

COUNCIL ACTION FORM

SUBJECT: FLOOD MITIGATION – RIVER FLOODING (LAND ACQUISITION)

BACKGROUND:

On February 11, 2020, City Council approved the FEMA grant funding agreement for the stream bank restoration project providing flood mitigation in the loway Creek channel. A central component includes conveyance improvements within the channel approximately 2,000 feet either side of the South Duff Avenue bridge. The estimated costs and funding are as follows:

Flood Mitigation - River Flooding	Fiscal Year			Total Expenditures
	2015/16	2016/17	2018-2020	
Expenditures				
Design Contract (WHKS)	\$138,000		\$181,200	\$319,200
Land Acquisition Agent (CGA)			\$74,800	\$74,800
Land Acquisition (Est)			\$2,178,000	\$2,178,000
Construction (Est)			\$3,350,000	\$3,350,000
Engineering/Constr Admin (City Staff)			\$122,200	\$122,200
				\$6,044,200
Funding Shown in CIP				Total CIP Funding
20/21 Storm Water Utility Funds			\$500,000	\$500,000
GO Bonds	\$644,000	\$504,000		\$1,148,000
FEMA Hazard Mitigation Grant			\$3,747,450	\$3,747,450
				\$5,395,450
Potential Local Funding Shortfall				\$648,750
Available bond savings				\$650,000

Final design has been submitted with permit applications to the Army Corps of Engineers and Iowa DNR. A permit has been received from Army Corps of Engineers and the Iowa DNR permit is expected in the coming weeks. **The project is moving toward a fall 2021 bid letting.**

In April 2021, appraisals were completed on all the properties. City staff and CGA has made honest, good faith efforts to negotiate with the property owners and have reached reasonable offers for some of the needed land that avoids the need to use eminent domain. The property value negotiated for each parcel are as follows:

- Parcel 6: Thomas R. Burke – \$572,466.40 (full parcel acquisition)

- Parcel 7: Jay Brown and Lori B. Suvalsky – \$154,778.28 (full parcel acquisition)
- Parcel 10: B and D Land LC – \$199,572.72 (partial acquisition)

CGA and City staff are continuing to negotiate and make final offers (before scheduled eminent domain hearings) with the following parcel owners and tenants:

- Parcel 3: Kenneth and Marjory Howe Trust (partial acquisition) (**has signed**)
- Parcel 3: Jim Howe - (tenant compensation) (still under negotiation)
- Parcel 5: RL Enterprises LLC - (partial acquisition) (**has signed**)
- Parcel 5: Red Lobster - (tenant compensation) (still under negotiation)

The felled trees currently stockpiled along loway Creek in this project area are being incorporated into the final design of the overall Flood Mitigation – River Flooding project. The contractor will have options to haul out the trees or incorporate them (mulch/grind) into the erosion control/final stabilization of the project. Re-planting details have been incorporated including a row of native trees and plants that are recommended to benefit threatened and endangered pollinators, some of which have been recently identified and photographed in Ames.

ALTERNATIVES:

1. Adopt resolution approving Purchase Agreement for parcels listed above for Flood Mitigation – River Flooding project.
 - a) Parcel 6: Thomas R. Burke – \$572,466.40
 - b) Parcel 7: Jay Brown and Lori B. Suvalsky – \$154,778.28
 - c) Parcel 10: B and D Land LC – \$199,572.72
2. Direct staff to renegotiate, thereby rejecting specific purchase agreements.

MANAGER’S RECOMMENDED ACTION:

Approval of these agreements is very critical to moving the project toward a fall bid letting. Delay or rejection of these purchase agreements could require redesign and delay the construction.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as noted above.