

**357A.21 Annexation of land by a city — mediation — arbitration.**

1. A district or association shall be fairly compensated for losses resulting from annexation. The governing body of a city or water utility and the board of directors or trustees of the district or association may agree to terms which provide that the facilities owned by the district or association and located within the city shall be retained by the district or association for the purpose of transporting water to customers outside the city.

2. If an agreement is not reached under [subsection 1](#), the governing body of the city or water utility or the board of directors or trustees of the district or association may request mediation pursuant to [chapter 679C](#). The governing body or board requesting mediation shall be responsible for the costs of the mediation. A mediation committee shall be established if a governing body or board requests mediation pursuant to [this subsection](#). The mediation committee shall consist of one member of the governing body of the city or the governing body's designee, one member of the board of directors or trustees of the district or association, as applicable, and one disinterested member chosen by the other two members. A list of qualified mediators may be obtained from the American arbitration association, the employment appeal board established pursuant to [section 10A.601](#), or a recognized mediation organization or association.

3. If an agreement is not reached within ninety days, the issues may be submitted to arbitration. If submitted, an arbitrator shall be selected by a committee which includes one member of the governing body of the city or its designee, one member of the district's or association's board of directors or trustees or its designee, as applicable, and a disinterested party selected by the other two members of the committee. A list of qualified arbitrators may be obtained from the American arbitration association or other recognized arbitration organization or association.

[87 Acts, ch 109, §3](#); [88 Acts, ch 1172, §1](#); [92 Acts, ch 1015, §5](#); [2004 Acts, ch 1049, §191](#); [2004 Acts, ch 1175, §393](#); [2014 Acts, ch 1086, §4](#); [2024 Acts, ch 1170, §320](#)

Referred to in [§357A.2, 384.84](#)