

ITEM # 20
DATE: 02-25-14

COUNCIL ACTION FORM

SUBJECT: REQUEST TO PURCHASE SOIL FROM AIRPORT PROPERTY

BACKGROUND:

On January 24, 2014, City Council referred the attached letter from FOX Engineering requesting permission to purchase soil from Airport farm property on the north side of Airport Road west of Sam's Club, and to move that soil to property at 1204 S. 4th Street owned by Brian Hoyle. As letter mentions, the Airport farm property has already been affected by construction of a warehouse by Ag Leader Technologies along the west side of the property during the 2013 farming season. It should be noted that, at this time, the farm property has not yet been fully restored after the Ag Leader project due to weather constraints that occurred in Fall of 2013.

The original disruption to the Airport farm was related to conditions of the approved site plan for Ag Leader's facility built along the east side of Airport Court. The development required some off-site grading onto the Airport farm ground in order to construct the foundation of the building. Some photos of the current state of the Airport Farm Property have been included with this document. **Ag Leader has already paid for the crop loss and cash rental loss for the 2013 season. However, they are still operating under a temporary occupancy permit until the farm ground is restored. If City Council would approve this most recent request, Ag Leader's obligation to restore the Airport farm would be transferred to Mr. Hoyle, thereby fulfilling that particular condition of Ag Leader's site plan approval.**

Mr. Hoyle's proposal is to take approximately 50,000 cubic yards of fill soil material from the northern Airport farm parcel. Proposed conditions of the agreement are as follows:

- Mr. Hoyle will pay \$1.00 per cubic yard for the soil as measured by FOX Engineering by survey.
- A minimum of 6 inches of topsoil will be removed from the site, stockpiled, and reapplied at the completion of the removal. It should be noted that the borrow area is highly eroded and does not have much topsoil. All topsoil will be preserved in the excavation. It is our estimation that less than 6 inches exists on average across the site.
- The site will be flattened to allow for ease of farming. A grading plan has been prepared for the site and will be used to plan the excavation.
- The site will be scarified to a depth of 12 inches before reapplication of the topsoil. This will be done to improve water retention and to facilitate farming.

- Any additional lost revenue due to being unable to farm will be compensated by Mr. Hoyle. It is hoped this work will be completed in early 2014. This compensation will not be required if the work is accomplished before the 2014 planting season.
- In the event the site is not cropped in 2014, then a cover crop of oats or annual rye will be planted to prevent erosion of the site.

The proposed area of impact to the Airport farm ground is approximately 8.6 total acres. For the 2014 farm season the City has a farm lease that specifies \$335 per acre in cash rent. This would equate to \$2,881 in lost cash rent plus whatever is estimated for crop loss, which would be determined at harvest time in the fall. Income from the sale of the fill soil is estimated to be around \$50,000. This would be an addition to the anticipated total farm cash rent of \$102,600 from all of the City-owned farmland surrounding the Airport.

Staff is generally supportive of the proposal, since it will remove the large mound of soil on the north farm property and provide additional income to the Airport Construction Fund. This project can benefit the City in three ways. First, as stated in the letter, it would improve the ground for farming purposes, which ensures the long-term profitability of the property. Second, it would save some future expense if Grand Avenue were extended south across US Highway 30 to connect to Airport Road, since similar grading would be necessary as part of that project. Third, by lowering the hill it would help with clear zone requirements of the Runway 19 approach to the main runway at the Airport.

The conditions noted above will be incorporated into an agreement and be brought back to the City Council for approval.

ALTERNATIVES:

1. Direct staff to work with Brian Hoyle to develop an agreement for removal of fill soil from the Airport farm property.
2. Reject the proposal, and direct staff to continue restoration of the affected farm property with Ag Leader.

MANAGER'S RECOMMENDED ACTION:

This proposal will have various benefits to the City's Airport farm property as described above. Most importantly, it will provide additional income to the Airport Construction Fund, which will increase the amount available for future improvements.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby directing staff to work with Brian Hoyle to draft an agreement for removal of fill soil from the Airport Farm Property.

Airport Farm Property Photos (2/20/2014):



January 24, 2014

Honorable Mayor and City Council
City of Ames
515 Clark Avenue
Ames, Iowa 50010

RE: Request to Buy Soil from Airport Property
FOX Ref. No. 5370-13a.

Honorable Mayor and City Council:

In 2014 Ag Leader Technologies borrowed approximately 20,000+ cubic yards of soil from airport property to construct their new warehouse/shipping facility west of the airport. Reference the attached map for the location of the City's property. This work was done as an exchange where Ag Leader removed large trees that were within the airport's clear zone and a hazard to airplanes. Due to wet weather in the spring of 2013 and farm obligations the site was left partially graded. Rather than regrade the site at some expense I am requesting on the behalf of an Ames property owner, Brian Hoyle, to buy approximately 50,000 cubic yards of soil to be used on his property at 1204 S. 4th Street (Riverside Manor).

The advantages to the City are:

- The site will be graded to a more farmable condition.
- Revenue will be generated for the airport.
- Any future extension of Grand Avenue will be pre-graded.

The current site is relatively hilly and rocky and difficult to farm. The removal of the soil will allow the site to be re-graded in a manner that facilitates farming. Rocks and other debris from the old farmstead will be removed.

FOX Engineering "brokers" dirt between interested parties at no cost. The going price for borrow is \$1.00 per cubic yard of borrow plus the soil borrower pays the costs for topsoil removal & replacement, regrading, erosion control and reimbursement for farm rent.

In discussions with Damion Pregitzer, the City's Airport Manager, he felt he needed the Council's permission to conduct this sale and accept revenue on the behalf of the airport. Therefore, on the behest of Mr. Hoyle we are requesting the City sell approximately 50,000 cubic yards of soil to Mr. Hoyle under the following conditions:

1. Mr. Hoyle will pay \$1.00 per cubic yard for the soil as measured by FOX Engineering by survey.
2. A minimum of 6 inches of topsoil will be removed from the site, stockpiled, and reapplied at the completion of the removal. It should be noted that the borrow area is highly eroded and does not have much topsoil. All topsoil will be preserved in the excavation. It is our estimation that less than 6 inches exists on average across the site.
3. The site will be flattened to allow for ease of farming. A grading plan has been prepared for the site and will be used to plan the excavation.
4. The site will be scarified to a depth of 12 inches before the reapplication of the topsoil. This is done to improve water retention and to facilitate farming.

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5. Any loss revenue due to being unable to farm will be compensated by Mr. Hoyle. It is hoped this work should be completed in early 2014 and this compensation would not be required if the work could be accomplished before planting season in 2014.
 6. In the event the site is not cropped in 2014, then a cover crop of oats or annual rye will be planted to prevent erosion of the site.

There may be additional conditions the City would like to add in discussions with Mr. Hoyle.

We request you refer this back to Staff so an agreement can be reached and the work completed this spring.

Mr. Hoyle will be using the soil to provide flood protection for the Riverside Manor and to fill portions of his site for future development.

If you have any questions, then please email me at slr@foxeng.com or call at 233-0000. Thank you for your time and consideration.

Sincerely,

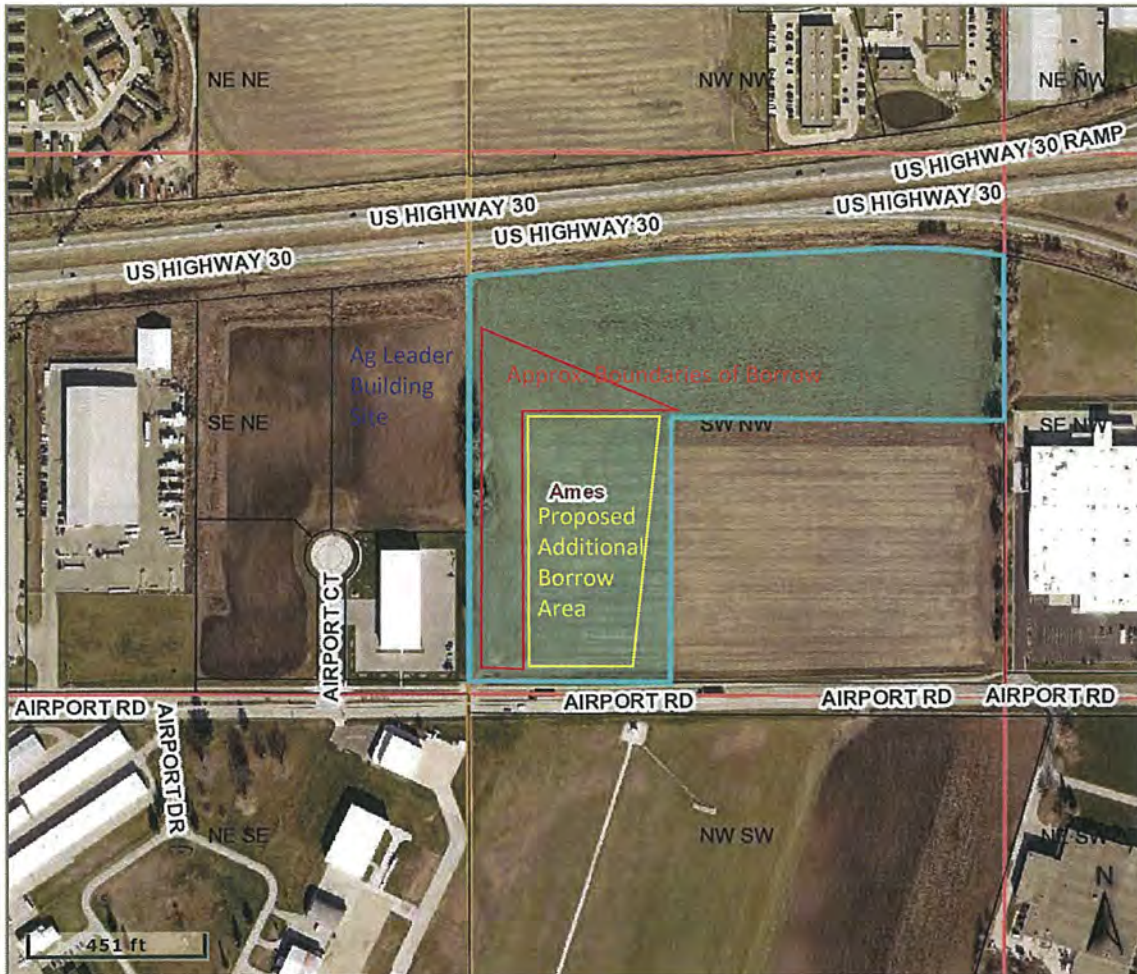


Scott Renaud, P.E.
Project Manager

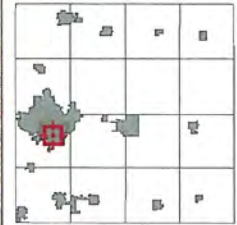
cc: Brian Hoyle
Damion Pregitzer, Airport Manager
Steve Schainker, City Manager

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Date Created: 1/23/2014



Overview



Legend

- Parcels
- Lots
- Townships
- Sections
- Quarter Quarters
- Corporate Limits
- Road Centerlines

Parcel ID	0914150010	Alternate ID	0914150010	Owner Address	AMES, CITY OF
Sec/Twp/Rng	14-83-24	Class	E - EXEMPT		PO BOX 811
Property Address	623 AIRPORT RD REAR AMES	Acreage	18.49		AMES IA 50010-0811

District 01001 - AMES CITY/AMES SCH
Brief Tax Description SECTION:14 TOWNSHIP:83 RANGE:24 83
 SW NW S HWY EX
 S650'E816.6'
 (Note: Not to be used on legal documents)

Last Data Upload: 1/23/2014 5:32:43 AM

Concerning Assessment Parcels and Platted Lots Within the City of Ames Jurisdiction:
 The solid parcel boundary lines represent the legal description as recorded and are not necessarily the official platted lot lines. Dashed lines are official platted lots. If a parcel contains dashed lines, please contact the Ames Planning & Housing Department (515-239-5400) to determine which lines can be recognized for building permit or zoning purposes. If you have questions regarding the legal description or parcel measurements, please contact the Story County Auditor's office (515-382-7210).