

## **Swisher Water Questions**

### **Through 2/22/23 Public Information Meeting**

Questions as submitted by the community through 2/22/23. Additional questions submitted after 2/22/23 will be published to the City website separately. If you don't see your question below or on other question /response document, please email [swisher-comm@southslope.net](mailto:swisher-comm@southslope.net) and a response will be provided.

#### **HR Green's Responses are provided in Green.**

1. Is Swisher planning to add chlorine?  
Yes, chlorine is anticipated at this stage of initial planning.
2. What is the City code for material for watermains?  
City standards allow for PVC and Ductile Iron water main.
3. How many house hookups are included in the cost?  
Preliminary costs were based on 377 existing properties within Swisher. New residential developments would be responsible for hookups within their planned developments.
4. When will payments start?  
Water rates would be assessed no sooner than January 2024.
5. Will developer pay user rates on all lots in the development when approved and built?  
Cost sharing, additional water infrastructure requirements, and water connection fees will be determined as part of future City ordinances if the community votes to form a Municipal Water System.
6. Schedule on rate timeframe and rate implementation  
The City's Rate structure and other Ordinances will be determined over the course of the next 6 months if the community votes to form a Municipal Water System. Rates would be assessed no sooner than January 2024.
7. What happens when I sell home and don't have water and I am paying a monthly bill?  
The homeowner that owns the property would be responsible for paying water rates. The new homeowner would take over payment responsibilities once a home is sold. This arrangement is similar to other utilities such as sewer, trash, gas, and electric.
8. Is there a hookup fee?  
The costs for a hookup fee would be determined as part of a future City Ordinance. Preliminary discussions are to waive a hookup/connection fee for property owners to connect to the new water main installed as part of a City Capital Improvement Project.

9. What was the cost escalation on Division St. Construction?  
The Corridor Study done in 2016 had an OPC of \$4,609,057. The total opinion of cost for the two Division Street projects at their bids was \$4,963,431.75, and as of today the construction contract values total \$4,491,565.86, 10% below the bid OPC's and 3% below the Corridor Study OPC.
10. Does surface restoration include roadway improvements or upgrades?  
Patching of roadways, driveways, and sidewalks is included in the water main installation. Significant road reconstruction/widening should be budgeted for separately.
11. What does it cost to plug wells?  
A range of \$2,000-\$3,000 per well has been confirmed with a local well drilling contractor.
12. If the vote passes, how do they apply for the \$55 Billion BIL funding?  
City would apply with an IUP/SRF Application through the DNR/IFA.
13. How many wells have been tested positive for PFAS?  
2 private wells have self-reported positive results within corporate limits
14. Can we have a DNR or EPA representative present at the next meeting to discuss possible outcomes of PFAS contamination in the wells?  
The DNR was scheduled to attend the February 22, 2023 meeting, however, the meeting was cancelled. DNR has been contacted to see if they are available to join the February 26, 2023 meeting to answer questions.
15. Is residential development reasonable in the next 5-10 years?  
Yes, development is planned for new homes as early as 2025.
16. Will the developers be forced to connect?  
This will be determined by the City Council in the Ordinance development process.
17. Why not hold off vote until they have all the information?  
HR Green and the City of Swisher are making every effort to answer questions from the residents and businesses in a timely manner prior to the vote. Adequate information should be available to make an informed decision.
18. How often are community wells tested?  
Community wells are tested monthly.
19. How many public water supplies are there in Swisher?  
7 public water supplies in Swisher
20. Can the DNR force homeowners to abandon wells and drill new ones if they are contaminated?  
DNR has regulatory authority of the groundwater aquifer only. DNR would only force abandonment of a well if it is a point of contamination into the aquifer.

21. What would the effect of RO reject be on City sewer and the plant?

Reverse Osmosis (RO) treatment was initially evaluated. However, after additional investigation of water quality, only chemical treatment is anticipated at this time. If an RO system is necessary in the future, capacity of the wastewater treatment plant will be evaluated based on the flow and load to the plant at that time to determine if an expansion is necessary. The wastewater treatment plant is modular in design and additional trains can be added to the facility with the space that is available at the plant site. The plant currently has capacity for additional flows from an RO treatment system if it were built today.

22. Once they have a public water system, does it give the council an open checkbook?

Water infrastructure projects would go through the same public hearing and bidding processes as other capital improvement projects.

23. Who will own the tower?

City

24. Is PFAS being investigated in town?

DNR to-date has conducted sampling of PFAS across the entire state. No sampling has been completed in town. Additional sampling is anticipated in the area but the exact timing and scope has not been determined.

25. Can we get a status of PFAS contamination?

Additional information will be provided by the DNR either at the 2/26/23 meeting or in a follow-up communication.

26. Can private wells get EPA contaminated water source funding?

Initial feedback from the DNR is that EPA's funding is dedicated to Public Water Systems and not available for private homeowner's.

27. How much is additional RO treatment?

The estimated capital cost for addition of an RO Treatment plant is \$6 million at this time.

28. Can the City of Swisher qualify for grants without a water utility?

No

29. How much will it cost to maintain the water system (including salaries, billing, maintenance of plant)

Annual Operational & Maintenance (O&M) costs are estimated to range up to \$200,000 per year. These O&M costs are included in the preliminary rate structure. To clarify, the initial treatment costs include the use of chemicals only.

30. In the Preliminary Engineering Report Amendment 1, September 2022, Table II-2: Historical and Projected Future Population and Design Demands shows an annualized growth rate of 16 – 33% over the next 20 years. Aren't those figures the total growth in a 5-year period and not the annualized growth? (Also, the footnote numbers do not match with match with any of the footnote numbers in the table.

This is correct, the growth rate is based on the population change over the 5 or 10-year period and not an annual growth rate. The footnote numbering below the table should read 1-6 as opposed to 4-9, the numbering is off by 3 due to a formatting issue.

31. In the same report under **B. Infrastructure Requirements by a Developer** it states that the developer would be required to install **Hydrotank to maintain water pressure in each development**. If this vote passes, will there be funds coming from the developers towards a water tower equivalent to what they are saving by not having to provide a "Hydrotank"? or By voting yes and moving forward with a municipal water system, will this be a direct subsidy to the developers by providing them a water tower?

A Hydrotank would be required by the Developer to provide pressure control of the well. A water tower would eliminate the need for hydrotanks as the tower will provide pressure service. If the public referendum passes, the City's Ordinances for development will be updated and adjusted for connection fees and other water infrastructure needs. The water tower sizing is based on population projections which include developments. The water system is not subsidizing the developers.

32. The Water Service Buildout map that we received this last weekend shows water service coming to Jefferson Ave and 3<sup>rd</sup> St. in 2025-2026. Isn't the Sewer Project planned for this coming summer that shows water mains being installed along with fire hydrants going along 3<sup>rd</sup> St. and up on Howard Ave? One would think Howard Ave. would get municipal water long before Jefferson Ave. Is the Water Service Buildout map incorrect?

The preliminary implementation layout does not consider other long-term capital improvement projects which could otherwise be coupled with water infrastructure projects. Block-by-block adjustments will be made to this implementation plan over time to account for other City projects, funding and grants, and other factors.

33. It appears that this summer's sewer project is being done to accommodate development to the north and to the SW in Swisher. What type of sewer assessment are the developers paying to have this service provided? What is the treatment and flow rate capacity of the current sewer treatment plant, what are the current loads, and how much treatment and hydraulic load will the new development add?

The sanitary sewer on Howard St. is being replaced due to the age and condition of the pipe. The pipe on the southern part of Howard is currently undersized for current wet weather flows in the City and surcharging of the sewer occurs during high rainfall events. Because the sewer is undersized and being replaced, the City determined the sewer should be sized for potential growth and development to the north and west. The sewer plant currently has both flow and load capacity to handle development on the first 80 acres that has been discussed for near term development. If additional development occurs in other areas, plant capacity will have to be reviewed at that time.

34. With all this talk of new development, where is all the storm water discharge going?  
Swisher has adopted Statewide Urban Design and Specifications (SUDAS) standards which require stormwater detention so the post developed condition has a lower/equal flow release rate than the pre-developed condition.

35. What is to say that PFAS will not continue to infiltrate deeper aquifers including the Silurian aquifer in which we are planning on drilling into?

PFAS has not been currently been detected in the Silurian aquifer which is the aquifer the City is planning to obtain water from. Because PFAS chemicals do not degrade over time, it is possible that they could migrate into the Silurian aquifer and additional water treatment would be required to remove them.

36. Originally we were told that PFAS were dangerous to us in ingested and if we bathed in them. Now, the homeowner was instructed that PFAS are only dangerous if ingested. Why does this information on PFAS continually change?

The EPA has issued a preliminary health advisory level for PFAS and is in the process of establishing enforceable primary drinking water limits. Until a national drinking water limit is established, the EPA, DNR, and other organizations are providing notices and education materials to the public on PFAS and other emerging contaminants. There is still ongoing research and more information will become available over time regarding PFAS and its impacts on human health. See the City of Swisher website for additional information and resources.  
<https://www.swisheria.org/news>

37. Doesn't a reverse osmosis (RO) system, which would cost an individual homeowner \$600-\$1000 appear to be a much cheaper alternative than a 19 million dollar municipal water system?

In a situation where an individual or community well tests above health advisory limits, an individual home RO system would provide a solution to help keep contaminants in the treated water safe to use and drink. Any individual RO system would have to be purchased, installed, and maintained by the homeowner and regular sampling should be done to verify that it is operating effectively. In a community system, a centralized treatment system could be installed prior to the water being distributed to the individual homes and all water would be treated. The total price of a community treatment system would depend on the number of homes connected and the type and level of contaminant removal needed. The cost for every homeowner to install a small RO system (\$600-\$1,000) would be less than the cost of a community treatment system.

38. Has RO installation for each home been presented to the council? And upon having the system installed (regardless of any water testing results), the homeowner present receipts to be reimbursed at least a portion to full cost?

The City council could choose to reimburse homeowner's for an individual home RO system. However, the city would need a mechanism to fund the reimbursements, such as a water utility fund. If another city revenue source was used, this would be at the expense of other projects or city expenditures or the city would have to raise taxes on all residents.

39. On March 7, the city is asking us to vote on a projected 19 million dollar municipal water system and we currently do not have a guarantee from the developer that we have the land needed to install the system. What will happen if the vote passes and then the developer balks at the idea of donating the land or asks for compensation of the land that was not factored into the projected costs?

The vote on March 7, 2023 is to either form a City water utility or not. If the vote passes and a water utility is formed, the City then has the ability to move forward in their planning process for a community owned water system. If the developer determines they are not going to develop the land or decides not to donate land to the city, a contingency plan is in place. HR Green completed a study identifying several potential locations in and surrounding the City of Swisher for a community well, water tower, potential future treatment system and all the distribution piping. The city will have the opportunity to adjust the plan and continue looking for funding sources.

40. 19 million dollars is a loan and with that comes interest.

The interest on the loan amount has been calculated in the identified rates. The calculations assume financing multiple projects over the implementation period utilizing 30-year loans with a 3% interest rate as part of the Drinking Water State Revolving Fund (DWSRF) loan program.

41. How many homes are projected to be connected per year?

The number of homes projected per year varies by location. More homes can be connected at a time in more densely populated area. Please refer to the figure on the back of the most recent flyer that was distributed to residents to see the theoretical year each area of town will be connected, assuming no grant funds are received.

42. What is the basis for the user rate? Are these accounting for inflation? Is this in today's dollars?  
All of the cost projections and user rate projection are using today's dollars.

43. When will we have to begin paying?

The amount and timing of the initial payment will be determined by the city council. HR Green has proposed an initial flat rate to begin in January 2024. If the vote passes, the city council will have to develop and approve ordinances before it can start charging residents.

44. How often and by how much will council raise rates?

There are several variables that will impact the frequency and amount that the city council will have to raise rates. To name just a few: grants, inflation, prime interest rates, project and material costs, operational costs, new regulations, etc.

45. If the City beings to fall into a deficit for paying on the loan, how do you think they will raise the money? Increase water rates that are approved only by the city council.

One of the proposed methods of funding the projects is through the use of the State Revolving Fund (SRF) loan program due to low interest rates and longer duration terms. The SRF program has requirements for communities to utilize a municipal advisor for financial planning purposes. The municipal advisor works with the City Council to set rates so the City will not go into a deficit

and will maintain adequate funds in the account to pay the loan payment, operation and maintenance costs, and make reasonable repairs to the system. The municipal advisor will also make recommendations for rate increases based on planned upcoming capital improvement projects.

46. Interest included actually makes the loan more like 30 to 40 million without water treatment and third well. That needs to be said out loud. Water treatment adds another 9 million interest included. Plus 4 to 10 thousand to be paid by residents to run it in your house. Plus forever any type of maintenance on those pipes on your property.

The study that was completed by HR Green determined that a water treatment plant was not necessary for the city based on water quality testing results from similar wells in the area. If a water treatment plant is necessary in the future, those costs would be in addition to the costs given currently. If water treatment is necessary and a water utility has been approved by the residents, grant opportunities will likely exist that will reduce the financial impact on rate payers. Individual home connection costs will vary dramatically between homes based on the work that needs to be performed.

47. The first meeting we were going to pay \$50-\$80 for phase 1 and additional \$80-\$100 for phase 2. At the 2<sup>nd</sup> meeting we were going to pay \$46 for phase 1 and total \$117 for phase 2. Now less than a week later we are down to about \$90. Why are the numbers so different now then what was shown before?

Based on the feedback and questions received following the first public meeting, HR Green developed an implementation plan to look at potential construction phasing of the projects and included a 30-year loan for the project. This helped bring the estimated user rates down. The recent flyer that was distributed to residents is the result of a deeper dive into user rates and a more detailed phased approach to build the system out over time. This most recent plan projects a 35-year implementation period to get everyone and future development areas connected to the City. Most of the existing customers would be connected in a much shorter timeframe. If the City receives financial assistance through grant funding, that would accelerate the timeline and allow for full implementation in a shorter time period. HR Green has been directed by council to not assume any grants would be awarded in our evaluation of costs. This is the high end of the monthly costs and the longest implementation period that seems reasonable, assuming that no grant dollars are awarded.

With the questions that have been raised and the discussions raised during council meetings, during the public meetings, and internally at HR Green, the approach is being refined to show a possible path forward to make a city-owned water system more feasible and affordable to the community.

48. We have heard that with each phase of this our bill will increase with the final monthly bill being in the \$200 range. Please provide a breakdown of that amount.

The actual monthly bill will be determined over time based on City financial planning and the pace of development and receipt of grant funds. The latest proposed rate structure developed as part of this study suggests an initial flat rate to all customers of \$25 per month starting in

2024. An increase of approximately \$65 per month would be added to the bill after a customer is connected to the system and receiving City water for a total monthly bill of approximately \$90. This is a planning level estimate assuming no grant money is received by the City. Actual monthly costs will be adjusted based on actual design and construction costs, project timing and the amount of grant funds received by the City.

49. Why should we have to pay a monthly fee and not have water?

The initial monthly flat fee of \$25 is a suggestion to help the City start to build a water fund. This fund can be used to help with matching grants, as necessary, fund up-front studies required to complete grant applications, perform maintenance or repairs on existing water infrastructure, and build a fund to lessen the amount of borrowing needed for future loans. The initial monthly fee is intended to be nominal and not create a financial burden for customers that are not yet connected to the water system.

50. Water meeting 2/8/23 I asked why are you not telling us the residents of these 377 homes that will be forced to pay what the interest amount is, the total amounts of the loan? Zero financial information? They said its all unknown. It will be determined if vote passes. Then why did the city pay HR Green \$60,000 for the water committee to have the information in 2022? Where is the interest rate, the total amount of loan with interest, the total amount of the city monthly payment for 30 years? What is the total with interest for 30 years? In 2022 actual costs that were presented to the council with a water treatment system included. \$127,500 a month payment to the city at 2.75% interest rate time 12 months \$1,530,000 a year payment times 30 years is \$45,900,000. This is before your actual water charge and the cost to run the lines paid by homeowners to your home from the street. You'll never in 30 years pay that kind of money out of pocket with your current owned private wells even if you drill deeper, test more often or add equipment or add RO to remove any PFAS or ANTYING removed from your private wells, especially shard costs with whoever is on your well. Why aren't they telling us the information?

All of the financial information presented by HR Green to date, including the studies that were previously completed and the financial information being used currently, are planning level costs. These are intended to take a high level look at possible scenarios and solutions for the City and are for planning purposes only. Final costs for design and construction of a city-owned water system will not be known for certain until construction is finished. Based on the current implementation plan over 35 years, and an estimate of \$90 per month per customer, the estimated cost for homeowners over the next 30 years would be \$32,400 plus the cost for well abandonment and a service connection.

51. Would additional city employees be necessary if there is a city owned water system?

Initially, no new employees should be necessary. The Public Works Director is a licensed operator for drinking water treatment and distribution. The City also currently contracts with an affidavit operator for the wastewater treatment system that could also be utilized. When the infrastructure is new and relatively simple, additional staff time for daily operations should not be significant enough to warrant an additional employee. Over time, as the system is built out, an additional employee may be necessary. Costs for an additional employee are included in the planning level cost estimates.



52. Is it written anywhere that the City/Council are mandated to sign on with HR Green? Shouldn't they be getting quotes from several sources before deciding on HR Green? If the measure goes through, wouldn't the City/Council have more time to investigate other firms and have several bids then submitted for consideration?

HR Green is contracted by the City as the City Engineer. The study that was completed and submitted to the City was performed on a separate agreement, independent of the City Engineering contract. The contract with HR Green for this water study and investigation will be completed on March 7 following the vote. HR Green is not under contract for any additional services related to this project and the City would be able to solicit proposals from other engineering firms if the measure passes and the project moves forward. All of the cost information presented to date are planning level estimates. There have not been any bids, proposals or quotes submitted to perform any of the upcoming work.

53. The city water won't be treated, and Swisher is all on the same aquifer. What happens when/if the city water gets contaminated? How much more does the unknown cost go up?

If the City water source is contaminated, grant funding has historically been available to help communities with either a treatment system or a new source. In the planning for a city-owned system, multiple wells are planned for source water. If one of these becomes contaminated and water treatment is not available, a new well site may be located or a water treatment plant could be designed and constructed. These would have an impact on future user rates, depending on the amount of grant dollars the City receives.

54. It is my understanding that there will never be PFAS at the depth they are proposing of digging a well.

PFAS could get into a deeper well through cross contamination from other wells in the aquifer or through eventual migration through the confining layers above the proposed aquifer.

55. Is PFAS present in the water test or above the state recommended limits?

It has been tested above the EPA's initial health advisory limits in multiple private wells.

56. How does PFAS get into drinking water?

The four major sources of PFAS are fire training/fire response sites, industrial sites, landfills, and wastewater treatment plants/biosolids.

57. If the water is contaminated by the airport, why aren't they the one paying for repair or replacement?

This would be an individual homeowner decision to pursue remedies from the airport. If a city-owned water system is approved, this would become a City decision to pursue remedies from the airport.

58. Is the City council voting on water rates?

The City has not voted on water rates at this point. If the city-owned water system is approved, the City will work to develop ordinances that will set the rate schedule for customers.

59. At the Jan 25 meeting it is stated that the City's existing staff that are certified operators. Are they certified for sewage? Are they certified for drinking water?

The Public Works Director is a certified operator for drinking water treatment and distribution. In addition, the City currently contracts with an affidavit operator. The affidavit operator is certified in water and wastewater operations. The City may elect in the future to hire additional City employees that are licensed water and wastewater operators.

60. If we vote no and then the DNR finds problems with our well water, it is my understanding that the DNR can force the City to get municipal water. Thus the residents of Swisher from the entire bill without the benefits of grants or forgivable loans. Second, and this is more of a long term concern, Cedar Rapids gets closer and closer every year, and annexes more and more land surrounding Swisher to the north and east. Swisher loses control of its own growth and gets swallowed in turn losing its identity. I think CR has a water main run all the way to the intersection of 965.

The DNR can't force the City of Swisher to a city-owned water system. Cedar Rapids does not have watermain installed all the way to Division St. on Hwy 965. It stops north of the intersection. The City council can respond to questions regarding the timing of future annexation of land by the City of Cedar Rapids within a certain distance of Swisher.

61. Why are we just doing Swisher? If they extended it out to Shueyville and placed near the res more like a rural water association.

The majority of the cost to Swisher residents is the cost of the water distribution system. Adding additional areas or communities would magnify the cost of the system and would not reduce costs to current Swisher residents.

62. Would the developments pay the phase 1 charges on each lot from the start like the rest of town? Same question concerning phase 2?

The costs developers would pay up front and in the future will be determined by the City Council in the ordinance development process. Current cost estimates assume the costs being paid by the homeowners as the homes are sold, not the developers.

63. How much does it cost to put this vote on the March 7<sup>th</sup> ballot?

Approximately \$1,000.

64. Why did the city and engineering company take 3 years to collect information regarding city water but only gave the taxpayers 7 weeks to digest all this info?

HR Green and the City of Swisher are making every effort to answer questions from the residents and businesses in a timely manner prior to the vote. Adequate information should be available to make an informed decision.

65. Only numbers stated till now show a 20-yr. SRF not @ 1.75% and 30-yr. SRF note @ 2.75%. Why are we now changing numbers to 35-yr.? Is there is a 35-yr. SRF note and what is its interest rate?

There is not a 35-year SRF loan. The 35-year implementation plan was suggested to keep estimated user rates at \$90 per month, assuming no grants.

66. Are all future streets installed or replaced going to the 31 foot model that we see in proposed Howard and 3<sup>rd</sup> Street projects? For example, like we see in the condos on the west end of town.

This will be determined by the City Council and engineer on a case by case basis for each future road construction project.

67. Can you define the lot type and qualifying residence that can be built in Zone 12RS? Size of lot, size of building, frontages, etc.?

This information is available in the City Code on the City website. Please refer additional questions regarding this to Planning and Zoning.

68. Can you define the lot type and qualifying residence that can be built in Zone 5RM? Size of lot, size of building, frontages, etc.? This this being a Multi-Family lot, one may thing of condos or townhouses. Can multiple 5RM lots have a single family structure spanning across all of them giving an apartment-like look so to speak? Can you tell me the largest amount of families allowed on a 5RM lot?

This information is available in the City Code on the City website. Please refer additional questions regarding this to Planning and Zoning.

69. Regarding the acreage to the north owned by Forest Ridge, LLC. Johnson County has this property recorded at 72 acres. There are 43, 560 square feet in an acre. 72 acres x 43,560 square feet = 3,136,320 square feet. Zones 12RS and 5RM state 12,000 square foot lot minimum. 3,136,320 sq. ft. / 12,000 sq. ft. = 261 lots. That without any roads, runoff retention ponds and maybe more areas subtracted that I don't know. The developer's engineer stated they could potentially put 160 lots to the north but it would be less if City well sites were subtracted from it. Why does the Engineer and City keep stating 357 customers in the Forest Ridge, LLC development?

A preliminary plat for the development to the north has not been submitted to the City at this time. The projections used have been estimated lots provided by the developer in the planning stages of this project. The actual number of lots will be approved by the City.

70. I see a community wide flat base rate of \$15-\$25 per month. Does this apply to businesses as well? Traditionally Swisher has taken to opportunity to greatly increase fees to businesses, does this apply to water as well?

The range in rates identified are identified and are intended to apply to the entire community. Water rates to both residential and commercial customers would be determined as part of a future City Ordinance.