

January 7, 2014

Moved by Bell seconded by Kaufmann to convene as the Stanwood Drainage District Board.

Ayes: Bell, Kaufmann, Gaul, Deerberg

Absent: Ellerhoff

Sup. Bell felt they need to get money coming in to the Stanwood Drainage District Fund and determine if they want to go ahead with an annexation. He felt it is not fair to the current owners to pay the fees to get the additional land annexed in. Chairperson Deerberg referenced going ahead with the assessment for maintenance. Sup. Bell agreed, indicating it was mentioned that they would collect \$25,000 over a five year period. He mentioned levying against the current new district. Bell is not sure it is worth the cost of adding in some of the bordering properties as previously suggested. Auditor Gritton joined the discussion, as requested. Sup. Gaul wondered about warrants. Deerberg said warrants would be used to pay a contractor. Bell is not sure the \$25,000 is enough for the maintenance. Deerberg wondered how much would be needed. Auditor Gritton noted an assessment could be done each year. She felt they shouldn't rely on the General Basic Fund, and assessments should be done. Bell felt if warrants are issued, they would probably be bought within the County and 4% or 5% interest would be charged. Kaufmann wondered about assessing \$8,500 per year. It was the consensus that the maintenance assessment should be paid by all in the district.

Moved by Kaufmann seconded by Bell to assess \$8,500 for maintenance this year.

Ayes: Gaul, Bell, Kaufmann, Deerberg

Absent: Ellerhoff

Auditor Gritton will start the process for this assessment.

Moved by Kaufmann seconded by Gaul to approve the December 31, 2013 minutes.

Ayes: Kaufmann, Gaul, Bell, Deerberg

Absent: Ellerhoff

Sup. Kaufmann wondered why adding properties into the district may not be worth the cost. Gritton felt the purpose of adding in the properties was to clean up the borders of the district. Bell didn't know how much land it would take to be added in for the expense of doing it, and he noted an engineer would need to make the recommendation for reclassification.

Moved by Bell seconded by Kaufmann to return to regular session.

Ayes: Gaul, Bell, Kaufmann, Deerberg

Absent: Ellerhoff

January 14, 2014

Moved by Kaufmann seconded by Ellerhoff to convene as the Stanwood Drainage District Board.

Ayes: Kaufmann, Ellerhoff, Gaul, Bell, Deerberg

Don Etlar, Engineer and Kirk Weih met with the Board for discussion. Others present were Laura Twing, Betty Lett, Mary Swan, Irene Wood and Warren Wethington. Mr. Etlar felt the process will be one where the landowners are actively involved in helping the Board make a decision. There will be hearings, and he suggested looking at laterals 1 and 2. Etlar suggested including his assessment to determine if the drainage ditch is adequate. He presented and reviewed documentation concerning recommended motions and notes concerning the District. One of his recommended motions was to separately appoint Crawford Engineering, but the Board told him that has already been done. Another of his recommended motions was to establish a separate account under the Stanwood Drainage District Fund for the lateral 1 and 2 costs and to issue stamped warrants at 5% interest. He noted a source of funds or a bank has to be committed to buying these. Deerberg asked if they would use warrants and bond. Etlar indicated they would use warrants and call them for payment. He noted improvement certificates is another option, indicating the landowner's assessment is sold to an investor and that money is used to pay off the warrants. Etlar said the warrants can be sold to a bank or the County. At the time of the levy, the Board will determine the number of years the landowners have to pay off the assessment. It can't be more than 20 years. After reviewing his recommended motions, Etlar reviewed some notes. Chairperson Deerberg asked if the time of the Auditor and Treasurer can be charged to the District. Etlar indicated the Code allows for something. Deerberg asked if someone from Hudson's Law Firm could do the work. Etlar said he would check with Atty. James Hudson. After Etlar reviewed his notes, Bell said some of the items Etlar recommended have been done. Chairperson Deerberg told Don Etlar that he would be the engineer for other matters in the District. Deerberg felt the work for the laterals would be billed to those served by those laterals, but work for an annexation would be charged to all of the owners in the District. He said Crawford Engineering is to work with Etlar. Deerberg referenced help for the Auditor. Etlar said he would help with administrative matters as needed. Mr. Etlar would review invoices from Crawford Engineering prior to payment. He suggested that the Auditor email a copy to him as they are submitted. A proposed timeline was reviewed. Etlar and Weih proposed the following: engineering work be done with Crawford in early May, a public hearing around July 1st, bids submitted around September 1st, and work to start when the crops are out. Bell asked that they send a written timeline. It was suggested that Etlar talk to the Auditor. Etlar said he could do that and noted he will also be talking with the G.I.S. Tech and County Engineer. Discussion continued. Etlar felt if a project is approved, that they pursue construction bids and services and that Crawford would be the construction engineer, and they could appoint Etlar for assessments and annexation. He indicated that process would involve two other landowners not interested in the district. Deerberg noted there has already been a reclassification, and Bell noted there has been a reannexation. Bell said they talked about cleaning up the borders, but they are not sure it would be worth the expense. Etlar said they would need to set up a separate assessment for the laterals.

Moved by Kaufmann seconded by Ellerhoff to approve the January 7, 2014 minutes.

Ayes: Kaufmann, Ellerhoff, Bell, Gaul, Deerberg

Moved by Gaul seconded by Bell to return to regular session.

Ayes: Gaul, Bell, Kaufmann, Ellerhoff, Deerberg

January 23, 2014

Moved by Kaufmann seconded by Ellerhoff to convene as the Stanwood Drainage District Board.

Ayes: Kaufmann, Bell, Gaul, Ellerhoff, Deerberg

Discussion was held regarding Auditor Cari Gritton resigning her position as Secretary of the Stanwood Drainage District. They questioned how many hours are spent working on SDD.

Gritton told them when something is going on it can take a lot of hours at times and none at others. She thinks they need to hire someone who has the time and energy to put into it.

Deerberg thought maybe they could contact Attorney Hudson for ideas. Ellerhoff thought maybe someone in his office could do it. Kaufmann thought maybe pull the core group in. Bell said the whole Stanwood Drainage District would need to be involved not just the core group. Bell said this Board picks the secretary and appointees make recommendations. All the decision making is done here. General discussion continued regarding a job description for this position, and possibly coming up with names of someone who might be interested in doing this.

The Board discussed Engineer Etler's bill he turned in for payment. Bell thought we should ask for a more itemized bill with dates of items he was asked to be paid for. He thought possibly some items were prior to him meeting with the Stanwood Drainage District Board. It was the consensus of the Board to email him with this request and cc Kirk Weih also.

Moved by Gaul seconded by Bell to return to regular session.

Ayes: Gaul, Bell, Kaufmann, Ellerhoff, Deerberg

January 28, 2014

Moved by Bell seconded by Kaufmann to convene as the Stanwood Drainage District Board.

Ayes: Bell, Kaufmann, Gaul, Deerberg

Absent: Ellerhoff

The Board placed a call to Engineer Don Etler regarding services rendered before having a meeting with him. Etler thought the Board appointed him in December 2013 to engineer the Stanwood Drainage District project. Any work done before December 2013 he did not charge for. Bell said he was appointed in December but he met with the "Core Group" of petitioners before he met with the Board. He wondered how much of the bill was for before the 13th. Etler went through the bill with the Board and it was agreed upon to pay the bill when funds were available. He will not charge the 1% interest for late payment. Discussion continued regarding Kirk Weih and Etler calling for a meeting with the petitioners. Bell did not attend because the meeting was not called by the Board of Supervisors. Kaufmann was not at the meeting, but felt it was a simple miscommunication. Etler said he needed to know what improvements needed to be made with the individual landowners. Bell felt the meetings need to be held with everyone in the District not just the core group. Etler said he agreed. Kirk Weih said he was there for all landowners. Bell reiterated everyone needs to be invited to meetings. Treasurer Jedlicka and Auditor Gritton met with the Board as requested. Discussion continued regarding stamped warrants for the lateral 1 and 2 projects. Stamped warrants earn an interest rate of 5%. When Jedlicka was asked if he would like the County to handle these Jedlicka said he felt they would be a huge headache. He wondered who set the length of warrants, do you pay monthly or do they get paid two to three years down the road. Etler said there would be two different assessments when setting up the warrants and Weih agreed. He thought it was the Auditor's role to set them up. Etler suggested the Auditor call some other Counties that have done this. He gave her several names. Etler suggested the Auditor and Treasurer call Attorney Jim Hudson regarding mailings and annexations. He knows the Auditor's office is short staffed but she could hire a secretary for this per the Code of Iowa. Etler was going to have Attorney Hudson call the Auditor regarding stamped warrants. Discussion continued regarding a job description for the secretary position. The Auditor had already talked to Calhoun County. Kaufmann suggested ISAC could help with it. Bell suggested possibly Heartland Insurance may want to purchase warrants.

Moved by Kaufmann seconded by Gaul to approve minutes of 1/14 and 1/23/2014.

Ayes: Bell, Gaul, Kaufmann, Deerberg

Absent: Ellerhoff

Moved by Kaufmann seconded by Gaul to pay invoice #1334 to Engineer Donald Etler when funds are available in the Stanwood Drainage District Fund without paying interest for late payment.

Ayes: Gaul, Bell, Kaufmann, Deerberg

Absent: Ellerhoff

Bell noted he voted to pay the invoice but there was a lack of communication.

Moved by Kaufmann seconded by Bell to return to regular session.

Ayes: Kaufmann, Gaul, Bell, Deerberg

Absent: Ellerhoff

February 4, 2014

Moved by Kaufmann seconded by Ellerhoff to convene as the Stanwood Drainage District Board.

Ayes: Bell, Kaufmann, Ellerhoff, Gaul, Deerberg

Auditor Gritton met with the Board. A Drainage Clerk job description was reviewed. Sup. Kaufmann wondered if this should be reviewed by Don Etler. Sup. Bell felt Etler would charge to do that. It was thought that the County's Human Resources Consultant could review it. The wages would be charged back to the Stanwood Drainage District. A wage was discussed. It was noted the new Clerk in the Auditor's Office will start at \$13.00/hr. The Board agreed that if the job description is okay with Paul Greufe, Human Resources Consultant, then the Auditor could send it to the newspapers. The hours would be flexible, and the position would be part-time. The need would be determined. Gritton wondered about the person being a subcontractor. The Board would like Gritton to ask Paul Greufe about this. The Auditor reported that she and the Treasurer called the attorney appointed by the Board, and he was no help. The attorney gave them names to contact. Deerberg noted, at a recent meeting he attended, a Hardin County Supervisor had points on warrants for a drainage district project.

Moved by Gaul seconded by Ellerhoff to return to regular session.

Ayes: Gaul, Ellerhoff, Bell, Kaufmann, Deerberg

April 3, 2014

Moved by Bell seconded by Kaufmann to convene as the Stanwood Drainage District Board.

Ayes: Bell, Kaufmann, Gaul, Deerberg

Absent: Ellerhoff

The Human Resources Consultant and Auditor were present. The Board interviewed Denise Maiers for the Drainage Clerk position. She had previously been asked if she would like a closed session, and she said no. Discussion was held. Greufe noted a blended rate for any overtime may need to be used since this person is currently a County employee in another department. After the applicant left, discussion was held regarding regular work time and overtime.

Moved by Bell seconded by Kaufmann to approve the minutes of January 28th and February 4th, 2014.

Ayes: Gaul, Bell, Kaufmann, Deerberg

Absent: Ellerhoff

Moved by Sup. Bell to return to regular session.

The motion died for the lack of a second.

The Board recessed. The Board reconvened at 10:45 a.m.

Chairperson Deerberg asked the second candidate to be interviewed for the Drainage Clerk position if the candidate would like a closed session. Deerberg advised the individual if the interview is conducted in open session, their name would appear in the minutes that are published. The candidate requested a closed session.

Moved by Bell seconded by Gaul to go into closed session as allowed under Chapter 21.5.1(i), Code of Iowa.

Ayes: Bell, Gaul, Kaufmann, Deerberg

Absent: Ellerhoff

Moved by Bell seconded by Kaufmann to return to regular session.

Ayes: Gaul, Kaufmann, Bell, Deerberg

Absent: Ellerhoff

There was no decision made with regard to the prior closed session.

The applicant left the room.

Paul Greufe asked if the person in this position would be an employee of the Board of Supervisors or the Stanwood Drainage District. Sup. Bell said the Stanwood Drainage District. Greufe asked if the Stanwood Drainage District has a Federal identification number or if they are taking taxes. Chairperson Deerberg said no. Greufe wondered about the employee relationship, and he asked if the Drainage District has employees. Auditor Gritton wondered about issuing the

person a 1099. Bell felt this position would not qualify as an independent contractor. Greufe agreed. Bell wondered about the Drainage District reimbursing the County for the work, indicating in the research he had done in some other counties the person in this position is an employee of the Auditor. Greufe asked the Board to consider the candidates for the position and then forward to him their selection. Discussion continued. It was noted the Stanwood Drainage District Fund has a balance of \$1,197.81. Bell suggested making sure the individual does not work more than 40 hours, since he felt it would not be fair to the Drainage District people to involve overtime. Deerberg asked the Auditor if she could ask the auditing firm some questions about this position. The Auditor said she would ask.

Moved by Gaul seconded by Kaufmann to return to regular session.

Ayes: Bell, Gaul, Kaufmann, Deerberg

Absent: Ellerhoff

April 15, 2014

Moved by Ellerhoff seconded by Kaufmann to convene as the Stanwood Drainage District Board.

Ayes: Ellerhoff, Kaufmann, Gaul, Deerberg

Absent: Bell

Chairperson Deerberg noted the Human Resources Consultant has recommended hiring candidate #1, Denise Maiers, for the Drainage Clerk position. Denise Maiers met with Chairperson Deerberg and the Auditor. She will review the minutes and contact Atty. Hudson. Deerberg referenced bills from Don Etlar, Engineer and Crawford Engineering. He wondered if the assessment should be increased. The Board had agreed to assess \$5,000 per year for five years and there are funds to be repaid to the County. Sup. Ellerhoff wondered about payment to Maiers for her time. It was agreed Denise Maiers should invite Atty. Hudson to come here to meet with the Board to explain warrants.

Moved by Ellerhoff seconded by Kaufmann to raise the assessment to \$13,500 to pay former debt and to start building the maintenance fund.

Discussion was held. Sup. Kaufmann would like to see an overview of the dollars to be spent for the project. Sup. Ellerhoff would like a timeline with steps and procedures.

Ayes: Gaul, Ellerhoff, Kaufman, Deerberg

Absent: Bell

Moved by Gaul seconded by Kaufmann to hire Denise Maiers for the part-time Stanwood Drainage District Clerk position at \$13.00/hr effective 4-15-14.

Discussion was held. Sup. Ellerhoff wondered if it is a P.R.N. or regular part-time position.

Ayes: Gaul, Kaufmann, Ellerhoff, Deerberg

Absent: Bell

Moved by Kaufmann seconded by Gaul to approve the April 3, 2014 minutes.

Ayes: Kaufmann, Gaul, Ellerhoff, Deerberg

Absent: Bell

Moved by Ellerhoff seconded by Kaufmann to return to regular session.

Ayes: All

Absent: Bell

April 17, 2014

Moved by Ellerhoff seconded by Gaul to convene as the Stanwood Drainage District Board.
Ayes: Ellerhoff, Gaul, Bell, Kaufmann, Deerberg

Chairperson Deerberg reviewed a letter from Don Etler noting he has gone to work for another firm. The Board will meet with him to discuss warrants and other items. There was also another bill sent from Etler. It was approved that the assessment will go to \$13,500. It was suggested that members of the District and Kirk Weih be notified about Don Etler's meeting with the Board on April 24th at 9:00 a.m. Sup Bell felt Mr. Weih is an unofficial representative of some of the owners in the District. Ellerhoff suggested letting everyone know about the meeting. There was discussion about how to notify everyone due to the short time period before the meeting. Deerberg will talk to the Auditor about the Drainage Clerk calling people in the District.

Moved by Ellerhoff seconded by Gaul to approve the April 15, 2014 minutes.
Ayes: Ellerhoff, Gaul, Bell, Kaufmann, Deerberg

Moved by Ellerhoff seconded by Kaufmann to return to regular session.
Ayes: Ellerhoff, Bell, Kaufmann, Gaul, Deerberg

April 22, 2014

Moved by Bell seconded by Ellerhoff to convene as the Stanwood Drainage District.

Ayes: Bell, Ellerhoff, Gaul, Deerberg

Absent: Kaufmann

Sup. Kaufmann entered the room. Bev Penningroth reviewed the landowners that were contacted concerning the upcoming meeting on April 24th with Don Etlar, Project Engineer. Those owners were those on a petition filed on October 10, 2013 and those in a proposed improvement area. Sup. Ellerhoff wondered if the Drainage Clerk position should be discussed. Chairperson Deerberg noted Denise Maiers had to work forty hours this week in another department, therefore she was unable to do work for the District. He said the Auditor had indicated that Bev Penningroth could help. Ellerhoff felt there needs to be some continuity. Deerberg asked if the Board would like to meet with the H.R. Consultant. Ellerhoff felt perhaps they should meet with the Auditor. Auditor Gritton joined the discussion, as requested. Discussion was held. Deerberg asked if she felt they should proceed with Penningroth doing the Drainage Clerk duties. She would need to keep track of the time spent on District matters. Gritton indicated she would assume it back in. Ellerhoff asked if Gritton could contact Paul Greufe, H.R. Consultant to see what the appropriate steps are for Denise Maiers to relinquish the position. Sup. Bell indicated this situation is why he had told Greufe it would be cleaner to hire the other applicant. Gritton said she would assume it herself. Kaufmann agreed. Ellerhoff felt the Auditor hiring a part-time person in the office would make more sense, if necessary. Gritton said she would contact Mr. Greufe.

Moved by Kaufmann seconded by Ellerhoff to approve the minutes of April 17, 2014.

Ayes: Bell, Kaufmann, Ellerhoff, Gaul, Deerberg

Moved by Gaul seconded by Ellerhoff to return to regular session.

Ayes: Gaul, Ellerhoff, Bell, Kaufmann, Deerberg

April 24, 2014

Moved by Ellerhoff seconded by Gaul to convene as the Stanwood Drainage District Board.

Ayes: Ellerhoff, Gaul, Bell, Kaufmann, Deerberg

Others in attendance were: Engineer Don Etler, Atty. James Hudson, Auditor Gritton, Fred Lehrman, Jim Tenley, Linda Coppess, Leroy VanRoekel, Tom Weiland, Robert J. Dircks, Kirk Weih, Betty Lett, Mary Swan, Delores Rohlf, and Chris Slach.

Chairperson Deerberg asked Don Etler if he is still going to use Crawford Engineering or is the engineering firm of Bolton & Menk going to assist him. Don Etler said Crawford will do the survey and drawings. Etler would like the Board to acknowledge that he is now associated with the firm of Bolton & Menk. Sup. Bell asked if his rates as previously approved will still apply. Etler said yes, and he noted he is only charging half his usual rate for travel time. Bell also asked if the new firm was assuming all liability for work Etler performed to this point on the project. Etler said yes. Etler indicated if a project proceeds to a hearing and if there is work to be done, the Bolton & Menk firm would do the plan and specifications. He noted the Board previously appointed Crawford Engineering for the staking and inspection.

Moved by Kaufmann seconded by Ellerhoff to appoint Bolton & Menk, Inc. as the engineering firm for the Stanwood Drainage District effective 4-7-14.

Ayes: Kaufmann, Ellerhoff, Gaul, Bell, Deerberg

Chairperson Deerberg reviewed invoices received. He asked Etler if he would not be charging 1% per month as indicated on both of the following invoices: #1334 in the amount of \$2,067.06 and #1340 in the amount of \$5,670.00, until warrants are in. Etler said yes. Deerberg asked if there would be an assessment to the improved area. Etler said yes, noting they could set up a separate account for the lateral system. He advised there would be a separate debt assessed to the land for lateral one. Deerberg referenced an invoice from Gronewold Tiling and Excavating in the amount of \$660.00 to probe an existing 24-inch tile line in a field west of Hwy 38 and south of 130th Street. This is in the proposed improvement area. Deerberg noted there is also an invoice from Crawford Engineering & Surveying, Inc. in the amount of \$3,257.43 for services related to Lateral Nos. 1 & 2. He said there are not funds to pay these invoices. Atty. Hudson explained the organization of a Drainage District. He said it is statutory, not a government subdivision. It is its own legal entity. Hudson said a Drainage District cannot be sued, the Board of Supervisors acting as the District's Trustees cannot be sued, and the Auditor or the Clerk cannot be sued. He did say that if they received a report and failed to act, then a lawsuit could be brought forth. Hudson said he represents the Supervisors, the Auditor and her staff, the Engineer, and the landowners in the District that are impacted. Atty. Hudson discussed financing which he said is built into the Code. The most common is warrants. Hudson indicated a bill is approved, a warrant is stamped, there is an assessment, and then the warrants are called and paid. Interest of 5% is paid from the date a warrant is issued. Atty. Hudson said the warrants are in high demand by some people. The warrant can be sold by the holder of the

warrant to anyone, but they should advise the Auditor as to who holds the warrant. Pocahontas County buys their own warrants because they can earn a better interest rate with their funds. The Treasurer sends a check, and it is a secure investment. Sup. Ellerhoff asked if the Board can insist that the Treasurer do this. It was felt the Board could not force the Treasurer to do this. Sup. Bell asked if the citizens of Cedar County have the first opportunity to buy the warrants. Hudson noted the person who receives the warrant chooses who buys it. Etler said sometimes a local bank is willing to buy the warrants. Hudson said he could write an opinion on this matter. Discussion was held regarding assessments. Once an owner receives an assessment, they have three options, to pay it up front, pay it in the Spring and Fall when property taxes are paid, or pay it in installments with 5% simple interest for a period of years set by the Board of Supervisors. Atty. Hudson reviewed other types of financing. He noted payments would need to be made for crop damage due to construction and right-of-way purchases. Condemnation law is built in. Deerberg wondered if there would be an estimate on this before a proposed improvement project. Hudson noted Don Etler would explain pre-classification, which gives an idea of what each parcel would be assessed. The main (laterals A B & C) have been reclassified. Don Etler reviewed a map of the proposed improvement area. He noted the main, proposed laterals #1 & #2, and 14 proposed laterals to each farm. Etler proposed doing a pre-classification so the costs for each owner would be known prior to approval of an improvement. The cost of the pre-classification would be around \$15,000, but \$10,000 to \$12,000 of that amount would have been spent on the classification. Separate assessments would be based on relative benefit. Etler suggested separating off the City of Stanwood to the current 24-inch main and run another one alongside. Atty. Hudson advised they could have a 28E Agreement with the City of Stanwood or leave it in the District with a separate assessment. Etler estimated the projected up-front costs would be \$65,000 to \$80,000. The proposed cost of all of the proposed laterals is \$2 million, the proposed cost if the 14 laterals are pulled off is \$1.2 million, and the proposed cost of just the lower end is \$600,000. Atty. Hudson noted the Board shall hire a competent engineer to talk to the owners about problems, but that doesn't define all he does. He said Etler will file his report, notices would go out regarding a public hearing, and then there would be a decision regarding improvements. Hudson explained the process for objections and remonstrance. He said they could hold an informal meeting first. There would be other hearings such as for bids, completion, annexation, right-of-way and classification. Deerberg asked if the attorney and engineer would attend the public hearings. Hudson said they would attend some of them. Deerberg would like them to attend the hearing concerning the proposed improvements. Jim Tenley wondered about an area where an open ditch was previously proposed. Etler felt due to the value of land and the size of equipment, open ditches aren't popular. He referenced having formable surface drainage. Kirk Weih asked about the potential crossings on State Hwy 38 and Cedar County roads. Etler said there are six on Hwy 38 and six or seven on County roads. Atty. Hudson advised you have to allow water to pass as if the road wasn't there. Weih believes that Dennis & Linda Coppess and the Hoyman family are okay with the proposal, and he believes Duane & Brad Dierks have been informed. Mr. Weih said the petitioners support the recommendation of Engineer Etler.

Moved by Kaufmann seconded by Ellerhoff to proceed with the pre-classification.

Discussion was held. Bell felt if they want to spend their money, the Board's duty is to spend it for them. Deerberg noted they would still have a public hearing. Etler felt this would help them decide.

Ayes: Bell, Gaul, Ellerhoff, Kaufmann, Deerberg

It was suggested that Atty. Hudson talk with the Auditor and Treasurer. Atty. Hudson said he would.

Moved by Bell seconded by Ellerhoff to approve the minutes of April 22, 2014.

Ayes: Kaufmann, Bell, Gaul, Ellerhoff, Deerberg

Moved by Ellerhoff seconded by Gaul that Paul Greufe, H.R. Consultant should contact Denise Maiers about relinquishing the Drainage Clerk position.

Ayes: Ellerhoff, Gaul, Bell, Kaufmann, Deerberg

Moved by Ellerhoff seconded by Kaufmann to return to regular session.

Ayes: Gaul, Bell, Kaufmann, Ellerhoff, Deerberg

April 29, 2014

Moved by Ellerhoff seconded by Gaul to convene as the Stanwood Drainage District Board.
Ayes: Gaul, Bell, Kaufmann, Ellerhoff, Deerberg

Chairperson Deerberg initiated discussion about paying bills with stamped warrants. Auditor Gritton was present. Deerberg wondered if the Auditor received guidance for assessments. Gritton said Atty. Hudson advised waiting on the assessments, so there are not numerous assessments. He advised doing stamped warrants now. Then the County Treasurer can buy them, but they can't be redeemed until dollars are available. Ellerhoff thought if the Treasurer buys them, they know they'll get their money. Gritton doesn't think this will be a problem, but when it gets to be a million dollars or two million dollars, they may want to go to a bank. Deerberg asked if there is a decision on how long the warrants are good for. Gritton said not for the warrants, but that would be for the assessments. Deerberg asked if the maintenance and improvement assessments would need to be kept separate. Gritton said yes. Treasurer Jedlicka joined the discussion. He was asked if the Treasurer's Office would buy the stamped warrants. Jedlicka asked what the Board thought about this. Members indicated they felt it would be a good idea. To date there are approximately \$17,282.00 worth of bills waiting for payment. There will be additional bills and an approximate amount of \$15,000 for pre-classification. Deerberg thought the Treasurer would have an option to sell the stamped warrants. This is somewhat unclear. Jedlicka has heard that the landowners are not all in favor of this project. Gritton thought there would be at least \$600,000 in warrants for a proposed project. Deerberg would like the Treasurer to work with Auditor Gritton and Bev Penningroth to get these bills paid. Treasurer Jedlicka indicated he is agreeable to buying the stamped warrants. Mary Swan said she can't image why they'd turn down 5% interest, but asked if Atty. Hudson and Don Etler want to be paid, does the County have the funds to pay them. Treasurer Jedlicka said yes, but noted he may have to cash in CD's. Brief discussion continued.

Moved by Ellerhoff seconded by Kaufmann to approve the April 24, 2014 minutes.
Ayes: Gaul, Bell, Kaufmann, Ellerhoff, Deerberg

Moved by Bell seconded by Gaul to return to regular session.
Ayes: Kaufmann, Bell, Ellerhoff, Gaul, Deerberg

June 17, 2014

Moved by Ellerhoff seconded by Gaul to convene as the Stanwood Drainage District Board.
Ayes: Ellerhoff, Gaul, Bell, Kaufmann, Deerberg

Auditor Gritton was present. Sup. Kaufmann said he called Dave Siebels. Kaufmann is going to Siebels' farm with someone that does that type of work on Monday at 3:30 p.m. to talk to Mr. Siebels. Sup. Bell reported that Siebels had some work done to an area on their farm. He felt the District should pay for this work, but noted Mr. Siebels didn't ask for reimbursement. Sup. Bell was told that the work that was done has lowered the water level by two feet. Bell will be doing more checking on this matter. He indicated Siebels has concerns on the amount of money that is being spent for the District. Auditor Gritton presented a list of the bills that have been submitted which totals \$41,624.59. She wondered who is to be assessed for what bills. Sup. Bell noted the group that petitioned said they'd pay for this. Chairperson Deerberg suggested contacting the attorney to have a public hearing. He referenced the whole district and a sub-district. Bell thought the petition did not include everyone from the sub-district. Discussion continued. Kaufmann suggested scheduling a conference call with Don Etler, Engineer and Atty. Jim Hudson to review the bills that have been submitted. Bell felt there might be some legalities, indicating there may be some controversy about the folks named on the petition may not equate to those on the petition that said they would pay. Deerberg thought it is based on the amount of ground they own. Auditor Gritton asked if the bills can be paid now. The Board indicated yes. Kaufmann felt everyone should be notified about the conference call with Etler and Hudson. Discussion continued about contacting landowners and paying the bills. It was agreed that the conference call on June 24th only needs to be with Don Etler so that Etler can explain the bills, and that Etler and Hudson should coordinate on a date to meeting with the Board and landowners for an evening meeting. The consensus was to hold off on paying the bills until after the June 24th conference call with Don Etler.

Moved by Bell seconded by Kaufmann to approve the minutes of April 29, 2014.
Ayes: Gaul, Bell, Ellerhoff, Kaufmann, Deerberg

Moved by Gaul seconded by Kaufmann to return to regular session.
Ayes: Ellerhoff, Kaufmann, Bell, Gaul, Deerberg

June 24, 2014

Moved by Bell seconded by Ellerhoff to convene as the Stanwood Drainage District Board.
Ayes: Bell, Ellerhoff, Gaul, Kaufmann, Deerberg

A conference call was held with Don Etlar, Engineer. Auditor Gritton was present. Chairperson Deerberg indicated the Board would like to discuss the bills that were submitted. Mr. Etlar said everything that has been done now is for Laterals 1 & 2, and he noted it was previously estimated that it would cost between \$65,000 and \$80,000 to go through the hearing. He said this is all associated with the petition to improve the laterals. Deerberg asked if this includes Atty. Hudson's fees. Etlar said yes. Mr. Etlar noted there was talk about an open ditch, which he will include in a brief assessment of the ditch. This is part of the Lateral 1 work. An Engineer's Report will be complete in mid-July. Etlar suggested having an informational meeting in mid-August before a public hearing in September. Auditor Gritton asked about the names and addresses of landowners. Etlar said the report will include the benefited owners, which will not include the City of Stanwood. He will get together a list of the lands they would recommend for the improvements, which Etlar noted would also receive the benefit of this. Sup. Bell asked about a date for an informational meeting for the people that are concerned. Etlar said mid-August. He doesn't think they need to meet with the whole district yet. Etlar recommended holding a meeting in September concerning the open ditch. Bell said there are some people in the district with concerns. He referenced the water flow and receiving feedback. Etlar has heard some feedback on the cost. Bell mentioned manipulation of using folks' names, in the group that presented to the Board. Etlar suggested waiting until after the report is filed to discuss things before objections are filed. Deerberg asked Kaufmann and Bell if it would be okay to wait on the informational meeting. Sup. Kaufmann has heard pros and cons. He felt if there is angst about whether to do or not do the project, then perhaps an informational meeting should be held on where it's headed. He indicated there is concern on whether to do the project period. Deerberg asked if the petition takes into account the number of landowners or the number of acres. Etlar noted for a Drainage District the Board of Supervisors, as Trustees, has authority to order an investigation. He said it is common practice to petition, and one landowner can make a request. Etlar indicated several signed the petition. He felt the Board has plenty of justification to proceed. Etlar noted one landowner could object. Deerberg said he could understand having the meeting after receipt of the Engineer's report. Kaufmann asked if Etlar could document what he told the Board on this call so that the Board has something to give people that have questions or concerns. Bell felt Atty. Hudson should send something rather than the Engineer. Kaufmann agreed that having the attorney send something may give it more clout. Etlar said he would send something as well as a timeline, and he will contact Atty. Hudson about sending something. Deerberg asked if Mr. Etlar had any advice for the Board. Etlar said this is typical of a big project, but he felt they should get the numbers in front of the people so they can decide. Regarding another topic, Etlar asked if Cedar County was declared a disaster. Deerberg said yes, mainly from the wind, but he noted the river is to crest on June 25th in Cedar County. Kaufmann said there is standing water in some places in the Stanwood Drainage District. Auditor Gritton clarified that all of the bills received are for Laterals 1 & 2, except for the amount of \$1,200 to

the Stanwood Fire Dept. for burning the open ditch for the past two years and a repayment of \$3,500 to the General Fund. The Board agreed.

Moved by Ellerhoff seconded by Kaufmann to approve the minutes of June 17, 2014.

Ayes: Ellerhoff, Kaufmann, Bell, Gaul, Deerberg

Auditor Gritton asked if the Board would be agreeable to paying these bills out of the FY13-14 budget. The Board had no objection. They will be listed on the claims list to be approved by the Board, but will go to the Treasurer and he will figure out the process for buying the warrants. Interest will accumulate at 5%. When asked if an assessment for the District would appear on tax statements, Auditor Gritton said not this year.

Moved by Kaufmann seconded by Gaul to return to regular session.

Ayes: Kaufmann, Gaul, Ellerhoff, Bell, Deerberg

June 26, 2014

Moved by Ellerhoff seconded by Bell to convene as the Stanwood Drainage District Board.
Ayes: Ellerhoff, Bell, Kaufmann, Gaul, Deerberg

Sheryl Mullan was present for discussion concerning the District. She referenced the approximate \$40,000 that has been spent and wondered what has been done, who will be paying this and who approved it. Chairperson Deerberg noted those land owners in Laterals 1 & 2 will be assessed, it was authorized by the Trustees, and it is because of a petition to proceed. Deerberg noted there was an estimate of \$60,000 to \$80,000. Sup. Bell indicated this is for a study and it will come before the Board before it is approved. He referenced the petition that was filed, and he felt not everyone that signed the petition is in favor of the project. Bell indicated Kirk Weih represents the petitioners. Deerberg stated the entire district will be assessed for the maintenance fund. He said the Board hasn't seen final figures, there will be a report in July, then a meeting and they will proceed from there. Mullan indicated the million dollar figure she heard scared her. She wondered if the cost would be per acre over several years. Members indicated it could be. Sup. Kaufmann noted there would be a chance to be heard. Deerberg said there would be an informational meeting and a public hearing. Brief discussion continued.

Moved by Kaufmann seconded by Ellerhoff to return to regular session.
Ayes: Kaufmann, Ellerhoff, Gaul, Bell, Deerberg

July 10, 2014

Moved by Kaufmann seconded by Bell to convene as the Stanwood Drainage District Board.

Ayes: Gaul, Bell, Kaufmann, Deerberg

Absent: Ellerhoff

Sup. Kaufmann said he received a call from Bill Klein about a tile that blew out. Kaufmann wondered what the procedure is for repairs. Sup. Bell said he also talked to Mr. Klein about the tile. Bell told Klein he would look at it. If it is verified that it is the 18-inch main tile, then the District would pay the repair costs. Bell will look at the tile. Kaufmann said last week he spent an hour and a half talking with people about an open ditch versus tiling.

Moved by Gaul seconded by Bell to return to regular session.

Ayes: Kaufmann, Bell, Gaul, Deerberg

Absent: Ellerhoff

July 15, 2014

Moved by Bell seconded by Ellerhoff to convene as the Stanwood Drainage District Board.
Ayes: Gaul, Bell, Ellerhoff, Kaufmann, Deerberg

Sup. Bell reported that he looked at the broken tile and damage from flooding. He said the broken tile is part of the district. He showed the location of the tile on a map. Bell called Glen Gronewold of Gronewold Tiling and told him to take care of it. It is only about one foot underground, which Bell felt is because of washing out and a waterway that was put in. He felt soil has been lost from flooding and rip rap in the ditch. Bell mentioned putting this flood damage on the list with FEMA of other storm damage to perhaps get some help. Irene Wood entered the room. Bell conversed with Glen Gronewold on possible improvements that may be recommended by the engineer. He noted Gronewold indicated he would wash his hands of it if the improvement goes in, because he wouldn't be able to handle work that may need to be done on it.

Moved by Bell seconded by Gaul to approve the minutes of June 24 & 26th and July 10th, 2014.
Ayes: Kaufmann, Bell, Ellerhoff, Gaul, Deerberg

Moved by Ellerhoff seconded by Bell to return to regular session.
Ayes: Gaul, Kaufmann, Ellerhoff, Bell, Deerberg

August 5, 2014

The Board convened as the Stanwood Drainage District Board. Kirk Weih of Hertz Farm Management, Doug Hoffman and Auditor Gritton entered the room. Don Etler, an Engineer for Bolton & Menk met with the Board to present the Engineer's Report for proposed drainage improvements in the Drainage District No. 1 (Stanwood Drainage District) for the Lateral Nos. 1 & 2 System. The report was reviewed. Discussion was held. Etler noted the public hearing can be no sooner than 40 days after the report is filed. He suggested holding an informational meeting before the public hearing. Etler said proposed facilities can be eliminated. The estimated cost of the proposed improvements is \$2,153,900. Etler suggested making known the period of time that the assessment for the costs would be spread over. He will file the reclassification report no later than September 9th. With the use of a map, Mr. Etler described the proposed work for the improvement. There would be an outlet one mile south of Highway 30. The grade of the main ditch is 10 feet wide. There is fill in the ditch, which increases going north. The proposed improvement is designed based on the fact that the ditch can be repaired, but repair of the ditch is not included in this report. Etler proposed that the City of Stanwood be asked to assume responsibility for the current 26-inch tile that was put in in 1994, which he felt the City could use for drainage. If the City would not accept it, when the reclassification is done for the improvement, they could set up an assessment schedule for the land assessed to take care of it. Assessments will reflect the classifications. The land owner would take care of the proposed surface drain. The surface drain is recommended due to the value of land being affected by point rows. Etler indicated the old tile lines would be abandoned for the land owners to take care of. Crossings at the State highways would be the responsibility of the Department of Transportation and crossings at County roads would be the responsibility of the County. The railroad company would be required to allow work to be done under the arch railroad bridge. Etler said the current intake keeps an area wet, which this improvement should alleviate. Discussion continued. Etler said the land owners in Lateral A should be notified about the informational meeting and public hearing.

Moved by Ellerhoff seconded by Gaul to accept and tentatively approve the Engineer's Report for proposed drainage improvements in the Stanwood Drainage District, and to set September 16, 2014 at 6:00 p.m. at the North Cedar High School Choir Room in Stanwood as the time for an informational meeting and September 23, 2014 at 10:00 a.m. in the Board of Supervisors' Room as the time for a public hearing on the proposed improvements.

Ayes: All

Absent: Deerberg, Kaufmann

Doug Hoffman told the Board the improvements are important.

September 16, 2014

At 6:00 p.m. the Board convened as the Stanwood Drainage District Board for an informational meeting at the North Cedar High School in Stanwood regarding proposed improvements and an approximate distribution of the costs for the Lateral Nos. 1 & 2 system in the Stanwood Drainage District. Supervisors Deerberg, Gaul, Ellerhoff, Bell and Kaufmann were present. Also in attendance were Engineer Don Etlar, Attorney James Hudson and approximately 29 other landowners and/or interested parties. Sup. Deerberg noted the Board received a petition for improvements. He then turned the meeting over to Atty. Hudson and Eng. Etlar. Atty. Hudson addressed the group. He reviewed drainage procedures and laws. Atty. Hudson noted the public hearing that will be held on September 23rd at 10:00 a.m. at the Courthouse in Tipton. He said if more than 50% by population object and they also own 70% of the land by area, the Board can't move forward with the improvement. This is called remonstrance. Written objections must be filed at or before the hearing with the County Auditor. Atty. Hudson noted if someone does not file an objection, they lose the right to appeal the Board's decision to District Court. Some other areas he addressed were, but not limited to: annexation, right-of-way acquisition (condemnation proceeding), classification and pre-classification, design specifications and bid letting, assessment options, possibility of property going to tax sale if assessments are not paid, stamped warrants earning 5% interest, road crossing responsibilities, railroad crossings and drainage structures, current and proposed laterals, the option to object to specific laterals and then the assessments would adjust, and an Assessment Schedule from the pre-classification. Sup. Deerberg indicated the petitioners said they would pay for this study and so far not quite \$100,000 has been spent. Later in the meeting, Kirk Weih of Hertz Farm Management clarified that the cost of the study was to be spread across the benefited landowners' acres. Duane Dierks referenced the railroad bridge, and he indicated the main ditch needs to be cleaned out. Atty. Hudson explained the railroad's assessment, and he said the main open ditch would be revisited as a separate project. Mr. Dierks said there is a surface water issue. Don Etlar indicated the proposed tile will work, but he acknowledged there may be water in an area of the proposed ditch until the main open ditch is cleaned out. Atty. Hudson clarified that he is not giving financial advice at this meeting. He noted there is speculation that there is an increase in yields by improving drainage districts. The Engineer's Report can be modified at the public hearing, and objections can be modified or withdrawn. Sup. Bell asked if remonstrance can work in the reverse order. Atty. Hudson said no. Jim Tenley wondered if the State Highway Commission could dig out about three feet of the ditches. Engineer Etlar addressed the group. Mr. Etlar asked if the County is buying the warrants. Sup. Deerberg said yes, the Treasurer is buying them. Etlar said it will be important for someone to commit to financing the project, either the County or a financial institution. Sup. Deerberg indicated the County has not committed to financing the improvement project. Eng. Etlar reviewed the Engineer's Report. The proposed project total is \$2.1 million. Lateral A is from the open ditch to Hwy 38 (about \$670,000) and Lateral B & C are sub-mains (about \$343,000 and \$321,000). There are proposed laterals coming off of Laterals A, B & C. Etlar noted the proposed tile sizes and his recommendation to use reinforced concrete pipe for a majority of the main laterals. The drainage district contains approximately 8,250 acres. The proposed improvement area contains approximately 2,350 acres in the district. Cleaning the open ditch would be a separate decision, which Etlar guessed would have assessments of \$20-\$25 per acre. Etlar continued to review the report. He believes a half-inch coefficient is sufficient and that there will be better crop yields. When the district was created a one-twelfth coefficient was used. Engineer Etlar reviewed the Preliminary Assessment Schedules. Discussion was held. It is estimated that if only Laterals A, B & C are done the cost

would be about \$1.25 million. It was noted landowners could choose to put in laterals off of A, B & C on their own and then the District could later decide to take over the maintenance. Further discussion was held. Atty. Hudson noted annexation is done in 40-acre tracts, but there would only be assessments on the benefited acres. He also noted landowners are responsible to repair, maintain or replace a bridge over an open ditch. Atty. Hudson reviewed the historic costs of drainage districts.

The meeting concluded at 8:35 p.m.

September 23, 2014

At 10:00 a.m. the Board convened in the large meeting room in the basement.

Moved by Bell seconded by Gaul to convene as the Stanwood Drainage District Board.

Ayes: Ellerhoff, Gaul, Bell, Kaufman, Deerberg

A public hearing commenced at 10:00 a.m. on the Engineer's Report and proposed repairs and improvements in the Stanwood Drainage District. The following board members were present: Bell, Ellerhoff, Gaul, Kaufmann and Chairperson Deerberg. Also in attendance were: Engineer Don Etlar and Jon Rosengren of Bolton and Menk, Atty. James Hudson, Auditor Gritton and approximately 31 other individuals. Kirk Weih submitted documentation on estimated assessments. Atty. Hudson addressed the group, explaining the drainage district process. He also noted objections can be filed in writing, objections can be changed and objections can be withdrawn. Atty. Hudson explained remonstrance and the right to appeal a decision to District Court. Other areas noted by Atty. Hudson were, but not limited to: possible right-of-way purchases, annexation, assessments based on relative benefits, a bid letting process and the proposed improvement project. Rodne Wendt wondered why the process related to this hearing was being held prior to the annexation of other land benefiting from the proposed improvement, indicating he felt the owners of land that may be annexed into the district should be involved in this process. Atty. Hudson said a notice was published in the newspaper, and they are not going behind anyone's back. Don Etlar noted owners listed in Appendix A of the Engineer's Report were given notice of the hearing. Discussion was held regarding a previous study, proposed project and annexation. Engineer Don Etlar gave a summary of the Engineer's Report, the current district, the proposed improvement project, and a possible future project of cleaning the open ditch. A one-twelfth inch coefficient was used for the current district, but a one-half inch coefficient is recommended now (since the 1950's). Proposed laterals A, B & C (conveyors) would replace the function of old Laterals 1 & 2. The approximate cost of those laterals would be \$1.3 million. There would be a separate cost for each of the sub-laterals. Rodne Wendt asked what efficiency percent the tile would run at. Mr. Etlar said the tile will function at 100%. Duane Dierks indicated the open ditch needs to be dug out. Mr. Etlar agreed it won't work as well until the ditch is cleaned out. Don Etlar addressed repairs to the main lines, noting the Board has to do maintenance. He felt they will have a better outlet when the project is complete. Rick Pruess felt there should be an open ditch to Highway 38. Mr. Etlar referenced an alternative cost comparison on page seven of Appendix A in the Engineer's Report and discussion was held about that option. Rodne Wendt referenced a shallow ditch. It was indicated maintenance of a shallow ditch would be taken care of by the landowners where it is located. Teresa Reed wondered how would they know if it will be maintained. Etlar indicated a surface drain won't be needed. Teresa Reed wondered why they can't run the lines on right angles. Etlar said it is because of the slope of the land. Mr. Etlar recommends the proposed project as a long term solution. Storms and drainage were discussed. Rodne Wendt felt having point rows is not as big of an issue due to the equipment technology. Duane Dierks indicated he felt the proposed improvement would improve the ground below. It was noted there would be an intake at Highway 38, but no other outlets out of the top on the new tile. Landowners can properly make connections to the new tile with approval of the Board. Concerning the old 24-inch tile, there is a proposal that the City of Stanwood be approached to take over the tile as their storm drainage, or the tile could remain a part of the district. Stanwood Mayor Greg Wagner requested that the City be put on the mailing list for notifications. The Preliminary Assessment Schedules were reviewed. There are 17 parcels that could be annexed into the district that would benefit from this proposed project. Atty. James Hudson read the objections and comments that were submitted pertaining to various laterals. The following is a summary of the objections filed.

Summary of Objections Filed at Public Hearing to Segments of Proposed Improvements to Cedar County Drainage District No.1, Lateral Nos. 1 & 2 System

Facility	# Landowners	# Objectors	% Landowners Objecting	% Acres Objecting	% of Cost Objecting
Lateral A	32	6	18.8%	28.4%	9.3%
Lateral B	17	4	23.5%	27.6%	8.1%
Lateral C	16	3	18.8%	12.8%	19.7%
Lateral A1	6	1	16.7%	0.8%	2.4%
Lateral B1	5	2	40.0%	36.0%	22.4%
Lateral B2	6	1	16.7%	20.0%	10.1%
Lateral B3	9	2	22.2%	28.6%	30.4%
Lateral B4	6	1	16.7%	29.2%	17.1%
Lateral B5	5	0	0.0%	0.0%	0.0%
Lateral C1	6	2	33.3%	51.1%	32.4%
Lateral C2	6	3	50.0%	22.9%	13.6%
Lateral C3	3	1	33.3%	41.6%	27.2%
Lateral C6	3	0	0.0%	0.0%	0.0%
Lateral C8	5	3	60.0%	55.2%	47.6%

Time was allowed for a break at 12:05 p.m. The hearing resumed at 12:20 p.m. Sheryl Mullen changed her objection. Scott, Carlene & Jim Tenley filed a comment on the proposed project. Discussion continued.

Moved by Ellerhoff seconded by Deerberg to leave Lateral C8 in the project.

Discussion was held.

Ayes: Bell, Gaul, Ellerhoff, Kaufmann, Deerberg

Moved by Ellerhoff seconded by Gaul to leave Lateral B1 in the project.

Discussion was held.

Ayes: Kaufmann, Bell, Ellerhoff, Gaul, Deerberg

Moved by Ellerhoff seconded by Kaufmann to leave Lateral B2 in the project

Ayes: Bell, Ellerhoff, Kaufmann, Gaul, Deerberg

Moved by Gaul seconded by Kaufmann to leave Lateral B3 in the project.

Ayes: Gaul, Ellerhoff, Bell, Kaufmann, Deerberg

Moved by Bell seconded by Ellerhoff to leave Lateral B4 in the project.

Ayes: Kaufmann, Bell, Gaul, Ellerhoff, Deerberg

It was noted there were no objections to Lateral B5.

Moved by Ellerhoff seconded by Kaufmann to leave Lateral C1 in the project.

Ayes: Kaufmann, Gaul, Ellerhoff, Bell, Deerberg

Moved by Sup. Gaul seconded by Sup. Ellerhoff to leave Lateral C2 in the project.

Ayes: Bell, Kaufmann, Ellerhoff, Gaul, Deerberg

Moved by Kaufmann seconded by Ellerhoff to retain Lateral C3 in the project.

Discussion was held.

Ayes: Ellerhoff, Gaul, Bell, Kaufmann, Deerberg

It was noted there were no objections to Lateral C6.

Moved by Bell seconded by Kaufmann to leave Lateral A1 in the project.

Discussion was held.

Ayes: Bell, Gaul, Kaufmann, Ellerhoff, Deerberg

Moved by Ellerhoff seconded by Gaul leave Main Lateral C in the project.

Discussion was held. Bell asked what would happen to old Lateral C. Mr. Etler said they could hook it in periodically and then abandon it to the landowners, or if it is in poor shape it could be closed. Sup. Bell said there is less than one foot of soil over the lateral at Monroe. Etler felt they could look at that.

Ayes: Ellerhoff, Kaufmann, Bell, Gaul, Deerberg

Moved by Kaufmann seconded by Ellerhoff to leave Main Lateral B in the project.

Discussion was held.

Ayes: Kaufmann, Bell, Gaul, Ellerhoff, Deerberg

Moved by Ellerhoff seconded by Gaul to retain Main Lateral A in the project.

Discussion was held. Sup. Bell referenced discussion about the open ditch versus the closed system, and he noted in the study they documented their argument for the closed system since they've documented what the severance would possibly be. He does agree with Rodne Wendt regarding farm practices, and he doesn't agree there should be that much severance (as documented). He has a concern that we don't have anyone that can work on the proposed system, because it is not easy to repair a concrete pipe of the proposed size. Bell has a concern about how much dirt is on top at crossover areas. Etler indicated there would be one or two feet. Bell referenced deep tilling, and he wondered who would be liable and who would fix the tile if one is hit. Etler noted the concrete tile walls would be five inches thick, so he felt they wouldn't break easily. If something did happen, Etler felt it should be reported and the district would fix it. Dennis Coppess felt farmers won't chisel if it is that shallow. Bell said he prefers an open ditch to Hwy 38. Sup. Ellerhoff asked Mr. Etler what his experience is with the reinforced concrete tile used in other districts. Etler felt the concrete is the best product for long-term life. He doesn't know how the new product will perform, but he felt it would be the least likely to give maintenance issues. A question was asked about how deep they would be put in. Etler said seven to eight feet. The cover will be three feet for most areas, it will be two feet at the surface drain and six feet at the outlet. Where the concrete pipe is under the surface drain, the joints will be sealed. Sup. Kaufmann referenced the ditch alternative. He asked if there would be a chance land would have to be condemned. Etler said yes. Atty. Hudson addressed this matter, indicating right-of-way was not acquired for a ditch design in that area. Right-of-way appraisers would fix a price. Per the law, there is undefined easement where there is a main tile. The farmer would continue to have use of that land, so no money is paid. Etler explained the condemnation process.

Ayes: Ellerhoff, Gaul, Kaufmann, Deerberg

Nay: Bell

Moved by Ellerhoff seconded by Gaul to approve the Engineer's Report.

Ayes: Kaufmann, Gaul, Ellerhoff, Deerberg

Nay: Bell

Atty. Hudson noted the Auditor should appoint right-of-way appraisers. He explained the assessment payment options and process. He recommended 20 years at 5% interest, but noted the assessment can be paid off at any time. Discussion was held.

Moved by Bell seconded by Gaul to set the assessment payment length at 20 years with 5% interest. Discussion was held. Sup. Kaufmann asked if the Board cannot be flexible in the interest rate. Atty. Hudson noted the landowner can pay off their assessment at any time. Chairperson Deerberg asked if the trustees could refinance this and get a better interest rate. Atty. Hudson said no. Discussion was held regarding stamped warrants. It was noted if a drainage assessment is not paid the land comes up the third Monday in June, the same as when real estate taxes are not paid. Etler indicated before bids are taken for the project, it would be helpful for the contractor to know if there is a source for the contractor to sell their warrants. Discussion continued regarding the stamped warrants for the project.
Ayes: Bell, Gaul, Kaufmann, Ellerhoff, Deerberg

Moved by Kaufmann seconded by Bell to give preference, to purchase the stamped warrants, to Cedar County citizens or Cedar County institutions. Discussion was held prior to the motion being seconded. Atty. Hudson advised that the engineer and contractors would have the big warrants, and they really control who should get them and who shouldn't, but for anything outside of what they want, it is fine to give preference locally. The motion was seconded. Discussion continued.
Ayes: Ellerhoff, Gaul, Bell, Kaufmann, Deerberg

Atty. Hudson advised talking to the City of Stanwood with a proposal concerning taking over an existing line for their storm drainage, or if the City does not want to do that, when the classification commission meets they can determine benefit to the owners (likely in the City) and there would be an assessment schedule.

It was noted the Auditor appoints three right-of-way appraisers, which would likely consist of Don Etler and two other disinterested citizens.

Atty. Hudson suggested that the Board make a motion to hire Bolton & Menk to do an inventory and survey of the open ditch or to amend the current open ditch. Don Etler requested that the motion include appointing Crawford Engineering. Sup. Bell wondered why hire an engineer, noting a farmer has already done some ditch cleaning. Atty. Hudson noted that is a drainage district expense. He felt this possible project needs an engineer to study it. Deerberg asked what the study cost would be. Mr. Etler estimated \$25,000 - \$30,000, and he noted some of the work has already been done. Discussion was held regarding the work that has already been done by a landowner. Etler estimated a cost of \$150,000 to \$200,000 to clean out the open ditch. Duane Dierks referenced not paying to go to the northwest. Atty. Hudson indicated everyone in the entire district would assist with payment for the main open ditch project, noting they would assist for what use they benefit from. Atty. Hudson reviewed the law concerning maintenance and repairs. When asked if this could be done in segments, Atty. Hudson said the project cannot be divided into separate projects. Discussion continued. Atty. Hudson advised that it is inappropriate to do work in the district, work already done can be considered a donation after the fact, and to do work in the district the Board can give permission with a bond and proper insurance. Right-of-way purchase can be combined with another hearing such as the bid letting hearing. Assessments will be final once the design is done. It is thought that the first assessments would be due in September 2016. Mr. Wendt asked about crop damage. Don Etler noted they may ask landowners to not plant and pay the owners rent, or they may knock down crops and pay damages. He advised giving the contractor flexibility for low bids. No decision was made regarding a survey of the main open ditch. The hearing concluded around 1:45 p.m.

Moved by Ellerhoff seconded by Gaul to return to regular session.
Ayes: Kaufmann, Bell, Gaul, Ellerhoff, Deerberg

October 9, 2014

Moved by Kaufmann seconded by Gaul to convene as the Stanwood Drainage District Board.

Ayes: Bell, Kaufmann, Gaul, Deerberg

Absent: Ellerhoff

The Board reviewed minutes to be approved from prior sessions. Sup. Bell said he talked to a contractor that did dredging on the north end of the open ditch, and the contractor is getting an estimate to Bell on the cost do dredge the remainder of the open ditch.

Moved by Bell seconded by Gaul to approve the minutes of July 15th, August 5th, September 16th and September 23rd, 2014.

Ayes: Kaufmann, Bell, Gaul, Deerberg

Absent: Ellerhoff

Moved by Bell seconded by Kaufmann to return to regular session.

Ayes: Gaul, Bell, Kaufmann, Deerberg

Absent: Ellerhoff

November 6, 2014

Moved by Kaufmann seconded by Ellerhoff to convene as the Stanwood Drainage District Board.

Ayes: Kaufmann, Ellerhoff, Gaul, Bell, Deerberg

The Board reviewed documentation concerning construction and finance preparation for Lateral Nos. 1 & 2 system improvements.

Moved by Ellerhoff seconded by Gaul to appoint Bolton & Menk to prepare and file an annexation report for the lands benefited by the proposed improvements which are not now in the district.

Ayes: Ellerhoff, Gaul, Bell, Kaufmann, Deerberg

Moved by Ellerhoff seconded by Kaufmann to set November 18, 2014 at 10:00 a.m. as the time to receive bidding documents and construction plans, and to set a bid letting date and time and a time for a hearing on the plans, specifications and cost estimate for the Lateral Nos. 1 & 2 system improvements.

Ayes: Bell, Gaul, Ellerhoff, Kaufmann, Deerberg

Sup. Bell felt the Board should invite the local banks here for a meeting to discuss financing. Sup. Ellerhoff agreed.

Moved by Bell seconded by Gaul to approve the minutes of October 9, 2014.

Ayes: Bell, Gaul, Ellerhoff, Kaufmann, Deerberg

Sup. Bell reported he spoke with a contractor that did dredging in the northern part of the open ditch. The contractor will get back to him about the estimated cost of dredging the remainder of the open ditch. He will also get back to Bell on the need for dredging under the railroad tracks.

Moved by Ellerhoff seconded by Bell to return to regular session.

Ayes: Ellerhoff, Bell, Kaufmann, Gaul, Deerberg

Moved by Kaufmann seconded by Bell to convene as the Stanwood Drainage District Board.

Ayes: Kaufmann, Bell, Gaul, Ellerhoff, Deerberg

Treasurer Jedlicka and Auditor Gritton met with the Board to discuss financing and stamped warrants. The interest rate will be 5%. Mr. Etlar asked for confirmation by November 21st of how cash will be made available to pay the contractor either directly or through the purchase of stamped warrants. It was agreed local banks should be invited to discuss financing on November 20th at 9:00 a.m. with the Board and by phone with Atty. Jim Hudson. Discussion continued. Auditor Gritton will need to appoint two open ditch right-of-way appraisers.

Moved by Ellerhoff seconded by Gaul to return to regular session.

Ayes: Ellerhoff, Gaul, Bell, Kaufmann, Deerberg

November 13, 2014

Moved by Kaufmann seconded by Ellerhoff to convene as the Stanwood Drainage District Board.

Ayes: Kaufmann, Ellerhoff, Bell, Gaul, Deerberg

It was noted that Engineer Don Etlar would like to change the date to receive bidding documents, etc. from November 18th to November 25th.

Moved by Ellerhoff seconded by Kaufmann to set November 25, 2014 at 10:00 a.m. as the time to receive bidding documents and construction plans, and to set a bid letting date and time and a time for a hearing on the plans, specifications and cost estimate for the Lateral Nos. 1 & 2 system improvements.

Ayes: Ellerhoff, Kaufmann, Bell, Gaul, Deerberg

Moved by Bell seconded by Ellerhoff to approve the minutes of November 6, 2014.

Ayes: Bell, Ellerhoff, Kaufmann, Gaul, Deerberg

Moved by Kaufmann seconded Gaul to return to regular session.

Ayes: Kaufmann, Gaul, Bell, Ellerhoff, Deerberg

November 20, 2014

Moved by Ellerhoff seconded by Bell to convene as the Stanwood Drainage District Board.
Ayes: All

A call was placed to Atty. James Hudson to discuss stamped warrants for an improvement project. The call was placed on the speakerphone. Treasurer Jedlicka, Deputy Treasurer Delaney, Bob Steen of Bridge Community Bank, Glenn Hay of Community State Bank and Nic Weers of Citizens Bank were present. There were seven others present. Atty. Hudson explained stamped warrants. He noted there would be 5% simple interest paid. They are Federally tax exempt. The assessments can run not less than 10 years nor more than 20 years. Questions were asked and discussion was held. Atty. Hudson noted generally the warrants are paid in the sequence of issuance, but he felt the Board could decide to first pay the banks that are holding warrants. When asked if the warrants could be accelerated, Atty. Hudson noted the landowner can pay their assessment early. Chairperson Deerberg asked about the denominations of the stamped warrants, and he felt the Board would like to keep the money in the county. Atty. Hudson said the denominations are up to \$5,000, but they may be able to go higher. Deerberg noted the auditors wondered why they didn't sell bonds for the project. It was noted there would be more costs involved with issuing bonds. It was asked if a holder of a stamped warrant can refuse payment and then payment would go to the next in sequence. Atty. Hudson indicated no, and he said the contractor can decide who they sell their warrants to. Sup. Bell thought the County had first right to buy the warrants. Atty. Hudson thought himself and probably Bolton & Menk would be willing to have the County buy their warrants, and he thought most contractors would like it if the Board has something lined up with banks. Sup. Kaufmann wondered if the Board could ask their opinion before the bid is awarded. Atty. Hudson said yes, but noted it would not be binding. He felt they could announce before the bids that the Board has local banks lined up. Sup. Ellerhoff wondered if they could include language in the bid documents. Atty. Hudson felt it could be put in a cover letter, but advised that they don't make it a condition of the bid. Treasurer Jedlicka asked if the levying process would not start until the project is completed, and Atty. Hudson said yes. Interest is calculated but not received until funds come in from the assessments and the stamped warrant is paid. The warrants are transferrable and inheritable. Atty. Hudson said they are pretty liquid and very secure. The call concluded. Discussion was held with the bankers in attendance and the Treasurer regarding their possible interest in purchasing the warrants. All of them indicated they would need more time to think about this and do some research.

Moved by Ellerhoff seconded by Kaufmann to approve the minutes of November 13, 2014.
Ayes: All

Moved by Ellerhoff seconded by Gaul to return to regular session.
Ayes: Ellerhoff, Gaul, Bell, Kaufmann, Deerberg

November 25, 2014

Moved by Kaufmann seconded by Bell to convene as the Stanwood Drainage District Board.
Ayes: Kaufmann, Bell, Gaul, Ellerhoff, Deerberg

Nic Weers of Citizens Bank met with the Board to discuss financing for a proposed improvement project. Robert J. Dircks, one of the landowners in the district, was also present. Mr. Weers felt a concern is that the bank would like to get paid as the project goes along. He suggested getting a loan from the three banks that expressed interest and start payback when the assessments hit the tax rolls. Weers felt there is a risk on the interest rate for 20 years, indicating perhaps it would go higher. Discussion was held regarding maintenance and improvement certificates. Engineer Don Etler joined the discussion. The proposal by Mr. Weers was discussed. Mr. Etler noted the Board can borrow money for the District, and he thought they could pay warrants with a loan perhaps with an interest rate of 2.9%. He noted a possible option of a monthly draw against a line of credit. Mr. Dircks felt most owners would borrow and pay the assessment, because it would be cheaper than 5% interest. Etler indicated 5% is the market rate for these warrants, but they can assess a lower interest rate. Discussion continued. Mr. Etler explained improvement certificates. Sup. Bell suggested proceeding with the three banks that expressed interest. Sup. Ellerhoff agreed. There was a suggestion that an accounting firm could be used to disseminate monies coming in. A conference call was placed to Atty. Bob Josten to ask for an opinion on the matter of using a line of credit. Information will be sent to Atty. Josten. A conference call was then placed to Atty. Jim Hudson. Atty. Hudson said he would contact Atty. Josten. Engineer Etler reviewed plans, specifications and bid documents with the Board. He noted some proposed changes such as uncovering and crushing old clay tile where the surface drain work was proposed, putting in two drains at the surface drain, putting in an 8-inch tile and hooking it up to other drains, not needing the 24-inch clay tile, putting 2 ½ feet of cover on the crushed tile, and a larger intake on the west side of the highway bridge. Etler reviewed estimates for the proposed work and insurance requirements. He felt there is good competition for concrete work, the soil borings are good, and he felt cleaning out the open ditch should be addressed.

Moved by Bell seconded by Kaufmann to receive the project plans, specifications and bid documents for the proposed drainage improvements, to set December 23, 2014 at 10:00 a.m. for the bid opening date and time, and to set December 23, 2015 at 11:00 a.m. as the time for a public hearing on the proposed contract documents and estimated costs.
Ayes: Bell, Kaufmann, Ellerhoff, Gaul, Deerberg

Discussion was held regarding classification, maintenance funds and an open ditch repair project. Sup. Bell noted he has talked to a contractor, that worked on the upper part of the open ditch, about putting together an estimate for the remainder of the ditch.

Moved by Ellerhoff seconded by Bell to approve the minutes of November 20, 2014.
Ayes: Ellerhoff, Bell, Kaufmann, Gaul, Deerberg

Nic Weers asked about financial documents for the District. Sup. Ellerhoff felt there should be information available from the County Audits.

Moved by Ellerhoff seconded by Gaul to return to regular session.
Ayes: Ellerhoff, Gaul, Bell, Kaufmann, Deerberg

December 2, 2014

Moved by Gaul seconded by Kaufmann to convene as the Stanwood Drainage District Board.
Ayes: Gaul, Ellerhoff, Kaufmann, Bell, Deerberg

Larry Hodgden asked the Board to make sure the liability, risk and responsibility stays with the Stanwood Drainage District. Discussion was held. Members assured Mr. Hodgden that they, as Trustees for the District, are not tying up the taxpayers in any way. Mary Swan felt the Board should consult with Atty. Hudson as to the reason why these projects are always financed with stamped warrants. Further discussion was held. Swan also indicated she was told Hertz Farm Management stands to make over \$60,000 due to the proposed improvements. Sup. Bell noted Kirk Weih worked on behalf of some of the landowners and he made it known that he is with Hertz Farm Management, but whether they know what they make.... Bell's been told it's based on improvements, but he felt that has nothing to do with this now. Sup. Ellerhoff noted the Board follows the Code. Sup. Deerberg noted individuals that represented other landowners. Swan asked if any other landowner has asked for an improvement. Bell noted there was a meeting years ago where an improvement was requested and then there was a study. Brief discussion continued.

Moved by Kaufmann seconded by Gaul to return to regular session.
Ayes: Kaufmann, Bell, Gaul, Ellerhoff, Deerberg

December 4, 2014

Moved by Bell seconded by Kaufmann to convene as the Stanwood Drainage District Board.

Ayes: Bell, Kaufmann, Gaul, Deerberg

Absent: Ellerhoff

Sup. Bell reported that he spoke with the contractor he has been talking to about work on the open ditch. The contractor believes he can't quite get it done for \$25,000. He has done elevations and believes the work can be done for less than \$50,000. There may need to be work done at the railroad and at a bridge. Bell felt to spend \$50,000 for a study for less than \$50,000 of work is ridiculous. He suggested looking at what is legal for an engineer's report. Bell felt if they do work on the open ditch, they should go back to the origin of the open ditch. Sup. Deerberg noted Engineer Etler would be calling the Board on December 9th. Bell suggested not dealing with Etler on this repair of the ditch. Sup. Kaufmann agreed, but referenced talking to a lawyer. Bell suggested looking at the Code. Emergency Management Director Malott suggested they do a mitigation plan and apply for Federal and State funds. Bell thought they could try it. Others agreed.

Moved by Bell seconded by Kaufmann to apply for mitigation funds through the State and Federal Governments with a Notice of Interest.

Ayes: Bell, Kaufmann, Gaul, Deerberg

Absent: Ellerhoff

Moved by Kaufmann seconded by Bell to return to regular session.

Ayes: Kaufmann, Bell, Gaul, Deerberg

Absent: Ellerhoff

December 9, 2014

Bob Steen of Bridge Community Bank, Nic Weers of Citizens Bank, Ron Hansen of Liberty Trust & Savings Bank and Glenn Hay of Community State Bank entered the room for the following session.

Moved by Kaufmann seconded by Ellerhoff to convene as the Stanwood Drainage District Board.

Ayes: Kaufmann, Ellerhoff, Gaul, Bell, Deerberg

A conference call was held with Engineer Don Etler and Atty. Jim Hudson regarding possible financing with banks and procedures for calling warrants and selling warrants, pertaining to an improvement project. Don Etler referenced the notice that was published concerning bids, and he indicated the contractor's notice will say they will be paid in cash. Atty. Hudson advised that the Board cannot do a loan/line of credit with the banks. They can only finance with warrants, improvement certificates and/or bonds. Atty. Hudson noted the interest is Federally tax exempt, but in Iowa the interest is taxable. Chairperson Deerberg asked if the Board can sell the warrants to whoever they prefer, and Hudson said yes. Discussion was held concerning the warrant procedures, assessments, methods of paying assessments, and use of simple interest per the Code. There was a question about whether the amount of each warrant would need to be limited to \$5,000. Atty. Hudson noted they can keep the amount of each warrant at \$10,000 if everyone is in agreement, but he indicated warrants may not be retired as fast if they are in higher increments. Etler agreed and noted an option may be to start out with a higher amount for each warrant since the first year the assessments received will likely be substantial and then they could later drop down the amount of each warrant. A proposal by Etler and Hudson was reviewed, in which the warrants would be evenly issued to the participating banks, the banks would buy them and give funds to be the district. Interest would be paid to the extent the assessments are paid. Discussion continued. Engineer Etler would like to still take bids on December 23rd, so by December 16th he would like to know the proposal by the banks so an amendment can be done on how the contractors would be paid and it could be put back to stamped warrants. The Board can accept or reject bids. Atty. Hudson suggested Cedar County could buy a larger chunk of the warrants to start with. Chairperson Deerberg felt the County Treasurer is not interested in buying the warrants. When asked if the banks are interested, some of them expressed interest, but some wanted to do more research. A cash flow projection was requested. Further discussion was held. Don Etler will prepare a cash flow, which the Board will then forward to the four banks present at this meeting. The bankers will then give a proposal to the Board. The call concluded.

Moved by Bell seconded by Ellerhoff to approve the minutes of November 25, December 2 and December 4, 2014.

Ayes: Bell, Ellerhoff, Gaul, Kaufmann, Deerberg

Sup. Bell noted if they proceed with this project, he referenced Code Section 468.126 which indicated in a certain instance work can be ordered without a notice, which he felt would eliminate the need for a study, etc. for the work that may be done on the open ditch.

Moved by Ellerhoff seconded by Kaufmann to return to regular session.

Ayes: Ellerhoff, Kaufmann, Bell, Gaul, Deerberg

December 11, 2014

Moved by Kaufmann seconded by Bell to convene as the Stanwood Drainage District Board.

Ayes: Bell, Kaufmann, Gaul, Deerberg

Absent: Ellerhoff

Emergency Management Director Malott reviewed a Notice of Interest for State and Federal mitigation funds. Sup. Bell will add information to the Notice. There were no objections.

Moved by Kaufmann seconded by Gaul to approve revised minutes of December 4, 2015 and the minutes of December 9, 2014.

Ayes: Kaufmann, Gaul, Bell, Deerberg

Absent: Ellerhoff

Moved by Kaufmann seconded by Bell to return to regular session.

Ayes: Kaufmann, Bell, Gaul, Deerberg

Absent: Ellerhoff

December 16, 2014

Moved by Bell seconded by Gaul to convene as the Stanwood Drainage District Board.

Ayes: Bell, Gaul, Kaufmann, Deerberg

Absent: Ellerhoff

Discussion was held regarding a conversation with Bob Steen of Bridge Community Bank concerning a proposal by Citizens Bank, Bridge Community Bank, Community State Bank and Liberty Trust & Savings Bank to purchase all of the warrants for a proposed improvement project. The Board then held a conference call with Bob Steen. Discussion was held with Mr. Steen. He is getting the signatures of all four bank officials on the agreement and he would then bring it to the Board. Bob Steen indicated Engineer Etlar and Atty. Hudson are okay with the draft of the agreement. Mr. Steen indicated there is an interest rate risk for the banks, but he thinks the banks are comfortable with that. He noted the agreement reflects that the banks will have all or none of the warrants, and he indicated the only way this works is if the banks have consistent cash flow. Mr. Steen felt with one bank administering this, it will be easier for the Auditor and the Treasurer. The call concluded. Discussion continued regarding the warrants for the project and financial responsibility for the project. Discussion was held with Emergency Management Director Malott regarding the Notice of Interest for State and Federal mitigation funds for the district. Supervisors Bell and Kaufmann and Director Malott will communicate with the Iowa Homeland Security and Emergency Management Department regarding the possible mitigation funds.

Moved by Gaul seconded by Bell to approve the December 11, 2014 minutes.

Ayes: Gaul, Bell, Kaufmann, Deerberg

Absent: Ellerhoff

Moved by Kaufmann seconded by Bell to return to regular session.

Ayes: All

Absent: Ellerhoff

December 23, 2014

Moved by Ellerhoff seconded by Bell to convene as the Stanwood Drainage District Board.
Ayes: Ellerhoff, Bell, Kaufmann, Gaul, Deerberg

At 10:00 a.m. Engineer Don Etlar and Neil Guess of Bolton & Menk, Inc. met with the Board for the opening of sealed bids for a proposed improvement. There were approximately 20 others in attendance. Mr. Etlar noted there are three addendums, and he recommended that if the bids don't acknowledge the third addendum, that the Board waive that as a requirement. The Board would reserve the right to delete Section #3 for the I.D.O.T. State highway work. Discussion was held regarding the agreement presented by bankers.

The bids were opened and read as follows:

<u>Bidder</u>	<u>Total</u>
Tschiggfrie Excavating	\$2,736,816.95
Miller Trucking & Excavating	\$3,743,494.00
Langman Construction, Inc.	\$1,945,999.00
Dave Schmitt Construction	\$2,417,356.60
BWC Excavating LC	\$1,624,860.60 Corrected total is \$1,697,004.60
Ricklefs Excavating, Ltd.	\$1,987,079.00
Denver Underground & Grading, Inc.	\$1,781,245.30 Corrected total is \$1,777,397.30
JB Holand Construction, Inc.	\$2,257,735.65 Corrected total is \$2,258,385.65
Maxwell Construction, Inc.	\$1,695,256.00
Portzen Construction	Acknowledged Sec. 1 only. Bid not read.

A complete tabulation of the bids is on file in the Auditor's Office.

Bob Steen of Bridge Community Bank asked if he could contact Atty. Robert Josten directly to confirm that the banks qualify for tax exempt status of interest earned on the warrants for Federal income tax purposes. The Board had no objection. Mr. Steen indicated the banks would like an agreement to calculate the interest with a 365-day denominator rather than 365.25. Discussion was held. Engineer Etlar indicated that he and Atty. Jim Hudson have no problem with the agreement.

Moved by Kaufmann seconded by Ellerhoff to approve the agreement between Bridge Community Bank, Community State Bank, Citizens Bank and Liberty Trust & Savings Bank, subject to them getting a letter from Atty. Robert Josten.

Discussion was held.

Ayes: Kaufmann, Ellerhoff, Gaul, Bell, Deerberg

Mr. Etlar and Mr. Guess left the room to review the bids. They returned to the room at 11:19 a.m.

The hearing was convened on the proposed contract documents (plans, specifications and form of contract) and estimated cost for the improvement.

Moved by Ellerhoff seconded by Gaul to approve the plans, specifications and form of contract.

Ayes: Ellerhoff, Gaul, Bell, Kaufmann, Deerberg

Regarding the bids, Engineer Etler noted there are irregularities in the apparent low bid, and he indicated the apparent low bid may be the second lowest bid. They will do some rechecking. Mr. Newman Abuissa of the Iowa Department of Transportation indicated the I.D.O.T. would prepare an agreement. The decision on awarding the bid was deferred to a subsequent meeting. A complete tabulation of the bids will be on file in the Auditor's Office.

Discussion was held regarding preparation of an engineer's report concerning annexation of benefited lands.

Moved by Ellerhoff seconded by Kaufmann to appoint Bolton & Menk, Inc. to prepare an engineer's report for annexation of benefited lands to the District.

Ayes: Ellerhoff, Kaufmann, Bell, Gaul, Deerberg

A petition was presented by Kirk Weih of Hertz Farm Management, which is signed by Dennis Coppess and by Kirk Weih on behalf of Oldorf Limited Liability Limited Partnership, requesting that the Board appoint an engineer to do an investigation, report and survey concerning repair of the main open ditch. Discussion was held. Mr. Etler indicated it may cost around \$350,000 to clean out the open ditch. Sup. Bell referenced Code Section 468.126 Repairs and improvements, in which he felt it indicated they could use a new threshold of dollars, a percentage of the original cost to the district and subsequent improvements, and the Board may order the work done without notice. Bell felt with the submission of this petition, the Board is now forced to do an engineer's report. Engineer Etler felt they would still need a public hearing. Bell thought a public hearing is not needed if the amount stays below a certain threshold. Etler thinks they need the report to have the hearing. Sup. Kaufmann wondered if the petition could be withdrawn. Kirk Weih suggested research could be done and the Board could act later. A call was placed to Atty. Jim Hudson regarding the petition to clean out the main ditch. Sup. Bell referenced a verbal estimate that he had received and Code Section 468.126, indicating perhaps the work could be done without a notice and hearing. Atty. Hudson referenced the definition of an improvement and noted the ditch may need to be deeper and wider. He said every landowner in the district could participate in the notice and hearing. Atty. Hudson indicated the Board does not have to do anything with the petition, and he recommended having a hearing and taking bids. He likes \$25,000 as a bid threshold, because then the Board is not attacked on procedure or interpretation of the Code. The call concluded. Discussion continued. Engineer Etler felt they would need something of record (engineer's report) to go back to in the future. He referenced the repair grade and dealing with the railroad company. Chair Deerberg asked for an estimate on work for the open ditch. Etler gave an estimate of \$5,000 for a survey, \$15,000 to \$20,000 for engineering, so maybe \$25,000 total through the hearing. There would be additional costs to take bids. Kirk Weih asked of some of the Crawford Engineering work that has been done to date would be of value. Etler said yes. The whole district would be assessed for the work done on the open main ditch. Sup. Kaufmann felt this matter is different, noting they have viewed the work already done by a contractor and it is good work, so he felt the fear of the unknown isn't as significant in this case. Further discussion was held. Engineer Etler felt the landowners have a right to a hearing and an engineer's report is needed.

Moved by Ellerhoff seconded by Deerberg to appoint Bolton & Menk, Inc. to prepare an engineer's report for the clean-out repair of the main open ditch and to appoint Crawford Engineering to provide field survey support for the engineer's report.

Ayes: Ellerhoff, Gaul, Deerberg

Nays: Kaufmann, Bell

The Board reviewed invoices submitted by Dircks Farms Inc. totaling \$641.28 for repairs made to 18-inch tile south of the dirt road next to Highway 38.

Moved by Ellerhoff seconded by Bell to approve payment of \$641.28 to Dircks Farms Inc.

Ayes: Ellerhoff, Bell, Kaufmann, Gaul, Deerberg

Moved by Kaufmann seconded by Gaul to return to regular session.

Ayes: All

December 30, 2014

Moved by Bell seconded by Ellerhoff to convene as the Stanwood Drainage District Board.

Ayes: Bell, Ellerhoff, Gaul, Deerberg

Absent: Kaufmann

Note: Sup. Kaufmann joined the meeting at 8:34 a.m.

Greg Wagner entered the room while discussion was in progress.

The Board called Engineer Don Etlar. The Board reviewed correspondence from Mr. Etlar concerning his recommendation for award of a bid for the proposed improvement project. His recommendation is to delete Section 3 concerning the Iowa Department of Transportation and the State highway work and to accept the bid by BWC Excavating, LC based on the low total. If all three Sections are included Maxwell Construction, Inc. would be the low bid. If the bid is awarded to Maxwell Construction it would raise the landowners' assessments by \$82,000, but it would save the I.D.O.T. \$70,000. If Section 3 is deleted and the award is to BWC, Section 3 could be rebid and the I.D.O.T. would pay the cost of the rebidding. Per Etlar, the I.D.O.T. would like to have Section 3 rebid. A third option would be for the I.D.O.T. to negotiate with BWC directly. Discussion was held. The County Engineer has agreed to do seeding. There is not an option to delete Section 2 concerning the County roads.

Moved by Ellerhoff seconded by Gaul to delete Section 3 from the contract and award the contract to BWC Excavating, LC and direct Engineer Etlar to send the contract documents.

Ayes: Ellerhoff, Gaul, Bell, Kaufmann, Deerberg

Engineer Etlar asked if he should tell the I.D.O.T. that 8% of the final Hwy 38 crossing costs will be charged to the I.D.O.T. The Board agreed. The I.D.O.T. will write the 28E Agreement.

Brief discussion was held concerning the timeframe for the work to be done by the right-of-way appraisers and the benefit commission members.

Moved by Bell seconded by Kaufmann to return to regular session.

Ayes: Bell, Kaufmann, Ellerhoff, Gaul, Deerberg