



City Hall, 215 Sycamore St.
Muscatine, IA 52761-3840
(563) 262-4141
Fax (563) 262-4142

COMMUNITY DEVELOPMENT

**Planning,
Zoning,
Building Safety,
Construction Inspection Services,
Public Health,
Housing Inspections,
Code Enforcement**

MEMORANDUM

To: Mayor and City Council Members
Cc: Gregg Mandsager, City Administrator
From: Steven Boka, Director of Community Development
Date: August 5, 2013
Re: North Crescent Sanitary Sewer – Connection Fee

INTRODUCTION: An extension of the Mad Creek Sanitary Sewer intended to serve the annexed areas located north and between the intersections of Highways 38 & 61 is now complete and ready to serve the area.

BACKGROUND: The extension, hereinafter known as the North Crescent Sanitary Sewer (to reflect the planning district in which the improvement is located) was initiated as a part of the voluntary annexation agreement with Ripley Development Corporation and Ripley, Inc. An additional 605 acres of vacant land that was also annexed in this area will be identified as the North Crescent Sanitary Sewer Benefit Area.

To arrive at the fee that will permit the city to recapture the cost of this North Crescent Sanitary Sewer Project, the following calculations have been used:

TOTAL BENEFIT AREA:	605 Acres
TOTAL COST FOR SEWER CONSTRUCTION:	\$952,539.00
LESS PRIOR PAMENT BY RIIPLEY’S	\$400,000.00
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REMAINING COST TO BENEFIT AREA	\$552,539.00
BENEFIT CALCULATION FOR CONNECTION FEE: \$552,539 COST divided by 605 ACRES SERVED	
CONNECTION FEE:	\$913.00 per acre (rounded down)

RECOMMENDATION/RATIONALE: The connection fee will be collected by the City prior to issuance of the permit to connect. Furthermore, it is recommended that the City Council restrict any connections to this sewer to serve only property now within or voluntarily annexed in the future to the City of Muscatine.

It is recommended that the attached resolution approving the connection fee for the North Crescent Sanitary Sewer be approved.

BACKUP INFORMATION:

1. Resolution

"I remember Muscatine for its sunsets. I have never seen any on either side of the ocean that equaled them" — Mark Twain

RESOLUTION NO. _____

**A RESOLUTION APPROVING A SANITARY SEWER CONNECTION
FEE FOR THE NORTH CRESCENT SANITARY SEWER PROJECT IN
THE CITY OF MUSCATINE, IOWA**

WHEREAS, the City of Muscatine awarded the contract to Cornerstone Excavating, Inc. for the construction and installation of the North Crescent Sanitary Sewer, an extension of the Mad Creek Sanitary Sewer, to serve the area generally bounded by the property located between and north of the intersections of Highways 38 & 61 within the existing corporate limits of the City of Muscatine; and

WHEREAS, a sanitary sewer benefit area has been established and indicated on the attached Exhibit A for the purpose of establishing a connection fee for property development within the identified benefit area; and

WHEREAS, any future development outside the Exhibit A benefit area and requesting to connect to this sanitary sewer collection system will be subject to a minimum of the established fee and must be located within the corporate limits of the city to be eligible to receive sewer service; and

WHEREAS, the City's construction and installation costs for the North Crescent Sanitary Sewer less payments received by previous Agreement is \$552,539.00 with a future development area of 605 acres;

NOW, THEREFORE, BE IT RESOLVED, that the City Council for the City of Muscatine, Iowa charge a fee of \$913.00 per acre for connection to the North Crescent Sanitary Sewer. For development of property less than one-acre in size, the calculation shall be a pro-rated amount of the per-acre fee.

PASSED, APPROVED AND ADOPTED this ____ day of _____, 2013.

Attest:

DeWayne Hopkins, Mayor

Gregg Mandsager, City Clerk

EXHIBIT "A"

Date Source: Muscatine Area Geographic Information Consortium, City of Muscatine
Prepared by: Andrew Fangman, City Planner
Date: August 1, 2013

