

Central Iowa Water Association

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2014 Annual Report



President's Message By: Ron Dunsbergen

CIWA 2015 and Beyond 35 years old....and still growing strong!

Amazing! 2015 represents CIWA's 35th year of operation! Seems like the time has gone by in a flash, and it makes me wonder what is in store for CIWA in the future as quality water becomes even more important in our lives.

MISSION

As we map out our future, the CIWA Board of Directors is focused on our mission to provide reliable, affordable water and other appropriate services to improve our member's quality of life and enhance economic development.

In addition to system upgrades and expansion, our top priorities now include aging infrastructure and the constant need to upgrade facilities and increase system capacity. Over the past few years, several million dollars have been spent to upgrade water transmission lines, build new water towers, and completely replace our water metering system.

ENVIRONMENT

CIWA is also concerned about the environment and public health. We have installed wastewater collection systems in several small communities and unincorporated areas in need of centralized wastewater treatment, and we expect this service to keep expanding. For example, in Jasper County, CIWA provides rural wastewater collection for several homes around Rock Creek State Park, several adjoining rural subdivisions, and the city of Oakland Acres. The project has improved public health for hundreds of families and protected our environment.

ECONOMIC DEVELOPMENT

CIWA will continue to be the engine driving rural economic development, as there is no development without safe, adequate water service.

CIWA is a rural economic development catalyst, and has upgraded and extended water service to several rural business parks. For example, the Jasper County Business Park is now the home to a wind blade manufacturer and a biodiesel plant. These renewable energy plants have provided hundreds of jobs that have improved the lives of the workers and their families. These jobs also keep families living in rural areas.

COMMUNITIES

The 50-plus small communities served by CIWA range in size from county seats to very small, unincorporated towns. Safe, clean water and fire protection is essential in keeping businesses thriving and recruiting new businesses in small communities.

STEWARDSHIP

Finally, as we look to the next 35 years, we will continue to be good stewards of the CIWA system. Good stewardship means constantly striving to expand and improve the services offered through the \$200 million investment made by CIWA in rural Iowa. This means utilizing the latest technology in operations, metering, billing, water loss, and other member services.

"We flow that extra mile!"

Dubuque County/ Barrington Lakes Water System Upgrade



Central Iowa W a t e r Association became the owner and operator of

the Barrington Lakes water system near Dubuque on June 30, 2014. The agreement followed several months of research by the Barrington Lakes Property Owner's Association Board concerning the alternatives for future water service in the 145-home development. Barrington Lakes residents have shown overwhelming support for the Board's decision to partner with CIWA.

CIWA will now incorporate the Barrington Lakes water system into the Vernon water system improvements started by CIWA in 2012. The Vernon system includes a new 300,000 gallon water tower along Highway 20 west of Dubuque, and a proposed new water treatment plant that will be constructed near Barrington Lakes. The new plant will enhance overall water quality for all CIWA Dubuque County customers, reducing hardness to approximately 7 grains per gallon.

The entire combined new system will have the capacity to serve over 1,000 new CIWA members in Dubuque County, and will assist in future rural economic development.



CEO/Engineer's Report By: Jim LaPlant

Hard to believe CIWA has been serving rural Iowa for 35 years... and still growing strong! CIWA growth has been carefully planned to meet the ever-increasing needs of our membercustomers for safe, affordable, <u>quality</u> water and wastewater service.

The pioneers of CIWA indeed found a fascinating approach to the problems with quality and quantity of water on the farm with individual wells: a rural water system! The CIWA regional system has been a challenge to build, operate and maintain - but the enhanced quality of life in rural Iowa is well worth it! The following are highlights of 2014 CIWA operations:

- We now serve safe, quality water to 14,261 farms, rural residences, and small communities through over 4,510 miles of pipe.
- 284 new services were installed in existing service areas.
- The City of Dike water tower and connection is complete.
- Butler County Logistics Park water and wastewater is complete.
- The Attica-Pershing water system merger in Marion County is complete.
- Barrington Lakes subdivision water acquisition was completed in Dubuque County.
- Hardin/Hamilton Phase II sign-up was completed and moving to final design.

A lot has changed since the original "Jasper County Water Association" was established in the late 70's. Many challenges and obstacles have been overcome in building the large, complex system we have today.

While many of the initial growing pain problems have been solved, new challenges have emerged. But with those challenges come opportunity with our distinct advantage of economy of scale, and the ability to spread costs over our large customer base.

The CIWA Board of Directors and staff are now focused on the next 35 years of service to our member-customers, and the new challenges on the horizon. Thanks to our member-customers for 35 years of loyalty and support. On to the next 35 years!

New Employee Shelli Grapp



Shelli Grapp has recently joined CIWA as our new Policy and Program Manager. Shelli brings 25 years of experience in the water industry. In her new role at CIWA, Shelli will be responsible for regulatory compliance, business development, asset management, project management, planning, and policy and procedure setting.

Shelli was raised in Iowa, then went to California for college. After graduating from San Diego State University with a B.S. in microbiology, she moved back home. She took a field inspector position with the Iowa Department of Natural Resources (IDNR), where she inspected drinking water supplies, underground gasoline storage tanks and wastewater lagoons. In this position, she learned practical approaches to problem solving.

She went on to accept a position with the Cedar Rapids Water Department, where she worked for seven years, learning the management end of the business: budgeting, personnel and contract management, and strategic planning.

Immediately prior to joining CIWA, Shelli was Water Quality Bureau Chief at the IDNR, where she oversaw water quality program implementation and managed over 100 employees in drinking water and wastewater regulation and watershed monitoring and improvement programs. In that position, she learned how to work with organizational development and how to navigate political circles.

In her spare time, Shelli likes to read, travel, and hike with her German shepherd, Gracie. We think she's a great addition to the CIWA team!





The City of Dike officially connected to CIWA on November 1, 2014, upon completion of a new 300,000 gallon water tower and 10" transmission main upgrades necessary to serve the city.

The new connection represents the final step in a two-year process undertaken by Dike in evaluating alternatives to upgrade and improve water services for its citizens. In 2012, CIWA provided the city with trial water service from our new, state-of-the-art 3-million gallon-per-day reverse osmosis treatment plant near Waverly. The city evaluated CIWA water quality and compared costs to upgrade existing city facilities before selecting CIWA.

City of Dike

The new connection is providing the city with softened water and additional water capacity and storage that will enhance economic development and eliminate the need for the city to operate and maintain wells and a treatment plant along with the associated regulatory burdens.



Central Iowa Water Association Wins Statewide Water Taste Test



Central Iowa Water Association received the 2014 "Best Tasting Water in Iowa" award in a statewide water taste test contest sponsored by Iowa Rural Water Association (IRWA). Judges rated water

from cities and rural water systems on clarity, taste, aftertaste, and smell.

Greg Huff, Executive Director of Iowa Rural Water Association, presented the award to Dan McGinnis, CIWA Supply/Treatment Manager, at the 2014 IRWA Annual Meeting held in Des Moines. Huff noted that the panel of judges holds all water entries to a higher standard of quality than the consumer would normally expect. The winning entry was drawn from CIWA's new, state-of-the-art 3-million gallon-per-day reverse osmosis water treatment plant near Waverly.

"We are pleased the water from our new water treatment plant received this honor," stated Dan McGinnis, CIWA Water Supply/Treatment Manager. "The water quality award represents the commitment we have made to provide the best safe, affordable, quality drinking water to families in north central and northeast Iowa." The water treatment plant began operation in July 2009 creating a quality source of water for CIWA's expanding customer base.

With receipt of this award, CIWA's water qualified to compete at the Great American Water Taste Test sponsored by the National Rural Water Association held recently in Washington, D.C. While CIWA did not win the national award for the second time, (CIWA received this award in 2011) we are still very proud of our treatment plant staff, Jerry Buskohl, Brad Swarts, and Jeff Curren, for working hard every day to furnish our member-customers with safe, affordable, and great-tasting water!

Save time and money with CIWA

Member-customers who now receive monthly water/ wastewater bills from CIWA are able to enroll in ACH/ direct withdrawal. Member-customers can select to have payment withdrawn on the 10th or the 30th of each month. Paper bills are still sent around the 25th of each month letting the member-customer know the amount to be withdrawn. ACH/direct withdrawal has many advantages, such as:

- No more late fees
- No checks to write
- Eliminate lost or stolen check inconveniences
- No stamps or money order fees
- Going on vacation? No worries, bill will be paid

If you are currently receiving bills and are interested in signing up for ACH/direct withdrawal, please contact our office to have an enrollment form sent to you or print the form from our web-site by clicking the 'Pay Bill' tab and clicking the link in the first paragraph.

Water Project Updates

Northwest Bremer County

Funding for the remaining areas of the Northwest Bremer County project remains on application with USDA-Rural Development. CIWA was successful in completing water service to Bremer Station and adjacent areas in 2014.

CIWA is evaluating a second phase to the project that might include service to the city of Frederika. Residents in and around Frederika have been struggling with poor quality water for many years. Frederika is now considering a franchise election which would allow CIWA to build new water infrastructure in the community.

Hardin/Hamilton Phase II/Buckeye

Member-customer sign-up was completed, and with water tower-booster station site acquisition nearing completion, the project is moving forward with construction expected to start in 2015.

The project includes a new water tower near Radcliffe, a new water booster pump station southeast of Garden City, 14 miles of transmission main, and a water distribution system to be constructed in Buckeye.

The new water tower will greatly improve the water storage and pressure demands of existing Hardin/Hamilton and NW Marshall County member -customers, in addition to serving the residents of Buckeye.

Wastewater Project Updates

Green Mountain

The funding for the project was not awarded this past year so additional application materials will be submitted to USDA-Rural Development and the Community Development Block Grant (CDBG) program. An application for CDBG Block Grant money will be made later this year. In anticipation of project funding, CIWA staff will continue to work with Green Mountain residents in preparation for this project. Once funding is secured, construction of the collection system and lagoon will begin.

Attica/Pershing

CIWA withdrew from the Attica/Pershing Wastewater Project in December after three years in a joint effort with Marion County to bring this project to fruition. The project would have served 663 rural Marion County residents with wastewater services and eliminated a significant public health hazard.

The lack of cooperation in securing a lagoon site and likelihood of litigation in moving forward with lagoon site condemnation weighed heavily on the Board's decision to terminate further project development efforts.

Wolfe Lake and Timber Valley

The Wolfe Lake/Timber Valley project funding process will see additional activity in the coming year. This process will include public information meetings, inquiries of residents as to where existing infrastructure is located, a preliminary engineering report and lagoon site acquisition. This project will focus on installation of a wastewater collection system and wastewater treatment lagoon which will serve the needs of both Wolfe Creek and Timber Valley homes. Complete applications for funding will be submitted to funding agencies later this year with anticipated funding in 2016.

Central Iowa Water Association System Facts

CORPORATION - Jasper County Water Association was organized in 1977 as a corporation not-for-profit under the provisions of Iowa Code Chapter 504. Due to expanding service areas across many county boundaries, the Association changed its corporate name to Central Iowa Water Association in 1988. In 2000, due to the addition of rural sewer services, the Association changed its name to Iowa Regional Utilities Association (doing business as Central Iowa Water Association). The Association is member-owned and headed by a nine-member Board of Directors.

TOTAL MILES OF PIPELINE - 4,510 miles in the ground, with sizes from 2" - 20" in diameter, 1" and 1 ½" service lines.

ELEVATED WATER TOWERS - 27 towers which are located near Prairie City (200,000 gallons), Baxter (200,000 gallons), Laurel (200,000 gallons), Sully (300,000 gallons), State Center (150,000 and 300,000 gallons), Marshalltown (100,000 gallons), Gladbrook (150,000 gallons), McCallsburg (400,000 gallons), Collins (500,000 gallons), Wellsburg (2,000,000 gallons), Colo (300,000 gallons), Lincoln (300,000 gallons), Otley (500,000 gallons), Marshall County Jail (300,000 gallons), Newton (2,000,000 and two 500,000 gallons), LeGrand (300,000 gallons), Aurora (300,000 gallons), Waverly (1,000,000 gallons), Greeley (300,000 gallons), Quasqueton (300,000 gallons), Rowley (300,000 gallons), Oakland Acres (300,000 gallons), Dubuque/Vernon (300,000 gallons) and Dike (300,000 gallons) with a total storage capacity of 12,300,000 gallons.

WATER SUPPLY CAPACITY - 90 million gallons per month provided by CIWA Waverly Treatment Plant. Also, 90 million gallons per month provided by the City of Newton, 90 million gallons per month available from the City of Marshalltown, 3 million gallons per month available from the City of Pella, and 7.5 million gallons per month available from the City of Nevada. Current average demand is approximately 130 million gallons per month.

HIGH SERVICE PUMPING - Water purchased from the City of Newton is stored in an 86,000 gallon reinforced concrete surface reservoir under the high service pumping station and pumped by three 500 gpm pumps to elevated towers. There are also twenty-six booster pump stations capable of pumping a total of 16,520 gpm.

TOTAL CONSTRUCTION COST - Including the main office, pump stations, towers, water lines, etc. was approximately \$185,652,987. To finance the construction, CIWA received numerous USDA-RD/CoBank loans and \$24,902,462 in RD/CDBG grants. Customer contributions accounted for \$21,719,288 with interest and other income providing the balance of funds.

TOTAL METERS IN SERVICE - 14,261 including larger meters which monitor water served to city customers.

CITY INDIVIDUAL CUSTOMER METERS (39) - Attica, Aurora, Austinville, Bangor, Clyde, Dillon, Dunbar, Dundee, Farrar, Ferguson, Fernald, Galesburg, Garden City, Green Mountain, Greeley, Haverhill, Iowa Center, Kesley, Killduff, Lamoille, Lincoln, Littleton, Marietta, Metz, Morrison, Newburg, Oakland Acres, Otley, Park Hills, Pershing, Quarry, Quasqueton, Reasnor, St. Anthony, Valeria, Van Cleve, Vandalia, Voorhies, and Whitten.

CITY BULK PURCHASE METERS (22) - Beaman, Clemons, Collins, Colo, Conrad, Dike, Garwin, Gilman, Grundy Center, Holland, Laurel, LeGrand, Liscomb, Lynnville, McCallsburg, Melbourne, Mingo, Monroe, Rhodes, Sully, Wellsburg and Zearing.

EMERGENCY CONNECTIONS (17) - Communities of Albion, Baxter, Cambridge, Eldora, Gladbrook, Hazleton, Janesville, Lamont, Maxwell, New Hartford, Prairie City, Reinbeck, Roland, State Center, Stout, and Union. An interconnection was also established with Poweshiek Water Association.

WASTEWATER SERVICES - Provided to Whitten (1998), Hunter's Ridge near Pella (1999), The Harvester (2000), Pine Lake near Eldora (2001), Rustic Ridges near Grinnell (2001), IDOT-Grinnell rest area (2001), IDNR-Rock Creek State Park (2001), Lakeview Heights, Diehl's Acres and Homesites Subdivisions near Rock Creek (2003-2004), Colo Business Park (2003), Haverhill (2003), Lincoln (2004), Pollard Development near Grinnell (2004), St. Anthony (2005), Morrison (2006), Grundy County Industrial Park (2006), Oakland Acres (2007), Park Hills (2009), I-35 Dows Interchange (2009), Stout and Camp Wallashuck (2011).

CONSTRUCTION DATES - Construction began on the original Jasper County System in April 1980 and was completed in December 1981. Major expansions to the system have occurred each year, beginning with Marshall-Story Counties (1983-1985), Northeast Marshall System (1986-1987), Northeast Polk County (1987-1988), Northwest Tama County (1989-1990), Story County (1991-1994), Grundy County (1994-1997), Southwest Black Hawk County (1997-1998), Northern Grundy County (1998-2001), Northwest Black Hawk County (2000-2002), Hamilton and Hardin Counties (1999-2002), Southern Butler County (2001-2004), Southeast Butler County, Newton to Marshalltown transmission main, and Garden City (2005), Bremer, Black Hawk, Buchanan County projects, cities of Aurora and Dundee (2007-2008). Delaware County projects and cities of Greeley and Quasqueton, I-35 Dows Interchange (2009), City of Rowley (2010) Stout sewer, Vernon Water Company and Camp Wallashuck sewer (2011), City of Littleton (2013) and Bremer Station (2014).



CIWA has contracted with Emergency Communications Network for the use of CodeRED. The CodeRED system provides CIWA with the ability to quickly deliver voice, text or e-mail messages to our member-customers about planned and unplanned water outages and other important information.

All individuals or businesses are encouraged to log on to www.ciawa.com website, click on the "Customer Service" tab, then click on the "CodeRED Enrollment" tab. This will direct you to the CodeRED website for enrollment. Those without internet access may call CIWA's office during regular business hours to provide their information.



Central Iowa Water Association This Institution is an Equal Opportunity Employer and Provider

Board of Directors

Ron Dunsbergen, President Dan Brandt, Vice President Delwin Van Zante, Secretary Janice Jontz, Treasurer Gordon Enyart, Director Don Struthers, Director Virtus Brockman, Director Gene Wiemers, Director Curt Mackie, Director

> James R. LaPlant, P.E. CEO/Engineer

> > Frank Smith Attorney

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Waverly Treatment Plant 1224 230th Street Waverly, IA 50677



Central Iowa Water Association Annual Meeting Notice

Dear Member:

You are cordially invited to attend the Annual Meeting of Central Iowa Water Association on Monday, March 16, 2015 at 7:00 P.M. This meeting will be held at the Central Iowa Water Association's Main Office located at 1351 Iowa Speedway Drive, Newton.

If you cannot attend, please exercise your right to vote by signing the enclosed proxy card and returning it to the Association no later than Friday, March 13, 2015. Should you wish your tenant or another person to vote on your behalf, you must visit the Association office at 1351 Iowa Speedway Drive, Newton at least five (5) days prior to the Annual Meeting and execute a General Proxy form.

This year's Annual Meeting will include a report on the Association's 2014 business activities. Central Iowa Water Association has engaged the firm Timmins, Kroll & Jacobsen, LLP, to audit the financial statements of CIWA which are comprised of the statement of financial position as of December 31, 2014, and the related statements of activities and cash flows. The audited financial statements will be presented at the Annual Meeting.

Please join us for refreshments after the meeting.

In case of inclement weather, please tune in to KCOB (FM 98.5), KFJB (AM 1230), KOEL (FM 98.5 & AM 950), or KCRR (FM 97.7) radio for rescheduling information.

Please mark your calendars now and plan to attend the 2015 Annual Meeting of your Association on March 16th.

Delwin G. Van Zante, Secretary February 20, 2015

Nominees For Board of Directors-2015

The nominating committee has selected three nominees for the Board of Directors of Central Iowa Water Association with a term of three years each.



Delwin Van Zante, Otley - Delwin and his wife Nancy live on a small farm three miles northeast of Otley in Marion County. His support of the Jasper County Water Association was instrumental in establishing rural water in northern Marion County and he became a rural water member in 1981. They are the parents of two sons: Dale and Craig. Delwin is a graduate of Pella Community High School and a lifelong member of the Otley Reformed Church. He was formerly a part owner of D & D Pump & Pipe Service in Pella. He was employed at Two Rivers Cooperative from 1983-2007, and retired in December 2007. He now enjoys woodworking, antique tractor shows and traveling to see their sons' families.



Dan Brandt, Marshalltown - Dan and his wife Donna live on an acreage four miles northwest of Marshalltown. Dan is a graduate of North Tama (Traer) High School and attended the University of Northern Iowa. He worked at Fisher Controls as a Senior Tool Designer and retired as the Tooling Supervisor. Dan volunteered many hours in development of Phase IV of the CIWA rural water system in Northeast Marshall County and has served on the Board for the past twenty-seven years.



Gene Wiemers, Melbourne - Gene and his wife Jane live on a farm north of Melbourne. Gene has farmed all his life after graduating from AIB. He is a member of Marshall County Farm Bureau, St. Henry's Catholic Church, Knights of Columbus, and a former board member of Mid-Iowa Cooperative. He enjoys meeting and visiting with people and working in his shop.

Annual Meeting Program CoBank Stewards of the Land Video

Our Annual Meeting program this year is a short video, "Stewards of the Land" produced by CoBank. CIWA is one of the rural infrastructure providers featured in the video, which will be presented at CoBank customer meetings held across the USA.

CoBank is a Farm Credit System member with a focus on customers in the nation's agribusiness and rural infrastructure industries.

CIWA has partnered with CoBank since 1989 for the credit and financial services necessary for growth and success in providing rural water and wastewater services to our member-customers.

Annual Meeting Door Prize Drawing

To be eligible for the Annual Meeting door prize drawing, please bring the enclosed pink card to the Annual Meeting. You could win a \$25.00 credit on your water and/or wastewater bill or another door prize donated by several of Central Iowa Water Association's business partners. We would like to thank the following business partners for their door prize contributions for the Annual Meeting:

Vermeer Sales and Service Two Rivers Co-op Municipal Supply Bauer Built Tire Key Cooperative Titan Machinery Mutual Wheel Scotts Supply Napa Auto Parts Barney's Wrecker Sadler Power Train

If you are unable to attend, please return the pink card by mail with your proxy to be eligible for the \$25 credit drawings. You will be notified by mail if you are a winner.