

**CITY COUNCIL
COMMUNICATION:**

03-501

AGENDA:

OCTOBER 6, 2003

SUBJECT:

AGREEMENT FOR
THE PAYMENT OF
SANITARY SEWER
CONNECTION FEES
FOR CARMAN
ESTATES

TYPE:

RESOLUTION
ORDINANCE
RECEIVE/FILE

SUBMITTED BY:

JEB E. BREWER, P.E.
CITY ENGINEER

WILLIAM G. STOWE
PUBLIC WORKS
DIRECTOR

ITEM _____

**OFFICE OF THE CITY MANAGER
CITY OF DES MOINES, IOWA**

SYNOPSIS —

Agreement has been negotiated with Gerald D. Grubb (3301 - 106th Circle, Urbandale, Iowa, 50322-3740) for the payment of the Easter Lake Trunk Sanitary Sewer System connection fees on a phased basis for the development known as Carman Estates at Easter Lake Drive and Indianola Avenue.

FISCAL IMPACT —

\$323,306.32 plus interest over ten years. Revenues from this agreement will be deposited into the Wastewater Treatment Payment Account, Index Code 057364, Account No. 463510, Fund EN101, Organization PWK074007.

RECOMMENDATION —

Approval.

BACKGROUND —

The Easter Lake Trunk Sanitary Sewer System was designed to serve the properties lying on both sides of Easter Lake Drive from the east side of Indianola Avenue to the south branch of Easter Lake. One of the property owners in the service area, Gerald D. Grubb, has proposed a development called Carman Estates that includes 107.65 acres of land within the Easter Lake Trunk Sanitary Sewer Connection Fee area. The connection fee ordinance allows a developer to pay the connection fee on a phased basis under the condition that the City Council approves a Sewer Connection Fee Agreement and Covenant that defines the terms of the phased payments.

A Sewer Connection Fee Agreement and Covenant has been negotiated with Gerald D. Grubb, pursuant to which Gerald D. Grubb:

1. has agreed to pay at this time a connection fee in the amount of \$37,093.88 for the immediate connection of Lots 1 through 35 of Carman Estates, Plat 1 to the Easter Lake Area Trunk Sewers System; and
2. has agreed to pay the remainder of the connection fee attributable to Outlot X of said subdivision (\$286,212.44) as it develops, but in no event later than October 6, 2013, plus interest on said deferred connection fee amount at 9 percent per

annum, simple interest, which is the interest rate provided in the connection fee schedule for the Easter Lake Area Trunk Sewer Benefited District, Section 21-70.04(c) of the City Code; and

3. has agreed to secure this obligation by giving the City a lien against Outlot X.