

**ALTON CITY COUNCIL MEETING**  
**Minutes of Regular Session**  
**Tuesday, May 12, 2015**

Mayor Minten called the meeting to order at 6:00 P.M. with Council members Bengard, Kleinhesselink, Schutt, Vande Griend, and Zenor present. Also present was Brad De Jong, Al Willett, Bruce Jellema, Harlan Jorgensen, Kurt Krull, Starla TeBrink, Tom Harpenau, Nick Herda, Dale Oltmans and Laurie Stoos.

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

Motion by Kleinhesselink and second by Zenor to approve the consent agenda, including minutes from the April 14, 2015 meeting. Ayes 5

**MAY 2015 BILLS**

VENDOR	SERVICE	AMOUNT
10TH ST PUB	BUSINESS ENCOURAGEMENT GRANT	\$4,000.00
A & M LAUNDRY INC.	LAUNDRY SERVICES	\$43.28
AG PARTNERS	FUEL, DIESEL FUEL CONTRACT- 2 QTRS	\$6,001.22
ANALYTICAL & CONSULTING	WATER/WASTEWATER COMPLIANCE	\$1,261.96
ARNOLD MOTOR SUPPLY	VEHICLE MAINTENANCE	\$219.85
BANKERS TRUST	2013B BOND PRINCIPAL & INTEREST	\$39,037.50
BANKERS TRUST	2009A BOND PRINCIPAL & INTEREST	\$78,910.00
BANKERS TRUST	2013A BOND PRINCIPAL & INTEREST	\$93,100.00
BANKERS TRUST	2010 BOND PRINCIPAL & INTEREST	\$63,090.00
BOMGAARS	SUPPLIES	\$143.14
BORDER STATES INDUSTRIES, INC.	WIRE, SPLICE, PAINT	\$1,665.90
BROWN SUPPLY CO.	PIPE, COUPLING, SIGN	\$1,215.52
CLAYTON ENERGY CORPORATION	GAS COMMODITY	\$6,286.33
CLAYTON ENERGY CORPORATION	GAS RESERVATION	\$2,071.41
COMMUNITY BANK	ACH FEES	\$27.40
COMMUNITY INS	BUSINESS PROTECTION PLAN	\$791.00
CONTINENTAL RESEARCH CORP	NO OX	\$1,467.71
D & L PLUMBING	PIPE	\$15.79
DAN'S TREE SERVICE LLC	TREE REMOVAL, STUMP GRINDING	\$2,350.00
DEERE CREDIT	MOWER LEASE	\$6,969.40
DEWILD GRANT RECKERT & ASSOC	WATER MAIN LOOP IMPROVEMENTS	\$7,538.65
DISABLED VETS AT WORK	E-RECYCLING	\$3,396.00
ECHO GROUP INC	CONDUIT	\$469.07
ELLIS MOBILE HOME TRANSPORT	MOBILE HOME TRANSPORT	\$2,500.00
FIRE SERVICE TRAINING BUREAU	TRAINING	\$50.00
GCC ALLIANCE CONCRETE INC.	REPAIRS, FUEL TANK PAD	\$1,045.50
GLENN'S COPIER INC	OFFICE SUPPLIES	\$522.97
GOVCONNECTION, INC	TABLET	\$1,013.83
GROEBNER & ASSOCIATES INC.	TAPE	\$145.70
H & D UNDERGROUND INC.	DIRECTIONAL BORING	\$1,374.60
HAWKE & CO AG SERVICES	EQUIPMENT MAINTENANCE	\$1,538.79
HENTGES PLUMBING	SUPPLIES, REPAIRS	\$221.45
NICK HERDA	REIMBURSEMENT - VEHICLE MAINT	\$40.00
HOLIDAY INN	TRAVEL & TRAINING	\$380.80
IOWA ASSN. OF MUNICIPAL UTIL.	TESTING, REGISTRATION	\$40.00
IOWA DEPT. OF TRANSPORTATION	SALT ROCK	\$1,066.00
IOWA FINANCE AUTHORITY	SRF LOAN PRINCIPAL & INTEREST	\$6,731.25

IOWA LEAGUE OF CITIES	IMPA/IMPI REGISTRATION	\$266.00
JEBRO INC.	CRS2	\$658.00
KLAY,VELDHUIZEN,BINDNER,DEJONG	LEGAL FEES	\$2,602.00
KRIZ-DAVIS CO.	SUPPLIES	\$98.84
MBMECA	ELECTRIC TRANSMISSION	\$4,482.86
MID AMERICAN	LIGHTS	\$149.52
MID SIOUX OPPORTUNITY	PROJECT SHARE	\$20.00
MISSOURI RIVER ENERGY SERVICES	REGISTRATION	\$100.00
MISSOURI RIVER ENERGY SERVICES	ELECTRIC	\$32,321.83
MOUW MOTOR	PAINT	\$8.17
MUNICIPAL UTIL-BILLS	UTILITIES	\$1,583.88
NEAL CHASE LUMBER CO	LANDSCAPING MATERIAL, SUPPLIES	\$1,935.76
NIPCO	REPLACE TRANSFORMER PAD & POLE	\$4,049.16
NO STREAKING INC.	WINDOW CLEANING	\$88.81
NORTHWEST IOWA DEVELOP	DUES	\$900.00
NORTHWEST IOWA PLANNING	DUES	\$547.20
NORTHWEST IOWA REC	REGISTRATION	\$35.00
NORTHWEST IOWA SOLID WASTE	MOBILE HOME DISPOSAL	\$300.00
ORANGE CITY MUNICIPAL UTILITIES	BULK WATER	\$7,368.70
ORANGE CITY HEALTH SYSTEM	PARAMEDIC ASSIST	\$118.00
ORANGE CITY SANITATION	GARBAGE HAULING	\$6,241.30
PAYROLL	PAYROLL CHECKS ON 4/30/2015	\$23,851.15
PETTY CASH	SUPPLIES	\$38.14
PLUIM PUBLISHING CO., INC.	HELP WANTED AD	\$54.38
R & J WELDING AND DESIGN	WELDING - HITCH	\$132.36
SANITATION PRODUCTS, INC.	BROOMS	\$711.00
SERVICES UNLIMITED	LIFT STATION CONTROL SYSTEM	\$5,904.00
SIOUX COUNTY RECORDER	RECORDING FEES	\$92.00
SIOUXLAND PRESS	PUBLICATIONS	\$429.10
LAURIE STOOS	MILEAGE REIMBURSEMENT	\$294.40
T&R SERVICE COMPANY	TRANSFORMER DISPOSAL	\$2,856.00
TOWN & COUNTRY IMPLEMENT	DIGGER REPAIR	\$13,535.68
TREASURER - STATE OF IOWA	SALES TAX	\$3,303.00
TRITECH EMERGENCY SYSTEMS INC.	RESCUE BILLING	\$165.00
U S CELLULAR	CELL PHONES	\$309.82
U. S. POSTMASTER	POSTAGE	\$500.00
USA BLUE BOOK	SIGN STAND, SIGN	\$732.77
VAN MAANEN'S RADIO SHACK	FIREWALL, SECURITY LICENSE	\$806.40
VISA	TRAINING, SUPPLIES	\$216.81
WELLMARK	GROUP INSURANCE	\$7,494.81
WESCO DISTRIBUTION, INC.	BOX PAD, CONNECTOR, FLAGS	\$3,137.24
WEST IOWA TELEPHONE	TELEPHONE, FAX, INTERNET	\$552.10
		=====
	TOTAL ACCOUNTS PAYABLE CHECKS	\$465,733.21

**SIOUX GOLF & COUNTRY CLUB:** Sioux Golf & Country Club Committee Members presented the Council with a proposal to purchase the golf course and country club.

Proposal:

- Sell Sioux Golf and Country Club, land and equipment for \$300,000.00 to City of Alton.
- The club would become a municipal owned golf course.
- Sioux Golf Board would continue to manage all functions with current by-laws and governance ensuring we have City of Alton representation on our board.
- Any major expense over our budget would need to be approved by the City Council.
- Sioux Golf will no longer be able to borrow money.

Jorgensen explained that the SGCC Board is requesting \$300,000 as the purchase price which is the amount of SGCC's debt. It is projected that the City would also need to budget \$25,000 to \$30,000 a year for operations. Jorgensen also explained the proposal is conditional based on the member's approval but that the SGCC Board backs the proposal.

The Committee has spoken to different cities with golf courses and found that when golf courses are owned by a city they can continue to operate. Harpenau indicated that when the board and committee looked into what expenses can be taken out of the budget, there were none to be cut, so another solution must be found. Harpenau asked what options the City has to fund the purchase, and whether or not it had to be bonded. It was indicated that if bonding was used, the Council would be required to call for a vote.

Zenor noted that there are a lot of missing details in the proposal. Minten has researched formal appraisals and it would cost \$1,000 just to appraise the ground, not including the club. De Jong indicated that an appraisal would be recommended, to assure citizens, and to verify that the asking price is at or below fair market value. Minten indicated the assessed price per the County Assessor web page is \$495,750. Vande Griend asked if a vote failed if there was another plan. It was indicated there was not an alternate plan in place. Schutt mentioned the City has just bonded \$400,000 for street repair and it is difficult to find cash to repair and keep up streets in town, let alone adding on additional costs of owning a golf course. Schutt questioned if the committee or board has talked to the bank owner in regards to a loan forgiveness plan. To this point that option had not been considered and the committee did not feel that would be a viable option, as raising any more funds would be difficult. Harpenau stated that the City should be pushing the residents to vote for the purchase as it is for the betterment of the City and the residents need to look at the value of what they would be getting.

Jellema asked what options the City has. De Jong indicated the City can bond, have a reverse referendum, or find other means to finance the purchase. De Jong indicated he thought it would be best if the terms of a lease be worked out before going to a vote or fund raising. Schutt expressed his belief that that members of the club would be more likely to give money to the club now, because they do not want to see it close. Jellema would like to see the ballot not reflect an 'if' vote but a 'how to fund' vote. Bengard indicated that he is on the Council as well as the SGCC Board, and budgets for both. He said it is difficult to budget for the City, with a lot of projects coming up, and trying to figure out how to fund those projects. Bengard also stated that bonding for the purchase of the golf course could raise property taxes \$.50 per \$1,000 of property value for all residents. As a club member he is ok with that, but understands how a lot of residents may not be. Willet asked if there was any comparing this vote to the school vote since both entities are an important part of the community.

Schutt and Bengard indicated they did not think that an appraisal would need to be done in order to determine if the course and club are valued at more than \$300,000. Bengard expressed his belief that the club should make an effort to raise funds as a good faith effort since the majority of the residents are not members of the club. Jorgensen said the club's good faith effort is selling a property valued at \$750,000 for \$300,000.

De Jong stated that a vote can be called without details of the terms worked out, but since all of the Council members are members of SGCC, there could be a conflict of interest. He reiterated the importance of obtaining the fair market value to present to the voters.

Motion by Schutt and second by Zenor to proceed looking at options to fund or acquire Sioux Golf and Country Club pending a proposed lease agreement. Ayes 5

Willett, Jellema, Jorgensen, Krull, TeBrink, Harpenau, Herda left at 7:10 PM.

Motion by Bengard, second by Schutt, to enter into closed session under Chapter 21.5(j) of the Code of Iowa, to discuss the purchase of real estate.

Upon roll call vote, the following was recorded:

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

Nays: None

Closed session began at 7:10 PM.

7:36 PM Motion by Bengard, second by Zenor to return to open session. Ayes 5

Minten recommended Schutt and Bengard to form a committee to draft a lease and report back to the Council.

Motion by Vande Griend and second by Kleinhesselink to appoint Schutt, Bengard and Minten to draft details of a lease agreement with Sioux Golf and Country Club for operations if the City would purchase or accept the club and course as a gift. Ayes 5

#### **GENERAL OBLIGATION CAPITAL LOAN NOTES, SERIES 2015:**

**RESOLUTION 15-16 “RESOLUTION APPOINTING BANKERS TRUST COMPANY OF DES MOINES, IOWA, TO SERVE AS PAYING AGENT, NOTE REGISTRAR, AND TRANSFER AGENT, APPROVING THE PAYING AGENT AND NOTE REGISTRAR AND TRANSFER AGENT AGREEMENT AND AUTHORIZING THE EXECUTION OF THE AGREEMENT”** was introduced and moved for adoption by Council Member Zenor. Schutt seconded the motion to adopt.

Upon roll call vote, the following was recorded:

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

Nays: None

Whereupon the Mayor declared the Resolution duly adopted.

**RESOLUTION 15-17 “RESOLUTION APPROVING AND AUTHORIZING A FORM OF LOAN AGREEMENT AND AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF \$400,000 GENERAL OBLIGATION CAPITAL LOAN NOTES, SERIES 2015, AND LEVYING A TAX TO PAY THE NOTES”** was introduced and moved for adoption by Council Member Kleinhesselink. Vande Griend seconded the motion to adopt.

Upon roll call vote, the following was recorded:

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

Nays: None

Whereupon the Mayor declared the Resolution duly adopted.

Motion by Schutt and second by Zenor to approve Tax Exemption Certificate. Ayes 5

**11<sup>TH</sup> ST EAST PROJECT:** The Mayor opened the public hearing on proposed plans and specifications, form of contract and estimate of costs for the 11<sup>th</sup> St. East Project at 7:52 P.M. No oral comments were received. Oltmans presented the written recommendation from DGR to award Cleveringa Excavating the project. The public hearing was closed at 7:55 P.M.

Oltmans informed the Council there will be a change order to install metal piping instead of plastic pipe for the new water main. This is due to requirements for the DNR water permit.

**RESOLUTION 15-18 “RESOLUTION ADOPTING PLANS, SPECIFICATIONS, FORM OF CONTRACT AND ESTIMATE OF COST”** was introduced and moved for adoption by Council Member Zenor. Vande Griend seconded the motion to adopt.

Upon roll call vote, the following was recorded:

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

Nays: None

Whereupon the Mayor declared the Resolution duly adopted.

**RESOLUTION 15-19 “RESOLUTION MAKING AWARD OF CONSTRUCTION CONTRACT”** was introduced and moved for adoption by Council Member Kleinhesselink. Schutt seconded the motion to adopt.

Upon roll call vote, the following was recorded:

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

Nays: None

Whereupon the Mayor declared the Resolution duly adopted.

**STREET DANCE:** The Double D Bar and The 10<sup>th</sup> St. Pub submitted requests for extensions of liquor license premises to the street for the Larry Schlichte memorial street dance.

Motion by Schutt and seconded by Kleinhesselink to approve the requests by Diane Jellema DBA Double D Bar and by Jim Lancaster DBA The 10<sup>th</sup> St Pub to extend existing liquor license premises to the street for the Larry Schlichte memorial street dance. Ayes: 5

#### **PAYROLL:**

**RESOLUTION 15-21 “A RESOLUTION OF THE CITY COUNCIL OF ALTON, IOWA, SETTING SALARIES AND WAGES FOR APPOINTED OFFICERS AND EMPLOYEES OF THE CITY”** was introduced and moved for adoption by Council Member Bengard. Vander Griend seconded the motion to adopt.

Upon roll call vote, the following was recorded:

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

Nays: None

Whereupon the Mayor declared the Resolution duly adopted.

**CIGARETTE PERMIT:** Casey’s General Store submitted a request for renewal of their cigarette permit. Oltmans reviewed notification from the State of Iowa that an employee at Casey’s General Store was caught selling cigarettes to a minor. It was the consensus of the council to not assess a civil fine from the City.

Motion by Bengard and second by Kleinhesselink to approve renewal of cigarette permit for Casey’s General Store. Ayes 5

**WASTEWATER TREATMENT:** DGR has presented the City with an engineering agreement for evaluating the wastewater treatment facility to determine if regionalization with Orange City is beneficial. It is the consensus of the Council to not sign the agreement due to a mechanical plant not being able to remove chlorides, which is what Alton is addressing.

**INDUSTRIAL PARK:** Oltmans presented the Council with a quote and sketch from De Leeuw Graphics for a new sign in the Industrial Park. Discussion was held in regards to size and necessity. The Council directed Oltmans to explore further options.

Oltmans informed the Council Darling International has not given permission for an easement and to run a water line diagonally through their property. The Council discussed participating in the cost of Darling’s back flow valve as a trade for an easement. It was the consensus of the Council to offer \$15,000 towards the project.

Oltmans presented the Council with Blacktop Services’ proposal to overlay the parking lot by the Eastside Park. It was the consensus of the Council to request a quote from another company as well.

Motion by Kleinhesselink and second by Zenor to adjourn the meeting at 8:25 PM. Ayes 5

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Mayor,  
Ronald L. Minten

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City Clerk/Administrator  
Dale Oltmans

**April Revenue**

General Fund	\$128,069.84	Capital Economic Development	\$1,250.00
RUT Fund	\$8,737.43	Capital Equipment Fund	\$17.94
Employee Benefits	\$12,902.90	LMI Housing	\$26.00
Local Option Fund	\$10,737.08	Capital Parks & Trails	\$4,184.80
TIF - Industrial Park	\$198,993.43	Water Fund	\$17,412.96
TIF FVM2 Phase 1Fund	\$3,427.32	Sewer Fund	\$10,790.85
TIF FVM1 Fund	\$41,751.61	Electric Fund	\$75,700.20
Debt Service Fund	\$89,664.00	Gas Fund	\$67,251.99
		<b>Total Receipts</b>	<b>\$670,918.35</b>