

## City Administrator Report to Mayor & City Council

*January 09, 2015, Edition No. 156*

### WEEKLY UPDATE:

1. Budget: Reminder - our first budget meeting will be Thursday, January 29th at 5:30PM in the Council Chambers followed by our kickoff of department reviews on Saturday, January 31 at 8am in the Lower Level Conference Room.
2. Fire: The Fire Department has received 200 smoke detectors from the State Fire Marshall's office. These will be used for Ripley's (to round out the residents that did not receive detectors during our first round of distributions following annexation) and then to other areas of town in need.
3. City Code: Quick status update - Fran is wrapping up the Fines and Fees Section and departments are completing their review. Going forward the City Council will be able to update this section simply by resolution. Additionally, we are updating the Community Development and Fire Codes to meet the 2015 ICC requirements. I have not received any additional comments or questions to date and expect to be bringing the document forward for approval following completion of the index.
4. DPW/MAGIC: City and MAGIC staff will be presenting the follow subject at the April 2015 National GIS meeting in Des Moines - The combined use of MAGIC and CTRE Street Inventory for an analysis of existing roadways in Muscatine and the PCI rating and future planning.
5. Weed Park: City staff will begin demolition of the old concession building in Weed Park adjacent to the band shell as weather permits.
6. CSO: Based on the latest information form Stanley Consulting regarding the anticipated bid opening date (3/5/15) for Phase III of the CSO project, the following schedule is proposed: January 15, 2015 Resolution Setting a Public Hearing, February 2, 2015 Public Hearing and Resolution Approving Plans & Specs etc., March 5, 2015 Bid Opening, March 19, 2015 Award Contract, April 2, 2015 Approve Contract & Bond. Stanley's will provide the City Council an overview of the project at the February 5th meeting assuming the project is ready to proceed and we have engineering estimates.
7. Forgivable Loans: We have review three applications to date. This has been a learning process for staff and the committee members. We are revising the online documents to reflect what we have learned and to clean up the requirements (i.e. credit report, etc.). The loan documents are being prepared and we hope to issue the first award/s next week.
8. Fulliam & Kindler: There is orange fencing in place at Fulliam & Kindler. If asked, we are looking to improve the safety at this location with the steep drop off. Staff will be placing rip rap material and a guard rail at this location.
9. Iowa League: Please see the attached article on the Iowa League of Cities and the use of water-quality trading.

# Iowa League of Cities looks at water-quality trading

Donnelle Eller, [deller@dmreg.com](mailto:deller@dmreg.com) 7 p.m. CST December 30, 2014



(Photo: Andrea Melendez/The Register)

With Iowa cities facing more than \$1 billion in improvements to meet new nutrient-reduction requirements, the Iowa League of Cities is investigating developing a water-quality trading program that officials believe could help cut their costs.

Under the Iowa Nutrient Reduction Strategy, about 100 municipal wastewater treatment plants will be required to cut the amount of nitrogen entering the state's rivers and streams by 66 percent and phosphorus by 75 percent.

Iowa farmers, livestock producers and other nutrient sources are being pushed to cut nitrogen and phosphorus 45 percent each.

The strategy is designed to improve the quality of Iowa's waterways and cut nutrients that contribute to the dead zone in the Gulf of Mexico, an area about the size of Connecticut that's unable to support aquatic life each summer.

Dustin Miller, the league's general counsel, said a water-quality trading program would allow cities to work upstream with farmers, ranchers and others to add conservation practices and infrastructure that improves water quality, but at reduced prices. Miller recently answered a few questions about how a program could work.

## **Q. Why are you looking at water-quality trading?**

**A.** We're looking at a system that provides a more affordable approach to getting the same environmental impact in a watershed. So, instead of spending \$10 million on plant improvements to get a reduction, it would be better, and these are just arbitrary numbers, to spend \$1 million on buffer strips, drainage water management, buying easements or whatever suite of practices that would be needed.

It also could allow point-source facilities to trade with one another. So if one treatment plant could achieve a high level of nutrient reduction — that exceeded its requirement — it could trade that surplus to an older facility, where the technology wasn't in a place yet.

## **Q. Is it just cities' wastewater treatment facilities that are required to reduce nutrients?**

**A.** The only point-source facilities the nutrient reduction strategy is directed at is wastewater treatment facilities. What's left out of it is drinking water facilities and stormwater facilities. It's directed at 102 major municipal facilities. (It also includes about 50 Iowa industries.)

## **Q. How long do the cities have to meet the requirements?**

**A.** What DNR is doing is putting the nutrient criteria in the NPDES (National Pollutant Discharge Elimination System) permit renewals and phasing in the requirements: One year of testing, one year of a feasibility study, and then the city comes back under the affordability standards and says: This is what we can do and this is the timeline that we can get it done.

These permits have multiple requirements ... and nutrient reduction is just one component.

## **Q. Are the upgrades required costly?**

**A.** Clinton just regionalized its wastewater treatment system and put in nutrient removal equipment. It cost \$65 million. There's a huge price tag attached to the overhaul. ... Some won't have to spend that much; others will have to spend a lot more.

Some believe the \$1.5 billion listed in the nutrient reduction strategy could be a very low number. The current needs assessment of wastewater treatment systems in Iowa is \$11 billion — that's everything and all cities. So if you could figure out a good system, there are millions of dollars in savings.

## **Q. Some folks believe trading programs "pay the polluter" and are against them; how did cities decide to test the waters?**

**A.** It's easy to look at the numbers in the nutrient reduction strategy and say 92 percent of nitrogen and 80 percent of phosphorus comes from non-point sources (such as farming and livestock production as well as golf courses and urban runoff), but it doesn't get us anywhere. ...

We decided we needed to get past that, because ultimately, we care about saving citizens money and getting the same environmental impacts. It does no good to sit and point the finger. We want to make sure the strategy is successful.

**Q. What's keeping the League of Cities from creating a trading system?**

**A.** We need to develop a legal and policy framework that makes people feel comfortable. ... And we're working with the University of Iowa to develop the science that tells us what nutrient reduction you could achieve (with different conservation practices) and where is it best placed within the watershed. ...

Our people are looking for certainty, both from a regulatory perspective — to make sure it impacts my permit — and from cost perspective — that I'm not spending the same in my plant as I am for these practices — but all the while making sure we're getting the same environmental impact within the watershed.

**Q. So how do cities figure out what benefits they will receive if they pay for, say, a 100-acre wetland?**

**A.** With the other trading programs that are out there, these things have been modeled. There's a difference in how nutrients move in the summer versus the winter, drought, flooding. ... There are examples we can follow.

The point-source measurement is easy — when I look at my testing, I can say I need X amount of pounds of nitrogen reduction and X amount of pounds of phosphorus. We get that easily through the feasibility study. But how you translate that into practices. ... Then how you monetize those practices is a different discussion.

**Q. What's next?**

**A.** The first step was to look at what other people have done. We're still in that initial stage. ... We have some months of work putting this together; we have some cities whose permits come out in October of next year, and they're concerned about what will this look like. But we don't want to rush into this. We want thought and engagement.

It will take a few years to get those two components together — the science and the legal framework together. ... And what we don't want to do is ham-handedly put something together that one particular group really hates — or all of us really don't like.

**Dustin Miller**

**AGE:** 35

**JOB:** General counsel, Iowa League of Cities

**EDUCATION:** Southeast Warren High School, University of Iowa undergrad, Drake Law School

**HOMETOWN:** Lacona

**RESIDES IN:** Newton

**FAMILY:** Wife, Sara; son, Liam, 1

**FUN FACT:** Miller has lived on four continents and worked in both Washington, D.C., and with Parliament in London.

Read or Share this story: <http://dmreg.co/1B2WoQH>

**MORE STORIES**



**WHO-HD forecast: Another cold and windy day**

[\(/videos/weather/2014/12/31/21094755/\)](/videos/weather/2014/12/31/21094755/)

[\(/videos/weather/2014/12/31/21094755/\)](/videos/weather/2014/12/31/21094755/)

Dec. 31, 2014, 6:33 a.m.



**Videos of the year: Fun in Iowa**

[\(/story/news/2014/12/30/fun-year-videos/21074179/\)](/story/news/2014/12/30/fun-year-videos/21074179/)

Dec. 30, 2014, 9:26 p.m.

[\(/story/news/2014/12/30/fun-](/story/news/2014/12/30/fun-year-videos/21074179/)

[year-](/story/news/2014/12/30/fun-year-videos/21074179/)

[videos/21074179/\)](/story/news/2014/12/30/fun-year-videos/21074179/)



**Year in review: 50 stories from 50 states**

[\(/story/news/2014/12/30/year-](/story/news/2014/12/30/year-in-review-united-states/20489635/)

[in-review-](/story/news/2014/12/30/year-in-review-united-states/20489635/)

[united-](/story/news/2014/12/30/year-in-review-united-states/20489635/)

[states/20489635/\)](/story/news/2014/12/30/year-in-review-united-states/20489635/)

[\(/story/news/2014/12/30/year-in-review-united-states/20489635/\)](/story/news/2014/12/30/year-in-review-united-states/20489635/)

Dec. 30, 2014, 9 p.m.