

Regular Meeting Minutes – November 18, 2019  
Ivan “Ike” Ackerman Council Chambers

A Regular Meeting of the Waverly City Council was held on November 18, 2019 at 7:00 P. M. at City Hall. Mayor Soash presided.

- A. Mayor Soash called the meeting to order.
- B. Roll Call
- Present: Birgen, Drenkow, Kangas, McKenzie, Rathe, Sherer, and Waldstein  
Absent: None.
- C. Moved by Drenkow, seconded by Birgen to approve agenda as presented.  
**Motion passed. Yes: 7 No: 0 Absent: 0**
- D. Moved by Sherer, seconded by Waldstein to approve the October 21, 2019 regular meeting minutes and the October 28, 2019 study session minutes as presented.
- Moved by Birgen, seconded by McKenzie to change the word “necessary” to “beneficial” in the first bulleted paragraph at the third line; minutes as corrected were then approved.  
**Motion passed. Yes: 7 No: 0 Absent: 0**
- E. Public Hearing
1. This was the date, time and place for a public hearing on Resolution 19-184 approving a resolution of necessity for water and sanitary sewer service improvements as part of the 4<sup>th</sup> Street SW (IA 116) & 10<sup>th</sup> Street SW Improvements project and adopting the Preliminary Assessment Schedule.
- **There were no oral or written public comments.**
  - **The public hearing was then closed.**
- Moved by Birgen, seconded by Rathe to approve Resolution 19-184, approving a resolution of necessity for water and sanitary sewer service improvements as part of the 4<sup>th</sup> Street SW (IA 116) & 10<sup>th</sup> Street SW Improvements project and adopting the Preliminary Assessment Schedule setting values of affected properties and establishing maximum assessments for each property.  
**Motion passed. Yes: 6 No: 1 (Drenkow) Absent: 0**
- Assessments have been done multiple times in the past. The City has done both voluntary and mandatory assessments. Most recently, there have been assessments for the Hwy. 3 East, City Sidewalk Improvements, Bremer Avenue Sewer and Water project, and now 4<sup>th</sup> Street SW. The City has a long history of doing water and sewer assessments, but is less inclined to do street assessments. There have also been assessments for east sewer main, 4<sup>th</sup> Street SW (south to the City Limits), northeast sewer and water, and Cedar Glyn. Infrastructure has aged to become 100+ years old, and as major street construction projects are done, it will be questioned at that time whether the water and sewer mains are replaced as well and how the projects are financed. Curb and gutter were assessed back in the 1960’s. The assessments are for the individual service lines with no allocated costs for the mains. The property owner has the option to make payments over a given number of years through their real estate taxes. Assessments will most likely be finalized around this time next year. The assessments will be certified with the County Treasurer in the first part of 2021 to be placed on the tax bills for

September 2021. If the aged infrastructure is not replaced, it could cost a homeowner multiple thousands of dollars to repair if a main were to break. The preliminary assessment being proposed would be maximum amounts. They could stay the same or go down, but they cannot go higher. There are no other ways to approach this so the burden of cost is not so hard on a homeowner.

F. Public Comments on Items Not on the Agenda

- There were none.

G. Consent Calendar

1. Approve the purchase of replacement large-volume water meters from Metering and Technology Solutions of Burnsville, Minnesota for the quoted price of \$12,582.00 plus shipping.
2. Pay Request from WHKS & Co. for the E. Bremer Avenue Sanitary Sewer Extension 2019 for the amount of \$1,347.01.
3. Pay Request from WHKS & Co. for the Business 218 North Resurfacing 2020 for the amount of \$5,217.23.
4. Pay Request from Snyder & Associates for the 10<sup>th</sup> Street SW Improvements 2020 for the amount of \$6,453.50.
5. Pay Request from Snyder & Associates for the 4<sup>th</sup> Street SW Reconstruction 2020 for the amount of \$19,314.50.
6. Pay Request from McClure Engineering Co. for the 20<sup>th</sup> Street NW Improvements 2020 for the amount of \$4,000.00.
7. Pay Request from McClure Engineering Co. for the Waverly Municipal Airport Runway 29 Extension 2018 for the amount of \$15,544.07.
8. Pay Request from Midland GIS Solutions for the GIS Data Collection 2019 for the amount of \$20,000.00.
9. Pay Request from K Cunningham for the Cedar Lane Reconstruction 2019 for the amount of \$234,459.20.

Moved by Birgen, seconded by Waldstein to approve the Consent Calendar as presented.

**Motion passed. Yes: 7 No: 0 Absent: 0**

- There was an issue with the paver during the construction of Cedar Lane that caused some uneven application of concrete. There is enough left in retainage to cover the repair. The repair is expected to be covered by the contractor in the spring.

H. Regular Business

1. Moved by Drenkow, seconded by McKenzie to approve Resolution 19-185, approving the Stipulation and Agreement to settle litigation with Richard C. Schulz and approving setting a special rate of \$250 per month for sanitary sewer service provided to Richard C. Schulz, owner of the Star Motel, at 3303 E. Bremer Avenue.

**Motion passed. Yes: 6 No: 1 (Birgen) Absent: 0**

- The rate is changing to \$250 per month and allowing the service to continue to drain through the tanks into the sanitary sewer main. There are other customers with special rates. With a private well, there isn't a way to meter the usage of sanitary sewer. There are a few ways to accomplish the same thing: the City could set rates, establish some kind of special rate, or the water (well) could be metered. This is for the motel only and does not include the restaurant. The motel is under the jurisdiction of the DNR in regards to the well water. The water has been tested as recently as the last two months with results being a little high

on nitrates with a score of around 12. The maximum acceptable score is 10. The DNR will now monitor the levels. There was a test completed a couple years ago that measured below a 10. Since the DNR has jurisdiction over the water testing due to the location having a well, mandatory water testing couldn't be included in the agreement. This agreement would only apply to the current owner of the motel and wouldn't be transferrable to a new owner. There was concern with item number two of the agreement not allowing the City to require any testing, metering, inspection, or interference of this well as long as the current owner owns the property. It was also shared that it probably isn't a good idea for the City to take on the responsibility for testing private water supplies. This specific water supply is connected to a previous agreement that the City has with the motel. The purpose of the agreement is to have a reasonable fee for the use of the City's sanitary sewer service. The restaurant's septic will always be allowed to drain into the City's sewer line due to an existing easement. Council would like staff to keep following up with the DNR for continued water testing.

2. Moved by McKenzie, seconded by Birgen to approve Resolution 19-190, determining to proceed with the issuance of Hospital Revenue Notes in an aggregate principal amount of not to exceed \$27,063,000, setting parameters and approving an Indenture of Trust, one or more Note Purchase Agreements, the use of an official statement and other documents related thereto.

**Motion passed. Yes: 7 No: 0 Absent: 0**

- Waverly Health Center CEO, Jim Atty commented that this is the same project to refinance the \$27,063,000. As a City owned hospital, the hospital needs to come to the City for approval. These dollars are what will be used to get through the construction period and will then be backfilled by USDA funding that has already been approved. The hospital has no taxing authority and no tax dollars are used for hospital operations. There also is no extension of liability and the only liability lies with the hospital for their future revenues.

3. Moved by Kangas, seconded by Sherer to approve Resolution 19-186, accepting the Citywide Asphalt Patching- Fall 2019 project as complete and approving Pay Estimate No. 1 in the amount of \$79,786.22 as the final pay request to Heartland Asphalt of Mason City, Iowa.

**Motion passed. Yes: 7 No: 0 Absent: 0**

4. Moved by Rathe, seconded by Birgen to approve Resolution 19-187, approving the Iowa DOT Cooperative Agreement for Primary Road Project for the 4<sup>th</sup> Street SW (IA 116) Improvements project from near 3<sup>rd</sup> Avenue SW to near 8<sup>th</sup> Avenue SW which includes the Iowa DOT contributing an estimated \$590,000.00 of the total estimated cost of \$3,243,050.00 for the project.

**Motion passed. Yes: 7 No: 0 Absent: 0**

- Council expressed concerns for the removal of trees. Staff informed Council that there have been discussions of a tree planting program for the past 20 or so years, but there have been very few interested in the program. All trees between the sidewalk and the curb will be taken out along this project. The paver will take about 3 or 4 feet behind the back of the new curb so it will be damaging the root systems and will be against the trunks. A few years ago, there was a project with Trees Forever for private property along 4<sup>th</sup> Street resulting in a few

trees being planted; however, there haven't been many people interested. Other trees around the City that are being taken down are being replaced almost one for one. Property owners still have the option to plant trees. The City, through Trees Forever, also offers once per year from September until November, a \$75 rebate program for those that have had a tree removed (mostly Ash trees) within the right-of-way. The cost of a replacement tree would depend on the size and type of tree. Staff should be able to more accurately estimate the total cost of the project in a couple of weeks.

5. Moved by Sherer, seconded by Birgen to approve Resolution 19-188, approving and authorizing a Form of Interim Loan and Disbursement Agreement by and between the City of Waverly and the Iowa Finance Authority, and authorizing and providing for the issuance and securing the payment of \$780,000 Sewer Revenue Capital Loan Notes Anticipation Project Note, Series 2019, of the City of Waverly, Iowa, under the provisions of the Code of Iowa, and providing for a method of payment of said Note.

**Motion passed. Yes: 7 No: 0 Absent: 0**

- This is a 0% loan for our front-end loan for the costs of the sewer project.

6. Moved by Rathe, seconded Birgen to approve Resolution 19-189, declaring an Official Intent under treasury regulation 1.150-2 to issue debt to reimburse the City for certain original expenditures paid in connection with specified projects.

**Motion passed. Yes: 7 No: 0 Absent: 0**

- This is a reimbursement resolution that will allow the City to reimbursement costs for named projects with debt that will be issued next year.

7. Moved by Kangas, seconded by Birgen to approve Resolution 19-174, accepting certification filed by the Finance Director to the Bremer County Auditor detailing the amount of new loans, advances, and indebtedness which qualify for payment from Tax Increment Revenues of the Waverly Unified Urban Renewal Plan.

**Motion passed. Yes: 7 No: 0 Absent: 0**

- The GMT rebate was a 5-year agreement, and the last payment was made in FY 2019.

7a. Moved by Drenkow, seconded by Waldstein to approve Fiscal Year 2019 State Urban Renewal Report.

**Motion passed. Yes: 7 No: 0 Absent: 0**

8. Moved by Sherer, seconded by Birgen to approve the Second Reading of Ordinance 1067, an Ordinance adding and removing authority for traffic control devices and adopting the revised Appendix E.

**Motion passed. Yes: 7 No: 0 Absent: 0**

- 8a. Moved by Kangas, seconded by Birgen to approve to suspend the rules and move directly to the Third and Final Reading.

**Motion passed. Yes: 7 No: 0 Absent: 0**

- 8b. Moved by Birgen, seconded by Rathe to approve the Third and Final Reading of Ordinance 1067, an Ordinance adding and removing authority for traffic control devices and adopting the revised Appendix E.

**Motion passed. Yes: 7 No: 0 Absent: 0**

9. Moved by Birgen, seconded by Waldstein to approve the First Reading of Ordinance 1068, an Ordinance Adopting the "City Code of the City of Waverly, Iowa" and Setting December 2, 2019 at 7:00 P.M. in the Council Chambers of City Hall as the date, time, and place for a Public Hearing.

**Motion passed. Yes: 7 No: 0 Absent: 0**

I. Reports from Boards and Commissions

1. City of Waverly State Annual Financial Report; FY 2019; Rec'd into record.
2. Historic Preservation Commission Minutes; Aug. 26, 2019; Rec'd into record.
3. Historic Preservation Commission Minutes; Sept. 23, 2019; Rec'd into record.
4. Ball Diamond Task Force Minutes; Oct. 7, 2019; Rec'd into record.
5. Monthly Financials; Oct. 2019; Rec'd into record.
6. Senior Center Calendar; Nov. 2019; Rec'd into record.

J. Staff Updates

- Leisure Services Director Garret Riordan informed Council that there were 108 people and 12 dogs that attended the Candlelight Walk held on November 9, 2019.
- Public Works Director/City Engineer Mike Cherry announced that the City's Yard Waste site will close for the season on November 23, 2019. There is snow in the forecast for next week, and they will continue to monitor the weather. The street sweeper will also be done for the season as well.

K. City Council Comments

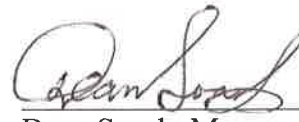
- Councilmember Birgen noted that he would be at the Pour House directly following this meeting if anyone would like to join him and discuss City business.

L. Mayor's Comments

- Staff informed Mayor that since the City has received many comments, they will contact the I.D.O.T. and ask, again, for better signage for the Cedar River Parkway at Hwy. 3 East.

M. Moved by Birgen, seconded by Rathe to adjourn the meeting. Motion passed and the Council meeting adjourned at 8:19 P.M.

**Yes: 7 No: 0 Absent: 0**



Dean Soash, Mayor

ATTEST:



Carla Guyer, City Clerk