

**CITY OF STORM LAKE  
LIC MEETING  
CITY HALL - COUNCIL CHAMBERS  
MARCH 31, 2025  
4:00 PM**



PO Box 1086  
Storm Lake, IA 50588  
p (712) 732-8000  
f (712) 732-4114

**AGENDA**

**Access to the official meeting can also be done through the following ways:**

**BY TELEPHONE**

Dial: 1-312-626-6799 or toll-free 1-888 475-4499  
Zoom Meeting ID: 933 2006 3301

**BY COMPUTER:**

<https://zoom.us/j/93320063301>

**Open the Meeting**

- **Call to Order**

**A. New Business**

1. Election of Officers
2. Approve September 30, 2024 LIC Minutes
3. Review Abstracts
4. Setting 2025 Meeting Schedule
5. Financial Report March 2025

**B. Adjourn**

**Meeting Protocol**

If you wish to speak today, please:

1. To speak on an agenda item, please approach the podium when that agenda item is called, and upon recognition by the Mayor, identify yourself by stating your name and address.
2. If your issue is not a topic on the agenda, please approach the podium under the "Hear the Public" agenda item, and upon recognition by the Mayor, identify yourself by stating your name and address.
3. Please keep your remarks to three (3) minutes or less.
4. If you require accommodation for this meeting, including but not limited to translation services, hearing assistance, or accessibility, please contact the City Clerk at least four (4) hours prior to the start of the meeting.

\*If you have concerns about any of the items on the consent agenda, they may be separated from the consent agenda and voted on individually.

\*\*Ordinances may be read at three consecutive meetings or readings may be waived and ordinances may be passed at only one or two meetings.

Find us on Facebook <https://www.facebook.com/cityofstormlake> Follow us on Twitter [@Storm\\_Lake](https://twitter.com/Storm_Lake) Find us on the Web at <http://www.stormlake.org>.

**Staff Summary**

**3/31/2025**

**Agenda Item # A.1.**



PO Box 1086  
Storm Lake, IA 50588  
p (712) 732-8000  
f (712) 732-4114

**REPORT TO:**

**FROM:** Keri Navratil, City Manager

**SUBJECT:** **Election of Officers**

**BACKGROUND:** Per the 28 E Agreement, the Board of Directors shall elect from its voting membership a chairman and vice chairman, who shall serve for a period of one year.

**FISCAL IMPACT:** N/A

**RECOMMENDATION:** Nominate and vote for a chairman and vice chairman

**ATTACHMENTS:**

None

**Staff Summary**

**3/31/2025**

**Agenda Item # A.2.**



PO Box 1086  
Storm Lake, IA 50588  
p (712) 732-8000  
f (712) 732-4114

**REPORT TO:**

**FROM:** Mayra Martinez, City Clerk

**SUBJECT:** Approve September 30, 2024 LIC Minutes

**BACKGROUND:** Approve September 30, 2024 LIC Minutes

**FISCAL IMPACT:** None

**RECOMMENDATION:**

**ATTACHMENTS:**

1. 09/30/2024 LIC Minutes - Edited

## **LAKE IMPROVEMENT COMMISSION MEETING, CITY HALL, SEPTEMBER 30, 2024**

**4:00 PM**

Commission Members Present: Kathy Croker (Buena Vista County), Don Hartman (Buena Vista County), Meg McKeon (City of Storm Lake), Doug White (City of Lakeside), John Armstrong (LPA), Ryan Mohr (LPA).

Others Present: City Manager Keri Navratil (City of Storm Lake), Mayra A. Martinez, Commission Secretary (City of Storm Lake), Assistant City Manager David Derragon, Staff Accountant Tyler Gibbins, and City Communications Director Dana Larsen.

Commissioner President Meg McKeon opened the meeting at 4:00 pm.

### **New Business -**

**Minutes** – Moved by Commissioner Porsch to approve the June 24, 2024, Minutes. Seconded by Commissioner Croker Vote: All ayes. Motion carried.

**Financial Report** – Staff Accountant Tyler Gibbins updated the commission of the fund balance for the LIC. He informed the Commission that insurance is the main expense and insurance costs continue to rise which will eventually deplete the fund balance sometime in the future.

**Water Monitoring System** – City Manager Navratil informed the commissioner that the lake level gage will be installed within a year and once the monitoring system is installed the city will send a press release.

**Inspection Report** – Moved by Commission Porsch Acknowledge Northeast Dredge Spoil Disposal Dam Inspection Report as presented by City Manager Navratil. Inspection that was completed by the DNR with a rating of satisfactory and inspection to be completed every two years. The commissioners request that a quote is received for improvements. Seconded by Commissioner Mohr. Vote: All ayes. Motion carried.

Next month the commission will meet at the Spoil Site for a Tour. The commission will then have a meeting March 31, 2025, at 4:00 pm here at Council Chambers.

**Adjourn** – Moved by Commissioner Hartman to adjourn at 4:30 pm. Seconded by Commissioner Porsch. Vote: All ayes. Motion carried.

Mayra A. Martinez, City Clerk

**Staff Summary**

**3/31/2025**

**Agenda Item # A.3.**



PO Box 1086  
Storm Lake, IA 50588  
p (712) 732-8000  
f (712) 732-4114

**REPORT TO:**

**FROM:**

**SUBJECT:**                   **Review Abstracts**

**BACKGROUND:**           Abstracts to be reviewed are attached to this agenda item.

**FISCAL IMPACT:**        N/A

**RECOMMENDATION:** N/A

**ATTACHMENTS:**

1. East Spoil Site Purchase Agreement - Craig Wells
2. Connell Abstract
3. Wells Abstract
4. Title Opinion from Gary Armstrong on Wells Property
5. Title Opinion - C. Richard Connell Trust
6. Real Estate Contract - Richard Connell Property

## PURCHASE AGREEMENT

The undersigned SELLERS hereby offer to sell and the undersigned BUYER by its acceptance agrees to buy the real property situated in Buena Vista County, Iowa, described as:

a 67.5 acre parcel located in Section 12 of Hayes Township, a map of which parcel is attached hereto as Exhibit "A" and incorporated herein, to be legally described later by survey;

together with any easements and appurtenant servient estates, but subject to any reasonable easements of record for public utilities or roads, any zoning restrictions customary restrictive covenants and mineral reservations of record, if any, herein referred to as the "Property," upon the following terms and conditions:

1. PURCHASE PRICE. The Purchase Price shall be \$967,477.50. However if the survey determines that the parcel has an acreage that is different than 67.5 acres, then the purchase price shall be \$14,333.00 per acre.

2. 1031 EXCHANGE. This sale shall qualify as a tax-free exchange under Internal Revenue Code Section 1031. Reference is made to Exhibit "B", attached hereto and incorporated herein.

3. CONTINGENCY - STILLE FARM. On August 30, 2011 at approximately 5:30 p.m., the following parcel is expected to be sold at auction:

69 tillable acres located in the W ½ of SW ¼ section 7 of Providence Township (the "Stille Farm").

The auction shall occur at the Alta Community Center, Alta, Iowa. SELLERS and BUYER shall be present.

The SELLERS, or either of them, at SELLERS' sole discretion, may or may not purchase the Stille Farm at auction. **If the SELLERS do not purchase the Stille Farm at auction, then this Purchase Agreement shall be considered null and void**


Contemporaneous with the SELLERS' purchase of the Stille Farm (which shall require execution of a valid binding purchase agreement between the sellers of the Stille Farm and the SELLERS), BUYER shall thereafter immediately deliver to SELLERS an earnest money payment under this Purchase Agreement in the amount of \$100,000.00.

If the purchase agreement between the sellers of the Stille Farm and the SELLERS does not close (which shall require that the sellers of the Stille Farm comply with all terms and conditions of that purchase agreement, including, but not limited to, execution and delivery of a general warranty deed conveying good and marketable title in the Stille Farm), **then this**

  
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**Purchase Agreement shall be considered null and void. In that event, SELLERS shall reimburse the earnest money of \$100,000.00 under this Purchase Agreement to BUYER.**

In the event that this Purchase Agreement shall be considered null and void, there shall be no reimbursement for any costs incurred by either party under this Purchase Agreement.

4. METHOD OF PAYMENT: All amounts paid by SELLER shall be by cash or certified funds and as follows:

\$100,000.00 to be delivered as provided under Section 3 above; and  
Balance due at closing.

5. SURVEY. A survey shall be performed by Kuehl and Payer, LTD, which shall conform as closely as possible to the map attached as Exhibit "A" hereto, previously incorporated herein. The survey shall be approved by both parties. The cost of the survey shall be paid by BUYER.

6. REAL ESTATE TAXES. Sellers shall pay taxes prorated to closing and any unpaid real estate taxes payable in prior years. Buyers shall pay all subsequent real estate taxes.

At closing SELLERS shall pay BUYERS, or BUYERS shall be given a credit for, taxes from the first day of July prior to possession to the date of possession based upon the last known actual net real estate taxes payable according to public records. However, if such taxes are based upon a partial assessment of the present property improvements or a changed tax classification as of the date of possession, such proration shall be based on the current levy rate, assessed value, legislative tax rollbacks and real estate tax exemptions that will actually be applicable as shown by the assessor's records on the date of possession.

7. SPECIAL ASSESSMENTS. SELLERS shall pay at time of closing all installments of special assessments which are a lien on the Property and, if not paid, would become delinquent during the calendar year this offer is accepted, and all prior installments thereof.

All charges for solid waste removal, sewage and maintenance that are attributable to SELLERS' possession, including those for which assessments arise after closing, shall be paid by SELLERS.

Any preliminary or deficiency assessment which cannot be discharged by payment shall be paid by SELLERS through an escrow account with sufficient funds to pay such liens when payable, with any unused funds returned to SELLERS.


BUYER shall pay all other special assessments or installments not payable by SELLERS.

8. RISK OF LOSS AND INSURANCE. SELLERS shall bear the risk of loss or damage to the Property prior to closing or possession, whichever first occurs. SELLERS agree

  
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to maintain existing insurance and BUYERS may purchase additional insurance. In the event of substantial damage or destruction prior to closing, this Purchase Agreement shall be null and void; provided, however, BUYERS shall have the option to complete the closing and receive insurance proceeds regardless of the extent of damages. The property shall be deemed substantially damaged or destroyed if it cannot be restored to its present condition on or before the closing date.

9. CLOSING. The Closing shall occur contemporaneously with the closing on the Stille Farm, which is scheduled to occur on November 1, 2011 at a place to be designated by the attorney for the sellers of the Stille Farm. Time is of the essence. SELLERS will incur significant tax consequences and/or fees and penalties if Closing on the Property does not timely occur.

10. POSSESSION. Except as provided under Section 11, if BUYER timely performs all obligations, possession of the Property shall be delivered to Buyers at closing, and any adjustments of rent, insurance, interest and all charges attributable to the SELLERS' possession shall be made as of the date of possession. Closing shall occur after the approval of title by BUYER, but prior to possession by BUYER. SELLERS agree to permit BUYER to inspect the Property within twenty-four hours prior to closing to assure that the premises are in the condition required by this Purchase Agreement. If possession is given on a day other than closing, the parties shall make a separate written agreement with adjustments as of the date of possession. This transaction shall be considered closed upon the filing of the title transfer documents and receipt of all funds due at closing from BUYER under the Purchase Agreement.

11. CROP / HARVEST. SELLERS personally own the crop that is on the Property. SELLERS shall enjoy full possession of the Property until the crop is harvested. SELLERS hereby certify that there are no leases on the Property. Once SELLERS have harvested the crop, and the closing has occurred as provided herein, BUYER shall have full possession of the Property.

12. ABSTRACT AND TITLE. SELLERS, at their expense, and after the survey has been filed with the Recorder, shall promptly obtain an abstract of title to the Property continued through the date of this Purchase Agreement and deliver it to BUYER'S attorney for examination. It shall show marketable title in SELLERS in conformity with this Purchase Agreement, Iowa law, and title standards of the Iowa State Bar Association. The SELLERS shall make every reasonable effort to promptly perfect title. If closing is delayed due to SELLERS' inability to provide marketable title, this Purchase Agreement shall continue in force and effect until either party rescinds the Purchase Agreement after giving ten days written notice to the other party. The abstract shall become the property of BUYERS when the Purchase Price is paid in full. SELLERS shall pay the costs of any additional abstracting and title work due to any act or omission of SELLERS, including transfers by or the death of SELLERS or their assignees. Unless stricken, the abstract shall be obtained from an abstracter qualified by the Guaranty Division of the Iowa Housing Finance Authority.

13. DEED. Upon payment of the Purchase Price, SELLERS shall convey the Property to BUYER by general warranty deed, free and clear of all liens, restrictions, and encumbrances

  
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except as provided in this Purchase Agreement. General warranties of the title shall extend to the time of delivery of the deed excepting liens and encumbrances suffered or permitted by BUYERS.

14. **CONDITION OF PROPERTY.** SELLERS warrant to the best of their knowledge and belief that there are no abandoned wells, solid waste disposal sites, hazardous wastes or substances, or underground storage tanks located on the Property, the Property does not contain levels of radon gas, asbestos, or urea-formaldehyde foam insulation which require remediation under current governmental standards, and SELLERS have done nothing to contaminate the Property with hazardous wastes or substances. SELLERS warrant that the property is not subject to any local, state, or federal judicial or administrative action, investigation or order, as the case may be, regarding wells, solid waste disposal sites, hazardous wastes or substances, or underground storage tanks. SELLERS shall also provide BUYERS with a properly executed GROUNDWATER HAZARD STATEMENT showing no wells, private burial sites, solid waste disposal sites, private sewage disposal system, hazardous waste and underground storage tanks on the Property.

Reference is specifically made to Exhibit "A", attached hereto and previously incorporated herein, which shows certain earthen berms. These earthen berms are not in existence. Furthermore, SELLERS make no warranty, express or implied, as to the condition of the Property for the use of creating and/or using such earthen berms or any related use.

SELLERS otherwise make no warranties, expressed or implied, as to the condition of the Property other than that the Property is farm ground.

15. **JOINT TENANCY IN PROCEEDS AND IN REAL ESTATE.** If SELLERS hold title to the Property in joint tenancy with full rights of survivorship, and the joint tenancy is not later destroyed by operation of law or by acts of the SELLERS, then the proceeds of this sale, and any continuing or recaptured rights of SELLERS in the Property, shall belong to SELLERS as joint tenants with full rights of survivorship and not as tenants in common; and BUYER in the event of death of any SELLER, agree to pay any balance of the price due SELLERS under this contract to the surviving SELLER and to accept a deed from the surviving SELLER.

16. **USE OF PURCHASE PRICE.** At time of settlement, funds of the Purchase Price may be used to pay taxes and other liens and to acquire outstanding interests, if any, of others.


17. **REMEDIES OF THE PARTIES.**

A. If BUYER fails to timely perform this Purchase Agreement, SELLERS may forfeit it as provided in the Iowa Code (Chapter 656), and all payments made shall be forfeited; or, at SELLERS' option, upon thirty days written notice of intention to accelerate the payment of the entire balance because of BUYERS' default (during which thirty days the default is not corrected), SELLERS may declare the entire balance immediately due and payable. Thereafter this Purchase Agreement may be foreclosed in equity and the Court may appoint a receiver.

  
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B. If SELLERS fail to timely perform this Purchase Agreement, BUYERS have the right to have all payments made returned to them.

C. BUYERS and SELLERS are also entitled to utilize any and all other remedies or actions at law or in equity available to them, and the prevailing parties shall be entitled to obtain judgment for costs and attorney fees.

18. NOTICE. Any notice under this Purchase Agreement shall be in writing and be deemed served when it is delivered by personal delivery or mailed by certified mail, addressed to the parties at the addresses given below.

19. GENERAL PROVISIONS. In the performance of each part of this Purchase Agreement, time shall be of the essence. Failure to promptly assert rights herein shall not, however, be a waiver of such rights or a waiver of any existing or subsequent default. This Purchase Agreement shall apply to and bind the successors in interest of the parties. This Purchase Agreement shall survive the closing. This Purchase Agreement contains the entire agreement of the parties and shall not be amended except by a written instrument duly signed by SELLERS and BUYERS. Paragraph headings are for convenience of reference and shall not limit or affect the meaning of this Purchase Agreement. Words and phrases herein shall be construed as in the singular or plural number, and as masculine, feminine or neuter gender according to the context.

20. NO REAL ESTATE AGENT OR BROKER. Neither party has used the service of a real estate agent or broker in connection with this transaction.

21. PRIVATE SEWAGE DISPOSAL SYSTEM. Seller represents and warrants to Buyer that the Property is not served by a private sewage disposal system, and there are no known private sewage disposal systems on the property.

22. DRAINAGE. SELLERS do not release BUYER from any damages as a result of liability under the natural flow doctrine.

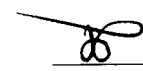
23. DUPLICATE COPIES / CANCELLATION. This Purchase Agreement has been initialed and executed in duplicate copies by both SELLERS as of the date below and therefore constitutes an offer to sell. In order for BUYER to accept this offer, BUYER must initial and execute one of the duplicate copies of this Purchase Agreement (including Exhibit "B"), and must further deliver said fully executed and initialed Purchase Agreement to the law office of Murray & Murray, P.L.C. by no later than August 30, 2011 at 12:00 noon in order for this Purchase Agreement to be effective. **If Murray & Murray, PLC has not received one fully executed and initialed copy of this Purchase Agreement by August 30, 2011 at 12:00 noon, this Purchase Agreement shall be considered cancelled, null and void**

EXECUTED as of the date set forth below.

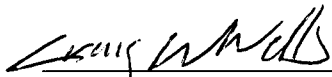
  
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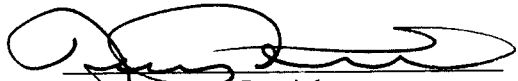
SELLERS:

  
\_\_\_\_\_  
Craig W. Wells


  
\_\_\_\_\_  
Cindy M. Wells

Date: August 29, 2011

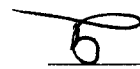
BUYER:

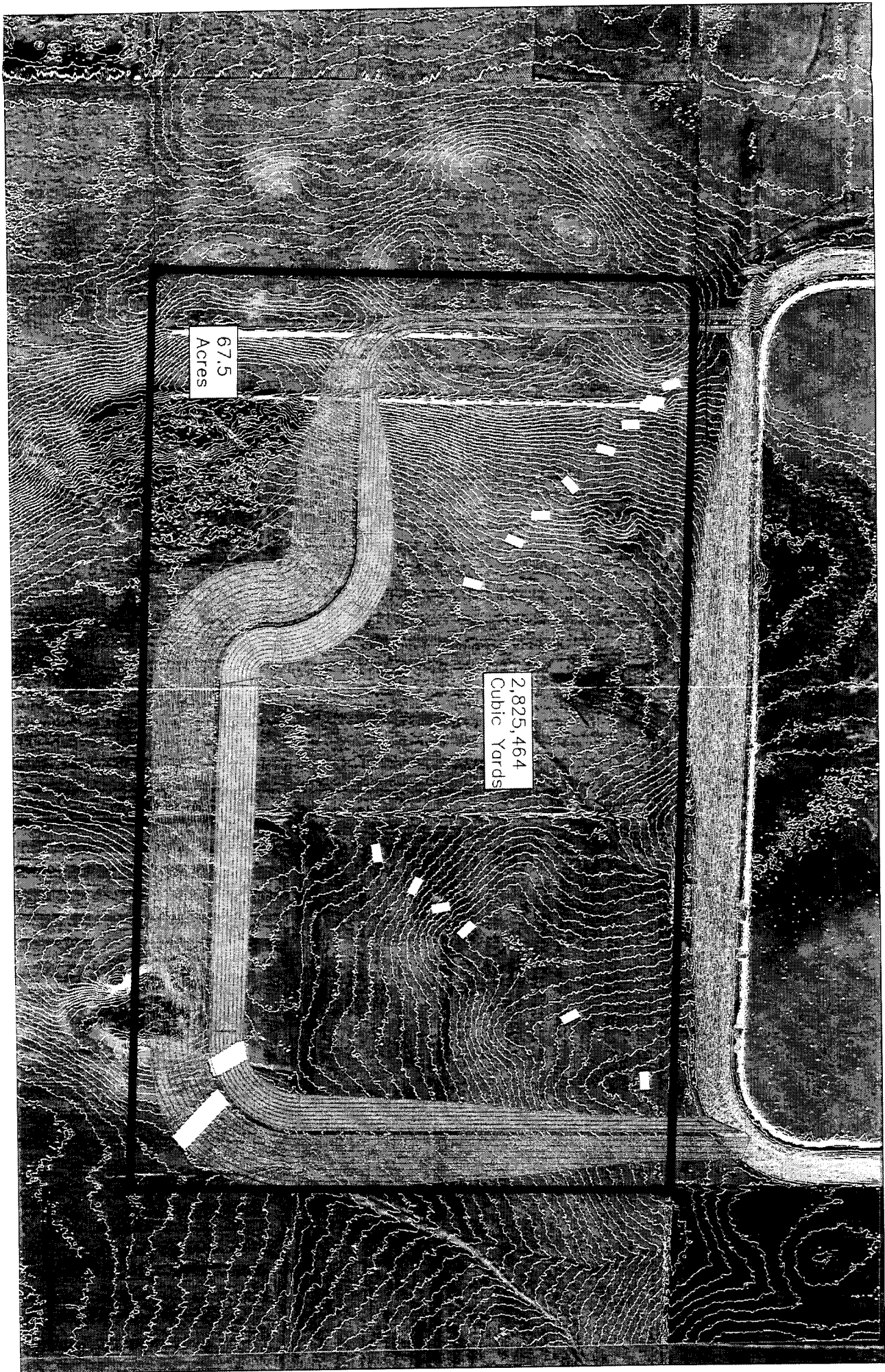
  
\_\_\_\_\_  
By: James Patrick  
For: Lake Improvement Commission  
Its: ~~Chairman~~ Executive Director

Date: August 30, 2011

  
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67.5  
Acres

2,825,464  
Cubic Yards

*cont*  
*Cont*

**EXHIBIT "B" TO PURCHASE AGREEMENT  
(RELINQUISHED PROPERTY)**

**Notice of Seller's Intent to Transfer Property  
Pursuant to Internal Revenue Code Section 1031**

**Buyer:** Lake Improvement Commission

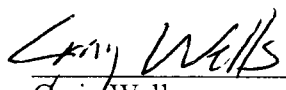
**Seller / Exchanging  
Taxpayer:** Craig Wells and Cindy Wells

**Property Description:** a 67.5 acre parcel located in Section 12 of Hayes Township, a map of which parcel is attached hereto as Exhibit "B-1" and incorporated herein, to be legally described later by survey.

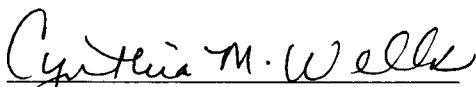
**NOTICE:** It is the intention of Seller to transfer the above-listed property pursuant to Internal Revenue Code Section 1031, which sets forth the requirements for tax-deferred real estate exchanges. Seller's rights and obligations under this and future agreements may be assigned to IPE 1031, Qualified Intermediary, for the purpose of completing an exchange. Buyer of the above-listed property agrees to cooperate with Seller and IPE 1031, in a manner necessary to enable Seller to complete said exchange. Such cooperation shall be at no additional cost or liability to Buyer.

SELLERS:

BUYER:

  
\_\_\_\_\_  
Craig Wells


  
By: James Patrick  
For: Lake Improvement Commission  
Its: ~~Chairman~~ *Executive Director*


  
\_\_\_\_\_  
Cindy Wells


Date: August 30, 2011

Date: August 29, 2011

Copy to: IPE 1031, 1922 Ingersoll Avenue, Des Moines, Iowa 50309  
Fax: (515) 279-8788 or Email: [kbrown@ipe1031.com](mailto:kbrown@ipe1031.com)

  
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BUENA VISTA ABSTRACT  
AND TITLE COMPANY,

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# ABSTRACT

of

# TITLE

to

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THE SOUTH 1800 FEET OF THE WEST 900  
FEET OF THE WEST HALF OF THE  
NORTHEAST QUARTER ( $W\frac{1}{2}$   $NE\frac{1}{4}$ ) OF  
SECTION 12, TOWNSHIP 90 NORTH,  
RANGE 37 WEST OF THE 5TH P.M.,  
BUENA VISTA COUNTY, IOWA.

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SEC. \_\_\_\_\_ TWP. \_\_\_\_\_ RNG. \_\_\_\_\_  
BUENA VISTA COUNTY, IOWA

PREPARED BY

**Buena Vista Abstract and  
Title Company**

*"Reliable Abstracts Since 1891"*

OWNER OF THE ONLY COMPLETE SET OF  
ABSTRACT BOOKS IN BUENA VISTA COUNTY,  
IOWA

Members American and Iowa Title Associations

**Storm Lake, Iowa 50588**

218 East Fifth Street Phone No. (712) 732-4150

South of the Court House

**ABSTRACT OF TITLE**  
to the following described  
real estate in  
**BUENA VISTA COUNTY, IOWA.**

THE SOUTH EIGHTEEN HUNDRED FEET (S. 1800') OF THE WEST NINE HUNDRED FEET (W 900') OF THE WEST HALF OF THE NORTHEAST QUARTER (W ½ NE ¼) OF SECTION TWELVE (12), TOWNSHIP NINETY (90) NORTH, RANGE THIRTY-SEVEN (37) WEST OF THE 5<sup>TH</sup> P.M., BUENA VISTA COUNTY, IOWA.

From the Office of  
**BUENA VISTA ABSTRACT & TITLE COMPANY**  
218 East Fifth Street, P. O. Box 110  
Storm Lake, Iowa 50588  
(712) 732-4150

BUENA VISTA ABSTRACT  
AND TITLE COMPANY,

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# ABSTRACT

of

# TITLE

to

THE NORTHEAST QUARTER OF THE  
SOUTHWEST QUARTER (NE $\frac{1}{4}$  SW $\frac{1}{4}$ )  
TOGETHER WITH THE WEST NINE  
HUNDRED (900) FEET OF THE  
NORTHWEST QUARTER OF THE  
SOUTHEAST QUARTER (NW $\frac{1}{4}$  SE $\frac{1}{4}$ )  
ALL IN SECTION 12, TOWNSHIP  
90 NORTH, RANGE 37 WEST OF  
THE 5th P.M., BUENA VISTA  
COUNTY, IOWA.

PREPARED BY

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ABSTRACT BOOKS IN BUENA VISTA COUNTY.  
IOWA

Members American and Iowa Title Associations

Storm Lake, Iowa 50588

# ABSTRACT OF TITLE

to the following described  
real estate in

BUENA VISTA COUNTY, IOWA.

THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER (NE $\frac{1}{4}$  SW $\frac{1}{4}$ )  
TOGETHER WITH THE WEST NINE HUNDRED FEET (W. 900') OF THE NORTHWEST  
QUARTER OF THE SOUTHEAST QUARTER (NW $\frac{1}{4}$  SE $\frac{1}{4}$ ), ALL IN SECTION TWELVE  
(12), TOWNSHIP NINETY (90) NORTH, RANGE THIRTY-SEVEN (37) WEST OF THE 5<sup>TH</sup>  
P.M., BUENA VISTA COUNTY, IOWA.

From the Office of  
**BUENA VISTA ABSTRACT & TITLE COMPANY**

218 East Fifth Street, P. O. Box 110

Storm Lake, Iowa 50588

(712) 732-4150

**MACK, HANSEN, GADD, ARMSTRONG & BROWN, P.C.**

ATTORNEYS AND COUNSELORS AT LAW

316 EAST SIXTH STREET

P. O. BOX 278

STORM LAKE, IOWA 50588-0278

EDGAR E. MACK (1913-1992)  
DOUGLAS W. HANSEN (Retired)  
STEPHEN R. GADD (Of Counsel)

TELEPHONE (712)732-3538  
FAX (712)732-7578  
E-MAIL [gary@mhgab.com](mailto:gary@mhgab.com)

**GARY W. ARMSTRONG**  
TED BROWN  
ANDREW J. SMITH

October 25, 2011

HAND DELIVERED

Lake Improvements Commission  
Storm Lake City Hall  
620 Erie Street  
Storm Lake, IA 50588

ATTENTION: Jim Patrick

RE: Wells/Lake Improvements Commission

Dear Jim:

Enclosed herein please find my preliminary title opinion in connection with Lake Improvements Commission's purchase of real estate from Craig and Cindy Wells.

As you can see, it appears that the Wellses are in position to convey good and merchantable title to the Lake Improvements Commission subject to obtaining releases of the mortgages from Farm Credit. In addition thereto, at closing the balance of the fiscal 2010-2011 real estate taxes and those taxes which have accrued since July 1, 2011 will need to be accounted for.

Should you have any questions or concerns in connection with this preliminary title opinion, please contact me at your earliest convenience.

Thank you for affording our law firm an opportunity to assist you in this matter.

Sincerely,

**MACK, HANSEN, GADD, ARMSTRONG  
& BROWN, P.C.**

By: \_\_\_\_\_

Gary W. Armstrong

GWA:amm  
Enclosure

**MACK, HANSEN, GADD, ARMSTRONG & BROWN, P.C.**  
ATTORNEYS AND COUNSELORS AT LAW  
316 EAST SIXTH STREET  
P. O. BOX 278  
STORM LAKE, IOWA 50588-0278

EDGAR E. MACK (1913-1992)  
DOUGLAS W. HANSEN (Retired)  
STEPHEN R. GADD (Of Counsel)

TELEPHONE (712)732-3538  
FAX (712)732-7578  
E-MAIL [gary@mhgab.com](mailto:gary@mhgab.com)

**GARY W. ARMSTRONG**  
TED BROWN  
ANDREW J. SMITH

October 25, 2011

Lake Improvements Commission  
Storm Lake City Hall  
620 Erie Street  
Storm Lake, IA 50588

ATTENTION: Jim Patrick

RE: Wells Purchase

We have made a preliminary examination of title to the property described as:

The Northeast Quarter of the Southwest Quarter (NE1/4 SW1/4) together with the West Nine Hundred Feet (W 900') of the Northwest Quarter of the Southeast Quarter (NW1/4 SE1/4), all in Section Twelve (12), Township Ninety (90) North, Range Thirty-seven (37) West of the Fifth P.M., Buena Vista County, Iowa

as shown by an abstract of title last certified to by the Buena Vista Abstract and Title Company

FROM: the roots of title

TO: October 18, 2011 at 8:00 A.M. and containing 46 entries.

**TITLE**

We find marketable title in fee simple and free from material objections except as are hereinafter mentioned to be as follows:

Craig Wells and Cindy Wells.

**EXCEPTIONS**

1. At Entry No. 32 is a supplemental real estate mortgage to AgAmerica, FCB, dated July 31, 1996 and filed August 12, 1996 in the Buena Vista County Recorder's Office at Book 154, Pages 236-237, which secures a note in the initial amount of \$82,000.00. This mortgage constitutes a lien on the N1/2 SE1/4 of Section 12, Township 90 North, Range 37 West of the Fifth P.M., Buena Vista County, Iowa.

2. At Entry No. 36 is a mortgage to Farm Credit Services of the Midlands, FLCA, dated September 19, 1996 and filed September 20, 1996 in the Buena Vista County Recorder's Office at Book 154, Pages 424-425, which secures a note in the initial amount of \$247,000.00.

This mortgage constitutes a lien on the N1/2 SE1/4 of Section 12, Township 90 North, Range 37 West of the Fifth P.M., Buena Vista County, Iowa.

At Entry No. 37 the abstracter notes that this mortgage was re-filed on May 21, 1997 in the Buena Vista County Recorder's Office at Document No. 971251.

When this mortgage is released, both the mortgage noted at Entry No. 36 and the refiling at Entry No. 37 should be released of record.

3. At Entry No. 41 the abstracter notes a mortgage to Farm Credit Services of America, FLCA, dated October 18, 2000 and filed October 19, 2000 in the Buena Vista County Recorder's Office at Document No. 002892, which secures a note in the initial amount of \$100,000.00. This mortgage constitutes a lien against the N1/2 SW1/4 of Section 12, Township 90 North, Range 37 West of the 5<sup>th</sup> P.M. and the N1/2 SE1/4 of Section 12, Township 90 North, Range 37 West of the 5<sup>th</sup> P.M., Buena Vista County, Iowa.

4. At Entry No. 42 the abstracter notes a mortgage in favor of Farm Credit Services of America, FLCA, dated March 22, 2002 and filed April 4, 2002 in the Buena Vista County Recorder's Office at Document No. 021178, which secures a note in the initial amount of \$225,000.00. This mortgage constitutes a lien against the N1/2 SE1/4 of Section 12, Township 90 North, Range 37 West of the Fifth P.M., Buena Vista County, Iowa, and the N1/2

SW1/4 of Section 12, Township 90 North, Range 37 West of the Fifth P.M., Buena Vista County, Iowa.

5. At Entry No. 46 the abstracter notes the real estate taxes for fiscal 2010 are as follows: first half - paid; second half - unpaid, but not delinquent. All prior real estate taxes have been paid in full.

6. At Entry No. 43 the abstracter notes an easement in favor of Clay Regional Water across the N1/2 SE1/4 of Section 12, Township 90 North, Range 37 West of the Fifth P.M., Buena Vista County, Iowa. This easement is 50 feet in width and lies on the East side of the above-described property parallel with the road right-of-way. As such, it does not appear that it lies on the real estate being purchased.

7. At Entry No. 44 the abstracter notes this property is subject to the zoning ordinances of Buena Vista County, Iowa. To determine their impact upon your use of this property, you are directed to contact the Buena Vista County Zoning Administrator.

8. At Entry No. 45 the abstracter notes that this property may be subject to the soil conservation practice refund provided for in Chapter 467A.7(16) of the Iowa Code. To determine if this property is subject to the soil conservation practice refund, you are directed to contact the Soil Conservation District Office for Buena Vista County, Iowa.

#### **CAUTION**

An abstract of title is a multi-page document typically prepared by a commercial abstracting firm. It consists of numbered entries containing information abstracted from the public records on file in the county courthouse that affect the title to the real estate described in the abstract of title. However, these records do not necessarily disclose all rights in, claims against or restrictions upon the real estate. Therefore, you should make a careful inspection of the real estate and make diligent inquiry to satisfy yourself as to the following additional matters:

1. The rights of any person in actual possession of the real estate, such as a tenant in possession under a lease agreement.

2. The rights, under the Iowa Mechanic's Lien Laws, of

persons who have furnished labor or materials in the past ninety (90) days for improvements to the real estate. Claims for labor and improvements made within that period could become liens without appearing on the abstract, and you should satisfy yourself that all such bills or claims have been paid.

3. The rights of creditors under the Iowa Uniform Commercial Code to a security interest in improvements to the real estate in the form of fixtures, such as a furnace or water heater, which have been installed so recently as to allow the creditor to file notice of such rights after the period of time covered by the abstract.

4. Unpaid charges for public utility services furnished to the real estate which may become a claim against the real estate.

5. The existence of any security interest in growing farm crops disclosed by Financing Statements filed in the office of the Iowa Secretary of State.

6. The existence of any easement over the real estate which is apparent from physical evidence of its use or the actual location of the boundary lines of the real estate.

7. Any encroachment upon the real estate from adjacent real estate by way of third party use or by building overlapping the boundary lines and any other facts that may be disclosed by a survey. The abstracter cannot certify in regards to physical boundaries of real estate, including a showing of the streets and alleys, fence lines, ditches, tile drains, easements not of record, and locations of improvements which may be situated thereon. No survey of the property under examination has been furnished.\*

8. Availability of reasonable and convenient access to the real estate from an existing public right-of-way.

9. Any law, ordinance or governmental regulation (including, but not limited to, zoning, subdivision and rental housing ordinances) restricting, regulating or prohibiting the occupancy, use or enjoyment of the real estate, or regulating the character, dimensions or location of any improvement now or hereafter erected on the real estate, or prohibiting a separation in ownership or a reduction in the dimensions or area of the real estate. For such information, you should consult the local

building and zoning officials having jurisdiction.

10. The legal competency (as affected by age or mental disability) of each individual titleholder executing a deed, mortgage or other instrument affecting the real estate; the authority of each person executing a deed, mortgage or other instrument affecting the real estate in a representative or fiduciary capacity; and the authenticity of all signatures appearing on such instruments.

11. Any other matter affecting the real estate which may have been filed as a part of the public records in the county courthouse after the period of time covered by this title opinion.

12. The abstract does not disclose the existence of hazardous substances, pollutants, contaminants, hazardous wastes, underground storage tanks, drainage wells, active or abandoned water wells, and other environmentally regulated activities. You are cautioned that federal, state and local legislation may, in the event that there are environmental and/or public health violations, permit injunctive relief and require removal and remedial actions or other "clean up". The costs of such "clean up" may become a lien against the real estate, and you may have personal liability even though you may not have disposed of any hazardous substances, pollutants, contaminants, or hazardous wastes on the real estate or used any underground storage tanks or wells.

13. There is (i) no environmental protection lien recorded in those records established under State statutes for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge, or filed in the records of the clerk of the United States district court for the district in which the land is located, or (ii) any environmental protection lien provided for by any State statute in effect on the date of this opinion, which could achieve priority over the Mortgage except those listed below (list any State statute that allows a lien for environmental protection that can attain priority over the lien of the insured Mortgage; if none, state 'none')."

14. You are also cautioned that the abstract does not make showing of the presence of radioactive elements such as "radon" on the property. Radon, which is present to some extent

virtually everywhere, may present a health threat if found in concentration levels deemed high and may require remedial measures. You may desire to make independent inquiry, including specialized testing before closing herein.

15. Effective July 1, 2009, when real estate is transferred, an inspection of the septic system must be performed. If said system is not in conformance with Iowa Rules, repairs and replacement may have to be made. You should inquire into this matter.

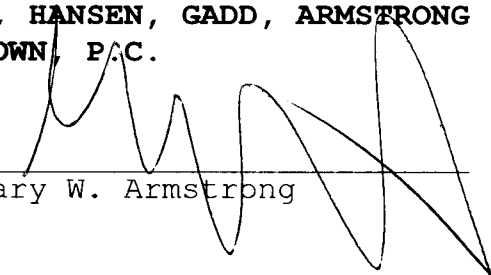
If you have any questions on this opinion or on any of the above matters, please contact the writer of this opinion for explanation.

Respectfully submitted,

**MACK, HANSEN, GADD, ARMSTRONG  
& BROWN, P.A.C.**

By: \_\_\_\_\_

Gary W. Armstrong



GWA:amm

\*These are matters which can only be satisfactorily determined by survey. The plat or survey shown in the abstract, if one is shown, normally does not show the location of improvements with respect to the boundary lines. Buyers are encouraged to have a site survey (sometimes referred to as a "built" survey) done to locate any improvements with respect to the boundary lines. The site survey should be recorded to benefit both the buyer and the future buyers of the real estate. A site survey should reveal problems as encroachments on the property, improvements built too close to or even over the boundary line and substandard lot size. Improvements not meeting zoning requirements may be considered nonconforming uses under applicable zoning and building codes. An owner may be prohibited from or restricted in rebuilding a nonconforming use under applicable zoning or building codes. A nonconforming use may also jeopardize the amount of recovery under the owner's insurance policy. A nonconforming use may also prevent a buyer from obtaining a mortgage on the property.

**SCAN**

**MACK, HANSEN, GADD, ARMSTRONG & BROWN, P.C.**

ATTORNEYS AND COUNSELORS AT LAW  
316 EAST SIXTH STREET  
P. O. BOX 278

STORM LAKE, IOWA 50588-0278

EDGAR E. MACK (1913-1992)  
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TELEPHONE (712)732-3538  
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E-MAIL [gary@mhgab.com](mailto:gary@mhgab.com)

GARY W. ARMSTRONG  
TED BROWN  
ANDREW J. SMITH

December 10, 2010

Lake Improvement Commission  
Storm Lake City Hall  
620 Erie Street  
Storm Lake, IA 50588

ATTENTION: Jim Patrick

RE: C. Richard Connell Trust/Lake Improvement Commission Real  
Estate Transaction

Dear Jim:

Enclosed herein please find my preliminary title opinion in connection with the Commission's purchase of real estate from the C. Richard Connell Trust.

As you can see in reviewing my preliminary title opinion, it appears that the C. Richard Connell Trust is in a position to convey good and merchantable title to the Commission by a trustee's warranty deed.

At the closing, the Trust will need to pay the real estate taxes which are delinquent April 1, 2011 and account for the taxes which have accrued since July 1, 2010 through the date of possession.

Should you have any questions or concerns in connection with my preliminary title opinion or any other matter related to this sale, please contact me at your earliest convenience.

Thank you for affording our law firm an opportunity to assist you in this matter.

Lake Improvement Commission  
Page Two  
December 10, 2010

Sincerely,

**MACK, HANSEN, GADD, ARMSTRONG  
& BROWN, P.C.**

By: \_\_\_\_\_

Gary W. Armstrong

GWA:amm

Enclosure

**MACK, HANSEN, GADD, ARMSTRONG & BROWN, P.C.**

ATTORNEYS AND COUNSELORS AT LAW  
316 EAST SIXTH STREET  
P. O. BOX 278

STORM LAKE, IOWA 50588-0278

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GARY W. ARMSTRONG  
TED BROWN  
ANDREW J. SMITH

December 10, 2010

Lake Improvement Commission  
Storm Lake City Hall  
620 Erie Street  
Storm Lake, IA 50588

ATTENTION: Jim Patrick

We have made a preliminary examination of title to the property described as:

The South 1800 feet of the West 900 feet of the West Half of the Northeast Quarter (W1/2 NE1/4) of Section Twelve (12), Township Ninety (90) North, Range Thirty-seven (37) West of the Fifth P.M., Buena Vista County, Iowa

as shown by an abstract of title last certified to by the Buena Vista Abstract and Title Company

FROM: the root of title, which is a warranty deed appearing at Entry No. 9 and filed of record January 3, 1961

TO: December 7, 2010 at 8:00 a.m. and containing 21 entries.

**TITLE**

We find marketable title in fee simple and free from material objections except as are hereinafter mentioned to be as follows:

C. Richard Connell, Trustee of the C. Richard Connell Trust dated January 22, 1996.

**EXCEPTIONS**

1. At Entry No. 21 the abstracter notes the real estate taxes for fiscal 2009 are as follows: first half - paid; second half - \$954.00, unpaid but not delinquent.

2. At Entry No. 18 the abstracter notes a right-of-way easement in favor of Clay Regional Water to erect, construct, install and lay, and thereafter use, operate, inspect, repair, maintain, replace and remove water lines and appurtenances thereto over and across the subject property.

The easement shall be 50 feet in width on the East side of the subject property parallel to the road right-of-way, and/or adjacent property line.

3. At Entry No. 19 the abstracter notes that this property is subject to the zoning ordinances of Buena Vista County, Iowa. For their impact upon the use of this property, you are directed to contact the Buena Vista County Zoning Administrator.

4. At Entry No. 20 the abstracter notes that this property may be subject to the soil conservation practice refund provided for in Chapter 467A.7(16) - 1981 Code of Iowa. To determine if this property is subject to the soil conservation practice refund, you are directed to contact the Soil Conservation District Office for Buena Vista County, Iowa.

5. As a consequence of this real estate being in a revocable trust, the following should occur to convey title:

A. Trustee to execute a trust officer's oath conveying the subject property to Lake Improvement Commission (LIC), a 28E organization;

B. Trustee to execute and deliver a trustee's affidavit in substantial compliance with Iowa Code Section 614.12(2); and,

C. The Lake Improvement Commission to execute a purchaser's affidavit stating that it relied on trustee's affidavit and has no notice or knowledge of any adverse claims.

**CAUTION**

An abstract of title is a multi-page document typically prepared by a commercial abstracting firm. It consists of numbered entries containing information abstracted from the public records on file in the county courthouse that affect the title to the real estate described in the abstract of title. However, these records do not necessarily disclose all rights in, claims against or restrictions upon the real estate. Therefore, you should make a careful inspection of the real estate and make diligent inquiry to satisfy yourself as to the following additional matters:

1. The rights of any person in actual possession of the real estate, such as a tenant in possession under a lease agreement.

2. The rights, under the Iowa Mechanic's Lien Laws, of persons who have furnished labor or materials in the past ninety (90) days for improvements to the real estate. Claims for labor and improvements made within that period could become liens without appearing on the abstract, and you should satisfy yourself that all such bills or claims have been paid.

3. The rights of creditors under the Iowa Uniform Commercial Code to a security interest in improvements to the real estate in the form of fixtures, such as a furnace or water heater, which have been installed so recently as to allow the creditor to file notice of such rights after the period of time covered by the abstract.

4. Unpaid charges for public utility services furnished to the real estate which may become a claim against the real estate.

5. The existence of any security interest in growing farm crops disclosed by Financing Statements filed in the office of the Iowa Secretary of State.

6. The existence of any easement over the real estate which is apparent from physical evidence of its use or the actual location of the boundary lines of the real estate.

7. Any encroachment upon the real estate from adjacent real estate by way of third party use or by building overlapping the boundary lines and any other facts that may be disclosed by a survey. The abstracter cannot certify in regards to physical

boundaries of real estate, including a showing of the streets and alleys, fence lines, ditches, tile drains, easements not of record, and locations of improvements which may be situated thereon. No survey of the property under examination has been furnished.\*

8. Availability of reasonable and convenient access to the real estate from an existing public right-of-way.

9. Any law, ordinance or governmental regulation (including, but not limited to, zoning, subdivision and rental housing ordinances) restricting, regulating or prohibiting the occupancy, use or enjoyment of the real estate, or regulating the character, dimensions or location of any improvement now or hereafter erected on the real estate, or prohibiting a separation in ownership or a reduction in the dimensions or area of the real estate. For such information, you should consult the local building and zoning officials having jurisdiction.

10. The legal competency (as affected by age or mental disability) of each individual titleholder executing a deed, mortgage or other instrument affecting the real estate; the authority of each person executing a deed, mortgage or other instrument affecting the real estate in a representative or fiduciary capacity; and the authenticity of all signatures appearing on such instruments.

11. Any other matter affecting the real estate which may have been filed as a part of the public records in the county courthouse after the period of time covered by this title opinion.

12. The abstract does not disclose the existence of hazardous substances, pollutants, contaminants, hazardous wastes, underground storage tanks, drainage wells, active or abandoned water wells, and other environmentally regulated activities. You are cautioned that federal, state and local legislation may, in the event that there are environmental and/or public health violations, permit injunctive relief and require removal and remedial actions or other "clean up". The costs of such "clean up" may become a lien against the real estate, and you may have personal liability even though you may not have disposed of any hazardous substances, pollutants, contaminants, or hazardous wastes on the real estate or used any underground storage tanks or wells.

13. There is (i) no environmental protection lien recorded in those records established under State statutes for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge, or filed in the records of the clerk of the United States district court for the district in which the land is located, or (ii) any environmental protection lien provided for by any State statute in effect on the date of this opinion, which could achieve priority over the Mortgage except those listed below (list any State statute that allows a lien for environmental protection that can attain priority over the lien of the insured Mortgage; if none, state 'none')."

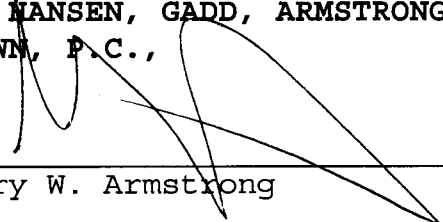
14. You are also cautioned that the abstract does not make showing of the presence of radioactive elements such as "radon" on the property. Radon, which is present to some extent virtually everywhere, may present a health threat if found in concentration levels deemed high and may require remedial measures. You may desire to make independent inquiry, including specialized testing before closing herein.

15. Effective July 1, 2009, when real estate is transferred, an inspection of the septic system must be performed. If said system is not in conformance with Iowa Rules, repairs and replacement may have to be made. You should inquire into this matter.

If you have any questions on this opinion or on any of the above matters, please contact the writer of this opinion for explanation.

Respectfully submitted,

**MACK, NANSSEN, GADD, ARMSTRONG  
& BROWN, P.C.,**

By:   
Gary W. Armstrong

GWA:amm

\*These are matters which can only be satisfactorily determined by survey. The plat or survey shown in the abstract, if one is shown, normally does not show the location of improvements with respect to the boundary lines. Buyers are encouraged to have a site survey (sometimes referred to as a "built" survey)


Lake Improvement Commission  
Page Six  
December 10, 2010

done to locate any improvements with respect to the boundary lines. The site survey should be recorded to benefit both the buyer and the future buyers of the real estate. A site survey should reveal problems as encroachments on the property, improvements built too close to or even over the boundary line and substandard lot size. Improvements not meeting zoning requirements may be considered nonconforming uses under applicable zoning and building codes. An owner may be prohibited from or restricted in rebuilding a nonconforming use under applicable zoning or building codes. A nonconforming use may also jeopardize the amount of recovery under the owner's insurance policy. A nonconforming use may also prevent a buyer from obtaining a mortgage on the property.

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DAN CONNELL PC

PAGE 02

THE IOWA STATE BAR ASSOCIATION Official Form No. 143	Dan Connell	FOR THE LEGAL EFFECT OF THE USE OF THIS FORM, CONSULT YOUR LAWYER
 <h2 style="margin: 0;">REAL ESTATE CONTRACT</h2> <h3 style="margin: 0;">(SHORT FORM)</h3>		
<p>IT IS AGREED between <u>C. Richard Connell, as Trustee of the C. Richard Connell Trust U/A dated January 22, 1996, 1935 County Road 150E, Seymour, Illinois 61875</u></p>		
<p>("Sellers"); and</p> <p><u>Lake Improvement Commission (LIC) a 28E Organization of Storm Lake, Iowa</u></p>		
<p>("Buyers").</p> <p>Sellers agree to sell and Buyers agree to buy real estate in <u>Buena Vista</u> County, Iowa, described as:</p> <p>The South Eighteen Hundred Feet (S 1800') of the West Nine Hundred Feet (W 900') of the West Half of the Northeast Quarter (W 1/2 NE 1/4) of Section Twelve (12), Township Ninety (90) North, Range Thirty-seven (37), West of the 5th P.M., Buena Vista County, Iowa, containing 37.19 Acres.</p>		
<p>with any easements and appurtenant servient estates, but subject to the following:</p> <p>a. any zoning and other ordinances;</p> <p>b. any covenants of record;</p> <p>c. any easements of record for public utilities, roads and highways; and</p> <p>d. (consider, liens; mineral rights; other easements; interest of others.)</p>		
<p>(the "Real Estate"), upon the following terms:</p> <p>1. PRICE: The total purchase price for the Real Estate is <u>Three Hundred Thirty-Four Thousand Seven Hundred Ten and 0/100</u> Dollars (\$ <u>334,710.00</u>) of which <u>No and 0/100</u> Dollars (\$ <u>0.00</u>) has been paid. Buyers shall pay the balance to Sellers at <u>Dan Connell Law Office, 205 East Sixth Street, Storm Lake, Iowa</u> or as directed by Sellers, as follows:</p> <p>The total sum of \$334,710.00 shall be paid to Seller as soon as Seller provides an Abstract of Title to the above described real estate that shows merchantable title in Seller's name.</p>		
© 1996 Iowa State Bar Association 05/03 ISBARCCS	143 REAL ESTATE CONTRACT (SHORT FORM) Revised June 2008	

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2. INTEREST. Buyers shall pay interest from (there is no interest owed) on the unpaid balance, at the rate of \_\_\_\_\_ percent per annum, payable \_\_\_\_\_ Buyers shall also pay interest at the rate of \_\_\_\_\_ percent per annum on all delinquent amounts and any sum reasonably advanced by Sellers to protect their interest in this contract, computed from the date of the delinquency or advance.
3. REAL ESTATE TAXES. Sellers shall pay \_\_\_\_\_ shall be prorated to date of possession.

and any unpaid real estate taxes payable in prior years. Buyers shall pay all subsequent real estate taxes. Any portion of real estate taxes on the Real Estate shall be based upon such taxes for the year currently payable unless the parties state otherwise.

4. SPECIAL ASSESSMENTS. Sellers shall pay all special assessments which are a lien on the Real Estate as of the date of this contract or N/A. All other special assessments shall be paid by Buyers.

5. POSSESSION CLOSING. Sellers shall give Buyers possession of the Real Estate on or before 31 Dec 2010 provided Buyers are not in default under this contract. Closing shall be on or before 31 Dec 2010

6. INSURANCE. Sellers shall maintain existing insurance upon the Real Estate until the date of possession. Buyers shall accept insurance proceeds instead of Sellers replacing or repairing damaged improvements. After possession and until full payment of the purchase price, Buyers shall keep the improvements on the Real Estate insured against loss by fire, tornado, and extended coverage for a sum not less than 80 percent of full insurable value payable to the Sellers and Buyers as their interests may appear. Buyers shall provide Sellers with evidence of such insurance.

7. ABSTRACT AND TITLE. Sellers, at their expense, shall promptly obtain an abstract of title to the Real Estate continued through the date of this contract, N/A, and deliver it to Buyers for examination. It shall show merchantable title in Sellers in or conforming with this contract, Iowa law and the Title Standards of the Iowa State Bar Association. The abstract shall become the property of the Buyers when the purchase price is paid in full, however, Buyers reserve the right to occasionally use the abstract prior to full payment of the purchase price. Sellers shall pay the costs of any additional abstracting and title work due to any act or omission of Sellers, including transfers by or the death of Sellers or their assignees.

8. FIXTURES. All property that integrally belongs to or is part of the Real Estate, whether attached or detached, such as light fixtures, shades, rods, blinds, awnings, windows, storm doors, screens, plumbing fixtures, water heaters, water softeners, automatic heating equipment, air conditioning equipment, wall to wall carpeting, built-in items and electrical service cable, outside television towers and antennas, fencing, gates and landscaping shall be considered a part of Real Estate and included in the sale except (consider right items.) N/A

9. CARE OF PROPERTY. Buyers shall take good care of the property; shall keep the buildings and other improvements now or later placed on the Real Estate in good and reasonable repair and shall not injure, destroy or remove the property during the term of this contract. Buyers shall not make any material alterations to the Real Estate without the written consent of the Sellers.

10. DEED. Upon payment of purchase price, Sellers shall convey the Real Estate to Buyers or their assignees, by Trustee deed, free and clear of all liens, restrictions, and encumbrances except as provided herein. Any general warranties of title shall extend only to the date of this contract, with special warranties as to Sellers continuing up to time of delivery of the deed.

11. REMEDIES OF THE PARTIES. a. If Buyers (a) fail to make the payments aforesaid, or any part thereof, as same become due; or (b) fail to pay the taxes or special assessments or charges, or any part thereof, levied upon said property, or assessed against it, by any taxing body before any of such same become delinquent; or (c) fail to keep the property insured; or (d) fail to keep it in reasonable repair as herein required; or (e) fail to perform any of the agreements as herein made or required; then Sellers, in addition to any and all other legal and equitable remedies which they may have, at their option, may proceed to forfeit and cancel this contract as provided by law (Chapter 655 Code of Iowa). Upon completion of such forfeiture Buyers shall have no right of reclamation or compensation for money paid, or improvements made, but such payments and/or improvements if any shall be retained and kept by Sellers as compensation for the use of said property, and/or as liquidated damages for breach of this contract; and upon completion of such forfeiture, if the Buyers, or any other person or persons shall be in possession of said real estate or any part thereof, such party or parties in possession shall at once peacefully remove therefrom, or failing to do so may be treated as tenants holding over, unlawfully after the expiration of lease, and may accordingly be ousted and removed as such as provided by law.

b. If Buyers fail to timely perform this contract, Sellers, at their option, may elect to declare the entire balance immediately due and payable after such notice, if any, as may be required by Chapter 654, The Code. Thereafter this contract may be foreclosed in equity and the court may appoint a receiver to take immediate possession of the property and of the revenues and income accruing therefrom and to rent or otherwise the same as the receiver may deem best for the interest of all parties concerned, and such receiver shall be liable to account to Buyers only for the net profits, after application of rents, issues and profits from the costs and expenses of the receivership and foreclosure and upon the contract obligation.

It is agreed that if this contract covers less than ten (10) acres of land, and in the event of the foreclosure of this contract and sale of the property by sheriff's sale in such foreclosure proceedings, the time of one year for redemption from said sale provided by the statutes of the State of Iowa shall be reduced to six (6) months provided the Sellers, in such action file an election to waive any deficiency judgment against Buyers which may arise out of the foreclosure proceedings; all to be consistent with the provisions of Chapter 628 of the Iowa Code, if the redemption period is so reduced, for the first three (3) months after sale such right of redemption shall be exclusive to the Buyers, and the time periods in Sections 628.5, 628.15 and 628.16 of the Iowa Code shall be reduced to four (4) months.

It is further agreed that the period of redemption after a foreclosure of this contract shall be reduced to sixty (60) days if all of the three following contingencies develop: (1) The real estate is less than ten (10) acres in size; (2) the Court finds affirmatively that the said real estate has been abandoned by the owners and those persons personally liable under this contract at the time of such foreclosure; and (3) Sellers in such action file an election to waive any deficiency judgment against Buyers or their successor in interest in such action. If the redemption period is so reduced, Buyers or their successors in interest or the owner shall have the exclusive right to redeem for the first thirty (30) days after such sale, and the time provided for redemption by creditors as provided in Sections 628.5, 628.15 and 628.16 of the Iowa Code shall be reduced to forty (40) days. Entry of appearance by pleading or docket entry by or on behalf of Buyers shall be presumption that the property is not abandoned. Any such redemption period shall be consistent with all of the provisions of Chapter 628 of the Iowa Code. This paragraph shall not be construed to limit or otherwise affect any other redemption provisions contained in Chapter 628 of the Iowa Code. Upon completion of such forfeiture Buyers shall have no right of reclamation or compensation for money paid, or improvements made, but such payments and/or improvements if any shall be retained and kept by Sellers as compensation for the use of said property, and/or as liquidated damages for breach of this contract; and upon completion of such forfeiture, if Buyers, or any other person or persons shall be in possession of said real estate or any part thereof, such party or parties in possession shall at once peacefully remove therefrom, or failing to do so may be treated as tenants holding over, unlawfully after the expiration of a lease, and may accordingly be ousted and removed as such as provided by law.

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c. If Sellers fail to timely perform their obligations under this contract, Buyers shall have the right to terminate this contract and have all payments made returned to them.

d. Buyers and Sellers are also entitled to utilize any and all other remedies or actions at law or in equity available to them.

e. In any action or proceeding relating to this contract the successful party shall be entitled to receive reasonable attorney's fees and costs as permitted by law.

12. JOINT TENANCY IN PROCEEDS AND IN REAL ESTATE. If Sellers, immediately preceding this contract, hold title to the Real Estate in joint tenancy with full right of survivorship, and the joint tenancy is not later destroyed by operation of law or by acts of Sellers, then the proceeds of this sale, and any continuing or recaptured rights of Sellers in the Real Estate, shall belong to Sellers as joint tenants with full right of survivorship and not as tenants in common; and Buyers, in the event of the death of either Seller, agree to pay any balance of the price due Sellers under this contract to the surviving Seller and to accept a deed from the surviving Seller consistent with paragraph 10.

13. JOINDER BY SELLER'S SPOUSE. Seller's spouse, if not a lifeholder immediately preceding acceptance of this offer, executes this contract only for the purpose of relinquishing all rights of dower, homestead and distributive shares or in compliance with Section 561.13 of the Iowa Code and agrees to execute the deed for this purpose.

14. TIME IS OF THE ESSENCE. Time is of the essence in this contract.

15. PERSONAL PROPERTY. If this contract includes the sale of any personal property, Buyers grant the Sellers a security interest in the personal property and Buyers shall execute the necessary financing statements and deliver them to Sellers.

16. CONSTRUCTION. Words and phrases in this contract shall be construed as in the singular or plural number, and as masculine, feminine or neuter gender, according to the context.

17. RELEASE OF RIGHTS. Each of the Sellers hereby relinquishes all rights of dower, homestead and distributive share in and to the property and waives all rights of exemption as to any of the property.

18. CERTIFICATION. Buyers and Sellers each certify that they are not acting, directly or indirectly, for or on behalf of any person, group, entity or nation named by any Executive Order or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person" or any other banned or blocked person, entity, nation or transaction pursuant to any law, order, rule or regulation that is enforced or administered by the Office of Foreign Assets Control, and are not engaged in this transaction, directly or indirectly on behalf of, any such person, group, entity or nation. Each party hereby agrees to defend, indemnify and hold harmless the other party from and against any and all claims, damages, losses, risks, liabilities and expenses (including attorney's fees and costs) arising from or related to any breach of the foregoing certification.

I UNDERSTAND THAT HOMESTEAD PROPERTY IS IN MANY CASES PROTECTED FROM THE CLAIMS OF CREDITORS AND EXEMPT FROM JUDICIAL SALE; AND THAT BY SIGNING THIS CONTRACT, I VOLUNTARILY GIVE UP MY RIGHT TO THIS PROTECTION FOR THIS PROPERTY WITH RESPECT TO CLAIMS BASED UPON THIS CONTRACT.

Dated: \_\_\_\_\_ BUYERS

Dated: \_\_\_\_\_ BUYERS

19. INSPECTION OF PRIVATE SEWAGE DISPOSAL SYSTEM. Delete inappropriate alternatives below. If no deletions are made, the provisions set forth in Paragraph A shall be deemed selected.

A. Seller represents and warrants to Buyer that the Property is not served by a private sewage disposal system, and there are no known private sewage disposal systems on the property.

B. The Property is served by a private sewage disposal system, or there is a private sewage disposal system on the Property. Seller and Buyer agree to the provision selected in the attached Addendum for Inspection of Private Sewage Disposal System.

C. Seller and Buyer agree that this transaction is exempt from the time of transfer inspection requirements by reason that \_\_\_\_\_

20. ADDITIONAL PROVISIONS.

Seller agrees to sell and transfer property to Buyer in lieu of Eminent Domain Proceedings.

Dated: December 2, 2010

C. Richard Connell Trust U/A dated January 22, 1996

Lake Improvement Commission (LIC)

By: Richard Connell as trustee  
Ct. Richard Connell, as Trustee SELLERS

By: [Signature] BUYERS

STATE OF \_\_\_\_\_, COUNTY OF \_\_\_\_\_

This instrument was acknowledged before me on \_\_\_\_\_, by \_\_\_\_\_

\_\_\_\_\_, Notary Public

**Staff Summary**

**3/31/2025**  
**Agenda Item # A.4.**



PO Box 1086  
Storm Lake, IA 50588  
p (712) 732-8000  
f (712) 732-4114

**REPORT TO:**

**FROM:** Keri Navratil, City Manager

**SUBJECT:** **Setting 2025 Meeting Schedule**

**BACKGROUND:** The Commission will determine future meeting dates

**FISCAL IMPACT:** N/A

**RECOMMENDATION:** N/A

**ATTACHMENTS:**  
None

**Staff Summary**

**3/31/2025**  
**Agenda Item # A.5.**



PO Box 1086  
Storm Lake, IA 50588  
p (712) 732-8000  
f (712) 732-4114

**REPORT TO:** Honorable Mayor & Council  
**FROM:** Tyler Gibbins, City Treasurer  
**SUBJECT:** **Financial Report March 2025**  
**BACKGROUND:** Current balance sheet and activity report for fund 960, Lake Improvement Commission.

**LIC- Fund 960 3-Year Cash Flow**

<b>Fiscal Year</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>
Cash Balance	\$52,964	\$39,819	\$26,918
Revenues	\$25,000	\$796 *	\$538 *
Insurance Expense	\$13,145	\$13,697 *	\$14,272 *
Contractual Service Expense	\$25,000		
Ending Balance	\$39,819	\$26,918	\$13,185

**NOTE: " \* " Denotes Estimates**

**FISCAL IMPACT:** Fund 960 (Lake Improvement Commission) currently has a fund balance of \$39,818.81.

**RECOMMENDATION:** Approve the Financial Report.

**ATTACHMENTS:**

1. LIC Balance Sheet
2. LIC Financial Activity



Storm Lake, IA

# Balance Sheet

## Account Summary

As Of 03/31/2025

Account	Name	Prior Year Balance	Current Year Balance	Variance Favorable / (Unfavorable)
<b>Fund: 960 - Lake Improvement Commission</b>				
<b>Assets</b>				
<a href="#">960-0000-00-1110</a>	Cash	0.00	0.00	0.00
<a href="#">960-0000-00-1150</a>	Investments	0.00	0.00	0.00
<a href="#">960-0000-00-1199</a>	Claim on Cash	53,982.52	39,818.81	-14,163.71
<a href="#">960-0000-00-1220</a>	Accounts Receivable	0.00	0.00	0.00
<a href="#">960-0000-00-3870</a>	Revenues YTD	0.00	0.00	0.00
<a href="#">960-9600-00-3870</a>	Revenues YTD	0.00	0.00	0.00
	<b>Total Assets:</b>	<b>53,982.52</b>	<b>39,818.81</b>	<b>-14,163.71</b>
<b>Liability</b>				
<a href="#">960-0000-00-2009</a>	AP Pending Due To Pool	0.00	0.00	0.00
<a href="#">960-0000-00-2020</a>	Accounts Payable	0.00	0.00	0.00
<a href="#">960-0000-00-3880</a>	Expenditures YTD	0.00	0.00	0.00
	<b>Total Liability:</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Equity</b>				
<a href="#">960-0000-00-3860</a>	July 1 Fund Balance	66,588.23	52,963.51	-13,624.72
	<b>Total Beginning Equity:</b>	<b>66,588.23</b>	<b>52,963.51</b>	<b>-13,624.72</b>
	Total Revenue	0.00	25,000.00	25,000.00
	Total Expense	12,605.71	38,144.70	-25,538.99
	<b>Revenues Over/(Under) Expenses</b>	<b>-12,605.71</b>	<b>-13,144.70</b>	<b>-538.99</b>
	<b>Total Equity and Current Surplus (Deficit):</b>	<b>53,982.52</b>	<b>39,818.81</b>	<b>-14,163.71</b>
	<b>Total Liabilities, Equity and Current Surplus (Deficit):</b>	<b>53,982.52</b>	<b>39,818.81</b>	<b>-14,163.71</b>



Storm Lake, IA

# Detail Report Account Detail

Date Range: 07/01/2024 - 06/30/2025

Account	Name				Beginning Balance	Total Activity	Ending Balance	
<b>Fund: 960 - Lake Improvement Commission</b>								
<u>960-0000-00-1199</u> Claim on Cash					52,963.51	-13,144.70	39,818.81	
<b>Post Date</b>	<b>Packet Number</b>	<b>Source Transaction</b>	<b>Pmt Number</b>	<b>Description</b>	<b>Vendor</b>	<b>Project Account</b>	<b>Amount</b>	<b>Running Balance</b>
07/17/2024	CLPKT05048	04.16.07.24		CLPKT05048			2,500.00	55,463.51
09/25/2024	CLPKT05227	04.23.09.2024 - 04.24....		CLPKT05227			12,500.00	67,963.51
10/01/2024	GLPKT08568	JN02913		City Support- LIC Water Monitoring Syst...			5,000.00	72,963.51
10/28/2024	CLPKT05315	04.25.10.2024		CLPKT05315			5,000.00	77,963.51
01/06/2025	APPKT00959	82386		USGS National Center MS270 SEC REI P...	002562 - USGS National Center MS270		-25,000.00	52,963.51
02/05/2025	APPKT00971	6119		Stille Pierce & Pertzborn SEC REI PMT	001294 - Stille Pierce & Pertzborn		-6,967.57	45,995.94
02/05/2025	APPKT00971	6119		Stille Pierce & Pertzborn SEC REI PMT	001294 - Stille Pierce & Pertzborn		-3,166.80	42,829.14
02/05/2025	APPKT00971	6119		Stille Pierce & Pertzborn SEC REI PMT	001294 - Stille Pierce & Pertzborn		-3,010.33	39,818.81
<u>960-9600-12-4794</u> Misc Revenue					0.00	-25,000.00	-25,000.00	
<b>Post Date</b>	<b>Packet Number</b>	<b>Source Transaction</b>	<b>Pmt Number</b>	<b>Description</b>	<b>Vendor</b>	<b>Project Account</b>	<b>Amount</b>	<b>Running Balance</b>
07/17/2024	CLPKT05048	04.16.07.24		CLPKT05048			-2,500.00	-2,500.00
09/25/2024	CLPKT05227	04.23.09.2024 - 04.24....		CLPKT05227			-12,500.00	-15,000.00
10/01/2024	GLPKT08568	JN02913		City Support- LIC Water Monitoring Syst...			-5,000.00	-20,000.00
10/28/2024	CLPKT05315	04.25.10.2024		CLPKT05315			-5,000.00	-25,000.00
<u>960-9600-12-6408</u> Insurance					0.00	13,144.70	13,144.70	
<b>Post Date</b>	<b>Packet Number</b>	<b>Source Transaction</b>	<b>Pmt Number</b>	<b>Description</b>	<b>Vendor</b>	<b>Project Account</b>	<b>Amount</b>	<b>Running Balance</b>
02/03/2025	APPKT00963	35834	6119	FY24 - 2537 -0% - None	001294 - Stille Pierce & Pertzborn		3,010.33	3,010.33
02/03/2025	APPKT00963	35835	6119	FY24 - 2352 - 9.99% ^	001294 - Stille Pierce & Pertzborn		3,166.80	6,177.13
02/03/2025	APPKT00963	35836	6119	FY24 - 6050 - 4.99% ^	001294 - Stille Pierce & Pertzborn		6,967.57	13,144.70
<u>960-9600-12-6499</u> Contractual Services					0.00	25,000.00	25,000.00	
<b>Post Date</b>	<b>Packet Number</b>	<b>Source Transaction</b>	<b>Pmt Number</b>	<b>Description</b>	<b>Vendor</b>	<b>Project Account</b>	<b>Amount</b>	<b>Running Balance</b>
01/06/2025	APPKT00955	90066052	82386	Installation of a lake level gage on Storm...	002562 - USGS National Center MS270		25,000.00	25,000.00
<b>Total Fund: 960 - Lake Improvement Commission:</b>					<b>Beginning Balance: 52,963.51</b>	<b>Total Activity: 0.00</b>	<b>Ending Balance: 52,963.51</b>	
<b>Grand Totals:</b>					<b>Beginning Balance: 52,963.51</b>	<b>Total Activity: 0.00</b>	<b>Ending Balance: 52,963.51</b>	