

City of Hills

Council Members

Bruce Endris
Steve Harris
Merle Hill
Thom Kirkpatrick
Cathy Knebel

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Mayor

Tim Kemp
City Administrator
Cathy Fitzmaurice-Hill
Deputy Clerk
Donna Hicks

Hills City Council
Regular Meeting

Hills Fire Department Meeting Room @ 7:00 PM
March 23, 2015

- **Consent Agenda:**
 - Minutes from meeting March 9, 2015
 - Bills and receipts from March 10 thru March 23, 2015
- **Public Discussion**
- **New Business**
 - Joint Public Hearing for Hills City Council and Hills Planning and Zoning Commission: An Ordinance Amending the Code of Ordinances of the City of Hills, Iowa by adding provisions for an A-1 Agricultural Zoning District.
 - First Reading of an Ordinance Amending the Code of Ordinances of the City of Hills, Iowa by adding provisions for an A-1 Agricultural Zoning District.
 - Public Hearing on Sewer Revenue Loan and Disbursement Agreement Anticipation Project Note.
 - Resolution No. 2015-15 taking additional action with respect to a Sewer Revenue Loan and Disbursement Agreement and authorizing, approving and securing the payment of a \$350,000 Sewer Revenue Loan and Disbursement Agreement Anticipation Project Note (IFA Interim Loan and Disbursement Agreement).
- **Previous Business**
 - Discussion and possible action on Water utility.
 - Discussion and possible action on Wastewater Treatment Plant Facility Plan.
- **Council Action List, Comments, Concerns, Reports**
 - Mayor
 - Attorney
 - City Administrator
 - Maintenance
 - Fire Department
 - Sewer
- **Adjournment**

Hills City Council
Meeting
March 9, 2015
7:00 PM

Hills Fire Station Meeting Room

The regular Hills City Council meeting was called to order by Mayor Tim Kemp at 7:00 PM on Monday, March 9, 2015 at the Hills Fire Station Meeting Room.

Council members present were: Cathy Knebel, Steve Harris, Merle Hill and Thom Kirkpatrick. Absent: Bruce Endris.

A motion was made by Hill seconded by Kirkpatrick to approve the consent agenda approving minutes from February 23, 2015, and bills/receipts from February 23, 2015 thru March 9, 2015. Ayes: 4. Motion carried.

Public Discussion: None.

New Business:

Mayor Tim Kemp opened the Public Hearing on the FY16 Budget at 7:06. There were no comments from the Public. The Public Hearing was closed at 7:07.

Resolution 2015-10 was presented adopting the Budget for Fiscal Year July 1, 2015 to June 30, 2016. A Motion was made by Knebel and seconded by Hill to approve Resolution 2015-10. Roll Call was held. Ayes-4. Absent: Endris. Resolution passed.

Resolution 2015-11 was presented approving and authorizing the Mayor to sign Contractor's Application for Payment No. 9 to the Contract with Dave Schmitt Construction Co Inc for Hills Municipal Water System – Division 1. The request has been reviewed by Fox Engineering and recommended for acceptance in the amount of \$68,498.80. A Motion was made by Kirkpatrick and seconded by Knebel to approve Resolution 2015-11. Roll Call was held. Ayes-4. Absent: Endris. Resolution passed.

Resolution 2015-12 was presented approving and authorizing the Mayor to sign Contractor's Application for Payment No. 6 to the Contract with Maguire Iron Inc for Hills Municipal Water System – Division 2. The request has been reviewed by Fox Engineering and recommended for acceptance in the amount of \$16,862.50. A Motion was made by Knebel and seconded by Harris to approve Resolution 2015-12. Roll Call was held. Ayes – 4. Absent: Endris. Resolution passed.

Resolution 2015-13 was presented approving and adopting the Hills Emergency Operations Plan. The Plan provides the City's method for dealing with a disaster or emergency within the City of Hills. A Motion was made by Knebel and seconded by Kirkpatrick to approve Resolution 2015-13. Roll Call was held. Ayes-4. Absent: Endris. Resolution passed.

Resolution 2015-14 was presented to establish City's snow and ice control policy during the winter months, specifically defined as November through March. This Policy is contained within the Emergency Operations Plan. A Motion was made by Kirkpatrick and seconded by Hill to approve Resolution 2015-14. Roll Call was held. Ayes – 4. Absent: Endris. Resolution passed.

The Council received a recommendation from P&Z Commission to approve passage of an Ordinance amending the Code of Ordinances of the City of Hills, Iowa, by adding provisions for an A-1 Agricultural Zoning District. A Motion was made by Kirkpatrick and seconded by Harris to set a Joint Public Hearing with P&Z Commission for March 23, 2015 at 7:00 p.m. to receive public comments on this Ordinance. Ayes -4. Absent: Endris. Motion Carried.

Previous Business:

Ron Wolfe updated the Council that Schmitt will be bringing crews back to town soon to begin work on houses and complete the main construction. The work on the tower erection continues but is slow due to the wet conditions. A discussion was held regarding the payment of the non-SRF covered expenses for the project. Cathy provided information from Speer Financial in regard to payment options. It was recommended to hold off on cashing in any CDs at this time and move forward with borrowing. The Council felt that the best option would be to move forward with a Water Revenue Bond for \$320,000 to be paid in 15 years with a 30-60 day call notice option. The debt could be paid with current projected water revenues with no increase in fee or taxes.

REPORTS:

Attorney: No report.

Fire Chief: Jason reported the Dept. has begun filing most reports online through Firebridge. He continues to review equipment needs for updates. The Burn Dates for Spring are set at April 1 thru April 30th.

Maintenance: No report.

Sewer: No report.

Administrator: Cathy reported that Johnson County has requested support from the Council in regard to the Community ID Project. This service is for individuals who are unable to get a recognized ID but still need an ID for general purposes. The project would be administered by Johnson County. The Council felt Hills should support the project by officially recognizing these IDs within our jurisdiction.

Mayor: Tim reported that Ragbrai will be coming down Sand Road on its last day. He suggested that local organizations might want to provide some services at the Hills corner. He suggested that we need to review the Ordinances in an effort to enhance the City's ability to enforce certain things, such as snow removal, street storage and junk vehicles. The Council feels that a method of enforcement should be in place and communicated to residents.

A motion was made by Knebel and seconded by Harris to adjourn the meeting at 7:55 PM . Ayes: 4 Absent: Endris. Motion carried.

Tim Kemp, Mayor

Cathy Fitzmaurice-Hill, Administrator

INVOICE#	LINE	DUE DATE	INVOICE DATE	REFERENCE	PAYMENT AMOUNT	DIST	GL	ACCOUNT	CK SQ

HILLS BANK & TRUST GENERAL									
1139 ALLIANT UTILITIES									
MAR15	1	3/23/15	3/23/15	4916015906002 1/2 FIRE D	85.65	001		001-150-6371	1
	2			4916014001001 STREET LIG	859.85	001		001-230-6371	1
	3			4916015906002 1/2 FIRE D	85.66	001		001-650-6371	1
	8			4916015907001 SIREN	42.81	001		001-650-6371	1
	9			4916015865001 MAINT BLDG	328.84	001		001-650-6371	1
	10			4916015019501 SIGN LIGHT	18.14	001		001-650-6371	1
	11			4916014882201 BALL PARK	119.84	001		001-650-6371	1
				INVOICE TOTAL	1,540.79				
				VENDOR TOTAL	1,540.79				
1323 EMS PROFESSIONALS INC									
07201	1	3/23/15	3/23/15	EMS SUPPLIES	3.60	001		001-150-6505	1
				INVOICE TOTAL	3.60				
07224	1	3/23/15	3/23/15	EMS SUPPLIES	93.60	001		001-150-6504	1
				INVOICE TOTAL	93.60				
07229	1	3/23/15	3/23/15	EMS SUPPLIES	527.50	001		001-150-6504	1
				INVOICE TOTAL	527.50				
				VENDOR TOTAL	624.70				
1046 GAZETTE COMMUNICATIONS									
2568837	1	3/23/15	3/23/15	SEWER P&D LOAN	21.52	001		001-650-6414	1
				INVOICE TOTAL	21.52				
2569584	1	3/23/15	3/23/15	FEB MIN/REV/EXP	116.41	001		001-650-6414	1
				INVOICE TOTAL	116.41				
2569585	1	3/23/15	3/23/15	ZONING PUB HEARING NOTIC	13.21	001		001-650-6414	1
				INVOICE TOTAL	13.21				
				VENDOR TOTAL	151.14				
1053 HAWKEYE FIRE & SAFETY									
1022443	1	3/23/15	3/23/15	TANKS	662.50	001		001-150-6505	1
				INVOICE TOTAL	662.50				
				VENDOR TOTAL	662.50				
1064 HILLS INSURANCE AGENCY									
4091	1	3/23/15	3/23/15	FIRE DEPT INS	11,311.00	001		001-650-6408	1
				INVOICE TOTAL	11,311.00				
				VENDOR TOTAL	11,311.00				
1068 I WIRELESS									
MAR15	1	3/23/15	3/23/15	CELL SERVICE	50.89	001		001-650-6373	1
				INVOICE TOTAL	50.89				

INVOICE#	LINE	DUE DATE	INVOICE DATE	REFERENCE	PAYMENT AMOUNT	DIST GL ACCOUNT	CK SQ
VENDOR TOTAL					50.89		
MAR15	1	3/23/15	3/23/15	1083 IOWA FIRE CHIEFS ASSOCIATION MEMBERSHIP DUES	50.00	001 001-150-6515	1
INVOICE TOTAL					50.00		
VENDOR TOTAL					50.00		
MAR15	1	3/23/15	3/23/15	1086 IOWA LEAGUE OF CITIES VOLUNTEER AWARD	15.00	001 001-650-6515	1
INVOICE TOTAL					15.00		
VENDOR TOTAL					15.00		
31284	1	3/23/15	3/23/15	1122 MENARDS TOW STRAPS #85	79.96	001 001-150-6332	1
INVOICE TOTAL					79.96		
VENDOR TOTAL					79.96		
MAR15	1	3/23/15	3/23/15	1130 MID AMERICAN ENERGY 7799078018 1/2 FIRE DEPT	216.91	001 001-150-6371	1
	2			7799078018 1/2 FIRE DEPT	216.92	001 001-650-6371	1
	3			7715078014 MAINT BLDG	195.82	001 001-650-6371	1
INVOICE TOTAL					629.65		
VENDOR TOTAL					629.65		
311163	1	3/23/15	3/23/15	1349 IOWA OFFICE SUPPLY INC COPIER LEASE	106.48	001 001-650-6504	1
INVOICE TOTAL					106.48		
311876	1	3/23/15	3/23/15	COPIES	43.49	001 001-650-6414	1
INVOICE TOTAL					43.49		
VENDOR TOTAL					149.97		
1151060	1	3/23/15	3/23/15	1195 SHIVE HATTERY GRADE 8 PROFESSIONAL	85.50	001 001-699-6490	1
	2			GRADE 7 TECHNICAL	35.70	001 001-699-6490	1
	3			ADMIN	50.40	001 001-699-6490	1
INVOICE TOTAL					171.60		
VENDOR TOTAL					171.60		
MAR15	1	3/23/15	3/23/15	1198 STAPLES OFFICE SUPPLIES	96.45	001 001-150-6515	1
	2			OFFICE SUPPLIES	30.87	001 001-650-6506	1
INVOICE TOTAL					127.32		
VENDOR TOTAL					127.32		
GENERAL					15,564.52		

INVOICE#	LINE	DUE DATE	INVOICE DATE	REFERENCE	PAYMENT AMOUNT	DIST	GL ACCOUNT	CK SQ
ROAD USE TAX								
MAR15	1	3/23/15	3/23/15	1179 KNEBEL LANDSCAPING SNOW REMOVAL	700.00	110	110-250-6470	1
				INVOICE TOTAL	700.00			
				VENDOR TOTAL	700.00			
				ROAD USE TAX	700.00			
WATER								
MAR15	5	3/23/15	3/23/15	1139 ALLIANT UTILITIES 4916016300502 PUMP HOUSE	255.16	600	600-810-6371	1
				INVOICE TOTAL	255.16			
				VENDOR TOTAL	255.16			
MAR15	1	3/23/15	3/23/15	1261 FOX ENGINEERING ENGINEER FEE	8,416.72	600	600-810-6490	1
				INVOICE TOTAL	8,416.72			
				VENDOR TOTAL	8,416.72			
MAR15	4	3/23/15	3/23/15	1130 MID AMERICAN ENERGY 0882108014 PUMP HOUSE	10.00	600	600-810-6371	1
				INVOICE TOTAL	10.00			
				VENDOR TOTAL	10.00			
				WATER	8,681.88			
SEWER								
MAR15	4	3/23/15	3/23/15	1139 ALLIANT UTILITIES 4916015217001 3RD LIFT S	239.47	610	610-815-6371	1
	6			4916014431501 LAGOON	784.29	610	610-815-6371	1
	7			4916016300702 OK LIFT ST	53.27	610	610-815-6371	1
				INVOICE TOTAL	1,077.03			
				VENDOR TOTAL	1,077.03			
1Y01680	1	3/23/15	3/23/15	1287 KEYSTONE LABORATORIES SEWER TESTS	41.68	610	610-815-6380	1
				INVOICE TOTAL	41.68			
1Y01890	1	3/23/15	3/23/15	SEWER TESTS	86.58	610	610-815-6380	1
				INVOICE TOTAL	86.58			
				VENDOR TOTAL	128.26			
				SEWER	1,205.29			
				HILLS BANK & TRUST TOTAL	26,151.69			

-KMESSAGE
10.30.14

Fri Mar 20, 2015 2:18 PM

*** CITY OF HILLS IA ***
SCHEDULED CLAIMS LIST

OPER: CFH

PAGE 4

INVOICE#	LINE	DUE DATE	INVOICE DATE	REFERENCE	PAYMENT AMOUNT	DIST GL ACCOUNT	CK SQ
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TOTAL MANUAL CHECKS					.00		
TOTAL E-PAYMENTS					.00		
TOTAL PURCH CARDS					.00		
TOTAL ACH PAYMENTS					.00		
TOTAL OPEN PAYMENTS					26,151.69		
GRAND TOTALS					26,151.69		

ACCOUNT NUMBER	ACCOUNT NAME	DATE	JOURNAL	RECEIVED FROM/ALPHA ID	RECEIPT NO REF/DESCRIPTION	AMOUNT
001-950-4000	GEN PROP TAX	3/11/15	GL1269	JOHNSON COUNTY TREASURER	PROPERTY TAX ELECTRONIC	3,547.80
	ACCOUNT TOTAL					3,547.80
001-950-4120	BUILDING/CONSTRUCT PERMIT	3/12/15	GL1270	FEDERSPIEL PROPERTIES	BUILDING PERMIT	50.00
	ACCOUNT TOTAL					50.00
001-950-4300	INTEREST	3/12/15	GL1270	HILLS BANK AND TRUST	CD INT - GEN 10180420 CD	410.80
		3/12/15	GL1270	HILLS BANK AND TRUST	CD INT - GEN CD 10151405	122.06
	ACCOUNT TOTAL					532.86
110-210-4430	ROAD USE TAX	3/17/15	GL1272	TREASURER STATE OF IOWA	ROAD USE TAX ELECTRONIC	6,406.13
	ACCOUNT TOTAL					6,406.13
600-810-4500	CHARGES/FEES FOR SERVICES	3/09/15	UB2318	WA CASH POSTING		35.00
		3/09/15	UB2318	WA CASH POSTING		175.00
		3/09/15	UB2318	WA CASH POSTING		36.50
		3/09/15	UB2318	WA CASH POSTING		41.75
		3/11/15	UB2325	WA CASH POSTING		200.00
		3/11/15	UB2325	WA CASH POSTING		1.25
		3/11/15	UB2325	WA CASH POSTING		1.00
		3/13/15	UB2334	WA CASH POSTING		70.00
		3/13/15	UB2334	WA CASH POSTING		1.25
		3/13/15	UB2334	WA CASH POSTING		14.50
		3/16/15	UB2336	WA CASH POSTING		519.02
		3/18/15	UB2339	WA CASH POSTING		350.00
		3/20/15	UB2343	WA CASH POSTING		280.00
		3/20/15	UB2343	WA CASH POSTING		50.25
		3/20/15	UB2345	WA CASH POSTING		324.50
		3/20/15	UB2345	WA CASH POSTING		42.25
	ACCOUNT TOTAL					1,927.27
600-810-4530	PENALTIES	3/13/15	UB2334	WA CASH POSTING		25.00
		3/16/15	UB2336	WA CASH POSTING		10.00
		3/20/15	UB2345	WA CASH POSTING		5.00
	ACCOUNT TOTAL					40.00
600-810-4560	SALES TAXES COLLECTED	3/09/15	UB2318	WA CASH POSTING		2.10

ACCOUNT NUMBER	ACCOUNT NAME	DATE	JOURNAL	RECEIVED FROM/ALPHA ID	RECEIPT NO REF/DESCRIPTION	AMOUNT
500-810-4560	SALES TAXES COLLECTED					
	ACCOUNT TOTAL					2.10
510-815-4500	CHARGES/FEES					
3/09/15	UB2318 SW CASH POSTING					40.00
3/09/15	UB2318 SW CASH POSTING					40.00
3/09/15	UB2318 SW CASH POSTING					410.25
3/09/15	UB2318 SW CASH POSTING					5.00
3/11/15	UB2325 SW CASH POSTING					413.39
3/11/15	UB2325 SW CASH POSTING					5.00
3/13/15	UB2334 SW CASH POSTING					80.00
3/13/15	UB2334 SW CASH POSTING					90.00
3/13/15	UB2334 SW CASH POSTING					200.00
3/13/15	UB2334 SW CASH POSTING					30.00
3/16/15	UB2336 SW CASH POSTING					114.17
3/16/15	UB2336 SW CASH POSTING					672.10
3/16/15	UB2336 SW CASH POSTING					10.00
3/18/15	UB2339 SW CASH POSTING					145.00
3/18/15	UB2339 SW CASH POSTING					2,100.00
3/20/15	UB2343 SW CASH POSTING					280.00
3/20/15	UB2343 SW CASH POSTING					759.00
3/20/15	UB2343 SW CASH POSTING					20.00
3/20/15	UB2345 SW CASH POSTING					505.58
3/20/15	UB2345 SW CASH POSTING					10.00
	ACCOUNT TOTAL					5,929.49
510-815-4560	SALES TAX COLLECTED					
3/09/15	UB2318 SW CASH POSTING					2.40
3/13/15	UB2334 SW CASH POSTING					4.80
3/16/15	UB2336 SW CASH POSTING					4.80
3/18/15	UB2339 SW CASH POSTING					7.20
3/20/15	UB2343 SW CASH POSTING					16.80
	ACCOUNT TOTAL					36.00
670-840-4501	GARBAGE FEES					
3/09/15	UB2318 GB CASH POSTING					66.50
3/09/15	UB2318 GB CASH POSTING					5.00
3/09/15	UB2318 GB CASH POSTING					6.25
3/11/15	UB2325 GB CASH POSTING					50.09
3/11/15	UB2325 GB CASH POSTING					5.00
3/13/15	UB2334 GB CASH POSTING					33.25
3/16/15	UB2336 GB CASH POSTING					71.75
3/18/15	UB2339 GB CASH POSTING					356.25
3/18/15	UB2339 GB CASH POSTING					25.00
3/20/15	UB2343 GB CASH POSTING					109.25
3/20/15	UB2343 GB CASH POSTING					20.00
3/20/15	UB2343 GB CASH POSTING					50.00
3/20/15	UB2345 GB CASH POSTING					76.00
3/20/15	UB2345 GB CASH POSTING					10.00

ACCOUNT NUMBER	ACCOUNT NAME	RECEIPT NO REF/DESCRIPTION	AMOUNT
DATE	JOURNAL RECEIVED FROM/ALPHA ID		
670-840-4501	GARBAGE FEES		
	ACCOUNT TOTAL		884.34
670-840-4502	GARBAGE BAGES		
3/12/15	GL1270 CONNIE ARMBURSTER	GARBAGE BAGS	18.75
3/12/15	GL1270 MARY HEITZMAN	GARBAGE BAGS	15.00
3/12/15	GL1270 SAM DULL	GARBAGE BAGS	40.00
	ACCOUNT TOTAL		73.75
	REPORT TOTAL		19,429.74

(Hearing/Issuance – Sewer Revenue)

420816-8

Hills, Iowa

March 23, 2015

A meeting of the City Council of Hills, Iowa, was held on March 23, 2015, at 7:00 o'clock p.m. at the Hills Fire Station Meeting Room, Hills, 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: _____.

This being the time and place specified for holding a public hearing and taking action on the proposal to enter into a Sewer Revenue Loan and Disbursement Agreement, the City Clerk announced that no written objections had been placed on file. Whereupon, the Mayor called for any written or oral objections, and there being none, the Mayor declared the public hearing closed.

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. 2015-15

Resolution taking additional action with respect to a Sewer Revenue Loan and Disbursement Agreement and authorizing, approving and securing the payment of a \$350,000 Sewer Revenue Loan and Disbursement Agreement Anticipation Project Note (IFA Interim Loan and Disbursement Agreement)

WHEREAS, the City of Hills (the "City"), in the County of Johnson, State of Iowa, did heretofore establish a Municipal Sanitary Sewer System (the "Utility") in and for the City which has continuously supplied sanitary sewer 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, and no board of trustees exists for this purpose; and

WHEREAS, the City has heretofore proposed to borrow money and enter into a Sewer Revenue Loan and Disbursement Agreement (the "Loan and Disbursement Agreement") with the Iowa Finance Authority (the "Lender") and to issue in accordance therewith Sewer Revenue Bonds (the "Bonds") in a principal amount not to exceed \$350,000 to provide funds to pay the costs, to that extent, of planning, designing, and constructing improvements and extensions to the Utility (the "Project"), and has published notice of the proposed action and has held a hearing thereon; and

WHEREAS, it is necessary at this time to authorize and approve the issuance of a \$350,000 Sewer Revenue Loan and Disbursement Agreement Anticipation Project Note (IFA Interim Loan and Disbursement Agreement) (the "Project Note") pursuant to the provisions of Section 76.13 of the Code of Iowa in anticipation of the receipt of and payable from the proceeds of the Loan and Disbursement Agreement (the "Loan Proceeds") in order to pay authorized costs in connection with planning and designing the Project;

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

Section 1. The City Council hereby covenants for the benefit of the Lender and all who may at any time be the holder of the Project Note to enter into the Loan and Disbursement Agreement and to issue and deliver the Bonds prior to the Maturity Date, as defined in the Project Note, and declares that this resolution constitutes the "additional action" required by Section 384.24A of the Code of Iowa. The Bonds are hereby ordered to be issued at such time as the City enters into the Loan and Disbursement Agreement.

Section 2. The Project Note in the principal amount of \$350,000 is hereby authorized to be issued to the Lender. The Project Note shall be dated as of the date of closing, shall mature on the Maturity Date as defined in the Project Note, and shall bear interest at the rate of 0% per annum.

The Project Note 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 a fully registered instrument without interest coupons. In case any officer whose signature or the facsimile of whose signature appears on the Project Note shall cease to be such officer before the delivery of the Project Note, 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 City Clerk is hereby designated as the Registrar and Paying Agent for the Project Note and may be hereinafter referred to as the "Registrar" or the "Paying Agent".

The City reserves the right to prepay principal of the Project Note in whole or in part on any date prior to the Maturity Date, as defined in the Project Note, at a prepayment price equal to the principal amount thereof prepaid.

The Project Note shall be fully registered as to both principal and interest in the name of the owner in the records of the City kept for such purpose, after which no transfer shall be valid unless made on said records by the City Clerk, and then only upon a written instrument of transfer satisfactory to the City, duly executed by the registered owner or the duly authorized attorney for such registered owner.

The City shall maintain as confidential the record of identity of owners of the Project Note, as provided by Section 22.7 of the Code of Iowa.

Section 3. The Project Note shall be in substantially the following form:

UNITED STATES OF AMERICA
STATE OF IOWA
COUNTY OF JOHNSON
CITY OF HILLS

SEWER REVENUE LOAN AND DISBURSEMENT AGREEMENT ANTICIPATION PROJECT NOTE
(IFA INTERIM LOAN AND DISBURSEMENT AGREEMENT)

No. 1	MAXIMUM PRINCIPAL AMOUNT: \$350,000
INTEREST RATE	PROJECT NOTE DATE
0%	April 3, 2015

This Sewer Revenue Loan and Disbursement Agreement Anticipation Project Note (IFA Interim Loan and Disbursement Agreement) (the "Project Note") is issued to the Iowa Finance Authority (the "Lender") by the City of Hills, Iowa (the "City"), as of the Project Note Date. The Lender shall loan to the City an interim amount not to exceed \$350,000.

The City has adopted a resolution (the "Resolution") authorizing and approving this Project Note pursuant to the provisions of Sections 76.13 and 384.24A of the Code of Iowa, 2015, as amended, and providing for the issuance and securing the payment of this Project Note, and reference is made to the Resolution for a more complete statement as to the source of payment of this Project Note and the rights of the owners of this Project Note. This Project Note, 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 proceeds (the "Loan Proceeds") of an authorized Loan and Disbursement Agreement and the corresponding future issuance of Sewer Revenue Bonds, a sufficient portion of which have been appropriated to the payment hereof.

The proceeds of this Project Note shall be used for the purposes set forth in the Resolution and shall be made available to the City in the form of one or more periodic disbursements.

This Project Note shall be executed and delivered to the Lender in evidence of the City's obligation to repay the amounts payable hereunder and shall bear interest at 0%. This Project Note shall be payable as to principal in full on the Maturity Date (hereinafter defined) and in the total aggregate amount drawn by the City pursuant to this Project Note, shall be subject to prepayment in whole or in part on any date at a prepayment price equal to the principal amount hereof prepaid, and shall contain such other terms and provisions as provided in the Resolution.

This Project Note is payable as to principal three years from the Project Note Date (the "Maturity Date"). If the City enters into a Loan and Disbursement Agreement with the Lender pursuant to the Iowa Water Pollution Control Works and Drinking Water Facilities Financing Program by the Maturity Date, the Lender may provide for the repayment in full of this Project Note pursuant to the terms of such Loan and Disbursement Agreement and the resolution authorizing the Loan and Disbursement Agreement.

This Project Note is executed pursuant to the provisions of Sections 76.13 and 384.24A of the Code of Iowa and shall be read and construed as conforming to all provisions and requirements of the statute.

In the event of any inconsistency or conflict between the terms and conditions of the Resolution and this Project Note, the parties acknowledge and agree that the terms of this Project Note shall take precedence over any such terms of the Resolution.

And It Is Hereby Certified and Recited that all acts, conditions and things required by the laws and Constitution of the State of Iowa, to exist, to be had, to be done or to be performed precedent to and in the issue of this Project Note were and have been properly existent, had, done and performed in regular and due form and time; and that the issuance of this Project Note does not exceed any constitutional or statutory limitations.

IN TESTIMONY WHEREOF, the City of Hills, Iowa has caused this Project Note to be executed by its Mayor and attested by its City Clerk all as of the Project Note Date.

CITY OF HILLS, IOWA

By: _____
Mayor

Attest:

City Clerk

IOWA FINANCE AUTHORITY

By: _____
David D. Jamison
Executive Director

Section 4. The Project Note shall be executed as herein provided as soon after the adoption of this resolution as may be possible and thereupon shall be delivered to the Registrar for registration and delivery to the Lender, upon receipt of the Project Note proceeds.

Section 5. The Loan Proceeds are hereby appropriated to the payment of the Project Note and may also be appropriated to the payment of other obligations issued to pay costs of the Project.

At its sole discretion, the City Council may appropriate to the payment of the Project Note proceeds to be received from state or federal grants and/or income or revenues from sources to be received and expended for the Project during the period of Project construction.

The Project Note is a limited obligation of the City payable solely and only from the Loan Proceeds and shall not constitute a general obligation of the City, nor shall it be 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 Loan Proceeds to be sufficient for the payment in whole or in part of the Project Note.

Section 6. Upon a breach or default of a term of the Project Note 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 Section 76.13 of the Code of Iowa.

Section 7. The City reserves the right to issue additional obligations (the "Parity Obligations") payable from the Loan Proceeds, and ranking on a parity with, the Project Note. The Project Note or any Parity Obligations shall not be entitled to priority or preference one over the other in the application of the Loan Proceeds regardless of the time or times of the issuance of such Project Note or Parity Obligations, it being the intention of the City that there shall be no priority among the Project Note or Parity Obligations, regardless of the fact that they may have been actually issued and delivered at different times.

Section 8. The provisions of this resolution shall constitute a contract between the City and the owners of the Project Note and Parity Obligations as may from time to time be outstanding, and after the issuance of the Project Note, no change, variation or alteration of any kind of the provisions of this resolution shall be made without prior consent of the Lender which will adversely affect the owners of the Project Note or Parity Obligations until the Project Note and Parity Obligations and the interest thereon shall have been paid in full.

Section 9. 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 10. 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 11. This resolution shall be in full force and effect immediately upon its adoption and approval, as provided by law.

Passed and approved March 23, 2015.

Mayor

Attest:

City Clerk

••••

On motion and vote, the meeting adjourned.

Mayor

Attest:

City Clerk

STATE OF IOWA
COUNTY OF JOHNSON SS:
CITY OF HILLS

I, the undersigned, do hereby certify that I have in my possession or have access to the complete corporate records of the aforesaid City and of its 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 Sewer Revenue Loan and Disbursement Agreement (the "Agreement") and of a certain \$350,000 Sewer Revenue Loan and Disbursement Agreement Anticipation Project Note (IFA Interim Loan and Disbursement Agreement) (the "Project Note") 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 the Agreement or issuing such Project Note 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 Agreement or to issue the Project Note.

WITNESS MY HAND this _____ day of _____, 2015.

City Clerk

ORDINANCE NO. _____

AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF
THE CITY OF HILLS, IOWA, BY ADDING PROVISIONS FOR AN
A-1 AGRICULTURAL ZONING DISTRICT

Be it enacted by the City Council of the City of Hills, Iowa:

SECTION 1. There is hereby adopted the following Section 53.17A:

53.17A A-1 AGRICULTURAL ZONE

1. The areas shown on the zoning map and designated A-1 shall be zoned A-1.
2. Permitted Principal Uses. The following principal uses shall be permitted in any A-1 Zone:
 - a. Land-based agricultural production activities including, but not limited to, grains, small grains, hay, legumes, vegetables, fruits, orchards, and other specialty crops including seeds, tubers, roots, and bulbs, provided that said crops are not considered nuisance or hazardous crops by the Iowa Department of Agriculture. On-farm facilities shall be permitted for the storage, drying, processing, and finishing for commercial purposes of products produced on-farm.
 - b. Animal production, including breeding, feeding, and finishing, for private or commercial use, shall be allowed, except that enclosed, unenclosed, or partially enclosed animal feedlots or other animal housing facilities shall be considered to be accessory structures to a principal permitted agricultural use. Prior to the establishment of such accessory structures involving any number or species or animals, detailed building, management, and business plans shall be submitted for review by the Planning and Zoning Commission and the City Council. No animal feedlot or animal housing facility shall be established that, in the judgment of the City Council does not meet recognized principles of sound land use planning or that will have a negative impact upon the quality of life of the residents of the City of Hills.
 - c. Horticultural uses, such as plant nurseries and greenhouses for commercial purposes.
 - d. Riding stables for commercial or recreational use.

- e. Single family dwellings.
 - f. Cemetery or mausoleum.
 - g. Churches or temples.
 - h. Public schools, elementary, junior, and high schools.
 - i. Parochial buildings, public and semi-public parks, playgrounds, or community buildings such as libraries, museums, and community centers.
 - j. Golf courses and country clubs, except miniature courses or driving ranges operated for a profit.
3. Permitted Accessory Uses. The following uses shall be permitted as accessory to a principal use in any A-1 Zone.
- a. Private Garages.
 - b. Farm buildings incidental to agricultural uses.
 - c. Private greenhouses or plant nurseries not operated for commercial purposes.
 - d. Private swimming pools.
4. Special Exceptions. Other uses may be allowed in any A-1 Zone so long as, in the opinion of the Board of Adjustment, they are of the same general character as those listed above as permitted uses, and so long as they will not be detrimental to the district in which they are located. These uses may include, but are not limited to the following uses.
- a. Public utilities.
 - b. Recreational and developmental seasonal or temporary use.
 - c. Roadside stand for sale of produce raised on the premises.
 - d. Dog kennels and dog runs.
 - e. Greenhouses and plant nurseries operated for commercial purposes.
4. The following regulations shall apply to any structure, building, or dwelling constructed or altered in any A-1 Zone.

- a. Lot size. The minimum lot area for any single family dwelling within an A-1 Zone shall be 20,000 square feet and such lot shall be at least 100 feet wide. There shall not be a minimum lot area for other uses.
 - b. Minimum setbacks and yards. Any single family dwelling shall have a front yard of no less than 25 feet in depth, side yards of no less than 10 feet plus 2 feet for each story above 1 on each side, and a rear yard of no less than 30 feet. All other permitted uses shall have a front yard of no less than 40 feet in depth, side yards of no less than 20 feet on each side, and a rear yard of no less than 40 feet.
 - c. Height restrictions. No building in any A-1 Zone shall be more than 35 feet high. No accessory structure shall be higher than the principal structure, regardless of the principal structure's height.
 - d. Permanent foundation. All principal structures shall be built upon a permanent foundation.
5. Minimum off-street parking and loading.
- a. Residential dwellings – two (2) spaces for each dwelling unit.
 - b. Church or temple – one (1) space for each six (6) seats of average seating in the main auditorium.
 - c. Country club or golf course – six (6) spaces for each hole.
 - d. Community center, library, or museum – ten (10) spaces plus one (1) additional space for each 300 square feet of floor areas in excess of 2,000 square feet.
 - e. Schools and public buildings – one (1) space for each classroom or office room plus one (1) space for each ten (10) seats of average seating in any main auditorium, stadium, or place of public assembly.
6. Special regulations. Provision must be made for disposal of manure, other organic wastes, and any chemicals in such a manner as to avoid pollution of groundwater or any lake, river, or receiving stream.
7. Sign regulations. No signs shall be permitted at a single-family dwelling in any A-1 Zone, except for those allowed in the R-1 Zoning District. Signs for other uses shall be allowed as in the C-2 Zoning District.

SECTION 2. Section 53.23 is hereby repealed and replaced with the following:

53.23 ANNEXATION

All territory which may hereafter be annexed to the City shall automatically be classified as lying in the A-1 Agricultural Zoning District unless the City Council, having a recommendation from the City Planning and Zoning Commission at the time of its annexation proceedings, determines that a different zoning classification is more appropriate. Any property that was annexed by the City prior to the enactment of this ordinance that was not zoned at the time of annexation and has not otherwise been zoned shall be classified as lying in the A-1 Agricultural Zoning District.

SECTION 3. SAVINGS CLAUSE. Each section, paragraph, sentence, clause, and provision of this Ordinance is separable, and if any provision is held unconstitutional or invalid for any reason, such decision shall not affect the remainder of this Ordinance nor any part thereof other than that affected by such decision.

SECTION 4. WHEN EFFECTIVE. This ordinance shall be in effect beginning immediately upon publication.

First reading on the ____ day of _____, 2015.

Second reading on the ____ day of _____, 2015.

Third and final passage on the ____ day of _____, 2015.

TIM KEMP, MAYOR

ATTEST:

CATHY FITZMAURICE-HILL
CITY ADMINISTRATOR/CLERK

I certify that the forgoing was published in accordance with the laws and ordinances of the State of Iowa and the City of Hills the _____ day of _____, 2015.

CATHY FITZMAURICE-HILL
CITY ADMINISTRATOR/CLERK

Drafted and approved as to form by City Attorney

EREK P. SITTING, CITY ATTORNEY