

REGULAR DRAINAGE MEETING

1/23/2023 - Minutes

1. Open Meeting

Open Meeting Hardin County Chairperson Lance Granzow. Also present were Trustee Renee McClellan, Trustee BJ Hoffman; Lee Gallentine of Clapsaddle Garber Associates; Joel Steiner; Jeremy Maas; Paul Williams; Brett Schipper; Jacob Handsaker; Rick McDowell; Michael Pearce, Network Specialist; and Michelle Witt, Drainage Clerk.

2. Approve Agenda

Motion by McClellan to approve the agenda. Second by Hoffman. All ayes. Motion carried.

3. Introductions/Attendance

Introductions were made and attendance was verified.

4. Pipeline Update

Hoffman stated as the battle with the carbon sequestration pipeline goes on, Hoffman wanted to make sure that all of our local contractors understood the language and what has been written into these easement agreements. Hoffman stated Summit and Navigator have added into their agreements that landowners can utilize their own contractor or the one that is provided, Ellingson. Hoffman stated from a Trustees standpoint, and he is only speaking for himself, he would prefer that local contractor are being utilized for a few reasons. First, you guys have proven that you know what you are doing. Second, the money stays here locally. Finally, my third point is that most people have a relationship with all of you and they would like to have someone to call down the line if something were to happen. Hoffman stated he understands that some of the contractors might already have this information, but if they didn't, he would encourage them to start working with landowners that they believe are on the route and talk to them as he believes when the agreements go through to the IUB it will be a fast moving process. Hoffman stated as a Trustee he wanted to make sure that they do right by the contractors and give them every opportunity to make a living for themselves, their families and their employees.

Hoffman stated CGA will be our inspector for compliance with Ag-land renewal. Hoffman stated while construction is going on we prefer that if you have questions or concerns to let Lee Gallentine know. When you are working in drainage districts the financial and fiduciary liability gets passed onto a lot of people, so, anything that you can do to help landowners throughout the districts will be much appreciated.

Hoffman stated one of the other items that we should probably talk about is the hazardous liquid pipeline fee that the county set for a potential pipeline. Hoffman stated for this project a potential pipeline will pay \$10,000 per drainage district crossing. Hoffman stated road crossings, although not drainage, the same fee will apply. Hoffman stated individuals and private landowners, that is something they will have to work out in their easement agreements with Summit or Navigator. Handsaker asked if that was per crossing. Hoffman stated that was correct. Gallentine stated or open ditch. Handsaker stated originally we were going to require them to bore under the facility, is that something we are still requesting. Hoffman stated that is preferred. Hoffman stated we understand that depending on the diameter of the facility they are going to put in, it went from 4-6 inches in our discussions with Summit Engineer, that they prefer to bore. Gallentine stated they still have to expose. Gallentine stated he is ok if we evaluate a district on a one-by-one basis. If you have a 6inch tile that is 2feet deep, Gallentine does not see much sense in boring it. Gallentine stated on the other hand, if you have a 36inch that is 4ft deep, we should definitely bore it. Gallentine stated it depends on where they are crossing and what they are crossing. Handsaker asked if Ellingson was on board with Navigator as well now. Gallentine stated he did not think so. Gallentine stated from what he has heard and been involved in, Navigator is on a different slower path than Summit. Handsaker stated Navigator is horrible with tile. Gallentine stated the last he heard Summit is hoping to file a permit in July and this is for the whole project so it is not just Hardin County. Handsaker stated he did not think Navigator has been very good with addressing private tile.

Hoffman stated in our regular drainage meeting we just talked about setting up a date with Summit to come in and meet with us regarding drainage district work. Hoffman stated if the contractors would like to be involved with that while they are here he can ask Witt to include them on the meeting invite. McClellan thought that was a good idea, that way the Trustees can hear what the questions were and what the responses were.

Granzow stated he would like to know how their schedules this summer and if they think they have availability for drainage projects. Granzow stated he is more or less wanting to know if we need to hire outside of the county to fulfill the work orders coming in. McDowell stated he has made steps and hired new workers. He knows the work is out there and will have additional staff in the summers. Granzow asked if anyone else had any issues with scheduling or any additional comments. Hoffman asked Gallentine what we had on the books. Gallentine stated he thinks he reached out to most of the contractors in December, but we have a few work orders that we need to disburse out. Gallentine stated it is not more than 5 maybe 6. Gallentine stated it has been so dry that nothing is showing up. Gallentine stated if we get a wet spring, who knows, you might get 10 in a week.

Granzow stated the other thing is just to remind the contractors to get their rates and insurance to Witt. Hoffman stated he does have a question for the contractors, he knows that prices for materials went through the roof and he does not expect it to really sunset. Hoffman asked what we can tell our landowners in terms of prices and material costs right now. Hoffman stated he would like to know where we are at. Handsaker stated it is going down a little bit, it isn't as high as what it was. Hoffman stated he is going to assume labor and other inputs are going to stay the same or fluctuate. Handsaker stated it seems like right now everything has plateaued, it has gone up and gone down a little and now it will stay there. Handsaker asked if the Trustees are hoping for a rate schedule that covers everything all at once, or one that covers pipelines and another that covers drainage districts. Hoffman asked Gallentine to explain the billing for a drainage district works if Summit has 4 crossings. Gallentine stated any work for the district crossings for the pipeline or utilities for that matter, will be billed directly to them at whatever rate you choose. Gallentine stated all of their rates at CGA are the same, but they sell time more than a product or a service because they don't lay tile or have to do those inputs. Gallentine stated he can easily see two different rate schedules. Gallentine stated there is different requirements to think about too. If you are doing drainage district repairs for the permit (pipeline crossing) you will there are requirements that you have to track machinery over a certain weight with a GPS. Gallentine stated that technology is not free, that is an added service, so just be aware that there are different requirements that justify different rates. Hoffman stated make sure it is profitable too, from the outside looking in, it looks like it could be a once in a lifetime means of making some honest money pretty quick. Hoffman stated as they project the timeline they want to leapfrog and move pretty quickly. Gallentine stated the last he heard they will have 5 crews working on the project at once. Hoffman stated that updated rate sheet is very important because if they submit an invoice for something that does not reflect their current rates, the Trustees will pay them at the rate sheet that is currently on file. Hoffman stated the Trustees would also like the contractors to turn their current insurance information in. Granzow re-stated what Witt had told him prior to the meeting that a lot of the contractors have their insurance on file already. Hoffman stated he is just reminding everyone.

Granzow asked if the contractors had any questions for the Trustees. A contractor asked if the billing goes directly to the pipeline or to the county first. Hoffman stated he would send the bills directly to the pipeline company. Hoffman stated if us as Trustees or Gallentine gets any workflow information from the pipeline companies they will get that to the contractors, the Trustees do not want to be the middleman and they would like to make sure the pay is expedited according to the work so no one is sitting on outstanding material costs and those kinds of things. Gallentine stated in other counties, he has been telling both pipelines the best way to handle drainage is to go out with tilters ahead of the project before they even think about installing anything and getting a GPS located shot. Gallentine stated this way we are not worried about rollers or anything else in the way. A contractor asked if they are going to move the route of the pipeline or deviate from that route if there is something in the way. Gallentine stated at that point in the project he does not really expect them too. Hoffman stated it sounds like there is some expectation that the county would go out and do locating and stuff like that free of charge. Hoffman stated that is not the case, we do not have anyone on staff full time. Gallentine stated he thinks the counties are charging a fee and then hiring someone to do that. Hoffman stated if they need something located, CGA, our construction observation company can locate it but they are going to charge the pipeline company to do so. Hoffman stated he would encourage the contractors if they are out on a site and something does not look right to please contact CGA and let them know. We would rather locate and do it right even if it means an extra phone call. Handsaker asked if we were going to create a process sheet for pipeline companies for drainage districts. Gallentine stated they have a permit to follow. Handsaker stated so that will tell them how it needs to be backfilled and everything else? Gallentine stated that is correct. Gallentine stated Witt printed out copies of it if you would like one. Maas asked what the process would look like from tile being exposed to local contractor being hired. Hoffman stated he would rather have the pipeline company answer these questions, he doesn't want to speak on their behalf and only knows what our side would look like. Hoffman stated your expertise would also come in during this process. Hoffman stated he would like our contractors and inspectors to have a positive workflow throughout the process. Maas asked if CGA was going to be inspecting the entire time. Hoffman stated that was correct. Gallentine stated we will not be inspecting the pipeline installation; we will be inspecting their work in drainage districts. So, when they are crossing tiles. We are also the ag-restoration inspector, meaning they will have to file the ag-restoration plan of how they are going to restore the ag ground and we will be out there to ensure they are compliant with that plan. Maas stated with that you will be verifying their strip and black dirt. Gallentine stated and separating it into private tiles, repairs, making sure things are corrected (stuff like that). Handsaker asked if CGA is going to GPS private tile locations. Gallentine stated he is planning on it.

Maas stated he is not ok with the bill going to the pipeline and not the county. Hoffman stated that is a legitimate question. Maas stated who verifies that, what if they say they're not going to pay it because it was not signed off by whatever foreman/superintendent. Maas stated he has a bad taste in his mouth from the windmills. Maas stated that is the worst money you can lose. Gallentine stated he understands the frustration because he has been dealing with that with rural water for the last however many years. Granzow stated with the permit crossing fee of \$10,000, that money could be used to pay them to go out and inspect whatever crossing ahead of time and whatever the bill is, could be their drainage hourly rate and whatever the remainder is stays with the district. Hoffman stated we can bill the pipeline back for those expenses. Gallentine stated the Ag-restoration expenses are dictated by Iowa Code. That gets billed to the county and the county gets reimbursed by the pipeline. Gallentine stated the drainage district crossings are all dependent on whatever agreement they draw with each individual drainage district. Williams asked if they know exactly where they want to cross already. Gallentine stated they have a pretty good idea. Williams stated if they get that call from the pipeline company to do a locate, will they have a representative there to show him where they are installing. Let's say if I find the tile upstream or downstream of where they are going to be bring a camera through it and flag it all out will CGA come and GPS those flags? Williams asked would that work be done for the county or the pipeline? Gallentine stated that is now the counties information where the GPS marks are. McClellan stated she would say it would be a pipeline expense because you are doing it for their project. Gallentine stated it depends, if it is district tile, it would depend on the agreements between the district and the pipeline and we do not have those agreements yet. Williams asked if CGA will be available for those projects if he is called to locate tile for the pipeline. Gallentine stated that is the plan. Gallentine stated he has recommended to them that they camera that tile for the entire with of their ROW. Williams stated absolutely. Gallentine stated he knows what's going to happen is they replace it here and very well and then 30 feet over where they are running trucks it will collapse. McDowell stated Maas brought up a great point, you have this big bill doing work for the pipeline and you don't know who will pay it. Hoffman stated that is a great question and he will ask that at the meeting with Summit. Hoffman stated if it is something that we need to get in writing for them that they pay that kind of stuff. Mass stated it is just a tough one, we all do business off of a handshake. Mass stated we are talking hundreds and thousands of dollars. Maas stated we all trust each other at this meeting but it is the outside companies and working with them that worries him. He would like to know that they will get paid for the work that they do. Gallentine stated maybe not the pipeline guys, but he knows the windfarm guys most of them don't know how to find a trench. Hoffman stated they had Arion come out and say they spend hours and hours looking for something and Lee's had guys find it in 5 mins. Hoffman stated they are from Louisiana and have no clue what they are even looking for or how to do a locate. Hoffman stated it is not the county's business on private tile. Hoffman stated maybe it is one of those things where we ask the pipeline company to put something in escrow ahead of time to make sure we are paying contractors for the locates. Maas stated that is what he would like to see because he does not want to go to a job site and do all of the work and wait to get paid. Maas stated that would be really nice to have a fund up front. Maas stated he is not too worried about the private tile, landowners are throwing that into their easement agreements. Gallentine stated they are paying \$10,000 per crossing for the district tile that will be in the drainage district's account. Maas stated you guys should get more than that, if are going to be responsible for paying someone else you might as well get some benefit. Hoffman stated the \$10,000 is for crossing, and let's just say that there is \$1,000 in locating, we will bill that \$1,000 back to them. Hoffman stated at the end of the day, we are still going to have \$10,000. Gallentine stated he wanted to clarify that it is not \$10,000 per district it is \$10,000 per crossing. Gallentine stated if they are in district 25 and cross the main in 6 places they will pay \$60,000 to the district. Handsaker asked Gallentine the restoration that he is in charge of if that is their contractors and their crew doing all of the work or does the landowner hire the work? Gallentine stated it is the pipelines responsibility and it will be their contractors unless the landowners specify something different. Gallentine stated that is why we brought you in here today so you can talk to your landowners and inform them that they do not have to utilize their contractors if they do not want to. Granzow stated another thing is you can't stop them if they are doing something incorrectly. Gallentine stated if they are doing something that is not in accordance with their plan we can temporarily halt construction and he can notify the board of supervisors. The board of supervisors cannot permanently halt construction but they can contact the IUB and they can install economic sanctions. Gallentine stated he does not hear anything in that code section about permanently stopping construction or guaranteeing it is fixed correctly. It's just we will stop you and report it and you might get a fine. Gallentine stated he would rather it say that they make it right vs.

fining them. Money will not make it right. Handsaker asked if other drainage projects in the county will continue as normal during this process because CGA will be short on observers or will they find a way to make both work. Gallentine stated CGA will make it work they have other offices. Large scale big drainage projects are a little slow at the moment anyways. A contractor asked when the pipelines plan on working in this area (spring, summer, fall). Hoffman stated he has no idea. Hoffman stated he was told this morning that they're not planning on approaching the IUB until after the legislative session, and that is bring the physical permits to them. Handsaker asked when that was. Hoffman stated that is in May. Gallentine stated he heard July and that was from the pipeline company. They are hoping to start construction in August somewhere in the 3-4 state region. Handsaker stated so do you think 2023 or 2024. Gallentine stated he is thinking 2024 because they have to shut down in the winter. Handsaker asked why they were not supposed to work in the winter? Gallentine stated it was a code section now. Gallentine stated they are also not supposed to work in soft soil conditions so but there is no definition of soft soil so. Gallentine stated the soft soil condition on your side of the fence might be different on my side of the fence too, you know. Hoffman stated they don't want to incur any more crop loss claims than they have to. Hoffman asked Witt to email the contractors when Summit schedules the informational meeting. Witt stated she would do that. Hoffman stated he thinks it would be good and they requested to be present at that so they can ask questions.

5. Comments/Discussion
6. Possible Action
7. Other Business
8. Adjourn Meeting

Motion by Hoffman to adjourn. Second by McClellan. All ayes. Motion carried.