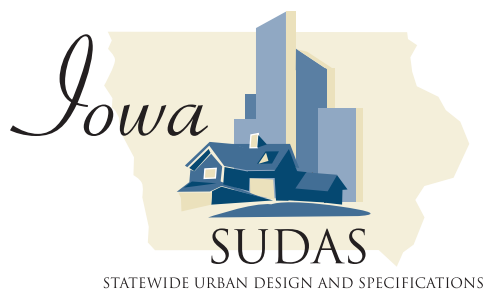


Feasibility of an Iowa Urban Service Bureau

Final Report
November 2019



IOWA STATE UNIVERSITY
Institute for Transportation

Sponsored by
Iowa Highway Research Board
(IHRB Project TR-761)
Iowa Department of Transportation
(InTrans Project 18-672)

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16. Abstract <p>With more than 900 cities in the state, the level of communication regarding urban public works issues is lacking. The Iowa Chapter of the American Public Works Association (APWA) provides information through their conference programs and a limited listserv. The Iowa League of Cities also addresses municipal activities. However, no specific organization is set up to communicate and address urban public works activities in Iowa.</p> <p>The Iowa County Engineers Association (ICEA) Service Bureau is an excellent example of how a service bureau provides value to their users. The ICEA Service Bureau provides a system for county engineers to communicate among themselves and with the Iowa Department of Transportation (DOT), as well as maintain databases of information that can be utilized to provide statewide county information.</p> <p>Because cities do not have a corresponding organization, they are at a disadvantage when information is needed to justify changes in financing or regulatory issues related to streets and other public works issues. Individual municipalities are able to provide information for their agency, but a system does not exist for cities of all sizes to input information and have it accumulate so that a more complete picture of urban issues can be presented. An urban service bureau would provide a mechanism to become conscious of and respond to emerging issues in a more efficient and effective manner.</p> <p>This report details the feasibility study activities for developing, financing, and operating an urban service bureau. A diverse technical advisory committee (TAC) was formed to guide the study. The committee included representatives from cities of all sizes from across the state, the ICEA Service Bureau, Iowa Local Technical Assistance Program (LTAP), the Iowa League of Cities, county engineers, the Iowa DOT Local Systems Bureau, and engineering consultants.</p> <p>After responses to a questionnaire sent to Iowa cities showed support for a city-level service bureau, a majority of the TAC endorsed a plan to move forward with developing such an organization within the existing Iowa Statewide Urban Design and Specifications (SUDAS) program at Iowa State University.</p>			
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FEASIBILITY OF AN IOWA URBAN SERVICE BUREAU

**Final Report
November 2019**

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- Jon Burgstrum, Scott County
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INTRODUCTION

With more than 900 cities in the state, the level of communication regarding urban public works issues is lacking. The Iowa Chapter of the American Public Works Association (APWA) provides information through their conference programs and a limited listserv. The Iowa League of Cities also addresses municipal activities. However, no specific organization is set up to communicate and address urban public works activities in Iowa.

The Iowa County Engineers Association (ICEA) Service Bureau is an excellent example of how a service bureau provides value to their users. The ICEA Service Bureau provides a system for county engineers to communicate among themselves and with the Iowa Department of Transportation (DOT), as well as maintain databases of information that can be utilized to provide statewide county information.

Because cities do not have a corresponding organization, they are at a disadvantage when information is needed to justify changes in financing or regulatory issues related to streets and other public works issues. Individual municipalities are able to provide information for their agency, but a system does not exist for cities of all sizes to input information and have it accumulate so that a more complete picture of urban issues can be presented. An urban service bureau would provide a mechanism to become conscious of and respond to emerging issues in a more efficient and effective manner.

This report details the feasibility study activities for developing, financing, and operating an urban service bureau. A diverse technical advisory committee (TAC) was formed to guide the study. The committee included representatives from cities of all sizes from across the state, the ICEA Service Bureau, Iowa Local Technical Assistance Program (LTAP), the Iowa League of Cities, county engineers, the Iowa DOT Local Systems Bureau, and engineering consultants.

Background

In order to determine if there are any current organizations in other states similar to the proposed urban service bureau, an internet search was conducted. The following terms were searched:

- Statewide urban service bureau
- Statewide services
- [Insert each state] urban service bureau
- Public works service bureau

No organization similar to the proposed urban service bureau was noted during this search. In general, the typical listing included a state's legislative service bureau, human service organizations, metropolitan planning organization (MPO) designations of urban service areas, and urban youth services programs.

Most state departments of transportation offer an urban element as a part of their programming. The Maine DOT has a community services division, which offers a local roads center, a local road assistance program, a municipal sand/salt facility program, and a listing of labor reimbursement and private equipment rates as a service to their cities. The state of Kansas has a municipal services section within its department of administration that offers some services, but they are primarily focused on budget and financing.

Many states also have league of cities organizations outside of the formal state government. They are established to provide services to the cities in their particular state. The Iowa League of Cities is such an organization. The organization's primary activity is to provide advocacy for local governments regarding public policy at the state level. They also provide guidance and awareness to member cities through research, publications, and training. The League of Cities also assists cities in understanding and connecting with public works resources.

Based on this research, if a statewide urban service bureau was created in Iowa, it would be the first and only one in the country.

Initial TAC Meeting

The initial activities for this project involved forming a TAC to discuss the feasibility and options for establishing a service bureau for cities in Iowa. The individuals who served on the TAC are shown in the Acknowledgements.

The first TAC meeting was held on November 15, 2018, and 16 of the 20 TAC members were present. The meeting began with representatives from the ICEA Service Bureau explaining the formation of their group, the organizational structure, and the various items their users find beneficial/helpful. This discussion informed the other TAC members of the potential value of a similar urban organization.

The second discussion item revolved around the use of the word "urban" in the service bureau name. Many felt that it did not represent the focus of the service bureau since "urban" was very broad. The group recommended the name be changed to "Iowa Public Works Service Bureau." Therefore, for the remainder of this report, the service bureau will be referred to as the Iowa Public Works Service Bureau.

The TAC then made a broad list of items they felt a service bureau could provide to users. They then voted to establish the top items to include in a questionnaire, which would be sent to cities to determine potential interest.

Other items included in the discussions were as follows:

- Methods to get cities to support a public works service bureau
- Potential organizational structure
- Potential financing options

QUESTIONNAIRE

Following the TAC meeting, a comprehensive email list of contacts from all cities with populations of 250 people and greater was developed. The project team conducted extensive research online to assemble the list. The goal was to identify a public works representative from each community, but city clerks were also listed as a backup point of contact.

The questionnaire was compiled and sent out to 744 individuals on January 11, 2019. Of the initial 744 contacts, 182 provided a response. That equates to a 24% response rate, which is excellent for a cold contact questionnaire.

The questionnaire consisted of four questions; unfortunately, the question on the value of communicating with other agencies such as the DOT was not initially transmitted as a part of the questionnaire. Once that was discovered, a follow-up contact was made on that question alone. The fourth question did not receive as high of a return rate, which may be the result of the participants thinking they had already responded.

The questions and responses are noted throughout the remainder of this section.

1. Would you use a searchable database of public works contacts from all cities in the state from which you could sort in different manners, such as population, and ask questions or do surveys to help solve problems?

The responses to Question 1 are shown in Figure 1 and Figure 2.

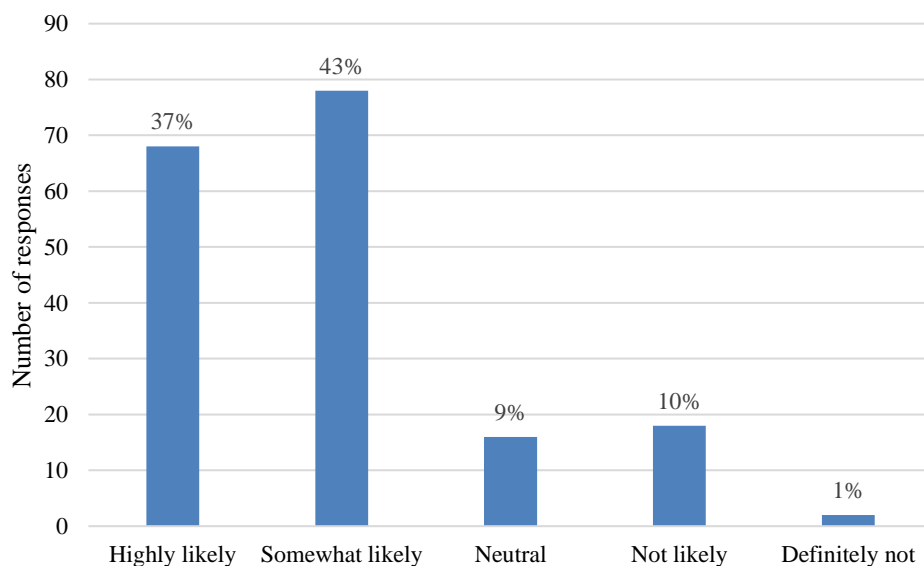


Figure 1. Question 1 responses to likelihood of using searchable database

Note that the combined “likely” response equals 80 percent.

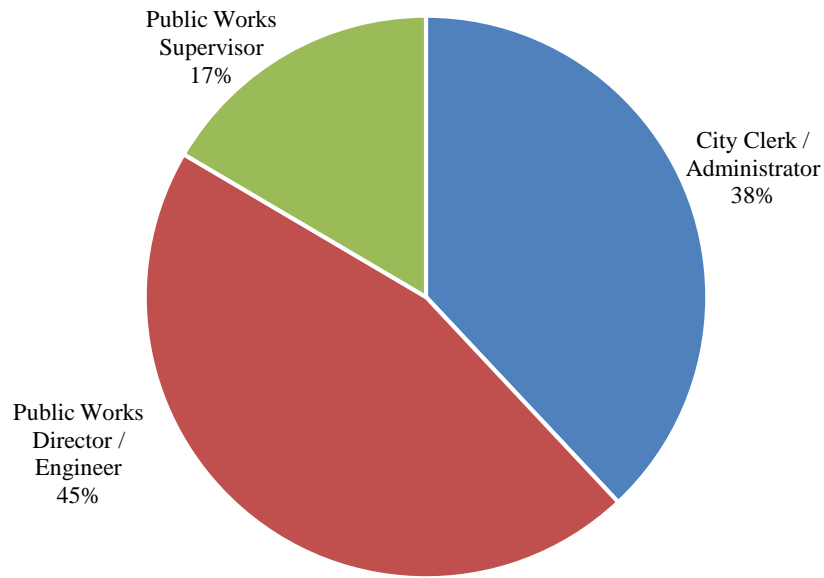


Figure 2. Question 1 “likely” responses by job title

2. Would you use a database connecting a survey of physical assets (such as miles of paved streets or miles of sanitary sewer) with other public works contacts who have similar-sized systems so you could communicate questions or comments with them?

The responses to Question 2 are shown in Figure 3 and Figure 4.

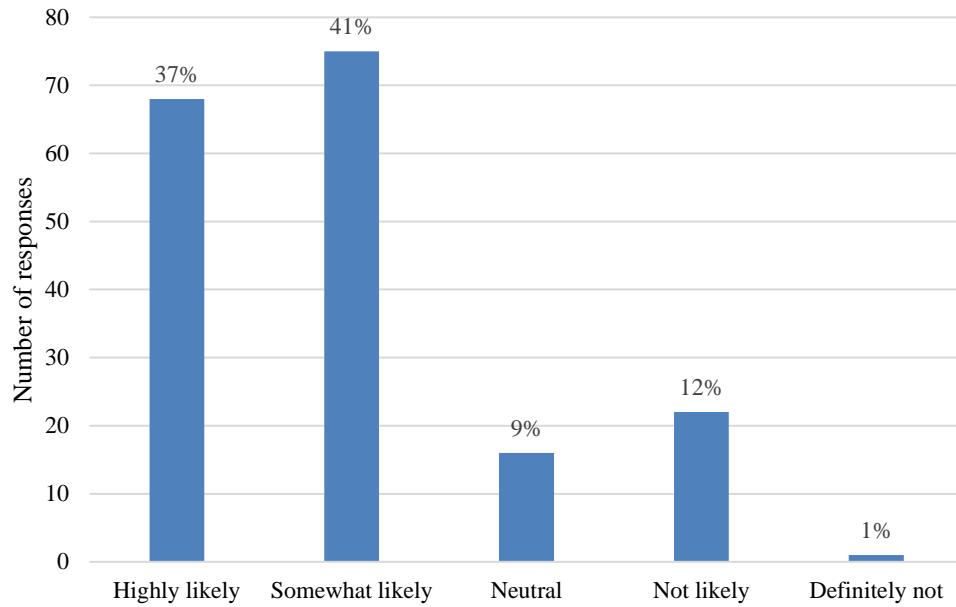


Figure 3. Question 2 responses to likelihood of using physical asset database

Note that the combined “likely” response equals 78 percent.

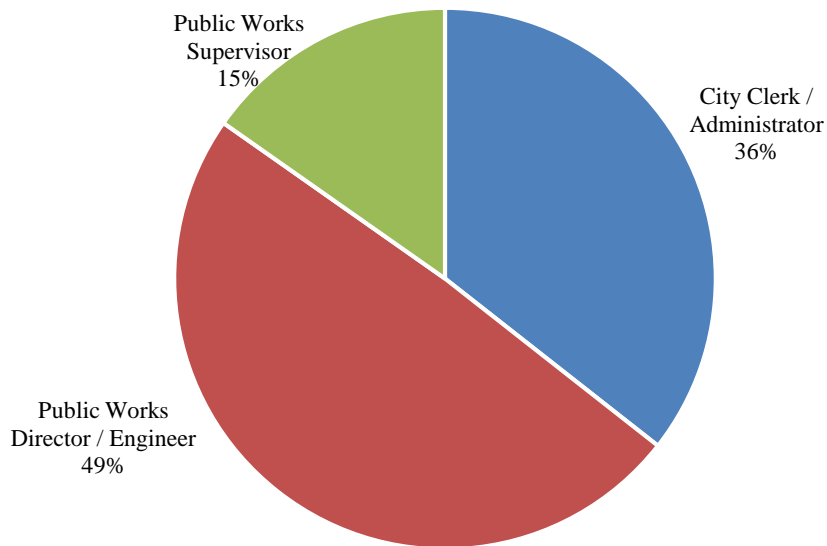


Figure 4. Question 2 “likely” responses by job title

3. Would you use a system where you could review a series of management tools such as:

- Job descriptions and current pay levels of public works positions from other cities?
- Sample ordinances, resolutions, and policies on public works topics?
- Organizational charts for cities of all sizes to compare with yours to determine if you can improve your chain of command?

The responses to Question 3 are shown in Figure 5 and Figure 6.

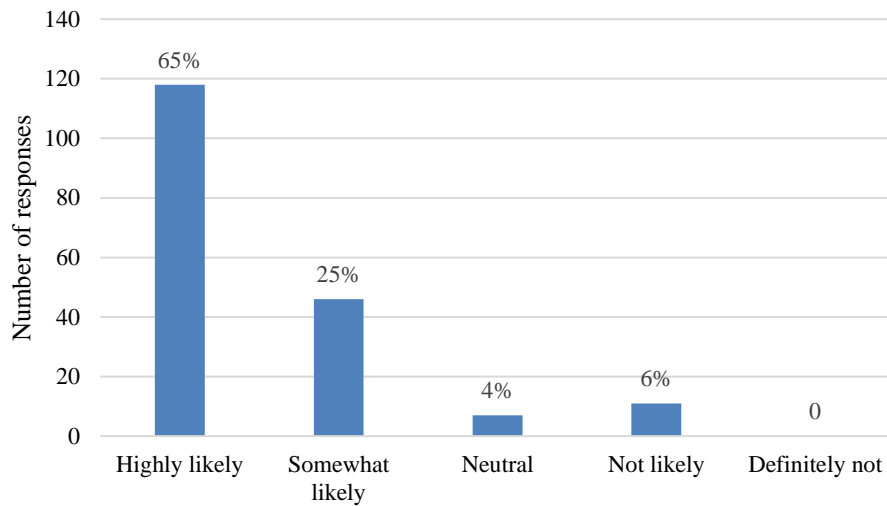


Figure 5. Question 3 responses to likelihood of using management tools system

Note that the combined “likely” response equals 90 percent.

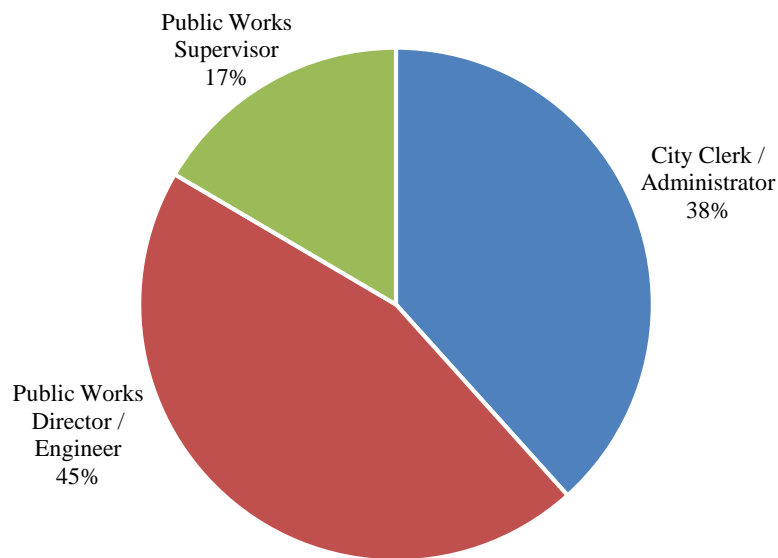


Figure 6. Question 3 “likely” responses by job title

4. Would you use a system that would enhance communications with Iowa DOT staff for submitting reports, making inquiries, and receiving updates on grant and other programs? (Note: This question was sent at a later date and only received 74 total responses.)

The responses to Question 4 are shown in Figure 7.

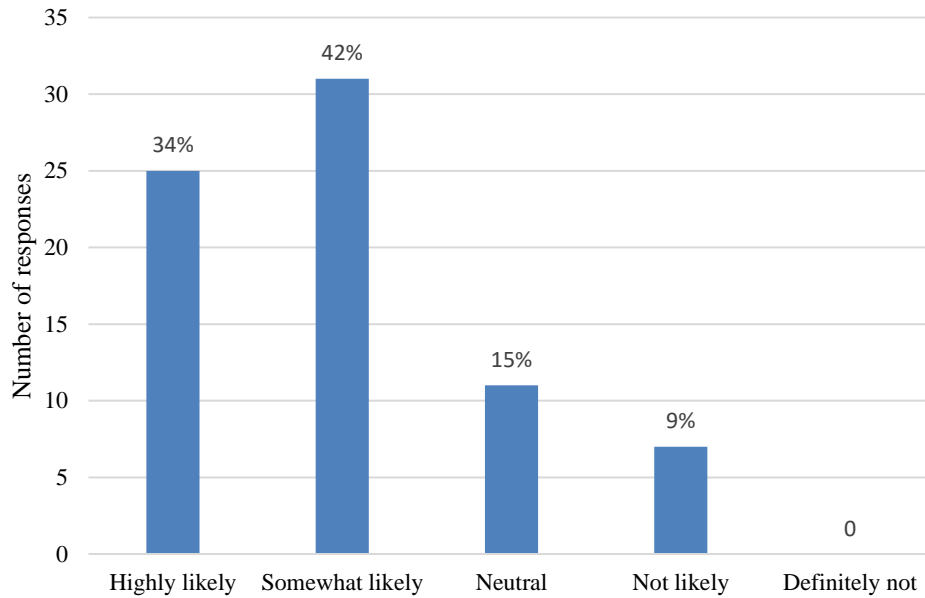


Figure 7. Question 4 responses to likelihood of using system to communicate with Iowa DOT staff

Note that the combined “likely” response equals 76 percent.

QUESTIONNAIRE SUMMARY

Question 3, which involved management items of job description, pay, organizational charts, etc., had the highest combined “likely” response rate. It also had the highest “highly likely” response of just over 65%.

There were 182 responses to questions 1–3. Of those responses, 135 provided their city’s name. The responses covered the entire range of populations. The pie chart below indicates the percent of responses from each population range and the number of cities within that population range that responded (Figure 8).

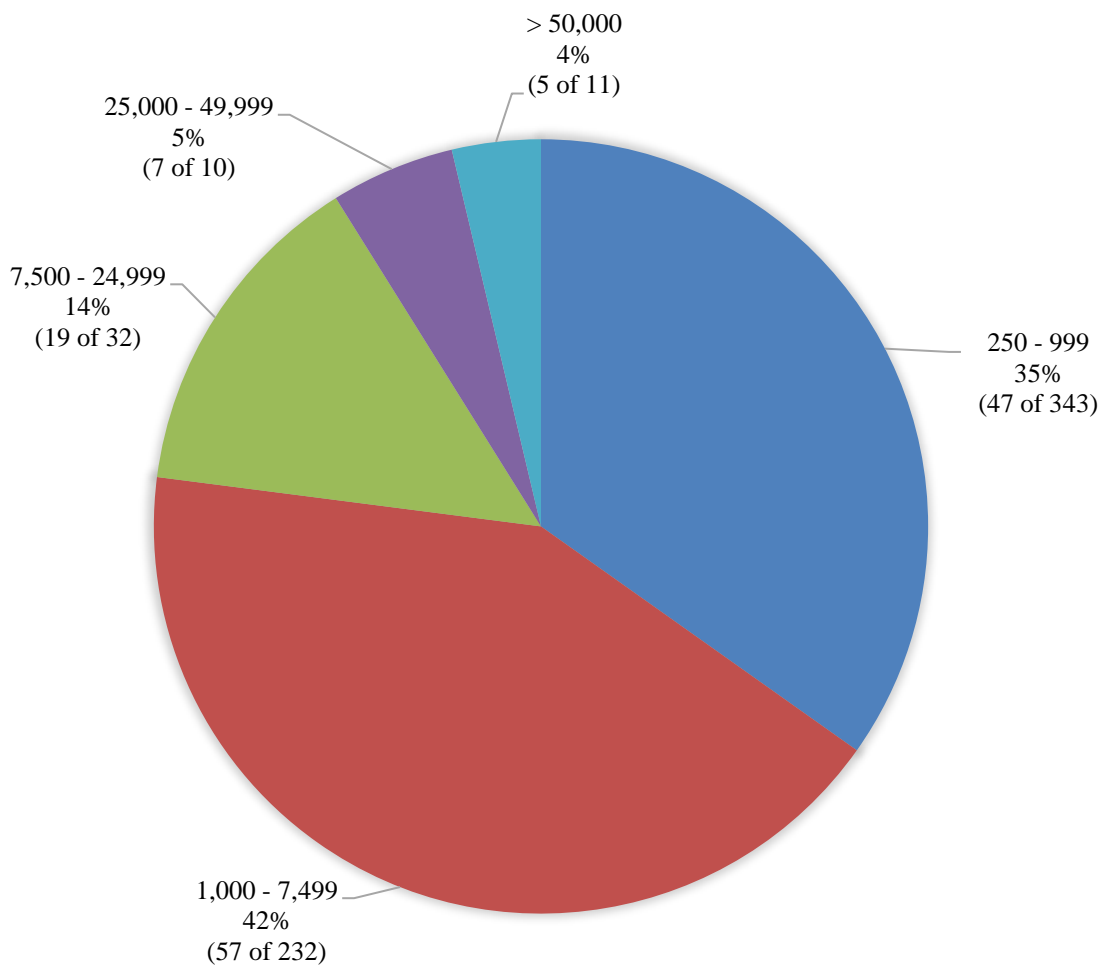


Figure 8. Survey responses by population range

Note that the numbers in parenthesis in the figure indicate a comparison of responses from each population category versus the total number of Iowa cities in that category.

This information demonstrates there was a broad-based response from all sizes of cities and the targeted positions within both smaller and larger cities felt the concept of a statewide public works service bureau has value.

A box was provided at the end of the questionnaire to include additional comments. Those comments are shown in the Appendix A.

Second TAC Meeting

A second TAC meeting was held on May 30, 2019 to review the draft final report with 14 of the 20 TAC members present. The project team gave a quick overview/reminder about the background, project activities, and the discussions at the previous TAC meeting.

The group dove into deeper conversations about the questionnaire results and the best way to represent that information. The next topics of discussion were the goals, objectives, and operating guidelines. Everyone was amenable to the draft goals, objectives, and operating guidelines developed by the project team.

The last major discussion at the TAC meeting focused on reviewing the various funding alternatives. After much debate about the pros and cons of the various alternatives, the TAC encouraged the project team to pursue the development of a Public Works Service Bureau to be operated within the Iowa Statewide Urban Design and Specifications (SUDAS) program by expanding the existing SUDAS funding sources.

GOALS AND OBJECTIVES OF POTENTIAL PUBLIC WORKS SERVICE BUREAU

Goal

Develop and operate an Iowa Public Works Service Bureau (IPWSB) that creates a net efficiency improvement in how urban agencies administer their public works organizations and infrastructure.

Objectives

- Provide resources to assist public works employees to more effectively do their jobs.
- Become conscious of and respond to emerging public works issues more promptly based on input from cities across the state.
- Have staff who are knowledgeable of and dedicated to the public works business.
- Serve all public works staff members from the director to the supervisors/foremen as well as cities of all sizes.
- Develop strong relationships with other agencies including the Iowa DOT Local Systems Bureau, the Iowa Chapter of APWA, the ICEA Service Bureau, and others.
- Keep the IPWSB electronic applications updated and expand the applications through user feedback

Operating Guidelines

The following guidelines will direct the IPWSB staff and executive committee:

- The IPWSB director must have extensive experience in urban public works activities and be able to communicate with all levels of public works professionals.
- Find ways to help the staff of public works departments enhance their performance by providing resources to assist them in doing their jobs.
- Serve all positions from foremen/supervisors to the public works director.
- Serve cities of all population levels.
- Develop and maintain an easy-to-use website and applications to ensure all levels of users can gain value.
- Hold meetings in each of the six Iowa DOT designated districts to report on activities and solicit new applications.
- Develop and maintain relationships with the Iowa DOT Local Systems Bureau, the Iowa Chapter of APWA, the ICEA Service Bureau, Iowa League of Cities, and other relevant agencies and associations.
- Present updates on activities at events held by the Iowa Chapter of APWA, the Iowa League of Cities, and other involved or affiliated organizations.
- Create measure of effectiveness (performance measures).

POTENTIAL ORGANIZATIONAL STRUCTURE

Several organizational structure alternatives exist for an IPWSB. Four alternatives are highlighted and pros and cons of each are described below.

Alternative #1

Alternative #1 would have a fully independent organization located in independent office space.

This alternative would take some time to implement due to the need to hire a director who would then need to hire three additional people. An office space would need to be rented and set up with the purchase of all new equipment. In addition, all new applications would have to be developed. The new organization would have to work to establish contacts across the state.

Cost associated with this option are estimated as follows:

- Director = \$110,000 salary/\$35,000 fringe
- Administrator/Coordinator = \$55,000 salary/\$21,000 fringe
- Webmaster/Programmer = \$83,500 salary/\$29,000 fringe
- Programmer = \$70,000 salary/\$24,000 fringe
- Office rent/utilities
 - 1,500 square feet (ft²) lease
 - \$1.50/ ft²/month = \$27,000/year
- Equipment (startup)
 - Computers/printers (purchase of 4 sets) = \$21,000; \$6,500/year depreciation
 - Server (purchase) = \$6,000
 - Copier = \$10,000 purchase; \$1,000/year operation/maintenance
- Furniture (\$30/ ft²) = \$30,000
- Internet/phone
 - IGbps = \$350/month = \$4,200/year
- Legal fees to develop contracts and tax status documents = \$20,000/year
- Website development
 - Contract = \$125,000; \$30,000/year updating
- Develop work policies/procedures and employee handbook = \$10,000
- Accounting services for employee payments and tax filings. Fringe benefit administration.
\$1,000/month = \$12,000/year
- Travel expenses to market the service bureau = \$8,000/year

Total = \$692,700 (1st year), \$527,200 (Annual)

Alternative #2

Alternative #2 would develop the IPWSB as a new program within the umbrella of the Institute for Transportation (InTrans) at Iowa State University (ISU).

This alternative would involve establishing a new agreement with the potential sponsors and Iowa State University. A director and three staff people would be needed. Background services such as office space, employee benefits, payroll, internet, etc., would be covered by ISU. Time for implementation would likely be longer than an independent operation due to the need for agreements between the sponsors, who are not yet identified/organized, and ISU/InTrans, in addition to somewhat extended hiring processes with public agencies. Location at InTrans would provide an opportunity for close coordination with other InTrans programs, particularly LTAP.

Costs associated with this option are estimated as follows:

- Director = \$110,000 salary/\$35,000 fringe
- Administrator/Coordinator = \$55,000 salary/\$21,000 fringe
- Student (30 weeks x 10 hours/week x \$10/hour) = \$3,000
- Webmaster/Programmer = \$83,500 salary/\$29,000 fringe
- Programmer = \$70,000 salary/\$24,000 fringe
- InTrans support services = \$25,000/year
- Equipment
 - Computer/printer (purchase of 4 sets) = \$21,000
 - Phone = \$500/year
- Travel expenses to market the service bureau = \$8,000/year
- ISU Facilities and Administrative costs* (26% if Iowa DOT funded) = \$143,000 (1st year)/\$118,000 thereafter
- Website development (developed according to existing InTrans template) = \$75,000

Total = \$692,000 (1st year), \$571,000 (Annual)

*Because this alternative would be housed at the Institute for Transportation, ISU provides building space and operating costs, including utilities, as well as administrative costs for employees beyond salary and direct benefits.

Alternative #3

Alternative # 3 would develop the IPWSB as an activity within the existing SUDAS program with a contractual arrangement with the ICEA Service Bureau for application development and implementation.

This alternative would not involve additional staff other than a small shift in the SUDAS program coordinator position. Existing salaries would be covered as a part of SUDAS. Since

SUDAS is already a statewide program, many contacts and name recognition are already in place. The initial IPWSB applications that were highly desired as shown by the responses to the questionnaire have already been developed and are in use by the ICEA Service Bureau. A contractual arrangement would allow the IPWSB to start out slowly and build as users come on board. Because it is formed through a 28E agreement, legal questions about the ability of the ICEA Service Bureau to subcontract with Iowa State University will need to be addressed with this alternative. An additional complication of implementing a sole-source contract between Iowa State University and the ICEA Service Bureau would need to be addressed. Since the ICEA Service Bureau would not initially be adding staff, the addition of this activity would require some re-prioritization of their work activities. Location within the SUDAS program would provide an opportunity for close coordination with other InTrans programs, particularly LTAP.

Costs associated with this option are estimated as follows:

- SUDAS Director = \$0
- SUDAS Program Coordinator = shift 5% from LTAP back to SUDAS, \$3,800
- Travel and meeting expenses = \$8,000/year
- Contract for services with ICEA Service Bureau
 - Start with the management applications identified in the questionnaire, which ICEA Service Bureau already has developed.
 - Contract = \$220,000, programmers/administration 1,784 hours (0.85 full-time equivalent [FTE]) @ \$123.60/hour) Includes hardware, software, and overhead
- ISU Facilities and Administrative costs*: Assume agreement with Iowa DOT
 - 26% on DOT funded = \$60,300/year

*Because this alternative would be housed at the Institute for Transportation, ISU provides building space and operating costs, including utilities, as well as administrative costs for employees beyond salary and direct benefits.

Total = \$292,100 (Annual)

In future years, as more applications are identified and need development, additional staff time will be needed. If the staffing level within the ICEA Service Bureau that is assigned to work on the public works service bureau is expanded to add one FTE and the per hour cost remains at \$123.60, the annual cost increase for the FTE would be approximately \$257,000.

The total cost for this alternative with two FTEs would then be approximately \$549,000 per year.

Alternative #4

Alternative #4 would develop the service bureau within the SUDAS program but instead of a subcontract for applications with the ICEA Service Bureau, computer programming staff would be added directly to the SUDAS staff.

The alternative could be slower to implement due to needing to expand the existing SUDAS website and create the applications as opposed to modifying them per ICEA Service Bureau but legal questions about ability to subcontract and to implement a sole-source contract would not need to be addressed. There could be a loss of synergy of joint application development in the future although cooperation between the two service bureaus would enhance success.

The initial year is set up for the addition of a webmaster/programmer to work in developing the expanded website and to start development of the initial applications. The second year would include the addition of the second programmer FTE.

Costs associated with this option for the first year are estimated as follows:

- SUDAS Director = \$0
- SUDAS Program Coordinator = shift 5% from LTAP back to SUDAS, \$3,800
- Webmaster/Programmer = \$83,500 salary/\$29,000 fringe
- Travel and meeting expenses = \$8,000/year
- Web development subcontract to fit InTrans template = \$50,000 (1st year)
 - ISU Facilities and Administrative costs*: Assume agreement with Iowa DOT
 - 26 % on first year = \$45,400; \$32,400 per year after

Total = \$219,700 (1st year), \$157,000 (Annual)

In the second year, the addition of the second programmer would be made. This would add costs as follows:

- Programmer = \$70,000 salary/\$24,000 fringe
- ISU Facilities and Administrative costs* (26%) = \$24,500

Total = \$118,500

*Because this alternative would be housed at the Institute for Transportation, ISU provides building space and operating costs, including utilities, as well as administrative costs for employees beyond salary and direct benefits.

Phasing in the additional staff person would allow the initial setup and marketing of the new public works service bureau to occur as well as not overstaffing until the website was up and running. With this alternative, two FTEs for programming activities would be available in the second year.

The total cost for this alternative with the two FTEs would be \$275,500 annually.

Table 1 shows the cost summary for each of the alternatives.

Table 1. Cost summary for alternative options

Alternative	Annual cost w/2 FTEs
#1 – Independent	\$527,200
#2 – New InTrans	\$571,000
#3 – SUDAS/Subcontract	\$549,000
#4 – SUDAS/Internal staff	\$275,500

Potential Financing Options

Expand Existing SUDAS Financing (~\$275,500)

Since the proposed public works service bureau could be an expansion of the current SUDAS program and the potential participants for each activity within the expanded SUDAS would be the same, it is feasible to provide for the service bureau funding by increasing the level of funding using the current sources. The current SUDAS budget totals \$360,000 per year, which is made up of \$150,000 from the Iowa DOT and \$210,000 from the allocations to the state’s planning agencies (regional planning agencies [RPAs], metropolitan planning organizations [MPOs], and transportation management areas [TMAs]).

For the alternative of staff being added directly to the SUDAS program, and if the additional costs (\$275,500) were allocated on the same principle, the additional amounts would be \$115,700 from the Iowa DOT and \$159,800 from the planning agencies. For this alternative to be used, the Iowa DOT and the planning agencies would have to agree to increase the allocated funds. The budget values could be adjusted as necessary during the annual updates to the agreements between the Iowa DOT and ISU/InTrans.

Road Use Tax (~\$385,750)

The ICEA Service Bureau is funded by a road use tax off-the-top allocation of ¼ of 1% from the secondary road fund. The funds are funneled through the Iowa DOT Local Systems Bureau. The ICEA Service Bureau establishes a budget and requests the funds. If excess funds are remaining, they revert to the secondary road fund. A similar program of off-the-top funds from the city road fund could also be possible. The proposed rate would be set to provide some long-term growth in costs with any unused funds annually reverting to the city road use tax fund balance. The off-the-top funding would take legislative approval. The funding proposal is as follows:

- 1/8 of 1% from the city portion of the Road Use Tax Fund projection for fiscal year (FY) 2020 is $(0.00125 \times \$308,600,000) = \$385,750$. This funding level is above the amount needed initially per Alternative #4, but it will provide for any potential expansion of the program without having to modify the legislation.
- Each city is allocated approximately \$126/person - $1/8$ of 1% = \$0.16/person or \$80.00/year total for a city of 500 people, or \$8,000/year for a city of 50,000. This would be the

maximum cost at the current tax rate. Initially with the program cost of \$276,500, the annual cost would be \$0.11/person or \$55.00/year total for a city of 500 or \$5,500/year for a city of 50,000.

Potential Governance If Developed within SUDAS

SUDAS Board of Directors

With the IPWSB becoming an activity within the SUDAS program, the existing 38-member board of directors would govern the activities. The broad representation on the board, including city, county, Iowa DOT, and consulting engineers, would provide views from multiple backgrounds as IPWSB budgets and policies are established and maintained.

Advisory Committee

The Iowa Public Works Service Bureau Advisory Committee could be made up of the four SUDAS Board of Directors' officers plus two people from each Iowa DOT-designated local systems region, appointed by the SUDAS officers, representing communities with diverse populations so that smaller and larger cities are represented. Additional members could come from the Iowa DOT Local Systems Bureau and the Iowa County Engineers Association to ensure coordination.

The advisory committee would provide budget and overall policy recommendations and meet twice per year either in person or electronically. They would then recommend any budget and policy changes to the SUDAS Board of Directors for final action.

Technical Advisory Group

Up to 15 people selected by interest, expertise, diversity in size of organization, geographical diversity, and diversity in organizational level to provide technical guidance for future application development. Meetings will be held as concepts for new applications are identified.

Additional organizations such as the Iowa County Engineers Association, Iowa League of Cities, Iowa Water Environment Association, the urban engineer from the Iowa DOT Local Systems Bureau, the Iowa Society of Solid Waste Operators, and others would be invited to participate in identifying applications that would add value to the Iowa Public Works Service Bureau.

RECOMMENDATION

The objective of this project was to determine if there is interest in the development of a public works service bureau in Iowa, and if there is interest, what an organizational structure might look like, what costs would be involved, and what potential financing options could be implemented.

When the “somewhat” and “highly” likely responses to each survey question are combined, it is apparent that a public works service bureau providing the services identified would be used and provide value across the state. This is evident with the positive responses from all three of the targeted audiences who would be likely users of such a program. The benefits of having a statewide public works service bureau include having a single source for these database services instead of each community trying to develop a similar program or not developing one at all due to staffing limitations. Another benefit of a statewide program is the broader base of contacts. A local community may contact their surrounding neighbors with questions, but a statewide public works service bureau would significantly expand the available contacts and potentially broaden the responses. Over time, additional applications identified by the users can be developed.

Adding the public works service bureau to the SUDAS program at InTrans and contracting with the ICEA Service Bureau for modifications of computer applications they have already developed is one alternative. However, legal questions have been raised regarding the process of SUDAS/Iowa State University contracting with the ICEA Service Bureau, since the ICEA Service Bureau is established according to Iowa Code Chapter 28E. An independent legal review of the form of agreement that would be required and what steps it would take to complete such an agreement would have to be worked through.

The most economical alternative involves adding web and computer applications staff to SUDAS. This alternative allows for one person to be added in each of the first two years. The second year and ongoing annual costs are significantly less than with a subcontract with the ICEA Service Bureau when providing an equivalent FTE staffing level.

With the interest in an Iowa Public Works Service Bureau evidenced by the responses from the questionnaire, it is recommended that such an organization be pursued. Based on the significant economic differences between Alternative #4 and the other alternatives and the advantages of existing name recognition and contacts across the state, the recommended organizational alternative is to develop the Iowa Public Works Service Bureau within the existing organizational structure of the SUDAS program utilizing in-house staffing (Alternative #4). The SUDAS Board of Directors, which is comprised of city, county, DOT, and consulting engineers, also endorsed the plan to develop an Iowa Public Works Service Bureau within the SUDAS program. With the results of the questionnaire indicating that development of a statewide public works service bureau has value, the next step is to finalize potential funding.

A majority of the research project Technical Advisory Committee endorsed the recommendation to develop an Iowa Public Works Service Bureau within the existing SUDAS program and to pursue funding of the IPWSB by expanding the current SUDAS funding sources.

Although the expansion of the current SUDAS funding is the fastest method of implementation of the Iowa Public Works Service Bureau, the Iowa DOT has indicated that if a service bureau for cities is to be developed, it should be financed in a similar manner as the ICEA Service Bureau. Without the support of the Iowa DOT to expand existing SUDAS funding, it will be necessary to pursue another financing method.

Thus, an off-the-top allocation from the city portion of the Road Use Tax will be the recommended financing mechanism. A rate of 1/8 of 1 percent will generate approximately \$385,750 annually, although not all of the funds would initially be needed. It will be necessary to work with the Iowa Legislature and the governor's office to approve the off-the-top allocation.

The proposed legislation would provide for the creation of a public works service bureau support fund that would be administered by the Iowa DOT. It would be established as a mirror to Iowa Code Section 312.3B, which details the county engineers association service bureau support fund. The language of the draft legislation is shown in Appendix B. Note that the legislation provides for any unused funds to annually be returned to the city street construction fund.

It will likely take two years to successfully complete a legislation change and the related administrative activities to set up the service bureau fund. One way to show that cities are supportive of the Iowa Public Works Service Bureau is to create the program with interim funding.

The project team and a strong majority of the TAC recommend a Phase 2 from the Iowa Highway Research Board. The recommended scope of Phase 2 would involve establishing the Iowa Public Works Service Bureau within the SUDAS program and implementation of the organization identified in Alternative #4. Phase 2 would involve additional funding for two years, requesting \$219,700 for the first year and \$275,500 for the second year, with a total budget of \$495,200. Phase 2 would allow the research team to establish the service bureau website, market the program across the state to cities and various stakeholders, and begin the development of key service bureau applications. In addition, work would include pursuing the legislative change necessary to create the Iowa Public Works Service Bureau fund through an off-the-top allocation from the city portion of the Road Use Tax Fund.

APPENDIX A. QUESTIONNAIRE COMMENTS

The following are comments from the questionnaire:

- I would value this.
- Great idea!
- Sounds like a great idea to share issues between your peers.
- I am very interested in the possibility of a Public Works Service Bureau. Like everything, it boils down to how much will it cost my city/utilities.
- I think this would be a great benefit to smaller communities.
- Sounds like a good way to stay in contact and be a resource to one another.
- We have a PWD group started. Nick Nissen (Mt. Vernon) and I started it. I have a spreadsheet with names and contact info if you need it. We hold meetings twice a year. We take turns hosting it.
- Iowa Rural Water Association sends out a booklet of all of their member cities' contact information and name of operator, as long as it is kept up to date it can be helpful, but Google also works.
- Sounds like a good resource. I am in support of the development of it.
- I think this is a great idea. We typically network with our neighboring communities, but to have a mechanism to connect across the state would be greatly beneficial.
- I think it would be a useful tool to stay on top of this ever-changing field.
- Could we start some kind of training course for people that are new to the public works management world?
- Thoughts and ideas are traded at continuing education seminars for water and wastewater, don't see why this wouldn't work for other areas of public works
- How about cities in general include all aspects of the City with similar size and data
- Great opportunity for the future.
- I don't think we need another state agency.
- This could be very useful to some cities, especially larger ones. Not sure how much we would utilize it, but you never know.
- I think this will be a great asset for the local municipal governments.
- Through APWA a group of small town public works directors has started meeting bi-annually to discuss issues and successes. This type of database would be very beneficial.
- Links to various public works, water, and wastewater resources would be helpful
- The City of Beacon's public works is handled by Mahaska County.
- I think that having those at your fingertips would be a great tool to have for someone that is not familiar with a job position that they have may just started. I find having other city's contacts help with reaching people that have had similar problems that I may be having and having their knowledge is a great help.
- I have only been in this position since the middle of August 2018 so I really am not able to answer these questions yet. I am still doing a great deal of learning and this is not something I would be concerned with at this time. Thanks!
- Kudos to those of you that are assembling this. Great idea!
- Any information gathered that PW departments could access would be a benefit for all.

Another tool in the toolbox.

- The thought of being able to set parameters regarding community size when doing searches or surveys is very important to me. I don't care what cities twice or ten times my size are doing. I care what other communities my size do and how they handle matters.
- We have an electric utility also and a lot of other communities don't. I think it is important to be as specific as possible while searching so we can get accurate answers from the most alike communities we can find. Good luck!
- The maintenance man does not have a computer.
- The ordinance search you asked about in the survey already exists on clerknet thru Iowa Municipal Finance Officers Assoc.
- A couple of group meetings would be ideal, so if you miss one you would have a chance to attend another if available.
- Would there be a forum for where one could seek answers regarding unusual public works issues?
- It would be nice to have access to this information.
- Water and Sewer rates database would be GREAT!
- This would be a great help for little towns and villages
- Great idea!
- This is a great idea and will benefit many staff and agencies across the state.
- Very useful resource.
- I circled not likely because our Public Works Director does not use, nor has a computer to use. If he can't call someone to find out whatever he needs, he'll go to the next person that will answer the phone. I would not have time to do any of the above, nor would I understand most of it. I see the value in it, but it would not be used here at this time - maybe after our current PWD retires.

APPENDIX B. PROPOSED IOWA CODE LANGUAGE

Proposed 312.3E Iowa public works service bureau support fund.

Prior to the allocation to the cities under section 312.3, subsection 2a, the department is authorized to set aside each year one-eighth (0.125) of one percent from the street construction fund for deposit in a fund to be known as the Iowa public works service bureau support fund. The Iowa public works service bureau support fund shall be used by the department solely for the purpose of supporting the Iowa public works service bureau. Unobligated funds remaining in the Iowa public works service bureau support fund on June 30 of the fiscal year shall revert to the street construction fund. On or before January 31 of each year, the Iowa public works service bureau shall file a report with the governor, state transportation commission, chief clerk of the house of representatives, and secretary of the senate showing the activity accomplished under this section.

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