

**CITY OF STORM LAKE
LAKE IMPROVEMENT COMMISSION
CITY HALL COUNCIL CHAMBERS
SEPTEMBER 25, 2017
4:00 PM**



City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

AGENDA

1. **Motion To Approve The July 31, 2017 LIC Meeting Minutes**
2. **August Treasurer's Report and Cash Flow Update**
3. **2017 September Dredge Update**
4. **Dredge Equipment Discussion**
5. **Review of LIC 28E Agreement**
6. **Adjourn**

Meeting Protocol

If you wish to speak today, please:

1. To speak on an agenda item please approach the podium when that agenda item is called and upon recognition by the Mayor identify yourself by stating your name and address.
2. If your issue is not a topic on the agenda please approach the podium under the "Hear the Public" agenda item and upon recognition by the Mayor identify yourself by stating your name and address.
3. Please keep your remarks to three (3) minutes or less.
4. If you require accommodation for this meeting including but not limited to translation services, hearing assistance, or accessibility please contact the City Clerk at least four (4) hours prior to the start of the meeting.

**If you have concerns about any of the items on the consent agenda, they may be separated from the consent agenda and voted on individually.*

***Ordinances may be read at three consecutive meetings or readings may be waived and ordinances may be passed at only one or two meetings.*



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Staff Summary

9/25/2017

Agenda Item # 1.



City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO: Lake Improvement Commission

FROM: Mayra Martinez, City Clerk

SUBJECT: **Motion To Approve The July 31, 2017 LIC Meeting Minutes**

BACKGROUND: The Lake Improvement Commission typically meets monthly from March to November of each year. The Commission is required to keep minutes of their meetings and to approve those minutes.

This agenda item will approve the previous meeting minutes.

FISCAL IMPACT: There is no fiscal impact of this agenda item.

RECOMMENDATION: Approve the July 31, 2017 Lake Improvement Commission Minutes

ATTACHMENTS:

Description	Type
☐ Minutes - July 31, 2017	Minutes

LAKE IMPROVEMENT COMMISSION MEETING, CITY HALL, STORM LAKE, IOWA July 31, 2017 4:00 P.M.

Commission Members Present: Gary Lalone (Lake Preservation Association), Tom Huseman (Buena Vista County), Don Altena (Lake Preservation Association), Keri Navratil (Commission Administrator) Jon Kruse (City of Storm Lake) and Mayra Martinez, Commission Secretary (City of Storm Lake).

Commission Members Absent: Denise Jennett (City of Lakeside), Mike Porsch (City of Storm Lake), and Steve Roth (Laker Preservation)

Others Present: Jason Etnyre Public Works Director and Brian Oakleaf, Finance Director

Meeting called to order by Chairman Lalone at 4:10pm.

Minutes – Moved by Commissioner Huseman to approve the April 24, 2017 Lake Improvement Commission minutes. Seconded by Commissioner Kruse. Vote: All ayes with Commissioner Jennett, Porsch, and Roth absent. Motion carried.

Dredging Update – Dredge has operated 65 days with a total of 180,988 cu yards of production. Had few repairs done by Butler Caterpillar on the main engine on the dredge. Along with minor repair performed by Dredge America.

Treasurer's Report – Moved by Commissioner Huseman approve the June Treasures Report and 30 day out look. Seconded by Commissioner Porsch. Vote: All ayes with Commissioner Altena and Kruse absent. Motion carried.

Keri Navratil arrived at 4:18pm

Notice was given that the LPA will be giving the LIC \$135,000.00 for Dredge Operations.

Adjourn – Moved by Commissioner Huseman to adjourn the meeting at 4:34 PM. Seconded by Commissioner Altena. Vote: All ayes with Commissioner Jennett, Porsch, and Roth absent. Motion carried.

Mayra Martinez, Secretary

Staff Summary

9/25/2017

Agenda Item # 2.



City of Storm Lake
PO Box 1086
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f (712) 732-4114

REPORT TO: Lake Improvement Commission

FROM: Brian Oakleaf, Finance Director

SUBJECT: **August Treasurer's Report and Cash Flow Update**

BACKGROUND: For August, the Lake Improvement Commission had \$318,634.51 of Income, including the processing of the LPA Donation of \$130,000. There were \$255,900.51 in expenses, including \$194,648 in payments to Dredge America and \$11,275.86 in repairs. As of August 31st, the Commission's fund balance stood at \$43,659.01.

FISCAL IMPACT: Please refer to the attached breakdown for more information and discussion of the Lake Improvement Commission's most current cash position.

Other items of note: As the Commission's activities wrap up, there are still several future costs that we need to keep in mind. The LIC will need to have at least 2 more audits performed, costing around \$3,000 per audit. Property taxes on LIC land are around \$1,300. The LIC's insurance renewal is due January 29th, and while we know that the scope of coverage and costs will be reduced, please keep in mind this is an expense that has historically been around \$35,000. Once dredging is complete and we have a handle on final expenses, we can plan and budget continuing items to ensure liquidity during the LIC's foreseeable future.

RECOMMENDATION: Approve the August Treasurer's Report and discuss as necessary.

ATTACHMENTS:

Description	Type
❑ August Tresurer's Report	Backup Material
❑ August Trial Balance	Backup Material
❑ Cash Flow	Backup Material

**Lake Improvement Commission
Treasurer's Report
August 2017**

	<u>Dredging</u>	<u>East Spoil Site</u>	<u>Future Spoil Site</u>
Beginning Balance	\$ (19,074.99)	\$ -	\$ -
Income:			
Interest on Investments			
Lakeside Payment			
Hotel/Motel			
DNR Grant	187,331.56		
LPA Donation	130,000.00		
Misc Revenue (Sale of Oil)	1,302.95		
Total Income:	\$ 318,634.51	\$ -	\$ -
Expenses			
East Spoil Site			
Equipment Operations	37,607.44		
Equipment Repairs	11,275.86		
Contractual Services	3,322.40		
Dredge America Services	194,648.00		
Supplies	7,859.03		
Future Spoil Site			
Payroll	1,187.78		
Total Expenses	\$ 255,900.51	\$ -	\$ -
Ending Balance	\$ 43,659.01	\$ -	\$ -
Combined Fund Balance	\$ 43,659.01		

General Ledger

Summary Trial Balance

User: tyler.gibbins
 Printed: 08/30/2017 - 9:45AM
 Period: 02, 2018



Account Number	Description	Budget Amount	Beginning Balance	Debit This Period	Credit This Period	Ending Balance
Fund 960	Lake Improvement Commission					
ASSETS						
960-0000-00-1110-0000	Cash	0.00	-19,074.99	318,634.51	237,652.01	61,907.51
960-0000-00-1150-0000	Investments	0.00	0.00	0.00	0.00	0.00
960-0000-00-1220-0000	Accounts Receivable	0.00	0.00	0.00	0.00	0.00
960-0000-00-3870-0000	Revenues YTD	0.00	0.00	0.00	0.00	0.00
Dept 9600	Dredge Operations					
960-9600-00-3870-0000	Revenues YTD	0.00	0.00	0.00	0.00	0.00
	ASSETS Totals:	0.00	-19,074.99	318,634.51	237,652.01	61,907.51
LIABILITIES						
960-0000-00-2020-0000	Accounts Payable	0.00	0.00	237,652.01	255,900.51	-18,248.50
960-0000-00-3880-0000	Expenditures YTD	0.00	0.00	0.00	0.00	0.00
Dept 9100	Transfers					
960-9100-10-6910-0000	Transfer Out	0.00	0.00	0.00	0.00	0.00
	LIABILITIES Totals:	0.00	0.00	237,652.01	255,900.51	-18,248.50
FUND BALANCE						
960-0000-00-3860-0000	July 1 Fund Balance	0.00	-203,948.62	0.00	0.00	-203,948.62
	FUND BALANCE Totals:	0.00	-203,948.62	0.00	0.00	-203,948.62
REVENUE						
Dept 9100	Transfers					
960-9100-09-4830-0000	Transfers In	0.00	0.00	0.00	0.00	0.00
	960-9100 REVENUE Totals:	0.00	0.00	0.00	0.00	0.00

Account Number	Description	Budget Amount	Beginning Balance	Debit This Period	Credit This Period	Ending Balance
Dept 9600	Dredge Operations					
960-9600-12-4300-0000	Interest On Investments	0.00	0.00	0.00	0.00	0.00
960-9600-12-4400-0000	Grant Reimbursement	0.00	0.00	0.00	187,331.56	-187,331.56
960-9600-12-4794-0000	Misc Revenue	20,000.00	0.00	0.00	131,302.95	-131,302.95
	960-9600 REVENUE Totals:	20,000.00	0.00	0.00	318,634.51	-318,634.51
Dept 9700	East Spoil Site (Connell)					
960-9700-12-5092-0000	East Spoil Sight (Connell)	0.00	0.00	0.00	0.00	0.00
	960-9700 REVENUE Totals:	0.00	0.00	0.00	0.00	0.00
	REVENUE Totals:	20,000.00	0.00	0.00	318,634.51	-318,634.51
EXPENSE						
Dept 9600	Dredge Operations					
960-9600-12-6331-0000	Equipment Operations	50,000.00	23,630.70	37,607.44	0.00	61,238.14
960-9600-12-6332-0000	Equipment Repairs	84,000.00	14,478.82	11,275.86	0.00	25,754.68
960-9600-12-6408-0000	Insurance	41,000.00	0.00	0.00	0.00	0.00
960-9600-12-6499-0000	Contractual Services	550,000.00	183,539.41	199,158.18	0.00	382,697.59
960-9600-12-6599-0000	Supplies	25,000.00	1,374.68	7,859.03	0.00	9,233.71
960-9600-12-6727-0000	Capital Improvements Equipment	0.00	0.00	0.00	0.00	0.00
	960-9600 EXPENSE Totals:	750,000.00	223,023.61	255,900.51	0.00	478,924.12
Dept 9700	East Spoil Site (Connell)					
960-9700-12-6499-0000	Contractual Services	0.00	0.00	0.00	0.00	0.00
960-9700-12-6599-0000	Supplies	0.00	0.00	0.00	0.00	0.00
960-9700-12-6801-0000	Principal Redemption	0.00	0.00	0.00	0.00	0.00
960-9700-12-6851-0000	Interest Payments	0.00	0.00	0.00	0.00	0.00
960-9700-12-7092-0000	East Spoil Sight (Connell)	0.00	0.00	0.00	0.00	0.00
	960-9700 EXPENSE Totals:	0.00	0.00	0.00	0.00	0.00
	EXPENSE Totals:	750,000.00	223,023.61	255,900.51	0.00	478,924.12
	Fund 960 Totals:	-730,000.00	0.00	812,187.03	812,187.03	0.00

Account Number	Description	Budget Amount	Beginning Balance	Debit This Period	Credit This Period	Ending Balance
	Report Totals:	-730,000.00	0.00	812,187.03	812,187.03	0.00

Dredge Update of Funds through 9/22/2017

\$	60,446.36	Balance of DNR Funds as of 8/7/2017
\$	85,000.00	Additional Funds from DNR (Amendment #3)
\$	130,000.00	Additional Funds from LPA (Received on 8/17/2017)
\$	275,446.36	

Demobilization Costs:

\$	15,000.00	Labor from Dredge America @ \$3,000 per day
\$	15,000.00	Labor from Raveling Inc for Crane Operations @ \$500 per hour
\$	30,580.80	Booster Pump Rental (ProRated from Contract 15th to 15th) to the 8th of Sept
\$	938.00	Trucking for Removal of Booster Pump (\$3.50/trucking mile) 268 Miles Via Google Maps
\$	1,000.00	Fuel Disposal @ \$1.00 per Gallon
\$	5,000.00	Pre/Post Dredge Survey
\$	1,600.00	Boat Repairs per Jason
\$	13,445.54	City's Cost to assist in pipe replacement (Removed- "In-Kind Contribution")
\$	1,750.00	September 2017 Admin Fee (On Hold)
\$	1,229.24	August 2017 Payroll (On Hold)
\$	2,100.00	2 Dozer Rental to Pull Dredge @ \$700 per hour
\$	(71,218.80)	\$ (87,643.58) ---> Amount Due including City Bills

Other Costs:

\$	(65,825.49)	Total Costs in springbrook since August 31, 2017 @ 75% (See Below for Calculation)
\$	(100,978.33)	Outstanding Bills for Dredge not in Springbrook @ 75% (See Below for Calculation)
\$	(166,803.82)	

\$ **37,423.74** Total Amount of Funding Available after Bills/Demobilization

\$ 2.83 Estimated Cost Per Cubic Yard (\$1.93 Low + \$1.95 Current + \$4.61 Last Year)

4,700 Average Cubic Yards Dredged on a Daily Basis

2.81 Total Number of Dredging Days Fundable with no use of reserves

Costs From Springbrook:

Total Expenses @ 75% Rate		DNR Reimbursed		Reserve Funding
\$	27,241.71	\$	20,431.28	\$ 6,810.43
Dredge America Bills		DNR Reimbursed @ \$1.13	DNR Reimbursed @ 75%	Reserve Funding
\$	57,088.00	\$ 24,737.96	\$ 20,656.25	\$ 11,693.79

Costs From Bills Un-Entered:

Total Expenses @ 75% Rate		DNR Reimbursed		Reserve Funding
\$	40,296.32	\$	30,222.24	\$ 10,074.08
Dredge America Bills		DNR Reimbursed @ \$1.13	DNR Reimbursed @ 75%	Reserve Funding
\$	94,752.00	\$ 50,474.84	\$ 20,281.25	\$ 23,995.91

\$	225,662.25	Balance of LIC Funds as of 9/8/2017
\$	192,353.79	Amount Submitted for Reimbursement by DNR (Rec'd 9/21/2017)
\$	(130,000.00)	Amount from LPA to be used for dredging
\$	288,016.04	

Less:

\$	(52,574.21)	Amount from cost share of Bills
\$	(52,574.21)	

\$ **235,441.83** Total Amount of LIC Funds Available

\$	55,000.00	Dredge estimate (9/17 to 9/24)	##### Date Dredge America Billed through
\$	23,000.00	Final Fuel Estimate	9/5/2017 Date of Last Fuel Bill
\$	69,000.00	Contingency and outstanding other bill estimate	
\$	88,441.83	6.64 Additional Dredging Days Past 9/22/17	
		2.81 Additional Dredging Days from Above Past 9/22/17	
		9.45 Days Past 9/22/17=October 1st.	

Staff Summary

9/25/2017

Agenda Item # 3.



City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO: Lake Improvement Commission

FROM: Keri Navratil, City Manager

SUBJECT: **2017 September Dredge Update**

BACKGROUND: The dredge has run a total of 103 days this season and has averaged 3,193 cubic yards per day for a total of 310,896 cu.yds of production.

At the spoil site, the west side of the north cell was about to spill over with mud. The DNR instructed us to stop dredging and move the pipe to the south cell to finish the project.

FISCAL IMPACT: Normal operational expenditures

RECOMMENDATION: Staff recommends that the LIC approve the September 2017 Dredge report

Staff Summary

9/25/2017

Agenda Item # 4.



City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO: Lake Improvement Commission

FROM: Keri Navratil, City Manager

SUBJECT: **Dredge Equipment Discussion**

BACKGROUND: This item will breakdown the ownership of each piece of dredge equipment as well as provide direction on how the equipment will be sold.

The DNR will allow the dredge to be stored on the lake bank only for a short term time period.

FISCAL IMPACT: No Fiscal Impact

RECOMMENDATION: Direct staff to start the process of selling dredge equipment

Staff Summary

9/25/2017

Agenda Item # 5.



City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO: Lake Improvement Commission

FROM: Keri Navratil, City Manager

SUBJECT: **Review of LIC 28E Agreement**

BACKGROUND: As dredging comes to an end, it is prudent the committee review the agreement to determine the allocation of LIC Assets.

FISCAL IMPACT: No Fiscal Impact

RECOMMENDATION: No action necessary

ATTACHMENTS:

Description	Type
☐ 28E Agreement	Contract
☐ Resolution - 28E Agreement	Backup Material



Michael A. Mauro
Secretary of State
State of Iowa

28E Agreement

FOR OFFICE USE ONLY:

FILED

M502784

8/28/2009 9:18:48 AM

PLEASE READ INSTRUCTIONS ON BACK BEFORE COMPLETING THIS FORM

Item 1. The full legal name, organization type and county of each participant to this agreement are:

	Full Legal Name	Organization Type	*County
Party 1	City of Storm Lake	City	Buena Vista
Party 2	Buena Vista County	County	Buena Vista
Party 3	City of Lakeside	City	Buena Vista
Party 4	Lake Preservation Association for Storm Lake, Inc.	Private or Nonprofit	Buena Vista
Party 5			

**Enter "Other" if
not in Iowa*

Item 2. The type of Public Service included in this agreement is: 0 Unknown Service Type
(Enter only one Service Code and Description) Code Number Service Description

Item 3. The purpose of this agreement is: (please be specific)

To establish a Board of Directors which will govern the Commission to provide for the financing of the operations of the commission for the purpose of dredging Lake Storm Lake.

Item 4. The duration of this agreement is: (check one) ☐ Agreement Expires ☒ Indefinite Duration
[mm/dd/yyyy]

Item 5. Does this agreement amend or renew an existing agreement? (check one)

☒ **NO**

☐ **YES** Filing # of the agreement:

(Use the filing number of the most recent version filed for this agreement)

The filing number of the agreement may be found by searching the 28E database at: www.sos.state.ia.us/28E.

Item 6. Attach two copies of the agreement to this form if not filing online.

Item 7. The primary contact for further information regarding this agreement is: (optional)

LAST Name Yarosevich **FIRST** Name Justin

Title City Clerk Department City Clerk

Email justin@stormlake.org Phone 712-732-8000

DOCUMENT # 024020

for 76 E. Shan Lo Bannon
2002 NOV 15 AM 10:18
By Mary Weiland Deputy
SHARIL L. WILLERD BANNON
RECORDER
BUENA VISTA COUNTY

JOINT AGREEMENT

Lake Improvements Commission

The following Articles of Agreement hereby establish and govern the creation of the Lake Improvements Commission.

INDEX

ARTICLE I.

Name

The official name of this Commission shall be the Lake Improvements Commission.

ARTICLE II.

Legal Status

Section 1. Legal Status. This Commission shall be a voluntary joint undertaking pursuant to the provisions of Chapter 28E of the 2001 Code of Iowa (and all acts amendatory thereto) by the City of Storm Lake, Iowa (a municipal corporation), the City of Lakeside, Iowa (a municipal corporation), Buena Vista County, Iowa (a municipal corporation) and the Lake Preservation Association For Storm Lake, Inc. (an Iowa nonprofit corporation).

Section 2. Intent. It is the intention of the parties herein that this Commission which is set up for the purposes set forth hereafter shall represent a joint cooperative effort of each of the entities joining this undertaking, and that the Commission shall be a separate legal entity.

DOCUMENT # 024020

for 76 E Shan Lo Bannon
2002 NOV 15 AM 10:18
By Mary Ueland Deputy
SHARIL L. WILLERD BANNON
RECORDER
BUENA VISTA COUNTY

JOINT AGREEMENT

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ARTICLE III.**Commencement Of Operations**

The operations of the Lake Improvements Commission shall commence October 15, 2002, or at such time as an executed copy of this Agreement shall have been filed with the Secretary of State and recorded with the County Recorder of Buena Vista County, Iowa, whichever occurs later.

ARTICLE IV.**Duration**

The duration and existence of this Commission shall be perpetual, unless terminated or dissolved as hereinafter provided.

ARTICLE V.**Purpose**

Section 1. Purpose of Agreement. The purpose of this Agreement shall be to create the Lake Improvements Commission, to establish the Board of Directors which will govern the Commission, to provide for the financing of the operations of the Commission, and to specify which decisions must be made by the Commission and which may be delegated to the administrator responsible for administering the work of the Commission.

Section 2. Purposes of the Lake Improvements Commission.

A. Dredging. One of the purposes of the Lake Improvements Commission shall be to finance and effect a continued dredging of Lake Storm Lake to remove the accumulation of silt to the greatest extent possible so as to enhance the use of the lake for water recreation, to promote fishing and to otherwise guarantee the continued existence of this natural water resource adjacent to the cities of Storm Lake and Lakeside and within Buena Vista County, Iowa.

B. Water Quality/Watershed Projects. The second purpose of the Lake Improvements Commission shall be to identify, effect and promote water quality/watershed projects in the vicinity of Lake Storm Lake for the purpose of improving the water quality of the lake and for the purpose of minimizing the reaccumulation of silt in the lake to the greatest extent possible.

ARTICLE VI.

Board of Directors

Section 1. Board of Directors. The control and direction of the Lake Improvements Commission is hereby vested in the Board of Directors as herein established except as otherwise set forth in these Articles. Each director as set out hereafter shall be entitled to one vote.

The Board of Directors shall be appointed as follows: 2 members shall be appointed by the Mayor of Storm Lake with the consent of the Storm Lake City Council and such members shall either be the Mayor and/or Council members of the City of Storm Lake; 1 member shall be appointed by the Mayor of Lakeside with the consent from the Lakeside City Council and such member shall either be the Mayor or a Council member of the City of Lakeside; 2 members shall be appointed by the Chairman of the Buena Vista County Board of Supervisors with the consent of the Board and the members appointed shall be members of the Buena Vista County Board of Supervisors; 2 members shall be appointed by the President of the Lake Preservation Association For Storm Lake, Inc. with the consent of the Board of Directors and such members shall be an officer and/or director of the corporation.

Each of the appointing officers or entities may, in their respective discretion, appoint an alternate director in the event of that director's absence or temporary inability to serve. A director's

term shall be for four years and shall terminate August 31 of 2006 and every fourth year thereafter. In the event that a Commission member ceases to serve as an officer or director of the entity from which the members was appointed, or if the Commission member should resign or die, the position of that director shall be deemed vacant and the entity responsible for appointing that director shall appoint a successor director to complete the balance of the term of the directorship which is vacant as provided herein.

Section 2. Ex-officio Directors. In addition to the seven directors provided for in Section 1, the Iowa Department of Natural Resources, the Natural Resources Conservation Service, the Buena Vista Soil and Water Conservation District and the Iowa Lakes Resources, Conservation and Development shall, if they desire, each be entitled to designate an employee from their respective organization who is familiar with Lake Storm Lake and the surrounding area to act an ex-officio director. The Buena Vista County Supervisors shall also appoint, as an ex-officio director, a farmer who lives in the watershed of Lake Storm Lake. Ex-officio directors shall not be entitled to vote but shall be entitled to notice of all meetings held by the Commission and entitled to participate in the discussions with respect to the decisions made by the Commission.

Section 3. Chairman and Vice Chairman. The Board of Directors shall elect from its voting membership a chairman and a vice chairman, who shall serve for a period of one year or until their successors are elected, or until such time as the said chairman or vice chairman shall no longer qualify as a director, at which time the then remaining members of said Board of Directors shall elect a new chairman and/or vice chairman.

Section 4. Secretary-Treasurer. The City Clerk for the City of Storm Lake or his or her designee shall act as secretary-treasurer for the Commission.

Section 5. Meetings. The Board of Directors shall meet no less than quarterly, and at such other times as the chairman and/or vice chairman shall call such meetings of the Board.

Section 6. Employees. The Commission itself shall not have employees. The administration and work of the Commission shall be as set forth in Article VIII.

Section 7. Quorum. A majority of the voting membership of the Board of Directors appointed as set forth above shall constitute a quorum for the conduct of business of the Lake Improvements Commission.

ARTICLE VII.

Powers And Duties

Section 1. Powers and Duties. The Lake Improvements Commission shall have the power to do all things necessary to carry out the stated purposes insofar as the same are not in conflict with any of the existing laws within in the State of Iowa, and subject to the limitations relating to employees contained in Article VIII.

A. The duties of this Commission shall include the adoption by the Board of Directors of such bylaws as shall be necessary for the proper operation of this Commission, and the providing of members of the Commission with copies of said bylaws.

B. The Commission shall be specifically responsible for determining which water quality/water shed projects shall be implemented, and for determining the priorities of the projects proposed for implementation. The Commission shall also be responsible for selecting areas of the lake for dredging and for determining which areas of the lake shall have priority for such projects.

The Commission shall be responsible for approving the acquisition of all spoil sites, either by purchase or lease, and for approving the plans for development of those sites. The Commission shall be responsible, to the extent that there are funds received by the Commission which are not specifically designated for either the water quality/water shed projects, or alternatively, for the dredging project, for determining how such undesignated funds will be allocated. The Commission shall approve all contracts with independent contractors.

C. The Commission shall also be responsible for pursuing possible funding of the various projects proposed by the Commission including voluntary contributions, grants from governmental entities or private foundations, and/or requesting funding from the government entities that are parties to this Agreement.

ARTICLE VIII.

Administration

Section 1. Commission Administrator. The Storm Lake City Administrator is hereby appointed to administer the business affairs of the Lake Improvements Commission. The administrator shall be responsible for administering all contracts entered into by the Commission and may sign contracts which have been authorized by the Commission on behalf of the Commission. The Storm Lake City Administrator shall further prepare, when requested, financial statements which show the financial resources and liabilities of the Commission and shall propose an annual budget on a calendar year basis for conducting and implementing the projects approved by the Commission.

Section 2. Financial Controls. The Storm Lake City Clerk is hereby designated as the treasurer for the Lake Improvements Commission and shall disperse funds on behalf of the

Commission. The parties specifically agree that the City Clerk of the City of Storm Lake shall receive and hold on behalf of the Commission all funds designated for payment to the Commission by any of the governmental entities which are parties to this Agreement, all funds received as contributions by the Lake Preservation Association For Storm Lake, Inc. from its members which the Board of Directors of the LPA determines shall be dedicated to the projects of this Commission, and all funds received as grants from governmental entities or private foundations which are designated for the Lake Storm Lake preservation project, whether those grants have been applied for in the name of the Commission, or in the name of one of the parties to this Agreement. All funds received by the Clerk shall be held in accounts in the name of the Commission which are segregated from the funds of the City of Storm Lake and the Clerk shall further segregate those funds into accounts for funds which were dedicated specifically for water quality/water shed projects, funds which were designated specifically for dredging projects, and undesignated funds. Any interest earned from the Lake Improvements Commission accounts shall be retained in said Lake Improvements Commission accounts for use by the Commission. The Commission may request an audit of Commission accounts at times determined by the Commission, with the expense of such audit to be paid from Commission funds.

Section 3. Employees. To the extent that the Commission determines that it desires to implement its projects directly rather than contracting with third parties to implement the projects, the employees necessary to implement the projects will be hired by the City of Storm Lake and will be for all purposes considered to be employees of Storm Lake. The City Administrator for the City of Storm Lake shall have the sole authority to hire and fire those employees. All costs of compensation for such employees, including the costs of any benefits to which those employees shall

be entitled, and the cost of any employment taxes paid on behalf of those employees, shall be reimbursed to the City of Storm Lake from the funds of the Lake Improvements Commission held by

the City Clerk on behalf of the Lake Improvements Commission. To the extent that any existing supervisor of the City of Storm Lake is assigned the responsibility for supervising such employees, the Storm Lake City Administrator shall recommend, and the Commission shall approve, an appropriate percentage of that supervisor's compensation and benefits which shall be reimbursed from Commission funds.

ARTICLE IX.

Dedication of Resources

Section 1. Dredge System. Buena Vista County has committed itself to purchase a dredge and associated equipment for the dredge up to a maximum expenditure of \$600,000.00. Upon acquisition of such dredge and associated equipment, Buena Vista County agrees to make such dredge available to the Commission and/or such employees or agents as the Commission or its Administrator may designate for the purpose of conducting dredging operations on Lake Storm Lake. This dedication of use is not firmly fixed in terms of years but the estimated period for which the dredge would be required is ten (10) years. During the period of the dredging, the County shall be responsible for insuring the dredge against casualty loss. The Commission itself shall be responsible for all cost of repairs and maintenance of the dredge during its period of use by the Commission. Ownership of the dredge and equipment purchased by the County shall at all times remain in the name

of the County.

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Section 2. Spoil Site. The City of Storm Lake has recently purchased the Northwest Quarter (NW¼) of Section Twelve (12), Township Ninety (90) North, Range Thirty-Seven (37) West of the 5th P.M. under the belief that this farmland would make an appropriate spoil site for use in connection with the dredging of the lake. To the extent that such farmland is approved for use as a spoil site, the City of Storm Lake agrees that it may be used for such purpose by the Commission for the duration of the dredging project, or until the spoil site is filled to capacity, whichever occurs first. In the event that the proposed spoil site described herein does not prove to be satisfactory, or in the event it is only partially used, the City agrees that the value of its spoil site utilized for this project plus 1) such additional amounts as the City may expend to acquire alternate dredge sites through lease or purchase, 2) such amounts as the City will contribute to the Commission to develop the spoil site or sites, 3) such amounts as the City will contribute to the Commission to operate the dredge, and 4) the sum of \$225,000.00 pledged in Article X, Section 2 will at least match the amount actually expended by Buena Vista County pursuant to Article IX, Section 1.

Section 3. Other Assets. Except as otherwise provided in this Agreement, all assets acquired with Commission funds shall be considered assets of the Commission as a corporate entity.

ARTICLE X.

Funding

Section 1. Buena Vista County. As set forth previously, Buena Vista County has pledged up

to \$600,000.00 for the purchase of a dredge and associated equipment for use in the dredging operations. In the event that the dredge and associated equipment may be purchased for less than \$600,000.00 thereby leaving a portion of its committed funds unspent, Buena Vista County reserves

unto its Board of Supervisors the authority to determine whether any part of the excess funds will be dedicated to fund the operations of the dredging, or alternatively, whether the County shall reserve to the County the use of such funds for purposes unrelated to the Commission work. As of this date, Buena Vista County makes no commitment to provide funds for operating expenses in the future during budget years that coincide with the period during which dredging operations will take place, but Buena Vista County does agree to consider requests for funding for operations during the period of years that dredging occurs.

Section 2. City of Storm Lake. The City of Storm Lake agrees to commit the sum of \$225,000.00 to the Commission to be deposited in the dredging account for use in purchasing auxiliary equipment for the dredge as the Commission may direct. In the event the necessary auxiliary equipment may be purchased for less than \$225,000.00 thereby leaving a portion of its committed funds unspent, the City of Storm Lake reserves unto its Council the authority to determine whether any part of the excess funds will be dedicated to the operations of the dredging, or alternatively, whether the City will require that the unspent funds be returned to the City. The City of Storm Lake further agrees that during each budget year while dredging continues, it will consider requests made by the Commission for funds to help support the operational expense of the dredging operation.

Section 3. City of Lakeside. The City of Lakeside hereby agrees to pay into the Commission

an amount equal to 25% of its local option sales tax revenue during each year that the dredging operation continues and which amount is estimated to be approximately \$8,000.00 - \$10,000.00 per year. The City of Lakeside shall also make an initial contribution of \$30,000.00 to the Commission for dredging.

Section 4. Lake Preservation Association For Storm Lake, Inc. The Lake Preservation Association For Storm Lake, Inc. hereby agrees to seek voluntary contributions to finance dredging from its membership on an annual basis and which amounts would be paid over to the Commission in their entirety and dedicated to the operational expense of dredging the lake.

Section 5. Regular Funding. The parties all acknowledge that the long-term success of the Commission will be dependent upon the Commission receiving regular funding on an annual basis to cover the cost of its projects, and in particular the dredging operation, and that if such funding does not materialize, the ability of the Commission to achieve its stated purposes will be in jeopardy.

ARTICLE XI.

Membership

Section 1. General. The parties to the Agreement shall constitute its membership. Benefits of the membership shall include the economic advantage of a joint and concerted effort to preserve and improve Lake Storm Lake for the benefit of all of the parties.

Section 2. Duration of Membership. A member of this Commission shall continue its membership herein until such time as the member terminates its membership, as hereinafter provided; or the Commission is dissolved as hereinafter provided.

Section 3. Membership Termination. The membership of an individual party to this Agreement may be withdrawn from this Commission in the following manner.

A. Membership shall be terminated when the governing party of the member adopts a resolution withdrawing from the Commission. A copy of said resolution, bearing the signature of the Chairman, Mayor or President thereof, shall be sent to the Chairman of the Commission.

B. Withdrawal of a member from the membership of this Commission shall be effective upon receipt of the resolution by the Chairman of the Commission.

C. Termination of membership by a member shall not relieve that member of its obligation to pay any amount previously pledged toward the operations of the Commission to the extent such amount is then unpaid.

D. Termination--Effect Upon Director. Termination of membership of any party authorized to appoint a director or directors in that parties sole discretion shall also effect a termination of that particular director's or directors' position effective at such time as the parties' membership terminates.

ARTICLE XII.

Insurance

During the period of operation of the Commission and for so long as necessary after the completion of dredging until all spoil sites are returned to farming or other suitable uses other than as a spoil site, the Commission shall purchase and maintain General Liability insurance covering all

operations of the Commission in an amount not less than \$5,000,000.00 naming the Commission as the principal insured and each of the parties to this Agreement as an additional insured. During this same period, the Commission shall purchase Public Officials Liability Insurance on behalf of its Board of Directors in such amount as the Board may direct. The Commission shall purchase casualty and other forms of insurance as circumstances may warrant.

ARTICLE XIII.

Dissolution

This Agreement and the Commission herein created may be dissolved at any time with the unanimous vote of the membership. A party which is a governmental body may not vote for dissolution until its respective Board or Council shall pass a resolution supporting the dissolution of the Commission. The Commission shall not be dissolved when there remains any indebtedness incurred by such Commission until such indebtedness is paid. Upon such a dissolution, all assets of this Commission shall be liquidated and the net proceeds obtained therefrom shall be distributed to one or more of the parties in such amounts as the Commission shall agree, or alternatively, to another nonprofit tax exempt entity involved in projects similar in purpose to the purposes previously set forth for this Commission. The dredge and any other equipment purchased by Buena Vista County shall not be considered an asset of the Commission and shall be returned upon termination to Buena Vista County. The farmland described in Article IX, Section 2, including any additional farmland purchased by the City with City funds, shall, at all times, remain titled in and be the property of the City of Storm Lake. Any auxiliary equipment purchased with funds provided by the City of Storm Lake shall not be considered an asset of the Commission and shall be returned to the

City.

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ARTICLE XIV.

Amendments

The terms of these Articles of Agreement may be amended by a three-fourths vote of the Board of Directors at any regular meeting, provided that each individual member thereof shall have been mailed a copy of said proposed Amendment at least 30 days prior to the date action is proposed to be taken upon the Amendment.

ARTICLE XV.

Severability

If any of the provisions of these Articles of Agreement, or the application thereof to any person or circumstance are held to be invalid, such invalidity shall not affect other provisions or applications, and to this end the provisions of these Articles are deemed and declared to be severable. Governmental entities which are parties to this Agreement certify that they execute this Agreement pursuant to authority granted by resolution from their respective governmental bodies.

Dated this 14th day of November, 2002.

CITY OF STORM LAKE, IOWA

BY: 

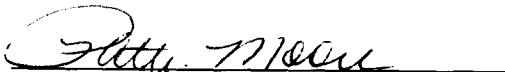
Jon Kruse, Mayor

CITY OF LAKESIDE, IOWA

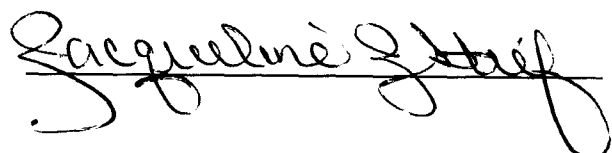
BY: 

Gene Mandernach, Mayor

ATTEST:



ATTEST:

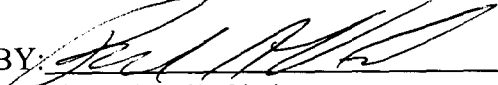


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Patti Moore, City Clerk

Jackie Stief, City Clerk

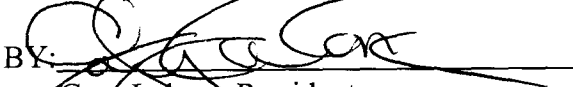
BUENA VISTA COUNTY BOARD
OF SUPERVISORS

BY: 
Richard Vail, Chairman


ATTEST:


Karen Strawn, County Auditor

LAKE PRESERVATION ASSOCIATION
FOR STORM LAKE, INC.

BY: 
Gary Lalone, President

ATTEST:


Jeanne Tinsley, Secretary

RESOLUTION NO. 27-R-2002-2003

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STORM LAKE, IOWA,

To approve the following joint agreement with Buena Vista County, Iowa, City of Lakeside, Iowa, and the Lake Preservation Association for Storm Lake, Inc. for the establishment of a Lake Improvements Commission.

JOINT AGREEMENT

Lake Improvements Commission

The following Articles of Agreement hereby establish and govern the creation of the Lake Improvements Commission.

ARTICLE I.

Name

The official name of this Commission shall be the Lake Improvements Commission.

ARTICLE II.

Legal Status

Section 1. Legal Status. This Commission shall be a voluntary joint undertaking pursuant to the provisions of Chapter 28E of the 2001 Code of Iowa (and all acts amendatory thereto) by the City of Storm Lake, Iowa (a municipal corporation), the City of Lakeside, Iowa (a municipal corporation), Buena Vista County, Iowa (a municipal corporation) and the Lake Preservation Association For Storm Lake, Inc. (an Iowa nonprofit corporation).

Section 2. Intent. It is the intention of the parties herein that this Commission which is set up for the purposes set forth hereafter shall represent a joint cooperative effort of each of the entities joining this undertaking, and that the Commission shall be a separate legal entity.

ARTICLE III.

Commencement Of Operations

The operations of the Lake Improvements Commission shall commence October 15, 2002, or at such time as an executed copy of this Agreement shall have been filed with the Secretary of State and recorded with the County Recorder of Buena Vista County, Iowa, whichever occurs later.

ARTICLE IV.

Duration

The duration and existence of this Commission shall be perpetual, unless terminated or dissolved as hereinafter provided.

ARTICLE V.

Purpose

Section 1. Purpose of Agreement. The purpose of this Agreement shall be to create the Lake Improvements Commission, to establish the Board of Directors which will govern the

Commission, to provide for the financing of the operations of the Commission, and to specify which decisions must be made by the Commission and which may be delegated to the administrator responsible for administering the work of the Commission.

Section 2. Purposes of the Lake Improvements Commission.

A. Dredging. One of the purposes of the Lake Improvements Commission shall be to finance and effect a continued dredging of Lake Storm Lake to remove the accumulation of silt to the greatest extent possible so as to enhance the use of the lake for water recreation, to promote fishing and to otherwise guarantee the continued existence of this natural water resource adjacent to the cities of Storm Lake and Lakeside and within Buena Vista County, Iowa.

B. Water Quality/Watershed Projects. The second purpose of the Lake Improvements Commission shall be to identify, effect and promote water quality/watershed projects in the vicinity of Lake Storm Lake for the purpose of improving the water quality of the lake and for the purpose of minimizing the reaccumulation of silt in the lake to the greatest extent possible.

ARTICLE VI.

Board of Directors

Section 1. Board of Directors. The control and direction of the Lake Improvements Commission is hereby vested in the Board of Directors as herein established except as otherwise set forth in these Articles. Each director as set out hereafter shall be entitled to one vote.

The Board of Directors shall be appointed as follows: 2 members shall be appointed by the Mayor of Storm Lake with the consent of the Storm Lake City Council and such members shall either be the Mayor and/or Council members of the City of Storm Lake; 1 member shall be appointed by the Mayor of Lakeside with the consent from the Lakeside City Council and such member shall either be the Mayor or a Council member of the City of Lakeside; 2 members shall be appointed by the Chairman of the Buena Vista County Board of Supervisors with the consent of the Board and the members appointed shall be members of the Buena Vista County Board of Supervisors; 2 members shall be appointed by the President of the Lake Preservation Association For Storm Lake, Inc. with the consent of the Board of Directors and such members shall be an officer and/or director of the corporation.

Each of the appointing officers or entities may, in their respective discretion, appoint an alternate director in the event of that director's absence or temporary inability to serve. A director's term shall be for four years and shall terminate August 31 of 2006 and every fourth year thereafter. In the event that a Commission member ceases to serve as an officer or director of the entity from which the members was appointed, or if the Commission member should resign or die, the position of that director shall be deemed vacant and the entity responsible for appointing that director shall appoint a successor director to complete the balance of the term of the directorship which is vacant as provided herein.

Section 2. Ex-officio Directors. In addition to the seven directors provided for in Section 1, the Iowa Department of Natural Resources, the Natural Resources Conservation Service, the Buena Vista Soil and Water Conservation District and the Iowa Lakes Resources, Conservation and Development shall, if they desire, each be entitled to designate an employee from their respective organization who is familiar with Lake Storm Lake and the surrounding area to act an ex-officio director. The Buena Vista County Supervisors shall also appoint, as an ex-officio director, a farmer who lives in the watershed of Lake Storm Lake. Ex-officio directors shall not be entitled to vote but shall be entitled to notice of all meetings held by the Commission and entitled to participate in the discussions with respect to the decisions made by the Commission.

Section 3. Chairman and Vice Chairman. The Board of Directors shall elect from its voting membership a chairman and a vice chairman, who shall serve for a period of one year or until their successors are elected, or until such time as the said chairman or vice chairman shall no longer qualify as a director, at which time the then remaining members of said Board of Directors shall elect a new chairman and/or vice chairman.

Section 4. Secretary-Treasurer. The City Clerk for the City of Storm Lake or his or her designee shall act as secretary-treasurer for the Commission.

Section 5. Meetings. The Board of Directors shall meet no less than quarterly, and at such other times as the chairman and/or vice chairman shall call such meetings of the Board.

Section 6. Employees. The Commission itself shall not have employees. The administration and work of the Commission shall be as set forth in Article VIII.

Section 7. Quorum. A majority of the voting membership of the Board of Directors appointed as set forth above shall constitute a quorum for the conduct of business of the Lake Improvements Commission.

ARTICLE VII.

Powers And Duties

Section 1. Powers and Duties. The Lake Improvements Commission shall have the power to do all things necessary to carry out the stated purposes insofar as the same are not in conflict with any of the existing laws within in the State of Iowa, and subject to the limitations relating to employees contained in Article VIII.

A. The duties of this Commission shall include the adoption by the Board of Directors of such bylaws as shall be necessary for the proper operation of this Commission, and the providing of members of the Commission with copies of said bylaws.

B. The Commission shall be specifically responsible for determining which water quality/water shed projects shall be implemented, and for determining the priorities of the projects proposed for implementation. The Commission shall also be responsible for selecting areas of the lake for dredging and for determining which areas of the lake shall have priority for such projects. The Commission shall be responsible for approving the acquisition of all spoil sites, either by purchase or lease, and for approving the plans for development of those sites. The Commission shall be responsible, to the extent that there are funds received by the Commission which are not specifically designated for either the water quality/water shed projects, or alternatively, for the dredging project, for determining how such undesignated funds will be allocated. The Commission shall approve all contracts with independent contractors.

C. The Commission shall also be responsible for pursuing possible funding of the various projects proposed by the Commission including voluntary contributions, grants from governmental entities or private foundations, and/or requesting funding from the government entities that are parties to this Agreement.

ARTICLE VIII.

Administration

Section 1. Commission Administrator. The Storm Lake City Administrator is hereby appointed to administer the business affairs of the Lake Improvements Commission. The administrator shall be responsible for administering all contracts entered into by the Commission and may sign contracts which have been authorized by the Commission on behalf of the Commission. The Storm Lake City Administrator shall further prepare, when requested, financial

statements which show the financial resources and liabilities of the Commission and shall propose an annual budget on a calendar year basis for conducting and implementing the projects approved by the Commission.

Section 2. Financial Controls. The Storm Lake City Clerk is hereby designated as the treasurer for the Lake Improvements Commission and shall disperse funds on behalf of the Commission. The parties specifically agree that the City Clerk of the City of Storm Lake shall receive and hold on behalf of the Commission all funds designated for payment to the Commission by any of the governmental entities which are parties to this Agreement, all funds received as contributions by the Lake Preservation Association For Storm Lake, Inc. from its members which the Board of Directors of the LPA determines shall be dedicated to the projects of this Commission, and all funds received as grants from governmental entities or private foundations which are designated for the Lake Storm Lake preservation project, whether those grants have been applied for in the name of the Commission, or in the name of one of the parties to this Agreement. All funds received by the Clerk shall be held in accounts in the name of the Commission which are segregated from the funds of the City of Storm Lake and the Clerk shall further segregate those funds into accounts for funds which were dedicated specifically for water quality/water shed projects, funds which were designated specifically for dredging projects, and undesignated funds. Any interest earned from the Lake Improvements Commission accounts shall be retained in said Lake Improvements Commission accounts for use by the Commission. The Commission may request an audit of Commission accounts at times determined by the Commission, with the expense of such audit to be paid from Commission funds.

Section 3. Employees. To the extent that the Commission determines that it desires to implement its projects directly rather than contracting with third parties to implement the projects, the employees necessary to implement the projects will be hired by the City of Storm Lake and will be for all purposes considered to be employees of Storm Lake. The City Administrator for the City of Storm Lake shall have the sole authority to hire and fire those employees. All costs of compensation for such employees, including the costs of any benefits to which those employees shall be entitled, and the cost of any employment taxes paid on behalf of those employees, shall be reimbursed to the City of Storm Lake from the funds of the Lake Improvements Commission held by the City Clerk on behalf of the Lake Improvements Commission. To the extent that any existing supervisor of the City of Storm Lake is assigned the responsibility for supervising such employees, the Storm Lake City Administrator shall recommend, and the Commission shall approve, an appropriate percentage of that supervisor's compensation and benefits which shall be reimbursed from Commission funds.

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Dedication of Resources

Section 1. Dredge System. Buena Vista County has committed itself to purchase a dredge and associated equipment for the dredge up to a maximum expenditure of \$600,000.00. Upon acquisition of such dredge and associated equipment, Buena Vista County agrees to make such dredge available to the Commission and/or such employees or agents as the Commission or its Administrator may designate for the purpose of conducting dredging operations on Lake Storm Lake. This dedication of use is not firmly fixed in terms of years but the estimated period for which the dredge would be required is ten (10) years. During the period of the dredging, the County shall be responsible for insuring the dredge against casualty loss. The Commission itself shall be responsible for all cost of repairs and maintenance of the dredge during its period of use

by the Commission. Ownership of the dredge and equipment purchased by the County shall at all times remain in the name of the County.

Section 2. Spoil Site. The City of Storm Lake has recently purchased the Northwest Quarter (NW¼) of Section Twelve (12), Township Ninety (90) North, Range Thirty-Seven (37) West of the 5th P.M. under the belief that this farmland would make an appropriate spoil site for use in connection with the dredging of the lake. To the extent that such farmland is approved for use as a spoil site, the City of Storm Lake agrees that it may be used for such purpose by the Commission for the duration of the dredging project, or until the spoil site is filled to capacity, whichever occurs first. In the event that the proposed spoil site described herein does not prove to be satisfactory, or in the event it is only partially used, the City agrees that the value of its spoil site utilized for this project plus 1) such additional amounts as the City may expend to acquire alternate dredge sites through lease or purchase, 2) such amounts as the City will contribute to the Commission to develop the spoil site or sites, 3) such amounts as the City will contribute to the Commission to operate the dredge, and 4) the sum of \$225,000.00 pledged in Article X, Section 2 will at least match the amount actually expended by Buena Vista County pursuant to Article IX, Section 1.

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Section 1. Buena Vista County. As set forth previously, Buena Vista County has pledged up to \$600,000.00 for the purchase of a dredge and associated equipment for use in the dredging operations. In the event that the dredge and associated equipment may be purchased for less than \$600,000.00 thereby leaving a portion of its committed funds unspent, Buena Vista County reserves unto its Board of Supervisors the authority to determine whether any part of the excess funds will be dedicated to fund the operations of the dredging, or alternatively, whether the County shall reserve to the County the use of such funds for purposes unrelated to the Commission work. As of this date, Buena Vista County makes no commitment to provide funds for operating expenses in the future during budget years that coincide with the period during which dredging operations will take place, but Buena Vista County does agree to consider requests for funding for operations during the period of years that dredging occurs.

Section 2. City of Storm Lake. The City of Storm Lake agrees to commit the sum of \$225,000.00 to the Commission to be deposited in the dredging account for use in purchasing auxiliary equipment for the dredge as the Commission may direct. In the event the necessary auxiliary equipment may be purchased for less than \$225,000.00 thereby leaving a portion of its committed funds unspent, the City of Storm Lake reserves unto its Council the authority to determine whether any part of the excess funds will be dedicated to the operations of the dredging, or alternatively, whether the City will require that the unspent funds be returned to the City. The City of Storm Lake further agrees that during each budget year while dredging continues, it will consider requests made by the Commission for funds to help support the operational expense of the dredging operation.

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Section 3. Membership Termination. The membership of an individual party to this Agreement may be withdrawn from this Commission in the following manner.

A. Membership shall be terminated when the governing party of the member adopts a resolution withdrawing from the Commission. A copy of said resolution, bearing the signature of the Chairman, Mayor or President thereof, shall be sent to the Chairman of the Commission.

B. Withdrawal of a member from the membership of this Commission shall be effective upon receipt of the resolution by the Chairman of the Commission.

C. Termination of membership by a member shall not relieve that member of its obligation to pay any amount previously pledged toward the operations of the Commission to the extent such amount is then unpaid.

D. Termination--Effect Upon Director. Termination of membership of any party authorized to appoint a director or directors in that parties sole discretion shall also effect a termination of that particular director's or directors' position effective at such time as the parties' membership terminates.

ARTICLE XII.

Insurance

During the period of operation of the Commission and for so long as necessary after the completion of dredging until all spoil sites are returned to farming or other suitable uses other than as a spoil site, the Commission shall purchase and maintain General Liability insurance covering all operations of the Commission in an amount not less than \$5,000,000.00 naming the Commission as the principal insured and each of the parties to this Agreement as an additional insured. During this same period, the Commission shall purchase Public Officials Liability Insurance on behalf of its Board of Directors in such amount as the Board may direct. The Commission shall purchase casualty and other forms of insurance as circumstances may warrant.

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Dissolution

This Agreement and the Commission herein created may be dissolved at any time with the unanimous vote of the membership. A party which is a governmental body may not vote for dissolution until its respective Board or Council shall pass a resolution supporting the dissolution of the Commission. The Commission shall not be dissolved when there remains any indebtedness incurred by such Commission until such indebtedness is paid. Upon such a dissolution, all assets of this Commission shall be liquidated and the net proceeds obtained therefrom shall be distributed to one or more of the parties in such amounts as the Commission shall agree, or alternatively, to another nonprofit tax exempt entity involved in projects similar in purpose to the purposes previously set forth for this Commission. The dredge and any other equipment purchased by Buena Vista County shall not be considered an asset of the Commission and shall be returned upon termination to Buena Vista County. The farmland described in Article IX, Section 2, including any additional farmland purchased by the City with City funds, shall, at all times, remain titled in and be the property of the City of Storm Lake. Any auxiliary equipment purchased with funds provided by the City of Storm Lake shall not be considered an asset of the Commission and shall be returned to the City.

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Amendments

The terms of these Articles of Agreement may be amended by a three-fourths vote of the Board of Directors at any regular meeting, provided that each individual member thereof shall have been mailed a copy of said proposed Amendment at least 30 days prior to the date action is proposed to be taken upon the Amendment.

ARTICLE XV.

Severability

If any of the provisions of these Articles of Agreement, or the application thereof to any person or circumstance are held to be invalid, such invalidity shall not affect other provisions or applications, and to this end the provisions of these Articles are deemed and declared to be severable. Governmental entities which are parties to this Agreement certify that they execute this Agreement pursuant to authority granted by resolution from their respective governmental bodies.

PASSED AND APPROVED, this 4th day of November, 2002.

Jon F. Kruse, Mayor

ATTEST:

Patti Moore, City Clerk