

COUNCIL ACTION FORM

SUBJECT: PRAIRIE VIEW INDUSTRIAL CENTER CONNECTION DISTRICTS

BACKGROUND:

The Prairie View Utility Extension Project consists of the extension of water and sanitary sewer mains to the recently annexed area east of Interstate 35 (I-35). A water main and a gravity sewer main have been constructed from 4100 East Lincoln Way (just east of Country Landscapes) to Teller Ave (580th) and are being further extended to Potter Ave (590th) this winter. A sanitary sewer force main has been installed from Freel Drive to Teller Ave and a sanitary sewer lift station has been constructed south of East Lincoln Way at 207 S Teller Ave. **In order to recover the local costs from this project, sewer and water connection fee districts are being established for new industrial development area, as directed by City Council in July 2018.**

Cities may establish utility connection districts to recoup costs associated with construction through fees collected at the time utility service is requested. This process is authorized under Iowa Code, Section 384.38(3). In addition to construction, costs include design and inspection of these improvements. Utility connection districts will be established based on gross acreage to recover the local funding cost from industrial development parcels, including any adjoining parcels under common ownership, prior to site plan (including future phases) or final plat approval, whichever occurs first. Any parcel requesting utility service, but not requiring site plan or final plat approval will also be required to pay the connection fees.

During discussions with the existing residents along East Lincoln Way, concern was expressed regarding their high "per acre" water and sewer connection costs. Therefore, City Council agreed that those existing residences would not be included in the connection fee districts to connect their homes. Instead, these property owners would pay the standard connection fee as stipulated in Appendix F of the Ames Municipal Code (currently \$30 per lineal foot of frontage). However, the residential lots in this area are significantly larger than in the urban residential lots within Ames. Therefore, the residential properties would make a one-time connection using a typical 80 lineal foot width for the connection fee calculation. If residential properties are further subdivided for development, additional connection fees would be owed to meet the requirements of this connection district.

The City was fortunate to receive \$1,500,000 from the Economic Development Administration and \$2,900,000 in American Rescue Plan Act funds for this project. The connection districts will only recover the local costs in the amount \$5,300,000 (\$1,100,000 water and \$4,200,000 sewer) from General Obligation Bonds. These

connection fees are separate from the rural water service territory buyout fee, which currently is currently approximately \$2,761/acre.

The proposed **sanitary sewer connection district** of approximately 1,221.33 acres is shown in Attachment A along with the property owners who will be served by this main. The estimated fee for all non-residential parcels shown in Attachment A is **\$3,438.87 per acre. The ordinance will include a schedule of per acre cost including reasonable interest.**

The separate proposed **water connection district** of approximately 1,221.33 acres is shown in Attachment A, along with the property owners that are to be served by this main. The estimated connection fee for water main improvements is **\$900.66 per acre. The ordinance will include a schedule of per acre cost including reasonable interest.**

Attachment B includes a listing of all parcels included in the connection district. The general locations of the water and sanitary sewer mains are shown in Attachment C. City property at 207 S Teller Ave is not included in the water or sewer connection districts because no facilities will be constructed requiring water or sewer service.

ALTERNATIVES:

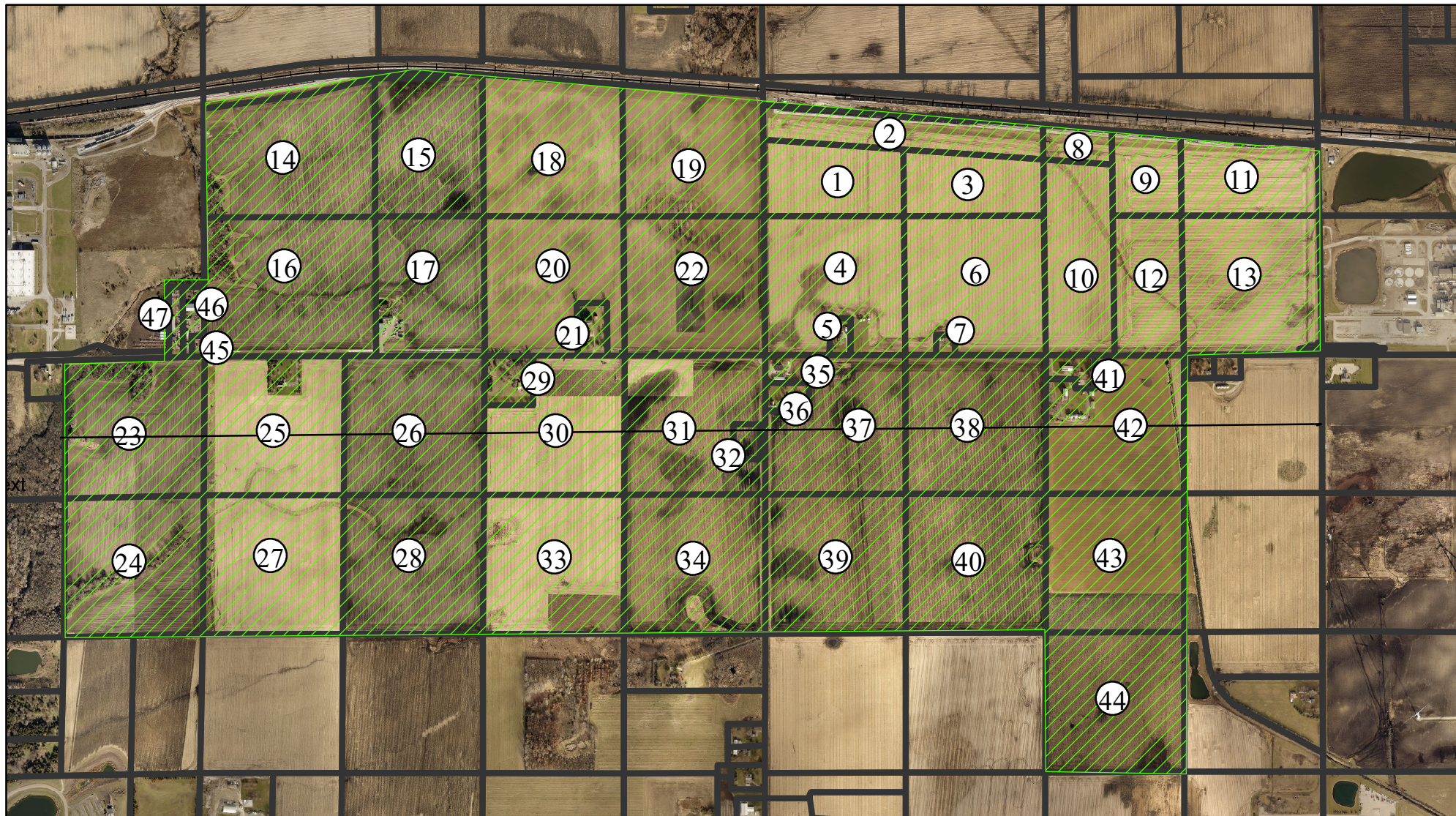
1. Set a public hearing date of January 10, 2023, for establishment of water and sanitary sewer connection districts in the Prairie View Industrial area and direct the City Attorney to prepare ordinances to establish these districts to recover the City costs to install utilities as the properties are developed.
2. Delay setting the public hearing to establish these utility connection districts.

CITY MANAGER'S RECOMMENDED ACTION:

By initiating the process to establish these two utility connection districts, Council will set in motion the means for the City to recover the costs of installing the new water and sewer mains. Therefore, it is the recommendation of the City Manger that the Council adopt Alternative No. 1, as described above.



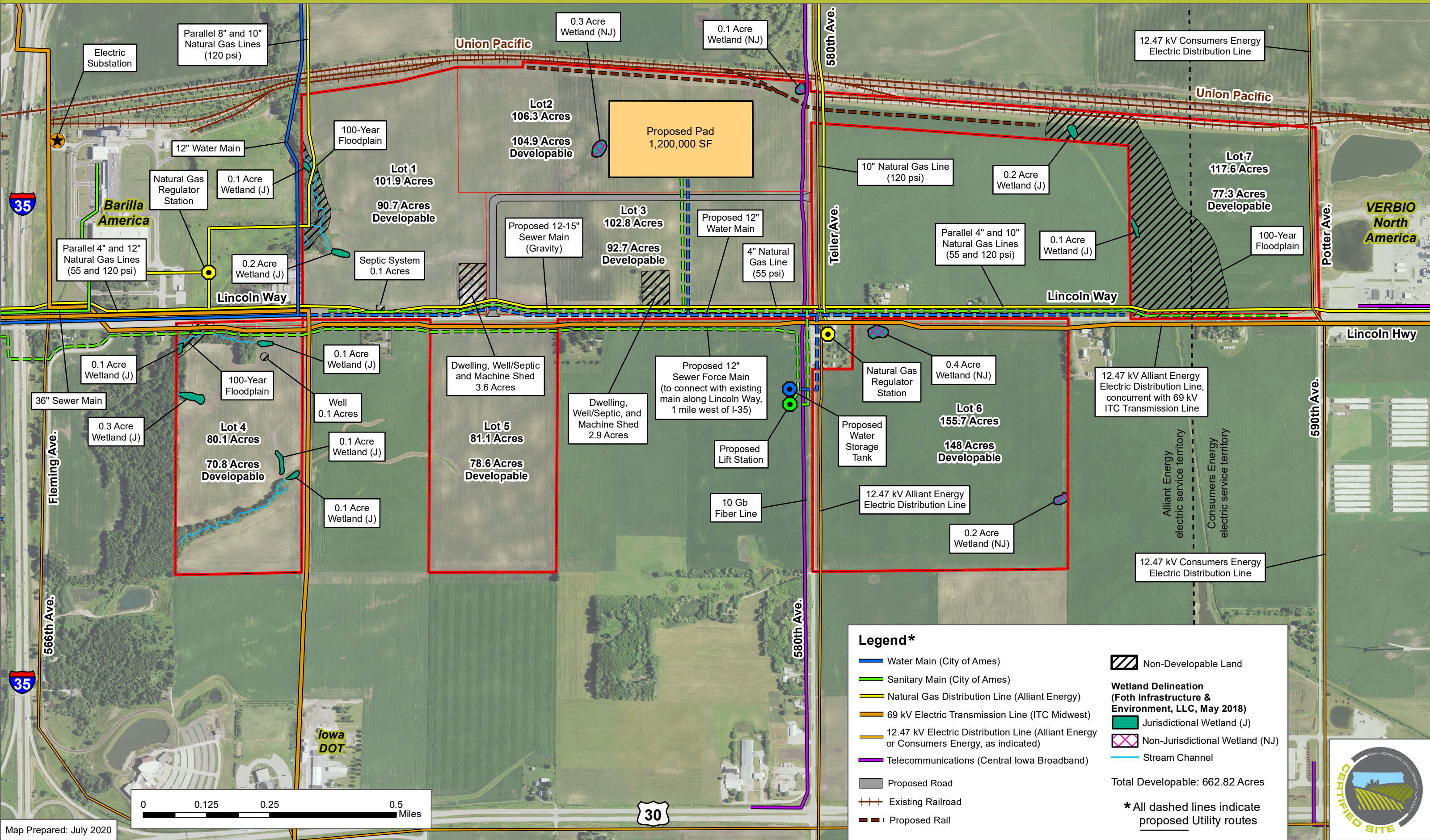
Prairie View Industrial Utility Connection District



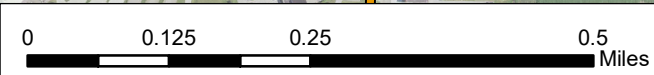
Attachment B

	PARCEL ID	Acres	Owner
1	1004300130	19.59	HUBBARD HARVEST LLC
2	1004300225	19.62	LINCOLNWAY ENERGY LLC
3	1004300230	16.57	HUBBARD HARVEST LLC
4	1004300305	36.21	HUBBARD HARVEST LLC
5	1004300375	1.34	PEACH, WILLIAM B & DIANE C
6	1004300405	37.89	HUBBARD HARVEST LLC
7	1004300450	0.6	IOWA LAND AND BUILDING COMPANY
8	1004400125	4.9	LINCOLNWAY ENERGY LLC
9	1004400130	11.76	LINCOLNWAY ENERGY LLC
10	1004400140	28.35	HUBBARD HARVEST LLC
11	1004400250	20.71	LINCOLNWAY ENERGY LLC
12	1004400325	19.25	LINCOLNWAY ENERGY LLC
13	1004400405	37.42	LINCOLNWAY ENERGY LLC
14	1005300120	43.1	IOWA LAND AND BUILDING COMPANY
15	1005300225	31.32	IOWA LAND AND BUILDING COMPANY
16	1005300305	47.94	IOWA LAND AND BUILDING COMPANY
17	1005300405	29.04	IOWA LAND AND BUILDING COMPANY
18	1005400105	39.72	IOWA LAND AND BUILDING COMPANY
19	1005400205	35.47	IOWA LAND AND BUILDING COMPANY
20	1005400305	35.8	IOWA LAND AND BUILDING COMPANY
21	1005400375	2.69	IOWA LAND AND BUILDING COMPANY
22	1005400400	37.18	IOWA LAND AND BUILDING COMPANY
23	1007200200	37.38	IOWA LAND AND BUILDING COMPANY
24	1007200400	40	IOWA LAND AND BUILDING COMPANY
25	1008100100	38.6	BADGER, MICHEAL J
26	1008100200	38.49	IOWA LAND AND BUILDING COMPANY
27	1008100300	40	BADGER, MICHEAL J
28	1008100400	40	IOWA LAND AND BUILDING COMPANY
29	1008200105	4.65	BOERSMA, JOSHUA & MOLLIE
30	1008200110	34.35	HUBBARD HARVEST LLC
31	1008200205	35.77	SCHROER, JANICE S TRUSTEE
32	1008200270	1.93*	AMES, CITY OF
33	1008200300	40	HUBBARD HARVEST LLC
34	1008200400	38.64	SCHROER, JANICE S TRUSTEE
35	1009100105	2.04	NORTH GRANT APARTMENTS LLC
36	1009100110	2.04	130 SOUTH TELLER LLC
37	1009100120	33.15	WESTERN INDEPENDENT LLC
38	1009100200	38.49	WESTERN INDEPENDENT LLC
39	1009100300	38.64	WESTERN INDEPENDENT LLC
40	1009100400	40	WESTERN INDEPENDENT LLC
41	1009200100	2.44	BREKKE, RANDY & SUZANNE M
42	1009200120	35.56	BREKKE, RANDY
43	1009200300	40	BREKKE, RANDY
44	1009400100	40	BREKKE, RANDY
45	1006400285	0.54	COUNTRY LANDSCAPES
46	1006400280	2.23	COUNTRY LANDSCAPES
47	1006400275	1.85	COUNTRY LANDSCAPES

* Not included with connection fee calculations



Map Prepared: July 2020



Legend*

- Water Main (City of Ames)
 - Sanitary Main (City of Ames)
 - Natural Gas Distribution Line (Alliant Energy)
 - 69 kV Electric Transmission Line (ITC Midwest)
 - 12.47 kV Electric Distribution Line (Alliant Energy or Consumers Energy, as indicated)
 - Telecommunications (Central Iowa Broadband)
 - Proposed Road
 - - - Existing Railroad
 - - - Proposed Rail
 - Non-Developable Land
 - Wetland Delineation (Foth Infrastructure & Environment, LLC, May 2018)**
 - Jurisdictional Wetland (J)
 - Non-Jurisdictional Wetland (NJ)
 - Stream Channel
- Total Developable: 662.82 Acres
- * All dashed lines indicate proposed Utility routes

