



CITY MANAGER

For immediate release

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Contact:

Ryan J. Waller

City Manager

Phone: 515-961-9410

Email: rwaller@indianolaiowa.gov

Indianola, Iowa – The city of Indianola opened bids last week on a proposed new wastewater treatment plant with the lowest bid coming in at \$45.6 million, which is \$7.2 million or 18.75 percent higher than the pre-bid estimated cost of \$38.4 million.

“The labor shortage experienced throughout the region and the impacts felt by international tariffs are major contributors of the bid overage,” said Ryan J. Waller, Indianola city manager. “There is nothing that can be removed from the design as all components are necessary to transport and treat the wastewater. With city council’s approval, our goal is to move this significant project forward, something we have been working toward for the last six years. We are in a great position financially, we approached it responsibly and now we are ready to take action,” said Waller.

If approved, a rate increase of \$12.40/month (for an average residential monthly bill with 4,000 gallons) is anticipated. This is because funding for the project, as well as the operations of the plant are done through user rates, not property taxes. This rate increase would have been much higher (\$30.40/month) if not for the passage of the Local Option Sales Tax which has generated \$4.3 million to date. The last rate adjustment was in September 2013 when rates were raised from \$32.50/month to \$35.15/month.

Due Diligence

As background, Waller explained the due diligence the city team, including the council, mayor and engineering consultants undertook before arriving at a proposal to build a new facility. “Three options were heavily considered,” said Waller. “Our primary focus is the best interest of our residents and our community – not the quickest solution. A wastewater treatment facility is an important, technology-driven, environmentally safe, heavily relied upon resource in a community. With that kind of significance, we must be good financial stewards and methodical in our approach to developing solutions.”

Options

The three options city officials considered during the decision-making process included:

- Renovating the current site
- Connecting to the Wastewater Reclamation Authority (WRA) in Des Moines
- Building a new facility at the city farm site northwest of Indianola

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Result

After thorough project and cost reviews of renovating the current facility or connecting to the Des Moines WRA, both options were deemed too expensive to pursue. The current wastewater treatment plant was constructed in 1978 and designed for a population of 11,600 residents. With the current facility beyond its useful life of 30 years, aging infrastructure and stricter regulations, replacement of the current plant is necessary.

In addition to meeting all required regulations, the new plant will incorporate an innovative design that allows it to function in a cost-effective manner on a regular basis because of a built-in secondary peak flow treatment that will activate only in extreme, as-needed circumstances. Historical data shows the city hit peak flow only seven times in the last five years, which is a testament to the City’s continued investment in its infrastructure.

As required by the Iowa DNR, the plant will also meet the Iowa Nutrient Reduction Strategy, part of the treatment process, which will reduce the nitrogen and phosphorus that gets discharged into the receiving stream. The nutrient reduction strategy is a science and technology-based approach to assess and reduce nutrients delivered to Iowa waterways and the Gulf of Mexico. It outlines voluntary efforts to reduce nutrients in surface water from both point sources, such as wastewater treatment plants and industrial facilities, and nonpoint sources, including farm fields and urban areas, in a scientific, reasonable and cost-effective manner.

More information and details on the proposed wastewater treatment plant may be found on the [city’s website](#). Additionally, the attached fact sheet provides more detail.

Next steps

At its meeting on January 21, 2020, the city council set a public hearing for February 4th for the financing of the project. It is at this same meeting the city council will consider formal approval of a contract for the construction of the facility. In the meantime, questions, comments, or requests for more information may be emailed to the City Clerk’s Office at jraffety@indianolaiowa.gov

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