ITEM # <u>35</u> DATE: 12-13-16

COUNCIL ACTION FORM

SUBJECT: TRANSFER OF PROPERTY TO IOWA DEPARTMENT OF TRANSPORTATION FOR I-35 PROJECT

BACKGROUND:

The Iowa Department of Transportation (IDOT) contacted the City in early 2015 regarding a project to replace an Interstate 35 (I-35) bridge that crosses over the South Skunk River. This project also included the grading necessary to eventually allow for three lanes for both northbound and southbound I-35 traffic just south of Ames.

This project will require the IDOT to acquire 3.29 acres of City-owned land outright and an additional 1.82 acres of permanent ingress/egress easement on the City's I-35 well field property, which is located east of I-35 and north of the South Skunk River. In addition, the IDOT is purchasing 0.09 acres of easement for Story County to maintain 265th Street, which borders the property on the north side.

The IDOT also needs to acquire 0.12 acres of the Water Pollution Control (WPC) Facility property for the purpose of the project.

City staff has reviewed the project and concluded that the impact on future use of the well field property will be minor. The future design of the wells can work around the new property line configuration. Staff has also determined that the small piece to be acquired from the WPC Facility will have no impact on the use or operation of the facility.

City and IDOT staff have agreed upon a purchase price based on an appraisal that was completed by Agroval and reviewed by City staff. The City will be compensated a total of \$58,200 for the I-35 well field land and easements, plus \$1,200 for the Water Pollution Control Facility property. The Electric Department has separately negotiated an agreement with the IDOT for the relocation of the overhead lines on the property. The purchase will be effective on December 31, 2016. The IDOT will finish design for this project in 2016 and begin construction in 2017.

The attached map identifies both of the parcels that will be sold to the IDOT.

ALTERNATIVES:

1. Approve disposal of property and granting of easements for these two parcels pursuant to the acquisition plats and purchase agreements between the City of Ames and the Iowa Department of Transportation.

2. Do not authorize the disposal of this property at this time.

MANAGER'S RECOMMENDED ACTION:

The I-35 expansion project is an important public improvement project to the State of Iowa, and the interstate has a direct impact on access to our community. Staff has reviewed the request and found no significant impact on the City's current and future operations.

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





