

DRAINAGE DISTRICT MINUTES
MARSHALL-STORY #1
FEBRUARY 3, 2016

The Drainage District Trustees of Marshall and Story Counties met in a telephone conference call in Conference Room A in the Story County Administration Building in Nevada, IA to consider approval of damages and of completion of construction for the ditch cleanout and tile improvement project in Joint Drainage District Marshall-Story #1, Story County controlling. Members present were Paul Toot, chair, Rick Sanders, and Wayne Clinton from Story County and Denny Grabenbauer, Dave Thompson, and Deane Adams from Marshall County. Also present were Story County Engineer Darren Moon and Drainage Clerk Scott Wall, Marshall County Engineer Paul Geilenfeldt and Drainage Clerk Whitney Hunt, Project Engineer Kent Rode from ISG, and landowners Bill Papenberg and John Allen.

Toot called the meeting to order at 9:00 a.m.

Rode went over the completion report (attached along with construction damages). Construction was substantially completed on December 15, 2015. The original contract called for a November 1 completion date but a 45-day extension was granted due to difficulties encountered with the sandy soil and unusually wet weather. Weather delays and the need to bring in additional equipment to remove water from the construction area led to a \$108,818.77 change order bring the final construction cost from \$555,031.50 to \$663,850.27. There is \$66,385.03 still due to the contractor which is the 10% retainage. It is to be paid 30 days following the trustees' approval of completion. The contractor is obligated to make any repairs resulting from their negligence for a period of one year.

Thompson said in projects like this, damages can show up well after the work is finished. What protection does the district have against such damages? Rode said the contractor can be made to return to repair damages caused by them for one year following project completion. This is covered by their performance bond. Examples of damages could be settling of the ground in the construction area or failure to hook up all private tiles to the new main tile.

Papenberg asked why federal crop insurance prices weren't used to calculate yield damages. Rode said he looked at yields in his area and felt they were higher than in previous years. He based the yield damages on those numbers. Papenburg said yields in his area were lower this year than last year but he wasn't going to argue over the difference.

Allen said an Iowa State University website gives cash rents as \$261/acre in 2015. Where did Rode get his figure of \$300/acre? Rode said because crop yields will be impacted in the construction area in the near future he tried to stay on the high side with his damage estimates.

Papenberg and Allen both said Gehrke did a good job and they were satisfied with the construction.

Thompson said farm rents in Marshall County in 2015 were \$280/acre and they received \$282/acre for some county land they rented out.

Clinton asked if we could split the difference between the ISU site and Rode's estimate. Rode said the final numbers are up to the trustees and they can set a different price if they disagree with the engineer's recommendations.

Thompson said for the number of acres involved the difference between \$280 and \$300/acre for damages only amounts to \$400. It's not worth arguing about cost over such a small difference when the owners who were impacted may see additional damages in the next few years.

Papenberg said there is a tile outlet on his land that was damaged when nearby trees were removed from the ditch. He thinks it will cost \$300 to repair and is hardly worth having the contractor come down to fix. Can he have the repair done and get reimbursed? The trustees said Papenberg could go ahead and take care of the outlet and submit a claim to the district.

Sanders moved, seconded by Grabenbauer, to approve the damages as submitted by ISG. He felt that it was fair to the claimants to keep the damages on the high side since they will have to deal with any reduced yields or other damages going forward. Motion carried unanimously (MCU).

Allen asked if the cost of the open ditch work will be separated out from the tile improvement for assessment purposes. Rode replied that this would be the case. Allen owns land on Lateral D and it was his understanding that he would not be assessed for the tile work as Lateral D empties into the ditch.

Patten moved, seconded by Sanders, to accept the Completion Report as submitted by ISG. MCU.

Sanders moved, seconded by Thompson, to approve the final construction payment to Gehrke, said payment to be made 30 days from today. MCU.

Grabenbauer moved, seconded by Clinton, to adjourn. MCU. Meeting adjourned at 9:27 a.m.

Respectfully submitted,

Scott T. Wall