

ALTON CITY COUNCIL MEETING
Minutes of Regular Session
Tuesday, January 12, 2016

Mayor Pro Tem Schutt called the meeting to order at 6:00 P.M. with Council members Bengard, Kleinhesselink, Vande Griend, and Zenor present. Also present were Harlan Jorgensen, Jeff Peters, Dale Oltmans and Laurie Stoos.

Motion by Bengard and second by Zenor to approve the agenda. Ayes 5

Motion by Bengard and second by Zenor to approve the consent agenda, including minutes from the January 5, 2016 meeting. Ayes 5

JANUARY 2016 ACCOUNTS PAYABLE

<u>VENDOR</u>	<u>SERVICES</u>	<u>AMOUNT</u>
A & M LAUNDRY INC	LAUNDRY SERVICES	\$86.56
AFLAC	AFLAC-PRE-TAX	\$497.33
AG PARTNERS	FUEL	\$1,095.66
AKA GOURMET	SUPPLIES	\$195.00
LEAH ALBERS	ELECTRIC REBATE	\$50.00
ANALYTICAL & CONSULTING	COMPLIANCE TESTING	\$570.65
ARNOLD MOTOR SUPPLY	VEHICLE MAINTENANCE	\$586.03
BABCOCK, JOSH	UTILITY DEPOSIT REFUND	\$200.00
BLOM, ADAM	UTILITY DEPOSIT REFUND	\$200.00
BOMGAARS	SUPPLIES	\$588.84
BORDER STATES INDUSTRIES, INC.	BULBS, PHOTO CELL	\$573.94
CHRISTOFFEL, LUKE	UTILITY DEPOSIT REFUND	\$125.00
CITY OF ORANGE CITY	GAS CONTRACT	\$3,750.00
CITY OF ORANGE CITY	LAW ENFORCEMENT CONTRACT	\$33,162.50
CLAYTON ENERGY CORPORATION	GAS COMMODITY	\$28,314.54
CLAYTON ENERGY CORPORATION	GAS RESERVATION	\$10,121.53
COMMUNITY BANK (FED WHLD)	FED/FICA TAX	\$8,927.78
	EMPLOYEE ASSISTANCE PROGRAM	\$92.88
CONNECTIONS INC	GROUP INSURANCE	\$1,140.00
DEARBORN NATIONAL LIFE INS	BUILDING SIGNS	\$890.00
DELEEUW GRAPHICS & SIGNS	ARC FLASH STUDY	\$8,500.00
DEWILD GRANT RECKERT & ASSOC	CELL PHONE	\$136.41
DIGITAL PLUS	UTILITY DEPOSIT REFUND	\$115.96
FANNIE MAE	SUPPLIES	\$15.85
FASTENAL	UTILITY DEPOSIT REFUND	\$250.00
FLOEN, MICHAEL	EMS TRAINING	\$45.00
FLOYD VALLEY HOSPITAL	BRAKE PADS	\$276.62
FOREMAN TIRE SERVICE	INK CARTRIDGES	\$123.81
FP MAILING SOLUTIONS	EAR PLUGS, SAFETY GLASSES	\$140.15
GRAINGER	END CAPS	\$237.99
GROEBNER & ASSOCIATES INC	ELECTRIC REBATE	\$16.00
ED GROTENHUIS	REPAIRS	\$103.16
HENTGES PLUMBING	ENERGY EFFICIENCY REPORTING	\$1,320.00
IOWA ASSN. OF MUNICIPAL UTIL.	BLADE DRAGS	\$363.45
IOWA DEPT OF TRANSPORTATION	MEMBERSHIP DUES	\$273.00
IOWA FIREFIGHTERS ASSOC	WEBINAR SERIES	\$35.00
IOWA LEAGUE OF CITIES	STATE TAX	\$1,499.00
IOWA STATE TREASURER	IPERS	\$5,116.28
IPERS COLLECTIONS	LEGAL FEES	\$429.00
KLAY,VELDHUIZEN,BINDNER,DEJONG	ELECTRIC REBATE	\$400.00
BRIAN KONZ		

BRIAN KONZ	GAS REBATE	\$400.00
MARAS, MITCHELL	UTILITY DEPOSIT REFUND	\$86.96
MATHESON TRI-GAS IN	OXYGEN	\$30.55
MID AMERICAN	LIGHTS	\$154.77
MIKES WELDING & REPAIR	EQUIPMENT	\$1,685.35
MISSOURI RIVER ENERGY SERVICES	ELECTRIC	\$65,440.52
MOERMOND, STEPHANIE	UTILITY DEPOSIT REFUND	\$200.00
MONTIEL, MARNY	UTILITY DEPOSIT REFUND	\$150.00
MOTOR INN OF ORANGE CITY	VEHICLE MAINTENANCE	\$261.64
MUNICIPAL MANAGEMENT CORP	LEAK SURVEY	\$500.00
MUNICIPAL UTIL-BILLS	UTILITIES	\$1,833.25
NASSAU CEMETERY	DONATION	\$500.00
NEAL CHASE LUMBER CO	SUPPLIES	\$408.69
NIBBELINK, RANDY & JONI	BUDGET BILLING REFUND	\$613.52
NOTEBOOM ELECTRIC	REPAIRS	\$328.96
ORANGE CITY MUNICIPAL UTILITIES	BULK WATER	\$8,861.24
ONE OFFICE SOLUTION	SUPPLIES, FILING CABINETS	\$374.09
ORANGE CITY HEALTH SYSTEM	PARAMEDIC ASSIST	\$125.00
ORANGE CITY SANITATION	GARBAGE HAULING	\$6,275.70
OWENS, DENNIS	ELECTRIC REBATE	\$79.86
PAYROLL	PAYROLL CHECKS ON 12/31/2015	\$28,560.86
PLUIM PUBLISHING CO., INC.	PUBLICATIONS	\$84.88
RANDY'S IRON WORKS	EQUIPMENT	\$145.07
REMAX REAL ESTATE	UTILITY DEPOSIT REFUND	\$250.00
ROCKWELL, RANDY	UTILITY DEPOSIT REFUND	\$275.00
ROHWER, SCOTT	UTILITY DEPOSIT REFUND	\$125.00
DENNIS SCHMIT	ELECTRIC REBATE	\$875.00
SCHULLER, SEAN	UTILITY DEPOSIT REFUND	\$225.00
SIOUX COUNTY EMS ASSOCIATION	EMS TRAINING	\$225.00
SIOUX COUNTY RECORDER	RECORDING FEES	\$7.00
SIOUX COUNTY SHERIFF	COMMUNICATIONS CENTER	\$7,814.00
SIOUXLAND PRESS	PUBLICATIONS	\$202.90
SMALL, BERNARD	UTILITY DEPOSIT REFUND	\$59.61
T & L TOOLS	TOOLS	\$84.00
TREASURER - STATE OF IOWA	SALES TAX	\$3,586.00
TRITECH EMERGENCY SYSTEMS INC	RESCUE BILLING	\$82.50
TYLER, BILLIE	UTILITY DEPOSIT REFUND	\$125.00
U S CELLULAR	CELL PHONES	\$313.23
VAN MAANEN'S RADIO SHACK	COMPUTER SERVICE	\$70.55
HOLLY VAN ROEKEL	UTILITY CONNECTION REBATE	\$600.00
HOLLY VAN ROEKEL	GAS REBATE	\$400.00
HOLLY VAN ROEKEL	UTILITY DEPOSIT REFUND	\$90.66
VISA	SUPPLIES	\$323.44
WELLMARK	GROUP INSURANCE	\$7,189.12
WESCO DISTRIBUTION, INC.	LOCATING FLAGS	\$192.60
WEST IOWA TELEPHONE	TELEPHONE, FAX, INTERNET	\$568.44
ANDREW WOLGEN	GAS REBATE	\$400.00
WOLGEN, ANDREW	UTILITY DEPOSIT REFUND	\$300.00
ZESTOS	GAS REBATE	\$400.00
ZIEGLER	MAINTENANCE	\$727.84
		=====
	TOTAL ACCOUNTS PAYABLE	
	CHECKS	\$253,177.72

AUDIT REPORT:

Jeff Peters from Williams and Company reviewed the June 30, 2015 Audit Report with the Council. In the Auditors opinion, the financial statements present fairly, and Jeff stated the City Staff has done a thorough job reporting the finances as well as maintaining the City's financial position.

Peters left at 6:23.

MAYOR VACANCY:

The Council discussed Mayor Minten's resignation and the options to fill the Mayor position. The Council decided to appoint Councilman Schutt to the Mayor position and to appoint a replacement to fill the vacated Council seat at the February meeting. The Council also discussed changing the mayor term to avoid having three councilmen and a mayor up for election at the same time.

RESOLUTION 16-4 "A RESOLUTION TO FILL A VACANCY BY APPOINTMENT FOR THE ELECTIVE OFFICE OF MAYOR" was introduced and moved for adoption by Council Member Bengard. Vande Griend seconded the motion to adopt.

On roll call vote:

Ayes: Bengard, Kleinhesselink, Vande Griend, Zenor

Nays: None

Abstain: Schutt

Whereupon the Mayor Pro Tem declared the Resolution duly adopted.

ELECTRIC UTILITY: Consideration of Amendments to S-1 Agreement and related documents, and Resolution

Council Member Zenor introduced and moved for adoption "**RESOLUTION 16-5 "RESOLUTION TO APPROVE AMENDMENT 5 TO THE S-1 POWER SALE AGREEMENT, AND MISSOURI BASIN MUNICIPAL POWER AGENCY POWER SALE AGREEMENT (S-1) (AS AMENDED AND RESTATED EFFECTIVE JANUARY 2, 2017)"**", Kleinhesselink seconded the motion to adopt.

The members of the Council discussed the motion and the amendments to the power supply contracts identified in Resolution 16-5.

RESOLUTION 16-5

"Resolution to Approve Amendment 5 to the S-1 Power Sale Agreement, and Missouri Basin Municipal Power Agency Power Sale Agreement (S-1) (as amended and restated effective January 2, 2017)"

WHEREAS, the City Council of the City of Alton, Iowa is currently purchasing all electric power and energy it requires to meet the needs of its customers in excess of City's firm power allocation from the Western Area Power Administration ("WAPA") ("Supplemental Power") from Missouri Basin Municipal Power Agency d/b/a Missouri River Energy Services ("MRES"), pursuant to the terms and conditions of the Power Sale Agreement (S-1) ("S-1 Agreement") for a term extending through December 31, 2045; and

WHEREAS, the S-1 Agreement requires that MRES physically deliver Supplemental Power to City over the Integrated System ("IS") transmission facilities administered by WAPA; and

WHEREAS, WAPA joined the Southwest Power Pool (“SPP”) Regional Transmission Organization (“RTO”) effective October 1, 2015, and the IS transmission facilities were moved into SPP (which now has functional control over those facilities) and, as a result, MRES can no longer physically deliver power and energy over the IS transmission facilities. Further, because all MRES members are now in the footprint of either the SPP market or the Midcontinent Independent System Operator, Inc. (“MISO”) market where power and energy are financial (and no longer physical) transactions, the S-1 Agreement no longer accurately reflects how power supply and the delivery of that power and energy are actually transacted in the RTOs. The RTOs, including SPP and MISO, operate energy markets and transmission networks that have fundamentally changed the way MRES provides power and energy to its Members under the S-1 Agreement; and

WHEREAS, these market changes require that Supplemental Power must be separated from Transmission Service because all MRES Members are located in one of two different RTOs that operate markets for energy (and capacity), and the physical delivery of power and energy (*i.e.* transmission service) is now separate from those actual commodities; and
WHEREAS, it is mutually beneficial to all parties that the base term of the S-1 Agreement which currently continues to 2046 be extended until 2057 to facilitate future financing of projects on the most advantageous terms and with the least impact on the wholesale power costs of City and other MRES Members; and

WHEREAS, other changes proposed to the S-1 Agreement will enable MRES to meet the new transmission service and energy market demands of the changing electric utility industry in a way that enhances the ability of MRES to effectively and economically provide Supplemental Power and Transmission Service to City, will provide clarification to the existing obligations of the parties, will provide flexibility for City to provide for a limited amount of its customers’ needs from its own local renewable resources, and will address the privacy and security of information on individuals; and

WHEREAS, the City Council of the City of Alton, Iowa desires that MRES continue to plan for, provide, and arrange for delivery of all Supplemental Power and Transmission Service needed by City.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Alton, Iowa that:
The “Amendment 5 to the Missouri Basin Municipal Power Agency Power Sale Agreement (S-1)” among MRES, Western Minnesota, and City is approved in the form presented; and

The “Missouri Basin Municipal Power Agency Power Sale Agreement (S-1) (as amended and restated effective January 2, 2017)” and “Schedule A” among MRES, Western Minnesota, and the City are approved in the form presented.

IT IS FURTHER RESOLVED that each of the Mayor and City Administrator shall be, and each of them acting individually hereby is, authorized and directed to execute and deliver to MRES each of the foregoing documents on behalf of the City of Alton, Alton, Iowa.

The Resolution came to a vote, the roll was then called, and the votes were as follows:

Ayes/Voting in favor of adoption of the Resolution: Bengard, Kleinhesselink, Schutt, Vande Griend, Zenor
Nays/Voting against adoption of the Resolution: None

Whereupon the Mayor Pro Tem declared the Resolution duly adopted

LIQUOR LICENSE:

Casey's General Store submitted a request for renewal of their liquor license with Sunday sales.

Motion by Bengard and second by Kleinhesselink to approve the liquor license with Sunday sales for Casey's General Store. Ayes 5

E. DIVISION STREET:

Motion by Zenor and second by Kleinhesselink to approve task order for professional services with DGR Engineering for 2016 Division Street Paving Improvements. Ayes 5

MILEAGE RATE:

RESOLUTION 16-6 "RESOLUTION TO ESTABLISH MILEAGE REIMBURSEMENT" was introduced and moved for adoption by Council Member Kleinhesselink. Vande Griend seconded the motion to adopt.

On roll call vote:

Ayes: Bengard, Kleinhesselink, Schutt, Vande Griend, Zenor

Nays: None

Whereupon the Mayor Pro Tem declared the Resolution duly adopted

PERSONNEL:

Oltmans spoke to the Council about hiring Brian Konz as part time public works to help with snow removal. He also informed the Council of the Library's decision to hire Krista Bonestroo.

RESOLUTION 16-7 "A RESOLUTION OF THE CITY COUNCIL OF ALTON, IOWA, SETTING SALARIES AND WAGES FOR APPOINTED OFFICERS AND EMPLOYEES OF THE CITY FOR FISCAL YEAR 2015-2016" was introduced and moved for adoption by Council Member Vande Griend. Bengard seconded the motion to adopt.

On roll call vote:

Ayes: Bengard, Kleinhesselink, Schutt, Vande Griend, Zenor

Nays: None

Whereupon the Mayor Pro Tem declared the Resolution duly adopted

Discussion was held in regards to employees donating time off.

Motion by Bengard and second by Zenor to adopt a temporary policy allowing employees to donate vacation/sick/compensatory hours to Deb Harpenau. Donations are limited to a maximum of 40 hours per employee. Harpenau can only be compensated up to her average weekly hours based on last year's average. Ayes 5

EQUIPMENT:

Oltmans informed the Council of the recommendation of staff to purchase two snow pushers to help with alleys and wind rows. They will also help extend the life of the aging snow blower.

Motion by Zenor and second by Vande Griend to approve purchase of two snow pushers from Mike's Welding & Repair. Ayes 5

PARKS:

Oltmans informed the Council of the County's intent to budget money towards Roadside Park improvements. The Council discussed options for the use of this money, including dredging the pond or using it towards the shelter house. It was the consensus of the Council to use budgeted funds from the County towards improving the shelter house.

BUDGET:

Oltmans reviewed the proposed Capital Projects Plan with the Council.

Motion by Bengard and second by Kleinhesselink to approve Capital Projects Plan as presented. Ayes 5

BOARDS & COMMITTEES:

Motion by Kleinhesselink and second by Vande Griend to appoint Bengard as Mayor Pro Tem and Schutt to the Alton Economic Development Commission. Ayes 5

OTHER BUSINESS:

Oltmans presented a thank you from the Orange City Area Health System Foundation for the contribution towards the nursing home.

The Council discussed the demolition of the old elevator and instructed Oltmans to speak with Chad Cleveringa to discuss plans. Also the Council directed Oltmans to speak with the Iowa League of Cities, the Iowa Association of Municipal Utilities and city attorney.

Kleinhesselink informed the Council of Chief Frank Van Es's intention to resign as Fire Chief. The Council directed staff to prepare a resolution and certificate to thank Van Es.

Motion by Kleinhesselink and second by Vande Griend to adjourn meeting at 7:20 PM. Ayes 5

Mayor Pro Tem,
Brian E. Schutt

City Clerk/Administrator
Dale Oltmans

December Revenue

General Fund	\$27,317.57	Capital Equipment Fund	\$40.12
RUT Fund	\$13,120.90	LMI Housing	\$17.70
Employee Benefits Fund	\$1,705.80	Capital Parks & Trails	\$3.56
Local Option Fund	\$12,445.87	Water Fund	\$19,223.81
TIF - Industrial Park	\$7,898.75	Sewer Fund	\$12,548.22
TIF – FVM2 Phase 1	\$303.83	Electric Fund	\$72,880.06
TIF – FVM1 Fund	\$3,349.40	Gas Fund	\$31,848.97
Debt Service Fund	\$10,739.53	Total Receipts	\$213,444.09