

Regular Meeting Minutes – January 15, 2018
Ivan “Ike” Ackerman Council Chambers

A Regular Meeting of the Waverly City Council was held on January 15, 2018 at 7:00 P. M. at City Hall. Mayor Soash presided and the following Council Members were present: Birgen, Drenkow, Kangas, McKenzie, Rathe, Sherer, and Waldstein. Absent: None.

- A. Mayor Soash called the meeting to order.
- B. Roll Call was taken and all members were present.
- C. Moved by Kangas, seconded by Drenkow to approve the Agenda as presented.
Motion passed. Yes: 7 No: 0 Absent: 0
- D. Moved by McKenzie, seconded by Rathe to approve the January 4, 2018 Pre-Budget Minutes.
Motion passed. Yes: 7 No: 0 Absent: 0
- E. Public Comments on Items Not on the Agenda.
- Travis Toliver, Executive Director for the Waverly Chamber of Commerce and Main Street Program wished the Council a Happy New Year, welcomed them to visit the Chamber Office, and thanked them for the time and leadership they devote to the community.
- F. Consent Calendar.
1. Class C Liquor License for Joe’s Knight Hawk.
 2. Class C Liquor License for Waverly Area Veterans Post.
 3. Cash disbursements for December, 2017.
- Moved by Sherer, seconded by Waldstein to approve the Consent Calendar.
Motion passed. Yes: 7 No: 0 Absent: 0
- G. Tabled Items
1. Moved by McKenzie, seconded by Sherer to approve Resolution 18-03, Authorizing eminent domain for the acquisition of real property for the Cedar River Parkway (East) Project.
Moved by Kangas, seconded by Waldstein to Table Resolution 18-03, Authorizing eminent domain for the acquisition of real property for the Cedar River Parkway (East) Project. until the January 15, 2018 meeting is hereby approved.
Yes: 7 No: 0 Absent: 0
Moved by Birgen, seconded by Kangas to Remove Resolution 18-03, Authorizing eminent domain for the acquisition of real property for the Cedar River Parkway (East) Project from the table.
Motion passed. Yes: 7 No: 0 Absent: 0
The original motion was then voted on.
Motion passed. Yes: 6 No: 1 (Drenkow) Absent: 0
 - One of the largest portions of property that is proposed to be acquired through Condemnation, is approximately eight (8) acres that is needed for the borrow site. All other parcels are right-of-way acquisitions. If the project isn’t going to begin for several years, the City should delay the property acquisitions. The Tax Increment Finance Funds (TIFF) will be used for a portion of the project. Although the ends of the project were already included in the TIFF district, the City has amended the TIFF district to include the entire corridor. The D.O.T. and the City have had this project planned since the 1970’s. This seems to be a necessary option to exercise, however, it is hoped that all parties can come to an agreement before the hearing. Negotiations can continue up to the day of the hearing. It was suggested to have eminent domain as a study session topic in the future.

H. Regular Business.

1. Review of Waverly Municipal Electric Utility 2018 Adopted Budget

- Waverly Utilities Director of Finance Kasey Lewis presented the Waverly Municipal Electric Utility Adopted Budget for 2018. Ms. Lewis stated that the utilities is not forecasting a rate increase for fiscal year 2018. Revenues include a 1% increase in kilowatt hour sales. This is based on a comparison of usage in 2017. The main driver for this increase is due to a temperate 2017. Some major assumptions from 2017 included: a 2% overall increase in purchase power costs, however, early predictions from Municipal Energy Association of Nebraska (M.E.A.N.) show a possible 0.70% decrease in purchase power costs. The utility will experience a 16% increase in health insurance costs. Other options were visited. Remaining increases are general increases that are projected at 2%. Notable projects include: \$665,000 for distribution improvements for new or replacement services, \$570,000 to replace the switchgear at the south load center (originally installed in the 1970's), \$450,000 to replace 2 bucket trucks (originally budgeted in 2017), \$465,000 for implementation of the Cogsdale billing software for the electric billing that will be brought in-house in July of 2018, \$360,000 for a capital project in the Louisa and WS4 Coal Plants, and \$163,000 for Bremer Avenue Construction Street Light replacements.

2. Review of Waverly Communications Utility 2018 Adopted Budget

- Waverly Utilities Director of Finance Kasey Lewis presented the Waverly Communications Utility Adopted Budget for 2018. In order to remain competitive Ms. Lewis wouldn't go into detail due to certain information being protected by Iowa Code Chapter 22.7 paragraph six (6). She did, however, invite the Mayor and Council to visit with her and Darrel Wenzel, CEO of Waverly Utilities to review the budget more in depth.

- Waverly Utilities Director of Business Operations Curt Atkins informed Council that the Cogsdale billing system is a replacement for the current Summit electric utility billing software that is used for the generation of utility bills. The majority of the \$465,000 is for the software; although, there are consultants that will help with the data migration between the old billing system and the new billing system. There will be an annual maintenance fee for the software. The software will combine the electric utility billing and the telecommunication utility. After conducting a number of surveys, it was found that customers like the one-bill format. The Cogsdale software has the capability to do a one-bill format or a two-bill format by choice. Payment options that are currently not offered are now going to be options. Those options would include: credit card payments, payment online, and bill presentation online. Council will need to decide on staffing issues during the budget process due to the billing process being transitioned to Waverly Utilities.

- Waverly Utilities CEO Darrel Wenzel explained that payment in lieu of taxes (PILOT) fees have been stable over last year. The W payment was part of a Community Attraction and Tourist (CAT) Grant and was a pass-through in order to match funds for those grant monies. Waverly Utilities paid the City and the City paid The W. This payment will continue until 2022 or 2023. The W also pays Waverly Utilities \$100,000 to purchase renewable energy. Waverly Utilities union contract employees are at 2.75% this year and non-union employees are eligible up to 3%. The overage of approximately \$116,000 in revenues vs. expenditures is due to needing to have an amount of revenue in a reserve account to be able to cover loan payments when the principal and interest payments are due. Waverly Utilities caveat is to not use any

rate payer funds on the community solar garden. The solar garden will be totally financed by those who choose to participate with the solar garden. There will be thresholds that will have to be met with 75% participation before the site can begin to be built. A site behind AgVantage will be coming to Council on February 5 for approval. General power is what large industrials are referred to. Electric users that have a demand of 100 kilowatts would be defined as general power users.

3. Moved by Waldstein, seconded by McKenzie to approve Resolution 18-02, Authorizing the acquisition of real property for the Cedar River Parkway (East) Project.

Acquisition for the following locations:

SVS Properties, LLC's property of Parcel 2 at 2400 E Bremer Avenue for \$500.00 with provisions that the company contribute funds to the Project for the construction of a driveway approach from the Parkway; GMT Corporation's property of Parcel 3 at 2112 E Bremer Avenue for \$500.00 and the replacement of an existing driveway with a relocated concrete driveway from the Parkway to the facility parking area; Kendall and Kim Fox's property of Parcel 6 at 1005 12th Street SE for \$139,555.00 and the provision that the City relocates the existing concrete driveway; Renae Loy's property of Parcel 8 at 806 12th Street SE for \$3,506.00; and Michael Loughead's property of Parcel 9 at 1002 12th Street SE for \$17,244.00.

Yes: 7 No: 0 Absent: 0

- The Fox property is appraised a higher value since it is a longer portion of real estate and there is more right-of-way. Staff is projecting that closing will happen close to mid-February now. This project will be producing a two-lane City street not a four-lane highway. The speed limit will be 45 mph.

4. Moved by Birgen, seconded by Rathe to approve Resolution 18-04, Awarding the Winter Tree Cutting for the Cedar River Parkway (East) Improvements project to Benton's Sand & Gravel of Cedar Falls, Iowa for the bid amount of \$21,500.00.

Yes: 7 No: 0 Absent: 0

- The trail section will be quarantined at the time of the trees being felled. The portion of the trail that will not be impacted by this will remain open. At this time, the trees will just be leveled to the ground. Benton Sand & Gravel will not be responsible for clean-up of the trees since it will be done as part of the primary contract. The trees need to be felled by March 31st at the latest.

5. Moved by Sherer, seconded by Kangas to approve Resolution 18-09, Setting the Public Hearing date to approve the sale of right of way/greenway adjacent to former Marks Repair property at 1802 4th Street SW to facilitate redevelopment for February 5, 2018 at 7:00 p.m. in the Council Chambers of City Hall.

Yes: 7 No: 0 Absent: 0

- The pipe comes under 4th Street and drains into that area. It will still be a waterway and carry the water that comes underneath the road. The drainage way could be deeper and wider. The pipe is currently filled in pretty good. Engineering is being done as to what the waterway needs will be.

6. Moved by Rathe, seconded by Birgen to approve Resolution 18-10, Approving a contract agreement between the City of Waverly and the State Historical Society of Iowa for the State Historic Preservation Office- Department of Cultural Affairs Certified Local Government (CLG) grant for scholarships to the National Historic Preservation Conference- FORUM 2018 for a cash match of \$200.

Yes: 7 No: 0 Absent: 0

- The conference is \$850 with a \$200 match from the City.

- I. Reports from Boards and Commissions
1. Monthly Financials; November, 2017; Received into record.
 2. Monthly Financials; December, 2017; Received into record.
- J. Staff Comments
- Leisure Services Director Tab Ray invited the public to attend a candlelight ski, walk, snow-shoe, or cross-country ski on Saturday, January 27, beginning at 5:00 p.m. If the wind chill is forecasted to be below 0° at 3:00 P.M., the event will be cancelled. Mr. Ray commented that sidewalks should be shoveled within 48 hours of a snow event and encouraged people to call in if a neighbor has not done so. He further announced that the sledding hill is now open on the east side (not the north) and encouraged those using the hill to follow the rules and wear safety equipment. The Pelikan Park hockey and skating rink is also open and ready for use.
 - Police Chief Richard Pursell noted that applications are now being taken until January 29 for the 9th annual Citizens Academy. Classes begin Thursday, February 8, and run every Thursday for 10 weeks. Class sizes are a maximum of 12. There is no fee for this class.
- K. City Council Comments
- Councilmember Birgen reflected on this day being celebrated as Martin Luther King Jr. Day. He encouraged everyone in the community to help maintain a welcoming community for people from all backgrounds.
 - Councilmember Kangas extended gratitude to the street crews for getting the streets taken care of in this most recent snow event.
 - Councilmember Rathe echoed words from Councilmember Birgen and added a quote from Martin Luther King Jr., “life’s most persistent and urgent question is what are you doing for others”, and we should all ask ourselves what we can be doing for our community.
 - Councilmember McKenzie reminded citizens to adopt fire hydrants to help keep them clear of snow during the winter months.
- L. Mayor’s Comments
- Mayor Soash extended gratitude to City staff for a tour of City facilities. Mr. Soash commented that he enjoyed a meeting he attended for the Waverly Volunteer Fire Department. He also thanked the City crews for the efforts in snow removal.
- M. Moved by Waldstein, seconded by Drenkow to adjourn. Motion passed and Council meeting adjourned at 7:59 P.M. **Yes: 7 No: 0 Absent: 0**

Dean Soash, Mayor

ATTEST:

Carla Guyer, City Clerk