

City Administrator Report to Mayor & City Council

September 04, 2015, Edition No. 190

WEEKLY UPDATE:

1. Mississippi Drive: Thanks for attending the stakeholder meetings and the public meeting on Tuesday night. We have had numerous positive comments from community leaders. We will share the event reports upon receipt.
2. Attached are the handouts for the Kent Corporation Progress Update that was held on Tuesday. Congratulations and thank you to Kent Corporation for their investment and commitment to Muscatine, sustainability and economic development.
3. In-Depth Meeting: Here are the tentative agenda items for the In-Depth Session next week:
 - a. Accepting runway reconstruction grant agreement with FAA (Due to FAA by September 15th)
 - b. Opportunity for a Municipal Port Authority and Multimodal facility
 - c. Next zoning chapter
 - d. Street cleaning and leaf pickup
4. Iowa Finance Authority: Just an FYI on a new IFA program related to workforce housing - The Iowa Finance Authority (IFA) is now accepting applications for the new Workforce Housing Loan Program. The application and details can be found at the following: <http://www.iowafinanceauthority.gov/Public/Links/PC217>. Please review the Program Guidelines and Program Scoring documents before proceeding with an application submission. The Workforce Housing Loan Program will provide financial assistance in the form of a repayable loan to cities and counties that demonstrate a need for additional workforce rental housing for Iowans as a result of employment growth within the local unit of government's jurisdictional boundaries. Only cities and counties in Iowa are eligible applicants for Workforce Housing Loan Program assistance. Applications for the Workforce Housing Loan Program can be submitted to IFA until 4:30 PM on November 2, 2015.
5. MPD: Per Chief Talkington - The department is investigating or looking at different options for body cameras as well as opportunities for federal grants and other funding sources. The department is concurrently reviewing what our peer communities in Iowa are doing as it relates to the use of body cameras (problems, lessons learned, and policies/procedures). We have checked with our insurance carrier and there is no insurance savings for use of cameras. The benefit may come on the back side if or when complaint is received. Iowa city, Waterloo, and Burlington are currently using cameras. Bettendorf will be coming online next.
6. EAB: Staff is now trained and we have the equipment and product to treat trees in the ROW and in park sites. We have not treated any trees to date, but plan to begin this Fall with the cooler weather. We need wet conditions where the tree is in a "systemic state" (taking on water) and there is a

minimum of a 60% tree canopy. Early Fall or mid-Spring would be the best time of the year for applications.:

7. CDBG: The City received notice that SHPO (State Historical Preservation Office) has reviewed the design and specs for the downtown CDBG project/s. No adverse effects were determined. This allows staff to move forward with bidding the project and preparing an RFQ for grant administration. This project is subject to Davis-Bacon wage rates and nearly all of the easements are in place (2-3 remaining).
8. CSO: Attached please find the August 2015 West Hill Sewer Separation Project Progress Report.
9. CityScape: The September 2015 issue of Cityscape magazine is now available at <http://www.bluetoad.com/publication/?m=26842&l=1>. This issue and previous issues are available at www.iowaleague.org.
10. Hotel/Motel: The attached spreadsheet has been updated for the most recent quarter (April - June, 2015).
11. ATE: Please see below on the new ATE study provided by Asst. Chief Sargent - This study adds to the evidence that speed cameras can reduce speeding, speeding-related crashes, and crashes involving serious injuries or fatalities. A aspect of the study found a 39 percent reduction in the likelihood that a crash resulted in an incapacitating or fatal injury. Link: <http://www.iihs.org/iihs/news/desktopnews/speed-cameras-yield-long-term-safety-benefits-iihs-study-shows>
12. Poles on 2nd Street: The old parking meter poles on 2nd street are merely used to identify the parking stall. Many of those are in disrepair, out, falling over. Our plan is to install signage for our meter attendants to use in identifying the parking stalls, remove the poles and repair the sidewalk. This will also provide a benefit for staff during snow removal in the downtown and clean up the area.
13. MCC: MCC's new venture "Startup Grind" will be hosted at the Riverview Center in October. Here is the link to the newspaper article: http://muscatinejournal.com/news/local/connecting-dreamers-with-doers-mcc-professor-starts-local-startup-grind/article_428975b1-c303-52f0-9147-ef2cf7adb42b.html#.VdynPSf7ERI.email

Mississippi Drive NEPA process (Next Steps):

- September 4, 2015 - City of Muscatine sign EA/Draft 4(f) and send to Iowa DOT
- September 11, 2015 - Iowa DOT sign the EA/Draft 4(f)
- September 16, 2015 - FHWA sign the EA/Draft 4(f)
- September 17, 2015 - SCI distributes hardcopy EA/Draft 4(f) to agencies which starts the 45 day comment period
- September 17, 2015 - SCI sends public notice to newspaper for Public Hearing
- October 15, 2015 – Public Hearing
- November 2, 2015 – end of 45 day comment period
- November 2 – Mid-November, 2015 – FONSI finalized. The FONSI development may be started during the 45 day comment period but it cannot be finalized until the comment period is complete.
- Mid-November, 2015 – FONSI submitted to OLE – Iowa DOT for their review and comments.
- The 4(f) document will follow a parallel path for finalizing the document.



FOR IMMEDIATE RELEASE:

September 1, 2015

Janet Sichterman, 563-264-4390

Kent Corporation Shares Progress Update with Community

MUSCATINE, IOWA – More than 70 community leaders, elected officials, and regulatory agency representatives visited Grain Processing Corporation (GPC) today to hear Kent Corporation leaders discuss their sustainability efforts that benefit Muscatine.

GPC highlighted two major investments in advanced technologies that are making a demonstrable difference in emissions. With the new and operational \$83 million dryer house and the company's conversion to natural gas as the sole fuel source for the dryers, emissions of sulfur dioxide, particulate matter, nitrous oxide, and lead will be substantially reduced.

"Cleaner air is a commitment GPC made to the Muscatine community," said Mick Durham, Environmental Director for GPC. "And we are keeping that promise. These substantial investments put GPC well ahead of industry peers as we reduce emissions to meet all EPA standards today and into the future."

GPC officials also gave an update on additional projects that are boosting economic development for the community. Earlier this year, GPC announced a \$48 million alcohol production expansion project in Muscatine. This expansion will be completed over the next five years to meet the growing demands of domestic and export customers. GPC is also developing a new training center for employees at their Oregon Street campus. The construction and employment surrounding these projects are yet another demonstration of GPC's long-term commitment to the economic well-being of the community.

Rich Dwyer, Senior Vice President Corporate Affairs and Enterprise Risk for Kent Corporation, discussed several tangible efforts the company is working on, in collaboration with other businesses and the city, to identify and mitigate the risk of levy breaches in Muscatine.

Kent Corporation also invited Greg Jenkins, President and CEO of the Greater Muscatine Chamber of Commerce and Industry to review completed projects and those underway made possible by the support of local business. Kent Corporation believes supporting community betterment is critical as it attracts and retains top talent for its organization and works to support the offering of amenities and infrastructure that can serve all residents in Muscatine.

"Muscatine is a great place to live and work," said Dwyer. "That is why we are working with other companies to meet all the needs of our growing, vibrant community. Infrastructure, public safety, and the amenity of a beautiful riverfront will allow our community to meet the future economic needs for all our citizens."

GPC is a wholly-owned subsidiary of Kent Corporation. Kent Corporation is a family-owned business and has been since its creation 88 years ago. GPC is devoted to the success of Muscatine as it is our home; we take our role of being a good neighbor seriously. Our executives, employees, and their families live and work in this community. We look forward to a long future of sharing economic, environmental, and community accomplishments with Muscatine and its citizens.

###



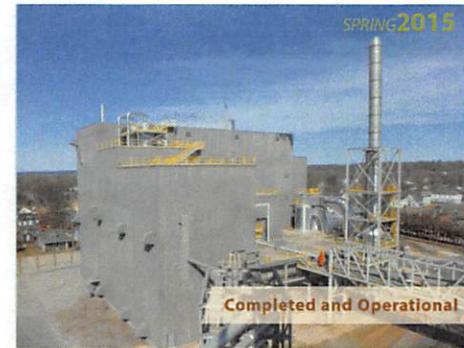
Kent Corporation – Grain Processing Company

Sustainability Day Fact Sheet

Tuesday, September 1, 2015

GPC's Dryer House is Operational

- ✓ Originally estimated to cost \$75 million, GPC has invested over \$83 million on the project that was completed on schedule and included additional environmental controls.
- ✓ The advanced technology to dry grain is making a demonstrable difference in emissions. One of the most noticeable changes is the reduction of the feed drying smell common to all corn wet milling facilities
- ✓ The new dryer house is one of the largest dryers in existence and replaces 11 existing dryers that have permanently ceased operation.
- ✓ "Getting this enormous project completed on schedule is a testament to everyone involved with the project - from the engineers who designed it, to the construction workers who built it, to the employees who were instrumental in the actual startup of the massive interdependent systems, to those who will keep it running every day at GPC," said Gage Kent, Chairman and CEO of Kent Corporation.



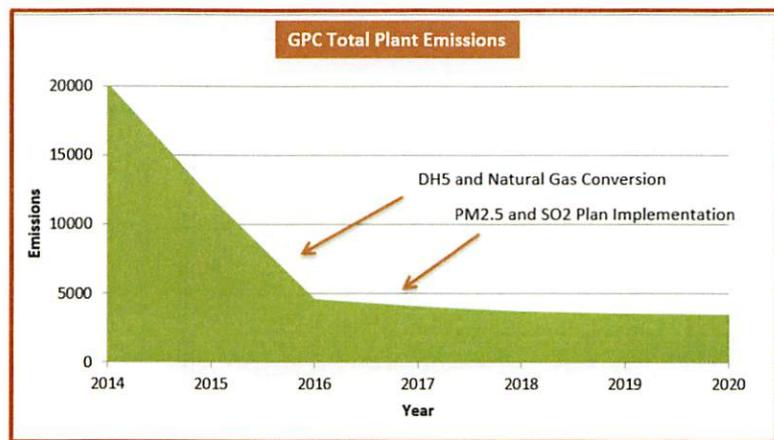
GPC's Conversion to Natural Gas is Complete

- ✓ GPC is now using natural gas as the company's sole fuel source for the boilers at the Muscatine wet milling facility.
- ✓ Cleaner air is a commitment GPC made to the Muscatine community.
- ✓ Replacing coal with natural gas as a fuel source will substantially reduce levels of sulfur dioxide, particulate matter, nitrous oxide, and lead," said Mick Durham, director of environmental services for GPC.
 - 91 percent reduction in GPC boiler emissions including a projected reduction of carbon monoxide by 61 percent, nitrous oxide reduced by 22 percent; particulate matter reduced by 91 percent; sulfur dioxide (SO2) reduced by 99.9 percent and lead will be reduced by 97 percent.

Dryer house project and conversion to natural gas puts GPC well ahead of industry peers in controlling emissions - emissions reduced 85% in 2015 and reduced by 88% in 2018.

GPC Projects to Further Reduce Emissions

- ✓ New spray dryers, flash dryers and scrubbers to be done by end of 2015 further reduce emissions – thermal oxidizers projects will reuse energy generated from the plant.
- ✓ Reducing energy and water usage are key projects.
- ✓ In 2016, 2017 and 2018 there are significant projects to reduce emission.
- ✓ Relocating corn unloading to new elevator will reduce truck idling time and wait time – reducing diesel emissions.



Total Emissions reduced by 85% in 2015 and 88% by 2016

Muscatine Air Quality

- ✓ EPA Air Quality regulations changed and became more stringent. All businesses in the U.S. were given time to reduce emissions to meet the new standards.
- ✓ Particulate Matter 10 microns – PM 10: Muscatine has been well below the regulated limit since before 2000
- ✓ Particulate Matter 2.5 microns – PM 10: Muscatine monitors show below the regulated limits since 2012
- ✓ Sulfur Dioxide (SO2) - Muscatine is working to be within regulated limits in 2015. By using natural gas, GPC is reducing their contributions by 99.9%.

GPC Announces Major Alcohol Expansion in Muscatine Iowa

- ✓ GPC plans to expand their ethyl alcohol production capacity to meet increased customer demand in the beverage and industrial alcohol markets. The \$48 million expansion project focuses on increasing alcohol production at their Muscatine, Iowa corn wet milling plant.
- ✓ The investment provides expanded production to meet the growing demands of our domestic and export customers. GPC has been producing quality alcohol in Muscatine since 1943. The Muscatine alcohol expansion is yet another demonstration of GPC's long-term commitment to the economic well-being of our community.
- ✓ This project, along with increased production, reduces energy usage, improves yield and upgrades infrastructure in the Distillery area of the plant. GPC's expanded capacity will provide product to the market in phases over the next two to five years.

Kent Corporation Invests in Employees

- ✓ Kent recruits employees for their career, not just a short term job.
- ✓ Average years of service is between 13 and 16 years for the family of companies.
- ✓ Formal training and on the job experiences helps to build leaders. Training includes leadership training, building business acumen training, just in time computer based training and college tuition assistance.
- ✓ Kent encourages volunteerism both in company sponsored programs and individuals giving back to their communities.
- ✓ Kent has contributed more than \$3.2 million in the Muscatine community in the past 5 years.
- ✓ Contract employees at GPC Muscatine have some of the highest wages in the community starting at \$18.55 per hour and offered a full benefits package.
- ✓ Kent is investing in the Oregon Street campus with a new training center to be completed by late spring 2016.

Grain Processing Corporation, Kent Nutrition Group, Kent Pet Group and Kent Precision Foods Group



Kent Corporation Collaborates and Supports a Better Community for all Greater Muscatine Area Residents

- ✓ Working with other companies to invest in infrastructure, public safety, amenities, and a beautiful riverfront.
- ✓ Working with City and local business to plan for reducing risk of levy breaches
- ✓ The many projects underway at GPC Muscatine have provided many construction jobs for the contract agencies that have helped to build and renovate buildings and equipment. These companies have spent time and money in our community.

For more information about Kent Corporation and their family of companies:

www.kentww.com

www.grainprocessing.com



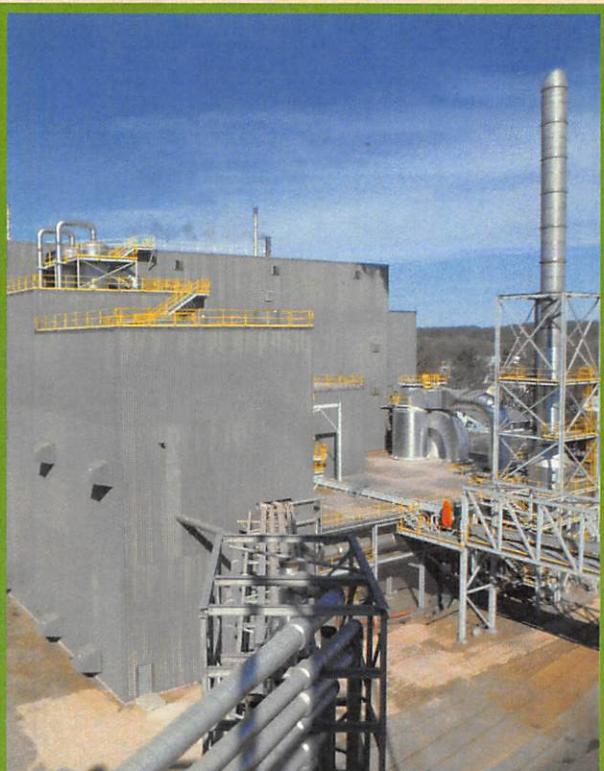
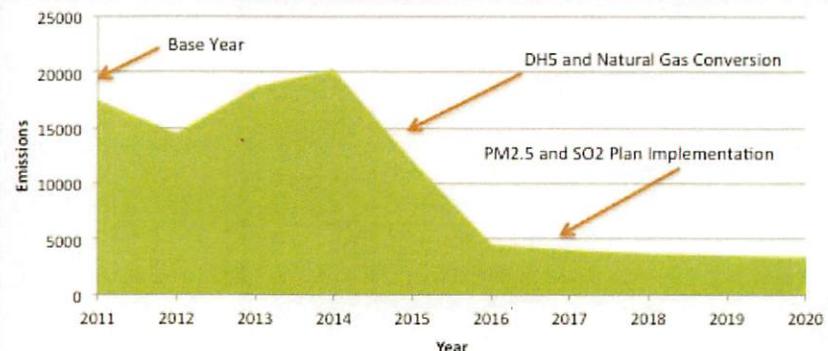
GPC SUSTAINABILITY UPDATE

Key Points

Major Projects Completed On Schedule

- Dryer House 5 operational
- Retirement of 11 older dryers
- Conversion from coal to natural gas
- 85% reduction in plant emissions

GPC Total Plant Emissions



Dryer House 5: Rotary Drum dryer, waste heat evaporator, heat exchanger, thermal oxidizer, scrubber

- Placed in area for best utilization by plant process
- Operational May 2015

Projects Underway

- Implementation of PM2.5 reductions
- SO2 Nonattainment Resolution
- Feed Dryers 5, 6, & 7 Scrubber and Regenerative Thermal Oxidizer Control
- MALTRIN ® Spray Dryer 5 particulate control
- Starch Flash Dryer 1 & 2 stack extensions
- Re-permitting and stack testing of over 80 sources
- Waste reduction, reuse, and recycling by 95% of e-waste, batteries, lamps, aerosol cans, office waste, oil, building materials, process waste and spent carbon
- Reduced energy consumption and waste usage by 2020

Future Projects Being Implemented

- Gluten Dryer 1 & 2 emission control upgrade
- Gluten Dryer 4 Regenerative thermal oxidizer control
- Decommissioning of all P&S Starch Dryers
- Sulfur Dioxide control systems on all germ dryers
- Alcohol Plant Expansion

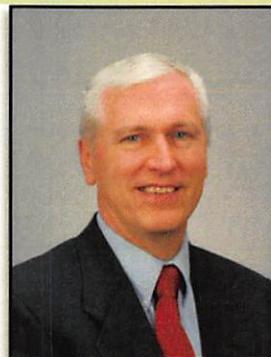
GPC Environmental Mission Statement

GPC is dedicated to environmental operations that foster a sustainable future and lead to improvements in the communities where we do business. GPC will continually maintain compliance with all local, state and federal environmental regulations and strive to reduce or impact on the environment.

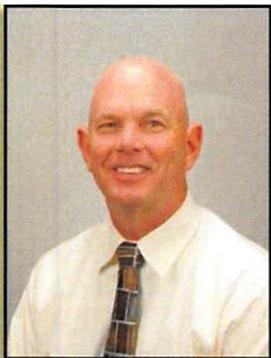
Kent Corporation/Grain Processing Corporation Key Executives



Gage A. Kent
Chief Executive Officer & Chairman of the Board
Kent Corporation
Joined company in 1985 working in various roles in GPC and Kent Feeds including the role of President. Named CEO & CHB in June 2007. A native of Muscatine, Iowa, BBA from Iowa State University.



Mick Durham
Director, Environmental Services
Grain Processing Corporation
Joined GPC in 2008 in current role. Prior environmental scientist with Stanley Consultants and IDNR. A native of Council Bluffs, Iowa, BS Iowa State University.



Doyle D. Tubandt
President & Chief Operating Officer
Kent Corporation
Joined GPC operations in 1978, held various roles in Operations and Sales, named President of GPC in 2007. Promoted to COO January 1, 2011. A native of South Dakota, BS in Chemical Engineering from South Dakota School of Mines & Technology.



Ron Zitzow
Sr. Vice President, Operations
Grain Processing Corporation
Joined GPC in 1991, held various roles in Operations and Engineering, named SVP in June 2007. A native of Marshalltown, Iowa, BS Mechanical Engineering, Iowa State University.



John Thorpe
President, Grain Processing Corporation and KNG Feed
Joined GPC Sales in 2002 and has held various roles in sales including most recently the VP, Global Sales. Named President January 1, 2011. A native of Green Bay, Wisconsin, BA in Business Management from Silver Lake College in 1996. MBA from the University of Iowa in 2009.



Janet R. Sichterman
Sr. Vice President & Company Spokesperson
Kent Corporation
Joined Kent Corporation in 2006 in current role. Prior senior level roles at Bandag Inc.. A native from the Northeastern US, BA Central College, Pella IA, MBA, MACC, and MOL, St. Ambrose University.



Rich Dwyer
Senior Vice President, Corporate Affairs
Kent Corporation
Joined Kent Feeds in 1984, held various sales and marketing positions for Kent Feeds becoming President in 2001. A native of Atkinson, IL with BS degree in Animal Industry from Southern Illinois University.





PROJECT STATUS REPORT

Project Name:	City of Muscatine - West Hill Sewer Separation	Month:	August 2015
Prepared By:	Karmen Heim	Project Number:	<u>17660.30.02, 17660.40.00</u>

"PHASE" refers to Design Package/Construction Contract

Progress for Last Month (August):

PHASE 3 (Phase 3A, 3B, 3C):

Phase 3A – Construction:

- Attended August Utility Meeting.
- Occasional site visits
- Attended site meeting on Aug 4 between City and MPW related to the lowered water main on 7th Street and City field changes to the street design
- Attended construction progress meetings
- Provided input/coordination on miscellaneous topics:
 - Letter from IMT Insurance - Bill Haag will respond directly to IMT
 - Respond to City's clarification request on pay items for aggregate base course
 - Provide clarification on bid Item F6 removal of manholes outside of sewer trench and F8 manhole abandonment.
 - Provided design intent on bid item S. Granular Fill Under Pipe and summary of Sanitary and Storm Sewer testing.

PHASE 4 Planning:

- Aug 12 – Met with City administration to discuss beginning tasks for Phase 4 planning and schedule. A meeting will be held in October to update City on planning activities.
- Aug 28 - Met with Matt Chandler to discuss Phase 4 planning, schedule, and possible locations

Work Items for Coming Month (September):

PHASE 3 (3A, 3B, 3C) - Construction:

- Attend meetings, as needed.
- Answer construction questions, as needed.
- Occasional site visit.

PHASE 4 – Planning:

- Review remaining project areas and consider what project locations could be candidates for Phase 4.
- Using project concept and costs from 2010 report, determine budgetary construction costs for possible Phase 4 locations.
- Future – schedule meeting for October with Administration to provide update on planning activities
- Target for Planning Phase 4 (location to be determined)
 - Preliminary Planning and Survey 2016
 - Design 2017
 - Bid and Construction 2018

Key Issues & Information Required & Critical Issues:

- none

City of Muscatine
Hotel/Motel Tax Receipts
1981 Through the Quarter Ended June 30, 2015
Calendar Year Basis
(Reflects Sales Tax for the Quarter Indicated Received by the City in the Following Quarter)

Quarter Ended:	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990
March 31	N/A	\$ 19,232.96	\$ 18,681.98	\$ 20,297.13	\$ 18,009.11	\$ 16,709.02	\$ 17,009.89	\$ 17,569.02	\$ 23,469.48	\$ 26,448.19
June 30	22,524.49	21,870.19	21,848.36	21,360.82	20,456.33	16,722.85	17,434.77	20,999.14	24,891.65	30,498.07
September 30	22,943.58	22,440.75	22,663.46	22,541.57	21,131.85	20,424.40	17,824.69	26,701.15	29,046.75	32,003.03
December 31	20,019.16	17,739.93	20,000.55	18,367.11	15,842.84	14,163.27	21,787.58	21,108.93	23,155.62	22,971.37
Totals	\$ 65,487.23	\$ 81,283.83	\$ 83,194.35	\$ 82,566.63	\$ 75,440.13	\$ 68,019.54	\$ 74,056.93	\$ 86,378.24	\$ 100,563.50	\$ 111,920.66
Quarter Ended:	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
March 31	\$ 24,305.78	\$ 27,711.87	\$ 60,894.40	\$ 24,483.42	\$ 44,578.12	\$ 51,405.94	\$ 54,742.68	\$ 61,102.75	\$ 67,404.48	\$ 59,417.74
June 30	31,847.41	54,074.28	56,858.82	82,397.18	76,758.21	68,952.70	74,099.44	82,774.25	73,742.69	74,119.67
September 30	34,881.63	62,854.35	67,253.12	79,392.19	70,042.93	78,281.78	76,141.18	86,567.88	96,915.22	76,958.27
December 31	25,472.90	33,368.49	55,666.56	42,913.95	66,771.86	60,657.31	66,553.96	71,106.50	63,865.01	78,280.53
Totals	\$ 116,507.72	\$ 178,008.99	\$ 240,672.90	\$ 229,186.74	\$ 258,151.12	\$ 259,297.73	\$ 271,537.26	\$ 301,551.38	\$ 301,927.40	\$ 288,776.21
Quarter Ended:	2001 (#3)	2002	2003	2004	2005	2006	2007	2008	2009	2010
March 31	\$ 69,292.78	\$ 58,990.57	\$ 57,351.91	\$ 69,710.27	\$ 79,835.21	\$ 72,552.48	\$ 71,768.06	\$ 67,766.16	\$ 66,267.81	\$ 61,255.18
June 30	106,317.92	77,900.53	80,745.70	91,181.51	93,847.60	90,337.59	100,316.37	91,518.91	78,997.38	92,787.24
September 30	76,274.37	72,877.04	81,699.38	84,352.24	75,707.03	92,400.28	108,581.41	122,708.53	89,635.77	92,418.76
December 31	63,041.37	63,679.21	68,206.60	69,540.31	67,478.39	74,333.00	98,387.80	76,380.57	58,594.48	73,512.88
Totals	\$ 314,926.44	\$ 273,447.35	\$ 288,003.59	\$ 314,784.33	\$ 316,868.23	\$ 329,623.35	\$ 379,053.64	\$ 358,374.17	\$ 293,495.44	\$ 319,974.06
Quarter Ended:	2011 (#4)	2012	2013	2014	2015					
March 31	\$ 97,259.96	\$ 65,312.80	\$ 76,008.31	\$ 87,924.55	\$ 61,324.69					
June 30	100,472.96	88,516.82	100,435.65	114,264.99	80,769.29					
September 30	78,823.22 *	89,285.49	96,330.15	123,794.51						
December 31	115,118.50 *	69,971.65	116,521.58	87,980.48						
Totals	\$ 391,674.64	\$ 313,086.76	\$ 389,295.69	\$ 413,964.53	\$ 142,093.98					

Hampton Inn
opened late in
2010
* One permit had not
finished processing for
the 9/30/11 quarter; funds were
included in the next quarter

Notes:

1. Hotel/motel tax implemented 4-1-81 at a rate of 4%.
2. Hotel/motel tax increased to 7% effective 4-1-92
3. Hotel/motel tax for quarter ended June 30, 2001 included \$21,705.23 for prior quarters per State (late payments plus interest).
4. Hotel/motel tax for quarter ended March 31, 2011 includes \$5,345.83 for the prior quarter.