

DRAINAGE DISTRICT MEETING
JOINT DISTRICT BOONE #80-STORY #3
SEPTEMBER 24, 2014

The Boone and Story County Drainage District Trustees met at the log cabin in Nelson Park, Slater, IA to consider bids on a project to clean the open ditch in Joint Drainage District Boone #80-Story #3, Story County controlling. Members present were Paul Toot, chair, Rick Sanders, and Wayne Clinton of Story County and Tom Foster, Stephen Duffy, and Chet Hollingshead of Boone County. Also present were Boone County Engineer Scott Kruse, Boone and Story County Drainage Clerks Janet Otten and Scott Wall, Scott Renaud from Fox Engineering, and 18 land owners in the district (see attached).

Toot called the meeting to order at 6:30 p.m.

Renaud said the proposed project is to restore the open drainage ditches to their original capacity by removing all trees, trash, and accumulated silt and repairing tile outlets as needed. (Bid documents and design plans are on file at the Boone and Story County Auditor's Offices.) Three bids were received (see attached bid tabulation sheet) and the bid opening was on Monday, September 22. The low bid of 592,780.00 was from Keller Excavating, out of Boone, IA. When engineering fees are added to the bid the project total is \$681,780.00 which is \$77,935 less than the estimated cost in the preliminary engineering report. Fox Engineering is satisfied that Keller Excavating has the resources to complete the project and recommends the trustees award the project to Keller Excavating.

Toot asked for comments from those present.

Kaltenhauser said he agrees that all the work proposed needs to be done but he does not agree with the cost. He believes there are cheaper options. The trees have been in the ditch for 40 years and the trustees didn't do anything about it until now.

Toot said he couldn't speak for what was or was not done by past trustees.

Renaud said the last time the ditch was cleaned in the mid-90's, corn prices were depressed, and the land owners didn't want to pay for a full cleanout so only the worst problems were addressed. The goal of this project is to bring the entire ditch back to its original capacity. There have been suggestions to only address the worst sections but in Renaud's experience, when the perceived worst problems are repaired the issues that didn't seem as pressing often end up being worse than they appeared to be at first.

Kaltenhauser asked about repairs to private tile outlets in the ditch. Renaud said any broken tile entering the ditch will be repaired as part of the project. Kaltenhauser thought repairs to private tile should be billed back to the individual land owners. Renaud said it is to the district's advantage to have all outlets functioning properly and the cost of tile repairs will be a very small percentage of the project cost.

Kaltenhauser said the cost of tree removal varied widely in the three bids received. Can't the trustees pick the cheapest item from each bidder? Renaud said each bid must be considered in its entirety. How each contractor chooses to price each item in the project is up to them. If you were to average the three bids for tree removal the number would be very close to the estimate in the preliminary engineering report. You can't cherry pick items from each bid because the contractors are bidding on the project as a whole and their costs would change if they were only doing one or two items in the project.

Otten read a letter (attached) from Neil Groeppinger supporting the entire project.

Kaltenhauser asked how the land owners could block the project. Otten read Code Section 468.126.4.b which states that a majority of land owners controlling more than 70% of the land in the district can block an improvement exceeding a certain amount. Sanders pointed out that this project is a repair, not an improvement. (Note: Section 468.126.1.d states: "The right of remonstrance does not apply to repairs as defined in this section.")

Wall said the bid documents allowed bidders to bid on a reduced project which would have removed all the trees from the ditch and only removed the silt from Section 18, Palestine Township. The rest of the work could be bid separately as a secondary project. The hope had been that this would allow smaller companies to bid on one part of the project and there would be more competitive bids. The three bidders chose to bid on the project as a whole.

A land owner asked the trustees to consider the financial burden the project would impose on retirees and small farmers before they make a decision on the bids.

Renaud said the federal government is considering new legislation that would bring all streams under the Clean Water Act. If it passes the legislation will make it much more difficult to maintain open ditches in drainage districts. He recommends doing anything possible to repair the ditch now.

Kaltenhauser asked if land owners could harvest the trees along the ditch on their own property. Toot replied that the trustees will not try to prevent land owners from doing what they want with their own land. If they request the trustees' permission to work on the drainage ditch the trustees cannot grant that as it leaves them and the counties open to liability issues.

Toot asked if the contract can be renegotiated. Renaud said there is a clause in the contract that allows either the contractor or the trustees to negotiate the project cost up to 25% of the original bid as long as both parties are in agreement. For instance, if the land owners were to remove a significant number of trees before the project began the district could reduce the size of the project to account for the smaller number of trees the contractor would have to remove.

Toot said he doesn't think the district got what it wanted with the current bids. The goal had been to get some bids on a reduced project as well as on the whole project.

Kaltenhauser and several others said the water in the ditch is stagnant in Boone County but at R-38, a mile into Story County, the flow is very fast as there is more fall in the land. If the ditch were only cleaned out west of R-38 they believe it will solve the current issues and the ditch east of R-38 won't require any attention. They know someone who can do the work for \$100,000 but that person didn't want to bid on the whole project because it was too complex.

Kruse said if only the first 1.5 miles of the ditch are cleaned as Kaltenhauser and several others were suggesting he is concerned that in a few years we'll be back here again with the same problems and it will cost a lot more.

Toot said he is not opposed to a reduced project as far as removal of silt from the ditch but all of the trees need to be removed from the ditch.

Renaud said the first mile of ditch in Story County is the worst. He thinks the cost per mile to clean the rest of the ditch will be relatively low compared the cost of the first mile.

Duffy asked Kaltenhauser how much he thinks it will take to clean the ditch out west of R-38. Kaltenhauser did not respond and Duffy asked Renaud how much he thought it would cost. Renaud said his off-the-cuff estimate would be around \$300,000 or roughly half the total project cost.

Kaltenhauser immediately said that was too much. Hollingshead said it would be a waste of the trustees' time if every solution they offered is going to be rejected by the land owners. There is no point rebidding the project if we believe in advance that the results will not be acceptable.

Kaltenhauser asked what the trustees will do if a lot of the trees just disappeared. Toot said that the trustees cannot respond to that question.

Sanders emphasized that this district belongs to the land owners. The trustees were here because it falls to them under the Code of Iowa to administer the district for the benefit of the land owners. The obligation of the trustees is to see that the district is functioning at its design capacity. How that happens is not important but the trustees must follow the Code. They won't stop anyone from working on their own land but they cannot authorize that work.

Clinton asked if a reduced project would have to be rebid. Renaud said that it would. Clinton asked about the cost of preparing new bid documents. Renaud said it would cost \$1,500-2,000.

Kaltenhauser wants to have the project bid on an hourly basis or to just hire Construct to come out for a day or two and see how far they get and how much it costs.

Renaud opposes bidding projects on an hourly basis. He's seen people do it and a \$100,000 bid ends up being \$2-300,000 by the time everything is done.

Hollingshead said let's go ahead and bid the work hourly if that's what the land owners want and they can pay for every time the workers take a break. He thinks an hourly bid gives the contractor an incentive to drag out the work.

Foster moved, seconded by Sanders, to reject the current bids. Motion carried unanimously (MCU).

Kaltenhauser asked again if the project could be bid on an hourly basis. He thinks the work could be done in a week.

Renaud repeated that he is opposed to bidding projects on an hourly basis, Sanders said he is also opposed to bidding on an hourly basis.

Sanders said if the reduced project goes ahead and the land owners remove the trees from the rest of the ditch that's fine but if the trees are not removed we'll be right back here in a few years with the same issues. If the work ends up getting done piecemeal over several years it is going to cost a LOT more.

Foster said if we rebid for a smaller project and it comes in at \$300,000 Kaltenhauser has already indicated that is too much. Rebidding and getting that result is a waste of time and money.

Clinton moved, seconded by Foster, to direct Fox Engineering to prepare new bid documents for cleaning the ditch from County Road R-38 west to the tile outlet in Boone County as soon as possible. MCU.

Sanders commented that the trees in the ditch will still have to be removed sooner or later. Story County has been working with Finco Tree & Wood Service in a couple of other districts. Kaltenhauser

immediately said Finco was really expensive. Sanders said they'd been reasonable in what they've done for Story County so far.

Kaltenhauser said all the drainage districts were getting old and the tiles were wearing out. There needs to be a program in place to evaluate all the district tiles and set up a repair schedule.

Hollingshead said Boone County has initiated a "Watchman Program" to accomplish this. It still relies on land owners to self-report drainage problems but when someone comes out to take a look they will evaluate more of the tile than just the obvious problem. Kruse said what that means is that instead of patching a broken tile the recommendation may be to replace 1,000' of tile around the broken portion so the costs will be significantly higher.

Sanders moved, seconded by Clinton, to adjourn. MCU. Meeting adjourned at 7:45 p.m.

Respectfully submitted,

Scott T. Wall