



# City of Grand Island

Tuesday, July 23, 2013

Council Session

## Item G-8

**#2013-233 - Approving Revision of Connection Fees for Water  
Main District 398T - North Road between Potash and Stolley Park  
Road and Setting Board of Equalization Date for August 13, 2013**

Staff Contact: Tim Luchsinger, Utilities Director

# **Council Agenda Memo**

**From:** Timothy Luchsinger, Utilities Director

**Meeting:** July 23, 2013

**Subject:** Water Main District 398T –North Road between Potash Highway and Stolley Park Road Determining Revisions for Connection Fees

**Item #'s:** G-8

**Presenter(s):** Timothy Luchsinger, Utilities Director

## **Background**

Water Main District 398T was completed in March, 1992 and provided for the installation of a 20" diameter water main in North Road between Potash Highway and Stolley Park Road. The water main provides municipal water service to the adjacent properties and was an integral part of general improvements to the water system.

The work was done as a tap (connection fee) district. This is the standard method used by the City to recoup costs when water mains are installed along undeveloped lands, and the connection fees are due when a property "taps" the main for service.

Connection fees were based on the cost of an 8-inch diameter main, the minimum size necessary to serve the potable needs of properties adjacent to the main. Due to the configuration and various sizes of the tracts of land within the district's boundary, half of the fee was based on property right of way front footage and half on square footage for each tract.

## **Discussion**

At the time of construction, two of the tracts of land within the district were owned by Green Line Equipment, Inc., being located at 3990 West Highway 30. The property consisting of Lot One (1) Westgate 4<sup>th</sup> Subdivision and an un-subdivided tract being part of the NW ¼ of the SW ¼, Section 24, Township 11 North, Range 10 West. Attached is a sketch showing the two parcels.

During the time Green Line Equipment owned and occupied the property, they remained on their private well, and no connection fee was due.

The two parcels have recently been sold to Chief Industries, Inc. They have re-platted the area as Lots 1 – 4, Chief/Westgate Subdivision, and are in the process of redeveloping the area as indicated on the attached subdivision plat.

This reconfiguration has three lots adjacent and one lot (Lot 4) not adjacent to the water line in North Road. Lot 4 will be served from the existing water main in Westgate Road, adjacent to the north side of Lot 4, which was installed as assessment District 420 in December, 1997, however, Lot 4 was not included in District 420 and will remain in District 398T.

To provide equity in repayment of connection fees due from District 398T, it is recommended that the Council reconvene as a Board of Equalization for Lots 1 – 4, Chief/Westgate Subdivision. The original connection fees were computed on ½ square footage and ½ front footage for each tract of land. The square foot cost is \$0.0315948 and the front foot cost is \$8.7037317, as follows.

Subdivision/Section	Lot	Square Footage	Front Footage	Square Foot Fee	Front Foot Fee	Total Fee
Westgate 4 <sup>th</sup> Subdivision	1	111,389.60	160.00	\$3,528.81	\$1,392.60	\$4,921.41
Pt. of the NW ¼, SW ¼, Sec. 24-11-10		444,194.00	795.90	\$14,034.22	\$6,927.30	\$20,961.52
<b>TOTAL</b>						<b>\$25,882.93</b>

It is recommended that the revised connection fee of \$25,882.93 be divided among the four lots on a square foot basis. This computes to \$0.0521667 per square foot and provides equity for the properties, as now re-subdivided and currently owned by Chief Industries.

Subdivision/Section	Lot	Square Footage	Total Fee
Chief/Westgate Subdivision	1	69,941.03	\$3,648.59
Chief/Westgate Subdivision	2	168,671.06	\$8,799.02
Chief/Westgate Subdivision	3	136,916.92	\$7,142.51
Chief/Westgate Subdivision	4	120,628.73	\$6,292.81
<b>TOTAL</b>			<b>\$25,882.93</b>

The difference in the total square footage between the Green Line ownership and the Chief Industries ownership is due to additional right-of-way being dedicated for North Road with the platting of Chief/Westgate Subdivision.

## **Alternatives**

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

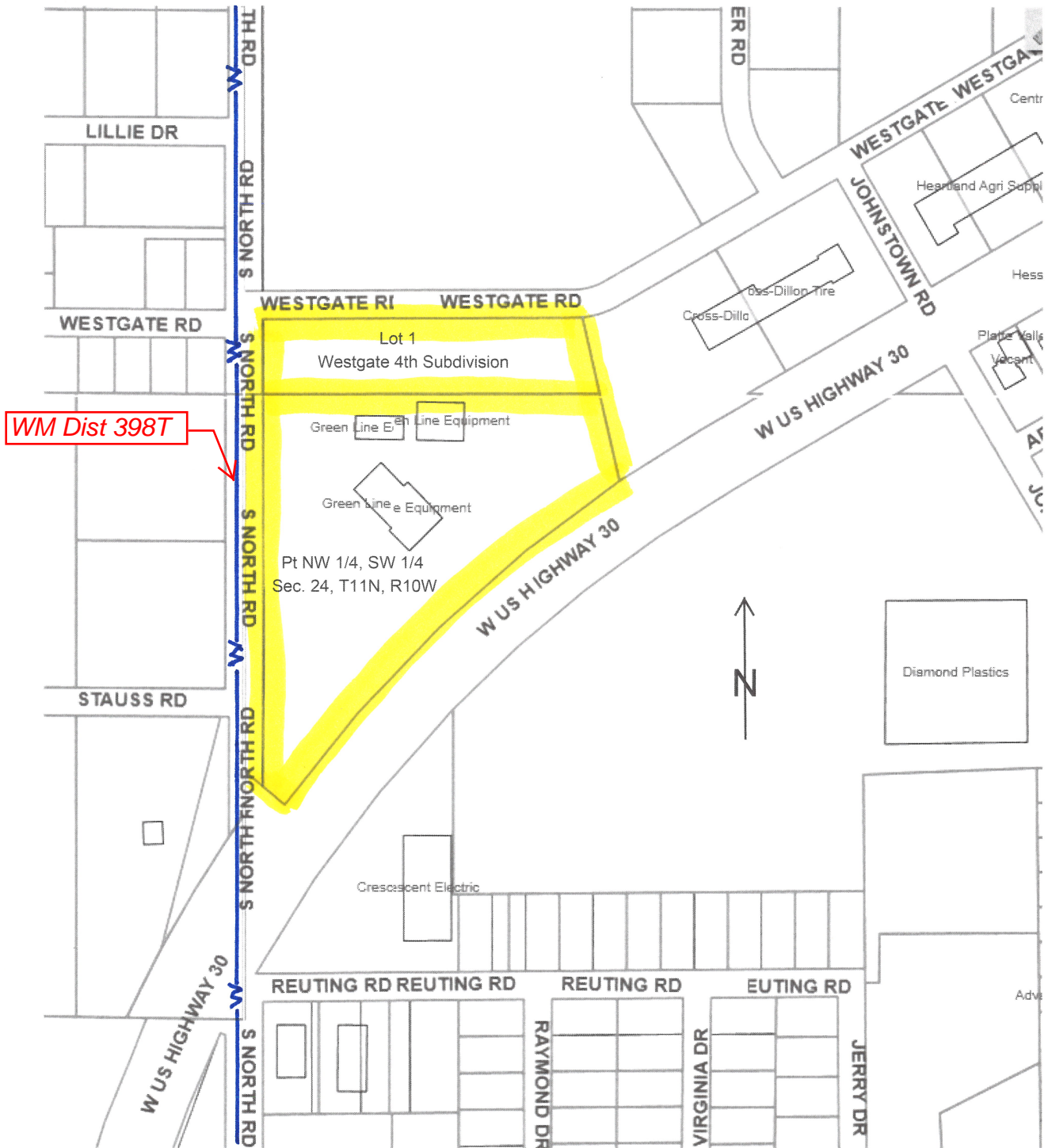
1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

## **Recommendation**

City Administration recommends that the Council reconvene as a Board of Equalization on August 13, 2013, for Lots 1, 2, 3, and 4, Chief/Westgate Subdivision (Water Main District 398T), and re-establish connection fees for those properties.

## **Sample Motion**

Move to reconvene as a Board of Equalization on August 13, 2013 to re-establish connection fees for Lots 1, 2, 3, and 4, Chief/Westgate Subdivision in Water Main District 398T.



Water Main District 398T

**Connection fees based on 1/2 SF + 1/2 FF**  
 Connection Fee per SQ Ft = \$0.0315948  
 Connection Fee per FF = \$8.7037317

3/16/1992

<u>Subdivision / Section</u>	<u>Lot</u>	<u>SQ FT</u>	<u>FF</u>	<u>SQ FT Fee</u>	<u>FF Fee</u>	<u>Total Conn. Fee \$</u>
Westgate 4th Subdivision	1	111,689.60	160.00	\$3,528.81	\$1,392.60	\$4,921.41
Pt NW 1/4, SW 1/4, Sec. 24-11-10		<u>444,194.00</u>	795.90	\$14,034.22	\$6,927.30	<u>\$20,961.52</u>
		555,883.60 *				

**\$25,882.93**

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Connection recalculated per re-subdivided lots:

		<u>SQ FT</u>	<u>Total Conn. Fee \$</u>
Chief / Westgate Subdivision	1	69,941.03	\$3,648.59
Chief / Westgate Subdivision	2	168,671.06	\$8,799.02
Chief / Westgate Subdivision	3	136,916.92	\$7,142.51
Chief / Westgate Subdivision	4	<u>120,628.73</u>	<u>\$6,292.81</u>
		496,157.74 *	<b>\$25,882.93</b>

**Connection fee per SQ FT = \$0.0521667**

\* Difference in square footage due to additional r-o-w being dedicated for North Road as indicated on plat of Chief/Westgate Subdivision.



RESOLUTION 2013-233

WHEREAS, Water Main District 398T was completed in March 1992 and provided for the installation of a 20" diameter water main in North Road between Potash Highway and Stolley Park Road; and

WHEREAS, the work was done as a tap (connection fee) district, the standard method used by the City to recoup costs when water mains are installed along undeveloped lands; and

WHEREAS, at the time of construction, two of the tracts of land within the district were owned by Green Line Equipment, Inc.; the property consisting of Lot One (1) Westgate 4<sup>th</sup> Subdivision and an un-subdivided tract being part of the NW ¼ of the SW ¼, Section 24, Township 11 North, Range 10 West; and

WHEREAS, the two parcels have recently been sold to Chief Industries, Inc., and they have re-platted the area as Lots 1 – 4, Chief/Westgate Subdivision, and are in the process of redeveloping the area; and

WHEREAS, to provide equity in repayment of connection fees due from Water Main District 398T, it is recommended that the Council reconvene as a Board of Equalization for Lots 1 – 4, Chief/Westgate Subdivision.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the City Council will sit as a Board of Equalization on August 13, 2013, to re-establish connection fees for Water Main District No. 398T.

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Adopted by the City Council of the City of Grand Island, Nebraska, on July 23, 2013.

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Jay Vavricek, Mayor

Attest:

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RaNae Edwards, City Clerk

Approved as to Form	by _____
July 22, 2013	City Attorney