

City of Hills

Council Members

Bruce Endris

Steve Harris

Merle Hill

Thom Kirkpatrick

Cathy Knebel

201 N 1st St P O Box 345

Hills, Iowa 52235-0345

Phone 319-679-3197

Fax 319-679-3097

www.hills-ia.org

Mayor

Tim Kemp

Clerk

Bonnie Hansen

Deputy Clerk

Leanne Sommers

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Regular Meeting

Hills Fire Department Meeting Room at 7:00 PM

April 28, 2014

- **Consent Agenda:**
 - Minutes from meetings April 14 and 21
 - Bills from April 11 – April 25
- **Public Discussion**
- **New Business**
 - Resolution 2014-05 approving specs of Hills Water Utility
 - Resolution 2014-06 approving water line easements with Gringer Properties LLC and Clausen Farms
 - Public Hearing on the Water Utility Ordinance
 - Discussion and First Reading of Hills Water Utility Ordinance
 - Discussion and possible action of Hills Waterline North of Main Street license of railroad corridor part 1
 - Discussion and possible action of Hills Waterline North of Main Street license of railroad corridor part 2
 - Discussion and possible action on Resolution 2014-07 fixing a date for a public hearing on a Water Revenue Loan and Disbursement Agreement in a principal amount not to exceed \$4,600,000
 - Discussion and possible action on Resolution 2014-08 fixing a date for a public hearing on a General Obligation Water Improvement Loan and Disbursement Agreement and borrow money in a principal amount not to exceed \$1,600,000
 - Discussion with Hart-Fredrick regarding possible annexation
- **Previous Business**
 - Discussion and possible action on Water utility matters
 - Set Public Hearing for May 12 for Sewer rate increase ordinance
 - Discussion and possible action Resolution accepting bids for Division 1 and Division 2 Hills Water Utility Bids
- **Council Action List, Comments, Concerns, Reports**
 - Mayor
 - Attorney
 - Maintenance
 - Fire Department
 - Sewer
 - Clerk
- **Adjournment**

Hills City Council
Meeting
April 14, 2014
7:00 PM
Hills Fire Station Meeting Room

The regular Hills City Council meeting was called to order at 7:00 PM on Monday, April 14, 2014 at the Hills Fire Station Meeting Room.

Mayor Tim Kemp called the meeting to order at 7:00 PM. Council members present were: Bruce Endris, Steve Harris, Merle Hill, Thom Kirkpatrick and Cathy Knebel.

A motion was made by Knebel and seconded by Endris to approve the consent agenda of the minutes and bills. Ayes: 4. Motion passed.

Public Discussion: None

Council Meeting

New Business:

The Public hearing on the bids and specs for the Hills Water Utility was opened at 7:02 pm. Public Hearing closed at 7:03 pm. Mayor Kemp asked that the agenda order be rearranged in order to hear the financial planning presentation before the resolution for awarding bid for the Hills Water Utility.

A motion was made by Kirkpatrick and seconded by Harris to set April 28 for a public hearing on the Hills Water Utility Ordinance and first reading. Ayes: 5 Motion passed.

Discussion was held regarding the contract with Fox Engineering regarding the work for the NPDES permit for the sewer utility. A motion was made by Kirkpatrick and seconded by Knebel to accept this contract for the work to be done by December 1. Ayes: 5 Motion passed.

A presentation was done by Maggie Burger, Speer Financial, regarding repayment options for the loans for the Hills Water Utility. General Obligation Bonds and Revenue Bonds were discussed. A financial plan should be in place by April 24. Speer Financial gave two propositions of ways to fund the water utility. The Hills City Council decided after listening to the presentation and discussing the options to hold a work session on Monday, April 21 at 6:00 to discuss the option more thoroughly.

A motion was made by Hill and seconded by Kirkpatrick to table the resolution approving the bids for the contractors for construction of the water utility until April 28. Ayes: 5 Motion passed

Scott Ritter from Hart Frederick Engineers was present to ask the City of Hills of consideration of annexing some property north of Hills. At this time it would be about 5.2 acres. Discussion was held regarding both pros and cons of the annexation. It was suggested that the City contact the Johnson County liaison for their opinion. The Council suggested at this time that a request be formally made for annexation and the Council would go from there.

Attorney Sittig presented a proposal from Streb Co regarding the easements for the water utility that the City is asking for. Erek discussed what the proposal said. The Council asked City Engineer Kevin Trom to look into some estimates of what this proposal would cost the City. Kevin will try to have an estimate ready for the work session on Monday, April 21.

Discussion of sewer rates and flat rate water rates were held. At this time, the City will possibly be taking possession of the Streb well approximately July 1. A proposed rate of \$25.00 a month for residential sewer and a flat rate of \$35.00 a month for the water rate in Oakcrest Hill Subdivision were discussed. This has to be done by ordinance with three readings. The City Attorney will start the process on this for the next meeting.

Old Business:

Council Concern List:

Reports:

Attorney: The City Attorney needs to have the water connection fees for the ordinance. This needs to be done before the next meeting.

Fire Chief: Fire Chief Van Nevel gave an update on calls. There have been two city fire calls and one EMS call in Hills since the first of April. Discussion was held of how things were handled during the recent bomb threat at Hills bank

Maintenance: Ron reported that the street sweeping was done. Pelling has been here to review possible work for the spring for streets but much of this may be put on hold due to the construction of the water utility.

Sewer: Bruce state that the electric pump had been repaired.

Mayor: The Mayor updated the Council on the committee meeting for the clerk position after Bonnie retires. It was the consensus of the committee that the City needs a half time person, working about 20 hours a week, for the utility billing and a full time clerk/administrator who could be responsible for representing the City at legislative functions, community functions and meetings the mayor cannot attend. This full time position would be salaried between \$35,000 and \$45,000, have vacation, holidays, IPERS. The City attorney pointed out the ordinance would need to be changed with these additional duties being written in.

The Mayor also discussed his attendance at the redistricting meeting and a letter for the ICCSD stating the disappointment of the City at the transfer of another elementary principal from Hills.

Clerk: - No Report.

A motion was made by Hill and seconded by Knebel to adjourn the meeting at 9:10 PM. Ayes: 5 Motion passed.

Tim Kemp, Mayor

Bonnie Hansen, Clerk

Hills City Council
Meeting
April 21, 2014
6:00 PM
Hills City Offices

A special Hills City Council meeting was called to order at 6:00 PM on Monday, April 21, 2014 at the Hills City Offices. Mayor Tim Kemp called the meeting to order at 6:00 PM. Council members present were: Bruce Endris, Steve Harris, Merle Hill, Thom Kirkpatrick and Cathy Knebel.

A motion was made by Hill and seconded by Knebel to approve Resolution 2014-04 adopting the Johnson County Multi-jurisdictional hazard mitigation plan 2014-2019. Roll Call was held. Ayes: 5 Resolution passed.

Public Discussion: None

Work Session

A work session was held following the special council meeting to discuss the Hills water utility and the bids received. Larry Burger, Speer Financial was present to discuss different options of financing.

Revenue bonds paid for by money coming from only the water utility. General Obligation Bonds, (GO Bonds) are paid from revenue, taxes, or any other source of revenue money. The City of Hills will probably have three bond issues between, the SRF loan, Revenue Bonds, and GO Bonds.

The Council would like the engineers to meet with the bid contractor to discuss where value engineering without compromising the project cost cuts could possibly be made.

TIF financing was also discussed and the decision was made to proceed with exploration of this financing.

Discussion was also held regarding some easements that are still yet to be obtained from some land owners and possible actions.

A motion was made by Knebel and seconded by Hill to adjourn the meeting at 8:10 PM. Ayes: 5 Motion passed.

Tim Kemp, Mayor

Bonnie Hansen, Clerk

INVOICE#/LN	TY	DUE DATE	INV DATE	REFERENCE	GROSS	DISCOUNT	NET	DISCOUNT TAKEN	PAYMENT AMOUNT	DIST	MAN	CHCK	CK SQ
HILLS BANK & TRUST GENERAL													
1139 ALLIANT UTILITIES													
APRIL14	1 I	4/28/2014	4/28/2014	4916015906002 1/2 FIRE	84.16		84.16		84.16	001			1
	2 I			4916014001001 STREET LI	912.81		912.81		912.81	001			1
	3 I			4916015907001 FIRE SIRE	39.70		39.70		39.70	001			1
	5 I			4916015906002 1/2 FIRE	84.15		84.15		84.15	001			1
	6 I			4916015865001 MAINT BLD	264.61		264.61		264.61	001			1
	8 I			4916015019501 SIGN LIGH	18.08		18.08		18.08	001			1
	9 I			4916014882201 BALL PARK	133.97		133.97		133.97	001			1
				* INVOICE TOTALS	1537.48		1537.48		1537.48				
				** VENDOR TOTALS *	1537.48		1537.48		1537.48				
1013 CITY OF IOWA CITY													
MAY14	1 I	4/28/2014	4/28/2014	MAY FEES	487.42		487.42		487.42	001			1
				** VENDOR TOTALS *	487.42		487.42		487.42				
1019 CRANDIC													
APRIL14	1 I	4/28/2014	4/28/2014	LAND RENTAL	1421.00		1421.00		1421.00	001			1
				** VENDOR TOTALS *	1421.00		1421.00		1421.00				
1351 EASTERN IOWA COMM COLLEGE													
MAR2014	1 I	3/24/2014	3/24/2014	138051 JARROD LAVELY	400.00		400.00		400.00	001			1
				** VENDOR TOTALS *	400.00		400.00		400.00				
1269 NEUZIL,SANDERSON & SIGAFOOSE,P													
14370	1 I	4/28/2014	4/28/2014	CITY FEES	770.50		770.50		770.50	001			1
				** VENDOR TOTALS *	770.50		770.50		770.50				
1046 GAZETTE COMMUNICATIONS													
2509645	1 I	4/28/2014	4/28/2014	PUBLICATIONS	123.77		123.77		123.77	001			1
2510521	1 I	4/28/2014	4/28/2014	PUBLICATIONS	120.40		120.40		120.40	001			1
				** VENDOR TOTALS *	244.17		244.17		244.17				
1060 HILLS BALL ASSOCIATION													
2013 RENTS	1 I	4/28/2014	4/28/2014	SHELTER RENTALS TO BALL	175.00		175.00		175.00	001			1
				** VENDOR TOTALS *	175.00		175.00		175.00				
1068 I WIRELESS													
APRIL142	1 I	4/28/2014	4/28/2014	CELL PHONE	66.29		66.29		66.29	001			1
				** VENDOR TOTALS *	66.29		66.29		66.29				
1122 MENARDS													
58567	1 I	4/28/2014	4/28/2014	WATER HEATER FOR FIRE S	328.00		328.00		328.00	001			1
58737	1 I	4/28/2014	4/28/2014	WATER HEATER SUPPLIES	13.94		13.94		13.94	001			1
59410	1 I	4/28/2014	4/28/2014	PAPER TOWELS,ETC	85.56		85.56		85.56	001			1
				** VENDOR TOTALS *	427.50		427.50		427.50				
1349 IOWA OFFICE SUPPLY INC													
287128	1 I	4/28/2014	4/28/2014	COPIER	164.83		164.83		164.83	001			1
				** VENDOR TOTALS *	164.83		164.83		164.83				

INVOICE#/LN	TY	DUE DATE	INV DATE	REFERENCE	GROSS	DISCOUNT	NET	DISCOUNT TAKEN	PAYMENT AMOUNT	DIST	MAN CHCK	CK SQ
1177 PLUMBER'S SUPPLY												
1302431001	1 I	4/28/2014	4/28/2014	PARTS FOR PARK BATHROOM	106.50		106.50		106.50	001		1
				** VENDOR TOTALS *	106.50		106.50		106.50			
1234 SMOKE EATER PUBLICATIONS												
APRIL14	1 I	4/28/2014	4/28/2014	FIRE EATER MAGAZINE	56.00		56.00		56.00	001		1
				** VENDOR TOTALS *	56.00		56.00		56.00			
1203 STUTSMAN INC												
625705	1 I	4/28/2014	4/28/2014	TUBING	1.60		1.60		1.60	001		1
625706	1 I	4/28/2014	4/28/2014	BALL VALVE	26.46		26.46		26.46	001		1
				** VENDOR TOTALS *	28.06		28.06		28.06			
1258 ULINE												
58040373	1 I	4/28/2014	4/28/2014	DRY ERASE BOARD	287.39		287.39		287.39	001		1
				** VENDOR TOTALS *	287.39		287.39		287.39			
				GENERAL	6172.14		6172.14		6172.14			
WATER												
1269 NEUZIL,SANDERSON & SIGAFOOSE,P												
14370	2 I	4/28/2014	4/28/2014	WATER LEGAL FEES	1863.00		1863.00		1863.00	600		1
				** VENDOR TOTALS *	1863.00		1863.00		1863.00			
				WATER	1863.00		1863.00		1863.00			
SEWER												
1139 ALLIANT UTILITIES												
APRIL14	4 I	4/28/2014	4/28/2014	4916016300702 OK LIFT S	46.50		46.50		46.50	610		1
	7 I			4916015217001 LIFT STAT	268.37		268.37		268.37	610		1
	10 I			4916014431501 SEWER LAG	864.06		864.06		864.06	610		1
				* INVOICE TOTALS	1178.93		1178.93		1178.93			
				** VENDOR TOTALS *	1178.93		1178.93		1178.93			
1287 KEYSTONE LABORATORIES												
2803	1 I	4/28/2014	4/28/2014	TESTS	103.58		103.58		103.58	610		1
3078	1 I	4/28/2014	4/28/2014	TESTS	41.68		41.68		41.68	610		1
				** VENDOR TOTALS *	145.26		145.26		145.26			
1346 MECHANICAL SERVICE INC												
10045	1 I	4/28/2014	4/28/2014	PUMP REPAIR	1856.18		1856.18		1856.18	610		1
				** VENDOR TOTALS *	1856.18		1856.18		1856.18			
1216 U S POST OFFICE												
APRILUB	1 I	4/24/2014	4/24/2014	APRIL UB BILLING	59.50		59.50		59.50	610		1
				** VENDOR TOTALS *	59.50		59.50		59.50			
				SEWER	3239.87		3239.87		3239.87			
LANDFILL/GARBAGE												

INVOICE#/LN	TY	DUE DATE	INV DATE	REFERENCE	GROSS	DISCOUNT	NET	DISCOUNT TAKEN	PAYMENT AMOUNT	DIST	MAN	CHCK	SQ	CK

1216 U S POST OFFICE														
APRILUB	2 I	4/24/2014	4/24/2014	APRIL UB BILLING	59.50		59.50		59.50	670				1
** VENDOR TOTALS *					59.50		59.50		59.50					
LANDFILL/GARBAGE					59.50		59.50		59.50					
BANK TOTALS					11334.51		11334.51		11334.51					
TOTAL MANUAL CHECKS									.00					
TOTAL E-PAYMENTS									.00					
TOTAL PURCH CARDS									.00					
TOTAL OPEN PAYMENTS									11334.51					
GRAND TOTALS					11334.51		11334.51		11334.51					

RESOLUTION NO. 2014-~~806~~806
RESOLUTION ACCEPTING AND AUTHORIZING THE MAYOR
TO SIGN CERTAIN WATER MAIN EASEMENT AGREEMENTS

WHEREAS, the voters of the City of Hills approved the establishment of a new water utility in November 2012, and

WHEREAS, the City Council of the City of Hills has chosen to establish and move forward with the construction of said water system, and

WHEREAS, in order to construct the water system, the City requires easements for the construction and maintenance of water mains across certain parcels of land, as identified by the City's engineers, and

WHEREAS, the City has received the agreement of certain property owners to construct and maintain water mains on their respective properties.

BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF HILLS, IOWA, that the City Council approves and the Mayor is authorized to sign the following water main easement agreements:

1. An agreement with Gringer Properties, L.L.C. over parts of Sections 15 and 22, Township 78 North, Range 6 West of the 5th P.M. in Hills, Johnson County, Iowa;
 2. An agreement with The Clausen Farm Corporation over a part of Section 15, Township 78 North, Range 6 West of the 5th P.M. in Hills, Johnson County, Iowa;
- and

BE IT FURTHER RESOLVED that the City Clerk is hereby directed issue a check for \$750 to the The Clausen Farm Corporation for the easement granted.

Motion made by _____, seconded by _____ to approve Resolution # 2014-____.

YES:

NO:

ABSTAIN:

ABSENT:

ORDINANCE NO. _____

AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF
THE CITY OF HILLS, IOWA, BY ADDING AND AMENDING PROVISIONS
RELATED TO THE CITY'S PUBLIC WATER SYSTEM

Be it enacted by the City Council of the City of Hills, Iowa:

SECTION 1. There is hereby adopted the following Chapter 90 entitled "Water Service System":

"90.01 WATER SYSTEM ESTABLISHED. By virtue of the power vested in the City Council by the voters at a special election held on November 6, 2012, pursuant to Iowa Code Section 388.2, there is hereby established in the City of Hills a public water system. Said public water system shall be known as the "Hills Water System." Future projects that include water main construction will require connection by adjacent properties within one year of final acceptance of the project unless otherwise provided in a development agreement, annexation request, annexation agreement, or resolution approved by the City Council.

90.02 DEFINITIONS. The following terms are defined for use in the chapters in this Code of Ordinances pertaining to the Water Service System:

1. "Combined service account" means a customer service account for the provision of two or more utility services.
2. "Customer" means, in addition to any person receiving water service from the City, the owner of the property served, and as between such parties the duties, responsibilities, liabilities and obligations hereinafter imposed shall be joint and several.
3. "State Plumbing Code" means the most recent version of the Iowa State Plumbing Code adopted by the Iowa Department of Health at the time a connection is made.
4. "Superintendent" means the Superintendent of the City water system or any duly authorized assistant, agent, or representative.
5. "Water main" means a water supply pipe provided for public or community use.
6. "Water service pipe" means the pipe from the water main to the building served.
7. "Water system" or "water works" means all public facilities for securing, collecting, storing, pumping, treating, and distributing water.

90.03 SUPERINTENDENT'S DUTIES. The Superintendent shall supervise the installation of water service pipes and their connection to the water main and enforce all regulations pertaining to water services in the City in accordance with this chapter. This chapter shall apply to all replacements of existing water service pipes as well as to new ones. The Superintendent shall make such rules, not in conflict with the

provisions of this chapter, as may be needed for the detailed operation of the water system, subject to the approval of the Council. In the event of an emergency the Superintendent may make temporary rules for the protection of the system until due consideration by the Council may be had.

(Code of Iowa Sec. 372.13[4])

90.04 MANDATORY CONNECTIONS. The owners of any houses, buildings or structures used for human occupancy, employment, or use, situated within the City and abutting on any street, alley, or right-of-way in which there is located a public water main are hereby required to connect such facilities to the City's public water system in accordance with the provisions of these Water Service chapters within sixty (60) days after the date of official notice to do so, provided that said public water main is located within one hundred (100) feet of the property line of such owner.

90.05 ABANDONED CONNECTIONS. When an existing water service is abandoned or a service is renewed with a new tap in the main, all abandoned connections with the mains shall be turned off at the corporation stop and made absolutely watertight.

90.06 PERMIT REQUIRED. Before any person makes a connection with the public water system, a written permit must be obtained from the City. The application for the permit shall include a legal description of the property, the name of the property owner, the name and address of the person who will do the work, and the general uses of the water. If the proposed work meets all the requirements of this chapter and if all fees required under this chapter have been paid, the permit shall be issued. Work under any permit must be completed within sixty (60) days after the permit is issued, except that when such time period is inequitable or unfair due to conditions beyond the control of the person making the application, an extension of time within which to complete the work may be granted. The permit may be revoked at any time for any violation of these chapters.

90.07 FEE FOR PERMIT. Before any permit is issued the person who makes the application shall pay three hundred fifty dollars (\$350.00) to the Clerk to cover the cost of issuing the permit and supervising, regulating, and inspecting the work.
(Code of Iowa, Sec. 384.84)

90.08 COMPLIANCE WITH PLUMBING CODE. The installation of any water service pipe and any connection with the water system shall comply with all pertinent and applicable provisions, whether regulatory, procedural or enforcement provisions, of the State Plumbing Code.

90.09 PLUMBER REQUIRED. All installations of water service pipes and connections to the water system shall be made by a State-licensed plumber.

90.10 EXCAVATIONS. All trench work, excavation, and backfilling required in

making a connection shall be performed in accordance with the State Plumbing Code and the provisions of Chapter 135 of this Code of Ordinances.

90.11 TAPPING MAINS. All taps into water mains shall be made by or under the direct supervision of the Superintendent and in accord with the following:

(Code of Iowa, Sec. 372.13[4])

1. Independent Services. No more than one house, building, or premises shall be supplied from one tap unless special written permission is obtained from the Superintendent and unless provision is made so that each house, building, or premises may be shut off independently of the other.

2. Sizes and Location of Taps. All mains shall receive no smaller than a one-inch tap. All taps in the mains shall be made in the top half of the pipe, at least eighteen (18) inches apart. No main shall be tapped nearer than two (2) feet of any joint in the main.

3. Corporation Stop. A brass corporation stop, of the pattern and weight approved by the Superintendent, shall be inserted in every tap in the main. The corporation stop in the main shall be of the same size as the service pipe.

4. Location Record. An accurate and dimensional sketch showing the exact location of the tap shall be filed with the Superintendent in such form as the Superintendent shall require.

5. Costs. All costs and expenses incident to the tapping into a water main and installation of the corporation stop, service pipe and curb shutoff valve shall be borne by the property owner.

90.12 INSTALLATION OF WATER SERVICE PIPE. Water service pipes and construction thereof shall comply with all applicable provisions of the State Plumbing Code. The surface of any area excavated must be returned to its condition prior to excavation and to the satisfaction of the City.

90.13 RESPONSIBILITY FOR WATER SERVICE PIPE. All costs and expenses incident to the installation, connection, and maintenance of the water service pipe from the main to the building served shall be borne by the owner. The owner shall indemnify the City from any loss or damage that may directly or indirectly be occasioned by the installation or maintenance of said water service pipe.

90.14 FAILURE TO MAINTAIN. When any portion of the water service pipe which is the responsibility of the property owner becomes defective or creates a nuisance and the owner fails to correct such nuisance, the City may do so and assess the costs thereof to the property.

(Code of Iowa, Sec. 364.12[3a & h])

90.15 CURB VALVE. There shall be installed within the public right-of-way, or within a perpetual easement granted to the City, a main shut-off valve on the water service pipe of a pattern approved by the Superintendent. The shut-off valve shall be

constructed to be visible and even with the pavement or ground.

90.16 INTERIOR VALVE. There shall be installed a shut-off valve on every service pipe inside the building as close to the entrance of the pipe within the building as possible and so located that the water can be shut off conveniently. Where one service pipe supplies more than one customer within the building, there shall be separate valves for each such customer so that service may be shut off for one without interfering with service to the others.

90.17 INSPECTION AND APPROVAL. All water service pipes and their connections to the water system must be inspected and approved in writing by the Superintendent before they are covered, and the Superintendent shall keep a record of such approvals. If the Superintendent refuses to approve the work, the plumber or property owner must proceed immediately to correct the work. Every person who uses or intends to use the municipal water system shall permit the Superintendent to enter the premises to inspect or make necessary alterations or repairs at all reasonable hours and on proof of authority.

90.18 COMPLETION BY THE CITY. Should any excavation be left open or only partly refilled for twenty-four (24) hours after the water service pipe is installed and connected with the water system, or should the work be improperly done, the City shall have the right to finish or correct the work, and the Council shall assess the costs to the property owner or the plumber. If the plumber is assessed, the plumber must pay the costs before receiving another permit. If the property owner is assessed, such assessment may be collected with and in the same manner as general property taxes.

(Code of Iowa, Sec. 364.12 [3a & h])

90.19 SHUTTING OFF WATER SUPPLY. The Superintendent may shut off the supply of water to any customer because of any violation of the regulations contained in these Water Service System chapters that is not being contested in good faith. The supply shall not be turned on again until all violations have been corrected and the Superintendent has ordered the water to be turned on.

90.19 OPERATION OF CURB VALVE AND HYDRANTS. It is unlawful for any person except the Superintendent to turn water on at the curb valve, and no person, unless specifically authorized by the City, shall open or attempt to draw water from any fire hydrant for any purpose whatsoever. The City shall maintain all fire hydrants. Maintenance performed on private fire hydrants shall be paid for by the property owner. The City does not guarantee a constant supply of water and shall not be liable for failure to supply the same. The City may limit the use of water in the event of an emergency wherein the supply of water is limited or needed to meet the emergency.

90.20 PROHIBITED ACTS. It is unlawful for any person to injure, destroy, deface, or disturb any portion of the Hills Water System, to interfere with or obstruct the

water supply, or to tamper with or turn a water valve for the purpose of turning on water service which has been previously been disconnected, without permission of the City. Further, it is unlawful to make use of water which is provided through a shut-off valve which has been turned on without permission of the City. It is unlawful to interfere with normal distribution system pressures and to impede, obstruct, or otherwise cause any potential hazards to the water system.

90.21 REFUSAL OR DISCONTINUANCE OF WATER SERVICE. Water service may be refused or discontinued by the City upon reasonable notice to the customer for any violation of any rule, regulation, or condition of service including, but not limited to:

1. Misrepresentation in any application regarding the intended use of water or the property or fixtures to be served;
2. Failure to report to the City change in or additional use of water or additions made to the property or fixture to be served;
3. Resale or giving away water;
4. Waste or misuse of water due to failure to maintain service pipes or fixtures;
5. Tampering or permitting tampering with the meter, meter seal, service or valves;
6. Connection or cross-connection of any separate water supply to premises that is connected to the Hills Public Water System;
7. Nonpayment of bills for combined service account;
8. Refusal to allow City access to service or install meters;
9. Any unlawful act or violation of the regulations contained in these Water Service chapters.

90.22 WAIVER OF FEES. The fees provided for in Chapter 90 shall not be collected for properties connected to the City's water system under the City's initial contract to construct the water system, executed in April 2014. The owner of any property included in the bids and specifications for connection under such contract that is not so connected due to the owner's refusal shall be required to pay all fees provided for in Chapter 90; and the owner of such property shall be responsible for the costs of installing a water service connection to the property. Any other building constructed prior to the completion of the initial construction and full activation of the City's water system shall not be charged the fees provided for in Chapter 90, but the owner or developer of such building shall be responsible for the costs of installing a water service connection to the building."

SECTION 2. There is hereby adopted the following Chapter 91 entitled "Water Meters":

"91.01 PURPOSE. The purpose of this chapter is to encourage the conservation of water and facilitate the equitable distribution of charges for water service among customers.

91.02 WATER USE METERED. All water furnished customers shall be measured

through meters furnished by the City and installed by the City.

91.03 FIRE SPRINKLER SYSTEMS; EXCEPTION. Fire sprinkler systems may be connected to water mains by direct connection without meters under the direct supervision of the Superintendent. No other open, unmetered connection shall be incorporated in the system, and there shall be no valves except a main control valve at the entrance to the building which must be sealed open.

91.04 LOCATION OF METERS. All meters shall be so located that they are easily accessible to meter readers and repairmen and protected from freezing.

91.05 METER SETTING. The property owner shall provide all necessary piping and fittings for proper setting of the meter including a valve on the discharge side of the meter. Meter pits may be used only upon approval of the Superintendent and shall be of a design and construction approved by the Superintendent.

91.06 METER COSTS. The full cost of any meter larger than that required for a single-family residence shall be paid to the City by the property owner or customer prior to the installation of any such meter by the City, or, at the sole option of the City, the property owner or customer may be required to purchase and install such meter in accordance with requirements established by the City.

91.07 METER REPAIRS. Whenever a water meter owned by the City is found to be out of order the Superintendent shall have it repaired. If it is found that damage to the meter has occurred due to the carelessness or negligence of the customer or property owner, or the meter is not owned by the City, then the property owner shall be liable for the cost of repairs.

91.08 RIGHT OF ENTRY. The Superintendent shall be permitted to enter the premises of any customer at any reasonable time to read, remove, or change a meter.

91.09 METER INSTALLATION FEE. There shall be a fee charged to the property owner for each new installation of a water meter in accordance with the schedule of such fees approved by resolution of the Council. Such meter shall remain the property of the City.

91.10 ACCURACY TEST. The Superintendent shall make a test of the accuracy of any water meter at any time when requested in writing, but not more often than once in six months. Such request shall be accompanied by a refundable deposit of five dollars (\$5.00) guaranteeing payment of costs if found due. If the meter is found to overrun to the extent of two percent (2%) or more, the cost of the test shall be paid by the City and a refund shall be made to the customer for overcharges collected since the last known date of accuracy but not for longer than three months, plus the meter test deposit. If the meter is found to be accurate or slow, or less than 2% fast, the customer deposit shall be forfeited as the reasonable costs of the test, and the

customer shall be liable for any deficiency over 2% up to three months.

91.11 METER READING UNAVAILABLE. Where a meter has ceased to register, or meter reading could not be obtained for any reason, the quantity of water consumed for billing purposes shall be based upon an average of the prior six (6) months consumption, unless such calculation can be shown by the customer to be inaccurate.”

SECTION 3. There is hereby adopted the following Chapter 92 entitled “Water Rates”:

“92.01 SERVICE CHARGES. Each customer shall pay for water service provided by the City based upon use of water as determined by meters provided for in Chapter 91. Each location, building, premises, or connection shall be considered a separate and distinct customer whether or not owned or controlled by the same person.
(Code of Iowa, Sec. 384.84)

92.02 RATES FOR SERVICE. Water service within the City shall be furnished at the monthly rate of \$35.00.
(Code of Iowa, Sec. 384.84)

92.03 RATES OUTSIDE THE CITY. Water service shall be provided to any customer located outside the corporate limits of the City which the City has agreed to serve at rates five percent (5%) above the rates provided in Section 92.02. No such customer, however, will be served unless the customer shall have signed a service contract agreeing to be bound by the ordinances, rules, and regulations applying to water service established by the Council.
(Code of Iowa, Sec. 364.4 & 384.84)

92.04 BILLING FOR WATER SERVICE. Water service shall be billed as part of a combined service account, payable in accordance with the following:
(Code of Iowa, Sec. 384.84)

1. Bills Issued. The Clerk shall prepare and issue bills for combined service accounts on or before the 5th day of each month.
2. Bills Payable. Bills for combined service accounts shall be due and payable at the office of the Clerk by the 20th day of the same month.
3. Late Payment Penalty. Bills not paid when due shall be considered delinquent. A one-time late payment penalty of twenty dollars (\$20.00) shall be added to each delinquent bill.

92.05 SERVICE DISCONTINUED. Water service to delinquent customers shall be discontinued in accordance with the following:
(Code of Iowa, Sec. 384.84)

1. Notice. The Clerk shall notify each delinquent customer that service will be

discontinued if payment of the combined service account, including late payment charges, is not received by the date specified in the notice of delinquency. Such notice shall be sent by ordinary mail to the customer in whose name the delinquent charges were incurred and shall inform the customer of the nature of the delinquency and shall inform the customer of the opportunity for a hearing prior to the discontinuance, and the procedure for requesting a hearing.

2. Notice to Landlords. If the customer is a tenant, and if the owner or landlord of the property or premises has made a written request for notice, the notice of delinquency shall also be given to the owner or landlord. If the customer is a tenant and requests a change of name for service under the account, such request shall be sent to the owner or landlord of the property if the owner or landlord has made a written request for notice of any change of name for service under the account to the rental property.

3. Hearing. The customer may request a hearing regarding a notice of delinquency by requesting such a hearing in writing not later than three (3) days prior to the date of discontinuance, contained in the notice of delinquency. If a hearing is requested in accordance with this provision, the Mayor shall conduct an informal hearing and shall make a determination as to whether the disconnection is justified. If the Mayor finds that the disconnection is justified, the customer may appeal the Mayor's decision to the Council by requesting such an appeal in writing within three (3) days of the Mayor's decision. The Council shall hear the appeal at its next regular meeting. If the Council finds that disconnection is justified, then such disconnection shall be made, unless payment has been received.

4. Fees. A fee of forty dollars (\$40.00) shall be charged before service is restored to a delinquent customer. No fee shall be charged for the usual or customary trips in the regular changes in occupancies of property.

92.06 LIEN FOR NONPAYMENT. The owner of the premises served and any lessee or tenant thereof shall be jointly and severally liable for water service charges to the premises. Water service charges remaining unpaid and delinquent shall constitute a lien upon the premises served and shall be certified by the Clerk to the County Treasurer for collection in the same manner as property taxes.

(Code of Iowa, Sec. 384.84)

92.07 LIEN EXEMPTION. The lien for nonpayment shall not apply to a residential rental property where water service is separately metered and the rates or charges for the water service are paid directly to the City by the tenant, if the landlord gives written notice to the City that the property is residential rental property and that the tenant is liable for the rates or charges. In addition, a lien for nonpayment shall also not apply to the charges for any of the services of sewer systems, storm water drainage systems, sewage treatment, solid waste collection, and solid waste disposal where the charge is paid directly to the City by the tenant, if the landlord gives written notice to the City that the property is residential rental property and that the tenant is liable for the rates or charges for such service. The City may require a deposit not exceeding the usual cost of ninety (90) days of such services to be paid to the City. The landlord's written notice shall contain the name of the tenant

responsible for charges, the address of the rental property that the tenant is to occupy, and the date that the occupancy begins. Upon receipt, the City shall acknowledge the notice and deposit. A change in tenant shall require a new written notice to be given to the City within thirty (30) business days of the change in tenant. When the tenant moves from the rental property, the City shall refund the deposit if all service charges are paid in full. A change in the ownership of the residential rental property shall require written notice of such change to be given to the City within thirty (30) business days of the completion of the change of ownership. The lien exemption does not apply to delinquent charges for repairs related to any of the services.
(Code of Iowa, Sec. 384.84)

92.08 LIEN NOTICE. A lien for delinquent water service charges shall not be certified to the County Treasurer unless prior written notice of intent to certify a lien is given to the customer in whose name the delinquent charges were incurred. If the customer is a tenant and if the owner or landlord of the property or premises has made a written request for notice, the notice shall also be given to the owner or landlord. The notice shall be sent to the appropriate persons by ordinary mail not less than thirty (30) days prior to certification of the lien to the County Treasurer.
(Code Iowa, Sec. 384.84)

92.09 CUSTOMER DEPOSITS. There shall be required from every customer not the owner of the premises served a seventy five dollars (\$75.00) deposit intended to guarantee the payment of bills for service.
(Code of Iowa, Sec. 384.84)

92.10 TEMPORARY VACANCY. A property owner may request water service be temporarily discontinued and shut off at the curb valve when the property is expected to be vacant for an extended period of time. Should the owner request shut off or turn on after normal business hours, a fee of forty dollars (\$40.00) for each after-hours trip shall apply. During a period when service is temporarily discontinued as provided herein there shall be no minimum service charge. The City will not drain pipes or pull meters for temporary vacancies.

92.11 USE BY CUSTOMER. Water furnished by the City may only be used for domestic consumption and production by the customer, members of the customer's household, or the customer's employees. The customer shall not sell or offer to sell to any other person or entity water provided by the City without the prior written approval of the City.

92.12 REFUSAL OF SERVICE. The City may refuse service to new customers when, in the opinion of the City, the capacity of the City's water facilities will not permit such additional service."

SECTION 4. SAVINGS CLAUSE. Each section, paragraph, sentence, clause, and provision

of this Ordinance is separable, and if any provision is held unconstitutional or invalid for any reason, such decision shall not affect the remainder of this Ordinance nor any part thereof other than that affected by such decision.

SECTION 5. WHEN EFFECTIVE. This ordinance shall be in effect from and after its final passage, approval and publication as provided by law.

First reading on the ____ day of _____, 2014.

Second reading on the ____ day of _____, 2014.

Third and final passage on the ____ day of _____, 2014.

TIM KEMP, MAYOR

ATTEST:

BONNIE HANSEN, CITY CLERK

I certify that the forgoing was published in accordance with the laws and ordinances of the State of Iowa and the City of Hills the ____ day of _____, 2014.

BONNIE HANSEN, CITY CLERK

Drafted and approved as to form by City Attorney

EREK P. SITTIG, CITY ATTORNEY

Resolution # 2014-_____ Passed and Approved on February 10, 2014.

Tim Kemp
Mayor

ATTEST:

REVIEWED BY:

Bonnie Hansen
City Clerk

Erek P. Sittig
City Attorney

LICENSE AGREEMENT FOR OCCUPATION OF RAILWAY CORRIDOR

THIS LICENSE AGREEMENT, made this _____ day of _____, 2014 (hereinafter called "License"), between CEDAR RAPIDS AND IOWA CITY RAILWAY COMPANY (hereinafter called "CRANDIC"), an Iowa corporation, and the City of Hills a municipality[corporation, limited liability company] (hereinafter called "Licensee"), having a principal place of business in Hills, Iowa,

WITNESSETH:

In consideration of the following rights and obligations and a one-time fee of One Thousand Five Hundred dollars (\$750.00), CRANDIC hereby grants Licensee the right to specific and limited use of certain premises (hereinafter referred to as "Premises"), situated in the County of Johnson, State of Iowa, more specifically described as follows:

Crossing the tracks at approximately a 90 degree angle at a point 1232 foot north of the centerline of Main Street, Hills, Iowa

in accordance with the attached plat, marked Exhibit A, hereby incorporated by this reference.

1. PURPOSE:

Licensee's use of the Premises shall be for the sole purpose of the following activities: Constructing, inspecting, repairing, maintaining, replacing and removing two water lines each inside a casing pipe (hereinafter referred to as "Facility"), in accordance with the License to Construct Questionnaire, Exhibit B, hereby incorporated by this reference.

CRANDIC reserves the right to use, occupy and enjoy its tracks, Premises and right-of-way, for such purpose, in such manner, and at such time as it shall desire, the same as if this instrument had not been executed. If any such use shall necessitate any change in the location or burial of said Facility, or any part thereof, such changes as

may be reasonable, may be made by CRANDIC or at its direction, at the expense of Licensee, upon demand of CRANDIC, and said CRANDIC shall not be liable to said Licensee on account thereof, or on account of any damage growing out of any use which CRANDIC may make of its tracks, Premises, and right-of-way. CRANDIC shall have the right at any time by giving ninety (90) days' notice in writing to Licensee to require Licensee at Licensee's expense, to relocate or modify the Facility so as to conform to reasonable changes CRANDIC may desire to make in its track grade, track location or any other uses CRANDIC may desire to make of its Premises.

2. TERM:

Except as provided to the contrary herein, Licensee shall be permitted to use the Premises in accordance with the terms of this License, for the sole purpose of constructing, inspecting, repairing, maintaining, replacing and removing Licensee's Facility located thereon, or the removal thereof, at the will of Licensee. CRANDIC hereby permits the uses herein specified without divesting CRANDIC of the rights to use and enjoy said Premises, subject only to the right of Licensee to use the same for the purposes herein expressed. Should Licensee or its representatives violate any of the terms or conditions hereof, or use or attempt to use said Premises for any other or different purpose than that above specified, then CRANDIC may, at its option, immediately revoke this License. CRANDIC may terminate this License at any time and without cause by providing Licensee with 90 (ninety) days written notice.

Upon any termination of this License, Licensee shall promptly remove the Facility in a manner satisfactory to said CRANDIC, and leave said Premises in the same condition in which they were before the installation of the Facility as nearly as may be practicable. Upon default of Licensee so to do, CRANDIC may perform the work and restore the Premises and Licensee shall promptly pay to CRANDIC the cost of so doing.

3. INSTALLATION:

A. Installation and maintenance of the Facility shall be in compliance with all applicable American Railway Engineering and Maintenance of Way Association

(AREMA) requirements. Licensee shall submit detailed drawings and other documentation prior to entry on the Premises showing compliance with same.

B. Licensee shall bear the cost of all reasonable protection which CRANDIC may require for its tracks or Premises during installation and maintenance hereby authorized and of all reasonable repairs, changes, additions, or betterments to said CRANDIC's tracks or Premises made necessary on account of same. If in the reasonable judgment of CRANDIC it shall be necessary to provide support for its tracks during the work of construction or maintenance CRANDIC will provide such support, and the entire cost of said protection, support, etc., will be paid by Licensee promptly upon receipt of a bill therefor. Installation and maintenance protection and support shall include, but not be limited to, Licensee's obligation to bear cost and responsibility for flagging which the CRANDIC may, but is not obligated to require for protection of its tracks or Premises during installation and maintenance hereby authorized.

C. Unless agreed to the contrary, Licensee shall provide CRANDIC at least forty-eight (48) hours written notice in advance of entering upon CRANDIC's Premises for the purposes set out herein.

D. Licensee agrees not to construct or permit to exist any obstruction over any railway track or tracks on said Premises, less than twenty-five (25) feet above top of rail, or alongside of track or tracks less than twenty-five (25) feet from center of track, with the necessary additional clearance on curves. Reduced clearances from those herein specified may be allowed if approved in writing by CRANDIC prior to installation.

4. NOTICE:

Any written notice given by CRANDIC to Licensee shall be deemed to be properly served if the same be delivered to Licensee, or one of Licensee's agents, or if mailed, postpaid, addressed to Licensee at the address listed below. Any written notice given by Licensee to CRANDIC shall be deemed properly served if the same be delivered to CRANDIC, or if mailed, postpaid, addressed to CRANDIC at the address listed below.

CRANDIC
Attention: Land Management
2330 12th St SW
Cedar Rapids, IA 52404

City of Hills
PO Box 345
Hills, Iowa 52235
Attention: Tim Kemp

5. ASSIGNMENT:

This License shall not be assigned or in any manner transferred by Licensee, nor shall said Premises be used or occupied for any purpose other than that specified herein, without the written consent of CRANDIC.

6. ABANDONMENT:

The failure of Licensee to occupy or use said Facility for the purpose herein mentioned for sixty (60) days at any one time shall be deemed an abandonment thereof. An abandonment of said Premises by Licensee shall, at the option of CRANDIC, operate as an absolute and immediate termination of this License without notice. Should any discontinuance or cessation of use of said Facility be due to any damages by fire, lightning, flood, or earthquake, or by the abandonment of work by employees of Licensee during a general strike, or by Licensee's inability after due diligence to obtain necessary materials for repairs or rebuilding, then the said time of sixty (60) days shall be extended for a period equivalent to the time lost by reason of any or all of the causes aforesaid.

7. LAWS AND REGULATIONS:

Licensee on behalf of itself, its employees, agents, contractors, or subcontractors performing activities on the Premise shall, without cost to CRANDIC, comply with all applicable laws, rules, regulations, and ordinances of competent authorities affecting

said Premises. The parties agree that this License shall be governed by the laws of the State of Iowa.

8. LIABILITY:

Licensee, on behalf of itself, its employees, agents, and any contractors or subcontractors accessing or performing activities on the Premises, agrees to indemnify CRANDIC and save it harmless from any and all claims and expenses, including reasonable attorneys' fees, that may arise or may be made for death or injury to employees of CRANDIC, or loss or damage to the CRANDIC's Premises, or to third parties or their property, by reason or in consequence of the occupancy or use of said Premises or the Facility.

9. SAFETY:

Licensee shall comply with all hazard communication requirements of the Occupational Safety and Health Administration (OSHA), as codified at 29 C.F.R. 1910.1200. Licensee shall provide Materials Safety Data Sheets for any hazardous chemicals brought onto CRANDIC's Premises by Licensee, its employees, agents, contractors, or subcontractors. In addition, Licensee shall provide the necessary information in training to its employees, agents, contractors, and subcontractors on each hazardous chemical to which they may be exposed. Suggestions for appropriate protective measures in handling those hazardous chemicals shall also be exchanged between CRANDIC and Licensee at Licensee's request. Licensee shall ensure that its employees, agents, contractors, and subcontractors use protection such as hard hats, safety glasses, etc., at all times while on CRANDIC's Premises.

10. RESTRICTIONS ON LICENSEE: HAZARDOUS MATERIALS.

Licensee shall not cause or permit any Hazardous Material other than fluids located inside of vehicles required for vehicle operation (e.g., gasoline, diesel fuel, oil, anti-freeze) to be used, stored, generated, or disposed of on or in the Premises by Licensee, Licensee's employees, agents, contractors, or subcontractors, without first obtaining CRANDIC's written consent, which may be withheld at the CRANDIC's sole

and absolute discretion. If Hazardous Materials are used, stored, generated, or disposed of on or in the Premises, or if the Premises become contaminated in any manner due to the actions or omissions of Licensee, its employees, agents, contractors, or subcontractors, Licensee shall indemnify, defend, and hold harmless CRANDIC from any and all claims, damages, fines, judgments, penalties, costs, liabilities, or losses (including, without limitation, a decrease in value of the Premises or any improvements thereon, damages because of adverse impact on marketing of the Premises, and any and all sums paid for settlement of claims, attorneys', consultants', and experts' fees) arising during or after the License term and arising as a result of such contamination. This indemnification includes, without limitation, any and all costs incurred because of any investigation of the Premises or any cleanup, removal, or restoration mandated by a federal, state, or local agency or political subdivision, specifically including costs incurred pursuant to the Comprehensive Environmental Response, Compensation, & Liability Act ("CERCLA" or "Superfund") 42 U.S.C. § 9601 et seq. In the event that the Licensee or any of its employees, agents, contractors, or subcontractors causes any spills or releases of any Hazardous Materials into the environment which require reporting and remediation under local, state and/or federal law, the Licensee shall be responsible for ensuring timely and adequate compliance with reporting and remediation requirements, and will immediately provide CRANDIC with the details, status, and compliance efforts associated with the spill or release and will coordinate all compliance activities with CRANDIC's designated environmental or safety specialist. In addition, if Licensee, its employees, agents, contractors, or subcontractors causes or permits the presence of any Hazardous Material on the Premises and this results in contamination, Licensee shall promptly, at its sole expense, take any and all necessary actions to return the Premises to the condition existing before the presence of any such Hazardous Material on the Premises, provided, however, that Licensee shall first obtain CRANDIC's approval for any such remedial action.

Notwithstanding the foregoing, in the event that during its activities Licensee or any of its employees, agents, contractors, or subcontractors discovers any existing contamination, all work shall stop upon the Premises and CRANDIC's designated environmental or safety specialist shall be contacted for instructions on how to proceed.

In no event, absent express written permission of CRANDIC, is the Licensee, its employees, agents, contractors, or subcontractors authorized to share any information or results associated with its activities with third parties.

As used herein, "Hazardous Material" means any substance which is listed as "hazardous" or "toxic" or listed in the regulations implementing CERCLA. "Hazardous Material" includes any and all material or substances which are defined as "hazardous waste," "hazardous material," "hazardous substance," or an "extremely hazardous substance" pursuant to state, federal, or local governmental law. "Hazardous Material" includes but is not restricted to asbestos, polychlorinated biphenyls ("PCBs"), petroleum, and petroleum products.

11. INSURANCE:

Licensee or its agents, contractors, or subcontractors performing activities on or within fifty (50) feet of the CRANDIC's right-of-way shall provide to CRANDIC:

An insurance policy for Railroad Protective Liability Insurance in the amount of two million dollars (\$2,000,000).

Commercial General Liability insurance coverage throughout the term of this License and any extensions thereof with limits of two million dollars (\$2,000,000) per occurrence, two million dollars (\$2,000,000) general aggregate. The Commercial General Liability policy shall contain the Contractual Liability Railroads GC 24 17 endorsement (or equivalent).

Prior to accessing the Premises, Licensee shall notify CRANDIC's Land Management in Section 4, or designee, of the names and contacts of any agents, contractors, or subcontractors who will be performing activities on the Premises and shall provide, or arrange to be provided, certificates of insurance for the required coverage for itself and each such agent, contractor, and subcontractor. Licensee's failure to meet this insurance requirement shall not relieve said party of its responsibilities under this License.

Workers' Compensation Insurance for Contractor's employees to the extent of statutory limits and Occupational Disease and Employer's Liability Insurance for not less than \$1,000,000.

Automobile Liability Insurance for all owned, non-owned and hired automobiles with limits not less than: \$1,000,000 combined single limit.

12. **INSOLVENCY OR BANKRUPTCY:**

If Licensee at any time during the continuance of this License should become insolvent or bankrupt, or if Licensee's affairs should be placed in the hands of a Receiver, then this License, at the option of CRANDIC, shall terminate and CRANDIC shall have the right to resume and retake possession of said Premises without any accountability whatsoever to Licensee or to Licensee's estate.

13. **PASSAGEWAY AND ASSUMPTION OF RISK:**

In the event it is necessary for Licensee, its agents, contractors, or subcontractors to pass over other lands and railway tracks of CRANDIC, to gain access to and/or from said Premises, all such persons shall make use only of the way indicated by CRANDIC for that purpose, and Licensee hereby expressly assumes all the risk of accident, injury, or loss to such persons having access to said Premises in connection with Licensee's business, except to the extent caused solely by the active negligence of CRANDIC or its employees, and Licensee does hereby indemnify CRANDIC and shall defend it against all claims, suits, costs, and charges made upon or incurred by CRANDIC by reason or in consequence of any other accident, injury, or loss as provided above.

14. **CONTRACTING AND SUBCONTRACTING:**

During the performance of any activity pursuant to this License, Licensee shall be at all times solely responsible for itself, as well as its employees, agents, contractors, and subcontractors as to workmanship, accidents, injuries, wages, supervision, and control. Licensee shall employ only competent workers and supervisors. Prior to

utilizing an agent, contractor, or subcontractor to perform activities on the Premises related to this License, Licensee shall obtain CRANDIC's permission, such permission not to be unreasonably withheld. If permission is given to use an agent, contractor, or subcontractor, Licensee shall remain solely responsible for all activities performed, and shall incorporate the terms and conditions of this License into its agreement with any agent, contractor, or subcontractor. Notwithstanding the foregoing, CRANDIC may, at its option, require Licensee to remove any of its employees, agents, contractors, or subcontractors, from the Premises, or prevent access thereto, by advising Licensee orally or in writing. CRANDIC is not required to state a reason for requesting such removal.

15. PERMITS AND APPROVALS:

Licensee agrees to procure all permits, licenses, and other approvals necessary or required by any statute, ordinance, rule, or regulation for carrying out any activity provided for in this License.

16. PRIOR AGREEMENTS

The parties hereto, by the execution of this License, hereby terminate any prior licenses between the instant parties on the Premises.

17. SEVERABILITY:

Any provision of this License which conflicts with any law, rule, regulation, or ordinance of competent authorities affecting said Premises, shall be suspended and shall be inoperative so long as such law or ordinance remains in effect. In the event there is no prohibition against any provision of this License, any such provisions shall remain in full force and effect during the term of this License. Invalidity of any partial or whole provision or section shall not invalidate the remaining provisions or sections. This License shall not be recorded.

IN WITNESS WHEREOF, the parties hereto have executed in duplicate this License on the day and year first above written.

CEDAR RAPIDS AND IOWA CITY RAILWAY COMPANY
(CRANDIC)

By: _____

Title: President and General Manager

CITY OF HILLS
(Licensee)

By: _____

Title: Mayor

Exhibit A
DESCRIPTION OF PREMISES

Drawings, images or other documents necessary to adequately describe the Premises are attached hereto.

Exhibit B
LICENSE TO CONSTRUCT QUESTIONNAIRE
(See Attached)

LICENSE AGREEMENT FOR OCCUPATION OF RAILWAY CORRIDOR

THIS LICENSE AGREEMENT, made this _____ day of _____, 2014 (hereinafter called "License"), between CEDAR RAPIDS AND IOWA CITY RAILWAY COMPANY (hereinafter called "CRANDIC"), an Iowa corporation, and the City of Hills a municipality[corporation, limited liability company] (hereinafter called "Licensee"), having a principal place of business in Hills, Iowa,

WITNESSETH:

In consideration of the following rights and obligations and a one-time fee of One Thousand Five Hundred dollars (\$1500.00), CRANDIC hereby grants Licensee the right to specific and limited use of certain premises (hereinafter referred to as "Premises"), situated in the County of Johnson, State of Iowa, more specifically described as follows:

Crossing the tracks at approximately a 90 degree angle at a point 40 foot south of the centerline of Main Street, Hills, Iowa]

in accordance with the attached plat, marked Exhibit A, hereby incorporated by this reference.

1. PURPOSE:

Licensee's use of the Premises shall be for the sole purpose of the following activities: Constructing, inspecting, repairing, maintaining, replacing and removing two water lines each inside a casing pipe (hereinafter referred to as "Facility"), in accordance with the License to Construct Questionnaire, Exhibit B, hereby incorporated by this reference.

CRANDIC reserves the right to use, occupy and enjoy its tracks, Premises and right-of-way, for such purpose, in such manner, and at such time as it shall desire, the same as if this instrument had not been executed. If any such use shall necessitate any change in the location or burial of said Facility, or any part thereof, such changes as

may be reasonable, may be made by CRANDIC or at its direction, at the expense of Licensee, upon demand of CRANDIC, and said CRANDIC shall not be liable to said Licensee on account thereof, or on account of any damage growing out of any use which CRANDIC may make of its tracks, Premises, and right-of-way. CRANDIC shall have the right at any time by giving ninety (90) days' notice in writing to Licensee to require Licensee at Licensee's expense, to relocate or modify the Facility so as to conform to reasonable changes CRANDIC may desire to make in its track grade, track location or any other uses CRANDIC may desire to make of its Premises.

2. TERM:

Except as provided to the contrary herein, Licensee shall be permitted to use the Premises in accordance with the terms of this License, for the sole purpose of constructing, inspecting, repairing, maintaining, replacing and removing Licensee's Facility located thereon, or the removal thereof, at the will of Licensee. CRANDIC hereby permits the uses herein specified without divesting CRANDIC of the rights to use and enjoy said Premises, subject only to the right of Licensee to use the same for the purposes herein expressed. Should Licensee or its representatives violate any of the terms or conditions hereof, or use or attempt to use said Premises for any other or different purpose than that above specified, then CRANDIC may, at its option, immediately revoke this License. CRANDIC may terminate this License at any time and without cause by providing Licensee with 90 (ninety) days written notice.

Upon any termination of this License, Licensee shall promptly remove the Facility in a manner satisfactory to said CRANDIC, and leave said Premises in the same condition in which they were before the installation of the Facility as nearly as may be practicable. Upon default of Licensee so to do, CRANDIC may perform the work and restore the Premises and Licensee shall promptly pay to CRANDIC the cost of so doing.

3. INSTALLATION:

A. Installation and maintenance of the Facility shall be in compliance with all applicable American Railway Engineering and Maintenance of Way Association

(AREMA) requirements. Licensee shall submit detailed drawings and other documentation prior to entry on the Premises showing compliance with same.

B. Licensee shall bear the cost of all reasonable protection which CRANDIC may require for its tracks or Premises during installation and maintenance hereby authorized and of all reasonable repairs, changes, additions, or betterments to said CRANDIC's tracks or Premises made necessary on account of same. If in the reasonable judgment of CRANDIC it shall be necessary to provide support for its tracks during the work of construction or maintenance CRANDIC will provide such support, and the entire cost of said protection, support, etc., will be paid by Licensee promptly upon receipt of a bill therefor. Installation and maintenance protection and support shall include, but not be limited to, Licensee's obligation to bear cost and responsibility for flagging which the CRANDIC may, but is not obligated to require for protection of its tracks or Premises during installation and maintenance hereby authorized.

C. Unless agreed to the contrary, Licensee shall provide CRANDIC at least forty-eight (48) hours written notice in advance of entering upon CRANDIC's Premises for the purposes set out herein.

D. Licensee agrees not to construct or permit to exist any obstruction over any railway track or tracks on said Premises, less than twenty-five (25) feet above top of rail, or alongside of track or tracks less than twenty-five (25) feet from center of track, with the necessary additional clearance on curves. Reduced clearances from those herein specified may be allowed if approved in writing by CRANDIC prior to installation.

4. NOTICE:

Any written notice given by CRANDIC to Licensee shall be deemed to be properly served if the same be delivered to Licensee, or one of Licensee's agents, or if mailed, postpaid, addressed to Licensee at the address listed below. Any written notice given by Licensee to CRANDIC shall be deemed properly served if the same be delivered to CRANDIC, or if mailed, postpaid, addressed to CRANDIC at the address listed below.

CRANDIC
Attention: Land Management
2330 12th St SW
Cedar Rapids, IA 52404

City of Hills
PO Box 345
Hills, Iowa 52235
Attention: Tim Kemp

5. ASSIGNMENT:

This License shall not be assigned or in any manner transferred by Licensee, nor shall said Premises be used or occupied for any purpose other than that specified herein, without the written consent of CRANDIC.

6. ABANDONMENT:

The failure of Licensee to occupy or use said Facility for the purpose herein mentioned for sixty (60) days at any one time shall be deemed an abandonment thereof. An abandonment of said Premises by Licensee shall, at the option of CRANDIC, operate as an absolute and immediate termination of this License without notice. Should any discontinuance or cessation of use of said Facility be due to any damages by fire, lightning, flood, or earthquake, or by the abandonment of work by employees of Licensee during a general strike, or by Licensee's inability after due diligence to obtain necessary materials for repairs or rebuilding, then the said time of sixty (60) days shall be extended for a period equivalent to the time lost by reason of any or all of the causes aforesaid.

7. LAWS AND REGULATIONS:

Licensee on behalf of itself, its employees, agents, contractors, or subcontractors performing activities on the Premise shall, without cost to CRANDIC, comply with all applicable laws, rules, regulations, and ordinances of competent authorities affecting

said Premises. The parties agree that this License shall be governed by the laws of the State of Iowa.

8. LIABILITY:

Licensee, on behalf of itself, its employees, agents, and any contractors or subcontractors accessing or performing activities on the Premises, agrees to indemnify CRANDIC and save it harmless from any and all claims and expenses, including reasonable attorneys' fees, that may arise or may be made for death or injury to employees of CRANDIC, or loss or damage to the CRANDIC's Premises, or to third parties or their property, by reason or in consequence of the occupancy or use of said Premises or the Facility.

9. SAFETY:

Licensee shall comply with all hazard communication requirements of the Occupational Safety and Health Administration (OSHA), as codified at 29 C.F.R. 1910.1200. Licensee shall provide Materials Safety Data Sheets for any hazardous chemicals brought onto CRANDIC's Premises by Licensee, its employees, agents, contractors, or subcontractors. In addition, Licensee shall provide the necessary information in training to its employees, agents, contractors, and subcontractors on each hazardous chemical to which they may be exposed. Suggestions for appropriate protective measures in handling those hazardous chemicals shall also be exchanged between CRANDIC and Licensee at Licensee's request. Licensee shall ensure that its employees, agents, contractors, and subcontractors use protection such as hard hats, safety glasses, etc., at all times while on CRANDIC's Premises.

10. RESTRICTIONS ON LICENSEE: HAZARDOUS MATERIALS

Licensee shall not cause or permit any Hazardous Material other than fluids located inside of vehicles required for vehicle operation (e.g., gasoline, diesel fuel, oil, anti-freeze) to be used, stored, generated, or disposed of on or in the Premises by Licensee, Licensee's employees, agents, contractors, or subcontractors, without first obtaining CRANDIC's written consent, which may be withheld at the CRANDIC's sole

and absolute discretion. If Hazardous Materials are used, stored, generated, or disposed of on or in the Premises, or if the Premises become contaminated in any manner due to the actions or omissions of Licensee, its employees, agents, contractors, or subcontractors, Licensee shall indemnify, defend, and hold harmless CRANDIC from any and all claims, damages, fines, judgments, penalties, costs, liabilities, or losses (including, without limitation, a decrease in value of the Premises or any improvements thereon, damages because of adverse impact on marketing of the Premises, and any and all sums paid for settlement of claims, attorneys', consultants', and experts' fees) arising during or after the License term and arising as a result of such contamination. This indemnification includes, without limitation, any and all costs incurred because of any investigation of the Premises or any cleanup, removal, or restoration mandated by a federal, state, or local agency or political subdivision, specifically including costs incurred pursuant to the Comprehensive Environmental Response, Compensation, & Liability Act ("CERCLA" or "Superfund") 42 U.S.C. § 9601 et seq. In the event that the Licensee or any of its employees, agents, contractors, or subcontractors causes any spills or releases of any Hazardous Materials into the environment which require reporting and remediation under local, state and/or federal law, the Licensee shall be responsible for ensuring timely and adequate compliance with reporting and remediation requirements, and will immediately provide CRANDIC with the details, status, and compliance efforts associated with the spill or release and will coordinate all compliance activities with CRANDIC's designated environmental or safety specialist. In addition, if Licensee, its employees, agents, contractors, or subcontractors causes or permits the presence of any Hazardous Material on the Premises and this results in contamination, Licensee shall promptly, at its sole expense, take any and all necessary actions to return the Premises to the condition existing before the presence of any such Hazardous Material on the Premises, provided, however, that Licensee shall first obtain CRANDIC's approval for any such remedial action.

Notwithstanding the foregoing, in the event that during its activities Licensee or any of its employees, agents, contractors, or subcontractors discovers any existing contamination, all work shall stop upon the Premises and CRANDIC's designated environmental or safety specialist shall be contacted for instructions on how to proceed.

In no event, absent express written permission of CRANDIC, is the Licensee, its employees, agents, contractors, or subcontractors authorized to share any information or results associated with its activities with third parties.

As used herein, "Hazardous Material" means any substance which is listed as "hazardous" or "toxic" or listed in the regulations implementing CERCLA. "Hazardous Material" includes any and all material or substances which are defined as "hazardous waste," "hazardous material," "hazardous substance," or an "extremely hazardous substance" pursuant to state, federal, or local governmental law. "Hazardous Material" includes but is not restricted to asbestos, polychlorinated biphenyls ("PCBs"), petroleum, and petroleum products.

11. INSURANCE:

Licensee or its agents, contractors, or subcontractors performing activities on or within fifty (50) feet of the CRANDIC's right-of-way shall provide to CRANDIC:

An insurance policy for Railroad Protective Liability Insurance in the amount of two million dollars (\$2,000,000).

Commercial General Liability insurance coverage throughout the term of this License and any extensions thereof with limits of two million dollars (\$2,000,000) per occurrence, two million dollars (\$2,000,000) general aggregate. The Commercial General Liability policy shall contain the Contractual Liability Railroads GC 24 17 endorsement (or equivalent).

Prior to accessing the Premises, Licensee shall notify CRANDIC's Land Management in Section 4, or designee, of the names and contacts of any agents, contractors, or subcontractors who will be performing activities on the Premises and shall provide, or arrange to be provided, certificates of insurance for the required coverage for itself and each such agent, contractor, and subcontractor. Licensee's failure to meet this insurance requirement shall not relieve said party of its responsibilities under this License.

Workers' Compensation Insurance for Contractor's employees to the extent of statutory limits and Occupational Disease and Employer's Liability Insurance for not less than \$1,000,000.

Automobile Liability Insurance for all owned, non-owned and hired automobiles with limits not less than: \$1,000,000 combined single limit.

12. INSOLVENCY OR BANKRUPTCY:

If Licensee at any time during the continuance of this License should become insolvent or bankrupt, or if Licensee's affairs should be placed in the hands of a Receiver, then this License, at the option of CRANDIC, shall terminate and CRANDIC shall have the right to resume and retake possession of said Premises without any accountability whatsoever to Licensee or to Licensee's estate.

13. PASSAGEWAY AND ASSUMPTION OF RISK:

In the event it is necessary for Licensee, its agents, contractors, or subcontractors to pass over other lands and railway tracks of CRANDIC, to gain access to and/or from said Premises, all such persons shall make use only of the way indicated by CRANDIC for that purpose, and Licensee hereby expressly assumes all the risk of accident, injury, or loss to such persons having access to said Premises in connection with Licensee's business, except to the extent caused solely by the active negligence of CRANDIC or its employees, and Licensee does hereby indemnify CRANDIC and shall defend it against all claims, suits, costs, and charges made upon or incurred by CRANDIC by reason or in consequence of any other accident, injury, or loss as provided above.

14. CONTRACTING AND SUBCONTRACTING:

During the performance of any activity pursuant to this License, Licensee shall be at all times solely responsible for itself, as well as its employees, agents, contractors, and subcontractors as to workmanship, accidents, injuries, wages, supervision, and control. Licensee shall employ only competent workers and supervisors. Prior to

utilizing an agent, contractor, or subcontractor to perform activities on the Premises related to this License, Licensee shall obtain CRANDIC's permission, such permission not to be unreasonably withheld. If permission is given to use an agent, contractor, or subcontractor, Licensee shall remain solely responsible for all activities performed, and shall incorporate the terms and conditions of this License into its agreement with any agent, contractor, or subcontractor. Notwithstanding the foregoing, CRANDIC may, at its option, require Licensee to remove any of its employees, agents, contractors, or subcontractors, from the Premises, or prevent access thereto, by advising Licensee orally or in writing. CRANDIC is not required to state a reason for requesting such removal.

15. PERMITS AND APPROVALS:

Licensee agrees to procure all permits, licenses, and other approvals necessary or required by any statute, ordinance, rule, or regulation for carrying out any activity provided for in this License.

16. PRIOR AGREEMENTS

The parties hereto, by the execution of this License, hereby terminate any prior licenses between the instant parties on the Premises.

17. SEVERABILITY:

Any provision of this License which conflicts with any law, rule, regulation, or ordinance of competent authorities affecting said Premises, shall be suspended and shall be inoperative so long as such law or ordinance remains in effect. In the event there is no prohibition against any provision of this License, any such provisions shall remain in full force and effect during the term of this License. Invalidity of any partial or whole provision or section shall not invalidate the remaining provisions or sections. This License shall not be recorded.

IN WITNESS WHEREOF, the parties hereto have executed in duplicate this License on the day and year first above written.

CEDAR RAPIDS AND IOWA CITY RAILWAY COMPANY
(CRANDIC)

By: _____

Title: President and General Manager

CITY OF HILLS
(Licensee)

By: _____

Title: Mayor

Exhibit A
DESCRIPTION OF PREMISES

Drawings, images or other documents necessary to adequately describe the Premises are attached hereto.

Exhibit B
LICENSE TO CONSTRUCT QUESTIONNAIRE
(See Attached)

**APPLICATION FOR VOLUNTARY ANNEXATION
City of Hills**

The undersigned Steve M. Prybil owner(s) or authorized representative(s) of the owner(s) of all property legally described in "Exhibit A" attached hereto and by this reference made a part hereof, and as shown on the map "Exhibit B" attached hereto and by this reference made a part hereof, authorized to execute this application on behalf of Steve M. Prybil Ladrew A. Luers the owners of the property legally described in "Exhibit A", respectfully request the property to be annexed and become a part of the City of Hills, Iowa.

Property Owner(s): Steve Prybil Date 4-24-14
Ladrew A Luers Date 4-24-14

Date _____

Date _____

Iowa Code 368.7 gives the landowner(s) consenting to voluntary annexation of their land the right to withdraw consent to annexation within 3 business days after the public hearing on the application to annex land unless this right is waived.

I hereby waive my right to withdraw consent to annexation within three business days after the public hearing on the application as evidenced by my signature below.

Property Owner(s): _____ Date _____

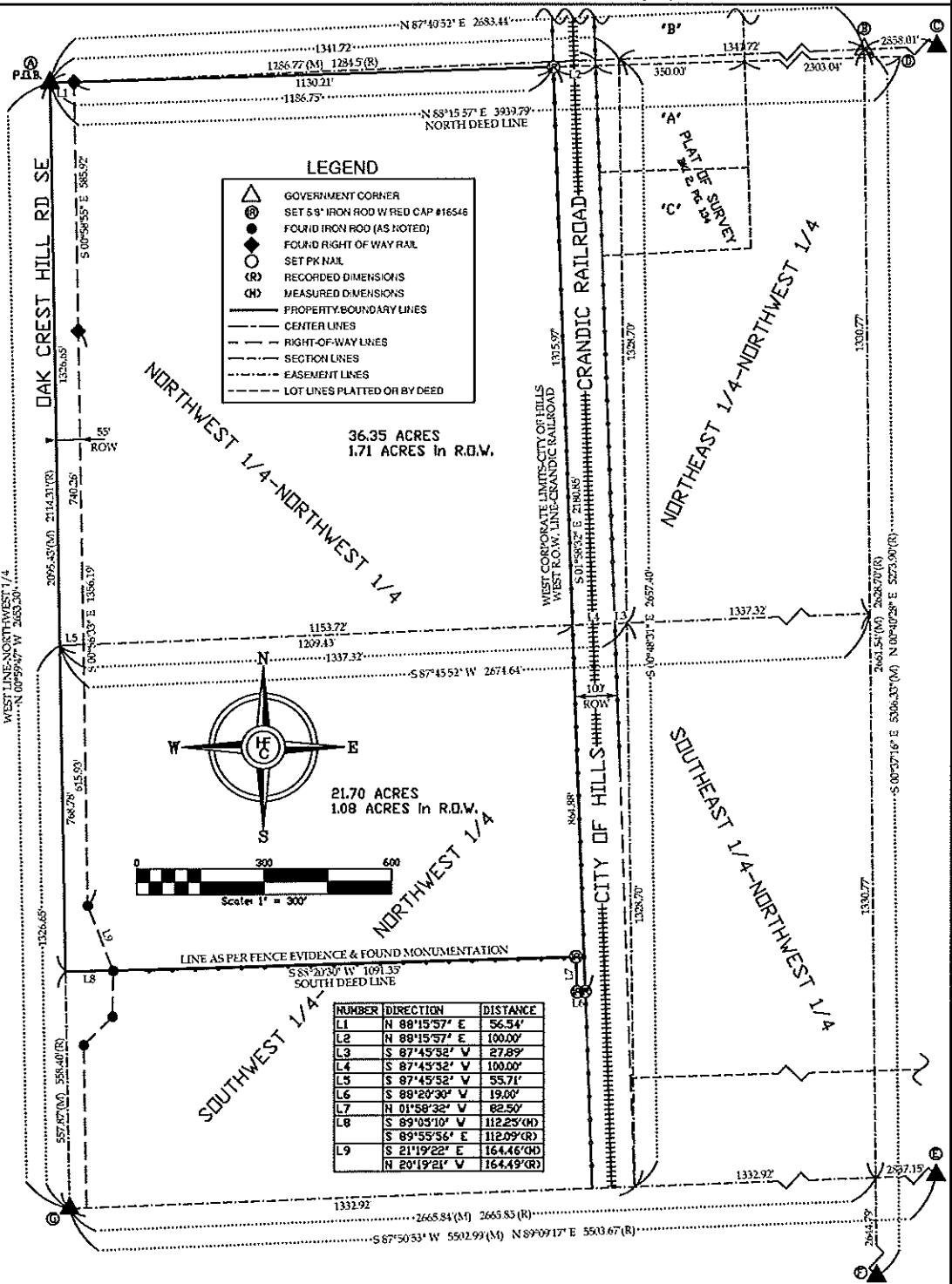
Date _____

Date _____

Date _____

.....
Attachments: Exhibit A: Legal Description of the Property
Exhibit B: Map showing location of the property within the proposed annexation area

The City of Hills will provide the necessary attachments; however, the applicant may provide them instead.



I hereby certify that this land surveying document was prepared and the related survey work was performed by me or under my direct personal supervision and that I am a duly licensed Professional Land Surveyor under the laws of the State of Iowa.



J. Scott Ritter, P.L.S. Date _____
 Iowa License Number: 16546
 My license renewal date is December 31, 2014.
 Pages covered by this seal: THIS SHEET ONLY

ANNEXATION EXHIBIT
 TO THE CITY OF HILLS, IA.
 PART OF THE NORTHWEST 1/4 OF
 SECTION 15, T-78-N, R-6-W
 LYING WEST OF CRANDIC RAILROAD

DATE: 4/18/14 DRN: JSR APP: _____
 FLD BK: GPS PROJ. NO: 147044



HART-FREDERICK CONSULTANTS P.C.



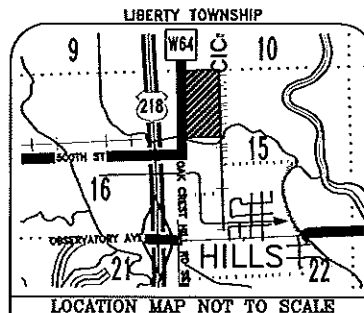
510 State Street P.O. Box 560 TIFFIN, IOWA 52340-0560 Phone: (319) 545-7215
www.hart-frederick.com

ANNEXATION TO THE CITY OF HILLS

Being a part of the Northwest 1/4 of Section 15, Township 78 North, Range 6 West of the 5th P.M., Johnson County, Iowa lying West of the West line of the Crandic Railroad in said Section 15 and is more particularly described as follows.

Beginning at the Northwest corner of Section 15, Township 78 North, Range 6 West; thence N 88°15'57" E along the North line of a Court Officer Deed description as found in Book 4449 on pages 612-614 in the office of the Johnson County Recorder, a distance of 1186.75 feet to a point on the West right of way line for the Crandic Railroad; thence S 01°58'32" E along said West right of way line, a distance of 2180.85 feet to a point on the South line of said Court Officer Deed description; thence S 88°20'30" W along said South line, a distance of 19.00 feet; thence N 01°58'32" W along said South line, a distance of 82.50 feet; thence S 88°20'30" W along said South line, a distance of 1091.35 feet to a point on the East right of way line for Dak Crest Hill Road SE; thence S 89°05'10" W along said South line, a distance of 112.25 feet to a point on the West line of the Northwest 1/4 of said Section 15; thence N 00°59'47" W along said West line, a distance of 2095.43 feet to the Point of Beginning containing 58.05 acres of which 2.79 acres is existing county road right of way.

- ④ NORTHWEST CORNER
SECTION 15-78-6
FOUND BRASS DISC
IN PAVEMENT
TIES BK. 56, PG. 101
- ⑥ NORTH 1/4 CORNER
SECTION 15-78-6
SET 5/8" REBAR W/CAP
AS PER RECORD INFORMATION
& FENCE EVIDENCE
- ⑩ NORTHEAST CORNER
SECTION 15-78-6
SET 1" IRON ROD
6" DEEP
TIES BK. 38, PG. 278
- ⑪ 4026' South of Section line
per Deed Description BK. 4449, PG. 612
& 3940' West of Northwest corner
per Plat of Survey BK. 2, PG. 134
- ⑬ EAST 1/4 CORNER
SECTION 15-78-6
FOUND 5/8" REBAR
6" DEEP
TIES BK. 38, PG. 283
- ⑭ SOUTH 1/4 CORNER
SECTION 15-78-6
RECORD LOCATION
GARAGE BUILT OVER
TIES BK. 38, PG. 283
- ⑮ WEST 1/4 CORNER
SECTION 15-78-6
FOUND BRASS DISC
IN PAVEMENT
TIES BK. 56, PG. 101



I hereby certify that this land surveying document was prepared and the related survey work was performed by me or under my direct personal supervision and that I am a duly licensed Professional Land Surveyor under the laws of the State of Iowa.



J. Scott Ritter, P.L.S. Date _____
Iowa License Number: 16546
My license renewal date is December 31, 2014.
Pages covered by this seal: THIS SHEET ONLY

EXHIBIT A
TO THE CITY OF HILLS, IA.
PART OF THE NORTHWEST 1/4 OF
SECTION 15, T-78-N, R-6-W
LYING WEST OF CRANDIC RAILROAD

DATE 4/18/14 DRN: JSR APP:
FLD BK: GPS PROJ. NO: 147044



FY 2014 Pre-Disaster Mitigation (PDM) Grant Program

Overview

As appropriated by the *Department of Homeland Security Appropriations Act, 2014* (Public Law 113-76); the Fiscal Year (FY) 2014 Pre-Disaster Mitigation (PDM) Grant Program provides resources to assist states, tribal governments, territories and local communities to reduce overall risk to the population and structures from future hazard events, while also reducing the reliance on federal funding from future disasters.

In Fiscal Year 2014, \$23,000,000 is available to assist State, Tribal Territorial and local governments reduce overall risk to the population and structures from future hazard events, while also reducing reliance on federal funding from future disasters.

The PDM Grant Program was created with the goal of assisting states, tribal governments, territories and local communities to implement a sustained pre-disaster natural hazard mitigation program, as authorized by the *Robert T. Stafford Disaster Relief and Emergency Assistance Act*, Public Law 93-288, as amended (42 U.S.C. 5133).

The Hazard Mitigation Assistance (HMA) Unified Guidance applies to the FY 2014 PDM application cycle. Applicants are encouraged to review the guidance for detailed information regarding eligibility and to contact their FEMA Regional Office for additional information.

Funding

In FY 2014, the total amount of funds distributed under the FY 2014 PDM will be \$23,000,000.

All 50 States, the District of Columbia, federally recognized tribal governments, American Samoa, Guam, Northern Mariana Islands, Puerto Rico and the U.S. Virgin Islands will receive a base amount of 1 percent of the total appropriated PDM funding, or \$250,000.

\$5 million will be set aside for federally recognized tribal governments to receive up to \$250,000 per tribe.

The balance of PDM program funds will be distributed on a competitive basis.

Eligibility

All 50 States, the District of Columbia, federally recognized tribal governments, American Samoa, Guam, Northern Mariana Islands, Puerto Rico and the U.S. Virgin Islands and are eligible to apply for FY 2014 PDM program funds.

Local governments are considered sub-applicants and must apply to their applicant state/territory.

Either the state emergency management agency (EMA) or the office that has primary emergency management responsibility is eligible to apply directly to FEMA for PDM Program funds; however, only one application will be accepted from each state, tribe or territory.

Funding Guidelines

The maximum federal share for PDM sub-applications per HMA Guidance is as follows:

- \$3M for mitigation projects
- \$800,000 for new mitigation plans
- \$300,000 for mitigation plan updates

Additionally, a maximum 10 percent of grant funds awarded can be used by the state EMA for management costs, and a maximum of 5 percent of grant funds awarded can be used by the local EMA for management costs. For more information, please see the FY 2014 Funding Opportunity Announcement.

The period of performance for the PDM Program begins with the opening of the application period and ends no later than 24 months from the award date.

Key FY 2014 PDM Changes

- Application limits were revised to allow a maximum of 11 sub-applications per applicant: 10 for mitigation planning and projects, plus 1 management cost sub-application for applicant management costs up to 10% of the total of their planning and project sub-applications. Out of the 10 mitigation planning and projects, applicants may submit a maximum of 2 project sub-applications.
- Each applicant's number one ranked sub-application must not exceed \$250,000 federal share in order to be eligible for the state and tribal set asides.
- For the FY 2014 PDM program, a permanently installed generator that is a stand-alone project may be considered if the generator protects a critical facility, such as police and fire stations, hospitals, and water and sewer treatment facilities, and can be determined cost-effective via standard HMA benefit-cost methodology.

Application Process and Evaluation Criteria

Applications and sub-applications for PDM must be submitted via the Mitigation eGrants system on the FEMA Grants Portal: <https://portal.fema.gov>. If a sub-applicant does not use the eGrants system, then the applicant must enter the paper sub-application(s) into the eGrants system on the sub-applicant's behalf.

PDM applications will undergo a complete eligibility review within their respective FEMA Region. FEMA Regions will review the 10 highest ranked planning and project sub-applications plus one management cost sub-application submitted by each applicant through the Mitigation eGrants system to ensure compliance with the HMA Guidance, including eligibility of the applicant and sub-applicant; eligibility of proposed activities and costs; completeness of the sub-application; and eligibility and availability of non-federal cost share.

FEMA will perform a Technical Review for the two highest ranked project sub-applications from each eligible applicant focusing on two areas: (1) Benefit-Cost Analysis; and (2) Engineering Feasibility.

FEMA will select eligible planning and project sub-applications in order of the agency's priorities for the FY 2014 PDM grant program:

- 1% set aside for States/Territories/District of Columbia or \$250,000 federal share
- \$5 million Tribal set aside for a maximum of \$250,000 federal share per tribe
- Mitigation planning sub-applications consistent with 44 CFR Part 201
 1. Plans from applicants without an open Hazard Mitigation Grant Program (HMGP) application period
 2. Plans from applicants with an open HMGP application period
- Mitigation project sub-applications
 1. Non-flood mitigation projects from applicants without an open HMGP application period
 2. Non-flood mitigation projects from applicants with an open HMGP application period
 3. Flood mitigation projects from applicants without an open HMGP application period
 4. Flood mitigation projects from applicants with an open HMGP application period.



FY 2014 Flood Mitigation Assistance (FMA) Grant Program

Overview

As appropriated by the *Department of Homeland Security Appropriations Act, 2014* (Public Law 113-76); the Fiscal Year (FY) 2014 Flood Mitigation Assistance (FMA) Grant Program provides resources to assist states, tribal governments, territories and local communities in their efforts to reduce or eliminate the risk of repetitive flood damage to buildings and structures insurable under the National Flood Insurance Program (NFIP) as authorized by the National Flood Insurance Act of 1968, as amended.

In Fiscal Year 2014, \$89,000,000 is available to assist States, Tribal, Territorial and local governments reduce or eliminate claims under the National Flood Insurance Program (NFIP).

The FMA Grant Program was created as part of the National Flood Insurance Reform Act (NFIRA) of 1994 with the goal of reducing or eliminating claims under the NFIP.

Consistent with Biggert-Waters Flood Insurance Reform Act of 2012 (Public Law 112-141), the FMA Grant Program changed in FY 2013 to allow more federal funds for properties with repetitive flood claims and severe repetitive loss properties, and the Repetitive Flood Claims and Severe Repetitive Loss Grant Programs were eliminated.

The Hazard Mitigation Assistance (HMA) Unified Guidance applies to the FY 2014 FMA application cycle. Applicants are encouraged to review the guidance for detailed information regarding eligibility and to contact their FEMA Regional Office for additional information.

Funding

In FY 2014, the total amount of funds distributed under the FY 2014 FMA will be \$89,000,000.

The FMA program funds will be distributed on a competitive basis.

Eligibility

All 50 States, the District of Columbia, federally recognized tribal governments, American Samoa, Guam, Northern Mariana Islands, Puerto Rico and the U.S. Virgin Islands are eligible to apply for FY 2014 FMA Program funds.

Local governments are considered sub-applicants and must apply to their applicant state/territory.

Either the state emergency management agency (EMA) or the office that has primary floodplain management responsibility is eligible to apply directly to FEMA for FMA program funds; however, only one application will be accepted from each state, tribe or territory.

Funding Guidelines

The maximum federal share for FMA sub-applications per 42 U.S.C. 4104c is as follows:

- \$50,000 for state plans
- \$25,000 for local plans

Additionally, a maximum 10 percent of grant funds awarded can be used by the state EMA for management costs, and a maximum of 5 percent of grant funds awarded can be used by the local EMA for management costs. For more information, please see the FY 2014 Funding Opportunity Announcement.

The period of performance for the FMA program begins with the opening of the application period and ends no later than 36 months from the award date.

Key FY 2014 FMA Changes

- FEMA added the mitigation of repetitive loss properties as an agency priority for FY 2014.
-

Application Process and Evaluation Criteria

Applications and sub-applications for FMA must be submitted via the Mitigation eGrants system on the FEMA Grants Portal: <https://portal.fema.gov>. If a subapplicant does not use the eGrants system, then the applicant must enter the paper sub-application(s) into the eGrants system on the sub-applicant's behalf.

FMA applications will undergo a complete eligibility review within their respective FEMA Region. FEMA Regions will review planning and project sub-applications plus one management cost subapplication submitted by each applicant through the Mitigation eGrants system to ensure compliance with the HMA Guidance, including eligibility of the applicant and sub-applicant; eligibility of proposed activities and costs; completeness of the sub-application and eligibility and availability of non-federal cost share.

FEMA will perform a Technical Review for the project sub-applications from each eligible Applicant focusing on two areas: (1) Benefit-Cost Analysis; and (2) Engineering Feasibility.

FEMA will select eligible planning and project sub-applications in order of the agency's priorities for the FY 2014 FMA grant program:

- 1st priority: Mitigation planning sub-applications consistent with 44 CFR Part 201 up to a maximum of \$100,000 federal share per applicant
- 2nd priority: Mitigation project sub-applications that mitigate Severe Repetitive Loss (SRL) properties.
- 3rd priority: Mitigation project sub-applications that mitigate Repetitive Loss (RL) properties.

Johnson County EMA Commission Organization Chart

