made to the Resolution and the Loan Agreement for a more complete statement as to the source of payment of the Bonds and the rights of the owners of the Bonds.

The City reserves the right to optionally prepay part or all of the principal of the Bonds maturing in each of the years 2032 to 2034, inclusive, prior to and in any order of maturity on June 1, 2031, or on any date thereafter upon terms of par and accrued interest. If less than all of the Bonds of any like maturity are to be redeemed, the particular part of those Bonds to be redeemed shall be selected by the Registrar by lot. The Bonds may be called in part in one or more units of \$5,000.

If less than the entire principal amount of any Bond in a denomination of more than \$5,000 is to be redeemed, the Registrar will issue and deliver to the registered owner thereof, upon surrender of such original Bond, a new Bond or Bonds, in any authorized denomination, in a total aggregate principal amount equal to the unredeemed balance of the original Bond. Notice of such redemption as aforesaid identifying the Bond or Bonds (or portion thereof) to be redeemed shall be sent by electronic means or by certified mail to the registered owners thereof at the addresses shown on the City's registration books not less than 30 days prior to such redemption date. All of such Bonds as to which the City reserves and exercises the right of redemption and as to which notice as aforesaid shall have been given and for the redemption of which funds are duly provided, shall cease to bear interest on the redemption date.

The Bonds are not general obligations of the City but, together with the City's outstanding Electric Revenue Bonds, Series 2012, dated March 28, 2012, and any additional obligations as may be hereafter issued and outstanding from time to time ranking on a parity therewith under the conditions set forth in the Resolution, are payable solely and only out of the future Net Revenues of the Utility, a sufficient portion of which has been ordered set aside and pledged for that purpose. This Bond is not payable in any manner by taxation, and under no circumstances shall the City be in any manner liable by reason of the failure of the said Net Revenues to be sufficient for the payment of this Bond and the interest hereon.

This Bond is fully negotiable but shall be fully registered as to both principal and interest in the name of the owner on the books of the City in the office of the Registrar, after which no transfer shall be valid unless made on said books and then only upon presentation of this Bond to the Registrar, together with either a written instrument of transfer satisfactory to the Registrar or the assignment form hereon completed and duly executed by the registered owner or the duly authorized attorney for such registered owner.

The City, the Registrar and the Paying Agent may deem and treat the registered owner hereof as the absolute owner for the purpose of receiving payment of or on account of principal hereof, premium, if any, and interest due hereon and for all other purposes, and the City, the Registrar and the Paying Agent shall not be affected by any notice to the contrary.

And It Is Hereby Certified, Recited and Declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of the Bonds have existed, have happened and have been performed in due time, form and manner, as required by law, and that the issuance of the Bonds does not exceed or violate any constitutional or statutory limitation or provision.

IN TESTIMONY WHEREOF, the City of Tipton, Iowa, by its City Council, has caused this Bond to be executed with the duly authorized facsimile signature of the Mayor and attested with the duly authorized facsimile signature of the City Clerk, all as of March 12, 2024.

CITY OF TIPTON, IOWA

By (DO NOT SIGN)  
Mayor

Attest:

(DO NOT SIGN)  
City Clerk

Registration Date: (Registration Date)

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Resolution.

UMB BANK, N.A.  
West Des Moines, Iowa  
Registrar

By (DO NOT SIGN) \_\_\_\_\_  
Authorized Officer

STATE OF IOWA  
COUNTY OF CEDAR  
CITY OF TIPTON

SS: CITY TREASURER'S CERTIFICATE

The original issuance of the Bonds, of which this Bond is a part, was duly and properly recorded in my office as of March 12, 2024.

By (DO NOT SIGN) \_\_\_\_\_  
City Treasurer, Tipton, Iowa

ABBREVIATIONS

The following abbreviations, when used in this Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	-	as tenants in common	UTMA _____ (Custodian)
TEN ENT	-	as tenants by the entireties	As Custodian for _____ (Minor)
TEN	-	as joint tenants with right of survivorship and not as tenants in common	under Uniform Transfers to Minors Act _____ (State)

Additional abbreviations may also be used though not in the list above.



ASSIGNMENT

For valuable consideration, receipt of which is hereby acknowledged, the undersigned assigns this Bond to

\_\_\_\_\_  
(Please print or type name and address of Assignee)

\_\_\_\_\_  
PLEASE INSERT SOCIAL SECURITY OR OTHER  
IDENTIFYING NUMBER OF ASSIGNEE

and does hereby irrevocably appoint \_\_\_\_\_, Attorney, to transfer this Bond on the books kept for registration thereof with full power of substitution.

Dated: \_\_\_\_\_

Signature guaranteed:

\_\_\_\_\_  
\_\_\_\_\_

Signature(s) must be guaranteed by an eligible guarantor institution which is a member of a recognized signature guarantee program.

\_\_\_\_\_  
NOTICE: The signature to this Assignment must correspond with the name of the registered owner as it appears on this Bond in every particular, without alteration or enlargement or any change whatever.



Section 6. The Bonds shall be executed as herein provided as soon after the adoption of this resolution as may be possible and thereupon they shall be delivered to the Registrar for registration, authentication and delivery to or on behalf of the Underwriter, upon receipt of the loan proceeds (\$1,524,297.30), including original issue premium (\$29,297.30) (the "Loan Proceeds"), and all action heretofore taken in connection with the Loan Agreement is hereby ratified and confirmed in all respects.

A portion of the Loan Proceeds (\$24,355) will be retained by the Underwriter as the Underwriter's Discount.

A portion of the Loan Proceeds (\$1,470,392.30) shall be deposited in a dedicated fund (the "Project Fund"), which is hereby created, to be used for the payment of costs of the Project and to the extent that such proceeds (the "Project Proceeds") remain after the full payment of the costs of the Project, such Project Proceeds, shall be transferred to the Sinking Fund (as hereinafter defined) for the payment of interest on the Bonds.

A prior balance (\$272,000) in the Reserve Fund created under the 2012 Bond Resoution will be combined with the Loan Proceeds, and a portion of that prior balance (\$233,000) will be applied to meet the Required Reserve Fund Balance (as hereinafter defined). The remaining amount of the prior balance in the Reserve Fund (\$39,000) will be deposited into the Project Fund.

The remainder of the Loan Proceeds (\$29,550) (the "Cost of Issuance Proceeds"), received from the sale of the Bonds shall be deposited in the Project Fund, and shall be used for the payment of costs of issuance of the Bonds, and to the extent that Cost of Issuance Proceeds remain after the full payment of the costs of issuance of the Bonds, such Cost of Issuance Proceeds shall be transferred to the Sinking Fund for the payment of interest on the Bonds.

The City shall keep a detailed and segregated accounting of the expenditure of, and investment earnings on, the Loan Proceeds to ensure compliance with the requirements of the Internal Revenue Code, as hereinafter defined.

Section 7. So long as any of the Bonds, the Series 2012 Bonds or any Parity Obligations are outstanding, the City shall continue to maintain the Utility in good condition, and the Utility shall continue to be operated in an efficient manner and at a reasonable cost as a revenue producing undertaking. The City Council shall establish, impose, adjust and provide for the collection of rates to be charged to customers of the Utility, including the City, to produce gross revenues (hereinafter sometimes referred to as the "Gross Revenues") at least sufficient to pay the expenses of operation and maintenance of the Utility, which shall include salaries, wages, cost of maintenance and operation, materials, supplies, insurance and all other items normally included under recognized accounting practices (but does not include allowances for depreciation in the valuation of physical property) (which such expenses are hereinafter sometimes referred to as the "Operating Expenses") and to leave a balance of net revenues (herein referred to as the "Net Revenues") equal to at least 125% of the amount of annual installments of principal of and interest on all of the Bonds, the Series 2012 Bonds and any other Parity Obligations outstanding from time to time, as the same become due, and to maintain a reasonable reserve for the payment of such principal and interest, as hereinafter provided.



Section 8. The provisions, covenants, undertakings and stipulations for the operation of the Utility and for the collection, application and use of the Gross Revenues and income from such operation, as set forth in the 2012 Bond Resolution (including without limitation the establishment and maintenance of the funds described therein) shall inure and appertain to the Bonds to the same extent and with like force and effect as if herein set out in full, except only insofar as the same may be inconsistent with this resolution. Such provisions, covenants, undertakings and stipulations shall remain in full force and effect for the benefit of the Underwriter and the Bonds in the event the Series 2012 Bonds are paid in full or otherwise cease to be outstanding.

Nothing in this resolution shall be construed to impair the rights vested in the registered holders of the Series 2012 Bonds. The amounts herein required to be paid into the various funds hereinafter referred to shall be in addition to all payments required in respect to the 2012 Bond Resolution. The provisions of the 2012 Bond Resolution and the provisions of this resolution are to be construed whenever possible so that the same will not be in conflict. In the event such construction is not possible, the provisions of the resolution first adopted shall prevail until such time as the obligations authorized by such resolution have been paid or otherwise satisfied as therein provided, at which time the provisions of this resolution shall again prevail.

Section 9. From and after the issuance of the Bonds, and throughout the time any of the Bonds, the Series 2012 Bonds or Parity Obligations are outstanding, the Gross Revenues of the Utility shall continue to be set aside into the "Electric Revenue Fund" established in the 2012 Bond Resolution. The Electric Revenue Fund shall be used in maintaining and operating the Utility, and after payment of the Operating Expenses shall, to the extent hereinafter provided, be used to pay the principal of and interest on the Bonds, the Series 2012 Bonds and any Parity Obligations, and to create and maintain the several separate funds hereinafter established.

A. Sinking Fund. The provisions in and by the 2012 Bond Resolution whereby there has been created and is to be maintained an Electric Revenue Bond Sinking Fund (herein referred to as the "Sinking Fund"), and for the payment into said fund from the Net Revenues of the Utility such portion thereof as will be sufficient to pay the interest on and principal of the Series 2012 Bonds, are all hereby ratified and confirmed, and all such provisions shall inure and constitute the security for the payment of the interest on and principal of the Bonds hereby authorized as may be outstanding from time to time; provided, however that on the first day of each month of each year, the minimum amount to be set aside, in addition to the amounts required to be set aside in the 2012 Bond Resolution and paid into the Sinking Fund shall be not less than as follows:

Commencing on April 1, 2024, and continuing to and including, November 1, 2024, an amount equal to 1/8th of the installment of interest coming due on December 1, 2024, and, thereafter, commencing on December 1, 2024, and continuing to final maturity, an amount equal to 1/6th of the installment of interest coming due on the next succeeding interest payment date. In addition, commencing June 1, 2024, an amount equal to 1/12th of the amount coming due on the next succeeding principal payment date, until the full amount of such installment is on hand.



provided, however, that no further payments need be made into the Sinking Fund when and so long as the amount therein is sufficient to retire the Bonds, the Series 2012 Bonds and any Parity Obligations then outstanding which are payable from the Sinking Fund and to pay all interest to become due thereon prior to such retirement, or if provision for such payment has been made. All such payments into the Sinking Fund shall be made in equal monthly installments on the first day of each month, except that when the first day of any month shall be a Sunday or a legal holiday, then such payments shall be made on the next succeeding secular day, and that portion of the Net Revenues on deposit in the Sinking Fund shall be used solely and only and is hereby pledged for the purpose of paying the principal of and interest on the Bonds, the Series 2012 Bonds and any Parity Obligations as the same shall become due and payable.

Money in the Sinking Fund shall be used solely for the purpose of paying principal of and interest on the Bonds, the Series 2012 Bonds and any Parity Obligations as the same shall become due and payable. Whenever Parity Obligations are issued under the conditions and restrictions hereinafter set forth, provisions shall be made for additional payments to be made into the Sinking Fund for the purpose of paying the interest on and principal of such Parity Obligations.

If at any time there be a failure to pay into the Sinking Fund the full amount above stipulated, then an amount equivalent to the deficiency shall be paid into the Sinking Fund from the Net Revenues of the Utility as soon as available, and the same shall be in addition to the amount otherwise required to be so set apart and paid into the Sinking Fund.

No further payments need be made into the Sinking Fund when and so long as the amount therein is sufficient to retire all of the Bonds, the Series 2012 Bonds and any Parity Obligations then outstanding which are payable from the Sinking Fund and to pay all interest to become due thereon prior to such retirement, or if provision for such payment has been made.

All of such payments required to be made into the Sinking Fund shall be made in equal monthly installments on the first day of each month, except that when the first day of any month shall be a Sunday or legal holiday, then such payments shall be made on the next succeeding secular day. Sinking Fund from the Net Revenues of the Utility as soon as available, and the same shall be in addition to the amount otherwise required to be so set apart and paid into the Sinking Fund.

B. Reserve Fund. The provisions in and by the Series 2012 Bond Resolution whereby there has been created and is to be maintained a special fund to be known and designated as the Reserve Fund into which there shall be set apart and paid all of the Net Revenues remaining after first making the required payments into the Sinking Fund are all hereby ratified and confirmed. Inclusive of the amounts required to be deposited into the Reserve Fund under the Series 2012 Bond Resolution, at the time of delivery of the Bonds, the sum of \$233,000 (the "Required Reserve Fund Balance") shall continue to be maintained in the Reserve Fund, which amount is equal to the least of (a) the maximum annual amount of the principal and interest coming due on the Bonds, the Series 2012 Bonds, and any Parity Obligations which are secured by the Reserve Fund; (b) 10% of the stated principal amount of the Bonds, the Series 2012 Bonds, and any Parity Obligations which are secured by the Reserve Fund; or (c) 125% of the average annual principal and interest coming due on the Bonds, the Series 2012 Bonds, and any Parity



Obligations which are secured by the Reserve Fund. Whenever the sum on deposit in the Reserve Fund has been reduced to less than the Required Reserve Fund Balance by the expenditure of all or a portion of such funds in order to prevent or remedy a deficiency in the Sinking Fund, there shall be deposited into the Reserve Fund in each month an amount equal to 25 percent of the amount required by this Resolution and the Series 2012 Bond Resolution to be deposited into the Sinking Fund in such month. Such payments shall continue until such time as the sum on deposit in the Reserve Fund shall be at least equal to the Required Reserve Fund Balance.

All money credited to the Reserve Fund shall be used and is hereby pledged for the payment of the principal of and interest on the Bonds, the Series 2012 Bonds, and Parity Obligations which are secured by the Reserve Fund whenever for any reason the funds on deposit in the Sinking Fund are insufficient to pay such principal and interest when due. If and to whatever extent Parity Obligations which are to be secured by the Reserve Fund shall be issued under the conditions set forth in this resolution, and the terms of such Parity Obligations require the establishment and maintenance of a debt service reserve fund, provision shall be made to create and maintain a reasonable reserve therefor. To the extent that the terms of the resolution authorizing any future Parity Obligation do not require the establishment and maintenance of a Reserve Fund, then the City shall be under no obligation to make provision therefor beyond the ongoing maintenance of the Required Reserve Fund Balance set forth herein. Under such circumstances, the holders of such future Parity Obligations shall have no rights against or interest in the funds on deposit in the Reserve Fund.

All money credited to the Reserve Fund shall be transferred and credited to the Sinking Fund whenever necessary to prevent or remedy a default in the payment of the principal of or interest on the Bonds, the Series 2012 Bonds, and any Parity Obligations secured by the Reserve Fund.

C. Improvement Fund. There is hereby created, and shall be maintained, a special fund to be known and designated as the Improvement Fund, into which there shall be set apart and paid from legally available funds of the Utility at the time of the delivery of the Bonds the sum of \$250,000 (the "Required Improvement Fund Balance"). The Required Improvement Fund Balance shall remain at \$250,000 until such time as all of the Bonds and the Bonds have been paid in full, both principal and interest, or provision for such payment has been made. Whenever the sum on deposit in the Improvement Fund has been reduced to less than the Required Improvement Fund Balance by the expenditure of all or a portion of such funds for any of the permitted purposes, monthly payments of \$50,000 shall be deposited into such Improvement Fund from the Net Revenues remaining after first making the required deposits into the Sinking Fund and the Reserve Fund, and after the Reserve Fund contains the Required Reserve Fund Balance, until the sum on deposit in the Improvement Fund has been restored to the Required Improvement Fund Balance. From and after the issuance of the Bonds and throughout the time any of the Bonds, the Series 2012 Bonds or any Parity Obligations are outstanding, money on deposit in the Improvement Fund not otherwise specially limited by other provisions contained herein shall be used solely and only for the following purposes and with the following priorities:



First, if for any reason there exists a deficiency in the required balance in the Sinking Fund and provided sufficient amounts are not available in the Revenue Fund to pay such deficiency, there shall be paid into the Sinking Fund an amount equal to the deficiency from the amounts on deposit in the Improvement Fund.

Second, said money shall be transferred and credited to the Reserve Fund whenever any deficiency may exist in the Reserve Fund.

Third, not exceeding one half (1/2) of the amount required to be paid into the Improvement Fund each month may be pledged, set aside, used and applied to the payment of principal of and interest on subordinate revenue bonds issued to pay the cost of making necessary improvements and extensions to the Utility, provided there has first been procured and filed with the City the written opinion of a reputable consulting engineer employed by the City that the proposed improvements and extensions are required to insure the continued efficient and successful operation of the Utility.

Fourth, to pay for the cost of capital improvements and extensions to the Utility provided, however, that prior to the expenditure no deficiency exists in the amounts required to be paid into the Sinking Fund and the Reserve Fund, and there has first been procured and placed on file with the City the written opinion of a reputable consulting engineer employed by the City that the proposed capital improvements and extensions are required to insure the continued efficient and successful operation of the Utility.

D. Surplus Fund. There shall continue to be maintained a special fund to be known and designated as the Surplus Fund into which there shall be set apart and paid all of the Net Revenues remaining after first making any required payments into the Sinking Fund, the Reserve Fund and the Improvement Fund and after the Reserve Fund and the Improvement Fund each contain the required balances, and. All money credited to the Surplus Fund shall be transferred and credited to the Sinking Fund whenever necessary to prevent or remedy a default in the payment of the principal of or interest on the Bonds, the Series 2012 Bonds and any Parity Obligations or shall be transferred and credited to the Reserve Fund whenever any deficiency may exist in the Reserve Fund or shall be transferred and credited to the Improvement Fund whenever any deficiency may exist in the Improvement Fund.

As long as the Sinking Fund, the Reserve Fund and the Improvement Fund have the full amounts required to be deposited therein by this resolution, any balance in the Surplus Fund may be made available to the City as the City Council, or such other duly constituted body as may then be charged with the operation of the Utility, may from time to time direct.

Section 10. All of such payments required to be made into any fund created or to be maintained under the terms of this resolution shall be made in equal monthly installments as hereinbefore provided on the first day of each month, except that when the first day of any month shall be a Sunday or legal holiday, then such payments shall be made on the next succeeding secular day, and all money held in any fund created or to be maintained under the terms of this



resolution shall be deposited in lawful depositories of the City or invested in accordance with Chapters 12B and 12C of the Code of Iowa and continuously held and secured as provided by the laws of the State of Iowa relating to the depositing, securing, holding and investing of public funds. All interest received by the City as a result of investments under this section shall be deposited in or transferred to the Sinking Fund and used solely and only for the purposes specified herein for such fund.

Section 11. The City hereby covenants and agrees with the owner or owners of the Bonds, the Series 2012 Bonds and any Parity Obligations, or any of them, that may be outstanding from time to time, that it will faithfully and punctually perform all duties with reference to the Utility required and provided by the Constitution and laws of the State of Iowa, that it will segregate the Gross Revenues of the Utility and make application thereof in accordance with the provisions of this resolution and that it will not sell, lease or in any manner dispose of the Utility or any part thereof, including any and all extensions and additions that may be made thereto, until all of the Bonds, the Series 2012 Bonds and any Parity Obligations have been paid in full, both principal and interest, or unless and until provision shall have been made for the payment thereof in full, both principal and interest; provided, however, that the City may dispose of any property which in the judgment of the City Council, or the duly constituted body as may then be charged with the operation of the Utility, is no longer useful or profitable in the operation of the Utility nor essential to the continued operation thereof and when the sale thereof will not operate to reduce the revenues to be derived from the operation of the Utility.

Section 12. Upon a breach or default of a term of the Bonds, the Series 2012 Bonds or any Parity Obligations and this resolution, a proceeding may be brought in law or in equity by suit, action or mandamus to enforce and compel performance of the duties required under the terms of this resolution and Division V of Chapter 384 of the Code of Iowa or an action may be brought to obtain the appointment of a receiver to take possession of and operate the Utility and to perform the duties required by this resolution and Division V of Chapter 384 of the Code of Iowa.

Section 13. The Bonds, the Series 2012 Bonds or any Parity Obligations shall not be entitled to priority or preference one over the other in the application of the Net Revenues of the Utility, regardless of the time or times of the issuance thereof, it being the intention of the City that there shall be no priority among the Bonds, the Series 2012 Bonds or Parity Obligations, regardless of the fact that they may have been actually issued and delivered at different times. The City hereby covenants and agrees that so long as any of the Bonds, the Series 2012 Bonds or any Parity Obligations are outstanding and unpaid, no other bonds or obligations payable from the Net Revenues of the Utility will be issued except upon the basis of such bonds or obligations being subject to the priority and security for payment of the Bonds, the Series 2012 Bonds or any Parity Obligations then outstanding; provided, however, that the City reserves the right and privilege of issuing Parity Obligations in order to pay the cost of improvements and extensions to the Utility or for refunding any bonds or obligations payable from the Net Revenues of the Utility, but only if the officially reported Net Revenues of the Utility for the last preceding fiscal year prior to the issuance of such Parity Obligations (with adjustments as hereinafter provided) were equal to at least 125% of the maximum amount of principal and interest that will become due in any subsequent year during the life of the Bonds for the Bonds, the Series 2012 Bonds and any Parity Obligations then outstanding and the Parity Obligations then proposed to be issued.



The amount of Gross Revenues of the Utility may be adjusted for the purpose of the foregoing computations by an independent consulting engineer or, after the Series 2012 Bonds are no longer outstanding, a municipal financial advisor, in either case, not a regular employee of the City, so as to reflect any revision in the schedule of rates and charges being imposed at the time of the issuance of any such Parity Obligations.

Obligations issued to refund the Bonds, the Series 2012 Bonds or any Parity Obligations shall not be subject to the foregoing restrictions, provided the Bonds, the Series 2012 Bonds or Parity Obligations being refunded mature within three (3) months of the date of such refunding and no other funds are available to pay such maturing Bonds, the Series 2012 Bonds or Parity Obligations, or the issuance of the refunding obligations will not cause an increase in the annual debt service requirements during the life of any of the Bonds, the Series 2012 Bonds or any Parity Obligations then outstanding which are not being refunded but otherwise any Parity Obligations shall only be issued subject to the restrictions of this resolution.

Section 14. The City agrees that so long as the Bonds, the Series 2012 Bonds or any Parity Obligations remain outstanding, it will maintain insurance for the benefit of the owners of the Bonds, the Series 2012 Bonds and any Parity Obligations on the insurable portions of the Utility of a kind and in an amount which usually would be carried by private companies or municipalities engaged in a similar type of business. The City will keep proper books of record and account, separate from all other records and accounts, showing the complete and correct entries of all transactions relating to the Utility, and the owners of the Bonds, the Series 2012 Bonds or any Parity Obligations shall have the right at all reasonable times to inspect the Utility and all records, accounts and data of the City relating thereto.

Section 15. The provisions of this resolution shall constitute a contract between the City and the owners of the Bonds, and after the issuance of the Bonds, no change, variation or alteration of any kind of the provisions of this resolution shall be made which will adversely affect the owners of the Bonds until all of the Bonds and the interest thereon shall have been paid in full, except as hereinafter provided.

The owners of a majority in principal amount of the Bonds, the Series 2012 Bonds and Parity Obligations at any time outstanding (not including in any case any obligations which may be then held or owned by or for the account of the City, but including such obligations as may be issued for the purpose of refunding any of the Bonds, the Series 2012 Bonds or any Parity Obligations if such obligations shall not then be owned by the City) shall have the right from time to time to consent to and approve the adoption by the City Council, or such other duly constituted body as may then be charged with the operation of the Utility, of a resolution or resolutions modifying or amending any of the terms or provisions contained in this resolution; provided, however, that this resolution may not be so modified or amended in such manner as to:

- a. make any change in the maturity or redemption terms of the Bonds, the Series 2012 Bonds or any Parity Obligations;
- b. make any change in the rate of interest borne by the Bonds, the Series 2012 Bonds or any Parity Obligations;

- c. reduce the amount of the principal payable on any Bonds, Series 2012 Bonds or Parity Obligations;
- d. modify the terms of payment of principal of or interest on the Bonds, the Series 2012 Bonds or any Parity Obligations, or any of them, or impose any conditions with respect to such payment;
- e. affect the rights of the owners of less than all of the Bonds, the Series 2012 Bonds or any Parity Obligations then outstanding; or
- f. reduce the percentage of the principal amount of the Bonds, the Series 2012 Bonds or any Parity Obligations, the consent of the owners of which shall be required to effect a further modification.

Whenever the City shall propose to amend or modify this resolution under the provisions of this section, it shall (1) prior to the publication of the notice hereinafter provided for in (2), cause notice of the proposed amendment to be mailed to each of the owners of the Bonds, the Series 2012 Bonds and Parity Obligations at the addresses appearing on the registration books of the City and also to the Lender, and (2) cause notice of the proposed amendment to be published one time in a newspaper published and/or having a general circulation in the City of Tipton, Iowa. Such notice shall briefly set forth the nature of the proposed amendment and shall state that a copy of the proposed amendatory resolution is on file in the office of the City Clerk.

If the owners of at least a majority in aggregate principal amount of the Bonds, the Series 2012 Bonds or any Parity Obligations outstanding at the time of the adoption of such amendatory resolution shall have consented to and approved the adoption thereof as herein provided, no owner of any Bonds, the Series 2012 Bonds or Parity Obligations shall have any right or interest to object to the adoption of such amendatory resolution or to object to any of the terms or provisions therein contained or to the operation thereof or to enjoin or restrain the City from taking any action pursuant to the provisions thereof.

Any consent given by the owners of a Bond, Outstanding Bond or Parity Obligation pursuant to the provisions of this section shall be irrevocable for a period of six (6) months from the date of such consent and shall be conclusive and binding upon all future owners of the same Bond, Outstanding Bond or Parity Obligation during such period. Such consent may be revoked at any time after six (6) months from the date of such consent by the owner who gave such consent or by a successor in title, but such revocation shall not be effective if the owners of a majority in aggregate principal amount of the Bonds, the Series 2012 Bonds and Parity Obligations outstanding as in this section defined shall have, prior to the attempted revocation, consented to and approved the amendatory resolution referred to in such revocation.

The fact and date of the execution of any instrument under the provisions of this section may be proved by the certificate of any officer in any jurisdiction who by the laws thereof is authorized to take acknowledgments of deeds within such jurisdiction, that the persons signing such instrument acknowledged before him the execution thereof, or may be proved by an affidavit of a witness to such execution sworn to before such officer.



Section 16. It is the intention of the City that interest on the Bonds be and remain excluded from gross income for federal income tax purposes pursuant to the appropriate provisions of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations in effect with respect thereto (all of the foregoing herein referred to as the "Internal Revenue Code"). In furtherance thereof the City covenants to comply with the provisions of the Internal Revenue Code as they may from time to time be in effect or amended and further covenants to comply with applicable future laws, regulations, published rulings and court decisions as may be necessary to insure that the interest on the Bonds will remain excluded from gross income for federal income tax purposes. Any and all of the officers of the City are hereby authorized and directed to take any and all actions as may be necessary to comply with the covenants herein contained.

The City hereby designates the Bonds as "Qualified Tax Exempt Obligations" as that term is used in Section 265(b)(3)(B) of the Internal Revenue Code.

Section 17. The Securities and Exchange Commission (the "SEC") has promulgated certain amendments to Rule 15c2-12 under the Securities Exchange Act of 1934 (17 C.F.R. § 240.15c2-12) (the "Rule") that make it unlawful for an underwriter to participate in the primary offering of municipal securities in a principal amount of \$1,000,000 or more unless, before submitting a bid or entering into a purchase contract for such securities, an underwriter has reasonably determined that the issuer or an obligated person has undertaken in writing for the benefit of the holders of such securities to provide certain disclosure information to prescribed information repositories on a continuing basis so long as such securities are outstanding.

On the date of issuance and delivery of the Bonds, the City will execute and deliver a Continuing Disclosure Certificate pursuant to which the City will undertake to comply with the Rule. The City covenants and agrees that it will comply with and carry out the provisions of the Continuing Disclosure Certificate. Any and all of the officers of the City are hereby authorized and directed to take any and all actions as may be necessary to comply with the Rule and the Continuing Disclosure Certificate.

Section 18. If any section, paragraph, clause or provision of this resolution shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this resolution.

Section 19. All resolutions and orders or parts thereof in conflict with the provisions of this resolution are, to the extent of such conflict, hereby repealed.

Section 20. This resolution shall be in full force and effect immediately upon its adoption and approval, as provided by law.

Passed and approved February 26, 2024.

---

Mayor

Attest:

\_\_\_\_\_  
City Clerk

• • • •

On motion and vote, the meeting adjourned.

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

STATE OF IOWA  
COUNTY OF CEDAR  
CITY OF TIPTON

SS:

I, the undersigned, do hereby certify that I have in my possession or have access to the complete corporate records of the City and of its City Council and officers and that I have carefully compared the transcript hereto attached with the aforesaid corporate records and that the transcript hereto attached is a true, correct and complete copy of all the corporate records in relation to the authorization and approval of a certain Loan Agreement and the issuance of \$1,495,000 Electric Revenue Bonds, Series 2024 of said City evidencing the City's obligation under the Loan Agreement and that the transcript hereto attached contains a true, correct and complete statement of all the measures adopted and proceedings, acts and things had, done and performed up to the present time with respect thereto.

I further certify that no objections were filed in my office and no objections of any kind were made to the matter of entering into such Loan Agreement or issuing such Bonds at the time and place set for hearing thereon and that no petition of protest or objections of any kind have been filed or made, nor has any appeal been taken to the District Court from the decision of the City Council to enter into the Loan Agreement or to issue the Bonds.

WITNESS MY HAND this \_\_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_  
City Clerk

STATE OF IOWA  
COUNTY OF CEDAR  
CITY OF TIPTON

SS:

I, the undersigned, City Clerk of the City of Tipton, do hereby certify that the City did heretofore establish a Municipal Electric Utility System (hereinafter referred to as the "Utility"), that the management and control of the Utility are vested in the City Council of the City, and that no board of trustees exists which has any part of the control and management of such Utility.

I further certify that there is not pending or threatened any question or litigation whatsoever touching the establishment, improvement or operation of such Utility and that there are no bonds or other obligations of any kind now outstanding which are payable from or constitute a lien upon the revenues derived from the operation of such Utility, except for the City's Electric Revenue Bonds, Series 2012, dated March 28, 2012; and the Bonds currently being issued by the City.

WITNESS MY HAND this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_  
City Clerk



LOAN AGREEMENT

This Loan Agreement is entered into as of March 12, 2024, by and between the City of Tipton, Iowa (the "City"), and Bernardi Securities, Inc., Northfield, Illinois (the "Purchaser"). The parties agree as follows:

1. The Purchaser shall loan to the City the sum of \$1,495,000, and the City's obligation to repay hereunder shall be evidenced by the issuance of Electric Revenue Bonds, Series 2024, in the aggregate principal amount of \$1,495,000 (the "Bonds").

2. The City adopted a resolution on February 26, 2024 (the "Resolution") authorizing and approving this Loan Agreement and providing for the issuance of the Bonds for the purpose or purposes set forth in the Resolution. The Resolution is incorporated herein by reference, and the parties agree to abide by the terms and provisions of the Resolution. Principal of the Bonds and the interest thereon, together with any additional obligations as may be hereafter issued and outstanding from time to time under the conditions set forth in the Resolution, shall be payable solely and only from the Net Revenues of the Municipal Electric Utility System of the City (the "Net Revenues"), a sufficient portion of which has been ordered set aside and pledged for such purpose under the provisions of the Resolution.

3. The loan proceeds (the "Loan Proceeds") shall be used for the purposes set forth in the Resolution. Any remaining Loan Proceeds, including accrued interest, if any, shall be deposited in the Sinking Fund (as defined in the Resolution) and shall be held therein and used, along with other amounts on deposit in such fund, to pay interest due on the Bonds on the first interest payment date.

4. The Bonds, in substantially the form set forth in the Resolution, shall be executed and delivered to or on behalf of the Purchaser to evidence the City's obligation to repay the amounts payable hereunder. The Bonds shall be dated March 12, 2024, shall be in denominations of \$5,000 or integral multiples thereof, shall bear interest, shall be payable as to principal on the dates and in the amounts, shall be subject to prepayment prior to maturity and shall contain such other terms and provisions as provided in the Bonds and the Resolution.

5. Neither this Loan Agreement nor any of the Bonds shall constitute a general obligation of the City, nor be payable by taxation, and under no circumstances shall the City be in any manner liable by reason of the failure of the aforesaid Net Revenues to be sufficient to pay the Bonds and the interest thereon or to otherwise discharge the City's obligation hereunder.

6. This Loan Agreement is executed pursuant to the provisions of Section 384.24A of the Code of Iowa and shall be read and construed as conforming to all provisions and requirements of the statute.

IN WITNESS WHEREOF, we have hereunto affixed our signatures all as of the date first above written .

CITY OF TIPTON, IOWA

By \_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

BERNARDI SECURITIES, INC.  
Northfield, Illinois

By \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name and Title)

## CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the City of Tipton, Iowa (the “Issuer”), in connection with the issuance of the \$1,495,000 Electric Revenue Bonds, Series 2024 (the “Bonds”), dated March 12, 2024. The Bonds are being issued pursuant to a resolution of the Issuer approved on February 26, 2024 (the “Resolution”). The Issuer covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriters in complying with S.E.C. Rule 15c2-12.

Section 2. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“Beneficial Owner” shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“Dissemination Agent” shall mean the Dissemination Agent, if any, designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

“EMMA” shall mean the MSRB’s Electronic Municipal Market Access system available at <http://emma.msrb.org>.

“Financial Obligation” shall mean a (i) debt obligation, (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or, (iii) guarantee of either (i) or (ii). The term “Financial Obligation” shall not include municipal securities as to which a final official statement has been provided to the MSRB pursuant to the Rule.

“Holders” shall mean the registered holders of the Bonds, as recorded in the registration books of the Registrar.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.



“Municipal Securities Rulemaking Board” or “MSRB” shall mean the Municipal Securities Rulemaking Board, 1300 I Street NW, Suite 1000, Washington, DC 20005.

“Participating Underwriter” shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“Rule” shall mean Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“State” shall mean the State of Iowa.

Section 3. Provision of Annual Reports.

(a) To the extent such information is customarily prepared by the Issuer and is made publicly available, not later than June 30 (the “Submission Deadline”) of each year following the end of the 2022-2023 fiscal year, the Issuer shall, or shall cause the Dissemination Agent (if any) to, file on EMMA an electronic copy of its Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate in a format and accompanied by such identifying information as prescribed by the MSRB. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report and later than the Submission Deadline if they are not available by that date. If the Issuer’s fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(c), and the Submission Deadline beginning with the subsequent fiscal year will become one year following the end of the changed fiscal year.

(b) If the Issuer has designated a Dissemination Agent, then not later than fifteen (15) business days prior to the Submission Deadline, the Issuer shall provide the Annual Report to the Dissemination Agent.

(c) If the Issuer is unable to provide an Annual Report by the Submission Deadline, in a timely manner thereafter, the Issuer shall, or shall cause the Dissemination Agent (if any) to, file a notice on EMMA stating that there has been a failure to provide an Annual Report on or before the Submission Deadline.

Section 4. Content of Annual Reports. The Issuer’s Annual Report shall contain or include by reference the following:

(a) The **Audited Financial Statements** of the Issuer for the prior fiscal year, prepared in accordance with generally accepted accounting principles promulgated by the Financial Accounting Standards Board as modified in accordance with the governmental accounting standards promulgated by the Governmental Accounting Standards Board or as otherwise provided under State law, as in effect from time to time, or, if and to the extent such audited financial statements have not been prepared in accordance with generally accepted accounting principles, noting the discrepancies therefrom and the

effect thereof. If the Issuer's audited financial statements are not available by the Submission Deadline, the Annual Report shall contain unaudited financial information (which may include any annual filing information required by State law) accompanied by a notice that the audited financial statements are not yet available, and the audited financial statements shall be filed on EMMA when they become available.

(b) other financial information and operating data regarding the Issuer of the type presented in the final official statement distributed in connection with the primary offering of the Bonds; provided, however, other than information included in its audited financial statements, the Issuer does not customarily prepare or make publicly available, most of the information in the final official statement, and accordingly no financial information or operating data (other than that normally included in the audited financial statements) will be provided by the Issuer in the Annual Report other than the following:

**Description of City Municipal Electric Utility  
Rates and Charges**

**Historical Information  
Electricity Produced, Purchased and Cost  
Electric Sales  
Peak Demand  
Electric Accounts Served  
10 Largest Electric Users**

**Electric Utility Debt Information**

**Financial Information  
Electric Fund Statement of Cash Receipts, Disbursements and  
Changes in Cash Balance**

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Issuer or related public entities, which are available on EMMA or are filed with the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available on EMMA. The Issuer shall clearly identify each such other document so included by reference.

Section 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the Issuer shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds:

- (1) Principal and interest payment delinquencies.
- (2) Non-payment related defaults, if material.



(3) Unscheduled draws on debt service reserves reflecting financial difficulties.

(4) Unscheduled draws on credit enhancements reflecting financial difficulties.

(5) Substitution of credit or liquidity providers, or their failure to perform.

(6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security.

(7) Modifications to rights of security holders, if material.

(8) Bond calls, if material, and tender offers.

(9) Defeasances.

(10) Release, substitution, or sale of property securing repayment of the securities, if material.

(11) Rating changes.

(12) Bankruptcy, insolvency, receivership or similar event of the obligated person.

Note to paragraph (12): For the purposes of the event identified in subparagraph (12), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(13) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive

agreement relating to any such actions, other than pursuant to its terms, if material.

(14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

(15) Incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material.

(16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.

(b) If a Listed Event described in Section 5(a) paragraph (2), (7), (8) (but only with respect to bond calls under (8)), (10), (13), (14) or (15) has occurred and the Issuer has determined that such Listed Event is material under applicable federal securities laws, the Issuer shall, in a timely manner but not later than ten business days after the occurrence of such Listed Event, promptly file, or cause to be filed, a notice of such occurrence on EMMA, with such notice in a format and accompanied by such identifying information as prescribed by the MSRB.

(c) If a Listed Event described in Section 5(a) paragraph (1), (3), (4), (5), (6), (8) (but only with respect to tender offers under (8)), (9), (11), (12) or (16) above has occurred the Issuer shall, in a timely manner but not later than ten business days after the occurrence of such Listed Event, promptly file, or cause to be filed, a notice of such occurrence on EMMA, with such notice in a format and accompanied by such identifying information as prescribed by the MSRB. Notwithstanding the foregoing, notice of Listed Events described in Section (5)(a) paragraphs (8) and (9) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Holders of affected Bonds pursuant to the Resolution.

Section 6. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds or upon the Issuer's receipt of an opinion of nationally recognized bond counsel to the effect that, because of legislative action or final judicial action or administrative actions or proceedings, the failure of the Issuer to comply with the terms hereof will not cause Participating Underwriters to be in violation of the Rule or other applicable requirements of the Securities Exchange Act of 1934, as amended.

Section 7. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or Annual Report prepared by the Issuer pursuant to this Disclosure Certificate. The initial Dissemination Agent shall Speer Financial, Inc.



Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) (i) the amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted; (ii) the undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and (iii) the amendment or waiver either (1) is approved by a majority of the Holders, or (2) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners; or

(b) the amendment or waiver is necessary to comply with modifications to or interpretations of the provisions of the Rule as announced by the Securities and Exchange Commission.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the Issuer shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing audited financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(c), and (ii) the Annual Report for the year in which the change is made will present a comparison or other discussion in narrative form (and also, if feasible, in quantitative form) describing or illustrating the material differences between the audited financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate, any Holder or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Certificate. Direct, indirect, consequential and punitive damages shall not be recoverable by any person for

any default hereunder and are hereby waived to the extent permitted by law. A default under this Disclosure Certificate shall not be deemed an event of default under the Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

Section 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent, if any, shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Issuer agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

Section 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriters and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Dated: March 12, 2024

CITY OF TIPTON, IOWA

By \_\_\_\_\_  
Mayor

Attest:

By \_\_\_\_\_  
City Clerk



## REGISTRAR / PAYING AGENT AGREEMENT

THIS AGREEMENT is made and entered into this March 12, 2024 (the “Dated Date”) by and between the City of Tipton, Iowa hereinafter called “ISSUER”, and UMB Bank, n.a., a national banking association with its principal payment office in Kansas City, Missouri, in its capacity as paying agent and registrar, hereinafter called the “AGENT”.

WHEREAS, the ISSUER has issued, or is currently in the process of issuing, pursuant to an ordinance, resolution, order, final terms certificate, notice of sale or other authorizing instrument of the governing body of the ISSUER, hereinafter collectively called the “Bond Document” certain bonds, certificates, notes and/or other debt instruments, more particularly described as \$1,495,000 Electric Revenue Bonds, Series 2024 hereinafter called the “Bonds”; and

WHEREAS, pursuant to the Bond Document, the ISSUER has designated and appointed the AGENT as agent to perform registrar and paying agent services, to wit: establishing and maintaining a record of the owners of the Bonds, effecting the transfer of ownership of the Bonds in an orderly and efficient manner, making payments of principal and interest when due pursuant to the terms and conditions of the Bonds, and for other related purposes; and

WHEREAS, the AGENT has represented that it possesses the necessary qualifications and maintains the necessary facilities to properly perform the required services as such registrar and paying agent and is willing to serve in such capacities for the ISSUER;

NOW THEREFORE, in consideration of mutual promises and covenants herein contained the parties agree as follows:

1. The ISSUER has designated and appointed the AGENT as registrar and paying agent of the Bonds pursuant to the Bond Document, and the AGENT has accepted such appointment and agrees to provide the services set forth therein and herein.
2. The ISSUER agrees to deliver or cause to be delivered to the AGENT a transcript of the proceedings related to the Bonds to contain the following documents:
  - a) A copy of the Bond Document, and the consent or approval of any other governmental or regulatory authority, required by law to approve or authorize the issuance of the Bonds;
  - b) A written opinion by an attorney or by a firm of attorneys with a nationally recognized standing in the field of municipal bond financing, and any supporting or supplemental opinions, to the effect that the Bonds and the Bond Document have been duly authorized and issued by, are legally binding upon and are enforceable against the ISSUER;
  - c) A closing certificate of the ISSUER, a closing certificate and/or receipt of the purchaser(s) of the Bonds, and such other documents related to the issuance of the Bonds as the Agent reasonably deems necessary or appropriate; and
  - d) Unless Paragraph 20 hereof is applicable, in addition to the transcript of proceedings a reasonable supply of blank Bond certificates bearing the manual or facsimile signatures of

officials of the ISSUER authorized to sign certificates and, if required by the Bond Document, impressed with the ISSUER's seal or facsimile thereof, to enable the AGENT to provide Bond Certificates to the holders of the Bonds upon original issuance or the transfer thereof.

The foregoing documents may be subject to the review and approval of legal counsel for the AGENT. Furthermore, the ISSUER shall provide to the AGENT prompt written notification of any future amendment or change in respect of any of the foregoing, together with such documentation as the AGENT reasonably deems necessary or appropriate.

3. Unless Paragraph 20 hereof is applicable, Bond certificates provided by the ISSUER shall be printed in a manner to minimize the possibility of counterfeiting. This requirement shall be deemed satisfied by use of a certificate format meeting the standard developed by the American National Standards Committee or in such other format as the AGENT may accept by its authentication thereof. The AGENT shall have no responsibility for the form or contents of any such certificates. The ISSUER shall, while any of the Bonds are outstanding, provide a reasonable supply of additional blank certificates at any time upon request of the AGENT. All such certificates shall satisfy the requirements set forth in Paragraphs 2(d) and 3.

4. The AGENT shall initially register and authenticate, pursuant to instructions from the ISSUER and/or the initial purchaser(s) of the Bonds, one or more Bonds and shall enter into a Bond registry record the certificate number of the Bond and the name and address of the owner. The AGENT shall maintain such registry of owners of the Bonds until all the Bonds have been fully paid and surrendered. The initial owner of each Bond as reflected in the registry of owners shall not be changed except upon transfers of ownership and in accordance with procedures set forth in the Bond Document or this Agreement.

5. Transfers of ownership of the Bonds shall be made by the AGENT as set forth in the Bond Document. Absent specific guidelines in the Bond Document, transfers of ownership of the Bonds shall be made by the AGENT only upon delivery to the AGENT of a properly endorsed Bond or of a Bond accompanied by a properly endorsed transfer instrument, accompanied by such documents as the AGENT may deem necessary to evidence the authority of the person making the transfer, and satisfactory evidence of compliance with all applicable laws relating to the collection of taxes. The AGENT reserves the right to refuse to transfer any Bond until it is satisfied that each necessary endorsement is genuine and effective, and for that purpose it may require guarantees of signatures in accordance with applicable rules of the Securities and Exchange Commission and the standards and procedures of the AGENT, together with such other assurances as the AGENT shall deem necessary or appropriate. The AGENT shall incur no liability for delays in registering transfers as a result of inquiries into adverse claims or for the refusal in good faith to make transfers which it, in its judgment, deems improper or unauthorized. Upon presentation and surrender of any duly registered Bond and satisfaction of the transferability requirements, the AGENT shall (a) cancel the surrendered Bond; (b) register a new Bond(s) as directed in the same aggregate principal amount and maturity; (c) authenticate the new Bond(s); and (d) enter the transferee's name and address, together with the certificate number of the new Bond(s), in its registry of owners.

6. The AGENT may deliver Bonds by first class, certified, or registered mail, or by courier.



7. Ownership of, payment of the principal amount of, redemption premium, if any, and interest due on the Bonds and delivery of notices shall be subject to the provisions of the Bond Document, and for all other purposes. The AGENT shall have no responsibility to determine the beneficial owners of any Bonds and shall owe no duties to any such beneficial owners. Upon written request and reasonable notice from the ISSUER, the AGENT will mail, at the ISSUER's expense, notices or other communications from the ISSUER to the holders of the Bonds as recorded in the registry maintained by the AGENT.

8. Unless the Bond Document provides otherwise, the ISSUER shall, without notice from or demand of the AGENT, provide to the AGENT funds that are immediately available at least one business day prior to the relevant interest and/or principal payment date, sufficient to pay on each interest payment date and each principal payment date, all interest and principal then payable under the terms and provisions of the Bond Document and the Bonds. The AGENT shall have no responsibility to make any such payments to the extent ISSUER has not provided sufficient immediately available funds to AGENT on the relevant payment date. Unless the Bond Document provides otherwise, in the event that an interest and/or principal payment date shall be a date that is not a business day, payment may be made on the next succeeding business day and no interest shall accrue. The term "business day" shall include all days except Saturdays, Sundays and legal holidays recognized by the Federal Reserve Bank of Kansas City, Missouri.

9. Unless otherwise provided in the Bond Document and subject to the provisions of Paragraph 12 hereof, to the extent that the ISSUER has made sufficient funds available to it, the AGENT will pay to the record owners of the Bonds as of any record date (as specified in the Bond certificate or Bond Document) the interest due thereon as of the related interest payment date or any redemption date and, will pay upon presentation and surrender of such Bond at maturity or earlier date of redemption to the owner of any Bond, the principal or redemption amount of such Bond.

10. The AGENT may make a charge against any Bond owner sufficient for the reimbursement of any governmental tax or other charge required to be paid for any reason, including, but not limited to, failure of such owner to provide a correct taxpayer identification number to the AGENT. Such charge may be deducted from an interest or principal payment due to such owner.

11. Unless payment of interest, principal, and redemption premium, if any, is made by electronic transfer all payments will be made by check or draft and mailed to the last address of the owner as reflected on the registry of owners, or to such other address as directed in writing by the owner. In the event of payment of interest, the principal amount of and redemption premium, if any, by electronic transfer, the AGENT shall make payment by such means, at the expense of the ISSUER, pursuant to written instructions from the owner.

12. Subject to the provisions of the Bond Document, the AGENT may pay at maturity or redemption or issue new certificates to replace certificates represented to the AGENT to have been lost, destroyed, stolen or otherwise wrongfully taken, but first may require the Bond owner to pay a replacement fee, to furnish an affidavit of loss, and/or furnish either an indemnity bond or other indemnification satisfactory to the AGENT indemnifying the ISSUER and the AGENT.



13. The AGENT shall comply with the provisions, if any, of the Bond Document and the rules of the Securities and Exchange Commission pertaining to the cancellation and retention of Bond certificates and the periodic certification to the Issuer of the cancellation of such Bond certificates. In the event that the ISSUER requests in writing that the AGENT forward to the ISSUER the cancelled Bond certificates, the ISSUER agrees to comply with the foregoing described rules. The AGENT shall have no duty to retain any documents or records pertaining to this Agreement, the Bond Document or the Bonds any longer than eleven years after final payment on the Bonds, unless otherwise required by the rules of the Securities and Exchange Commission or other applicable law.

14. In case of any request or demand for inspection of the registry of owners or other related records maintained by the AGENT, the AGENT may be entitled to receive appropriate instructions from the ISSUER before permitting or refusing such inspection. The AGENT reserves the right, however, to only permit such inspection at a location and at such reasonable time or times designated by the Agent.

15. The AGENT is authorized to act on the order, directions or instructions of such officials as the governing body of ISSUER as the ISSUER by resolution or other proper action shall designate. The AGENT shall be protected in acting upon any paper or document believed by it to be genuine and to have been signed by the proper official(s), and the ISSUER shall promptly notify AGENT in writing of any change in the identity or authority of officials authorized to sign Bond certificates, written instructions or requests. If not so provided in the Bond Document, if any official whose manual or facsimile signature appears on blank Bond certificates shall die, resign or be removed from office or authority before the authentication of such certificates by the Agent, the AGENT may nevertheless issue such certificates until specifically directed to the contrary in writing by the ISSUER.

16. The AGENT shall provide notice(s) to the owners of the Bonds and such depositories, banks, brokers, rating agencies, information services, repositories, or publications as required by the terms of the Bond Document and to any other entities that request such notice(s) and, if so directed in such other manner and to such other parties as the Issuer shall so direct in writing and at the expense of the ISSUER.

17. The ISSUER shall compensate the AGENT for the AGENT's ordinary services as paying agent and registrar and shall reimburse the AGENT for all ordinary out-of-pocket expenses, charges, advances, counsel fees and other costs incurred in connection with the Bonds, the Bond Document and this Agreement as set forth in the Exhibit A or as otherwise agreed to by the Issuer and Agent in writing. In addition, should it become necessary for the AGENT to perform extraordinary services, the AGENT shall be entitled to extra compensation therefor and reimbursement for any out-of-pocket extraordinary costs and expenses, including, but not limited to, attorneys' fees.

18. The AGENT may resign, or be removed by the ISSUER, as provided in the Bond Document, or, if not so provided in the Bond Document, upon thirty days written notice to the other. Upon the effective date of resignation or removal, all obligations of the AGENT hereunder shall cease and terminate. In the event of resignation or removal, the AGENT shall deliver the registry of owners and all related books and records in accordance with the written instructions of the ISSUER or any successor agent designated in writing by the Issuer within a reasonable period following the effective date of its removal or resignation.



19. Whenever in the performance of its duties as Agent hereunder, the Bond Document or under the Bonds the AGENT shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, under the Bond Document or under the Bonds, the AGENT may consult with legal counsel, including, but not limited to, legal counsel for the ISSUER, with respect to any matter in connection with this Agreement and it shall not be liable for any action taken or omitted by it in good faith in reliance upon the advice or opinion of such counsel.

20. In the event that the Bond Document provides that the initial registered owner of all of the Bond certificates is or may be the Depository Trust Company, or any other securities depository or registered clearing agency qualified under the Securities and Exchange Act of 1934, as amended (a "Securities Depository"), none of the beneficial owners will receive certificates representing their respective interest in the Bonds. Except to the extent provided otherwise in the Bond Document, the following provisions shall apply:

- a) The registry of owners maintained by the AGENT will reflect as owner of the Bonds only the Securities Depository or its nominee, until and unless the ISSUER authorizes the delivery of Bond certificates to the beneficial owners as described in subsection (d) below.
- b) It is anticipated that during the term of the Bonds, the Securities Depository will make book-entry transfers among its participants and receive and transmit payments of principal and interest on the Bonds to the participants, unless and until the ISSUER authorizes the delivery of Bonds to the beneficial owners as described in subsection (d) below.
- c) The ISSUER may at any time, in accordance with the Bond Document, select and appoint a successor Securities Depository and shall notify the Agent of such selection and appointment in writing.
- d) If the ISSUER determines that the holding of the Bonds by the Securities Depository is no longer in the best interests of the beneficial owners of the Bonds, then the AGENT, at the written instruction and expense of the ISSUER, shall notify the beneficial owners of the Bonds by first class mail of such determination and of the availability of certificates to owners requesting the same. The AGENT shall register in the names of and authenticate and deliver certificates representing their respective interests in the Bonds to the beneficial owners or their nominees, in principal amounts and maturities representing the interest of each, making such adjustments as it may find necessary or appropriate as to accrued interest and previous calls for redemption. In such event, all references to the Securities Depository herein shall relate to the period of time when at least one Bond is registered in the name of the Securities Depository or its nominee. For the purposes of this paragraph, the AGENT may conclusively rely on information provided by the Securities Depository and its participants as to principal amounts held by and the names and mailing addresses of the beneficial owners of the Bonds, and shall not be responsible for any investigation to determine the beneficial owners. The cost of printing certificates for the Bonds and expenses of the AGENT shall be paid by the ISSUER.

21. The AGENT shall incur no liability whatsoever in taking or failing to take any action in accordance with the Bond Document, and shall not be liable for any error in judgment made in good faith by an officer or employee of the AGENT unless it shall be proved the AGENT was negligent in ascertaining the pertinent facts or acted intentionally in bad faith. The AGENT shall not be under any

obligation to prosecute or defend any action or suit in connection with its duties under the Bond Document or this Agreement or in respect of the Bonds, which, in its opinion, may involve it in expense or liability, unless satisfactory security and indemnity is furnished to the Agent (except as may result from the AGENT's own negligence or willful misconduct). To the extent permitted by law, the ISSUER agrees to indemnify the AGENT for, and hold it harmless against, any loss, liability, or expense incurred without negligence or bad faith on its part, arising out of or in connection with its acceptance or administration of its duties hereunder, including the cost and expense against any claim or liability in connection with the exercise or performance of any of its powers or duties under this Agreement. To the extent that the ISSUER may now or hereafter be entitled to claim, for itself or its assets, immunity from suit, execution, attachment (before or after judgment) or other legal process, the ISSUER irrevocably agrees not to claim, and it hereby waives, such immunity in connection with any suit or other action brought by the AGENT to enforce the terms of the Bond Document or this Agreement. The AGENT shall only be responsible for performing such duties as are set forth herein, required by the Bond Document, or otherwise agreed to in writing by the AGENT.

22. It is mutually understood and agreed that, unless otherwise provided in the Bonds or Bond Document, this Agreement shall be governed by the laws of the State of Iowa, both as to interpretation and performance.

23. It is understood and agreed by the parties that if any part, term, or provision of this Agreement is held by the courts to be illegal or in conflict with any applicable law, regulation or rule, the validity of the remaining portions or provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular part, term, or provision held to be invalid.

24. The name "UMB Bank, n.a." shall include its successor or successors, any surviving corporation into which it may be merged, any new corporation resulting from its consolidation with any other corporation or corporations, the successor or successors of any such surviving or new corporation, and any corporation to which the corporate trust business of said Bank may at any time be transferred.

25. All notices, demands, and request required or permitted to be given to the ISSUER or AGENT under the provisions hereof must be in writing and shall be deemed to have been sufficiently given, upon receipt if (i) personally delivered, (ii) sent by email or electronic means and confirmed by phone or (iii) mailed by registered or certified mail, with return receipt requested, delivered as follows:

If to AGENT: UMB Bank, n.a.  
Attn: Corporate Trust & Escrow Services  
7155 Lake Drive, Suite 120  
West Des Moines, Iowa 50266

If to ISSUER: City of Tipton, Iowa  
Attn: City Clerk  
City Hall  
407 Lynn Street  
Tipton, Iowa 52772



26. The parties hereto agree that the transactions described herein may be conducted and related documents may be sent, received or stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

27. In order to comply with provisions of the USA PATRIOT Act of 2001, as amended from time to time, and the Bank Secrecy Act, as amended from time to time, the AGENT may request certain information and/or documentation to verify confirm and record identification of persons or entities who are parties to this Agreement.

28. If the Bonds are eligible for receipt of any U.S. Treasury Interest Subsidy and if so directed by the Bond Document or, as agreed to in writing between the Issuer and the Paying Agent, the Paying Agent shall comply with the provisions, if any, relating to it as described in the Bond Document or as otherwise agreed upon in writing between the Issuer and the Paying Agent. The Paying Agent shall not be responsible for completion of or the actual filing of Form 8038-CP (or any successor form) with the IRS or any payment from the United States Treasury in accordance with §§ 54AA and 6431 of the Code.

IN WITNESS WHEREOF, the parties hereto have, by their duly authorized signatories, set their respective hands on the Dated Date.

CITY OF TIPTON, IOWA

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

UMB BANK, N.A., as PAYING AGENT/REGISTRAR

By: \_\_\_\_\_  
Authorized Signatory



## PAYING AGENT, BOND REGISTRAR AND TRANSFER AGENT FEE SCHEDULE

---

### ADMINISTRATION

- |                                      |                            |
|--------------------------------------|----------------------------|
| • Book Entry Bonds                   | \$300 initial/\$600 annual |
| • Registered/Private Placement Bonds | \$750 initial/\$600 annual |

\* Initial Fees charged at Closing

\* Annual Fees charged in arrears month of closing

### ADDITIONAL SERVICES

- |                                     |                              |
|-------------------------------------|------------------------------|
| • Placement of CDs or Sinking Funds | \$500 per set up/outside UMB |
| • Late Payments                     | \$100                        |
| • Optional or Partial Redemption    | \$300                        |
| • Mandatory Redemption              | \$100                        |
| • Early Termination/Full Call       | \$500                        |
| • Paying Costs of Issuance          | \$500 one-time fee           |

### SERVICES AVAILABLE UPON REQUEST

- |                       |                |
|-----------------------|----------------|
| • Dissemination Agent | \$1,000 annual |
|-----------------------|----------------|

### CHANGES IN FEE SCHEDULE

UMB Bank, N.A. reserves the right to renegotiate this fee schedule

*Reasonable charges will be made for additional services or reports not contemplated at the time of execution of the Agreement or not covered specifically elsewhere in this schedule. Extraordinary out-of-pocket expenses will be charged at cost. However, this does not include ordinary out-of-pocket expenses such as normal postage and supplies, which are included in the annual fees quoted above.*



ORDINANCE NO. 593

AN ORDINANCE AMENDING CHAPTER 68; ONE-WAY TRAFFIC:  
SECTION 68.01, ONE-WAY TRAFFIC REQUIRED

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF TIPTON, IOWA:

SECTION 1. *Amendment.* Section 68.01, "One-Way Traffic Required," of the City of Tipton Code of Ordinances is hereby amended by adding #4 as follows:

**68.01 ONE-WAY TRAFFIC REQUIRED.** Upon the following streets and alleys, vehicular traffic, other than permitted cross traffic, shall move only in the indicated direction when appropriate signs are in place.

*(Code of Iowa, Sec. 321.236[4])*

4. The alley through Block 24, Block 19, and Block 10 in the Original Town of Tipton (between Cedar Street to the east, Lynn Street to the west, W 6<sup>th</sup> Street to the north, and W 3<sup>rd</sup> Street to the south) shall be northbound only.

SECTION 2. *Effective Period.* The provisions of this ordinance shall be in effect from 12:01 a.m. April 1, 2024 until 12:01 a.m. of October 31, 2024.

SECTION 3. *Repealer.* All ordinances or parts of ordinances in conflict with this ordinance are hereby repealed.

SECTION 4. *Severability.* If any section, provision, or part of this ordinance shall be adjudged invalid or unconstitutional, such adjudication shall not affect the validity of the ordinance as a whole or any section, provision, or part thereof not adjudged invalid or unconstitutional.

SECTION 5. *Effective date.* This ordinance shall be in effect after its final passage, approval, and publication as provided by law.

PASSED AND APPROVED this \_\_\_\_ day of \_\_\_\_\_ 2024.

\_\_\_\_\_  
Tammi Goerd, Mayor

ATTEST:

\_\_\_\_\_  
Amy Lenz, City Clerk

CERTIFICATION

I, Amy Lenz, City Clerk, do hereby certify the above is a true and correct copy of Ordinance No. \_\_\_\_ which was passed by the Tipton City Council this \_\_\_\_ day of \_\_\_\_\_ 2024 and published in the *Tipton Conservative* this \_\_\_\_\_, 2024.

\_\_\_\_\_  
Amy Lenz, City Clerk



**AGENDA ITEM #**

**AGENDA INFORMATION  
TIPTON CITY COUNCIL COMMUNICATION**

<b>DATE:</b>	February 26, 2024
<b>AGENDA ITEM:</b>	School Resource Officer – In Partnership with Tipton & Bennett School Districts
<b>ACTION:</b>	<b>Council Approval of the attached Resolution No. 022624C</b>

**SYNOPSIS:** The Tipton Police Department would like to employ a School Resource Officer, in partnership with the Tipton and Bennett School Districts. The School Boards have agreed to move forward with this partnership. The Tipton Police Department has been awarded a \$125,000.00 COPs grant for this position.

The COPs grant requires a 3 + 1 year commitment, meaning the grant would be applied to the first 3 years and the 4<sup>th</sup> year would need to be covered by the other parties. I have included a 3 year budget with the COPs grant award totaling \$125,000.00. The remainder of the Officer pay would be covered by the 2 Schools at a cost of \$15,000.00/year each school = \$30,000.00/year and the Police Department budget would cover the remaining amounts each year. The 4<sup>th</sup> year would be split up with the Schools covering 75% of the cost and the PD covering 25%.

Police Dept. Budget:	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>
	\$19,927	\$25,935	\$31,026	\$26,596.91

This position has been included in the FY24-25 budget, along with grant reimbursement and school payments from Tipton and Bennett.

**BUDGET ITEM:**

**RESPONSIBLE DEPARTMENT:** Police

**MAYOR/COUNCIL ACTION:** approval of resolution to add SRO position to Police Department

**ATTACHMENTS:** signed MOU's from Tipton and Bennett Schools

**PREPARED BY:** Lisa DuFour, Chief of Police

**DATE PREPARED:** 2/21/24

RESOLUTION NO. 022624C

RESOLUTION APPROVING:

- 1.) MOA WITH THE TIPTON COMMUNITY SCHOOL DISTRICT,
- 2.) MOA WITH THE BENNETT COMMUNITY SCHOOL DISTRICT,
- 3.) CITY OF TIPTON'S COPS GRANT AGREEMENT, AND
- 4.) DESIGNATION OF THE SRO

WHEREAS, the City of Tipton was awarded a COPS Grant to establish a School Resource Officer (SRO) position; and

WHEREAS, the Tipton Community School District and Bennett Community School District have each executed a Memorandum of Agreement (MOA) in which each agree to the need for an SRO along with a four-year cost sharing arrangement with the City of Tipton; and

WHEREAS, the approval of the MOAs was a necessary step to the City of Tipton's approval of the COPS grant agreement and the MOA with each school district.

NOW, THEREFORE, Be It Resolved, the City Council of the City of Tipton approves the Mayor and Chief of Police to execute the following:

- 1.) The MOA with the Tipton Community School District.
- 2.) The MOA with the Bennett Community School District.
- 3.) The COPS grant agreement.
- 4.) Other documents related to the scope of this Resolution.

BE IT FURTHER RESOLVED, the Chief of Police is authorized to designate the police officer that will serve as the SRO.

PASSED AND APPROVED this 26<sup>th</sup> day of February 2024.

\_\_\_\_\_  
Tammi Goerd, Mayor

ATTEST:

\_\_\_\_\_  
Amy Lenz, City Clerk

CERTIFICATION

I, Amy Lenz, City Clerk, do hereby certify the above is a true and correct copy of Resolution No. 022624C which was passed by the Tipton City Council this 26<sup>th</sup> day of February 2024.

\_\_\_\_\_  
Amy Lenz, City Clerk



**AGENDA ITEM #**

**AGENDA INFORMATION  
TIPTON CITY COUNCIL COMMUNICATION**

<b>DATE:</b>	February 26, 2024
<b>AGENDA ITEM:</b>	Discussion and possible action authorizing the police chief to hire a certified officer to fill vacancy due to SRO position approval.
<b>ACTION:</b>	Council Approval

**SYNOPSIS:** The Tipton Police Department would like to hire a Certified Officer to fill the vacancy-pending the School Resource Officer position approval. This is a Patrol Officer position and hiring an already certified Officer is fiscally better for the city because there would not be any Academy Costs, which are approximately \$7000 just to go through the academy. The tentative start date for this hire would be July 1, 2024. This is included in the FY24-25 budget because it is not a new position, just the SRO is a new addition.

The last time the Police Department added an additional Officer, was 1999. In the last 25 years there has been a definite increase in workload and requirements within the department.

**BUDGET ITEM:**

**RESPONSIBLE DEPARTMENT:** Police

**MAYOR/COUNCIL ACTION:** Authorizing the Police Chief to hire a Certified Officer to fill vacancy due to SRO position approval.

**ATTACHMENTS:**

**PREPARED BY:** Lisa DuFour, Chief of Police

**DATE PREPARED:** 2/21/24



**A & R**

**Land Services, Inc.**

**PROPOSAL TO PROVIDE LAND ACQUISITION SERVICES  
TO THE CITY OF TIPTON FOR THE  
MUNICIPAL AIRPORT IMPROVEMENT PROJECT**

SUBMITTED TO:  
Mr. Brian Wagner  
City Manager  
City of Tipton  
407 Lynn Street  
Tipton, IA 52772

PREPARED: February 8, 2024



## INDEX

I.	TRANSMITTAL LETTER .....	Page 3
II.	COMPANY OVERVIEW .....	Page 4
III.	PROPOSAL PRICE.....	Page 5
IV.	TECHNICAL APPROACH AND SCOPE OF WORK	
	A. Analysis of the Proposed Project .....	Page 6
	B. City's Professional Representative .....	Page 6
	C. Title Evidence Package and Certificate of Title .....	Pages 6-7
	D. Before and After Eminent Domain Appraisals.....	Page 7
	E. Appraisal Reviews .....	Page 7
	F. Acquisition Document Preparation.....	Page 7
	G. Acquisition Negotiation Services .....	Page 7
	H. Acquisition File Completion and Closings.....	Page 8
V.	REFERENCES .....	Page 9
VI.	RESUMES.....	Pages 10-11
VII.	INSURANCE.....	Page 12



**A & R**  
**Land Services**  
*Your Expert Right of Way Resource*

1609 Golden Aspen Drive • Suite 102 • Ames • IA 50010  
Phone: 515-337-1197 • Fax: 515-337-1274  
ROWResource@a-rland.com • www.a-rland.com

February 8, 2024

Mr. Brian Wagner  
City Manager  
City of Tipton  
407 Lynn Street  
Tipton, IA 52772

RE: Request for Proposal – Land Acquisition Services  
City of Tipton’s Municipal Airport Improvement Project

Dear Mr. Wagner:

A & R Land Services, Inc. is pleased to submit a proposal in response to your request for the City of Tipton’s Municipal Airport Improvement Project. Here at A & R Land Services, our Corporate Officers are not only owners of the corporation, but are also experienced, full-time Right of Way Agents who complete projects assigned to the corporation and review all acquisition documentation prepared by company staff. This guarantees that projects will be completed accurately and in compliance with all applicable procedural requirements.

We are transmitting an electronic copy of our proposal to the e-mail address you provided. If you would like a paper copy as well, please let me know. Our proposal addresses your request in its entirety for this project, and our proposal also includes some additional sections that were pertinent as described in the index on page 2.

We appreciate the opportunity to submit this proposal and be considered for your project team. Please call or e-mail me at 515-337-1197 or rgurwell@a-rland.com with any questions you have regarding our proposal.

Best Regards,

***Ryan K. Gurwell***  
President, Iowa Real Estate Broker



**A & R**  
**Land Services**

Phone: 515-337-1197  
Mobile: 515-450-4371  
Web: [www.a-rland.com](http://www.a-rland.com)



## II. COMPANY OVERVIEW

Ryan K. Gurwell, President  
Angela M. Sheeley, Vice President  
A & R Land Services, Inc.  
1609 Golden Aspen Drive, Suite 102, Ames, IA 50010  
515-337-1197 – Office Telephone  
515-337-1274 – Office Fax

A & R Land Services, Inc. is an employee-owned professional Right of Way Organization currently consisting of 13 experienced Right of Way Agents, 3 Certified General Real Property Appraisers, 1 Eminent Domain Attorney, and 4 Document Specialists/Administrative Assistants. We have a long successful history of working for municipalities within the State of Iowa, and our firm is prequalified to provide consulting services for the Iowa Department of Transportation and major utility companies.

We provide a full range of professional consulting services for public works, utility, and economic development projects in Iowa and surrounding states. Our mission is to meet and exceed the expectations of our clients, and to be a reliable resource. Here at A & R Land Services we pride ourselves on doing it right the first time for our clients, which ensures accuracy, completeness, and efficiency to keep projects on schedule. Our reputation depends not just on being able to use and comply with applicable acquisition procedures, but also on our ability to acquire land for projects by negotiated settlement.

We have experience in providing Right of Way Services for the following types of projects: Airport Expansions, Sanitary Sewer, Storm Sewer, and Water Lines, Pipelines, Road Improvements, Bridge Replacements, Electric Transmission and Distribution Lines, Recreational Trails, School and Park Developments, Urban Renewal Projects, and Wind Developments. For more detailed information regarding our organization, please see our web site at [www.a-rland.com](http://www.a-rland.com).

### III. PROPOSAL PRICE

A & R Land Services submits invoices for services provided monthly unless the client requests otherwise. We propose a rate of compensation at **\$85.00** per hour plus expenses. For project budgeting purposes, we propose the following **not to exceed** Right of Way Service fees for this project.

#### Costs for Fee Acquisitions of Agricultural Parcels

1. Attend Airport Commission and any other project-related management meetings.....	\$1,700.00
2. Title Evidence Package (see page 6 for detailed explanation).....	\$4,000.00
3. Preparation of Acquisition Documents (see page 7 for detailed explanation).....	\$600.00
4. Acquisition Negotiation Services (see page 7 for detailed explanation).....	\$2,300.00
5. Acquisition File Completion and Closing Services (see page for detailed explanation).....	\$2,300.00
6. Expenses (see description below).....	\$600.00
Cost Per Parcel.....	\$11,500.00

\*Expenses would include mileage, lodging, per diem, postage, printing, and copies, based on actual expenses incurred, with mileage reimbursement at the federal rate (currently \$0.67/mile), lodging at GSA's standard rate for Iowa (currently \$107.00 per night), per diem at GSA's standard rate for Iowa (currently \$59.00 - 75% to be charged for first and last day of travel), color copies and printing at \$0.50 per page, and black and white copies and printing at \$0.10 per page. The expenses for this project are estimated to be approximately **\$600.00 per parcel**.



#### IV. TECHNICAL APPROACH AND SCOPE OF WORK

##### **A. Analysis of the Proposed Project**

It is our understanding that the purpose of the project is for the City of Tipton to expand their existing Municipal Airport to improve the facilities and for safety purposes. In order to complete this project, the City will need to acquire multiple fee title acquisitions and potentially easement rights from landowners.

It is our understanding that A & R Land Services, Inc. will be providing the Land Acquisition Services of Title Evidence Packages, acquisition document preparation, acquisition negotiation services, acquisition file completion, full closing services, but **not** Before and After Eminent Domain Appraisals or Appraisal Reviews, and therefore our per parcel costs are based on these services. A & R Land Services can also provide the services of survey consents, damage settlements, and condemnation services if needed for additional fees.

All work completed by A & R Land Services for this project will conform with FAA Advisory Circular No. 150/5100-17 and Central Region Airports Division AIP Sponsor Guide – 1300 – Airport Land Acquisition.

##### **B. City's Professional Representative**

We propose to assign Ryan K. Gurwell, President of A & R Land Services and licensed Real Estate Broker to the project as Project Manager and Acquisition Agent. We propose to assign Angela M. Sheeley, Vice President of A & R Land Services and licensed Real Estate Salesperson to the project as Acquisition Agent. We propose to assign Iowa Title Company to prepare the 50-Year Root of Title Reports. We propose to assign Nyemaster Law Firm to the project to prepare Title Opinions and provide full closing services as required. We have the ability to assign more Right of Way Agents to this project as necessary, but given the scope and anticipated timeline of the project, we do not anticipate the need for additional staff at this time.

- A & R Land Services agents shall serve and present themselves as professional representatives of the City of Tipton.
- All A & R Land Services agents will conform with FAA Advisory Circular No. 150/5100-17 and Central Region Airports Division AIP Sponsor Guide – 1300 – Airport Land Acquisition.
- All agents assigned to this project shall be available for consultation with the City at a minimum between 8:00 a.m. and 5:00 p.m., Monday through Friday for the duration of the project, and will attend periodic status meetings as required.
- All records maintained by A & R Land Services for this project shall be available for the City's review at any time during and after completion of this project. As required by law, A & R Land Services keeps complete copies of every parcel file of the project for a duration of at least five years.
- A & R Land Services shall submit the required periodic status report at key points during the project, containing a summary of activities, a project log indicating the status of tasks being completed, problems encountered, and remaining unresolved issues to the City.
- A & R Land Services shall be responsible for keeping the City informed of the status of the project schedule, discussions and settlement considerations with landowners, project costs, and the project budget for the duration of the project.

##### **C. Title Evidence Package and Certificate of Title**

We propose to prepare 50-Year Root of Title Reports to meet Certificate of Title requirements, and we also propose to prepare Title Opinions based on a review of the 50-Year Root of Title Reports to meet the title evidence package requirements. Both the 50-Year Root of Title Reports and Attorney's Title Opinions will conform with Central Region Airports Division AIP Sponsor Guide – 1331 – Title Opinion Airport Land Acquisition. 50-Year Root of Title Reports and Attorney's Title Opinions will be prepared for all fee acquisition parcels and for the existing Tipton Airport real estate interests.

##### **50-Year Root of Title Reports**

This type of title report includes research and documentation of every transaction taken place for the past 50 years. The report includes a certificate of title based on the Attorney's Title Opinion for the airport's property interests. The report also includes deeds of record, mortgages, easements, and any other liens and encumbrances of record.



We recommend this type of report for all permanent acquisitions. These reports will be prepared in compliance with all applicable procedural requirements and laws, including Central Region Airports Division AIP Sponsor Guide – 1331 – Title Opinion Airport Land Acquisition.

#### Attorney's Title Opinion

Nyemaster Law Firm has extensive experience providing title opinions and other legal opinions associated with Eminent Domain Projects. This firm will prepare every Title Opinion for this project in compliance with all applicable procedural requirements and laws, including Central Region Airports Division AIP Sponsor Guide – 1331 – Title Opinion Airport Land Acquisition.

#### **D. Before and After Eminent Domain Appraisals**

Per instructions from the FAA, A & R Land Services will not be providing any Eminent Domain Appraisals, but will use previously reviewed and approved reports already completed by qualified third parties for this project. Compensation will be adjusted for time as necessary during acquisition negotiations.

#### **E. Appraisal Reviews**

Per instructions from the FAA, A & R Land Services will not be providing any Eminent Domain Appraisal Reviews, but will use previously reviewed and approved reports already completed by qualified third parties for this project. Compensation will be adjusted for time as necessary during acquisition negotiations.

#### **F. Acquisition Document Preparation**

A & R Land Services, Inc. will prepare all required documentation for the fee title acquisitions and any other real estate rights to be acquired for the project. Documentation will include a Certification of Acquisition, Receipt of Warrant Acknowledgments, Purchase Agreements with Breakdown sheets, Tenant Purchase Agreements (when applicable), Warranty Deeds (when applicable), Permanent Easements (when applicable), Disclosure of Representations, Offers to Donate, Offers to Purchase, W-9 forms, Allocation of Proceeds Statements, and any other required forms to comply with procedural or client requirements, including FAA Advisory Circular No. 150/5100-17 and Central Region Airports Division AIP Sponsor Guide – 1300 – Airport Land Acquisition.

#### **G. Acquisition Negotiation Services**

A & R Land Services shall provide Acquisition Negotiation Services in accordance with FAA Advisory Circular No. 150/5100-17, *Land Acquisition and Relocation Assistance for Airport Improvement Program Assisted Projects*, Central Region Airports Division AIP Sponsor Guide – 1300 – Airport Land Acquisition, FAA Order 5100.37B *Land Acquisition and Relocation Assistance for Airport Projects*, and Chapter 6B *Procedures Under Eminent Domain* of the Code of Iowa, including, but not limited to, the following:

- Assist City (if applicable) to establish Public Meeting and Notification to landowners (30 days prior) and publication in paper regarding hearing (4<X<30 days prior).
- Conduct preliminary meetings with landowners to discuss proposed acquisition limits, owner rights, and approval for access to property to conduct the appraisal (if applicable).
- Provide the landowners with a copy of the completed, reviewed, and approved Appraisal 10 days prior to initiating good faith negotiations, as required by Section 6B.45 *Mailing Copy of Appraisal* of the Code of Iowa.
- At the first negotiations meeting, the Acquisition Agent shall provide the landowners with all required acquisition documents.
- Negotiate with all affected landowners, attempting to reach an agreed value with the landowner through the Administrative Settlement procedures outlined in FAA Order 5100.37B.
- The Acquisition Agent shall obtain the necessary signed and notarized documents from the landowners and tenants upon completion of negotiations to be submitted to the appropriate representative(s) for approval.
- A Certification of Acquisition and Parcel Check Sheet shall be submitted with the completed acquisition files containing all required documents, including the negotiator's contact notes, to all required representatives, including the City and FAA Staff.



**H. Acquisition File Completion and Closings**

A & R Land Services through Nyemaster Law Firm shall provide full closing services for the acquisition of subject properties, including coordination of fully executing acquisition agreements, obtaining and delivering acquisition payments to landowners and tenants and obtaining signed receipts, filing required documents with the County Recorder, and assembling and transmitting completed files to the City for their records. Completed parcel files will include a summary of the required documentation to demonstrate the project conforms to the required land acquisition process, including final costs by parcel, methodology, agreements, and proof of payment information. A & R Land Services shall progressively track land acquisition costs and assemble documentation in preparation for final parcel packages.

## V. REFERENCES

Jared Wingo, C.M. (**Airport Projects**)  
Senior Aviation Planner  
Bolton & Menk, Inc.  
12224 Nicollet Avenue  
Burnsville, MN 55337  
952-890-0509 Telephone  
jaredwi@bolton-menk.com

Greg Broussard, P.E. (**Airport Projects**)  
Principal Engineer  
Bolton & Menk, Inc.  
1519 Baltimore Drive  
Ames, IA 50010  
515-233-6100 Telephone  
gregbr@bolton-menk.com

Jay Peterson, Right of Way Services  
MidAmerican Energy Company  
4299 NW Urbandale Drive  
Urbandale, IA 50322  
515-281-2713 Telephone  
Jay.Peterson@midamerican.com

Michael Ross  
Design ADA Coordinator, Methods Section  
Iowa Department of Transportation  
Office of Right of Way  
800 Lincoln Way  
Ames, Iowa 50010  
515-239-1080 Telephone  
Michael.Ross@dot.iowa.gov

Adam C. Juel, P.E.  
Senior Project Manager  
Foth Infrastructure & Environment, LLC  
Eagle Point II – 8550 Hudson Blvd. N, Ste. 105  
Lake Elmo, MN 55042  
651-288-8577 Telephone  
515-710-5057 Mobile  
Adam.Juel@foth.com

Nathan T. Hardisty, PE, CFM  
Civil Engineer  
Shive-Hattery, Inc.  
4125 Westown Pkwy, West Des Moines, IA 50266  
Phone: 515-223-8104, Ext. 179728  
E-mail: nhardisty@shive-hattery.com





**RYAN K. GURWELL, PRESIDENT**  
**Senior Right of Way Agent/Licensed Real Estate Broker**

**Areas of Expertise**  
 Title Search and Reporting  
 Title Curative  
 Permitting  
 Compensation Estimates  
 Acquisition Negotiations  
 Relocation Assistance  
 Damage Settlements  
 Closings  
 RE Document Preparation  
 Condemnation

**Industry Experience**  
 Electric Transmission and Distribution  
 Wind Developments  
 Roads  
 ADA Sidewalk Improvements  
 Sanitary and Storm Sewers  
 Water and Gas Pipelines  
 Housing Developments  
 Bridges  
 Recreational Trails  
 Urban Renewal Projects  
 School and Park Developments  
 Airport Expansions  
 Water Detention Basins  
 Sewage Lagoon Sites  
 Drainage Channels

**States Worked**  
 Iowa  
 Minnesota  
 South Dakota

**Associations & Memberships**  
 IRWA, Chapter 41  
 Iowa League of Cities

**Education**  
 Iowa State University  
 B.S., Community & Regional Planning

**Professional Continuing Education**  
 Iowa Real Estate Broker Courses  
 Assoc. General RE Appraiser Courses

**Certifications / Licenses**  
 Iowa Real Estate Broker

**Technical Skills**  
 SharePoint  
 InfoPath  
 MS Excel  
 MS Word  
 MS Outlook  
 MS PowerPoint  
 MS Money  
 QuickBooks

**Summary of Experience**

Extensive experience and knowledge of project management, status report creation and maintenance, title research, title review, title reporting, right of entry consents, permitting, field review of plans with various measuring equipment, real estate transfer document preparation, land acquisition negotiations, compensation estimates, relocation assistance, damage settlements, closings, condemnations, abstract continuation, title opinion review, and other curative work. Have the ability to prepare all types of acquisition documents required to obtain necessary property rights for projects. Have extensive experience acting as liaison between landowners, engineers, title specialists, developers, attorneys, and acquiring authority representatives. Experienced in managing and training new Right of Way Agents. Consistently exceed client expectations with quality service, project deadlines, and personal relations. Extensively trained in Microsoft Office applications and other applications pertinent to the Right of Way Industry. Have extensive experience in the Right of Way Industry since 1998.

**May 1998 – Present: Senior Managing Right of Way Agent** - Managed teams of up to 12 Right of Way Agents on acquiring the necessary property rights for public improvement and utility projects. Types of projects have included various Electric Transmission and Distribution Lines, Wind Developments, Roads and ADA Sidewalk Improvements, Sanitary and Storm Sewers, Water and Gas Pipelines, Housing Developments, Bridges, Recreational Trails, Urban Renewal Projects, School and Park Developments, Airport Expansions, Water Detention Basins, Sewage Lagoon Sites, Drainage Channels.

**2007 – Present – MidAmerican Energy Company’s Wind Farm Developments Project Manager** – Have provided a variety of Right of Way Services to MidAmerican Energy Company’s Wind Farm Development Team in Urbandale, IA for 39 wind farm developments. Services provided have included status report creation and maintenance, title search and reporting, easement document preparation, acquisition negotiations, closings, abstract and title opinion review, curative work, annual and evaluation payment coordination, and other project management duties.

**2005 – 2007 - Xcel Energy’s SW Transmission Upgrade Project - 345 kV Office Manager/Project Coordinator** – Provided numerous Right of Way Services for this project requiring the acquisition of over 400 easements from different property owners for the upgrade from an existing H-frame 161 kV transmission line to a double circuit 345 kV overhead transmission line from Lakefield, MN to Sioux Falls, SD over 90 miles and a new 115 kV overhead transmission line from Adrian, MN to Chanarambie, MN over 38 miles. Services provided included project management including attending manager meetings with client representatives in Kansas City, obtaining the majority of required permits for the project, status report creation and maintenance, title search and reporting, right of entry consents, compensation estimating, easement document preparation, acquisition negotiations, closings, easement payment processing and project checking account administration, easement file completion, project invoicing, 1099 preparation.





**ANGELA M. SHEELEY, VICE PRESIDENT**  
**Senior Right of Way Agent/Licensed Real Estate Salesperson**

**Areas of Expertise**

Title Search and Reporting  
 Title Curative  
 Permitting  
 Compensation Estimates  
 Acquisition Negotiations  
 Relocation Assistance  
 Damage Settlements  
 Closings  
 RE Document Preparation

**Industry Experience**

Electric Transmission and Distribution  
 Wind Developments  
 Roads  
 ADA Sidewalk Improvements  
 Sanitary and Storm Sewers  
 Water and Gas Pipelines  
 Housing Developments  
 Bridges  
 Recreational Trails

**States Worked**

Iowa  
 Minnesota  
 South Dakota  
 California

**Associations & Memberships**

IRWA, Chapter 41  
 Iowa League of Cities

**Professional Continuing Education**

Iowa RE Salesperson CE Courses  
 Total Quality Management Courses  
 Disc Management Courses

**Certifications / Licenses**

Iowa Real Estate Salesperson

**Technical Skills**

Easement Tracking Program  
 SharePoint  
 InfoPath  
 MS Excel  
 MS Word  
 MS Outlook  
 MS PowerPoint  
 MS Money  
 QuickBooks

**Summary of Experience**

Extensive experience and knowledge of project management, status report and database creation and maintenance, title research, title review, title reporting, right of entry consents, permitting, field review of plans with various measuring equipment, real estate transfer document preparation, land acquisition negotiations, compensation estimates, relocation assistance, damage settlements, closings, abstract continuation, title opinion review, and other curative work. Have the ability to prepare all types of acquisition documents required to obtain necessary property rights for projects. Have extensive experience acting as liaison between landowners, engineers, title specialists, developers, attorneys, and acquiring authority representatives. Experienced in managing and training new Right of Way Agents. Consistently exceed client expectations with quality service, project deadlines, and personal relations. Extensively trained in Microsoft Office applications and other applications pertinent to the Right of Way Industry. Have extensive experience in the Right of Way Industry since 1995.

**1995 – Present: Senior Managing Right of Way Agent** - Managed teams of up to 12 Right of Way Agents on acquiring the necessary property rights for public improvement and utility projects. Types of projects have included various electric transmission and distribution lines, wind developments, road and ADA sidewalk improvements, bridge replacements, wastewater treatment facilities, sanitary sewer and water lines, drainage channels, storm sewer lines, and low-income housing developments.

**2007 – Present – MidAmerican Energy Company’s Wind Farm Developments Project Manager** – Have provided a variety of Right of Way Services to MidAmerican Energy Company’s Wind Farm Development Team in Urbandale, IA for 39 wind farm developments. Services provided have included status report and easement database creation and maintenance, title search and reporting, managing the work of title, survey, attorney, and developer companies, easement document preparation, acquisition negotiations, closings, abstract and title opinion review, curative work, wind turbine site planning, 1099 form coordination, annual and evaluation payment coordination, and other project management duties.

**2005 – 2007 - Xcel Energy’s SW Transmission Upgrade Project - 345 kV Office Manager/Project Coordinator** – Provided numerous Right of Way Services for this project requiring the acquisition of over 400 easements from different property owners for the upgrade from an existing H-frame 161 kV transmission line to a double circuit 345 kV overhead transmission line from Lakefield, MN to Sioux Falls, SD over 90 miles and a new 115 kV overhead transmission line from Adrian, MN to Chanarambie, MN over 38 miles. Services provided included project management including attending manager meetings with client representatives in Kansas City, obtaining the majority of required permits for the project, status report creation and maintenance, title search and reporting, right of entry consents, compensation estimating, easement document preparation, acquisition negotiations, closings, easement payment processing and project checking account administration, easement file completion, project invoicing, 1099 preparation.



## VII. INSURANCE

A & R Land Services, Inc. currently has and will maintain the following insurance for the duration of the project:

<u>Commercial General Liability</u>	<u>Limits of Insurance</u>
Each Occurrence	\$1,000,000
Damage to Rented Premises (Each occur.)	\$300,000
Medical Expenses – Any one person	\$10,000
Personal and Adv. Injury	\$1,000,000
General Aggregate	\$2,000,000
Products – Comp./Op. Agg.	\$2,000,000

<u>Automotive Liability</u>	<u>Limits of Insurance</u>
Combined Single Limit for bodily injury and property damage (Each accident)	\$1,000,000

<u>Workers Compensation Insurance and Employer's Liability Insurance</u>	<u>Limits of Insurance</u>
In accordance with statutory requirements (Each accident)	\$500,000

<u>Real Estate Errors &amp; Omissions Professional Liability</u>	<u>Limits of Insurance</u>
Each claim	\$1,000,000
Aggregate	\$1,000,000

<u>Umbrella Liability</u>	<u>Limits of Insurance</u>
Each Occurrence	\$5,000,000
Aggregate	\$5,000,000

# Memo

**To:** City Council, Mayor Goerdt

**From:** Steve Nash, Public Works

**cc:** Brian Wagner, City Manager & Melissa Armstrong

**Date:** February 14, 2024

**Re:** Alley overlays between W.6<sup>th</sup>& W.4<sup>th</sup>

---

As most of you are aware, last year the Council approved some alley repair and overlay work in the alley from 4<sup>th</sup> to 6<sup>th</sup> because of extensive underground construction work. We, as the City Electric Dept., also created some resurfacing work. After all the work was completed, the three cable companies and the Electric Dept. had created 2,527 sq. ft of patchwork. This work totaled \$18,320.75. Of that amount our Electric Department was responsible for \$6,162.50. The remaining work was to be divided equally by the 3 cable companies as per verbal agreement on site. Windstream, Mediacom and Clarence Telephone were all onsite and agreed to take equal responsibility for the repair work.

After seeing how extensive the repair was going to be before the overlay, Kluesner suggested that we compact the stone in the holes and go from 2.5 inches to 3 inches on the overlay. They believe it would be a much better job and last longer. We would take the money that we were going to spend on patches and put it towards a thicker overlay. They would still use their milling machine to shape the alley and do all the prep work as described in the original quote. Keep in mind that there will be concrete patches that will need to be addressed this summer between 4<sup>th</sup> and 2<sup>nd</sup> street. These patches will be paid for on an equal basis by the 3 cable companies that created them. This was also agreed on during a walk-through last fall by all 3 companies,

The savings we would receive doing it this way would allow us to overlay the next short alley behind the Cenex Gas Station along with the original 2 blocks for a total net cost of \$26,079.25.

Please note that the Council gave us prior approval for \$35,000 for this project.



This, of course, only works if we get paid for the patch work that was originally quoted. The 3 Cable Companies would each need to reimburse the City \$4,052.75 which is one third of the \$12,158.25 damages caused by their underground work. Our City Electric Department would need to reimburse the alley project \$6,162.50 for their underground work in the north block.

Windstream sent an email that confirmed that they will cover their costs.

I've attached the proposal from Kluesner for your review and questions.







1007 1st Ave. NW • PO Box 355  
 Farley, IA 52046  
 (563) 744-3422 Fax (563) 744-3146  
 Fed ID # 42-1463491  
 office@kluesnerconstruction.com

# PROPOSAL

DATE	ESTIMATE #
1/8/2024	23738

NAME / ADDRESS	CELL NUMBER	FAX NUMBER	PHONE NUMBER
CITY OF TIPTON 407 LYNN ST TIPTON, IA 52772-1633	563-886-4275	563-886-3953	563-886-6187
	LOCATION		

DESCRIPTION	TOTAL
ASPHALT PAVING OF ALLEYS • MILL AND PREP AS NECESSARY • POWER BROOM, CLEAN, AND TAC • FURNISH AND PLACE 3" OF ASPHALT WITH A SLIGHT INVERT  ALLEY BETWEEN W. 4TH AND W. 3RD AND CEDAR AND LYNN • APPROXIMATELY 1,890 SQ FT  NOTE: IF BASE STONE IS NEEDED IT WILL BE FURNISHED AND PLACED FOR \$26.00 PER TON. FINAL BILLING WILL BE BASED ON ACTUAL QUANTITIES USED.  CITY WILL SUPPLY A TAX EXEMPT CERTIFICATE.	6,993.00
WE PROPOSE TO FURNISH MATERIAL AND LABOR - COMPLETE IN ACCORDANCE WITH ABOVE SPECIFICATIONS. SIGN: <i>Brad Brunely JW</i>	<b>TOTAL</b> \$6,993.00

PAYMENT DUE UPON COMPLETION OF THE WORK.  
 PROPOSAL MAY BE WITHDRAWN BY US IF NOT  
 ACCEPTED WITHIN 30 DAYS.

SIGNATURE \_\_\_\_\_

# PROPOSAL



1007 1st Ave. NW • PO Box 355  
 Farley, IA 52046  
 (563) 744-3422 Fax (563) 744-3146  
 Fed ID # 42-1463491  
 office@kluesnerconstruction.com

DATE	ESTIMATE #
1/8/2024	23739

NAME / ADDRESS	CELL NUMBER	FAX NUMBER	PHONE NUMBER
CITY OF TIPTON 407 LYNN ST TIPTON, IA 52772-1633	563-886-4275	563-886-3953	563-886-6187
LOCATION			

DESCRIPTION	TOTAL
<p>ASPHALT REPAIR OF ALLEYS FROM UTILITIES</p> <ul style="list-style-type: none"> <li>• SAW EDGES</li> <li>• REMOVE OLD MATERIAL AND HAUL AWAY</li> <li>• PREP AND COMPACT BASE</li> <li>• FURNISH AND PLACE 3" OF ASPHALT</li> </ul>	
<p>ALLEY BETWEEN 4TH AND 5TH ST, AND CEDAR AND LYNN ST</p> <ul style="list-style-type: none"> <li>• JOINT UTILITIES - 240 SQ FT</li> <li>• ELECTRICAL DEPARTMENT - 413 SQ FT</li> </ul>	<p>1,740.00 2,994.25</p>
<p>ALLEY BETWEEN 5TH AND 6TH ST, AND CEDAR AND LYNN ST</p> <ul style="list-style-type: none"> <li>• JOINT UTILITIES - 1,381 SQ FT</li> <li>• ELECTRICAL DEPARTMENT - 437 SQ FT</li> </ul>	<p>10,012.25 3,168.25</p>
<p>ALLEY BETWEEN 3RD AND 4TH ST, AND CEDAR AND LYNN ST</p> <ul style="list-style-type: none"> <li>• JOINT UTILITIES - 56 SQ FT</li> </ul>	<p>406.00</p>

WE PROPOSE TO FURNISH MATERIAL AND LABOR - COMPLETE IN ACCORDANCE WITH ABOVE SPECIFICATIONS. SIGN: <i>Brad Brannel</i>	<b>TOTAL</b> \$18,320.75
--	--------------------------

PAYMENT DUE UPON COMPLETION OF THE WORK.  
 PROPOSAL MAY BE WITHDRAWN BY US IF NOT  
 ACCEPTED WITHIN 30 DAYS.

SIGNATURE \_\_\_\_\_



**AGENDA ITEM**

**AGENDA INFORMATION  
TIPTON CITY COUNCIL COMMUNICATION**

**DATE:** 2/26/2024

**AGENDA ITEM:** Possible additional change to TRIP, DRIP, and TIP Grant program

**ACTION:** Motion to approve, deny, or table.

**SYNOPSIS:**

**The following changes were made by the city council at their meeting on September 11, 2023, meeting regarding TRIP, DRIP, and TIP programs:**

1. *Rule changes would begin on January 1, 2024 (with current approved applications being grandfathered)*
2. *TRIP, DRIP, and TIP grants would have a \$5,000 maximum, no longer \$7,500.*
3. *Instead of the current 1:1 match change to a 2:1 match so to qualify for a \$5,000 the project would have to be worth \$15,000.*
4. *Projects must be completed within year of council approval.*
5. *Applicants cannot apply for another project at the same property for a minimum of two years.*

I would like to add one additional item to be considered:

6. **No property owner will be granted more than \$5,000 per year. An owner may apply at a different property location one-year after council approval from the owner's previous grant award. No awards will be granted in advance.**

**BUDGET ITEM:** N/A

**RESPONSIBLE DEPARTMENT:** Economic Development – Linda Beck

**MAYOR/COUNCIL ACTION:** Motion to approve, deny or table.

**ATTACHMENTS:** None

**DATE PREPARED:** 2/14/2024

**RESOLUTION NO. 022624D**

**RESOLUTION TO ASSESS UTILITY CHARGES DUE  
TO NON-PAYMENT BY PROPERTY OWNER:**

**WHEREAS**, the City of Tipton, Iowa has provided utility services for properties within the City of Tipton, and

**WHEREAS**, the Utility Billing Clerks billed the subject property owner, and the City was never paid, and

**WHEREAS**, the City Clerk has presented the City Council with a list of costs for services that have not been paid by the subject property owner.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Tipton, Iowa, that the following property owner and costs have hereby been reviewed and approved by this Council and that the City Clerk is hereby directed to file this resolution with the Cedar County Treasurer and to request these costs be collected with and in the same manner as the property taxes paid by the property owner as provided in Section 384.2 Code of Iowa:

<u>Owner/Property</u>	<u>PIN</u>	<u>Legal Description</u>	<u>For</u>	<u>Costs</u>
Raymond & Rosella Eserhaut	0480-10-01-232-001-0	STARRS ADD LOTS 7 & 8 BLK 73	Unpaid Utility Bills	1,556.14

**PASSED AND APPROVED** this 26th day of February 2024.

\_\_\_\_\_  
Tammi Goerd, Mayor

ATTEST: \_\_\_\_\_

Amy Lenz, City Clerk

CERTIFICATION

I, Amy Lenz, City Clerk, do hereby certify the above is a true and correct copy of Resolution 022624D which was passed by the Tipton City Council this 26th day of February 2024.

\_\_\_\_\_  
Amy Lenz, City Clerk



## **ORDINANCE NO. 594**

### **AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF TIPTON, IOWA BY ADDING A NEW SECTION PERTAINING TO DEBTS SUBJECT TO THE SETOFF PROGRAM**

**BE IT ENACTED** by the City Council of the City of Tipton, Iowa:

**SECTION 1. NEW CHAPTER.** The Code of Ordinances of the City of Tipton, Iowa is amended by adding a new chapter, numbered Chapter 4, entitled DEBT SETOFF PROGRAM and is established as follows:

#### **CHAPTER 4**

##### **DEBT SETOFF PROGRAM**

**4.01 PURPOSE.** The purpose of this Chapter is to establish policies and procedures pursuant to Iowa Code 421.65, authorizing the City to invoke the setoff provisions contained therein for debts owed to the City and for which the City has afforded the debtor the opportunity to contest the debt.

**4.02 DEBTS SUBJECT TO SETOFF CONSTITUTING "QUALIFYING DEBT" PURSUANT TO IOWA CODE 421.65.** All debts or charges authorized herein by the City of Tipton Code or otherwise set by Resolution approved by the Tipton City Council shall be deemed "qualifying debts" subject to the provisions of Iowa Code 421.65, for which the City shall provide those procedures as set out herein Chapter 4 of the City Code. Such "qualifying debts" include, but are not limited to the following:

1. Past-due utility bills – electric, gas, water, sewer, stormwater, garbage service;
2. Unreturned (overdue) or damaged library materials/equipment;
3. Past-due parking tickets;
4. Past-due sidewalk repair/replacement costs;
5. Past-due sidewalk snow/ice removal invoice;
6. Past-due mowing invoice;
7. Past-due nuisance abatement invoice;
8. Past-due connection fees, permit fees, private water lines, curb box (shut off), electric, gas or water meters;
9. Past-due rental license/rental inspection fees;
10. Past-due subdivision/planning fees including engineering fees incurred on behalf of developer;

11. Any debt which is in the form of a liquidated sum due, owing, and payable to the clerk of the district court; and
12. Any other liquidated sum certain, owing, and payable to the City of Tipton, Iowa, with respect to which the City has afforded the debtor notice provided herein.

**4.03 PROCEDURE FOR CERTIFICATION TO THE IOWA DEPARTMENT OF REVENUE FOR SETOFF.** With respect to any debt herein, the City shall provide the debtor fifteen (15) days advance written notice to the debtor's last-known address, affording the debtor a period of fifteen (15) days within which to protest or appeal the delinquency to the Utility Billing Department of the City of Tipton. If the delinquency is upheld by the Utility Department, or the debtor has not paid the debt within fifteen (15) consecutive calendar days of the date of the notice, the City may certify the delinquency to the Iowa Department of Revenue for purposes of collection pursuant to Iowa Code 421.65.

**SECTION 2. SEVERABILITY CLAUSE.** If any section, provision or part of this Ordinance shall be adjudged invalid or unconstitutional, said adjudication shall not affect the validity of the Ordinance as a whole, or any section, provision or part thereof not adjudicated invalid or unconstitutional.

**SECTION 3. WHEN EFFECTIVE.** The Ordinance shall be in effect after its final passage, approval and publication as provided by law.

Passed by the Council the 26<sup>th</sup> day of February, 2024, and approved this 26<sup>th</sup> day of February, 2024.

\_\_\_\_\_  
Tammi Goerdt, Mayor

ATTEST:

\_\_\_\_\_  
Amy Lenz, City Clerk

First Reading:

Second Reading:

Third Reading:

I certify that the foregoing was published as Ordinance No. 593 on the \_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_  
Amy Lenz, City Clerk