



# City of Grand Island

Tuesday, June 24, 2003

## Council Session

### Item D1

#### **#2003-BE-5 - Determining Benefits for Water Main District 434T - Platte Valley Industrial Park 3rd Subdivision**

***Background:***

*The four referenced districts were created by the Council to provide water service to the Platte Valley Industrial Park 3rd Subdivision and the adjacent area. The Industrial Park is located between Schimmer Drive on the north, Wildwood Drive on the south, Highway 281 on the west and the St. Joe Branch of the UPRR on the east. Construction on all districts was done under one contract. All work has been installed as per City standards, placed in service, and incorporated into the City system. The attached map shows the four districts and how they are interconnected. The total project cost was \$777,613.48.*

*Water Main District 434T is a "tap" district, which is the Department's standard method for trunk line extensions in outlying areas. The district is located along Schimmer Drive, and extends from the northeast corner of the PVIP 3rd Subdivision, east to Blaine Street. This section of trunk line was installed to provide an additional connection to the existing City system to increase flow capacity and backup to the Industrial Park. It also provides for future expansion to areas to the east. Connection fees will be collected from the property owners within the district boundary when the main is tapped for service to a specific property.*

*District 437 is an "assessment district" for the properties along Gold Core Drive and Juergen Road. This type of district is used by the City to recoup construction costs when mains are installed at the request of the property owners. The district provides service to all interior lots within the Platte Valley Industrial Park 3rd Subdivision.*

*District 438T is a "tap" district. The district is located along the north side of Schimmer Drive and is contiguous to the north side of the PVIP 3rd Subdivision. This section of water line is part of the major infrastructure required to reach the Platte Valley Industrial Park, and also serves adjacent areas. Connection fees will be collected from property owners within the district boundary when the main is actually tapped for service to a specific property.*

*District 439T is also a "tap" district. The district is located along the south side of Wildwood Drive and is adjacent to the south side of the PVIP 3rd Subdivision. This section of water main is part of the trunk line required to serve the Subdivision and also provides for future development in the area. Connection fees for service to a specific property will be collected from property owners within the district boundary when the main is actually tapped.*

***Methodology:***

*The following methodology was used to compute assessments and connection fees:*

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*Graham's Special Assessment: In accordance with the agreements made between the City and the Lewis Grahams for easements across their property (see attached Agreement dated January 29, 2002), the water main along Schimmer Drive was moved to the north side of the road. This relocation added cost to the project. Per the agreement, the "...Grahams will be assessed not more than 50% of the additional cost to move the water mains to the north side of Schimmer Road...". The actual additional cost for installing the water main on the north side of Schimmer, rather than the south side, was \$28,064.22. Of this amount (1/2 of total), \$14,032.11 is due from the Grahams. The remaining one-half, is allocated, per the agreement, to the properties in District 437 in the Platte Valley Industrial Park. District 437 is assessed on a square footage basis.*

*Connection Fees: The connection (tap) fees are based on 8" diameter piping and appurtenances. Computations for the fees are figured by taking the total appropriate quantity of materials installed; divided by the total footage of the properties within the three "tap" districts (434T, 438T, and 439T) plus the Graham's property in WMD 437. This provides a connection fee of \$19.827694 per linear foot. The same applicable unit price was used for all districts.*

*Assessment Fees: Computation of fees within District 437 is based on the actual cost of construction, divided by the square footage of the subdivided properties. The basis of the assessable dollars is, the total amount of the work order, minus the connection fees from the Districts 438T, 439T, and the Graham's property within WMD 437. The assessments are computed at \$0.068052 per square foot.*

*434T Connection Fees:*

*Water work order (WWO) 21073 was opened for District 434T, along Schimmer Road. Of the district's total charges of \$233,019.89, the connection fees are \$99,642.08. There is \$133,377.81 in oversize costs, which are not figured in the district's fees. The over-sizing provides additional capacity in a loop supply to the Industrial Park. Oversize costs are paid by the Water Department.*

*437 Assessments and 438T and 439T Connection Fees:*

*Water work order (WWO) 20710, was opened for districts 437, 438T, and 439T located within the PVIP 3rd Subdivision, Schimmer Drive, and Wildwood Road. All charges to this work order are assessable, and amount to a total of \$544,593.59. This amount is proportionally distributed to the three districts.*

*As outlined above, most of the assessments for District 437 are based on square footage for the platted lots within this district. These square footage assessments total \$420,889.94. The assessment to the unplatted tract of land along Juergen Road, (owned by the Grahams), is \$13,700.16. This is based on their footage, times the connection fee, plus one-half of the special assessment associated with the extra cost to relocate the water main to the north side of Schimmer Drive per their request. The Grahams have an agricultural deferment for their assessment.*

*The connection fees for District 438T, (properties on the north side of Schimmer), total \$59,035.21. This includes the appropriate tap fee to the Graham's property within this*

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*district, plus the remaining one-half of their special assessment for relocating the main.*

*The connection fees for District 439T, (for properties along the south side of Wildwood), total \$50,968.28.*

***Recommendation:***

*It is recommended that the City Council sit as a Board of Equalization to determine benefits, special assessments, and connection fees for the properties within the boundaries of Water Main Districts 434T, 437, 438T, and 439T. Attached for reference are copies of the calculations, ownership records, legal descriptions, and plats.*

***Fiscal Effects:***

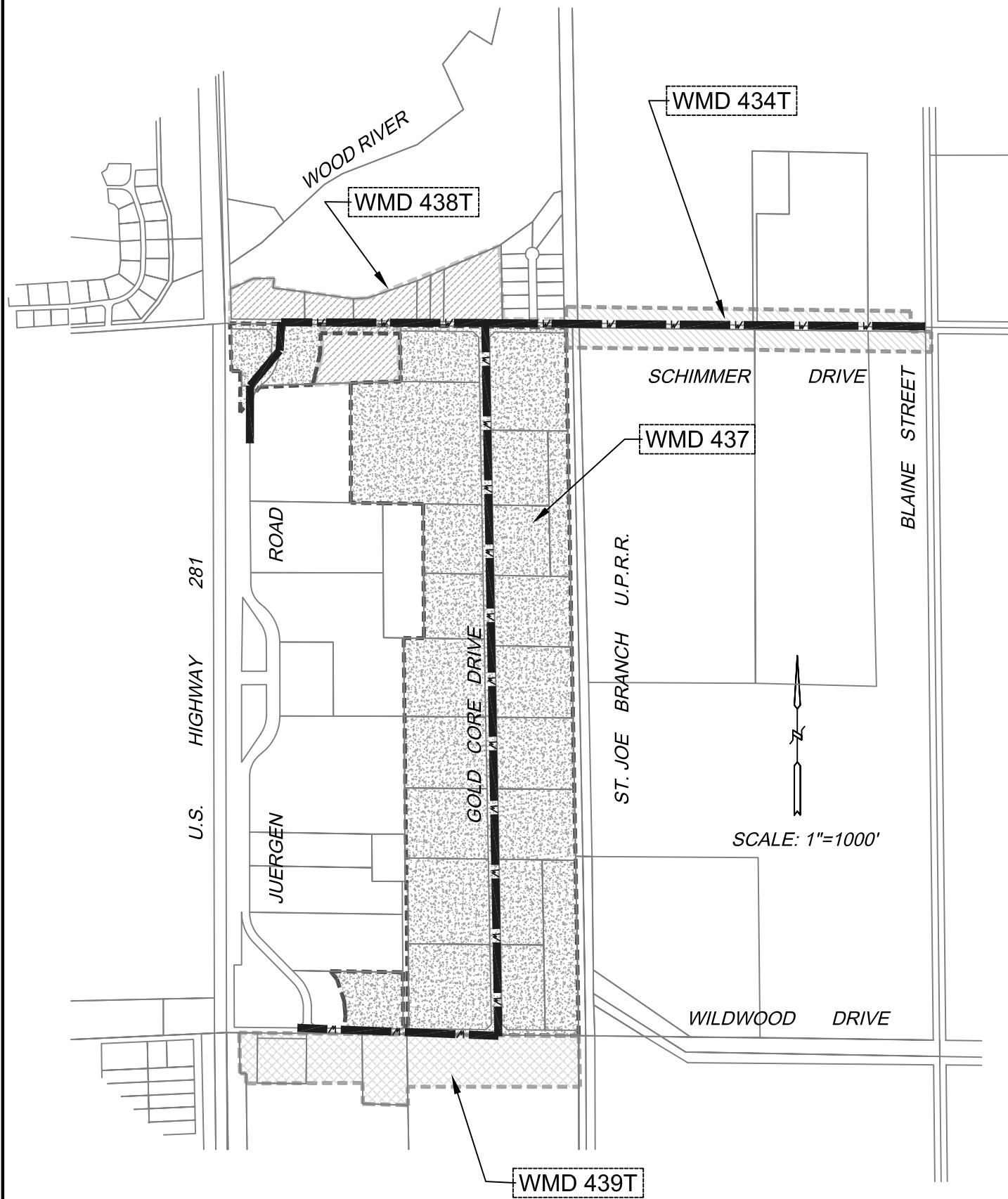
*Recover assessments and connection fees for the construction of the four water main districts: District 434T:*

*\$99,642.08, District 437: \$434,590.10, District 438T: \$59,035.21, District 439T: \$50,968.28, Total Recoverables: \$644,235.67, City Costs: \$133,377.81, TOTAL PROJECT: \$777,613.48.*

***Alternatives:***

*None recommended. See attached ORDINANCE.*

**Staff Contact: Gary R. Mader**





Graham File CP

## AGREEMENT

WHEREAS, the City of Grand Island, a municipal corporation in Hall County, Nebraska (hereinafter City) has negotiated with Louis E. Graham and Virginia B. Graham, husband and wife (hereinafter Graham, whether one or more), for a certain Sanitary Sewer Easement (hereinafter Easement) and Temporary Construction Occupancy (hereinafter Occupancy); and

WHEREAS, City and Graham have agreed to additional terms, conditions, and warranties which shall be binding upon City, including the location of a water main; boring of a sewer line under the residential property of Graham; "stop-loss" provisions for assessments, and allocation of assessments; and prohibition on future condemnation, egress and ingress; and

WHEREAS, the parties wish to set out their agreement in writing and therefore, in consideration of financial consideration paid to Graham and for other good and valuable consideration,

### IT IS AGREED BETWEEN THE PARTIES AS FOLLOWS:

1. Referring to the Plat marked as Exhibit "A" to the Easement and Occupancy, Grahams will be assessed not more than 50% of the additional cost to move the Water Lines to the north side of Schimmer Road and 66% of the additional cost to bore the Sewer Lines installed thereon, provided, however, that in no event shall such cost or assessments exceed 50% of the actual cost of the project, or \$25,000 on the Sewer Line and \$17,750 on the Water Line, whichever is less. Any additional special assessments or costs over and above the minimum amounts set forth above will not be assessed against the Graham property.
2. The Water Main to be constructed shall be placed on the north side of Schimmer Drive.
3. The Sanitary Sewer Line shall be installed by boring underground from the west boundary of the Graham residential property (defined as all Graham property east of the real estate described in the "Agreement for Temporary Construction Occupancy", Section One), the intention being that the surface of the Graham residential property shall not be disturbed; such boring shall be at sufficient depth so that the root structures of the trees on the property shall not be damaged. The foregoing shall take precedence over any contrary language in the Easement allowing the City a right of way upon, over, along, across or through the Graham residential property. \*
4. No earthwork shall be done, nor dirt, debris or tree storage shall be placed on the Graham residential property whatsoever. All dirt or other storage shall be on the property to the east of the Graham property or on the Occupancy.
5. City shall be prohibited from further condemnation, ingress, egress, installation of utilities or construction over the Graham residential real estate, other than for repair of post-construction infrastructure, as long as Louis E. Graham and/or Virginia B. Graham own or occupy the residential portion of their property as it currently exists, or as long as the property is used for agricultural purposes as currently exist. It is further agreed that inducive relief shall apply to a violation of this paragraph.

\* City shall design and install the Sanitary Sewer Line as far north of the south permanent 27 foot easement line as is possible considering safety and engineering concerns, so as to minimize damage or disruption of the real

6. Grahams, their successors and assigns, shall be granted an agricultural deferment of special assessments for infrastructure pursuant to Neb. Rev. Stat., §19-2429 until such time as the Grahams change the zoning or the use of their property described herein.

7. This agreement is to be considered as supplementary and complementary to the letter from the City of Grand Island to Attorney John R. Brownell dated October 18, 2001, the Sanitary Sewer Easement from the Grahams to the City and Agreement for Temporary Construction Occupancy between the Grahams and the City.

DATED: January 29, 2002

CITY OF GRAND ISLAND, NEBRASKA,  
A Municipal Corporation,

ATTEST:

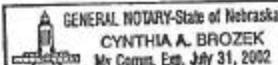
RaNaee Edwards  
RaNaee Edwards, City Clerk

By:

Ken Gnadt  
Ken Gnadt, Mayor

STATE OF NEBRASKA           )  
  ) ss.  
COUNTY OF HALL           )

The foregoing document was acknowledged before me on January 29, 2002, by Mayor Ken Gnadt of City of Grand Island, Nebraska, a Municipal Corporation, on behalf of the Corporation.

(Seal)  GENERAL NOTARY-State of Nebraska  
CYNTHIA A. BROZEK  
My Comm. Exp. July 31, 2002

Cynthia A. Brozek  
Notary Public

GRANTORS:

Louis E. Graham  
Louis E. Graham

Virginia B. Graham  
Virginia B. Graham

STATE OF NEBRASKA           )  
  ) ss.  
COUNTY OF HALL           )

The foregoing document was acknowledged before me on January 29th, 2002, by Louis E. Graham and Virginia B. Graham, husband and wife.

(Seal)  GENERAL NOTARY-State of Nebraska  
KATHLEEN K. O'KIEF  
My Comm. Exp. April 24, 2004

Kathleen K. O'Kief  
Notary Public

R E S O L U T I O N   2003-BE-5

BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, sitting as a Board of Equalization for Water Main District 434T, after due notice having been given thereof, that we find and adjudge:

That the benefits accruing to the real estate in such district to be the total sum of \$99,642.08; and

Such benefits are equal and uniform; and

According to the area of the respective lots, tracts, and real estate within such Water Main District No. 434T, such benefits are the sums set opposite the several descriptions as follows:

<u>Name</u>	<u>Description</u>	<u>Connection Fee</u>
Richard & Patricia Hartman	The southerly 150.0 feet of the SW1/4, SE1/4 of Section 32, T11N, R9W; except that portion occupied by Union Pacific Railroad ROW	25,762.12
Richard & Patricia Hartman	The southerly 150.0 feet of the westerly 274.9 feet of the easterly 424.9 feet of the SE1/4, SE1/4, Section 32, T11N, R9W	5,450.63
Richard & Patricia Hartman	The northerly 150.0 feet of the NW1/4, NE1/4, Section 5, T10N, R-9W; except that portion occupied by the Union Pacific Railroad ROW	25,762.12
Richard & Patricia Hartman	The northerly 150.0 feet of the westerly 391.9 feet of the easterly 424.9 feet of the NE1/4, NE1/4 of Section 5, T10N, R9W	7,770.47
Harold & Bonnie Hanssen, Willis & Sharon Hanssen, Norman & Thelma Hanssen, Hanssen Family Revocable Living Trust, Norman Hanssen Revocable Trust	The southerly 150.0 feet of the easterly 860.0 feet of the westerly 880.0 feet of the SE1/4, SE1/4 of Section 32, T11N, R9W	17,051.82
Harold & Bonnie Hanssen, Willis & Sharon Hanssen, Norman & Thelma Hanssen, Hanssen Family Revocable Living Trust, Norman Hanssen Revocable Trust	The northerly 150.0 feet of the westerly 880.0 feet of the NE1/4, NE1/4 of Section 5, T11N, R9W	17,448.37
Thelma L. Hanssen Revocable Trust	The southerly 150.0 feet of the westerly 20.0 feet of the SE1/4, SE1/4 of Section 32, T11N, R9W	396.55
<b>TOTAL</b>		<b>\$99,642.08</b>

Approved as to Form <input type="checkbox"/> _____ June 20, 2003 <input type="checkbox"/> City Attorney
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BE IT FURTHER RESOLVED that the special benefits as determined by this resolution shall not be levied as special assessments but shall be certified by this resolution to the Register of Deeds, Hall County, Nebraska, pursuant to Section 16-6,103, R.R.S. 1943. A connection fee in the amount of the above benefit accruing to each property in the district shall be paid to the City of Grand Island at the time such property becomes connected to the water main. No property benefited as determined by this resolution shall be connected to the water main until the connection fee is paid. The connection fees collected shall be paid into the fund from which construction costs were made to replenish such fund for the construction costs.

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Adopted by the City Council of the City of Grand Island, Nebraska, June 24, 2003.

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RaNae Edwards, City Clerk