

# House Study Bill 704

## Conference Committee Text

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1 1 Section 1. Section [468.34](#), Code 1995, is amended to read  
1 2 as follows:

1 3 [468.34](#) ADVERTISEMENT FOR BIDS.

1 4 The board shall publish notice once each week for two  
1 5 consecutive weeks in a newspaper published in the county where  
1 6 the improvement is located, and publish additional  
1 7 advertisement and publication elsewhere as the board may  
1 8 direct. The notice shall state the time and place of letting  
1 9 the work of construction of the improvement, specifying the  
1 10 approximate amount of work to be done in each numbered section  
1 11 of the district, the time fixed for the commencement, and the  
1 12 time of the completion of the work, that bids will be received  
1 13 on the entire work and in sections or divisions of it, and  
1 14 that a bidder will be required to deposit with the bid cash, a  
1 15 bid bond, a certified check on and certified by a bank in  
1 16 Iowa, or a certified share draft from a credit union in Iowa  
1 17 payable to the auditor or the auditor's order, at the  
1 18 auditor's office, in an amount equal to ten percent of the  
1 19 bid, in no case to exceed ten thousand dollars. If the  
1 20 estimated cost of the improvement exceeds fifteen thousand  
1 21 dollars, the board may make additional publication for two  
1 22 consecutive weeks in a contractors' journal of general  
1 23 circulation, giving only the type of proposed construction or  
1 24 repairs, estimated amount, date of letting, amount of bidder's  
1 25 bond, and name and address of the county auditor. All notices  
1 26 shall fix the date to which bids will be received and upon  
1 27 which the work will be let. However, when the estimated cost  
1 28 of the improvement is less than ten thousand dollars, the  
1 29 board may let the contract for the construction without taking  
1 30 bids and without publishing notice.

1 31 Sec. 2. Section [468.57](#), subsection 2, unnumbered paragraph  
1 32 1, Code Supplement 1995, is amended to read as follows:

1 33 To pay the assessments in not less than ten nor more than  
1 34 twenty equal installments, with the number of payments and  
1 35 interest rate determined by the board, notwithstanding chapter  
2 1 74A. The first installment of each assessment, or the total  
2 2 amount if less than one hundred dollars, is due and payable on  
2 3 July 1 next succeeding the date of the levy, unless the  
2 4 assessment is filed with the county treasurer after May 31 in  
2 5 any year. The first installment shall bear interest on the  
2 6 whole unpaid assessment from the date of the levy as set by  
2 7 the board to the first day of December following the due date.  
2 8 The succeeding annual installments, with interest on the whole  
2 9 unpaid amount, to the first day of December following the due  
2 10 date, are respectively due on July 1 annually, and must be  
2 11 paid at the same time and in the same manner as the first  
2 12 semiannual payment of ordinary taxes. All future installments  
2 13 of an assessment may be paid on any date by payment of the  
2 14 then outstanding balance plus interest

~~accrued to the date of~~

~~-~~

2 15

~~payment~~

~~- to the next December 1, or additional annual~~

2 16 installments may be paid after the current installment has  
2 17 been paid before December 1 without interest. A payment must  
2 18 be for the full amount of the next installment. If  
2 19 installments remain to be paid, the next annual installment  
2 20 with interest added to December 1 shall be due. After  
2 21 December 1, if a drainage assessment is not delinquent, a  
2 22 property owner may pay one-half or all of the next annual  
2 23 installment of principal and interest of a drainage assessment  
2 24 prior to the delinquency date of the installment. When the  
2 25 next installment has been paid in full, successive principal  
2 26 installments may be prepaid. The county treasurer shall  
2 27 accept the payments of the drainage assessment, and shall  
2 28 credit the next annual installment or future installments of  
2 29 the drainage assessment to the extent of the payment or  
2 30 payments, and shall remit the payments to the drainage fund.  
2 31 If a property owner elects to pay one or more principal  
2 32 installments in advance, the pay schedule shall be advanced by  
2 33 the number of principal installments prepaid. Each  
2 34 installment of an assessment with interest on the unpaid  
2 35 balance is delinquent from October 1 after its due date,  
3 1

~~including those instances when the last day of September is a~~

3 2

~~Saturday or Sunday,~~

~~unless the last day of September is a~~

3 3 Saturday or Sunday, in which case the installment becomes  
3 4 delinquent from the following Tuesday, and bears the same  
3 5 delinquent interest as ordinary taxes. When collected, the  
3 6 interest must be credited to the same drainage fund as the  
3 7 drainage special assessment.

3 8 Sec. 3. Section 468.63, Code 1995, is amended to read as  
3 9 follows:

3 10 468.63 DRAINAGE SUBDISTRICT.

3 11 After the establishment of a drainage district, a person  
3 12 owning land within the district which has been assessed for  
3 13 benefits, but which is separated from the main ditch, drain,  
3 14 or watercourse for which it has been so assessed, by the land  
3 15 of others, who desires a ditch or drain constructed from the  
3 16 person's land across the land of the others in order to  
3 17 connect with the main ditch, drain, or watercourse, and is  
3 18 unable to agree with the intervening owners on the terms and  
3 19 conditions on which the person may enter upon their lands and  
3 20 cause to be constructed the connecting drain or ditch, may  
3 21 file a petition for the establishment of a subdistrict

~~and~~

3 22

~~shall give notice of the filing of the petition to each person~~

3 23

~~whose land may be included in the subdistrict or may be~~

3 24

~~assessed in the subdistrict in the manner provided by sections~~

3 25

~~468.14 through 468.18 for the notice of the hearing and have~~

3 26

~~proofs on file before the appointment of the engineer, if one~~

3 27

~~is appointed~~

-. Thereafter, the proceedings shall be the same

3 28 as provided for the establishment of an original district.

3 29 Sec. 4. Section [468.621](#), Code 1995, is amended to read as  
3 30 follows:

3 31 468.621 DRAINAGE IN COURSE OF NATURAL DRAINAGE -

3 32 RECONSTRUCTION - DAMAGES.

3 33 Owners of land may drain the land in the general course of  
3 34 natural drainage by constructing or reconstructing open or

3 35 covered drains, discharging the drains in any natural

4 1 watercourse or depression so the water will be carried into

4 2 some other natural watercourse, and if the drainage is wholly

4 3 upon the owner's land the owner is not liable in damages for

4 4 the drainage

~~unless it increases the quantity of water or~~

4 5

~~changes the manner of discharge on the land of another~~

-. An

4 6 owner in constructing a replacement drain, wholly on the

4 7 owner's land, and in the exercise of due care, is not liable

4 8 in damages to another if a previously constructed drain on the

4 9 owner's own land is rendered inoperative or less efficient by

4 10 the new drain, unless in violation of the terms of a written

4 11 contract. This section does not affect the rights or

4 12 liabilities of proprietors in respect to running streams.

4 13

EXPLANATION

4 14 Section 1 of the bill relates to advertising for bids for

4 15 contracts to improve, construct, or repair levee or drainage

4 16 districts. Section 1 provides that a bidder may use a bid

4 17 bond as security, in an amount equal to 10 percent of the bid

4 18 or not to exceed \$10,000, for the county which is accepting

4 19 bids. A bid bond is a type of bond used in public

4 20 construction projects which is filed at the time of the bid.

4 21 A bid bond protects the entity of government which is

4 22 accepting bids in the event that the bidder refuses to enter

4 23 into a contract after the award of the contract to the bidder.

4 24 Section 2 relates to installment payments on drainage

4 25 district assessments. Section 2 amends section 468.57,

4 26 subsection 2, relating to installment payments on drainage

4 27 district special assessments to conform to provisions in

4 28 section 384.65, subsections 2, 3, and 4. Section 2 provides

4 29 that after the first and succeeding annual installments on

4 30 assessments are paid, all future installments of assessments

4 31 add interest to the next December 1 on payments due. However,

4 32 after an installment that is due is paid, an additional

4 33 installment may be paid before December 1 without interest.

4 34 Section 2 also provides that a payment must be for the full

4 35 amount of the next installment. If installments remain to be

5 1 paid, the next annual installment with interest added to

5 2 December 1 is due. After December 1, if an assessment is not

5 3 delinquent, a property owner may pay one-half or all of the

5 4 next annual installment of principal and interest of an

5 5 assessment prior to the delinquency date of the installment.

5 6 When the next installment has been paid in full, successive

5 7 principal installments may be prepaid.

5 8 Section 2 further provides that each installment of an

5 9 assessment with interest on the unpaid balance is delinquent

5 10 from October 1 after its due date, unless the last day of

5 11 September is a Saturday or Sunday, in which case the

5 12 installment becomes delinquent from the following Tuesday.  
5 13 Existing law provides that such interest on the unpaid balance  
5 14 is delinquent from October 1 after its due date, including  
5 15 those instances when the last day of September is a Saturday  
5 16 or Sunday.  
5 17 Section 3 eliminates the provision of existing law which  
5 18 requires a property owner, not the drainage district, who is  
5 19 filing a petition to establish a subdistrict, to give notice  
5 20 of the filing of the petition to each person whose land may be  
5 21 included in the subdistrict or may be assessed in the  
5 22 subdistrict.  
5 23 Section 4 eliminates the provision holding an owner of land  
5 24 liable if changes to drainage wholly upon the owner's land  
5 25 increase the quantity of water or change the manner of  
5 26 discharge on the land of another.  
5 27 LSB 4259HC 76  
5 28 kah/cf/24