

OTTUMWA CITY COUNCIL MINUTES

SPECIAL MEETING NO. 6
Council Chambers, City Hall

January 28, 2020
5:30 O'Clock P.M.

The meeting convened at 5:31 P.M.

Present were Council Member Roe, Stevens, Meyers and Mayor Pro Tem Dalbey.
Council Member Berg was absent.

Roe moved, seconded by Meyers to approve the agenda as presented. All ayes.

Mayor Pro Tem Dalbey inquired if there was anyone from the audience who wished to address an item on the agenda. There were none.

PW Dir. Seals and Veenstra & Kimm, Inc. VP, Ted Payseur provided Work Session update for CSO, Phase VIII, Div. I Project, phasing, letting and funding and review of sewer rates and funding for CSO, Phase VIII, Division II sewer separation, funding options, time and impact on existing sewer rates.

Blake's Branch Sewer Separation is Phase 8 of our continued CSO work that began in 2004. The City of Ottumwa has successfully completed the first 7 phases and negotiated with IDNR to complete all phases within a 25 year compliance schedule.

Public hearing to approve Plans & Specs on 2/18/2020; bid opening 3/11/2020 and anticipated awarding of project on 3/17/2020.

Total costs for Phase 8, Div. 1 will be around \$12 Million. The first division will utilize local monies (TIF, LOST) but future divisions will be SRF funding. Will continue looking for block grants dedicated to CSO. Originally, Phase 8 was to be completed by 2025, but will not be completed in its entirety until 2031.

The City of Ottumwa will need to submit an Intended Use Plan to apply for SRF funds which are similar to a line of credit (if you don't use it, you don't have to pay back). This needs submitted by March 2 to get in line for the funds. This application submission starts a 9 month period to get approval through environmental channels.

We are making progress on the compliance schedule – wanted to accomplish load reduction and flow reduction to the river.

We will bring individual streets that need addressed to council for approval. Some we will not know the condition of until we break ground to start construction.

Questions – how will the City finance this large of a project, is there any way to bring in new monies/revenue to help offset some of this cost?

Without utilizing LOST funding, average sewer rates in 2031 could be up to \$93.07.

Storm water utilities – for every \$500,000 of new monies, this can impact the rates by 1 or 1.5%. This is when we need to look at being equitable/fair and start charging per living unit and not strictly by

meter. If council's direction is to move forward with this calculation, the City would need to modify its current ordinance and communicate this change now to all who will be affected. We will also need to develop an appropriate credit system/calculation for storm water.

Consensus of council members is to make the transition to "per living unit" for the metering system and propose an 8% increase in rates over the next 3 years. Would like to revisit after two years to see if the 8% increase is still warranted for year three or if rates can be adjusted.

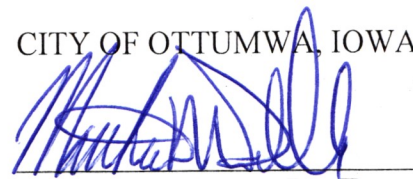
Acting City Admin. Lazio extended the invitation for any/all City Council members to attend Washington, D.C., from March 8-11, 2020, to meet with legislators to make Ottumwa's case heard. Legislators are passing CSO Infrastructure bills along with stringent EPA requirements that are not easily funded for cities like Ottumwa or smaller size. Cities can't afford all of the changes with their current financial constraints.

Mayor Pro Tem Dalbey inquired if anyone from the audience wished to address an item not on the agenda. There were none.

There being no further business, Roe moved, seconded by Meyers that the meeting adjourn. All ayes.

Adjournment was at 6:16 P.M.

CITY OF OTTUMWA, IOWA


Matt Dalbey, Mayor Pro Tem

ATTEST:



Christina Reinhard, City Clerk

