



Council Communication

Office of the City Manager

Date	January 11, 2010
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Agenda Item No.	13
Roll Call No.	<u>10-</u>
Communication No.	<u>10-009</u>
Submitted by:	Jeb E. Brewer, P.E., City Engineer

AGENDA HEADING:

Resolution establishing fair market value of property owned by Burlington Northern Santa Fe Railroad for the Riverpoint Trunk Sewer Separation and Pump Stations Project.

SYNOPSIS:

Recommend approval of fair market value for property owned by the Burlington Northern Santa Fe Railroad (BNSF). This action establishes fair market value of property interests for the Riverpoint Trunk Sewer Separation and Pump Stations Project. State law requires this action before the City can proceed with an offer to purchase the necessary property interests under the threat of eminent domain. BNSF, 3017 Lou Menk Drive, Suite 100, Fort Worth, Texas, 76131, is the titleholder of commercial property located in the Riverpoint West area. Multiple property interests are required from BNSF for construction of this project, which have an estimated fair market value of \$12,000 for partial fee acquisition, permanent easement, and temporary easement, and \$74,500 for a remnant parcel at the southern end of the property which is created by the City's acquisition, all as determined by an independent appraiser.

FISCAL IMPACT:

Amount: \$86,500 plus closing costs (\$12,000 plus closing costs for a partial fee acquisition, permanent easement, and temporary easement; \$74,500 plus closing costs for the remnant parcel)

Funding Source: 2009-2010 CIP, Page Sanitary Sewer Improvements - 13, SAE123, Riverpoint Trunk Separation, and Pump Station, Sanitary Sewer Funds.

ADDITIONAL INFORMATION:

This project provides for construction of sanitary sewer and pump stations to provide sanitary sewer service for the redevelopment of the Riverpoint West Area that is bounded by the east-west portion of MLK Jr., Parkway on the north, S.W. Ninth on the east and the Raccoon River on the south and west. An existing 48" sewer that currently crosses the Riverpoint West area that was used to serve previous businesses in the area will be abandoned and removed. This project is included in the Long Term Control Plan that has been developed to eliminate Combined Sewer Overflows (CSO) as submitted to the Iowa Department of Natural Resources (IDNR) in compliance with the current National Pollutant Discharge Elimination System (NPDES) permit for the operation of the Wastewater Collection System.

On November 23, 2009, by Roll Call No. 09-2100, the City Council authorized acquisition of the necessary right-of-way and easements for this project. The City will need to acquire multiple property interests from BNSF, including a partial fee acquisition, permanent sanitary sewer easement, and

temporary construction easement. Furthermore, the acquisition of these property interests will eliminate access to the southern end of BNSF's remainder property, creating a remnant parcel for which just compensation must be offered in accordance with Iowa law. The property interests required from BNSF for this project have been appraised by an independent appraiser at \$12,000 for the partial fee acquisition, permanent easement and temporary easement, and \$74,500 for the south remnant, which brings the total appraised value of the property interests needed from BNSF for this project to \$86,500. This acquisition will not require relocation assistance.

PREVIOUS COUNCIL ACTION(S):

Date: November 23, 2009

Roll Call Number: 09-2100

Action: Authorization to proceed with acquisition of necessary right-of-way and easements for the Riverpoint Trunk Sewer Separation and Pump Stations project. (Council Communication No. 09-821) Moved by Coleman to adopt. Motion Carried 7-0.

Date: November 10, 2008

Roll Call Number: 08-1941

Action: Approving Professional Services Agreement with Snyder and Associates, Inc. for design and construction phase services for the Riverpoint Trunk Sewer Separation and Pump Station, not to exceed \$408,550. (Council Communication No. 08-668) Moved by Mahaffey to adopt. Motion Carried 5-2.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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