



Iowa Regional Utilities Association

1351 Iowa Speedway Drive, Newton, IA 50208

Phone: 641-792-7011 or 800-400-6066

Website: www.irua.net

Grundy Office: 205 C Avenue, Grundy Center, IA 50638

Phone: 319-824-5920

Waverly Treatment Plant: 1224 230th Street, Waverly, IA 50677

2018 Annual Report

“We flow that extra mile!”



President’s Message

By: Ron Dunsbergen

Partnerships and Collaborations

The Foundation of IRUA

Partnerships and collaborations/regionalization have been the foundation and framework of Iowa Regional Utilities Association since its inception in 1977 as Jasper County Water Association. The IRUA Board of Directors has recognized the advantages of effective partnerships over the years which have benefited our member-customers with increased reliability and lower rates.

For example, an initial water supply partnership with the city of Newton Water Works benefited the city in increased water sales and lower rates for its customers, while providing IRUA with a low cost, quality supply of water without the cost and hassle of building, operating, and maintaining a duplicate well field and treatment plant. This partnership model has led to IRUA sharing a 2.0 million gallon-per-day water tower with Newton, and the development of additional water supply agreements with Marshalltown and Pella.

We have also utilized partnerships in the consolidation of many small communities and unincorporated areas into the IRUA water and wastewater enterprises. This has helped leverage economy of scale in IRUA operations to make the best use of available resources and provide services at the lowest cost. Other benefits of consolidation include: 1) spreading debt service as well as administrative and operational costs over a larger customer base, 2) take advantage of bulk purchasing opportunities, 3) ability to afford and attract specialized employees who can provide value with in-house engineering, accounting, and construction, and, 4) support economic development initiatives such as rural subdivisions, business parks, and biodiesel plants.

Through regionalization, IRUA has expanded well beyond its original 950 miles of pipeline and 2,000 member-customers in Jasper County. Today, we serve 15,000 water and 1,000 sewer customers. Now spread out over 18 counties in central and northeast Iowa, IRUA continues to see interest in further expansion and consolidation, and stands ready to meet the challenge.



The following is reprinted with permission from CoBank and is an interview with IRUA CEO/Engineer Jim LaPlant done in October 2018.

Identifying - and Capturing - Future Demand Is Key for Iowa Regional Utilities Association

Iowa Regional Utilities Association is a \$200-million water and wastewater system. It serves more than 15,000 farms and rural residences, plus 65 small communities in 18 counties. Amid shifting demographics, IRUA is charting new avenues of opportunity.

What’s the biggest challenge facing IRUA?

Fewer users. The ongoing population shift from rural to urban due to farm consolidation is resulting in a smaller IRUA customer base. We’re addressing that by holding on to service territories near larger, expanding cities and upgrading water supply, including available flow rates, to municipal-level standards in these areas. A significant number of future IRUA customers are expected to reside in the fringe areas around larger cities. We have also enhanced marketing efforts to existing small communities that could benefit in water cost and quality by partnering with IRUA for their water supply. In turn, IRUA benefits by serving a large existing customer group, usually with reserve water capacity that has already been established.

What’s the latest technology IRUA has implemented?

We recently completed a \$4 million program to replace 14,000 obsolete customer meters with new automatic-read meters. The new technology features history and leak-alert functions. It also allows us to download usage profiles and charts to accurately display gallons used over specific time intervals. That’s valuable in detecting and identifying leaks as well as in water conservation initiatives.

Continued on next page

\$\$\$ REWARD \$\$\$

The Association places a high priority on fixing leaks but we need your help! IRUA will pay \$10.00 to the first person who reports a verifiable water main leak! Leaks may appear as a wet spot along the water main. If you suspect a possible leak, please contact our office at (800) 400-6066.

CEO/Engineer's Report

By: Jim LaPlant

As I wind down my rural water career, a few reflections on Jasper County Water Association/Central Iowa Water Association/Iowa Regional Utilities Association:

First and foremost, the initial Jasper County Board of Directors, and all of the Board members who have followed, represent the best of rural America, those who are willing to take time out of their lives to make rural living better and safe for their families and future generations of rural Iowans. What they have collectively accomplished in IRUA is phenomenal, and would not have happened without their courage, dedication, and wisdom.

IRUA is a unique rural water organization, for example:

- IRUA pioneered the concept of “owner construction” which was allowable in USDA-RD funding rules and saved millions of dollars in distribution system construction costs for our members.
- IRUA led efforts to remove state sales tax from new water infrastructure construction in 1998. Retired state senator Dennis Black sponsored legislation which was successfully passed and adopted.
- IRUA led a national effort to benchmark USDA-RD lending interest rates in a logical manner which significantly reduced borrowing costs for rural water projects. USDA-RD loans have been the lifeblood of IRUA development.
- IRUA was a charter member of Association of Regional Water Organization (ARWO) which has been formed to represent the interests of Regional Water to Congress.

Finally, the IRUA staff is comprised of outstanding people who work hard, many times in adverse weather and in off-hours to keep the water flowing that extra mile.... TAP INTO QUALITY!!!

Again, in 2018, here are the highlights:

- We now serve safe, quality water to 14,855 farms, rural residences, and small communities through over 4,650 miles of pipe.
- 230 new services were installed in existing service areas.
- Construction of water mains and booster stations to serve the community of Fairbank was completed.
- The IRUA water tower near McCallsburg was re-coated.
- The Hardin/Hamilton II project near Radcliff and Buckeye was completed.

In 2019, additional projects are planned to upgrade and improve service in existing service areas as well as the community of Westgate (water) and Green Mountain (wastewater).

JUST A REMINDER ...

Member-customers are reminded that you may only serve one household or dwelling unit per water meter. If you are in violation of this rule, your membership may be terminated. Those with combined households on one water meter should contact the office immediately for assistance in separating service connections.

CoBank Interview - From the Tap

(Continued from Front Page)

What is the regional water industry's greatest need?

Access to capital for new infrastructure related to shifts in rural population density and new small-community customers - both are key to our future financial stability. Most regional water systems like IRUA were originally government-sponsored projects for defined service areas. With the base projects now completed, the need for capital to address system facility upgrades and improvements is crucial. CoBank has created a culture of customer service and support that has helped IRUA deal with the financing of improvements that must be done on a short time frame to meet a special-project need.

For example, the city of Fairbank, population 1,114, has ongoing issues with high radium levels and long-term water-supply capacity. In December 2017, the city council voted in favor of connecting to IRUA. To meet tight EPA compliance schedules, IRUA had to complete the design of over \$675,000 in water main and pumping station improvements and get construction underway. CoBank had the necessary financing available immediately, which was paramount in making the IRUA proposal feasible.

What's next for IRUA?

We recently started a new Framework Study Project to align IRUA with rural America's trend toward consolidation in the water industry. This initiative's primary objective is to leverage economies of scale and available capacity into unserved or underserved areas within our existing boundaries or areas adjacent to our northern boundaries. IRUA has existing regional-system neighbors to the south, east and west. The study will help unite stakeholders and focus on regional alternatives for water supply. It will also help define future boundaries of our system and help small communities plan for water supply and distribution challenges.

NOW AVAILABLE

New Online & Phone Payment Option

IRUA has partnered with Paystar to be able to offer free e-check/e-savings payments and \$1.00 + 2.5% per transaction fee credit/debit card payments. In addition to lower fees for the majority of customers, you will also be able to view your current account balance online. To pay online or view your account balance, visit www.irua.net/payments. You must have your full 11-digit account number (with no dashes). If you have multiple accounts, you will need to enter each account number individually and remit payment separately.

Paystar will also accept payment over the telephone by calling: 1-888-299-3511. Please follow the prompts and have your full 11-digit account number available. The same fees apply as when making payments online.

This is not the same as ACH/Direct Withdrawal where your payment is deducted from your checking account automatically every month. Instead, you're in charge of when payments get scheduled and the amount you pay. Payments are posted to your account the next business day.

If you are interested in ACH, you can find the enrollment form on our website or call our office and one can be mailed to you.



Tap Into Quality

IRUA - “Tap into Quality” - you have probably seen our new logo adopted in 2017 to better reflect our system growth and service area footprint, but what does it really mean? While appearing quite simple, the answer is really quite complex.

WATER SUPPLY

Tap into Quality starts at our wells, where the best quality, most abundant sources of water supply are selected on a regional basis. IRUA has contracted for up to 3.0 million gallons per day (mgd) from the Newton and Marshalltown Water Works, and also can treat up to 3.0 mgd at our Waverly membrane treatment plant. Although the wells from each major source of supply are in different aquifers along the Skunk, Iowa and Cedar river valleys, respectively, the treated water product is very similar. Finished water from each source is softened to approximately 120 ppm or 7.0 grains/gallon, and fluoride and chlorine are added to provide approximately 0.7 ppm fluoride and 2.5 ppm chlorine residuals. Of course, all treated water furnished to our member-customers must meet applicable purity standards of all state and federal agencies having regulatory jurisdiction.

PUMPING AND CONTROLS

The treated water is pressurized and pumped to our 27 elevated water towers by 31 water pumping stations located along primary water mains that feed the towers. Since water pressure is maintained on the system by the water in the towers, it is possible to maintain pressure in the event of a power outage, depending on the duration of the outage. Emergency generators serve as a positive back-up to maintain service during an extended power outage.

A coordinated control system using radio telemetry is utilized for system operation. Water levels at the towers, pump status at the booster pumping stations, and other operational information is transferred by radio to the main office in Newton where automatic control components operate pumps to maintain pre-set levels.

WATER DISTRIBUTION

The IRUA distribution system is a vast network of water main, valves, and appurtenances designed to transport water to 66 small communities and approximately 15,000 individual member-customer. The 4,656-mile system is almost exclusively polyvinyl chloride (PVC) plastic known for its durability, light weight, and corrosion resistant properties. A small portion of pipeline is ductile iron utilized in areas subject to very high pressures.

The distribution system was designed to provide a minimum pressure of 30 psi; however, in most cases system pressure is much higher. Pressure reducing valves are installed on most connections and are usually set at approximately 50 psi.

So next time you turn on the tap, think about all of the quality components that are necessary to supply, treat, and transport good water to your door, and enjoy the pure quality water!

TAP INTO QUALITY!!

Water Project Updates

Fairbank, population 1114, Buchanan and Fayette Counties

Fairbank has battled issues with capacity and radium levels in their well supply for many years. The city contracted with IRUA for water supply from our Waverly membrane treatment plant early last year. IRUA has completed installation of a new supply main and 2 booster stations necessary to serve Fairbank, and the new IRUA supply will be turned on after final testing and disinfection of the new water mains and appurtenances.

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Westgate, population 202, Fayette County

The city of Westgate was asked to re-apply for USDA-Rural Development funding to construct a 10.1-mile IRUA water supply main to the city and upgrade old and undersized distribution mains within the city. Necessary engineering reports and funding applications have been completed and the city is waiting for notice of project funding award.

Wastewater Project Updates

Green Mountain

The Marshall County Board of Supervisors and Board of Health have acquired the necessary land for a three-cell sewage treatment lagoon for the project. With the lagoon site secured, USDA-Rural Development awarded \$2.125 million in project funding in September 2018. Efforts are now underway to obtain a required HUD grant to complete project funding.

IRUA is moving forward with necessary soil samples and engineering plans and design work in anticipation of the award of HUD funds. It is anticipated that construction will be underway on the project later this year, with completion now expected in 2020.

JUST A REMINDER ...

Bills are due by the 10th of each month. If not paid by the 10th, the bill becomes delinquent and the account will be subject to late fees and possible disconnection of service.

IRUA is not responsible for the mail service. Failure to receive a bill does not exempt you from monthly payment, late fees, or disconnection. Bills are mailed out around the 25th of each month. If you have not received a bill by the 1st of the month, please contact our office.

For your convenience, we offer automatic withdrawal, a night drop box at both the main office and branch office, and online or over the phone payments through Paystar.

Iowa Regional Utilities 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. The Association is member-owned and headed by a nine-member Board of Directors.

TOTAL MILES OF PIPELINE - 4,656 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), Dike (300,000 gallons) and Radcliffe (300,000 gallons) with a total storage capacity of 12,300,000 gallons.

WATER SUPPLY CAPACITY - 90 million gallons per month provided by IRUA 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 thirty-one booster pump stations capable of pumping a total of 20,000 gpm.

TOTAL CONSTRUCTION COST - Including the main office, pump stations, towers, water lines, etc. was approximately \$208,046,728. To finance the construction, IRUA received numerous USDA-RD/CoBank loans and \$26,451,923 in RD/CDBG grants. Customer contributions accounted for \$23,740,923 with interest and other income providing the balance of funds.

TOTAL METERS IN SERVICE - 14,855 including larger meters which monitor water served to city customers.

CITY INDIVIDUAL CUSTOMER METERS (42) - Attica, Aurora, Austinville, Bangor, Buckeye, Clyde, Dillon, Dunbar, Dundee, Farrar, Ferguson, Fernald, Frederika, Galesburg, Garden City, Green Mountain, Greeley, Haverhill, Iowa Center, Ira, Kesley, Killduff, Lamoille, Lincoln, Littleton, Marietta, Metz, Morrison, Newburg, Oakland Acres, Otley, Park Hills, Pershing, Quarry, Quasqueton, Reasnor, Rowley, St. Anthony, Valeria, Van Cleve, Vandalia, Voorhies, and Whitten.

CITY BULK PURCHASE METERS (25) - Beaman, Clemons, Collins, Colo, Conrad, Dike, Fairbank, Garwin, Gilman, Gladbrook, Grundy Center, Holland, Janesville, Laurel, LeGrand, Liscomb, Lynnville, McCallsburg, Melbourne, Mingo, Monroe, Rhodes, Sully, Wellsburg and Zearing.

EMERGENCY CONNECTIONS (16) - Communities of Albion, Baxter, Cambridge, Eldora, Hazleton, Lamont, Maxwell, New Hartford, Prairie City, Reinbeck, Roland, State Center, Stout, and Union. Interconnections have been established with Poweshiek Water Association and Rathbun Regional 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), Butler Logistics Park (2014), North Overlook Lake Red Rock (2015), and Red Rock Marina (2016).

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, and 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 and Camp Wallashuck sewer (2011), City of Littleton (2013) Bremer Station (2014), North Overlook Sewer (2015), Red Rock Marina (2016), Frederika supply main (2016-2017), and Hamilton and Hardin Counties II (2017-2018).



Planned or Emergency Notification System

IRUA has contracted with Swiftreach Networks for the use of Swift911. The Swift911 system provides IRUA with the ability to quickly deliver voice, text or e-mail messages to our member-customers about planned or unplanned water outages and other important information.

We encourage you to log on to our website – www.irua.net - and register with Swiftreach – Swift 911 so you will receive notifications in the future and be able to keep your information current. Please note: This will only be used for IRUA notification purposes.

Those without internet access may call IRUA's office during regular office hours to provide their information. Please do not hesitate to contact our office if you have any questions regarding the SwiftReach system.

Board of Directors

Ron Dunsbergen, President
Dan Brandt, Vice President
Delwin Van Zante, Secretary
Virtus Brockman, Treasurer
Don Struthers, Director
Gene Wiemers, Director
Curt Mackie, Director
Doug Enyart, Director
Kevin Nessa, Director

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

Frank Smith, Attorney

Iowa Regional Utilities Association
This Institution is an Equal Opportunity Employer and Provider



Iowa Regional Utilities Association Annual Meeting Notice

Dear Member:

You are cordially invited to attend the Annual Meeting of Iowa Regional Utilities Association on Monday, March 18, 2019 at 7:00 P.M. This meeting will be held at the Iowa Valley Continuing Education Conference Center on the Marshalltown Community College Campus at 3702 South Center Street, Marshalltown, Iowa. Please park in the southwest lot (driveway entrance adjacent to the baseball diamonds) and use entrance #11.

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 15, 2019. 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, Iowa 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 2018 business activities. The audited financial statements, which are comprised of the statement of financial position as of December 31, 2018, and the related statements of activities and cash flows, will be presented at the Annual Meeting. Refreshments will be served.

In case of inclement weather, please tune in to KCOB (FM 95.9), KFJB (AM 1230), KOEL (FM 98.5 & AM 950), or KCRR (FM 97.7) radio for rescheduling information.

Please mark your calendar now and plan to attend the 2019 Annual Meeting of your Association on March 18th.

Delwin G. Van Zante, Secretary
February 26, 2019

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 Iowa Regional Utilities 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

Key Cooperative
Titan Machinery
Scot's Supply

Napa Auto Parts
Barney's Wrecker
Bauer Built Tire

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.

Nominees For Board of Directors—2019

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



Ron Dunsbergen, Sully - Ron and his wife, Julie, reside in Sully. Ron is retired from farming and is a seasonal employee of Key Coop in Grinnell. Julie is employed by Lynnville-Sully Schools. Together they have five children: Dan is manager of the Grinnell Branch of Key Coop; Scott is a driver for On Demand Concrete in Loveland, Colorado; Tim is a contractor with North Ridge Estates in Sully; Nathan is employed by Central College in Pella; and Courtney works as an executive administrative assistant at Pella Corp. Ron has served on the Iowa Regional Utilities board since 1980. In his spare time, he enjoys fishing and bike riding. Together, Ron & Julie enjoy jigsaw puzzles, traveling, and spending time with their grandchildren and great-grandchildren. The Dunsbergen's are active members of the First Reformed Church in Sully.



Donald Struthers, Collins - Don and his wife, Sharon, live on a farm northeast of Collins. In 1979 and 1980, Don was vice-president of the Story County Rural Water feasibility study. Don has been an Iowa Master Pork Producer and was inducted into the Iowa 4-H Hall of Fame. He and his wife, Sharon, were Iowa Master Farmers in 2012. The Struthers families currently have eight rural water hook-ups. Don and Sharon are the parents of three children; David, Dan, and Debra, and have 8 grandchildren. The family attends the Collins Christian Church in Collins. He is retired from farming but sometimes helps his two sons and daughter in their farming operations. His hobby is preserving two row mounted corn pickers.



Kevin Kelly Nessa, Zearing - Kevin and his wife, Janie, live on an acreage three miles east of Zearing. Kevin is a graduate of NESCO High School and Iowa State University. They own and operate NESSA, Inc. (Sprayers, Precision Ag, Seed and Grain Handling and Fertilizer Application Equipment) and the family farm with their three children, Luke, Garret and Kelly. This is NESSA, Inc.'s 38th Anniversary. Kevin has previously served on the Prairieland Cooperative's (IAS) Board of Directors. The Nessa's are members of Bethany Lutheran Church in McCallsburg, and Kevin has served on the Board of Trustees and as a Luther League youth leader.



Mark Siefken, Janesville - Mark and his wife, Jane, have been customers of IRUA for 4 years - since becoming Janesville residents. Growing up in Butler County, Mark graduated from Allison-Bristow High School and then attended Northwest Iowa Community College in Sheldon. With nearly 44 years of experience with the Butler County Rural Electric Cooperative (REC), Mark has spent almost all of that time in the engineering department. He has worked with many different parts of the rural energy business and with the Butler County REC Board of Directors. In addition, Mark has many experiences with a variety of committees within the Butler County REC and outside the co-op with other rural electrical cooperatives and also legislative and regulator affairs. He will be retiring from the Butler County REC in the spring of 2019. Mark would be honored to represent the member-customers and IRUA as a member of the Board of Directors. He would be happy to lend his experiences in leadership for IRUA, and thanks you for your consideration.



Annual Meeting Entertainment



5 for 1

5 for 1 is the result of the proverbial saying "Be careful what you pray for, you just may get it". During a school Christmas program rehearsal with Monica Kruse teaching students part 1 of a vocal line and with Terri Westendorf assisting with teaching part 2, Monica turned to Terri and stated "I believe God is telling us to start a group".

A few weeks later, a group comprised of Monica, Terri, and Cherilyn Eveleth began rehearsing. Continued rehearsals added Dearliss Carstons as accompanist and Kristi Johnson as vocalist. God continued to provide for our needs through giving us Phil Gould as sound technician and occasional guitarist.

5 for 1 has been blessed to have performed at a variety of venues including the Iowa State Fair, the Marshalltown Men's Chorus Spring Concerts, the Retired Mail Carriers convention, the Red Hat Regional Convention, numerous churches, assisted living establishments, and civic organizations. We enjoy singing and performing a variety of music genres, with our favorite being Gospel and Contemporary Christian.

For booking information, please contact 1-641-366-2402. We look forward to hearing from you.