

OFFICE OF THE
Appanoose County Auditor

KELLY HOWARD

COURTHOUSE
201 N. 12th St., Rm 11
CENTERVILLE, IOWA 52544
Phone (641) 856-6191
auditor@appanoosecounty.net

Meeting Agenda
March 16, 2026

The Appanoose County Board of Supervisors will meet March 16, 2026 at 9:00 A.M. in the Boardroom of the Courthouse. Items on the agenda include:

1. Pledge
2. Declaration of items to be added to the agenda/Approve agenda
3. Approve minutes of the March 2, 2026 meeting
4. Approve reports (3/13 payroll & February Prisoner Room & Board Transfer)
5. Approve bills
6. Approve Liquor License: Louies Lakeside Bistro BBQ (pending dram)
7. Approve Tobacco License: Elliott's General Store
8. Approve voiding Auditor payroll checks and turning over to Great Iowa Treasurer Hunt
9. Approve Resolution 2026-10: Subscription Based Information Technology Arrangement (GASB96)
10. Approve Updated Voting System Security Policy (Confidential per Resolution 2018-21)
11. Approve opt out letter to Community Services Network (CSN)
12. Approve participation in Six Remnant Opioid Settlement
13. Approve Resolution 2026-11: Secondary Roads Quarterly Transfer (\$250,795.25)
14. County Engineer report
 - a. Accept resignation letters: Roger Dyke (3/2) & Kevin Smith (3/13)
 - b. Approve and sign Federal-Aid Agreement for the City Highway Bridge Program Project on Hwy T14
15. Public Comments
16. Adjourn

Join Zoom meeting Online:

<https://zoom.us/j/6578806191?pwd=zxhtModzmQTn7WKA79RVJrQ7jDfA8R.1&omn=99701628053>

Or dial-in: (312) 626-6799, Meeting ID: 657 880 6191, Passcode: 1fQX33

Posted 3/12/26

March 2, 2026

Appanoose County Board of Supervisors met in regular session March 2, 2026, at 9:00 A.M. in the Boardroom of the Courthouse. Present: Jeff Kulmatycki, Chairman, Dustin Harvey and Scott Buban, Boardmembers. Absent: none.

The meeting started with the pledge.

Harvey motioned to approve the agenda. Seconded by Buban. All voted aye.

Buban motioned to approve the minutes of the February 17, 2026 meeting. Seconded by Harvey. All voted aye.

Harvey motioned to approve 2/27/26 payroll and 1/26 Prisoner Room & Board Transfer. Seconded by Buban. All voted aye.

Buban motioned to approve the bills. Seconded by Harvey. All voted aye.

Access Sys	Typing-Print.-Bind.Serv.	944.45
Albia Newspapers	Typing-Print.-Bind.Serv.	638.59
Alliant	Electric Light & Power	2165.57
Amazon	Food Preparation Service	428.20
App Co Auditor	Off. Supplies & Forms	35.00
L Ballanger	Engineering Services	20.38
Bratz Oil	Mileage & Transp. Expense	44.35
C-D Supply	Engineering Services	366.21
Cville Iron	Engineering Services	85.56
Central IA Fasteners	Engineering Services	105.65
Chariton Valley Elec	Engineering Services	41.80
Cville Wtrwks	Rent & Utility Payments	232516.98
CR Environmental	Engineering Services	17524.33
Davison Fuels & Oil	Fuels	56.82
J De Vries	Legal & Ct-Related Serv.	2257.50
Gary Dhority	Off. Supplies & Forms	476.28
Fogle Home & Hardware	Building Repair & Maintce	11.16
Galls	Uniforms	324.61
Gingerich Logging	Engineering Services	238.46
Good Guys Glass Auto	Engineering Services	400.00
GreatAmerica	Telephone & Telegr.Serv.	233.74
PJ Greufe	Health Insurance	1500.00
HOOVER RENTAL & SALES	Engineering Services	3000.00
Housby Mack	Engineering Services	87.67
IA Media Network	Typing-Print.-Bind.Serv.	231.94
John Deere	Engineering Services	207.44
Kimball	Engineering Services	1017.36
Kinetic Edge	Educational & Train.Serv.	120.00
K Laurson	Educational & Train.Serv.	1048.00
Lockridge	Building Repair & Maintce	37.65
G Milani	Engineering Services	1507.80
M Milani	Educational & Train.Serv.	42.56
Monroe Sheriff	Legal Serv. Dep-Subp-Tran	36.50
Newman Signs	Engineering Services	7818.25
R Pfannebecker	Mileage & Transp. Expense	102.76
Phelps Uniform	Engineering Services	177.36
Polk Co Medical Examiner	Medical & Health Services	2865.08
Quill	Jail Equip. & Furniture	514.92
Rainbo Oil	Engineering Services	940.97
RASWC	Engineering Services	10.00
RRWA	Engineering Services	28.50

G Roefer	Medical & Health Services	100.00
SE IA Assessors	Educational & Train.Serv.	400.00
Secretary of State	Off. Supplies & Forms	30.00
N Shilling	Educational & Train.Serv.	63.48
M Sias	Salary-Regular Employees	1129.17
Simmons Bldg Materials	Office Equip. & Furniture	138.71
SJ Smith Co Inc	Engineering Services	666.88
Snap-On Tools	Engineering Services	20.75
Soap Creek Watershed	Flood & Erosion	5186.00
Stubbs Petroleum	Engineering Services	512.27
D Sturms	Mileage & Transp. Expense	264.40
Summit Co	Engineering Services	2665.75
TerviPay	Food Preparation Service	254.12
Truck Center	Engineering Services	866.20
US Bank	Office Equip. & Furniture	1087.67
US Cellular	Telephone & Telegr.Serv.	356.51
Vanguard Appraisals	Appraisal & Consultant Se	1750.00
Verizon	Contrib. & Purchase Serv	200.04
N Wells	Engineering Services	802.76
Weston Heating	Engineering Services	1149.93
P Whisler	Educational & Train.Serv.	53.86
Windstream	Telephone & Telegr.Serv.	1185.22
WINDSTREAM	Engineering Services	168.70
Grand Total		299262.82

Meho Clark and Tarah Kovacevich from the Appanoose Family Alliance requested the Courthouse be lit blue for the month of April for Child Abuse Prevention Month and thanked the board for their past support.

Harvey motioned to approve the GIS Data Grant Agreement for Kit Duarte. Seconded by Buban. All voted aye.

Sheriff Gary Anderson requested permission to use the area east of the tower for a secure impound lot. The costs would be paid for by the city. Buban motioned to approve the use of county land for an impound lot. Seconded by Harvey. All voted aye.

There was discussion regarding the EMS Council's distribution. Harvey suggested lowering the allocation to Water Rescue down from \$38,793.53 to \$20,000 and using the remaining funds to reduce the property tax levy. Buban motioned approve the EMS council's distribution except a reduction to Appanoose County Water Rescue to \$20,000. Seconded by Harvey. All voted aye.

There was discussion regarding the EMS Property tax. Buban talked about the levy being near the maximum \$0.75 already. Harvey motioned to lower the levy by the remaining Income Surtax (\$18,793.53). Seconded by Kulmatycki. Kulmatycki and Harvey voted aye. Buban voted nay.

Harvey motioned to set the FY27 Property Tax Levy public hearing for 4/6/2026 at 8 A.M. Seconded by Buban. All voted aye.

Harvey motioned to approve the Notice of Noxious Weeds. Seconded by Buban. All voted aye.

Buban motioned to accept the preliminary plat for Beck's Owl Hollow. Seconded by Harvey. All voted aye.

Kulmatycki spoke regarding the Courthouse roof lawsuit. A settlement offer was received that would replace the Courthouse roof. No formal documents have been presented.

County Engineer, Brad Skinner provided an update to the board. The bridge crew has been working on a bridge this winter. They've had to make some adjustments due to the bedrock, but it's expected to be completed in June. They recently had a pre-construction meeting for the asphalt project for J46 and S70. It's expected to start in April. Kulmatycki asked about the Moravia highway. Skinner

stated it is in the proposed 5-year plan for FY28. Winter activities have been focused on brush cutting since there hasn't been much snow removal. The applications for the road superintendent position were due this morning.

Public Comments: none

Buban motioned to adjourn. Seconded by Harvey. All voted aye.

The Board adjourned to meet the call of the Auditor at 9:18 A.M.

Appanoose County Board of Supervisors

Attest:

Kelly Howard, Appanoose County Auditor

DISTRICT COURT OF APPANOOSE COUNTY IOWA

REPORT OF FEES COLLECTED
PRISONER ROOM AND BOARD

To the Board of Supervisors of Appanoose County:

I, Sara Oden, Clerk/clerk's Designee of the District Court of the above-named County and State, do hereby certify that the following is a true and correct statement of the fees collected by the Clerk of Court for the month of February, 2026, and the same has been paid to the County as per receipt attached.

COUNTY SHARE OF PRISONER ROOM & BOARD

1000-1000-4440-05-302	Total Prisoner Room & Board Reimbursement	
	100% General Basic	\$503.54
29000-01000-4440-05-301	60% Transfer to Sheriff	
		\$302.12

Transfer authorized by Appanoose County Board of Supervisors
This _____ day of _____, 20____.

Signed: _____
Chairperson

* Pending DRAM *

Applicant

Help

Name of Legal Entity : THE RAT PACK INC

Business Name (DBA) : LOUIES LAKESIDE BISTRO BBQ

Business Type : Corporation

Insurance Company : AUTO OWNERS INSURANCE COMPANY

Premises Address

Street : 21646 MARINA PL

Suite/Apt : 1

City : MORAVIA

County : APPANOOSE

State : IOWA

ZIP : 52571-8939

Mailing Address

Street : 21646 MARINA PL

Suite/Apt :

City : MORAVIA

County : APPANOOSE

State : IOWA

ZIP : 52571-8939

License Information

License Number : LC0042440

License/Permit Type : Class "C" Retail Alcohol License (LC)

Current Status : Active

Premises Type : Restaurant

Term : 12 months

Effective Date : 01-Apr-2025

Expiration Date : 31-Mar-2026

Contact Information

Name : TIM HOLMES

Phone Number : (515) 371-5599

Email : tholmes57@gmail.com

 License status history that predates November of 2022 is not accessible online. Please make a Public Records Request for this information.

License Status History

Date	Status
01-Nov-2025	Active
06-Mar-2017	Call for Status

ⓘ Application history that predates November of 2022 is not accessible online. Please make a Public Records Request for this information.

Application History

Application ID	Application Type	Stage	Date
0-010-147-669	Class "C" Retail Alcohol License (LC Dramshop Review		06-Mar-2026
0-010-147-669	Class "C" Retail Alcohol License (LC New		06-Mar-2026

Ownership

Name : HOLMES, TIM

% of Ownership : 100.0000

Position : Pres



< COUNTY OF APPANOOSE

Retail Tobacco License Review

COUNTY OF APPANOOSE

1006377805



Application Information

Legal Ownership Information

Name of sole proprietor, partnership, corporation, LLC, or LLP : ELLIOTT'S GENERAL STORE INC

Type of ownership : Corporation

Primary office address : 23828 HIGHWAY J18 MORAVIA IA
52571-8891

Legal Ownership Phone : 641-724-3711

Legal Ownership Email : delliot303@aol.com

Application Information

City/County Permit Number : 04-2026-002

Sales and Use Permit Number : 104006899

Location Name : ELLIOTT'S GENERAL STORE

Location Phone Number : 641-724-3711

Location Address : 23828 HIGHWAY J18 MORAVIA IA 52571-8891

Location Mailing Address : 23828 HIGHWAY J18 MORAVIA IA 52571-8891

Renewal : Yes

Start Date : 01-Jul-2026
 End Date : 30-Jun-2027
 License Fee : 50.00
 Types of Sales : Over the Counter
 Type of Establishment : Convenience store/gas station
 Types of Products Sold : Cigarettes, Tobacco, Alternative Nicotine Products
 Do you intend to make retail sales to ultimate consumers? : Yes
 Do you have other permits issued under Iowa Code chapter 453A at this retail location? If yes, provide permit number(s) in the next step: : No

Ownership Details

Owner	Position	Single Line Address
ELLIOTT, DAVID		16176 HWY J29 CENTERVILLE I.
ELLIOTT, PEGGY		16176 HWY J29 CENTERVILLE I.

Suppliers List

Core-Mark

Decision

Select the decision of whether you approve or deny this permit application.

Iowa Department of Revenue will be issuing a permit number if this application is approved. However, the local authority has the option to also issue a permit number. If the local authority decides to issue a local permit number, it can be entered in the "Local Permit Number" field. Otherwise, only the state-issued permit number will appear on the permit.

Select a Decision *

Approve	Deny
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March 5, 2026

Appanoose County Board of Supervisors

Re: Outstanding checks

Below is a list of payroll checks over one year old. I request approval to have them voided off our records and turned over to the Great Iowa Treasurer Hunt.

<u>Disbursement #</u>	<u>Name</u>	<u>Amount</u>	<u>Fund</u>
40011	Matthew Lowe	\$18.47	11000
40157	John Wright	\$36.94	11000
43481	Matthew Lowe	\$18.47	11000
52445	Christopher Spencer	\$18.47	11000
52457	John Wright	\$18.47	11000
58639	John Wright	\$18.47	11000
59334	Judy Wooton	\$18.47	11000
59336	Matthew Lowe	\$18.47	11000
61296	James Rodebusch	\$36.94	11000

Kelly Howard
Appanoose County Auditor

BoS Approval: _____

Resolution 2026- 10

Appanoose County Right-To-Use Subscription Asset Policy

GASB Statement No. 96, "Subscription-Based Information Technology Arrangements", is effective beginning July 1, 2025 (FY2026). GASB 96 requires a government end user (government) to recognize a subscription liability and an intangible right-to-use subscription asset.

For counties reporting on the accrual basis of accounting, the cumulative effect, if any, may require a restatement of beginning net position, fund balance, or fund net position (as applicable). This means subscription-based information technology arrangements (SBITA or subscription) in existence on June 30, 2025 will need to be reported as the beginning balance (July 1, 2025) for leases of FY2026.

A right-to-use subscription asset is an intangible capital asset. The asset represents the right to use an underlying asset identified in a subscription contract, as specified for a period of time. The County will recognize the intangible right-to-use subscription asset when:

- a) The contract conveys control of the right to use another entity's nonfinancial asset (the underlying asset) as specified in the contract for a period of time in an exchange or exchange-like transaction.
- b) The minimum noncancelable contract term is greater than twelve months.
- c) The contract does not transfer ownership of the underlying asset.
- d) The underlying asset is used to conduct county business (This will not apply to custodial funds.)

Threshold for Capitalization of Right-To-Use SBITA Assets

The establishment of a right-to-use subscription asset capitalization threshold policy has been recommended. The policy should be approved by the Board of Supervisors. The threshold is to be consistently applied by all departments and offices of the County for financial reporting purposes and should overall capture most right-to-use subscription contracts. All right-to-use subscription assets at or above \$100,000.00 must be reported.

As a general rule, the threshold should be applied to individual subscription contracts.

Right-to-use lease asset classifications:

The government is required to disclose the amount of subscription assets (and the related amortization) separately from other capital assets.

Measurement and amortization:

Measurement: A government should initially measure the subscription asset as the sum of the following:

- a) The amount of the initial measurement of the subscription right-to-use asset. (A lessee should measure the subscription liability and right-to-use asset at the present value of payments expected to be made during the lease term.) (For the year of implementation, the subscription liability and right-to-use asset should be measured as of July 1, 2025.)
- b) Subscription payments made to the vendor at or before the commencement of the subscription term, less any subscription incentives received from the vendor at or before the commencement of the subscription term.
- c) Initial direct costs that are ancillary charges necessary to place the subscription asset into service.

Amortization: A subscription asset should be amortized using the straight-line method over the shorter of the subscription term or the useful life of the underlying asset. The amortization of the lease asset should be reported as amortization expense.

At a minimum, amortization should be calculated on a monthly basis.

Approved on March 16, 2026.

Board Chair: _____ **Date:** _____

Attest: _____ **Date:** _____
County Auditor

Resolution 2018-21

**Resolution Regarding the Confidentiality of Public Records
Related to the Election Infrastructure of Appanoose County**

WHEREAS, on 6 January 2017, the United States Department of Homeland Security (DHS) designated election infrastructure as a subsector of the existing Government Facilities critical infrastructure sector; and

WHEREAS, the designation by DHS makes it easier for the federal government to have full and frank discussions with key stakeholders regarding sensitive vulnerability information; and

WHEREAS, under Iowa law, sensitive vulnerability information is subject to examination by the public unless it is classified as a confidential public record per Code of Iowa, Chapter 22, subsection 7; and

WHEREAS, Code of Iowa, Chapter 22, subsection 7, paragraph 50 identifies confidential public records as: Information concerning security procedures or emergency preparedness information developed and maintained by a government body for the protection of governmental employees, visitors to the government body, or property under the jurisdiction of the government body, if disclosure could reasonably be expected to jeopardize such employees, visitors, persons or property.

- a. Such information includes but is not limited to information directly related to vulnerability assessments; information contained in records relating to security measures such as security and response plans, security codes and combinations, passwords, restricted area passes, keys, and security or response procedures; emergency response protocols; and information contained in records that if disclosed would significantly increase the vulnerability of critical physical systems or infrastructures of a government body to attack.
- b. This subsection shall only apply to information held by a government body that has adopted a rule or policy identifying the specific records or class of records to which this subsection applies and which is contained in such a record; and

WHEREAS, Iowa Administrative Rule 721-22.50(52) requires each county to maintain a written security policy which shall include detailed plans to protect election equipment and data from unauthorized access as well as describe methods to be used to preserve the integrity of the election and document the election process.

WHEREAS, the nature of the information contained in the required written security policy qualifies it as a confidential record as identified by Iowa Code 22.7(50) as outlined above.

WHEREAS, threats to election infrastructure through breaches of cybersecurity may be initiated by any number of sources including, but not limited to hackers, disgruntled current or former employees, criminal enterprises, terrorists, and foreign governments; and

WHEREAS, the threat of a cyber-attack against election infrastructure cannot be eliminated, but actions can be taken to reduce the likelihood of successful attacks, to mitigate the harmful consequences of an attack, and to improve the County's ability to improve election infrastructure protection and restoration from future attacks, and thus enhance the resiliency of election infrastructure; and

WHEREAS, measures to prevent an attack or mitigate its consequences come with costs which must be balanced against the likelihood of the threat and the significance of the potential harm; and

WHEREAS, the Appanoose County Auditor and Commissioner of Elections shall have a duty to determine which, if any, members of the public and/or government officials have a need to know the results, findings, and recommendations of any firm or agency performing audits of election infrastructure, which include but are not limited to security procedures, emergency preparedness, vulnerability to threats from all extraordinary events (natural or man-made), and cyber-attacks designed to cause disruptions in elections, voting, or the reporting of election results, or to voter registration records; and

WHEREAS, the sharing of the results, findings, of future audits with members of the public not approved by the Appanoose County Auditor and Commission of Elections jeopardizes the County's election infrastructure and likely increases the taxpayer costs required to protect election infrastructure; and

WHEREAS, the Appanoose County Board of Supervisors and the Appanoose County Auditor and Commission of Elections advocates 100% transparency in local government, has concluded that releasing public records related to the vulnerabilities of election infrastructure would be irresponsible and detrimental to the public/taxpayers/voters, and may allow bad actors to affect the integrity of the elections administered in the County; and

WHEREAS, the Appanoose County Auditor and Commissioner of Elections had complied with the Code of Iowa and administrative rules promulgated by the Iowa Secretary of State, as well as, guidelines from EAC (United States Election Assistance Commission) concerning election infrastructure; and

NOW, THEREFORE, BE IT RESOLVED, that the Appanoose County Board of Supervisors, a government body defined in Code of Iowa Chapter 22, section 1, paragraph 1, hereby designates as a matter of public policy that any public records related to Appanoose County's

Voting System Security policy and the protection, security measures, response plans, emergency preparedness, security codes/combinations/passwords, restricted physical area passes, keys, audio/video systems, emergency response protocols, vulnerabilities, and any information contained in records that if disclosed would significantly increase the vulnerability of the election infrastructure shall remain confidential public records unless such public records are approved for examination or release by the Appanoose County Auditor and Commission of Elections or his/her designee; and

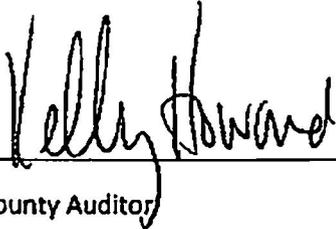
FURTHER, BE IT RESOLVED, that this resolution is effective upon the date of approval by the Appanoose County Board of Supervisors.

ADOPTED AND PASSED by the Board of Supervisors of the County of Appanoose this 20th day of August, 2018



Mark Waits – Chairman Board of Supervisors

Attest:



Kelly Howard - County Auditor



Dear Kelly Howard,

The Community Services Network (CSN) launched in 2010 and was used by counties to manage mental health and disability services (MH/DS). In 2014 when MH/DS regions were formed, CSN was updated to allow regions to take over managing those services. This opened the door for other county entities to start using CSN as well, such as: General Assistance; Veterans Assistance; Substance Use Disorder; Judicial Advocates; and Community Services.

In the past, MH/DS Regions paid annual Iowa County Technology Services (ICTS) dues for the use of CSN, and they graciously allowed the other county entities to use CSN without the requirement of reimbursement. In 2024 and following the passage of House File 2673, the MH/DS Regions were dissolved, but county entities have expressed the desire to continue to use CSN.

For FY 2026 ICTS allowed entities to use CSN without a fee, giving ICTS time to determine the future needs of CSN users. Currently, the following entities around the state are using CSN: General Assistance; Veterans Assistance; Judicial Advocates; Substance Use Disorder; Jail Diversion; Conservation; Homeless Program; Community Services; Case Management; and Disability Access Points.

At the November ICTS Board meeting, the Board decided that in FY 2027 the software license fee will be a flat fee of **\$2,500 per county**. This flat fee does not limit the number of users or entities. CSN is not just for the services listed, but it can also be used by any office or department within the county.

The software license fee will also include the ability for Appanoose County to accept the Standardized HIPAA Transaction (aka 837) billing file, which covered entities are required to accept by law. The file is received via CSN, is interpreted into a readable format, and can be exported to be processed in the manner the covered entity chooses.

The following entities/departments in your county are using CSN or have expressed interest:

- Judicial Advocate
- Community Services
- Substance Use Disorder

This letter is not an invoice. Its intention is to inform you of the software license fee for budgeting purposes. Please contact staff with any questions you may have.

Contact Information:

Brad Holtan: bholtan@iowacounties.org / 515.369.7001

Brandi Kanselaar: bkanselaar@iowacounties.org / 515.369.7006

Thank you,

ICTS Staff

Kelly Howard

From: CSNStaff <csnstaff@iowacounties.org>
Sent: Monday, March 9, 2026 10:28 AM
To: CSNStaff
Subject: Opting out of CSN

You don't often get email from csnstaff@iowacounties.org. [Learn why this is important](#)

Caution: CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hello Auditors!

If you would like to opt out of CSN starting in FY27, ICTS would need a formal letter stating your decision to opt out no later than **April 30th, 2026**. This letter can be emailed to CSNStaff@iowacounties.org or mailed to the ISAC office. After receiving the opt out letter, ICTS will reach out with final information.

Counties can opt back into CSN at any time, but they will be required to pay the full CSN licensing fee for that year.

Any counties choosing to continue with CSN, you do not have to do anything. The CSN licensing fee invoice will be sent out sometime after April 30th.

Please let me know if you have any questions! Thank you!

Brandi Kanselaar

IT Software & Systems Analyst



5500 Westown Parkway, STE 190

West Des Moines, IA 50266

Ph: 515.369.7006

Fax: 515.244.6397

RESOLUTION FOR INTERFUND OPERATING TRANSFER 2026-11

Whereas, it is desired to transfer monies from the Rural Services Fund to the Secondary Road Fund, and

Whereas, said operating transfer is in accordance with section 331.432, Code of Iowa,

Now, therefore, be it resolved by the Board of Supervisors of Appanoose County, Iowa as follows:

Section 1. The sum of \$ 250,795.25 is ordered to be transferred from the Rural Services Fund to the Secondary Road Fund, effective 03-16-2026.

Section 2. The Auditor is directed to correct her books accordingly and to notify the Treasurer of this operating transfer.

The above and foregoing resolution was adopted by the Board of Supervisors of Appanoose County, Iowa, on 03-16-2026 the vote being as follows:

Ayes: _____

Nays: _____

Attest:

County Auditor

2/11/26

My last day with Appanoose County Secondary Roads will be March 2nd 2026.

Thank you



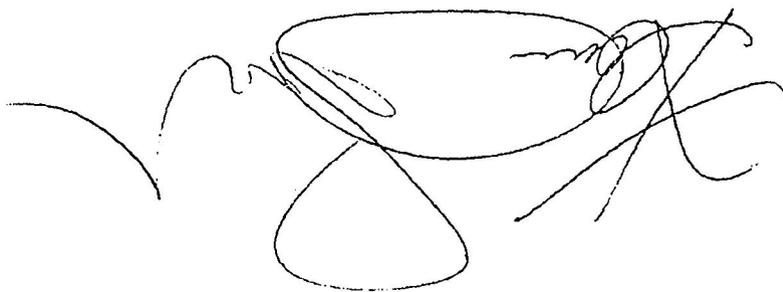
Roger Dyke

RECEIVED
JD 2/17/26

REC'D APP CO AUDITOR
MAR 2 '26 PM 2:19

3/2/26
K. Smith

My last day will be March 13th
Kevin Smith



3-2-26

January 2025

**IOWA DEPARTMENT OF TRANSPORTATION
Federal-aid Agreement
for a City Highway Bridge Program Project**

RECIPIENT: City of Mystic

Project No: BHS-5357(601)--63-04

Iowa DOT Agreement No: 5-26-HBP-U-004

CFDA No. and Title: 20.205 Highway Planning and Construction

This is an agreement between the city of Mystic, Iowa (hereinafter referred to as the CITY) and Appanoose County, Iowa (hereinafter referred to as the COUNTY) and the Iowa Department of Transportation (hereinafter referred to as the DEPARTMENT). The CITY and COUNTY shall collectively be referred to as the RECIPIENT). Iowa Code Sections 306A.7 and 307.44 provide for the RECIPIENT and the DEPARTMENT to enter into agreements with each other for the purpose of financing transportation improvement projects on streets and highways in Iowa with Federal funds.

The Bridge Formula Program (BFP) and the Surface Transportation Block Grant (STBG) Program make Federal funds available for replacement or rehabilitation of highway bridges on public roads on and off the Federal-aid System. A portion of BFP or STBG funds have been set aside for this purpose and designated as the City Bridge Program. In the event Highway Infrastructure Program (HIP) funding is available, it may be included for this same purpose.

Pursuant to the terms of this agreement, applicable statutes, and Local Systems Instructional Memorandum 1.100, the DEPARTMENT agrees to provide City Bridge Program funding to the RECIPIENT for the authorized and approved costs for eligible items associated with the project.

Under this agreement, the parties further agree as follows:

1. The COUNTY shall be the lead local governmental agency for carrying out the provisions of this agreement.
2. All notices required under this agreement shall be made in writing to the appropriate contact person. The DEPARTMENT's contact person will be the Local Systems Project Development Engineer, Jenifer Bates, and the Local Systems Central Region Field Engineer, Brian J. Catus. The RECIPIENT's contact person shall be the Mayor and County Engineer.
3. The COUNTY shall be responsible for the development and completion of the following bridge project:
 - A. FHWA Structure Number: 013991
 - B. Location: T14 over Walnut Creek
 - C. Preliminary Estimated Total Eligible Construction Costs: \$1,100,000
4. The eligible project construction limits shall include the bridge plus grading and/or paving to reach a "touchdown point" determined by the DEPARTMENT. Eligible project costs include only costs associated with actual construction costs within the eligible project construction limits.
5. Costs associated with work outside the eligible project construction limits, routine maintenance activities, operations, and monitoring expenses, are not eligible. In addition, administrative costs, engineering, inspection, legal, right of way, utility relocations, activities necessary to comply with Federal and State environmental or permit requirements, and fees or interest associated with bonds or loans are not eligible.
6. The COUNTY shall receive reimbursement for costs of authorized and approved eligible construction project activities from City Bridge Program funds. The portion of the eligible construction project costs reimbursed by City Bridge Program funds shall be limited to a maximum of 100% of eligible costs or \$1,500,000, whichever is less. Reimbursed costs will be limited to funding made available for cities through the City Bridge Program outlined in Local Systems Instructional Memorandum 1.100 in place at the time of this agreement being fully executed.

7. The COUNTY shall conduct project development and implementation in compliance with applicable laws, ordinances, and administrative rules. For projects which also include Farm-to-Market funds, the RECIPIENT shall follow all administrative and contracting procedures required for Farm-to-Market projects.
8. The COUNTY and/or CITY shall pay for all project costs not reimbursed with City Bridge Program funds in a manner as mutually agreed upon. The COUNTY and CITY shall also provide the DEPARTMENT with a copy of their cost sharing agreement.
9. The COUNTY shall let the project for bids through the DEPARTMENT.
10. If any part of this agreement is found to be void and unenforceable, the remaining provisions of this agreement shall remain in effect.
11. It is the intent of both (all) parties that no third-party beneficiaries be created by this agreement.
12. Responsibility for compliance with the Federal and State laws, regulations, policies, or procedures required by this agreement is not assignable without the prior written consent of the DEPARTMENT.
13. The project shall be let to contract within 3 years of the date this agreement is signed by the DEPARTMENT. If not, the RECIPIENT may be in default, for which the DEPARTMENT may revoke funding commitments. This agreement may be extended for a period of 6 months upon receipt of a written request from the RECIPIENT at least 30 days prior to the 3-year deadline.
14. This agreement and the attached Exhibit 1 constitute the entire agreement between the DEPARTMENT and the RECIPIENT concerning this project. Representations made before the signing of this agreement are not binding, and neither party has relied upon conflicting representations in entering into this agreement. Any change or alteration to the terms of this agreement shall be made in the form of an addendum to this agreement. The addendum shall become effective only upon written approval of the DEPARTMENT and the RECIPIENT.

EXHIBIT 1

General Agreement Provisions for use of Federal Highway Funds on Non-primary Projects

Unless otherwise specified in this agreement, the RECIPIENT shall be responsible for the following:

1. General Requirements

- a. The RECIPIENT shall take the necessary actions to comply with applicable State and Federal laws and regulations. To assist the RECIPIENT, the DEPARTMENT has provided guidance in the Federal-aid Project Development Guide (Guide) and the Instructional Memorandums to Local Public Agencies (I.M.s) that are referenced by the Guide. Both are available on-line at: https://www.iowadot.gov/local_systems/publications/im/lpa_ims.htm. The RECIPIENT shall follow the applicable procedures and guidelines contained in the Guide and I.M.s in effect at the time project activities are conducted.
- b. In accordance with Title VI of the Civil Rights Act of 1964 and associated subsequent nondiscrimination laws, regulations, and executive orders, the RECIPIENT shall not discriminate against any person on the basis of race, color, national origin, sex, age, or disability. In accordance with Iowa Code Chapter 216, the RECIPIENT shall not discriminate against any person on the basis of race, color, creed, age, sex, sexual orientation, national origin, religion, pregnancy, or disability. The RECIPIENT agrees to comply with the requirements outlined in I.M. 1.070, Title VI and Nondiscrimination Requirements, which includes the requirement to provide a copy of the Subrecipient's Title VI Plan or Agreement and Standard DOT Title VI Assurances to the DEPARTMENT.
- c. The RECIPIENT shall comply with the requirements of Title II of the Americans with Disabilities Act of 1990 (ADA), Section 504 of the Rehabilitation Act of 1973 (Section 504), the associated Code of Federal Regulations (CFR) that implement these laws, and the guidance provided in I.M. 1.080, ADA Requirements. When bicycle and/or pedestrian facilities are constructed, reconstructed, or altered, the RECIPIENT shall make such facilities compliant with the ADA and Section 504, which includes following the requirements set forth in Chapter 12A for sidewalks and Chapter 12B for Bicycle Facilities of the Iowa DOT Design Manual.
- d. To the extent allowable by law, the RECIPIENT agrees to indemnify, defend, and hold the DEPARTMENT harmless from any claim, action or liability arising out of the design, construction, maintenance, placement of traffic control devices, inspection, or use of this project. This agreement to indemnify, defend, and hold harmless applies to all aspects of the DEPARTMENT's application review and approval process, plan and construction reviews, and funding participation.
- e. As required by the 2 CFR 200.501 "Audit Requirements," a non-Federal entity expending \$750,000 or more in Federal awards in a year shall have a single or program-specific audit conducted for that year in accordance with the provision of that part. Auditee responsibilities are addressed in Subpart F of 2 CFR 200. The Federal funds provided by this agreement shall be reported on the appropriate Schedule of Expenditures of Federal Awards (SEFA) using the Catalog of Federal Domestic Assistance (CFDA) number and title as shown on the first page of this agreement. If the RECIPIENT will pay initial project costs and request reimbursement from the DEPARTMENT, the RECIPIENT shall report this project on its SEFA. If the DEPARTMENT will pay initial project costs and then credit those accounts from which initial costs were paid, the DEPARTMENT will report this project on its SEFA. When the DEPARTMENT will pay initial project costs and credit those accounts from which initial costs were paid, the RECIPIENT shall not report this project on its SEFA.
- f. The RECIPIENT shall supply the DEPARTMENT with all information required by the Federal Funding Accountability and Transparency Act of 2006 and 2 CFR Part 170.
- g. The RECIPIENT shall comply with the following Disadvantaged Business Enterprise (DBE) requirements:
 - i. The RECIPIENT shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any DOT-assisted contract or in the administration of its DBE program or the requirements of 49 CFR Part 26. The RECIPIENT shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts.
 - ii. The RECIPIENT shall comply with the requirements of I.M. 5.010, DBE Guidelines.

- iii. The DEPARTMENT's DBE program, as required by 49 CFR Part 26 and as approved by the Federal Highway Administration (FHWA), is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the RECIPIENT of its failure to carry out its approved program, the DEPARTMENT may impose sanctions as provided for under Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).
- h. Termination of funds. Notwithstanding anything in this agreement to the contrary, and subject to the limitations set forth below, the DEPARTMENT shall have the right to terminate this agreement without penalty and without any advance notice as a result of any of the following: 1) The Federal government, legislature or governor fail in the sole opinion of the DEPARTMENT to appropriate funds sufficient to allow the DEPARTMENT to either meet its obligations under this agreement or to operate as required and to fulfill its obligations under this agreement; or 2) If funds are de-appropriated, reduced, not allocated, or receipt of funds is delayed, or if any funds or revenues needed by the DEPARTMENT to make any payment hereunder are insufficient or unavailable for any other reason as determined by the DEPARTMENT in its sole discretion; or 3) If the DEPARTMENT's authorization to conduct its business or engage in activities or operations related to the subject matter of this agreement is withdrawn or materially altered or modified. The DEPARTMENT shall provide the RECIPIENT with written notice of termination pursuant to this section.

2. Programming and Federal Authorization

- a. The RECIPIENT shall be responsible for including the project in the appropriate Regional Planning Affiliation (RPA) or Metropolitan Planning Organization (MPO) Transportation Improvement Program (TIP). The RECIPIENT shall also ensure that the appropriate RPA or MPO, through their TIP submittal to the DEPARTMENT, includes the project in the Statewide Transportation Improvement Program (STIP). If the project is not included in the appropriate fiscal year of the STIP, Federal funds cannot be authorized.
- b. The RECIPIENT must show federal aid funding activity to receive the programmed amount authorized for the project. If there is no funding activity for nine or more months after the previous funding activity, the remaining unused programmed amount will be de-obligated from the project and there will be no further federal aid reimbursement issued for the project. If the RECIPIENT knows in advance that funding activity will not occur for nine months or more, the DEPARTMENT's Contract Administrator needs to be notified to determine if programming or authorization of funds can be adjusted or other options can be explored.
- c. Upon receipt of Federal Highway Administration (FHWA) authorization a Federal Award Identification Number (FAIN) will be assigned to this project by the FHWA based on a methodology that incorporates identifying information about the federal award such as the federal funding program code and the federal project number. This FAIN will be used to identify this project and award on the federal government's listing of financial assistance awards consistent with the Federal Funding Accountability and Transparency Act of 2006 (FFATA) at usaspending.gov.
- d. A period of performance for this federal funding award will be established at the time of FHWA authorization. The start date of the period of performance will be the FHWA authorization date. The project end date (PED) will be determined according to the methodology in I.M. 1.200, Federal Funds Management. Costs incurred before the start date or after the PED of the period of performance will not be eligible for reimbursement.

3. Design

- a. The RECIPIENT shall be responsible for the design of the project, including all necessary plans, specifications, and estimates (PS&E). The project shall be designed in accordance with the design guidelines provided or referenced by the DEPARTMENT in the Guide and applicable I.M.s.

4. Environmental Requirements and other Agreements or Permits

- a. The RECIPIENT shall take the appropriate actions and prepare the necessary documents to fulfill the FHWA requirements for project environmental studies including historical/cultural reviews and location

approval. The RECIPIENT shall complete any mitigation agreed upon in the FHWA approval document. These procedures are set forth in I.M. 3.020, Concept Statement Instructions; 4.020, NEPA Process; 4.110 Threatened and Endangered Species; and 4.120, Cultural Resource Regulations.

- b. If farmland is to be acquired, whether for use as project right-of-way or permanent easement, the RECIPIENT shall follow the procedures in I.M. 4.170, Farmland Protection Policy Act.
- c. The RECIPIENT shall obtain project permits and approvals, when necessary, from the Iowa Department of Cultural Affairs (State Historical Society of Iowa; State Historic Preservation Officer), Iowa Department of Natural Resources, U.S. Coast Guard, U.S. Army Corps of Engineers, the DEPARTMENT, or other agencies as required. The RECIPIENT shall follow the procedures in I.M. 4.130, 404 Permit Process; 4.140, Storm Water Permits; 4.150 Iowa DNR Floodplain Permits and Regulations; 4.190, Highway Improvements in the Vicinity of Airports or Heliports; and 4.160, Asbestos Inspection, Removal, and Notification Requirements.
- d. In all contracts entered into by the RECIPIENT, and all subcontracts, in connection with this project that exceed \$100,000, the RECIPIENT shall comply with the requirements of Section 114 of the Clean Air Act and Section 308 of the Federal Water Pollution Control Act, and all their regulations and guidelines. In such contracts, the RECIPIENT shall stipulate that any facility to be utilized in performance of or to benefit from this agreement is not listed on the Environmental Protection Agency (EPA) List of Violating Facilities or is under consideration to be listed.

5. Right-of-Way, Railroads and Utilities

- a. The RECIPIENT shall acquire the project right-of-way, whether by lease, easement, or fee title, and shall provide relocation assistance benefits and payments in accordance with the procedures set forth in I.M. 3.600, Right-of-Way Acquisition, and the DEPARTMENT's Right of Way Bureau Local Public Agency Manual. The RECIPIENT shall contact the DEPARTMENT for assistance, as necessary, to ensure compliance with the required procedures, even though no Federal funds are used for right-of-way activities. Acquisition activities may begin prior to FHWA Environmental Concurrence. However, such acquisitions cannot affect the National Environmental Policy Act (NEPA) decision making process.
- b. If a railroad crossing or railroad tracks are within or adjacent to the project limits, the RECIPIENT shall obtain agreements, easements, or permits as needed from the railroad. The RECIPIENT shall follow the procedures in I.M. 3.670, Work on Railroad Right-of-Way and I.M. 3.680, Federal-aid Projects Involving Railroads.
- c. The RECIPIENT shall comply with the DEPARTMENT'S Policy for Accommodating Utilities on the County and City Non-Primary Federal-aid Road System for projects on non-primary Federal-aid highways. For projects connecting to or involving some work inside the right-of-way for a primary highway, the RECIPIENT shall follow the DEPARTMENT'S Policy for Accommodating and Adjustment of Utilities on Primary Road System. The RECIPIENT should also use the procedures outlined in I.M. 3.640, Utility Accommodation and Coordination, as a guide to coordinating with utilities.

6. Contract Procurement

The following provisions apply only to projects involving physical construction or improvements to transportation facilities:

- a. The project plans, specifications, and cost estimate (PS&E) shall be prepared and certified by a professional engineer, architect, or landscape architect, as applicable, licensed in the State of Iowa.
- b. For projects let through the DEPARTMENT, the RECIPIENT shall be responsible for the following:
 - i. Prepare and submit the PS&E and other contract documents to the DEPARTMENT for review and approval in accordance with I.M. 3.700, Check and Final Plans and I.M. 3.500, Bridge or Culvert Plans, as applicable.

- ii. The contract documents shall use the DEPARTMENT's Standard Specifications for Highway and Bridge Construction. Prior to their use in the PS&E, specifications developed by the RECIPIENT for individual construction items shall be approved by the DEPARTMENT.
 - iii. Follow the procedures in I.M. 5.030, Iowa DOT Letting Process, to analyze the bids received, make a decision to either award a contract to the lowest responsive bidder or reject all bids, and if a contract is awarded, execute the contract documents in Doc Express.
- c. For projects that are let locally by the RECIPIENT, the RECIPIENT shall follow the procedures in I.M. 5.120, Local Letting Process - Federal-aid.
 - d. The RECIPIENT shall forward a completed Project Development Certification (Form 730002) to the DEPARTMENT in accordance with I.M. 3.710, Project Development Certification Instructions. The project shall not receive FHWA Authorization for construction or be advertised for bids until after the DEPARTMENT has reviewed and approved the Project Development Certification.
 - e. If the RECIPIENT is a city, the RECIPIENT shall comply with the public hearing requirements of the Iowa Code section 26.12.
 - f. The RECIPIENT shall not provide the contractor with notice to proceed until after receiving notice in Doc Express that the Iowa DOT has concurred in the contract execution.

7. Construction

- a. A full-time employee of the RECIPIENT shall serve as the person in responsible charge of the construction project. For cities that do not have any full-time employees, the mayor or city clerk will serve as the person in responsible charge, with assistance from the DEPARTMENT.
- b. Traffic control devices, signing, or pavement markings installed within the limits of this project shall conform to the "Manual on Uniform Traffic Control Devices for Streets and Highways" per 761 IAC Chapter 130. The safety of the general public shall be assured through the use of proper protective measures and devices such as fences, barricades, signs, flood lighting, and warning lights as necessary.
- c. For projects let through the DEPARTMENT, the project shall be constructed under the DEPARTMENT's Standard Specifications for Highway and Bridge Construction and the RECIPIENT shall comply with the procedures and responsibilities for materials testing according to the DEPARTMENT's Materials I.M.s. Available on-line at: <http://www.iowadot.gov/erl/current/IM/navigation/nav.htm>.
- d. For projects let locally, the RECIPIENT shall provide materials testing and certifications as required by the approved specifications.
- e. If the DEPARTMENT provides any materials testing services to the RECIPIENT, the DEPARTMENT will bill the RECIPIENT for such testing services according to its normal policy as per Materials I.M. 103, Inspection Services Provided to Counties, Cities, and Other State Agencies.
- f. The RECIPIENT shall follow the procedures in I.M. 6.000, Construction Inspection, and the DEPARTMENT's Construction Manual, as applicable, for conducting construction inspection activities.

8. Reimbursements

- a. After costs have been incurred, the RECIPIENT shall submit to the DEPARTMENT periodic itemized claims for reimbursement for eligible project costs. Requests for reimbursement shall be made at least once every six months, but not more than bi-weekly. The RECIPIENT shall follow I.M. 6.020 Payment and Reimbursement Processes for requesting reimbursement.
- b. To ensure proper accounting of costs, reimbursement requests for costs incurred prior to June 30 shall be submitted to the DEPARTMENT by August 1.
- c. Reimbursement claims shall include a certification that all eligible project costs, for which reimbursement is requested, have been reviewed by an official or governing board of the RECIPIENT, are reasonable

and proper, have been paid in full, and were completed in substantial compliance with the terms of this agreement.

- d. Reimbursement claims shall be submitted on forms identified by the DEPARTMENT along with all required supporting documentation. The DEPARTMENT will reimburse the RECIPIENT for properly documented and certified claims for eligible project costs. The DEPARTMENT may withhold up to 5% of the Federal share of construction costs or 5% of the total Federal funds available for the project, whichever is less. Reimbursement will be made either by State warrant or by crediting other accounts from which payment was initially made. If, upon final audit or review, the DEPARTMENT determines the RECIPIENT has been overpaid, the RECIPIENT shall reimburse the overpaid amount to the DEPARTMENT. After the final audit or review is complete and after the RECIPIENT has provided all required paperwork, the DEPARTMENT will release the Federal funds withheld.
- e. The total funds collected by the RECIPIENT for this project shall not exceed the total project costs. The total funds collected shall include any Federal or State funds received, any special assessments made by the RECIPIENT (exclusive of any associated interest or penalties) pursuant to Iowa Code Chapter 384 (cities) or Chapter 311 (counties), proceeds from the sale of excess right-of-way, and any other revenues generated by the project. The total project costs shall include all costs that can be directly attributed to the project. In the event that the total funds collected by the RECIPIENT do exceed the total project costs, the RECIPIENT shall either:
 - i. In the case of special assessments, refund to the assessed property owners the excess special assessments collected (including interest and penalties associated with the amount of the excess), or
 - ii. Refund to the DEPARTMENT all funds collected in excess of the total project costs (including interest and penalties associated with the amount of the excess) within 60 days of the receipt of any excess funds. In return, the DEPARTMENT will either credit reimbursement billings to the FHWA or credit the appropriate State fund account in the amount of refunds received from the RECIPIENT.

9. Project Close-out

- a. Within 30 days of completion of construction or other activities authorized by this agreement, the RECIPIENT shall provide written notification to the DEPARTMENT. The RECIPIENT shall follow and request a final audit, in accordance with the procedures in I.M. 6.110, Final Review, Audit, and Close-out Procedures for Federal-aid, Federal-aid Swap, and Farm-to-Market Projects. Failure to comply with the procedures will result in loss of federal funds remaining to be reimbursed and the repayment of funds already reimbursed. The RECIPIENT may be suspended from receiving federal funds on future projects.
- b. The RECIPIENT shall provide a certification by a professional engineer, architect, or landscape architect as applicable, licensed in the State of Iowa, indicating the construction was completed in substantial compliance with the project plans and specifications.
- c. Final reimbursement of Federal funds shall be made only after the DEPARTMENT accepts the project as complete.
- d. The RECIPIENT shall maintain all books, documents, papers, accounting records, reports, and other evidence pertaining to costs incurred for the project. The RECIPIENT shall also make these materials available at all reasonable times for inspection by the DEPARTMENT, FHWA, or any authorized representatives of the Federal Government. Copies of these materials shall be furnished by the RECIPIENT if requested. Such documents shall be retained for at least 3 years from the date of FHWA approval of the final closure document. Upon receipt of FHWA approval of the final closure document, the DEPARTMENT will notify the RECIPIENT of the record retention date.
- e. The RECIPIENT shall maintain, or cause to be maintained, the completed improvement in a manner acceptable to the DEPARTMENT and the FHWA.