

City of Fontanelle
October 10, 2016

The Fontanelle City Council met in regular session at 7 p.m. at the community center, with Mayor Miller calling the meeting to order. Council members present were: Davis, Baldogo, Zimmerline, and Warrior, Dukes. All motions are carried unanimously, unless otherwise noted. City employees present: David Sickles, Shawn Tipling, and Amanda Held. Also present: Laura and Joel Fritz, Deb Dukes, Jim and Peg Scot, Ryan Cooper, Mollie Lamborn and Dianna Goetz.

Motion by Baldogo to accept the agenda as presented, 2nd by Zimmerline. Approved.

Public Input

Peg Scott asked what the results were with the Rate Study the City was having completed. Nothing has been completed yet, as some preliminary results are now just coming in, and should have something in the week of October 24th.

Mollie Lamborn asked when the new council members started, Mayor Miller stated September 12th was there first council meeting.

Ryan Cooper would like to see some action taken with speeders on West Maple to Highway 92, as it is getting out of hand. Ryan would also like something done about the engine braking on West Maple. He also expressed the need of being careful when the City brush pile is being burned on a windy day. As the smoke is very bad when the wind is blowing smoke to the south of town.

No Old Business.

New Business

Motion by Dukes to approve building permit from Brice Edwards, 2nd by Warrior. Approved

Motion by Baldogo to approve building permit from Julie Christensen, 2nd by Dukes. Approved

Peg Scott would like to reopen the discussion on net metering, to the new council members. She would like to know why this particular solar contract that was chosen and not another. Peg stated that their solar panels are producing electricity during the day when they are not using the majority of the power, then at night when they are needing power they are purchasing it from the city. Peg would like to see a net metering option put in place for solar power customers. This would let solar customers send the City of Fontanelle excess power they do not use during the day, then when they purchase power from City of Fontanelle they would to reduce this by what they sent to the City. The solar customers believe there is something wrong with the way the billing or metering is being completed, due to they are not showing any big drops in their utility bills. Councilman Jade Zimmerline, would like to find a way to get more facts on avoided cost and net metering and how each would affect the city. Peg Scott, will talk to a contact at Iowa State that could provide more information on the net metering.

Motion by Davis to approve to set hearing for November 14th to amend the budget, second by Warrior. Approved.

Council set the Trick or Treat Night for October 31st 5:00pm to 8:00pm.

Police Department report prepared by Pat Henry was reviewed.

Pat would like to apply for a grant to purchase two or more solar powered speed signs. Pat said this should cut down on people speeding in to town, the council agreed to move forward on this process.

Departmental report prepared by David Sickles was reviewed.

David reported the bridge rails are up and they are now putting down the walkway planks. David thanked Mollie Lamborn for staining one side of the railing and putting together a group to finish the other side and walkway.

Dukes had a complained about smoke coming in at the Fontanelle Lumber, from the brush pile and that more restraint on when the pile is stirred is needed.

David, Pat and Council discussed getting cameras down at the brush pile, as it has been badly abused over the years, with the dumping of garbage, furniture, car parts, and other items that should not be burned. And having tickets issued for violators.

Motion by Davis to approve the clerk's report, list of bills and minutes from last month's meeting. 2nd by Baldogo. Approved.

GENERAL

Salaries	\$3,539.68
Casey's General Store	\$138.72
Sickles, Denny	\$300.00
Alliant Energy	\$42.81
Windstream	\$71.08
Fox Welding	\$145.20
Library	\$4,825.00
Southwest Iowa Pest Control	\$28.00

SEWER FUND

Salaries	\$2,238.75
Casey's General Store	\$58.25
IAMU	\$175.00
Verizon	\$21.96
Windstream	\$16.00
Wallace Auto Supply	\$11.55
Fontanelle Observer	\$20.81
Office Machines Co	\$8.48

Matheson Tri-Gas Inc	\$78.00
Municipal Utilities	\$1,360.11
Fontanelle Observer	\$41.62
TOTAL	\$10,570.22

WATER FUND

Salaries	\$4,004.68
IAMU	175
Wallace Auto Supply	11.55
Casey's General Store	58.24
Verizon	\$21.96
Windstream	\$50.07
ECHO	432.14
GMU	\$2,837.55
Municipal Utilities	\$265.02
Agriland FS	\$5.55
Farmers Electric Coop	\$286.35
Fontanelle Observer	\$20.82
DPC Industries	\$565.75
Alliant Energy	\$7.21
Office Machines Co	\$8.48
Grantham Sanitation	\$28.80
Zimmerline, Jack	\$150.00
Iowa DNR	\$66.00
State Hygienic Lab	\$32.00
Visa	\$56.65
TOTAL	\$9,083.82

REVENUE

General	\$49,766.41
Road Use Tax	\$6,680.57
Employee Benefit	\$4,681.60
Local Option Tax	\$5,999.16
Meter Deposits	\$0.05
Debt Service	\$10.76
Water Fund	\$15,579.02
Sewer Fund	\$8,259.45
Electric Fund	\$51,175.26
Landfill	\$776.98
TOTAL	\$142,929.26

LANDFILL

Adair Co Sanitary Landfill	\$2,352.00
TOTAL	\$2,352.00

PAYROLL CLEARING

IRS	\$3,661.80
IPERS	\$2,193.08
UHCPRV	\$4,642.89
TOTAL	\$10,497.77

ECHO	\$1,313.90
Alliant Energy	\$7.20
Hach	\$367.55
Chemsearch	\$397.05
State Hygienic Lab	\$78.00
Municipal Utilities	\$966.69
Visa	\$102.54
Grantham Sanitation	\$28.80
Postmaster	\$22.95
TOTAL	\$5,835.48

ELECTRIC FUND

Salaries	\$4,650.82
Iowa Dept of Rev & Finance	\$2,477.00
IAMU	\$550.44
Wallace Auto Supply	\$14.84
Casey's General Store	\$147.17
Verizon	\$63.56
Windstream	\$46.59
Alliant Energy	\$10.82
True Value	\$14.99
Municipal Utilities	\$317.51
Farmers Electric Coop	\$49.78
Fontanelle Observer	\$74.03
Office Machines Co	\$16.37
Zimmerline, Jack	\$250.00
Grantham Sanitation	\$86.40
Border States Electric	\$1,126.07
ECHO	\$318.60
Aramark	\$152.09
Forward Fontanelle Power	\$2,980.93
Dukes, Rodney	\$3.10
Scott, Jim	\$5.14
Visa	\$87.18
Skarshaug Testing Lab	\$102.66
Dept. of Energy	\$14,512.68
IPAIT	\$8,588.07
TOTAL	\$36,646.84

ROAD USE TAX

Salaries	\$6,561.93
Wallace Auto Supply	\$11.54
Windstream	\$16.00
Alliant Energy	\$10.82
Municipal Utilities	\$101.73
Farmers Lumber	\$475.70
Iowa Prison Industries	\$27.60
Blacktop Service	\$33,451.20
TOTAL	\$40,656.52

METER DEPOSITS

Hanson, Tim	\$187.55
TOTAL	\$187.55

Open Forum

Ryan Cooper inquired about having the council look in to options on a clean-up day.
The Mayor declared the meeting adjourned at 8:22p.m.

Attest: Amanda Held, City Clerk

City of Fontanelle
October 24, 2016

The Fontanelle City Council met for special session at 6:18 p.m. at the community center, with Mayor Miller calling the meeting to order. Council members present were: Davis, Baldogo, and Dukes. Warrior and Zimmerline came in after

meeting was called to order. All motions are carried unanimously, unless otherwise noted. City employees present: David Sickles and Amanda Held. Also present: Peg Scott, Chris Baudler, Duane Armstead, and Ann Kimber.

Motion by Baldogo to accept the agenda as presented, 2nd by Davis. Approved.

New Business

Ann Kimber, presented the results on the City of Fontanelle’s rate study. The rate study is on the city’s electrical rates and what changes could be made.

Ann Kimber works on contract for the Iowa Association of Municipal Utilities to provide rate studies for members of the South Iowa Municipal Electric Cooperative Association (SIMECA). She is also is the Director of the Electric Power Research Center at Iowa State University. Prior to joining ISU in 2014, she was the Director of Energy Services at the Iowa Association of Municipal Utilities, where she worked with municipal utilities on diverse projects to manage risk.

Fontanelle’s power comes from 3 sources: hydropower delivered by the Western Area Power Administration (WAPA) from the dams on the Missouri River, wind power supplied by Forward Fontanelle, and a portfolio of generating resources available to Fontanelle as a member of the South Iowa Municipal Electric Cooperative Association (SIMECA), which is a member of the Central Iowa Power Cooperative (CIPCO).

Fontanelle’s rates were last modified in July 2011, as follows:

Rate Class	Meter Charge	Energy Charge (\$/kWh)
Residential	\$5.25	\$0.07
Commercial	\$10.00	\$0.08
Government	\$10.00	\$0.08

The utility can add a Power Cost Adjustment Factor (PCA) which is a \$/kWh charge to recover costs of power that are higher than those covered in rates. In the calculation of the current PCA, the base rate has been set at \$0.017/kWh. The PCA has been increasing over time. In 2015, the lowest PCA was \$0.025/kWh, reaching a peak of \$0.046/kWh, with an average of \$0.036/kWh. Adding this average PCA to a residential customer’s rate meant that in 2015 the customer’s actual average energy rate was \$0.106/kWh, and a commercial or governmental customer paid \$0.116/kWh.

Ann and Duane used the following information to generate the electrical rate study; power supply cost data from SIMECA/CIPCO, Forward Fontanelle, and WAPA, customer billing for calendar years 2014, 2015 and 2016, PCA spreadsheets (2014-2016), revenues and expenses data (FY ending 2014, 2015 and 2016), the 2014-2015 audit and FMU’s previous and current (2016-2017) budgets to develop our rate recommendations.

City of Fontanelle’s customer base is stable, with only slight net changes in the numbers of residential and commercial customers and no change in governmental customers over the last two years. An “average” residential customer uses 750 kWh/ month. The City of Fontanelle is also financially stable, in 2014-15 power supply costs represented half of the city’s operating budget. In 2015-2016 power supply was 60% of the city’s overall costs.

Ann and Duane recommendations are as follows:

Current (as of July 2011)			Proposed	
Rate Class	Meter Charge	Energy Charge (\$/kWh)	Meter Charge	Energy Charge (\$/kWh)
Residential	\$5.25	\$0.070	\$11.00	\$0.095
Rural Residential			\$15.00	\$0.095
Total Energy Rate with PCA added				\$0.100
Commercial	\$10.00	\$0.106		
Single-Phase		\$0.080	\$24.00	\$0.095
Three-Phase			\$36.00	\$0.095
Rural Single Phase			\$28.00	\$0.095
Rural Three-Phase			\$40.00	\$0.095
Government	\$10.00	\$0.080		
Government Single-Phase			\$24.00	\$0.095
Government Three-Phase			\$36.00	\$0.095
Base energy charge in PCA calculation		\$0.017		\$0.048
PCA adder		\$0.036		\$0.005
Total Energy Rate with PCA added		\$0.116		\$0.100

They recommend removing un-needed 2nd, 3rd and 4th meters, with an annual increase to the meter charge of \$1.00 per meter, per year. Ann recommended, of remind people of the energy efficiency rebates offered by CIPCO.

Questions

Many questions were ask and discussed on who would be responsible for removing 2nd meters that are no longer needed. Council will have a committee put together at the next council meeting to draw up plans on how this will be conducted and on any changes on electric rates before any changes are made.

The Mayor declared the meeting adjourned at 7:30p.m

A public hearing will be set before any decisions are made, please stop in to the City Hall if you have any questions.

Attest: Amanda Held, City Clerk



