

Study Session Meeting Minutes – October 23, 2017
Ivan “Ike” Ackerman Council Chambers

A Study Session Meeting of the Waverly City Council was held on October 23, 2017 at 7:00 P. M. at City Hall. Mayor Infelt presided and the following Council Members were present: Kangas, Lampe, McKenzie, and Waldstein Absent: Gade, Reznicek, and Sherer. Councilmember Reznicek called in but did not vote.

- A. Meeting was called to order by Mayor Infelt.
- B. Moved by Waldstein, seconded by McKenzie to amend the agenda by removing Regular Business item number 5 and rescheduling it for the November 6 meeting.
Motion passed. Yes: 4 No: 0 Absent: 3
Moved by Lampe, seconded by Waldstein to approve the agenda as amended.
Motion passed. Yes: 4 No: 0 Absent: 3
- C. Public Comments on Items Not on the Agenda
 - There were none.
- D. Study Session Calendar.
 - 1. SE Waverly Flood Protection Feasibility Study Update 2017
 - Project Engineer Dan Kimball of AECOM reviewed that this project consisted of updating the 2011 SE Waverly Flood Protection Feasibility Study to include the recently updated FEMA Flood Insurance Map and aerial photography. Updated cost estimates for option one are \$13.9 million which would include a 100-year design with a 4-foot freeboard. Updated cost estimates for option two are \$10.2 million and would include a 100-year design with a 2-foot freeboard. Updated cost estimates for option three are \$6.5 million for a 100-year design with no freeboard. A preliminary design to provide access to areas near 6th Avenue and 7th Avenue SE during periods of less than 50-year flood events provided for raising the low point of the roadway from 904 feet to an approximate elevation of 906.5 feet. The design was based on review of existing road profiles, FEMA mapping, and topography. This design would also provide for sandbagging accommodations for access during higher water events. DNR review and permitting would be required. Construction cost estimates are \$420,000. The preliminary design for 4th Street SE provides for storm sewer improvements and a gatewell with 330 feet of roadway that would be raised approximately 2½ feet and about 280 feet of recreational trail is estimated to cost \$250,000.
 - Modeling will be done to show possible impacts. The elevation of the Cedar River drops 2 feet from South Riverside Park to the main lift station just passed SE Elementary School. If the 3rd Street SE Bridge is reconsidered as a pedestrian bridge, the City Engineer would encourage Council to further consider the 7th Avenue SE improvements since it would maintain 2-way traffic into the SE Neighborhood for residential and emergency vehicles. In the case that a vehicular bridge were to be constructed at 3rd Street SE Bridge location, then, the optimal action, for 7th Avenue SE would be to leave it alone. Construction for the flood protection could begin in the fall of 2018 if it were decided that the project is a priority during strategic planning and budgeting processes. More realistically, it would most likely be a 2019 project. Raising the roadway more than 2 feet would create additional costs, but once the roadway is raised, sandbagging can also be done for improve flood protection.

2. Cedar River Parkway (East) Improvements

- Jeff Hillegonds of Stanley Consultants and Casey Faber of WHKS & Co. provided an update on the preparation of construction plans, bid documents, and construction cost estimate for the Cedar River Parkway (East) Improvements. This Phase II of the project would complete the extension of Cedar River Parkway from 10th Avenue SW to Highway 3 East. There will be no boulevard in the new Phase II portion. There are some interesting geological conditions noted, for example, right as a vehicle would cross the river, there are varying rock elevations at the piers. This caused some coordination with Braun Intertec with how the rock would be tied in and how to obtain the quality needed. Waverly Utilities was also coordinated with to ensure proper lighting would be planned for. There will be a total of six spans of bridge. This will be a 2-lane 32-foot roadway consisting of two 12-foot lanes with 4-foot shoulders on each side. Additionally, there will be a 14-foot pedestrian trail. Two water retention basins will be created through providing elevation fill within the project area. While the retention basins will not hold enough water to fish in them, it is anticipated that they will remain wet for the majority of time. The updated pre-final cost estimate is about \$700,000 over the original budget estimate from January 2017. The updated cost estimated still includes a \$200,000 contingency that may not be necessary. Additionally, the cost estimate is not intended to reflect the low bid, but rather an average of reasonable bids. In February 2014, 5 of 11 bids for the Cedar River Parkway improvements on the west side of the river were 15% or more below the engineer's estimate. The estimated cost of the project is close to \$11 million, and there will be two seasons of construction. We are in the zone for the northern long-eared bat; therefore, all tree clearing for this project must take place from October 1st to March 31st outside of the maternity roost season for the northern long-eared bat.
- The roadside pedestrian trail will connect to the current pedestrian Waverly Rail Trail. The Rail-Trail will likely be closed for the 1st season. The pedestrian trail will be constructed with concrete since concrete would have the best lifecycle and value. Although this would be a six-span bridge, there will basically be only one span crossing the river. Land acquisition has begun with appraisals being done and communication has begun to all landowners. Timing of the project was noted with concerns of coordinating it with budget approval.

3. 20th Street NW Reconstruction- Phase 1

- Ryan Davis of McClure Engineering was present to review the 20th Street NW Reconstruction – Phase I. The 20th Street NW Reconstruction project includes the progression of 30% preliminary engineering plans for costing, scoping, and right-of-way acquisition. The limits of impact anticipate full-depth reconstruction and transition from a rural to urban roadway corridor of approximately 7,930 feet of 20th Street NW from 5th Avenue NW to 205th Street in three different phases. This project also includes preliminary engineering for the reconstruction of approximately 350 feet of the railroad crossing approaches on 5th Avenue NW. Two neighborhood input meetings have been held and hosted by the residents of Eisenach Village at their Klubhaus. The meetings were well attended by representatives of Eisenach Village and residents of the 20th Street NW corridor. Design criteria were discussed with the residents including: 1) It is currently a two-lane rural street with open

ditches. Is a more urban design with curb and gutter more desirable?

2) Complete streets with possible on-street bike lanes, trails off to the side, sidewalks, etc. The rail accommodations were also discussed with the residents. There is a Canadian National Railway (CNR) main line and a spur line within 200 feet of each other, and there are some visibility issues at that location. There are no signal arms that come down to aid in protection for travelers. Utilities were discussed as well with MidAmerican Energy beginning the process of installing high-voltage power lines in that area in the next coming years and possible water main improvements. Of the 49 comments that were received: 24 were related to specific design request (width of the road, curb and gutter, etc.), 12 of the 24 design requests received referred to either a pro or con for complete streets; 17 of the 49 comments were construction requests (keeping dust control down, access to property); 4 of the 49 comments were regarding rail questions and 2 utility comments. A posted speed limit of 35 mph would meet design criteria. A 10-foot trail on the east side of the roadway was also included in the design criteria. There are three options proposed for construction access into Eisenach Village during the reconstruction of 20th Street NW. The first option would be to connect a dead end paved road and extend it up to 20th Street. The second option proposed would be to make a permanent connection into the Jadestone Addition. The third option proposed is to either do a temporary or permanent connection to the Hickory Heights neighborhood. Option one would have an estimated cost of \$30,000 to \$50,000 depending on how much concrete work will be necessary. Option two has an estimated cost of \$92,000. Option three is estimated to cost \$115,000. The residents voted to use Option two. However, Option one is more economical and more feasible. Approximately four acres of right-of-way will need to be purchased together with approximately two acres of temporary easement. Ten homeowners will be affected in Phase I. Rail coordination is the most important aspect of this project, and it will be necessary to work with Canadian National Railway (CNR) and the Iowa Department of Transportation (IDOT). An agreement between the City, CNR, and the IDOT states the railway will have finished the improvements of design signals and install the signals within 18 months of the agreement. It is planned to widen the roadway and install water main from Bartels to Eisenach Village and install sidewalk along 5th Avenue NW. Cost estimate for 20th Street NW is \$2,200,000 and \$160,000 for 5th Avenue NW. Projected estimate for Phase II of 20th Street NW is \$2,000,000 and Phase III is \$1,600,000.

4. Presentation of Utility Rates

- Waverly Utilities General Manager Darrel Wenzel gave a power point presentation of utility rates. Waverly Utilities is owned by the citizens of Waverly and are governed by a Board of Trustees. The members of the board all reside within Waverly. The management team is also local. There is a staff made up of 34 employees. Of those 34 employees, 25 are employed by the electrical utility and 9 are employed by the telecommunications utility. There is a \$2.4 million payroll contributing to the Waverly economy. Waverly Utilities employees also spend a lot of their time volunteering in the Waverly community. According to the APPA National Study, retail electricity rates paid by U.S. residential customers averaged 12.8 cents per kilowatt-hour in 2017. Waverly Utilities' average winter rate (8 months out the year) is 12.7 cents per kilowatt-hour for residential customers. The average residential summer rate is 15.1 cents per kilowatt-hour. Once a

residence goes past 1100 kwh, it goes up to 18 cent / kwh. That was a behavioral rate to get residents to use less energy during the peak season which is June – September. In total, the average is 13.6 cent / kwh. When demand is placed upon the grid, energy has to be available instantly so Waverly Utilities has to turn toward or depend on the capacity market. The MISO or Federal Market is known as a Capacity Market and is like an insurance plan for the grid. Demand is measured in kilowatts. Waverly Utilities sells their generators, or their capacity, into the Midcontinent Independent System Operator Capacity Market. There are 183 electric utilities in Iowa and Waverly Utilities ranks the 22nd lowest of them. Overall revenue requirements from every kilowatt hour sold is 9.4 cents. This would include residential, commercial and industrial rates. A town that is in the watershed that leads to the Missouri River is paid a WAPA Allocation (Federal Hydro Power). 60% of their wholesale power is received from the hydro dams on the Missouri river. Their rate is at or below 3.0 cents per kilowatt hour. If Waverly fell in the Missouri River watershed and received WAPA Allocations, Waverly Utilities would charge 7.65 cents per kilowatt hour and be ranked 8th lowest in the state. There are other utilities that receive federal and state tax subsidies. In 2016, one company received \$249,000,000 in federal aid; they received 2.3 cents per kilowatt hour produced by wind for 10 years and state incentives that equal 1.5 cents per kilowatt hour up to 363 MW. This company does not pay \$115,931 for street lights, \$266,192 for energy usage of street lights, \$13,037 for operation and maintenance of traffic lights, \$33,140 in labor to assist City with tree trimming and removal, \$402,000 for new street lights on Bremer Avenue, \$406,000 for payment in lieu of taxes, an average of \$700,000 annually on electric infrastructure extensions to new homes, businesses and housing developments, and provide emergency backup power to the entire community like what Waverly Utilities does. Rates have increased over the past decade because transmission costs have doubled; there has been an \$8.8 million increase in generation and transmission costs. This is equal to a 444% increase in wholesale costs. A few of the ways that Waverly Utilities is working to control costs to the rate payers are: working with MEAN to replace higher priced energy contracts with lower cost power, putting engines in the capacity market, having telecommunications pay a \$200,000 lease to the electric rate payers for leasing the fiber, and electric rate payers are now earning 4.38% interest on the loan to the telecommunications. There is no rate increase scheduled for 2018.

- electricitylocal.com was cited as a point of research. The website lists National Renewable Energy Lab, US Department of Energy, US Energy Information and Administration, and the US Census Bureau as references for different rates that he presented. Reliability is important to residents and businesses. The amount of energy saving rebates were commented on. There was an agreement between Waverly Utilities, MEAN, and many other utilities to repay a bond, and it will not end until 2041.

5. Leisure Services Commission Update

- This item was removed from the agenda as shown in part B of the agenda minutes.

E. Reports from Boards and Commissions

1. Historic Preservation Commission Minutes; August 28, 2017; Rec'd into record.
2. Economic Development Commission Minutes; September 12, 2017; Rec'd into record.

F. Staff Comments

- There were none.

G. City Council Comments

- Councilmember Waldstein refuted a comment that was published in the October 17 Waverly Newspaper that referred to the Mayor's VETO of a resolution regarding the 3rd Street Pedestrian Bridge.
- Councilmember Kangas noted that he thinks one of the first actions that the new Council in January needs to take is to discuss decorum and the proper way to treat and deal with citizens, commissions, boards, utilities, and etc. that come before the Council.

H. Mayor's Comments

- Mayor thanked everyone for the long evening.

I. Moved by Kangas, seconded by Lampe to adjourn. Motion passed and Council meeting adjourned at 9:36 P.M. **Yes: 4 No: 0 Absent: 3**

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