



Southern Iowa Development and Conservation Authority

19229 Highway 5
Centerville, IA 52544

December 28, 2009

TO: OFFICE OF GOVERNOR CHET CULVER
State Capitol
1007 East Grand
Des Moines, Iowa 50319

DEPARTMENT OF MANAGEMENT
State Capitol
Ground Floor South
Des Moines, Iowa 50319

LEGISLATIVE FISCAL BUREAU
State Capitol
Second Floor
Des Moines, Iowa 50319

IDALS - DIVISION OF SOIL CONSERVATION
Wallace State Office Building
502 East 9th Street
Des Moines, Iowa 50319-0050

FROM: Larry Davis, President, SIDCA

Please find enclosed the Southern Iowa Development and Conservation Authority (SIDCA) Annual Report for the period of July 1, 2008, to June 30, 2009, as required by Iowa Code 2001, Title V, and Chapter 161D.13.

If you have any comments or questions about this report, please contact Dora Guffey by phone at (641)437-4376 or e-mail at dguffey@cvrcd.org.

Enclosure: Annual Report
Cc: Dora Guffey, RC&D Coordinator, Chariton Valley RC&D

MEMBER COUNTIES

*Appanoose
Lucas*

*Clarke
Monroe*

*Davis
Van Buren*

*Decatur
Wapello*

*Jefferson
Wayne*

**SOUTHERN IOWA DEVELOPMENT AND
CONSERVATION AUTHORITY**

Annual Report

December 2009

Reporting period: July 1, 2008 thru June 30, 2009

TO: Office of the Governor
The Department of Management
The Legislative Fiscal Bureau
The Division of Soil Conservation, IDALS

The Mission of the Southern Iowa Development and Conservation Authority (SIDCA) is to develop and coordinate plans for projects related to the unique natural resource, rural development, and infrastructure problems of counties in the most fragile areas of the southern Iowa drift plain.

Member counties include: Appanoose, Clarke, Davis, Decatur, Jefferson, Lucas, Monroe, Van Buren, Wayne, and Wapello.

The mission of the SIDCA is established in part as a response to the erosion of soils, degradation of water resources, and the destabilization of stream channels in the fragile glacial till soils of southern Iowa that have occurred in a large part due to the unchecked conversion of grassland to cropland. This land use conversion was brought about by the economic pressures of past federal agricultural policies that disregarded the fragile nature of the southern Iowa soil resource and the incompatibility of these soils with the subsidized commodities. The resulting erosion of the land has damaged the rural infrastructure of this area, destroyed public roads and bridges, adversely impacted stream water quality and riparian habitat, affected other public and private improvements, and severely threatens the potable water supply of the region. Reducing soil erosion, preventing sedimentation, and stopping nutrients and pesticides from entering water resources are all necessary to protect the rural infrastructure in the southern area of the state. Important protection measures include structural improvements and the re-establishment of grasslands for sustainable economic uses.

A. OPERATION AND ACCOMPLISHMENTS.

The SIDCA utilized the time within this reporting period of FY2009 for the following activities:

- Election of Officers – Accomplished in accordance with the organization’s Constitution and Bylaws, the officers were elected to staggered two-year terms.
- Project Reviews - See D. for further information.
- Pursuit of State Legislative Funding – A legislative appropriation was received during this reporting period.

B. BUDGET, RECEIPTS, AND ACTUAL EXPENDITURES DURING THE 2009 FISCAL YEAR.

	<u>Checking State Appropriated Funds</u>	<u>Savings State & Non-State Appropriated Funds</u>
Balance Carried Forward (7/1/2008)	\$2,740.92	\$839,805.14 (state funds: \$825,055.14) (non-state funds: \$14,750.00)
INCOME:		
Interest Earned	\$7.30	\$10,185.17
Transfer from Savings	\$96,700.00	
Deposit – Quarterly Requests		\$300,000.00
Membership Dues/Contributions (at \$250 per County)(non-state funds)		\$2,250.00
EXPENSES:		
Service Charges	\$2.41	\$0.00
Decatur County	\$6,000.00	
Decatur County	\$26,867.15	
Decatur County	\$4,407.87	
Wapello SWCD	\$19,420.05	
Wayne County	\$39,780.73	
Transfer to Checking		\$96,700.00
Transfer to Membership Funds Savings Account		\$18,645.18
Ending Checking Balance of State Appropriated Funds as of 6/30/09	\$2,970.01	
Ending Savings Balance of State Appropriated Funds as of 6/30/09		* \$1,036,895.13

** Of the balance listed above, \$938,522 is already obligated toward projects as of 6/30/2009.*

The SIDCA records are kept on a cash basis rather than an accrual basis.

Both state appropriated and non-state funds had been kept in one mutual savings account over the years. The non-state funds or Membership Funds were separated into their own savings account for easier tracking.

Membership Funds

Balance Carried Forward (7/1/2008)	\$14,750.00
Membership Dues/Contributions (at \$250 per County)	<u>\$ 2,250.00</u>
Balance	\$17,000.00

Membership Funds from dues and contributions:	\$ 17,000.00
Associated interest over the years on these funds:	<u>\$ 1,645.18</u>
Opening Account Balance:	\$18,645.18

Account Opened on 1/23/2009	<u>Savings</u> Non-State Appropriated Funds (Now Called Membership Funds)
Deposit	\$18,645.18
INCOME:	
Interest Earned	\$79.72
EXPENSES:	\$0.00
Ending Savings Balance of Non-State Funds as of 6/30/09	\$18,724.90

C. ASSETS AND LIABILITIES AT THE END OF THE 2009 FISCAL YEAR AND STATUS OF RESERVE, SPECIAL AND OTHER FUNDS

Non-State Appropriated Funds include: Membership Funds – as outlined above.
Current balance as of June 30, 2009 = \$18,724.90.

(Note: Since June 30, 2009, the SIDCA board has engaged the services of TD&T Financial Group to provide a financial review of all of the state and membership funds.)

D. STATEMENT OF PROPOSED AND PROJECTED ACTIVITIES.

- On-Road/Off-Road Structures – SIDCA has been able to utilize earthen embankments incorporated in with the existing roads or on-road structures, to effectively reduce culvert size and/or replace bridges. This results in cost savings to the counties and can effectively stop 95% of sediment, nutrients and pesticide from entering downstream water bodies.
- SIDCA did find out in a previous fiscal year that even though they are an Authority created by the Iowa legislature, SIDCA cannot own property or hold title to easements, which in turn has an effect on the next two activities listed below.
- Rathbun Watershed Section 206 Project Sponsorship – (Kansas City District). SIDCA was intended to be the sponsor for the section 206 project for the Rathbun Lake Watershed. Due to the information mentioned in bullet two above, SIDCA worked with the Corp of Engineers (COE) and local conservation groups to remedy the sponsorship situation. The Wayne County Soil and Water Conservation District is now the sponsor of the Section 206 Project. This project has a shared cost of 65% federal government (COE) and 35% non-federal match. The project has the potential of bringing **5 million dollars** into the watershed for aquatic ecosystem conservation work. Six of the ten western most SIDCA counties are a part of the Rathbun Lake Watershed.

The aquatic ecosystem restoration project objective is to 1) improve the water quality in Rathbun Lake and its watershed and 2) improve aquatic, wetland, and wildlife habitat in the reservoir and the watershed. Ancillary benefits derived from the project would provide water for pastured livestock, recreation opportunities for landowners, improved subsurface water quality from crop fields and livestock pasture, reduced streambank erosion, a slowing of floodwaters, and rural fire protection. To meet the project objective, ponds and wetlands would be constructed on private land in the upper watershed to provide aquatic habitat and to trap sediment and chemicals entering the watershed. Upland pond structures would be in the form of road and non-road structures. SIDCA is still interested in seeing the Section 206 project materialize. The project feasibility phase is almost complete, with design/construction as the next phase.



- Wetland Mitigation Bank - A wetland mitigation bank sponsor needs to be able to own or hold title to the wetland bank property. Preliminary work had been done in relation to this project, but in light of the information listed in bullet two above, SIDCA is not pursuing this project at this time. It is believed that these efforts would have helped all ten counties in mitigation efforts of road improvements, as well as provide a quality wetland as an end result.

- Grassland Banking – SIDCA along with the Iowa Natural Heritage Foundation, the Leopold Center for Sustainable Agriculture, and the Iowa Cattleman’s Association sponsored some focus group meetings in FY2003. The purpose was to seek ideas for greater cooperation among farm and recreation interests to ultimately strengthen Southern Iowa communities. The question posed was: How can agriculture and recreation interests find ways to cooperatively share or protect unique lands? A summary of those focus group meetings were provided and presented to SIDCA during a previous Fiscal Year. Various models were developed for how this topic could be explored further.
- Lower Des Moines River – (Rock Island District). A reconnaissance study was completed by the COE – Rock Island District on the Lower Des Moines River. It was determined at this time that there was no federal interest (COE) to pursue any action below the Red Rock Dam. The report did indicate that there may be federal interest if the entire watershed was involved. A presentation and the above mentioned report was provided to SIDCA during a previous Fiscal Year.

E. RECOMMENDATIONS TO THE GOVERNOR AND THE GENERAL ASSEMBLY, AS DEEMED NECESSARY.

The SIDCA would like to express its deep appreciation for the funds appropriated in FY2002, FY2004, FY2005, FY2006, FY2007, FY2008, FY2009, and FY2010.

The current priority of the SIDCA is the installation of on and off road structures and related projects that provide both transportation infrastructure and water resource benefits in the ten-county region. In light of the State’s budget situation, the SIDCA would like to request funding for FY2011 in the amount of only \$300,000. One hundred percent of state funds requested will be used to cost share the construction of the on and off road structures and related projects that provide both transportation infrastructure and water resource benefits in the ten-county SIDCA area. Member counties and existing public programs will provide the balance of funds required for the projects.

The Authority thanks you for your consideration of their request.

F. ADDITIONAL INFORMATION AS DEEMED NECESSARY.

Because of the efforts of the Iowa Legislature to assist these ten southern Iowa counties in the unique approach of improving transportation infrastructure and protecting water quality, the SIDCA would like to take this opportunity to bring you a more detailed update of these efforts.

SIDCA's priority to date has been the installation of on-road/off-road structures.



The overall benefits of these structures include:

- Helps reduce infrastructure costs for the counties.
- Improves the rural development potential of the area.
- Removes weight limits and width restrictions of bridges for wide loads.
- Provides flood control benefits to county roads and bridges down stream.
- Effective at capturing up to 95% of eroded soil carried in runoff.
- Reduces agricultural chemicals flowing into water resources. Many of the lakes in southern Iowa are the source for drinking water.
- Stabilizes eroding stream banks and control gullies.
- Provides the opportunity to improve rural fire suppression efforts through the installation of dry fire hydrants.
- Provides for livestock watering.
- Provides added fisheries and wildlife benefits.
- Adds recreational and scenic benefits to southern Iowa.

The ten county engineers estimate 55–60 structures or projects could potentially be constructed in the next five-year time period, with available funding.



Before and after photos of Streambank Erosion endangering a bridge abutment in Van Buren County.

A summary of the SIDCA appropriations is as follows:

FY2002 appropriation (\$250,000).

(Note: Due to state budget cuts, approximately 12% of the FY2002 allocation was de-appropriated from SIDCA. These funds were allocated to projects prior to the de-appropriation of funds by the state.)

- All of the FY2002 funds were expended on actual construction costs for projects. There were eleven projects completed in seven of the ten counties with this appropriation.
- SIDCA **did not** use any of the funding for administration or related expenses.

FY2003 appropriation.

Legislative funds were initially allocated to SIDCA for FY2003 appropriations, yet due to state budget cuts, the funds were recalled, therefore, no FY2003 funds were received.

FY2004 appropriation (\$300,000).

- SIDCA **did not** use any of the funding for administration or related expenses.
- All of the FY2004 funds have been expended on actual construction of projects. There were nine projects completed in eight of the ten counties with this appropriation, leveraging the state allocation of dollars 3:1.
- A large project completed in Lucas County, known as the Greenville Marsh Project offered SIDCA the opportunity to help leverage 75% COE funds on a \$742,400 project. The project impounded approximately 120 acres of water, was able to open a road that has been closed for more than 10 years, and will also help protect Rathbun Lake, which is a drinking water source lake.



The completed Greenville Marsh Structure.

FY2005 appropriation (\$300,000)

- SIDCA **did not** use any of the funding for administration or related expenses.
- All of the FY2005 funds have been expended on the actual construction of projects. There were sixteen projects completed in nine of the ten counties with this appropriation, leveraging the state allocation of dollars 3.5 to 1.

FY2006 appropriation (\$300,000)

- SIDCA **did not** use any of the funding for administration or related expenses.
- All of the FY2006 funds have been expended on the actual construction of projects. There were twenty projects completed in eight of the ten counties with this appropriation, leveraging the state allocation of dollars 2:1 overall, however several projects did leverage SIDCA funds at a rate of 10:1.
- A few unique projects included partnering with Van Buren County and FEMA to provide bank stabilization on Chequest Creek where a bridge was endangered, and partnering with the Little River Lake Sponsors in Decatur County on efforts to reduce sedimentation into Little River Lake which is a water source and recreation area.

FY2007 appropriation (\$300,000) - FY2008 appropriation (\$300,000) **FY2009 appropriation (\$300,000) - FY2010 appropriation (\$300,000)**

- SIDCA does not anticipate using any of the FY2007, FY2008, FY2009, or FY2010 appropriations for administration or related expenses.
- All funds are anticipated to be utilized toward actual construction of projects.

A few unique features of current and completed projects include:

- Replacing a badly deteriorated wooden box culvert and improving traffic safety by providing safer slopes for a greater recovery area for traffic.
- Culvert size reduction, as well as better erosion control of the area.
- Load limit restrictions being removed by replacing the old bridge with an on-road structure. Estimated savings for the county can range from \$20,000 to \$50,000+ in normal situations.
- Plans continue to complete numerous smaller structures by cooperating with local landowners, the soil and water conservation district, the county, the Natural Resources Conservation Service, and other partners, as well as utilizing SIDCA funds.

In addition to the ability to obligate the state allocation toward projects within the ten-county SIDCA area, the SIDCA -- by being created and funded by the state -- has become an entity which has been able to attract outside funding sources for other projects, such as:

- Securing \$100,000 funding for the COE Recognizance Study of the Lower Des Moines River.

- Originally, SIDCA had intended to be the sponsor of the COE Section 206 Project. This program could feasibly bring **five million dollars** of funding into the Rathbun Lake Watershed for aquatic habitat restoration. SIDCA is now working with partners to continue to pursue this project, yet with a different sponsor.

The SIDCA feels it is progressing toward its mission as stated previously through the above-mentioned activities, and will continue to pursue avenues to make progress in these areas.



Before pictures of a 12' x 12' box culvert in bad shape in Davis County. There were several cracks, exposed re-rod, erosion problems, and safety concerns.



After photo: The deteriorated box culvert was replaced with an on-road structure. This photo shows the site at normal pool level, however, water was flowing through the emergency outlet the morning after a 10 – 12 inch rainfall event in 2007, which was not suppose to happen more than once in 50 years. Funds to complete the project came from PL-566 Federal Watershed funds for Soap Creek, Davis County Secondary Road funds, and SIDCA.

Total Project Cost - \$466,500

SIDCA Contribution - \$ 25,000

Thank you for your continued cooperation and assistance.