

MINUTES OF SIOUX COUNTY BOARD OF SUPERVISORS

MEETING HELD ON MAY 1, 2001

The Board of Supervisors of Sioux County, Iowa, met pursuant to adjournment at 9:30 o'clock a.m. with Chairman Loren Bouma presiding. Members present were Mark Sybesma, Vernon Beernink, Loren Bouma, Bernard L. Smith and Stanley L. De Haan.

Minutes of April 24, 2001 were read and on motion and vote stand approved as read.

Committee reports were given this date.

Mark Schouten, County Attorney, met with the Board this date to submit salary recommendations for employees in the County Attorney's office for fiscal year 2002.

Dennis Sassman, County Community Services Director, met with the Board this date to review enrollment in the Medicaid and Hawk-1 programs. He also explained the differences between the two programs. He also reported on the income limits and resource limits for qualifying for food stamps, FIP, FMAP and FMAP-related Medicaid, Mothers and Children (MAC) Medicaid and the medically needy Medicaid programs.

Jerry Cook, Manager of Lyon-Sioux Rural Water System; and Gary Patton, Engineer for DeWild Grant Reckert & Associates, met with the Board this date to request Sioux County to participate in a joint application with Sioux County, Lyon County and the City of Larchwood for the acquisition of Community Development Block Grant funds from the Iowa Department of Economic Development for the Lyon-Sioux County Rural Water System to extend water lines to additional customers. They stated that income surveys would first be completed to determine eligibility for Community Development Block Grant funds.

Motion by Sybesma and supported by Smith to participate in a joint application with Sioux County, Lyon County and the City of Larchwood for the acquisition of Community Development Block Grant funds from the Iowa Department of Economic Development for the Lyon-Sioux County Rural Water System to extend water line service to additional customers. Income surveys would first be completed to determine eligibility for Community Development Block Grant funds. Carried, unanimous in favor.

Ted Kourousis, Community Services Director for Northwest Iowa Planning and Development Commission, met with the Board this date to request approval and a Chairman's signature on a New Jobs and Income Program application and a waiver resolution for Siouxland Energy and Livestock Cooperative.

Motion by Sybesma and supported by Beernink to approve and authorize the Chairman to sign a New Jobs and Income Program application for Siouxland Energy and Livestock Cooperative. Carried, unanimous in favor.

Motion by Sybesma and supported by De Haan to approve and authorize the Chairman to sign the following resolution approving benefits for Siouxland Energy and Livestock Cooperative through the New Jobs and Income Program:

RESOLUTION NO. 2001-10

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF SIOUX COUNTY,
IOWA APPROVING PROGRAM BENEFITS FOR SIOUXLAND ENERGY AND
LIVESTOCK COOPERATIVE THROUGH THE NEW JOBS AND INCOME PROGRAM
UNDER 2001 IOWA CODE SECTIONS 15.326-15.337**

WHEREAS, it is in the best interest of Sioux County, Iowa to support new businesses interested in locating in the county; and

WHEREAS, approval of an application for program benefits through the New Jobs and Income Program described in 2001 Iowa Code Sections 15.326-15.337, as administered by the Iowa Department of Economic Development (IDED), will assist Siouxland Energy and Livestock Cooperative in its proposed start-up; and

WHEREAS, one of the benefits provided under the New Jobs and Income Program is the commitment by a County to exempt from taxation all, or a portion of the actual value added by improvements to real property directly related to new jobs created by the location of an eligible business under the program, and

WHEREAS, Siouxland Energy and Livestock Cooperative proposes to create a total of **at least 19 new jobs** which includes **fifteen (15)** new non-management production jobs with a median wage rate of **\$11.96** per hour and will involve a capital expenditure of at least **\$15,300,000**; and

WHEREAS, Sioux County has determined that Siouxland Energy and Livestock' median non-management production wage rate of at least **\$11.96** per hour has met the intent of Iowa Code Section 15.329 and meet or exceeds 130% of the average wage for new jobs in Sioux County; and

WHEREAS, Siouxland Energy and Livestock Cooperative will pay at least 80% of the cost of a standard medical and dental insurance plan and will offer either a pension plan or profit sharing plan to all full-time employees; and

WHEREAS, Siouxland Energy and Livestock Cooperative will manufacture high-value added goods in the value-added agricultural products industry and will have an active productivity and safety improvement program involving all workers; and

WHEREAS, Siouxland Energy and Livestock Cooperative will not meet the job creation requirements of the New Jobs and Income Program as described in Iowa Code Section 15.329, and

WHEREAS Sioux County is requesting a waiver of the job creation requirements in accordance with the procedures in Iowa Code Section 15.337, for the following good cause in order that Siouxland Energy and Livestock be an eligible business:

- **Recent Loss of a Significant Number of Jobs:** In June of 2000, Gorge's Quick-to-Fix Foods closed in Sioux Center, Iowa causing 220 people to lose their jobs.

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- Demonstrated lack of area growth, lower per capita income and lower growth in per capita income:

According to the most recent information from the U.S. Department of Commerce, in 1998 the state-wide per capita income in Iowa was \$24,745 while it was \$22,476 in Sioux County, over 9% lower than the state average. From 1997 to 1998, the state-wide Iowa per capital income rose by 3.9% while it dropped by 1.0% in Sioux County. In 1999, the annual average wages per job across the state of Iowa was \$26,255 while it was only \$20,517 in Sioux County, almost 22% lower than the state average.

- Higher unemployment rate

For February, Sioux County's unemployment rate was 2.8%, while the Iowa statewide average was 2.6%.

- **Multiplier effect**

This project will benefit the economy of Northwest Iowa in many ways. Net operating savings on the stockpiling of wet corn has proven to be \$0.46 per bushel. Applying that savings to the 5,283,018 bushels required by the ethanol plant, equates to an annual collective savings of \$2,641,509 and in excess of \$26 million over ten years. Additionally farmers will earn an additional \$.03 per bushel for the packing and leveling of the wet corn into the bunker. This alone provides an additional \$158,491.00 annually, or \$1.58 million over ten years in revenue to the local farmer. The daily operation of the plant will produce 25 tons of WDG and 22.5 tons of ethanol. SELC anticipates that they need to transport material 350 days per year. Therefore this equates to \$420,000 annually (\$3.00/ton charge) for shipment of the WDG, and \$339,000 annually (based on formula of charges for shipment inside and outside specific radius area) for shipment of the Ethanol. Totaled, this equates to over \$750,000 in annual business to the local trucking firms. Another by-product of the ethanol production that may have a financial impact upon the area is carbon dioxide (CO2). SELC management has been approached by a potential manufacturing firm about purchasing the excess carbon dioxide (estimated 100 tons annually) that is a result of the ethanol production process. This potential company is interested in locating its facility in Sioux Center because of the potential availability of the CO2 and purchasing the product (\$5-\$10 per ton for raw product). This could mean more jobs for the city, county and state, an additional market for a by-product and new revenue source for SELC.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF SIOUX COUNTY, IOWA, AS FOLLOWS:

Section 1: The request for a waiver from the job creation requirements be approved by the Iowa Department of Economic Development and that the New Jobs and Income Program Application request from Siouxland Energy and Livestock Cooperative is approved and endorsed by the Board of Supervisors of Sioux County, Iowa.

Section 2: The County declares the following described real estate to be an Economic Development Area, and desires that the Iowa Department of Economic Development designate this Area as an "Economic Development Area" as provided by Iowa Code Section 15.237(5):

A portion of the Southwest Quarter (SW1/4) of Section Thirty-six (Sec.36), Township 96 North (T96N), Range 46 West (R46W) of the 5th P.M., Sioux County, Iowa described as follows:

Commencing at the Southwest corner of said Sec. 36, thence North 00°00'00" East along the West line of SW1/4 of said Sec. 36 for a distance of 1128.87 feet to the Point of Beginning; thence continuing North 00°00'00" East, along said west line, for a distance of 454.11 feet; thence South 88°42'49" East for a distance of 363.09 feet; thence South 00°00'00" West for a distance of 264.07 feet to a point on the North line of the S1/2 of said SW1/4; thence South 88°42'49" East, along said north line, for distance of 2285.59 feet to a point on the East line of said SW1/4; thence South 00°04'28" East, along said East line, for a distance of 378.39 feet; thence North 88°42'49" West for a distance of 1481.04 feet; thence South 00°00'00" West for a distance of 40.47 feet; thence South 85°32'05" west for a distance of 133.92 feet; thence South 00°00'00" west for a distance of 91.20 feet; thence North 88°42'49" West for a distance of 294.39 feet; thence North 00°00'00" East for a distance of 257.62 feet; thence North 60°00'00" West for a distance of 157.72 feet; thence North 88°42'49" West for a distance of 603.57 feet, to the Point of Beginning, containing 23.25 acres, including 0.68 acres of public highway easements.

Section 3: The program benefits will be used to assist Siouxland Energy and Livestock Cooperative which will create at least **fifteen (15)** new non-management employment positions within 5 years of project completion and make a capital expenditure of at least **\$15,300,000**.

Section 4: The newly created, non-management production jobs will pay a median wage of at least **\$11.96** per hour which meets the program's required wage levels for the County.

Section 5: Contingent upon approval by the Iowa Department of Economic Development of Siouxland as an eligible business, and entry into an agreement with the Iowa Department of Economic Development pursuant to Iowa Code Section 15.330, the County will pursuant to Iowa Code Section 15.332, exempt from taxation the following percentages of the actual value added by improvements to real property directly related to new job creation under the New Jobs and Income Program by the location of the Siouxland Energy and Livestock Cooperative businesses within the area described in Attachment A for a period of 10 years:

First exemption year	75% of added value
Second exemption year	65% of added value
Third exemption year	50% of added value
Fourth exemption year	50% of added value
Fifth exemption year	50% of added value
Sixth exemption year	35% of added value
Seventh exemption year	30% of added value
Eighth exemption year	30% of added value
Ninth exemption year	20% of added value
Tenth exemption year	10% of added value

Section 6: The Board of Supervisors shall provide a copy of this resolution to the Iowa Department of Economic Development and the Sioux County Assessor.

Section 7: Officers of the County are hereby authorized to take such further actions as are deemed necessary in order to carry into effect the provision of this resolution.

Section 8. All Resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section 9. That the provisions of this Resolution are hereby declared to be separable and if any section, phrase or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions hereof.

PASSED AND ADOPTED this 1st day of May, 2001.

/s/ Loren Bouma, Chairman
Sioux County Board of Supervisors

ATTEST: /s/ Dennis Lange
Sioux County Auditor

Roll Call on Vote: Sybesma, Yes; Beernink, Yes; Bouma, Yes; Smith, Yes; and De Haan, Yes. Carried, unanimous in favor.

Shane Walter, County Mental Health Services Administrator, met with the Board this date to report that five or six Sioux County residents on the mental health services waiting list are now receiving services. He also reported that there are six or seven Sioux County residents remaining on the mental health services waiting list.

Doug Julius, County Engineer, met with the Board this date to open the following bids for four culvert projects:

Project No. L-1-2001--73-84-CULV

<u>Company</u>	<u>Amount</u>
Graves Construction, Melvin	\$59,611.40
Kooiker, Inc., Le Mars	60,851.50

Project No. L-2-2001--73-84-CULV

<u>Company</u>	<u>Amount</u>
Graves Construction, Melvin	\$47,594.76
Kooiker, Inc., Le Mars	40,926.45

Project No. L-4-2001--73-84-CULV

<u>Company</u>	<u>Amount</u>
Graves Construction, Melvin	\$58,352.00
Kooiker, Inc., Le Mars	59,232.00
Petit Construction, Inc., South Sioux City, NE	81,575.00

Project No. L-5-2001--73-84-CULV

<u>Company</u>	<u>Amount</u>
Graves Construction, Melvin	\$40,423.95
Kooiker, Inc., Le Mars	37,822.15
Petit Construction, South Sioux City, NE	46,233.75

Doug Julius, County Engineer, opened the following bids for various sizes of maintenance pipe:

<u>Company</u>	<u>Amount</u>
Metal Culverts, Jefferson City, Missouri	\$21,479.00
Northern Iowa Construction Products, Cedar Falls	24,219.00
Culverts Unlimited, Indianola	21,778.00

Motion by Sybesma and supported by Beernink to accept the low bids for four culvert projects subject to final review by Doug Julius, County Engineer, as follows:

<u>Project No. L-1-2001--73-84-CULV</u>	
<u>Company</u>	<u>Amount</u>
Graves Construction, Melvin	\$59,611.40

<u>Project No. L-2-2001--73-84-CULV</u>	
<u>Company</u>	<u>Amount</u>
Kooiker, Inc., Le Mars	40,926.45

<u>Project No. L-4-2001--73-84-CULV</u>	
<u>Company</u>	<u>Amount</u>
Graves Construction, Melvin	\$58,352.00

<u>Project No. L-5-2001--73-84-CULV</u>	
<u>Company</u>	<u>Amount</u>
Kooiker, Inc., Le Mars	37,822.15

Carried, unanimous in favor.

Motion by Beernink and supported by Sybesma to accept the low bid for various sizes of maintenance pipe subject to final review by Doug Julius, County Engineer, as follows:

<u>Company</u>	<u>Amount</u>
Metal Culverts, Jefferson City, Missouri	\$21,479.00

Carried, unanimous in favor.

The following persons were present for the aforementioned culvert and maintenance pipe lettings.

Calvin Kooiker, representative for Kooiker, Inc. of Le Mars
Marlin Kalin, representative for Petit, Inc. of South Sioux City, NE

Doug Julius, County Engineer, reviewed a quote from Chem-trol, Inc., from West Des Moines in a total amount of \$36,675.00 to spot spray the west one-half of Sioux County and paved routes east of Hiway 75.

Motion by Sybesma and supported by De Haan to accept the quote from Chem-trol, Inc., from West Des Moines in a total amount of \$36,675.00 to spot spray the west one-half of Sioux County and paved routes east of Hiway 75 with an emphasis to the contractor that the weeds be sprayed timely. Carried, unanimous in favor.

The Board reviewed salaries and hourly rates for county employees that will not submit hourly time sheets for fiscal year 2002. The Board tentatively set the salaries and hourly rates for the aforementioned employees and will make a final determination at the next board meeting to be held on Monday, May 7, 2001.

Motion by Sybesma and supported by De Haan to approve and authorize the Chairman to sign the following document:

Permit Agreement with Hickory Tech for road right-of-way crossings in Sections 19 and 20 of Grant Township.

Carried, unanimous in favor.

The Chairman adjourned the meeting until Monday, May 7, 2001.

Loren Bouma, Chairman
Sioux County Board of Supervisors

ATTEST: Dennis Lange
Sioux County Auditor