

Regular Meeting Minutes

April 1, 2013 ~ 7:00 p.m.

A. CALL TO ORDER.

The regular meeting of the Waverly City Council was held on April 1, 2013, at 7:00 p.m. in the Council Chambers at City Hall. Mayor Brunkhorst presided. Council members present: Gene Lieb, Dan McKenzie, Wes Gade, Chris Neuendorf, Kathy Olson and Tim Kangas. Absent: Gary Boorum

1. Pledge of Allegiance.

Mayor Brunkhorst led the Council in the Pledge of Allegiance.

2. Prayer.

Mayor Brunkhorst led the prayer for the 2013 Council.

3. Approve Agenda as Printed or Add Items for Discussion Only.

Moved By: Olson

That the agenda for this Council meeting as amended by removing Item 10 under Consent Agenda and change Item 9 from Dragon's Cave to The Smoking Dragon Candle Co. under the Consent Agenda is hereby approved.

Yes: 6

No: 0

Absent: 1

4. Minutes.

Moved By: Neuendorf

The March 18, 2013 and March 25, 2013 Council Meeting Minutes are hereby approved.

Yes: 6

No: 0

Absent: 1

5. Guest Councilperson.

The Council welcomed Phil Paladino as Guest Councilperson for April .

6. Proclamation.

Leisure Services Director Ray stated that he will be going to Des Moines for the State Urban Tree luncheon to pickup a 2012 Tree USA & Growth Award and also Waverly Light & Power's Tree USA Award.

Moved By: Kangas

A proclamation proclaiming April 26, 2013 as Arbor Day is hereby approved.

Yes: 6

No: 0

Absent: 1

B. VISITORS/PUBLIC COMMENTS.

Don Freeman informed Council that the Bremer County Conservation Board is conducting an informational meeting at 6:30 P. M. on April 2nd in the Civic Center. The Board will discuss ideas on the acquisition of 140 acres of Camp Ingawanis and retain it as a public area. Mr. Freeman stated that he does not support mandating of City garbage containers or single stream recycling. Mr. Freeman also stated that if you use the City container instead of a regular garbage can or bag the average resident will save \$20.00 a year. Mr. Freeman requested that Council consider installing a wind break on the west side of the Recycling Center.

Duane Liddle requested the Council develop an appeal process for property owners if they object to tree removal on their property if it is programmed to be taken down for the sidewalk repair program.

Dave Frederick stated that citizens are getting a lot more for their taxes than years ago.

The City provides library, golf courses, schools, medical services, a revitalized Downtown, industry services, Wellness Center and Avenue of the Saints. Mr. Frederick believes that continued investment in infrastructure is necessary for sustained growth and quality of life.

Adam Gruenewald from the Waverly Newspapers informed Council that he will be moving to Minnesota. Council thanked Adam for his work.

C. CONSENT AGENDA.

1. Pay Request from Snyder & Associates, Inc. for the Bremer County Fairgrounds Plat of Survey (Champions Ridge) in the amount of \$980.00.
2. Pay Request from McClure Engineering Co. for the Waverly – Land Acquisition Phase II in the amount of \$7,000.00.
3. Pay Request from Iowa Northland Regional Council of Governments (INRCOG) for the HMGP Demo in the amount of \$3,746.37.
4. Pay Request from Iowa Northland Regional Council of Governments (INRCOG) for EDA Dam Project in the amount of \$337.87.
5. Pay Request from Iowa Northland Regional Council of Governments (INRCOG) for CDBG Dam Project in the amount of \$515.83.
6. Pay Request from Iowa Northland Regional Council of Governments (INRCOG) for CDBG Flood Buyouts for the amount of \$243.06.
7. Class E Liquor License for Wal-Mart Stores, Inc.
8. Class B Native Wine Permit for the Wild Carrot.
9. Cigarette Permit for The Smoking Dragon Candle Co.

Moved By: Neuendorf

Items 1 – 9 on the Consent Agenda are hereby approved.

Yes: 6

No: 0

Absent: 1

D. REGULAR BUSINESS.

1. Discussion of a Public Communications Utility.

Diane Johnson informed Council that the Waverly Light & Power Board believes that it is time to have a structured formal conversation about high speed broadband. Waverly Light & Power is willing to coordinate and lead the effort if the Council and community agree. WLP's goals are to maintain reliability, insure responsive customer service, continue succession planning, increase revenue base and manage costs, and encourage economic development. High speed broadband capability is essential for commercial and residential growth. WLP's fiber buildout and the City's broadband development should be considered at the same time. Waverly has voted to have a communications utility and voted to have WLP manage said utility. The Board feels the City should consider providing high speed broadband to residents and consider commissioning WLP to do an evaluation on potential implementation for high speed broadband. If the City approves initiation of the broadband service WLP would create a task force that involves experts across the community and a liaison from the City Council to look at a utility and provide their recommendation to the WLP Board. Council would have to provide WLP the authority to move forward on communication utility. City Administrator Jones stated that the Economic Development Commission believes that broadband today is what an interstate highway was 50 years ago. Mr. Jones also stated that there was an election in 2000 where 86% of the community voted in favor of the utility and 80% voted in favor of WLP to oversee and manage the utility. The City conducted studies in 1997 and 2002 and staff thinks it would be a good time to do another study on a utility and find out costs and see what changes are in the market. Ms. Johnson stated that the utility could be a not-for-profit service and the fiber would be used as leverage. WLP is very cautious about giving fiber maps to vendors for security reasons. A broadband provider has connected fiber from Shell Rock to the Middle School and is interested in providing high speed broadband to businesses in Waverly. The high speed broadband will attract people to Waverly and home based residential businesses. WLP Board has already approved fiber to run a connection from the network to each premise for outage management. Ms. Johnson stated that she has not seen a private provider that wants to provide the infrastructure for residential broadband. If WLP

leads the communication utility the Board would prefer the City to first approve the ordinance creating said utility. After the 2000 election the Task Force said it was not economically feasible at that time to provide broadband to Waverly citizens. Dale Goeke informed the Council that in the 2000 vote the citizens envisioned the WLP Board leading the communication utility. Mr. Goeke feels that the Board is in place to move forward with the utility. Jere Vyverberg informed Council that WSR Schools have increased their broadband every year for 5 years. The school does not purchase books but purchases broadband and technology. Mr. Vyverberg stated that if an outside entity were to come in, the City would lose that control. Mr. Vyverberg promotes the WLP Board to take over the utility because the electricity monitoring and the internet fiber intertwine. WSR Schools paid for the fiber from Shell Rock Elementary to the Middle School. Dave Frederick stated that community owned broadband services allow the community to choose what they want. Gene Drape, presented Board members Reid Koenig, Ael Suhr and Darci Graening Knights and stated that the WLP Board is committed to do what's right for Waverly and WLP is ready to take the lead on the telecommunication utility. City Attorney Werger stated that to discontinue a utility would be subject for a vote by the citizens. The Request for Proposal provides for a study on what the best way to implement high speed broadband and other services. City staff and WLP will be drafting an ordinance for WLP Board to act as the Board of the Communication Utility. WLP and City will be working on a request for proposal and WLP will be working on a confidentially agreement.

2. **Second Reading of Ordinance 967, An Ordinance Proposing Water Rate Increase for FY 2014, 2015 and 2016.**

Administrator Jones informed Council that the unrestricted cash balance does not include the debt service payment. Bonding Attorneys for revenue bonds want to see 50% balance for operating expenses or for unplanned expenses. In the budget departments have charge backs that are characterized as interdepartmental charges. Finance Director Bachhuber stated that the biggest transfer from water and sewer is for debt service for revenue bonds. Mr. Jones stated that instead of increasing water rates by 5% staff wanted to flatten rates over a three year period. The City Staff is always looking at residential and commercial rates and if they are appropriate, the right amount of fund balance for expenses and at future infrastructure costs. City Engineer Cherry stated that the Council reviews utility rates annually. Historically the City was increasing rates by 5% one year to 0% the following year. 2.5% increase is below Consumer Price Index and the statewide average is going up 5 to 6% annually. On April 15th the Council will receive information on approving an engineering agreement to do a Trickling Filter Analysis at the Wastewater Treatment Facility. The analysis will tell the City if the Trickling Filters need replacement right away or in the future. Funds are put in the improvement fund and transferred out to a project account rather than bonding for the project.

Moved By: Olson

Second Reading of Ordinance 967, An Ordinance Proposing a 2.5% Water Rate Increase for FY 2014, 2015 and 2016 is hereby approved.

Yes: 6

No: 0

Absent: 1

3. **Second Reading of Ordinance 968, An Ordinance Proposing Sewer Rate Increase for FY 2014, 2015 and 2016.**

Administrator Jones stated that the fund balance is larger because the debt service payment had not been made. The fund balance is higher because it includes Wastewater facility, sewer line and storm sewer maintenance departments.

Moved By: Gade

Second Reading of Ordinance 968, An Ordinance Proposing a 2.5% Sewer Rate Increase for FY 2014, 2015 and 2016 is hereby approved.

Yes: 6

No: 0

Absent: 1

4. **Second Reading of Ordinance 969, An Ordinance Proposing Solid Waste Increases for FY 2014, 2015 and 2016.**

Administrator Jones encouraged Council to approve the second reading of the ordinance and decide about the garbage containers in the future. City Engineer Cherry informed Council that the recycling truck needs to be replaced. In order to replace the truck the Council needs to have the revenues and be able to make the capital investment. The following year the residential trucks need to be replaced and the commercial truck replacement in the third year. Over the seven years the average rate increase was less than 2%. The City has not set aside funding for equipment replacement that would be sufficient enough to fund the four trucks. Staff would like to get notices out to the public right away. Finance Director Bachhuber stated that the Accounting Department needs time to adjust the rates for utility bills. Staff worked to maintain a positive fund balance and an amortized loan to fund the replacement equipment. The existing residential trucks work with the containers. Two thirds of residents do not use containers and it does cause employee fatigue. In order to accommodate community growth without additional employees and without additional trucks its helpful if the citizens work with the City and use the City container so staff can be more efficient and effective and have a safer work environment. Recycling has changed over the years and the City has gradually been implementing a move toward a comingle system. The new recycling truck looks like the residential truck that has cart tippers to comingle recycling products for residential and commercial. If the City provides recycling opportunities to commercial accounts it could possibly reduce their refuse collection and reduce their costs. Recycling revenues fluctuate due to the product being sold on the market. The City maximizes its revenue by sorting product out at the Recycling Center. Comingled recycling may go up but revenues will go down and will be offset by reducing tipping fees at the landfill. Mr. Cherry believes that changes will be gradual but the will continue to have increased recycling growth. The new recycling truck could be a backup for the residential truck. If \$135,000 is not used for purchase of refuse containers it would shorten the truck loan and could reduce the new rate in the second and third year. By taking action on this reading the Council is not taking action on mandatory containers. Finance Director Bachhuber informed the Council that Solid Waste fund had a balance of \$15,000 at the end of 2012. If the Council did not approve the containers the \$135,000 could be added to the fund balance that would total \$150,000.

Moved By: Neuendorf

Second Reading of Ordinance 969, An Ordinance Proposing a Solid Waste Increases for FY 2014, 2015 and 2016 as set out in attached schedule is hereby approved.

Yes: 5

No: 1(Kangas)

Absent: 1

5. **Resolution 13-39, A Resolution Approving a Minor Plat Named "Hennings Minor Plat" for Twelve (12) "Outlots" in Southeast Waverly.**

Community Development & Zoning Specialist Kohout informed Council that the Planning & Zoning Commission approved said plat. September, 2011 the Council approved the plat as 11outlots in Outlot A. By approving this resolution, it will be clear that it will be called "Hennings Minor Plat" for recording purposes. City Attorney Werger stated that the legal description was corrected also.

Moved By: Lieb

Resolution 13-39, A Resolution Approving a Minor Plat Named "Hennings Minor Plat" for Twelve (12) "Outlots" in Southeast Waverly.
is hereby approved.

Yes: 6

No: 0

Absent: 1

E. BOARDS AND COMMISSIONS.

1. **Boards and Commissions.**

Planning & Zoning Commission Minutes- Mayor Brunkhorst wrote a letter to Representative Sandy Salmon regarding the State enacting the International Building Code relative to rental housing. The State would eliminate the City's control over what is designated as family in residences. The State wants to designate family residence in numbers. The Council will review a draft rental ordinance at the April Study Session. In between Planning & Zoning Commission and the Study Session a public input meeting will be scheduled to review the new ordinance.

2. **Reports.**

Monthly Financial Report-WLP reduced the \$75,000 transfer to the City and this last payment was half of the funds.

3. **Communications.**

Council will have a work session on Friday, April 5th at 4:00 P. M.

Administrator Jones will be attending the Public Employee Labor Relations Conference next week.

Administrator Jones reviewed items for the April 15th Council Meeting.

F. CITY COUNCIL COMMENTS ON POLICY ISSUES.

Councilmember Neuendorf reviewed an initiative on urban chickens.

Council reminded residents that the Bremer Avenue Bridge is under repair for 2 months.

Leisure Services Director Ray informed Council that the Golf Course could possibly be open the end of the week.

Administrator Jones informed Council that there have been 250 Citizen Surveys returned to Jeff Schott at the Institute of Public Affairs.

Guest Councilperson Paladino informed Council that he was confused about the base rate and the cost of City containers. He felt that it was important that the City get the information out about the base rate of \$8.50 monthly that everyone pays and the \$5 is for the container and no tags are needed.

G. ADJOURNMENT.

Moved By: Neuendorf

That the City Council Meeting be adjourned.

Yes: 6

No: 0

Absent: 1

Council adjourned at 9:45 P. M.

Bob Brunkhorst, Mayor

Attest:

Jo-Ellen Raap, City Clerk