

**CLARKE COUNTY RESERVOIR COMMISSION**  
**Information Station**  
**(Clarke County Development Office)**  
**115 East Washington Street**  
**Osceola, IA**  
**Thursday, July 9, 2009**  
**9:00 a.m.**

Sandy Kale, Chairperson  
Jack Cooley, Vice Chairperson  
Fred Diehl, Secretary  
Dan McIntosh, Treasurer  
Norm Lust  
Harold Allen, Jr.  
Anita Foland, Alternate  
Jeannie Crees, Alternate  
Anne Welker  
William Trickey

Osceola Water Board  
Clarke County Supervisors  
City of Osceola  
Southern Iowa Rural Water Association  
Clarke Soil & Water Conservation District  
City of Woodburn  
Clarke County Conservation Board  
City of Murray  
Member at Large  
Clarke County Development Corporation

Jeremy Tipton  
John Dodge  
Robert Himschoot  
Kathy Kelly  
Mike Kelly  
Nelson L. Fry  
Darlene Handrock  
Joe Handrock  
Rick Buesch  
Ed Stoll  
Jeff Zimprich  
Martin Adkins  
Cathie Graves  
Marion James, Attorney  
Dennis Hilger  
Judy Weese

GLB Enterprises, LLC, Cedar Rapids  
GLB Enterprises, LLC, Cedar Rapids  
GLB Enterprises, LLC, Cedar Rapids  
Landowner  
Landowner  
Landowner  
Landowner  
Landowner  
Banta Abstract Co., Osceola  
Osceola Police Department  
USDA NRCS, Atlantic  
USDA NRCS, Des Moines  
Iowa Department of Agriculture & Land Stewardship  
Creston  
SIRC&D, Inc.  
SIRC&D, Inc.

- Not everyone who attended the meeting signed in.

**CALL ANNUAL MEETING TO ORDER**

Chairperson Sandy Kale called the 2009 Annual Meeting of the Clarke County Reservoir Commission (CCRC) to order at 9:00 a.m. Eight Commissioners and two alternates responded to roll call.

Chairperson Kale explained that she and Commissioner Fred Diehl were on a tight schedule and might have to leave before the meeting was adjourned.

**APPROVE ANNUAL MEETING AGENDA**

A motion to approve the July 9, 2009 Annual Meeting agenda as written and posted was made by Commissioner Fred Diehl and seconded by Commissioner Norm Lust. Motion carried on a roll call vote:

Ayes: Commissioners William Trickey, Norm Lust, Sandy Kale, Dan McIntosh, Anne Welker, Fred Diehl, Harold Allen, Jr., Jack Cooley and Alternates Anita Foland and Jeannie Crees.

**ELECT OFFICERS**

Alternate Anita Foland made a motion to re-elect Sandy Kale as Chairperson, re-elect Jack Cooley as Vice Chairperson, re-elect Fred Diehl as Secretary, and re-elect Dan McIntosh as Treasurer for FY 2010. Motion was seconded by Commissioner Norm Lust and carried on a roll call vote:

Ayes: Commissioners William Trickey, Norm Lust, Sandy Kale, Dan McIntosh, Anne Welker, Fred Diehl, Harold Allen, Jr., Jack Cooley and Alternates Anita Foland and Jeannie Crees.

**DETERMINE DEPOSITORY**

Alternate Anita Foland made a motion that Treasurer Dan McIntosh solicit a proposal from each of the three (3) Osceola banks regarding interest rates on checking accounts, savings accounts, and cost of services, and present a report to the CCRC Commissioners at the August meeting. Motion was seconded by Commissioner Fred Diehl and carried on a roll call vote:

Ayes: Commissioners William Trickey, Norm Lust, Sandy Kale, Dan McIntosh, Anne Welker, Fred Diehl, Harold Allen, Jr., Jack Cooley and Alternates Anita Foland and Jeannie Crees.

**DETERMINE CHECK SIGNERS**

Commissioner Norm Lust made a motion to keep the check signers the same (any of the four officers can sign checks, with two signatures required). Motion was seconded by Commissioner Harold Allen, Jr. and carried on a roll call vote:

Ayes: Commissioners William Trickey, Norm Lust, Sandy Kale, Dan McIntosh, Anne Welker, Fred Diehl, Harold Allen, Jr., Jack Cooley and Alternates Anita Foland and Jeannie Crees.

**ADJOURN ANNUAL MEETING**

Commissioner Anne Welker made a motion to adjourn Annual Meeting at 9:06 a.m. Motion was seconded by Commissioner Fred Diehl and carried on a roll call vote:

Ayes: Commissioners William Trickey, Norm Lust, Sandy Kale, Dan McIntosh, Anne Welker, Fred Diehl, Harold Allen, Jr., Jack Cooley and Alternates Anita Foland and Jeannie Crees.

**CALL REGULAR BUSINESS MEETING TO ORDER**

Chairperson Sandy Kale called the Board of Directors' meeting of the Clarke County Reservoir Commission (CCRC) to order at 9:07 a.m. Eight Commissioners and two alternates responded to roll call.

**APPROVE AGENDA**

A motion to approve the July 9, 2009 meeting agenda as written and posted was made by Commissioner Dan McIntosh and seconded by Commissioner Anne Welker. Motion carried on roll call vote:

Ayes: Commissioners William Trickey, Norm Lust, Sandy Kale, Dan McIntosh, Anne Welker, Fred Diehl, Harold Allen, Jr., Jack Cooley and Alternates Anita Foland and Jeannie Crees.

**APPROVE JUNE 11, 2009 MEETING MINUTES**

A motion was made by Commissioner Dan McIntosh and seconded by Commissioner Norm Lust to approve the June 11, 2009 meeting minutes. Motion carried on roll call vote:

Ayes: Commissioners William Trickey, Norm Lust, Sandy Kale, Dan McIntosh, Fred Diehl, Harold Allen, Jr., Jack Cooley and Alternate Jeannie Crees.  
 Abstain: Commissioner Anne Welker and Alternate Anita Foland

**TREASURER'S REPORT**

**TREASURER'S REPORT  
 Clarke County Reservoir Commission  
 July 9, 2009**

<b>CHECKING ACCOUNT</b>			<b>CK#</b>
<b>PREVIOUS BALANCE</b> (June 11, 2009)		<b>\$2,169.35</b>	
<b>REVENUE RECEIVED</b>			
6/30/2009	Interest for June 2009	2.31	
7/09/2009	Clarke County Conservation Board – FY 2010 Dues	<u>1,000.00</u>	
	<b>TOTAL REVENUE RECEIVED</b>	<b><u>1,002.31</u></b>	
<b>CASH BALANCE</b>		<b>\$3,171.66</b>	
<b>EXPENSES PRESENTED FOR PAYMENT</b>			
7/9/2009	SIRWA - conference calls on 5/20/09 & 6/5/09	364.04	Ck 1094
7/9/2009	Creston Publishing – publish 5/14/09 mtg. minutes	50.77	Ck 1095
7/9/2009	Friday Insurance Agency – D&O & Liability policy	<u>1,812.95</u>	Ck 1096
	<b>TOTAL EXPENSES PRESENTED FOR PAYMENT</b>	<b><u>2,227.76</u></b>	
<b>ENDING BALANCE</b> (July 9, 2009)		<b>\$943.90</b>	

<b>SPECIAL ACCOUNT</b>	<b>CK#</b>
------------------------	------------

*(Opened 7/26/07)*

<b>PREVIOUS BALANCE</b> (June 11, 2009)		<b>\$25.17</b>
<b>REVENUE RECEIVED</b>	<b><u>0.00</u></b>	
<b>CASH BALANCE</b> (July 9, 2009)		<b>\$25.17</b>
<b>EXPENSES PRESENTED FOR PAYMENT</b>	<b><u>0.00</u></b>	
<b>ENDING BALANCE</b> (July 9, 2009)		<b>\$25.17</b>

<b>LOSST 2008 CHECKING ACCOUNT</b>	<b>CK#</b>
------------------------------------	------------

*Account opened 10/9/2008*

<b>PREVIOUS BALANCE</b> (June 11, 2009)		<b>\$ 233,039.51</b>
<b>REVENUE RECEIVED</b>		
6/20/2009 Interest for June 2009	<u>160.55</u>	
<b>TOTAL REVENUE RECEIVED TO DATE</b>		<b><u>\$160.55</u></b>
	<b>CASH BALANCE</b> (July 9, 2009)	<b>\$233,200.06</b>
<b>EXPENSES PRESENTED FOR PAYMENT</b>		
7/9/2009 James Law Firm – legal service	8,579.21	Ck 1016
7/9/2009 Ahlers & Cooney, P.C. – legal service	678.78	Ck 1017
7/9/2009 Friday Insurance Agency, Inc. – D&O & Liability policy	- 1812.95	void Ck 1018
7/9/2009 Howard R. Green Company – Prudent & Feasible Alternatives Study	<u>6,551.90</u>	Ck 1019
	<b>TOTAL EXPENSES</b>	<b><u>15,909.49</u></b>
<b>ENDING BALANCE</b> (July 9, 2009)		<b>\$217,290.57</b>

<b>LOSST 2009 CHECKING ACCOUNT</b>	<b>CK#</b>
------------------------------------	------------

*Account opened 4/17/2009*

<b>PREVIOUS BALANCE</b> (June 11, 2009)		<b>266,805.25</b>
<b>REVENUE RECEIVED</b>		
6/20/2009 Interest for June 2009	<u>147.59</u>	
	<b>TOTAL REVENUE RECEIVED</b>	<b><u>147.59</u></b>
	<b>CASH BALANCE</b> (July 9, 2009)	<b>\$266,952.84</b>
	<b>TOTAL EXPENSE</b>	<b><u>0.00</u></b>
<b>ENDING BALANCE</b> (July 9, 2009)		<b>\$266,952.84</b>

**12 MONTH CERTIFICATE OF DEPOSIT**

12/11/2008 Time Certificate of Deposit (2008 Local Option Sales & Service Tax) **\$300,000.00**

Treasurer Dan McIntosh noted that copies of the Treasurer's Report were available for the Commissioners and audience to review. A motion to approve the Treasurer's Report and to pay the bills as presented was made by Commissioner Jack Cooley and seconded by Commissioner Fred Diehl. Motion carried on a roll call vote:

Ayes: Commissioners William Trickey, Norm Lust, Sandy Kale, Dan McIntosh, Anne Welker, Fred Diehl, Harold Allen, Jr., Jack Cooley and Alternates Anita Foland and Jeannie Crees.

**NEW BUSINESS**

**AUDIT FOR FY 2009**

Treasurer Dan McIntosh explained that in past years a *financial review of financial statements* for the CCRC water supply project had been conducted by a CPA from Creston. For those years, CCRC had put out request for bids (through ads in the Creston and Osceola newspapers) to have the review completed. He explained that an audit was a more in depth examination of records or accounts to check their accuracy, which would cost more than a financial review of financial statements but would present more protection for those involved with the financial activity.

Treasurer Dan McIntosh made a motion that CCRC solicit for bids from certified public accountants (CPA) in Osceola and Creston to perform an audit of CCRC's financial records for FY 2009 (July 1, 2008 – June 30, 2009). Motion was seconded by Commissioner Sandy Kale and carried on a roll call vote:

Ayes: Commissioners William Trickey, Norm Lust, Sandy Kale, Dan McIntosh, Anne Welker, Fred Diehl, Harold Allen, Jr., Jack Cooley and Alternates Anita Foland and Jeannie Crees.

**CONSIDERATION OF CCRC NEWSLETTER**

Chairperson Sandy Kale asked for open discussion to get opinions on the best method to get information (concerning the water supply project,) out to board members and landowners.

Commissioner Fred Diehl expressed that it was very crucial that the local people need to receive accurate information. The biggest criticism on the project is that local citizens do not know the facts. Everyone needs to receive accurate information from the proper source to gain an understanding of the project. Commissioner Norm Lust expressed that a newsletter should be completed possibly once a month or more often, depending on project activity.

Other comments received from Commissioners were that CCRC, with assistance from Southern Iowa RC&D, develop and send out a newsletter possibly once a month reporting project facts and activity. Dennis Hilger, a development specialist with the Southern Iowa RC&D Area, reported on ideas to better communicate the water supply project to the public that had been expressed to him from CCRC Board of Directors and others involved with the project.

Chairperson Sandy Kale appointed a committee including Frank Riley or Anita Foland as Chairperson along with Jeannie Crees or Scott Busick and William Trickey to work with Dennis Hilger and RC&D Coordinator Mark Depoy on ideas for a CCRC newsletter. The committee was asked to present a report at the next meeting.

USDA NRCS REPORT

NRCS Assistant State Conservationist Marty Adkins presented the Commissioners and audience a handout entitled “Current State for Progress on the Clarke County Water Supply Plan”, which addressed nine (9) items regarding the proposed 884-acre reservoir for water resources.

*Current Status of Progress of the Clarke County Water Supply Plan – July 9, 2009 – Marty Adkins, NRCS*

1. The assumed year of construction has been moved to 2017 based on a reassessment of the plan finalization/funding/design/construction timeline. This re-sets the target year for projecting 20-year average daily demand to 2037.
2. The Iowa DNR Water Supply Section has reviewed the information on project water supply demands that were developed by consultants on behalf of the Southern Iowa Rural Water Association and the Clarke County Reservoir Commission. Based on that review, the DNR has determined that *it is realistic* to assume that in the 2037-2038 design year the average daily water demand will be from 2 – 3 million gallons per day.
3. Based on an average daily water demand of 3.0 mgd (instead of a peak daily demand of 4.1 mgd), we expect the surface area of Site 4B to be reduced by approximately 100 acres. **THIS IS BASED ON PRELIMINARY INFORMATION AND IS SUBJECT TO CHANGE.**
4. We expect the Site 4B top-of-dam elevation to be reduced also, but we don’t know by how much without running a planning-level design. The top-of-dam elevation will not likely drop as much as the normal pool elevation. Reasons:
  - a. Temporary flood storage requirements will be about the same.
  - b. Reservoir storage curves are not straight lines.
5. The smaller daily water yield need means that one additional site (Site 3.5) is large enough to provide the needed amount of water without drainage-area-to pool area (DA:PA) ratio problems. We are only considering sites that have the required water yield and that have a DA:PA ratio of 17:1 or higher (other PL-566 assisted water supply reservoirs in southern Iowa have ratios at or above 20:1). This is consistent with our previous work on this project.
6. We are doing a first-cut evaluation of Site 3.5 to screen for physical or environmental factors that might preclude its consideration as a reservoir site. This evaluation was not done previously since it was previously understood to be inadequate in terms of water yield and not appropriate for more extensive analysis.
7. We have met with the USACE; the EPA and the IDNR top discuss stream mitigation requirements. Mitigation models currently used to ensure conformance with recent regulatory changes were developed to deal with relatively small channel modification projects. The consensus of the agencies was that these models are not appropriate for larger reservoir projects. The regulatory agencies have asked the NRCS to develop a draft mitigation plan for each fully-studied alternative. They will provide feedback so that acceptable mitigation approaches and costs can be identified.
8. On any fully-studied site (4B for certain and possible 3.5), a draft stream mitigation plan will be developed and reviewed for concurrence with the USACE, the USFWS, the EPA and the IDNR. This will be done in order to determine a reasonable accurate estimate of costs to be factored into a B:C analysis for each stated project purpose.
9. An estimated cost for providing 3.0 mgd via pipeline (assuming continued use of West Lake) from Des Moines Water Works system will be determined in order to provide a comparison with the allocated water supply cost of a reservoir.
  - a. Annualized benefits in a Federally-assisted water supply project are equal to the annualized costs of the most

likely alternative. This alternative will likely be the least costly alternative unless justification is provided for not selecting the lower cost plan (P&G Section II, 2.2.12).

- b. The Ten States Standards require the use of peak daily demand for water supplied by pipelines, wells and direct river withdrawal.
- c. Some public comments have focused on costs provided by consultants for the pipeline supply option. We will be making use of previously-supplies information along with input from IDNR and USDA Rural Development in vetting those costs and adjusting them if necessary.

Mr. Adkins explained that the alternatives and changes change the timeline (push the planning process back) for the project. After evaluation of site 3.5 has been completed and use of pipeline considered, NRCS will present a report to CCRC so the board will know how to proceed. He thought he would have some information for the next meeting. In response to a question presented by Commission Dan McIntosh regarding site 3.5, it was agreed that Site 3.5 will be included as an agenda item for the next meeting.

Mr. Adkins responded to questions presented from the audience.

Chairperson Sandy Kale asked that Agenda Item X (Opportunity for Citizens to Address the Board) be moved/addressed before Agenda Items VIII (Sponsor Reports) and IX (Other Items to be Discussed by Commission Members).

#### **OPPORTUNITY FOR CITIZENS TO ADDRESS THE BOARD**

Questions presented were addressed by NRCS Assistant State Conservationist Marty Adkins, Jeff Zimprich and the Commissioners.

Commissioner Sandy Kale left the meeting at 10:15 a.m.

#### **SPONSOR REPORTS**

Alternate Anita Foland, Clarke County Conservation Board, had nothing new to report.

Commissioner William Trickey reported on Friday (July 10) the ground breaking ceremony will be held for the new 32-unit assisted living facility in Osceola.

Commissioner Norm Lust reported Clarke Soil and Water Conservation District continues to work with West Lake. He stated that Iowa DNR has the lake on the highest category for the impaired water list. A lot of pressure had been put on the lake, and a water quality improvement plan is needed.

Commissioner Dan McIntosh reported that SIRWA had an exit interview with FEMA. The flooding in 2008 caused 2.5 million dollars damage. There were approximately 177 lines washed out. It would take all this year and next year to complete the repair work.

Jeannie Crees, City of Murray, had nothing new to report.

Commissioner Fred Diehl reported that the City of Osceola had some emergency repair work completed on a broken 10" city water line. An area within the city was without water for six hours. Hormel plant was shut down for one shift.

Harold Allen, Jr., City of Woodburn, and Jack Cooley, Clarke Board of Supervisors, had nothing new to report.

**OTHER ITEMS TO BE DISCUSSED BY COMMISSION MEMBERS**

Commissioner Dan McIntosh explained there was a copy of an email in the hands of some people. The email was in reference to CCRC changes/strategies. He explained the email had nothing to do with Clarke County Reservoir Commission board members. He sent the email to Sandy Kale and Jeff Zimprich on June 17, 2009 and asked that if anyone was disturbed/upset with the email to contact Dan McIntosh, not other members of the CCRC.

The next meeting will be August 13, 2009, at 9:00 a.m. at the Clarke County Development Office in Osceola.

**ADJOURN MEETING**

Upon motion made by Commissioner Fred Diehl, seconded by Commissioner Norm Lust, the meeting was adjourned at 10:23 a.m. Motion carried with a roll call vote.

Ayes: Commissioners William Trickey, Norm Lust, Dan McIntosh, Anne Welker, Fred Diehl,  
Harold Allen, Jr., Jack Cooley and Alternates Anita Foland and Jeannie Crees.

Absent: Commissioner Sandy Kale

Secretary

THE NEXT MEETING OF THE CLARKE COUNTY RESERVOIR COMMISSION WAS SCHEDULED FOR THURSDAY, AUGUST 13, 2009 AT 9:00 A.M. AT THE CLARKE COUNTY DEVELOPMENT OFFICE, OSCEOLA, IA.