#### COUNCIL ACTION FORM

# SUBJECT: ORDINANCES ESTABLISHING NORTHERN GROWTH WATER AND SANITARY SEWER CONNECTION DISTRICTS

#### BACKGROUND:

Since 2009, the City has been working with developers, land owners, and current residents within the northern growth area to plan for the installation of public infrastructure to serve this area. The northern growth area, which is generally located northward of the Northridge Heights and Bloomington Heights Subdivisions to W. 190<sup>th</sup> Street, and between George Washington Carver Avenue and Ada Hayden Heritage Park, has been identified by the City Council for residential development.

To facilitate this growth, Council directed that projects to construct the water and sanitary sewer main extensions needed to serve the area adjacent to Grant Avenue be included in the 2012/13 Capital Improvements Plan and Budget. The 2014/15 Capital Improvements Plan also includes the street paving of Grant Avenue. The adopted CIP and budget planned for the City to up-front the costs to design and install each of these improvements. Street construction costs will be shared and recovered through a special assessment district. **Utility connection districts** need to be established to recover the utility costs as developments are platted and as existing homesteads connect to the new mains. The annexation agreements previously signed between the City and the three developers (Rose Prairie, Quarry Estates and Hunziker) confirmed these financing arrangements.

When a city chooses to install utilities abutting undeveloped properties, it may establish connection districts to recoup its construction costs through fees collected at the time utility connections are requested. This process is authorized under Iowa Code, Section 384.38(3). This action initiates these processes for the water and sanitary sewer main extensions to be bid and constructed this year.

The planned schedule for bidding out the water and sanitary sewer main construction projects is as follows:

March 25	Council approves Plans & Specifications
April 16	Project Bid Letting
April 22	Report of Bids, Approval of Final Plans and Specifications,
	and Award of Bid

The proposed **sanitary sewer connection district** of approximately 741.59 acres is shown in Attachment A, along with the property owners who will be served by this main. The fee for all parcels shown in Attachment A is \$1,641.36 per acre, identified as

"District #1". Parcels 6, 7, 8 and 9 have an additional estimated connection fee of \$1,204.80 per acre, since this section of main will only serve those parcels, identified as "District #2". Parcel 16 has an additional estimated connection fee of \$1,341.53 per acre, since this section of sanitary sewer main serves only this one parcel, identified as "District #3".

The proposed **water connection district** of approximately 410.88 acres is shown in Attachment B, along with the property owners that are to be served by this main. The connection fee for water main improvements is \$1,084.24 per acre.

These cost estimates are comprised of the following components:

- Engineering design costs
- Estimated construction administration costs
- Estimated construction costs

It should be noted that the State Code section providing for these connection districts requires the City to provide an engineer's estimate of the costs at the time the district is first established. If the actual costs come in *higher*, the City must assume responsibility for that shortfall. To decrease the chances of that occurring, the estimated project costs shown are somewhat conservative. Additionally, as with all contract awards, if the bid costs come in significantly higher than estimated, the City Council and/or the abutting land owners may prefer to have those bids rejected and to reinitiate the entire process later in the hope that more favorable bids would be received. If the bids come in *lower* than shown in these estimates, the procedure established by State Code does not provide for any cost savings to be passed on to those who later connect to the utilities. (This contrasts with the *special assessment process* specified under the State Code, where final assessments *may* be adjusted downward to reflect lower actual costs).

The general locations of the water and sanitary sewer mains are shown in Attachment C.

The Code of Iowa allows for the City to collect "reasonable interest" from the date of construction to the date of payment. It is proposed that the connection district fees increase on an annual basis using a simple interest rate (not compounded) of approximately 5%, rounded to the nearest dollar amount. This provides a fixed dollar rate of increase that will offset the City's cost of borrowing for extension of the utilities. The fees will increase for a period of twelve years, after which they will continue to increase at the same rate unless modified by the City Council. The increase in fees for the sanitary sewer connection district are \$83 per year in District #1, \$60 per year in District #2, and \$67 per year in District #3. The increase in fees for the water connection district is \$55 per year. The tabulations for the twelve years for each district are shown in Attachment D. These tabulations, along with the maps of each of the districts, will be adopted by resolution into Appendix "W" of the Municipal Code upon the third reading of the ordinances.

After up-fronting the expense of installing these water and sewer mains, the City will be reimbursed as subdivisions are approved and as existing homeowners connect to the utilities. The Rose Prairie, Quarry Estates and two Hunziker annexation agreements specify that the developers will, upon approval of each final plat, pay a connection fee for the "benefitted area" included in that plat. After ten years, the next final plat will trigger repayment of any remaining balance.

During annexation discussions with the existing residents along Grant Avenue, concerns were expressed regarding their high "per acre" water and sewer connection costs. Council authorized staff to offer a one-time "in town" connection fee (presently \$1,440 per utility connection) for each existing homestead if the property owners would voluntarily annex. The remaining balance of any connection fee would then be paid only if another connection was later requested due to subdivision of their residential property. To date, two property owners have agreed to the voluntary annexation and the offer of reduced initial connection fees; and separate agreements approved by Council have confirmed those arrangements.

Several final notes are in order. First, while the City is committed to pay a major share of the street construction costs, the City's property in Ada Hayden Heritage Park was <u>not</u> included in the water and sewer connection districts, since the City currently has no plans to construct park facilities that would require water or sewer service.

Second, as the financier of these two projects, the City is incurring a risk that some of the investment may never be repaid. If particular properties within the districts never connect to these utilities, then the City's respective utility funds will have permanently borne those costs.

Third, the Rose Prairie annexation agreement contemplates two other future sewer connection districts. These districts will allow Rose Prairie to be partially reimbursed for the cost of extending sewer mains across their property as future growth occurs to the west and north. Since Rose Prairie has not yet initiated development, those extensions are not being constructed, nor are those connection districts being established at this time.

Finally, the possibility still exists that those living along Grant Avenue within these districts may be eligible for more favorable connection fees. To do so, however, they must agree to voluntarily annex into the City. Their final opportunity to avail themselves of that opportunity will take place when the Hunziker South annexation occurs.

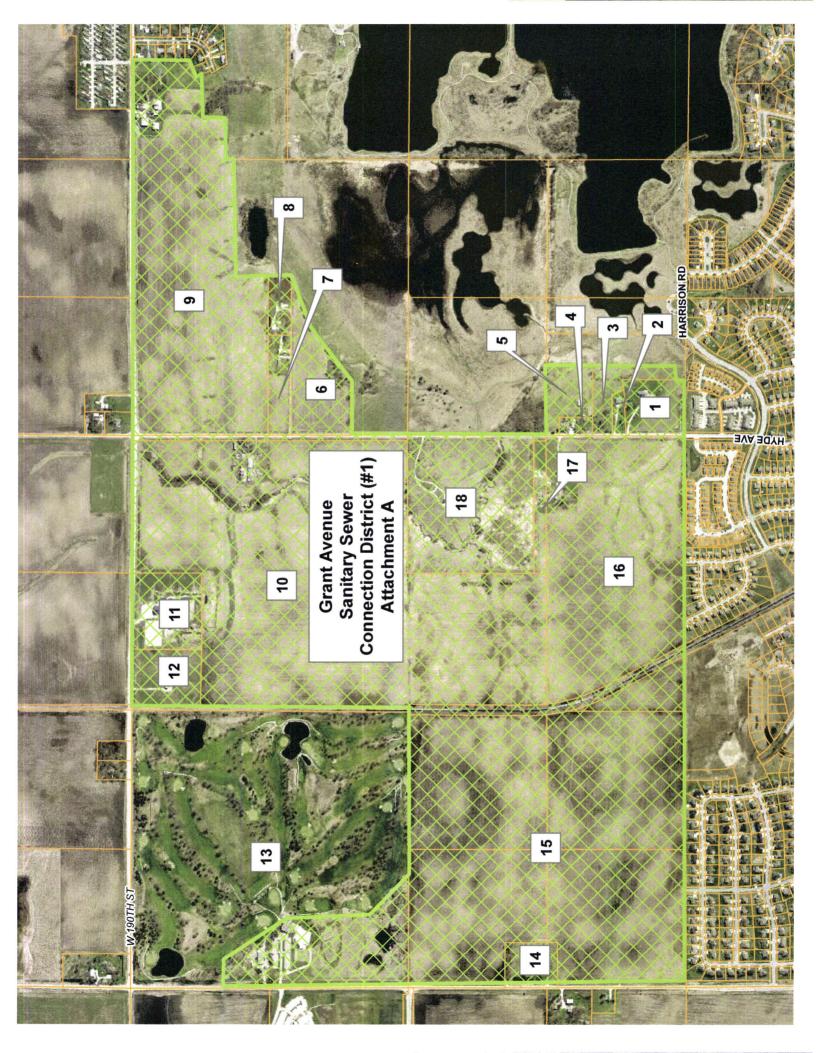
#### ALTERNATIVES:

- 1. Adopt the attached ordinances establishing a water connection fee district and a sanitary sewer connection fee district in the City's Northern Growth area.
- 2. Do not approve the proposed ordinances.

#### MANAGER'S RECOMMENDED ACTION:

The establishment of these utility connection districts is the next step in the City Council's plan to facilitate residential growth in this area. This method of financing the water and sanitary sewer main extensions was agreed to in the City's annexation agreements with the northern area developers.

Therefore, it is the recommendation that the City Council accept Alternative No. 1, thereby adopting the attached ordinances establishing a water connection fee district and a sanitary sewer connection fee district in the City's Northern Growth area.

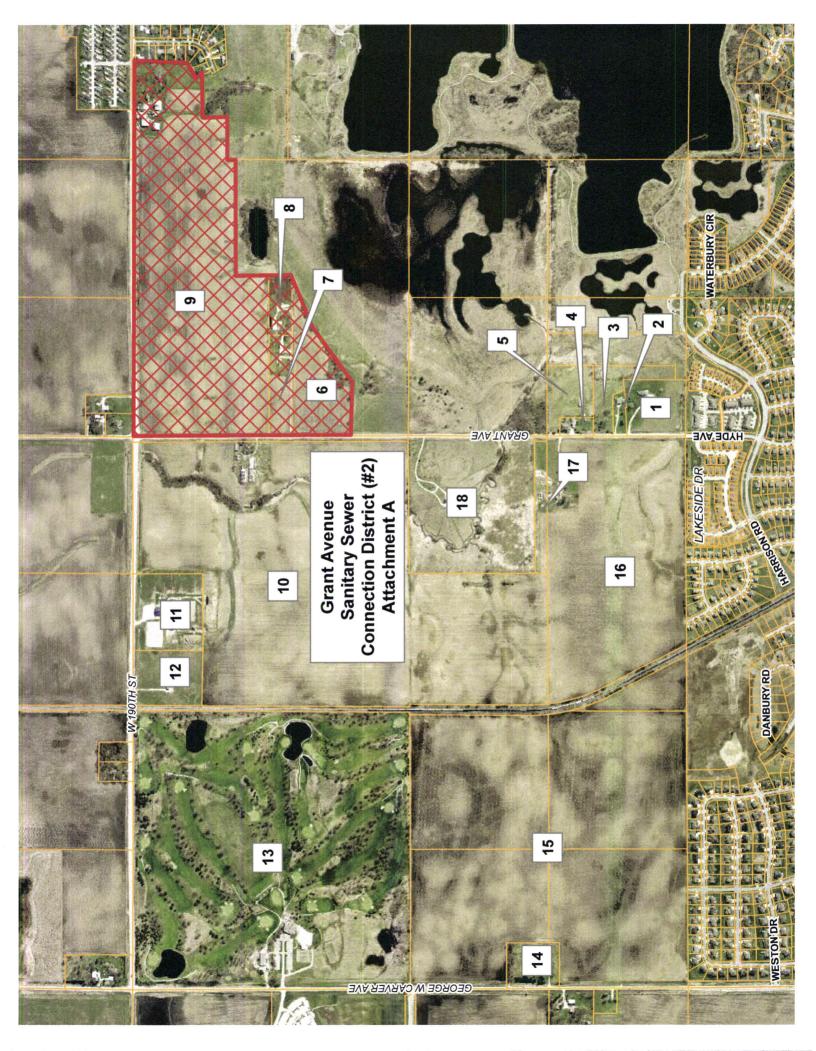


## Sanitary Sewer Connection District #1\*

Parcel	Owner
1	Roger and Lori Hamblin
2	Clayton Gregg and Julie Schwery
3	Paul and Margot Eness
4	Mark Taylor and Allison Eness
5	Paul and Margot Eness
6	Hunziker Land Development
7	Harold and Betty Frame
8	Brian Frame
9	Quarry Estates

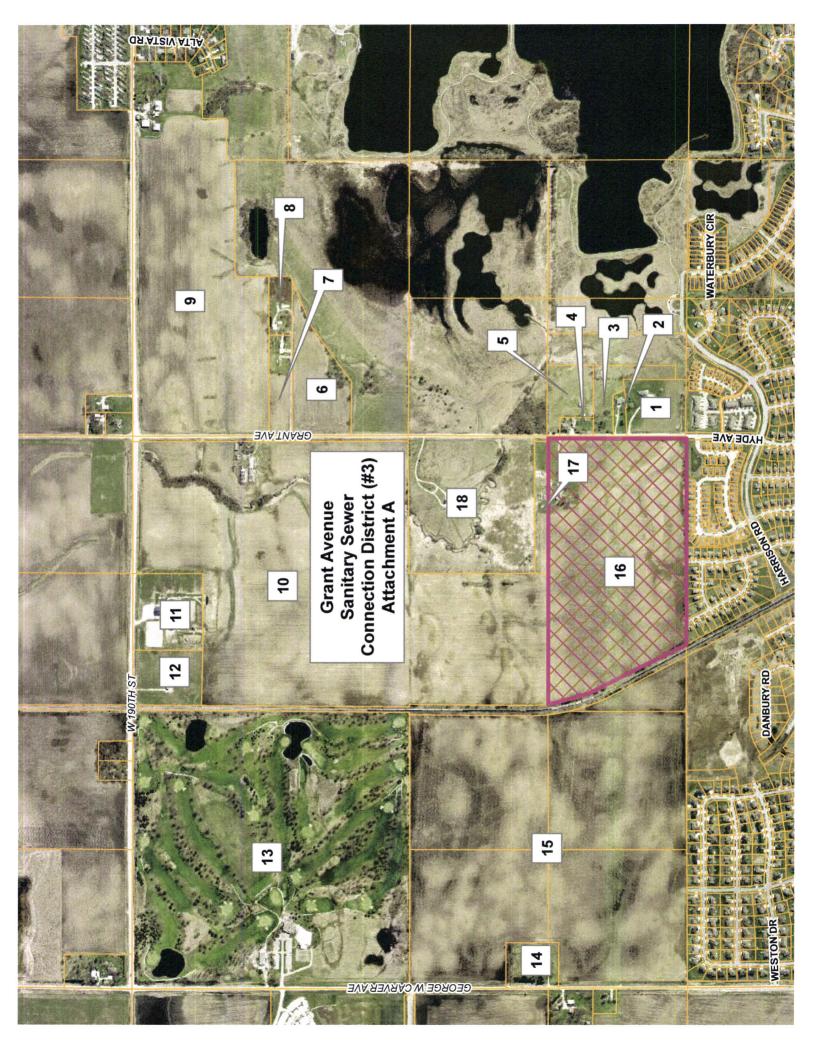
Parcel	Owner	
10	Sansgaard Group	
11	Ames Community Bank	
12	Citicasters Group	
13	Ames Golf and Country Club	
14	Joshua and Rachel Mack	
15	Borgmeyer	
	Erben and Margaret	
16	Hunziker	
17	Sansgaard Group	
18	Leroy and Sue Sturges	

### \*UPRR is NOT a part of the Connection District



# Sanitary Sewer Connection District #2

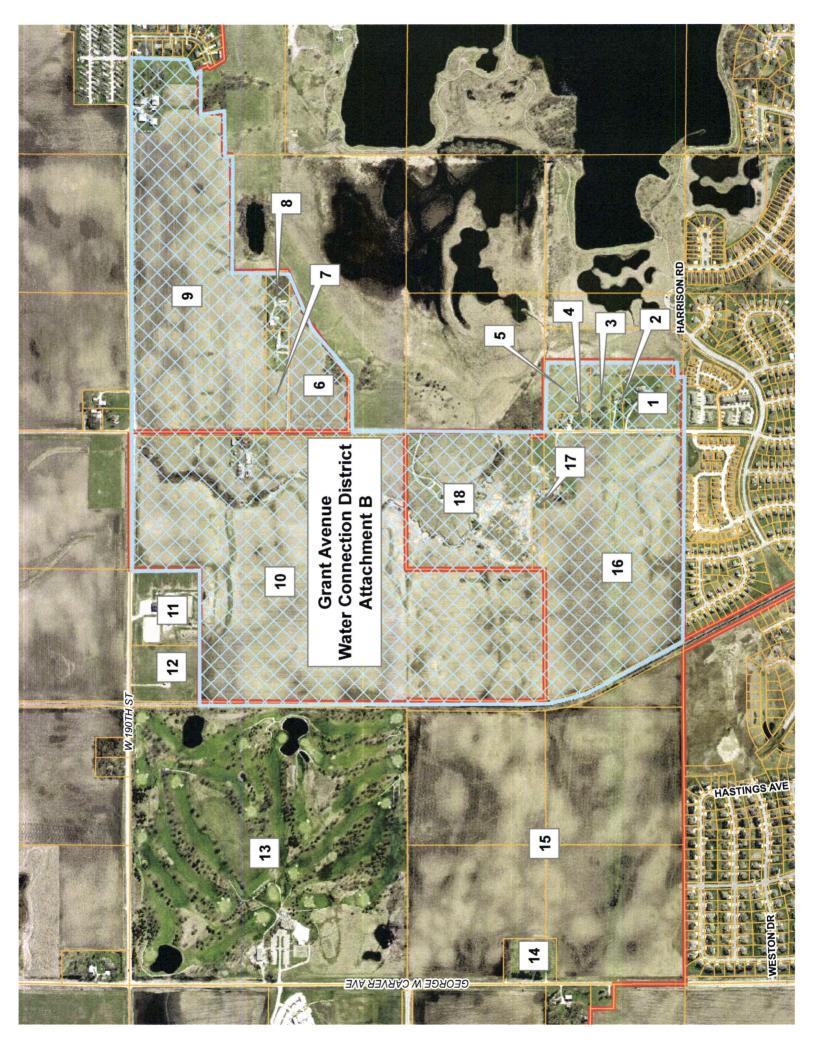
Parcel	Owner	
6	Hunziker Land Development	
7	Harold and Betty Frame	
8	Brian Frame	
9	Quarry Estates	



# Sanitary Sewer Connection District #3\*

ParcelOwner16Erben and Margaret Hunziker

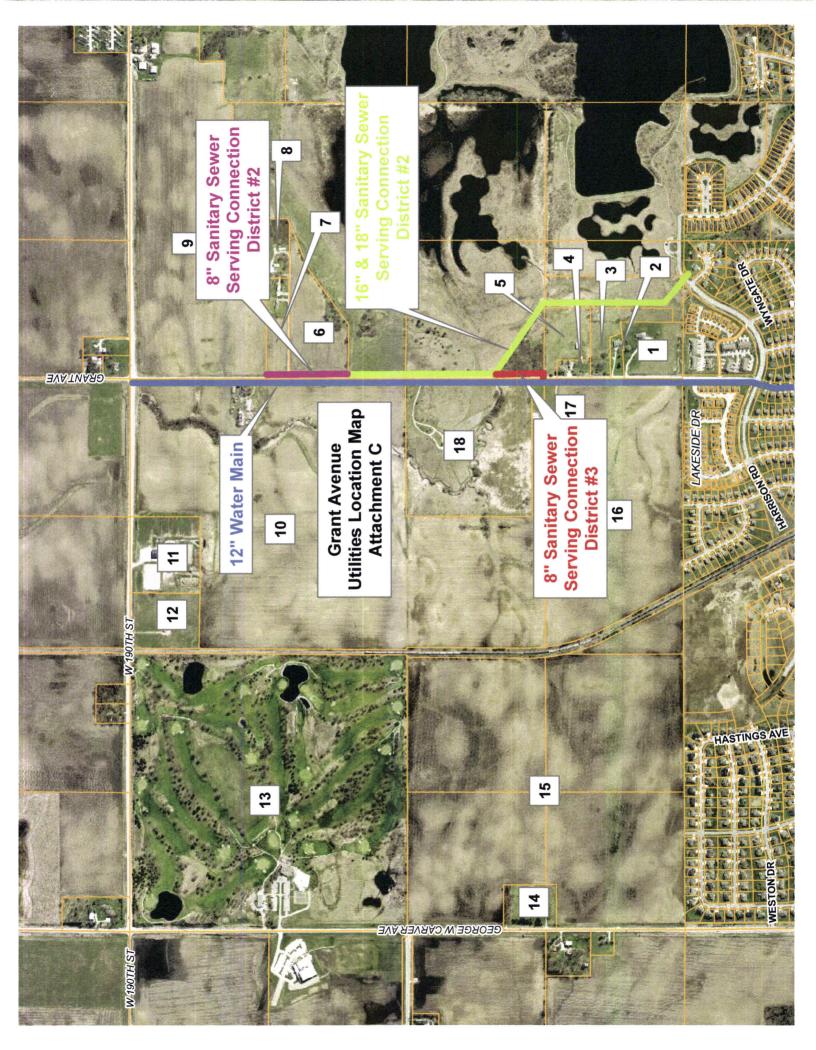
### \*UPRR is NOT a part of the Connection District



# Attachment B (Cont.)

### Water Connection District

1	Roger and Lori Hamblin
2	Clayton Gregg and Julie Schwery
3	Paul and Margot Eness
4	Mark Taylor and Allison Eness
5	Paul and Margot Eness
6	Hunziker Land Development
7	Harold and Betty Frame
8	Brian Frame
9	Quarry Estates
10	Sansgaard Group
16	Erben and Margaret Hunziker
17	Sansgaard Group
18	Leroy and Sue Sturges



### ATTACHMENT D

Summary Sewer Connection District #1 (All purceis)		
Effective Date	Connection Fee (\$/acre) 5% Annual Increase	
Adoption of Ordinance	\$1,641.36	
July 1, 2015	\$1,724.00	
July 1, 2016	\$1,807.00	
July 1, 2017	\$1,890.00	
July 1, 2018	\$1,973.00	
July 1, 2019	\$2,056.00	
July 1, 2020	\$2,139.00	
July 1, 2021	\$2,222.00	
July 1, 2022	\$2,305.00	
July 1, 2023	\$2,388.00	
July 1, 2024	\$2,471.00	
July 1, 2025	\$2,554.00	

Sanitary Sewer Connection District #1 (All parcels)

Sanitary Sewer Connection District #2 (Parcels 6, 7, 8, 9)

Effective Date	Additional Connection Fee (\$/acre) 5% Annual Increase	<b>Total Connection Fee (\$/acre)</b> District #1 Connection + District #2 Additional Connection Fee
Adoption of Ordinance	\$1,204.80	\$2,846.16
July 1, 2015	\$1,265.00	\$2,989.00
July 1, 2016	\$1,325.00	\$3,132.00
July 1, 2017	\$1,385.00	\$3,275.00
July 1, 2018	\$1,445.00	\$3,418.00
July 1, 2019	\$1,505.00	\$3,561.00
July 1, 2020	\$1,565.00	\$3,704.00
July 1, 2021	\$1,625.00	\$3,847.00
July 1, 2022	\$1,685.00	\$3,990.00
July 1, 2023	\$1,745.00	\$4,133.00
July 1, 2024	\$1,805.00	\$4,276.00
July 1, 2025	\$1,865.00	\$4,419.00

### ATTACHMENT D

Summary Sewer Connection District #5 (1 arcer 10)		
Effective Date	Additional Connection Fee (\$/acre) 5% annual increase	<b>Total Connection Fee (\$/acre)</b> District #1 Connection + District #2 Additional Connection Fee
Adoption of Ordinance	\$1,341.53	\$2,982.89
July 1, 2015	\$1,409.00	\$3,133.00
July 1, 2016	\$1,476.00	\$3,283.00
July 1, 2017	\$1,543.00	\$3,433.00
July 1, 2018	\$1,610.00	\$3,583.00
July 1, 2019	\$1,677.00	\$3,733.00
July 1, 2020	\$1,744.00	\$3,883.00
July 1, 2021	\$1,811.00	\$4,033.00
July 1, 2022	\$1,878.00	\$4,183.00
July 1, 2023	\$1,945.00	\$4,333.00
July 1, 2024	\$2,012.00	\$4,483.00
July 1, 2025	\$2,079.00	\$4,633.00

### Sanitary Sewer Connection District #3 (Parcel 16)

### ATTACHMENT D

<b>Connection Fee (\$/acre)</b> 5% annual increase
\$1,084.24
\$1,139.00
\$1,194.00
\$1,249.00
\$1,304.00
\$1,359.00
\$1,414.00
\$1,469.00
\$1,524.00
\$1,579.00
\$1,634.00
\$1,689.00
-

### Water Connection District

#### **ORDINANCE NO.**

AN ORDINANCE TO AMEND THE MUNICIPAL CODE OF THE CITY OF AMES, IOWA, BY ENACTING A NEW CHAPTER 28, SECTION 28.906 THEREOF, FOR THE PURPOSE OF CREATING A WATER CONNECTION FEE DISTRICT IN THE NORTH GROWTH AREA; REPEALING ANY AND ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT TO THE EXTENT OF SUCH CONFLICT; AND ESTABLISHING AN EFFECTIVE DATE.

BE IT ENACTED, by the City Council for the City of Ames, Iowa, that:

Section One. The Municipal Code of the City of Ames, Iowa shall be and the same is hereby amended by enacting a new Chapter 28, Section 28.906 as follows:

#### "Sec. 28.906 NORTH GROWTH AREA WATER CONNECTION FEE DISTRICT

(1) There is hereby established pursuant to Sec. 384.38(3) Code of Iowa, 1995, a water connection fee district described as follows, and as shown on the map in Appendix "W":

(a) Parcel 1: Parcel "E" in the Southwest Quarter of the Southwest Quarter (SW <sup>1</sup>/<sub>4</sub> SW <sup>1</sup>/<sub>4</sub>) of Section 22, Township 84 North, Range 24 West of the 5<sup>th</sup> P.M., Story County, Iowa, as shown on the "Plat of Survey" filed in the office of the Recorder of Story County, Iowa, on December 18, 1998, as Instrument Number 98-17594, in Slide 12 at Page 3.

(b) Parcel 2: That part of the Southwest Quarter (SW <sup>1</sup>/<sub>4</sub>) of the Southwest Quarter (SW <sup>1</sup>/<sub>4</sub>) of Section Twenty-two (22), Township Eighty-four (84) North, Range Twenty-four (24) West of the 5<sup>th</sup> P.M., Story County, Iowa, described as follows: Commencing at the Southwest (SW) corner of said Section Twenty-two (22); thence N 00°00'00" E, Five Hundred Fifty-three and Twenty-two Hundredths (553.22) Feet along the West line of said Southwest Quarter (SW <sup>1</sup>/<sub>4</sub>) of the Southwest Quarter (SW <sup>1</sup>/<sub>4</sub>) to the point of beginning; thence continuing N 00°00'00" E, One Hundred Twenty-nine and Forty-three Hundredths (129.43) Feet along said West line; thence N 89°27'30" E, Three Hundred Ninety-one and Thirty-seven Hundredths (391.37) Feet; thence S 22°05'14" E, One Hundred Nineteen and Thirty-four Hundredths (119.34) Feet; thence S 82°23'01" W, One Hundred Sixty-eight and Seventy-eight Hundredths (168.78) Feet; thence N 00°21'54" E, Thirteen and Seventy-three Hundredths (13.73) Feet; thence S 87°02'30" W, Two Hundred Sixty-nine and Thirty-eight Hundredths (269.38) Feet to the West line of said Southwest Quarter (SW <sup>1</sup>/<sub>4</sub>) of the Southwest Quarter (SW <sup>1</sup>/<sub>4</sub>) and point of beginning, containing 1.173 acres, which includes 0.098 acres of existing County Road right-of-way.

(c) Parcel 3: The South Half (S<sup>1</sup>/<sub>2</sub>) of the Southwest Quarter (SW<sup>1</sup>/<sub>4</sub>) of Section Twenty-two (22), Township Eighty-four (84) North, Range Twenty-four (24) West of the 5<sup>th</sup> P.M., excepting therefrom, however, the East 50 acres thereof and a tract of 10.35 acres described as follows: Beginning at the Northwest corner of the South Half (S<sup>1</sup>/<sub>2</sub>) of said Southwest Quarter (SW<sup>1</sup>/<sub>4</sub>), thence South 89°25' East 974.36 feet, thence South 0°14'58" East 462.24 feet, thence North 89°25' West 976.37 feet to the West line of said Southwest Quarter (SW<sup>1</sup>/<sub>4</sub>), thence North 0°00' East along said West line 462.24 feet to the point of beginning, and excepting therefrom a tract of 1.173 acres described as follows: Part of the Southwest Quarter (SW<sup>1</sup>/<sub>4</sub>) Southwest Quarter (SW<sup>1</sup>/<sub>4</sub>) of Section Twenty-two (22), Township Eighty-four (84) North, Range Twenty-four (24) West of the 5<sup>th</sup> P.M., Story County, Iowa, described as follows: Commencing at the Southwest corner of said Section Twenty-two (22), thence North 00°00'00" East, 553.22 feet along the West line of said Southwest Quarter (SW<sup>1</sup>/<sub>4</sub>) Southwest Quarter (SW<sup>1</sup>/<sub>4</sub>) to the point of beginning; thence continuing North 00°00'00" East, 129.43 feet along said West line; thence North 89°27'30" East, 391.37 feet; thence South 22°05'14" East, 119.34 feet; thence South 82°23'01" West, 168.78 feet; thence North 00°21'54" East, 13.73 feet; thence South 87°02'30" West, 269.38 feet to the West line of said

Southwest Quarter (SW<sup>1</sup>/<sub>4</sub>) Southwest Quarter (SW<sup>1</sup>/<sub>4</sub>) and point of beginning, containing, less said exceptions, 18.197 acres more or less, subject to highway and easements of record.

(d) Parcel 4: Parcel "A" in the Southwest Quarter (SW  $\frac{1}{4}$ ) of the Southwest Quarter (SW  $\frac{1}{4}$ ) of Section 22, Township 84 North, Range 24 West of the 5<sup>th</sup> P.M., Story County, Iowa, as shown on the "Plat of Survey" filed in the office of the Recorder of Story County, Iowa, on the 2<sup>nd</sup> day of June, 1996, and recorded in Book 14 at Page 2.

(e) Parcel 5: Beginning at the Northwest Corner of the South Half of the Southwest Quarter of Section 22, Township 84 North, Range 24 West of the 5<sup>th</sup> P.M., thence South 89 degrees 25' East along the North line of the South Half of said Southwest Quarter 974.36 feet, thence South 0 degrees 14'58" East 462.24 feet, thence North 89 degrees 25' West 976.37 feet, to the West line of said Southwest Quarter, thence North 0 degrees 00' East along said West line 462.24 feet to the point of beginning, containing 10.35 acres more or less.

(f) Parcel 6: Commencing at the West Quarter corner of Section 22, Township 84 North, Range 24 West of the 5<sup>th</sup> P.M., Story County, Iowa; thence North 540.9 feet along the West line of the Northwest Quarter (NW <sup>1</sup>/<sub>4</sub>) of said Section 22 to the point of beginning; thence South 89°30' East 510.4 feet; thence North 54°20' East 648.2 feet; thence North 67°27' East 479.6 feet; thence North 90°00' West 1479.9 feet to said West line; thence South 557.4 feet along said West line to the point of beginning, containing 12.00 acres, subject to all other rights, reservations, restrictions, easements, liens and encumbrances of record; and other land.

(g) Parcel 7: A part of the Northwest Quarter (NW  $\frac{1}{4}$ ) of Section 22, Township 84 North, Range 24 West of the 5<sup>th</sup> P.M., Story County, Iowa, described as follows: "Beginning at a point on the west line of said Northwest Quarter (NW  $\frac{1}{4}$ ) which is 1098.1 feet north of the Southwest corner thereof, thence N 89°59'20" E, 14810.15 feet; thence N 67°27' E, 44.15 feet; thence N 0°44' W, 203.1 feet; thence S 89°59'20" W, 1518.35 feet; thence South 220.0 feet." Containing 7.67 acres and subject to road right-of-way.

(h) Parcel 8: Parcel C in the Northwest ¼ of Section 22, Township 84 North, Range 24 West of the 5th P.M., Story County, Iowa; as shown on the "Plat of Survey" filed in the office of the Recorder of Story County, Iowa, on February 6, 1998, and recorded as Instrument No. 98-01464 in C&FN Book 15 at Page 110, Contains 2.83 gross acres.

(i) Parcel 9: Parcel "L" Legal Description: That part of the North Half (N 1/2) of Section 22, Township 84 North, Range 24 West of the 5<sup>th</sup> P.M., Story County, Iowa; more particularly described as follows: Beginning at the Northwest corner of said Section 22; thence S 89°59'37" E, 628.66 feet along the North line of the Northwest Quarter (NW 1/4) of said Section 22 to the North Quarter corner; thence S 89°56'56" E, 928.93 feet along the North line of the Northeast Quarter (NE ¼) of said Section 22 to the Northwest corner of H.P. Jensen's Subdivision; thence S 00°16'21" W, 507.33 feet along the West line of said H.P. Jensen's Subdivision; thence S 24°26'29" W, 35.20 feet along H.P. Jensen's Subdivision; thence S 87°49'44" W, 149.80 feet along the Northwesterly line of H.P. Jensen's Subdivision; thence S 22°11'56" E, 74.28 feet along H.P. Jensen's Subdivision; thence N 89°56'58" W, 408.46 feet along the Northerly line of Parcel "G" in the West Half of the Northeast Quarter (W <sup>1</sup>/<sub>2</sub> NE <sup>1</sup>/<sub>4</sub>) of said Section 22; thence S 00°20'15" W, 225.92 feet along the Westerly line of said Parcel "G"; thence N 89°57'27" W, 395.18 feet along the Northerly line of said Parcel "G"; thence S 00°13'28" W, 74.73 feet along the Westerly line of said Parcel "G" to the Northeast corner of Parcel "J" in the Northwest Quarter (NW 1/4) of said Section 22; thence S 89°55'44" W, 1109.83 feet along the North line of said Parcel "J"; thence S 00°46'31" E, 323.35 feet along the Westerly line of said Parcel "J" to the Northeast corner of Parcel "C" in the Northwest Quarter (NW <sup>1</sup>/<sub>4</sub>) of said Section 22; thence S 89°56'34" W, 560.39 feet along the North line of said Parcel "C" to the Northwest corner of said Parcel "C," also being the Northeast corner of Parcel "B" in the Northwest Quarter (NW 1/4) of said Section 22; thence S 89°56'34" W, 957.96 feet along the North line of said Parcel "B" to the West line of the Northwest Quarter (NW ¼) of said Section 22; thence N 00°02'52" W, 1291.95 feet along the West line of the Northwest Quarter (NW 1/4) of said Section 22 to the point of beginning.

Parcel "L" Alternate Description: Parcel "L" in the North Half (N ½) of Section 22, Township 84 North, Range 24 West of the 5<sup>th</sup> P.M., Story County, Iowa, as shown on the "Plat of Survey" filed in the office of the Recorder of Story County, Iowa, on January 17, 2012, and recorded as Instrument No. 12-00476 on Slide 425, Page 4.

(j) Parcels 10 and 17: Outlot X, Rose Prairie Final Plat, Ames, Story County, Iowa, AND Units 1 to 279, inclusive, in Rose Prairie, a condominium in Ames, Story County, Iowa, together with all appurtenances thereto, including an undivided fractional interest in the common elements, areas and facilities as

determined for said unit by the provisions of, and in accordance with, the Declaration of Horizontal Property Regime for Rose Prairie filed in the office of the Recorder of Story County, Iowa, on April 29, 2009, as Inst. No. 09-04556 (and any supplements and amendments thereto). Rose Prairie, as presently constituted, is located on Lot 2, Rose Prairie Final Plat, Ames, Story County, Iowa.

(k) Parcel 16: The West 26.038 acres of all that part of the Northwest Quarter (NW  $\frac{1}{4}$ ) of the Southwest Quarter (SW  $\frac{1}{4}$ ) of Section Thirty-one (31), lying North of the right-of-way and C.&N.W., all in Township Eighty-four (84) North, Range Twenty-four (24) West of the 5<sup>th</sup> P.M., Story County, Iowa; The South Half (S  $\frac{1}{2}$ ) of the Southeast Quarter (SE  $\frac{1}{4}$ ) of Section Twenty-one (21), Township Eighty-four (84) North, Range Twenty-four (24) West of the 5<sup>th</sup> P.M., Story County, Iowa, except railroad right-of-way; and The South Half (S  $\frac{1}{2}$ ) of the Northwest Quarter (NW  $\frac{1}{4}$ ) of Section Twenty-two (22), Township Eighty-three (83) North, Range Twenty-four (24) West of the 5<sup>th</sup> P.M., Story County, Iowa.

(1) Parcel 18: Parcel "A" in the Northeast Quarter of the Southeast Quarter (NE <sup>1</sup>/<sub>4</sub> SE <sup>1</sup>/<sub>4</sub>) in Section 21, Township 84 North, Range 24 West of the 5<sup>th</sup> P.M., Story County, Iowa, as shown on the "Plat of Survey" filed in the office of the Recorder of Story County, Iowa, on May 31, 1996, as Instrument No. 96-05211, in Book 13 at Page 249.

- (2) The fee for connection of a property within the aforesaid district to the water utility shall be:
- The original connection fee for water service is \$1,084.24 per acre of property served by the connection.
  - (3) Annual increase in connection fee.
    - (a) For the purposes of accounting for the costs incurred by the City of Ames to finance improvements, the connection district fee shall increase on an annual basis
    - (b) The fee shall increase using a simple interest rate of approximately five (5) percent annually for a period of at least twelve (12) years.
    - (c) The approximate five (5) percent annual increase in the connection district fee shall be based on the original connection fee of \$1,084.24, and will be rounded to an even dollar amount per year. Thus, the connection district fee will increase at a rate of \$55 per year. Appendix "W" shows the tabulation of the connection district fee for each of the twelve years beginning on April 22, 2014, increasing on July 1 each following year, and ending on July 1, 2026.
    - (d) After July 1, 2026, the connection district fee will continue to increase at a rate of \$55 per year unless the connection fee annual increase is modified by the City of Ames."

Section Two. All ordinances, or parts of ordinances, in conflict herewith are hereby repealed to the extent of such conflict, if any.

Section Three. This ordinance shall be in full force and effect from and after its passage and publication as required by law.

Passed this \_\_\_\_\_\_ day of \_\_\_\_\_\_, \_\_\_\_\_.

Diane R. Voss, City Clerk

Ann H. Campbell, Mayor

#### **ORDINANCE NO.**

AN ORDINANCE TO AMEND THE MUNICIPAL CODE OF THE CITY OF AMES, IOWA, BY ENACTING A NEW CHAPTER 28, SECTION 28.907 THEREOF, FOR THE PURPOSE OF CREATING A SANITARY SEWER CONNECTION FEE DISTRICT IN THE NORTH GROWTH AREA; REPEALING ANY AND ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT TO THE EXTENT OF SUCH CONFLICT; AND ESTABLISHING AN EFFECTIVE DATE.

BE IT ENACTED, by the City Council for the City of Ames, Iowa, that:

Section One. The Municipal Code of the City of Ames, Iowa shall be and the same is hereby amended by enacting a new Chapter 28, Section 28.907 as follows:

#### "Sec. 28.907 NORTH GROWTH AREA SANITARY SEWER CONNECTION FEE DISTRICT

(1) There is hereby established pursuant to Sec. 384.38(3) Code of Iowa, 1995, a sanitary sewer connection fee district described as follows, and as shown on the map in Appendix "W":

(a) Parcel 1: Parcel "E" in the Southwest Quarter of the Southwest Quarter (SW <sup>1</sup>/<sub>4</sub> SW <sup>1</sup>/<sub>4</sub>) of Section 22, Township 84 North, Range 24 West of the 5<sup>th</sup> P.M., Story County, Iowa, as shown on the "Plat of Survey" filed in the office of the Recorder of Story County, Iowa, on December 18, 1998, as Instrument Number 98-17594, in Slide 12 at Page 3.

(b) Parcel 2: That part of the Southwest Quarter (SW  $\frac{1}{4}$ ) of the Southwest Quarter (SW  $\frac{1}{4}$ ) of Section Twenty-two (22), Township Eighty-four (84) North, Range Twenty-four (24) West of the 5<sup>th</sup> P.M., Story County, Iowa, described as follows: Commencing at the Southwest (SW) corner of said Section Twenty-two (22); thence N 00°00'00" E, Five Hundred Fifty-three and Twenty-two Hundredths (553.22) Feet along the West line of said Southwest Quarter (SW  $\frac{1}{4}$ ) of the Southwest Quarter (SW  $\frac{1}{4}$ ) to the point of beginning; thence continuing N 00°00'00" E, One Hundred Twenty-nine and Forty-three Hundredths (129.43) Feet along said West line; thence N 89°27'30" E, Three Hundred Ninety-one and Thirty-seven Hundredths (391.37) Feet; thence S 22°05'14" E, One Hundred Nineteen and Thirty-four Hundredths (119.34) Feet; thence S 82°23'01" W, One Hundred Sixty-eight and Seventy-eight Hundredths (168.78) Feet; thence N 00°21'54" E, Thirteen and Seventy-three Hundredths (13.73) Feet; thence S 87°02'30" W, Two Hundred Sixty-nine and Thirty-eight Hundredths (269.38) Feet to the West line of said Southwest Quarter (SW  $\frac{1}{4}$ ) of the Southwest Quarter (SW  $\frac{1}{4}$ ) and point of beginning, containing 1.173 acres, which includes 0.098 acres of existing County Road right-of-way.

Parcel 3: The South Half (S<sup>1</sup>/<sub>2</sub>) of the Southwest Quarter (SW<sup>1</sup>/<sub>4</sub>) of Section Twenty-two (c) (22), Township Eighty-four (84) North, Range Twenty-four (24) West of the 5<sup>th</sup> P.M., excepting therefrom, however, the East 50 acres thereof and a tract of 10.35 acres described as follows: Beginning at the Northwest corner of the South Half (S<sup>1</sup>/<sub>2</sub>) of said Southwest Quarter (SW<sup>1</sup>/<sub>4</sub>), thence South 89°25' East 974.36 feet, thence South 0°14'58" East 462.24 feet, thence North 89°25' West 976.37 feet to the West line of said Southwest Quarter (SW<sup>1</sup>/<sub>4</sub>), thence North 0°00' East along said West line 462.24 feet to the point of beginning, and excepting therefrom a tract of 1.173 acres described as follows: Part of the Southwest Quarter (SW<sup>1</sup>/<sub>4</sub>) Southwest Quarter (SW<sup>1</sup>/<sub>4</sub>) of Section Twenty-two (22), Township Eighty-four (84) North, Range Twenty-four (24) West of the 5<sup>th</sup> P.M., Story County, Iowa, described as follows: Commencing at the Southwest corner of said Section Twenty-two (22), thence North 00°00'00" East, 553.22 feet along the West line of said Southwest Quarter (SW<sup>1</sup>/<sub>4</sub>) Southwest Quarter (SW<sup>1</sup>/<sub>4</sub>) to the point of beginning; thence continuing North 00°00'00" East, 129.43 feet along said West line; thence North 89°27'30" East, 391.37 feet; thence South 22°05'14" East, 119.34 feet; thence South 82°23'01" West, 168.78 feet; thence North 00°21'54" East, 13.73 feet; thence South 87°02'30" West, 269.38 feet to the West line of said Southwest Quarter (SW¼) Southwest Quarter (SW¼) and point of beginning, containing, less said exceptions, 18.197 acres more or less, subject to highway and easements of record.

(d) Parcel 4: Parcel "A" in the Southwest Quarter (SW  $\frac{1}{4}$ ) of the Southwest Quarter (SW  $\frac{1}{4}$ ) of Section 22, Township 84 North, Range 24 West of the 5<sup>th</sup> P.M., Story County, Iowa, as shown on the "Plat of Survey" filed in the office of the Recorder of Story County, Iowa, on the 2<sup>nd</sup> day of June, 1996, and recorded in Book 14 at Page 2.

(e) Parcel 5: Beginning at the Northwest Corner of the South Half of the Southwest Quarter of Section 22, Township 84 North, Range 24 West of the 5<sup>th</sup> P.M., thence South 89 degrees 25' East along the North line of the South Half of said Southwest Quarter 974.36 feet, thence South 0 degrees 14'58" East 462.24 feet, thence North 89 degrees 25' West 976.37 feet, to the West line of said Southwest Quarter, thence North 0 degrees 00' East along said West line 462.24 feet to the point of beginning, containing 10.35 acres more or less.

(f) Parcel 6: Commencing at the West Quarter corner of Section 22, Township 84 North, Range 24 West of the 5<sup>th</sup> P.M., Story County, Iowa; thence North 540.9 feet along the West line of the Northwest Quarter (NW <sup>1</sup>/<sub>4</sub>) of said Section 22 to the point of beginning; thence South 89°30' East 510.4 feet; thence North 54°20' East 648.2 feet; thence North 67°27' East 479.6 feet; thence North 90°00' West 1479.9 feet to said West line; thence South 557.4 feet along said West line to the point of beginning, containing 12.00 acres, subject to all other rights, reservations, restrictions, easements, liens and encumbrances of record; and other land.

(g) Parcel 7: A part of the Northwest Quarter (NW <sup>1</sup>/<sub>4</sub>) of Section 22, Township 84 North, Range 24 West of the 5<sup>th</sup> P.M., Story County, Iowa, described as follows: "Beginning at a point on the west line of said Northwest Quarter (NW <sup>1</sup>/<sub>4</sub>) which is 1098.1 feet north of the Southwest corner thereof, thence N 89°59'20" E, 14810.15 feet; thence N 67°27' E, 44.15 feet; thence N 0°44' W, 203.1 feet; thence S 89°59'20" W, 1518.35 feet; thence South 220.0 feet." Containing 7.67 acres and subject to road right-of-way.

(h) Parcel 8: Parcel C in the Northwest <sup>1</sup>/<sub>4</sub> of Section 22, Township 84 North, Range 24 West of the 5th P.M., Story County, Iowa; as shown on the "Plat of Survey" filed in the office of the Recorder of Story County, Iowa, on February 6, 1998, and recorded as Instrument No. 98-01464 in C&FN Book 15 at Page 110, Contains 2.83 gross acres.

(i) Parcel 9: Parcel "L" Legal Description: That part of the North Half (N 1/2) of Section 22, Township 84 North, Range 24 West of the 5<sup>th</sup> P.M., Story County, Iowa; more particularly described as follows: Beginning at the Northwest corner of said Section 22; thence S 89°59'37" E, 628.66 feet along the North line of the Northwest Quarter (NW 1/4) of said Section 22 to the North Quarter corner; thence S 89°56'56" E, 928.93 feet along the North line of the Northeast Quarter (NE <sup>1</sup>/<sub>4</sub>) of said Section 22 to the Northwest corner of H.P. Jensen's Subdivision; thence S 00°16'21" W, 507.33 feet along the West line of said H.P. Jensen's Subdivision; thence S 24°26'29" W, 35.20 feet along H.P. Jensen's Subdivision; thence S 87°49'44" W, 149.80 feet along the Northwesterly line of H.P. Jensen's Subdivision; thence S 22°11'56" E, 74.28 feet along H.P. Jensen's Subdivision; thence N 89°56'58" W, 408.46 feet along the Northerly line of Parcel "G" in the West Half of the Northeast Quarter (W <sup>1</sup>/<sub>2</sub> NE <sup>1</sup>/<sub>4</sub>) of said Section 22; thence S 00°20'15" W, 225.92 feet along the Westerly line of said Parcel "G"; thence N 89°57'27" W, 395.18 feet along the Northerly line of said Parcel "G"; thence S 00°13'28" W, 74.73 feet along the Westerly line of said Parcel "G" to the Northeast corner of Parcel "J" in the Northwest Quarter (NW ¼) of said Section 22; thence S 89°55'44" W, 1109.83 feet along the North line of said Parcel "J"; thence S 00°46'31" E, 323.35 feet along the Westerly line of said Parcel "J" to the Northeast corner of Parcel "C" in the Northwest Quarter (NW 1/4) of said Section 22; thence S 89°56'34" W, 560.39 feet along the North line of said Parcel "C" to the Northwest corner of said Parcel "C," also being the Northeast corner of Parcel "B" in the Northwest Quarter (NW 1/4) of said Section 22; thence S 89°56'34" W, 957.96 feet along the North line of said Parcel "B" to the West line of the Northwest Quarter (NW 1/4) of said Section 22; thence N 00°02'52" W, 1291.95 feet along the West line of the Northwest Quarter (NW 1/4) of said Section 22 to the point of beginning.

Parcel "L" Alternate Description: Parcel "L" in the North Half (N  $\frac{1}{2}$ ) of Section 22, Township 84 North, Range 24 West of the 5<sup>th</sup> P.M., Story County, Iowa, as shown on the "Plat of Survey" filed in the office of the Recorder of Story County, Iowa, on January 17, 2012, and recorded as Instrument No. 12-00476 on Slide 425, Page 4.

(j) Parcels 10 and 17: Outlot X, Rose Prairie Final Plat, Ames, Story County, Iowa, AND Units 1 to 279, inclusive, in Rose Prairie, a condominium in Ames, Story County, Iowa, together with all appurtenances thereto, including an undivided fractional interest in the common elements, areas and facilities as determined for said unit by the provisions of, and in accordance with, the Declaration of Horizontal Property Regime for Rose Prairie filed in the office of the Recorder of Story County, Iowa, on April 29, 2009, as Inst. No. 09-

04556 (and any supplements and amendments thereto). Rose Prairie, as presently constituted, is located on Lot 2, Rose Prairie Final Plat, Ames, Story County, Iowa.

(k) Parcel 11: Lot One (1), Rose Prairie Final Plat, Ames, Story County, Iowa.

(1) Parcel 12: Parcel "B" in the Northwest Quarter (NW 1/4) of the Northeast Quarter (NE 1/4) of Section Twenty-one (21), Township Eighty-four (84) North, Range Twenty-four (24) West of the 5<sup>th</sup> P.M., Story County, Iowa, as shown on the "Plat of Survey" filed in the office of the Recorder of Story County, Iowa, on the 9th day of April, 1997, and recorded in Book 14, at Page 185.

(m) Parcel 13: The SW 23.8 acres of the property Beginning at a point 1,009.0 Feet North of the West Quarter (W<sup>1</sup>/<sub>4</sub>) Corner of Section Twenty-one (21), Township Eighty-four (84) North, Range Twenty-four (24) West of the 5<sup>th</sup> P.M., Story County, Iowa, Thence continuing North on the West Line of said Section 21, 330.0 Feet, Thence South 89°38' East 410.0 Feet, Thence South 330.0 Feet, Thence North 89°38' West 410.0 Feet to the Point of Beginning, as shown on the map in Appendix "W".

(n) Parcel 14: Parcel "G" a part of the SW ¼ of Section 21, Township 84 North, Range 24 West of the 5<sup>th</sup> P.M., Story County, Iowa, as shown on the "Plat of Survey" filed in the office of the Recorder of Story County, Iowa, on December 18, 2003, as Inst. No. 03-25077, Slide 192, Page 1.

(o) Parcel 15: SW <sup>1</sup>/<sub>4</sub> of- Section 21; Township 84 North; Range 24 West of the 5<sup>th</sup> P.M., except the right of way of the Chicago & Northwestern Railway Company.

(p) Parcel 16: The West 26.038 acres of all that part of the Northwest Quarter (NW <sup>1</sup>/<sub>4</sub>) of the Southwest Quarter (SW <sup>1</sup>/<sub>4</sub>) of Section Thirty-one (31), lying North of the right-of-way and C.&N.W., all in Township Eighty-four (84) North, Range Twenty-four (24) West of the 5<sup>th</sup> P.M., Story County, Iowa; The South Half (S <sup>1</sup>/<sub>2</sub>) of the Southeast Quarter (SE <sup>1</sup>/<sub>4</sub>) of Section Twenty-one (21), Township Eighty-four (84) North, Range Twenty-four (24) West of the 5<sup>th</sup> P.M., Story County, Iowa, except railroad right-of-way; and The South Half (S <sup>1</sup>/<sub>2</sub>) of the Northwest Quarter (NW <sup>1</sup>/<sub>4</sub>) of Section Twenty-two (22), Township Eighty-three (83) North, Range Twenty-four (24) West of the 5<sup>th</sup> P.M., Story County, Iowa.

(q) Parcel 18: Parcel "A" in the Northeast Quarter of the Southeast Quarter (NE ¼ SE ¼) in Section 21, Township 84 North, Range 24 West of the 5<sup>th</sup> P.M., Story County, Iowa, as shown on the "Plat of Survey" filed in the office of the Recorder of Story County, Iowa, on May 31, 1996, as Instrument No. 96-05211, in Book 13 at Page 249.

(2) There shall be three separate fee districts within the sanitary sewer connection district. Each parcel shall be responsible for the fee for each district in which it lies. The fee for connection of a property within the aforesaid district to the sanitary sewer utility shall be as follows:

- (a) District #1:
  - a. District #1 of the sanitary sewer connection district shall include parcels 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, and 18.
  - b. The original connection fee for sanitary sewer service in District #1 is \$1,641.36 per acre of property served by the connection.
- (b) District #2:
  - a. District #2 of the sanitary sewer connection district shall include parcels 6, 7, 8, and 9.
  - b. The original connection fee for sanitary sewer service in District #2 is an additional \$1,204.80 per acre of property served by the connection.
- (c) District #3:
  - a. District #3 of the sanitary sewer connection district shall include parcel 16.
  - b. The original connection fee for sanitary sewer service in District #3 is an additional \$1,341.53 per acre of property served by the connection.
- (3) Annual Increase in connection fees.
  - (a) For the purposes of accounting for the costs incurred by the City of Ames to finance improvements, the connection district fee shall increase on an annual basis.

- (b) The fees shall increase using a simple interest rate of approximately five (5) percent annually for a period of at least twelve (12) years.
- (c) The approximate five (5) percent annual increase in the connection district fees shall be based on the original connection fee of \$1,641.36 in District #1; \$1,204.80 in District #2; \$1,341.53 in District #3, and will be rounded to an even dollar amount per year. Thus, the connection district fee will increase at a rate of \$83 per year in District #1, \$60 per year in District #2, and \$67 per year in District #3. Appendix "W" shows the tabulations of the connection district fees for District #1, District #2, and District #3 for each of the twelve years beginning on April 22, 2014, increasing on July 1 each year following, and ending on July 1, 2026.
- (d) After July 1, 2026, the connection district fees will continue to increase at a rate of \$83 per year in District #1, \$60 per year in District #2, and \$67 per year in District #3, unless the connection fee annual increase is modified by the City of Ames."

Section Two. All ordinances, or parts of ordinances, in conflict herewith are hereby repealed to the extent of such conflict, if any.

Section Three. This ordinance shall be in full force and effect from and after its passage and publication as required by law.

Passed this \_\_\_\_\_\_, \_\_\_\_\_,

Diane R. Voss, City Clerk

Ann H. Campbell, Mayor