

COUNCIL COMMUNICATION

	Number:	20-276	Meeting:	June 22, 2020
	Agenda Item:	8	Roll Call:	20-0976
	Submitted by:	Steven L. Naber, P.E., City Engineer		

AGENDA HEADING:

Approval of Amendment No. 2 of the Agreement between the Flood Mitigation Board and the City of Des Moines, Iowa and the Des Moines Metropolitan Wastewater Reclamation Authority (WRA) and the Fourth Amendment to the 28E agreement by and between the City of Des Moines, Iowa and the Des Moines Metropolitan Wastewater Reclamation Authority for the Joint Application for administration and funding of a Project Plan pursuant to the Iowa Flood Mitigation Program.

SYNOPSIS:

Recommend approval of Amendment No. 2 of the Agreement between the Flood Mitigation Board and the City of Des Moines, Iowa and the Des Moines Metropolitan Wastewater Reclamation Authority (WRA) and the fourth amendment to the 28E agreement by and between the City of Des Moines, Iowa and the Des Moines Metropolitan Wastewater Reclamation Authority for the Joint Application for administration and funding of a Project Plan pursuant to the Iowa Flood Mitigation Program.

FISCAL IMPACT: NONE

ADDITIONAL INFORMATION:

- On June 22, 2015 by Roll Call No. 15-1093, the City Council approved the Agreement between the Flood Mitigation Board, the City and WRA Approving the Application of the City and WRA for the Use of Sales Tax Revenues for the State of Iowa Flood Mitigation Program for the Des Moines-WRA Flood Mitigation Project.
- On July 25, 2016, by Roll Call No. 16-1187 the City Council approved the Amendment No. 1 to the Agreement. This Amendment transferred \$2,500,000 in FY2016 and \$1,000,000 in FY2017 in sales tax increment funding to the City of Des Moines and WRA from the City of Coralville. The City of Des Moines and WRA would then transfer the corresponding amount to the City of Coralville in FY2018-FY2020. The total amount (\$111,100,273) of sales tax increment funding for the City of Des Moines and WRA remained unchanged.
- Since the approval of the agreement between the Flood Mitigation Board and the City and WRA, the City and WRA has received \$30,254,490 in sales tax increment funding. Due to projected tax increment shortfalls for other program member cities (Cedar Rapids, Dubuque, Iowa City, Coralville, and Cedar Falls) a request was made to the City of Des Moines and WRA to adjust funding in future years. This Amendment No. 2 will increase the City and WRA funding for FY2033 by \$1,130,267.58 and reduce funding for FY2034 and FY2035 by the

corresponding total amount. The total amount (\$111,100,273.00) of sales tax increment funding for the City of Des Moines and WRA remains unchanged. This will result in a finance savings estimated to be approximately \$40,000 to \$70,000.

- On June 8, 2020, the Flood Mitigation Board approved the corresponding requests for the City of the City of Des Moines and WRA and the other program member cities.

EXHIBIT B (Amendment No. 2)					
DSM/WRA					
Flood Mitigation Program					
SALES TAX USE PROJECTIONS					
YEAR	ORIGINAL REMITTANCE 06/30/2015	approved	AMENDMENT #1 REMITTANCE 07/01/2016	approved	AMENDMENT #2 REMITTANCE Proposed
2014	\$	-	\$	-	\$ -
2015	\$	-	\$	-	\$ -
2016	\$	9,954,364.00	\$	12,454,364.00	\$ 12,454,364.00
2017	\$	6,157,182.00	\$	7,157,182.00	\$ 7,157,182.00
2018	\$	5,691,954.00	\$	4,220,931.00	\$ 4,220,931.00
2019	\$	4,246,243.00	\$	2,775,220.00	\$ 2,775,220.00
2020	\$	4,204,747.00	\$	3,646,793.00	\$ 3,646,793.00
2021	\$	4,100,179.00	\$	4,100,179.00	\$ 4,100,179.00
2022	\$	3,884,705.00	\$	3,884,705.00	\$ 3,884,705.00
2023	\$	3,726,214.00	\$	3,726,214.00	\$ 3,726,214.00
2024	\$	3,549,750.00	\$	3,549,750.00	\$ 3,549,750.00
2025	\$	3,414,434.00	\$	3,414,434.00	\$ 3,414,434.00
2026	\$	3,300,942.00	\$	3,300,942.00	\$ 3,300,942.00
2027	\$	3,151,191.00	\$	3,151,191.00	\$ 3,151,191.00
2028	\$	2,939,276.00	\$	2,939,276.00	\$ 2,939,276.00
2029	\$	2,772,786.00	\$	2,772,786.00	\$ 2,772,786.00
2030	\$	2,606,680.00	\$	2,606,680.00	\$ 2,606,680.00
2031	\$	5,502,608.00	\$	5,502,608.00	\$ 5,502,608.00
2032	\$	5,118,012.00	\$	5,118,012.00	\$ 5,118,012.00
2033	\$	6,779,006.00	\$	6,779,006.00	\$ 7,909,273.58
2034	\$	15,000,000.00	\$	15,000,000.00	\$ 14,434,866.21
2035	\$	15,000,000.00	\$	15,000,000.00	\$ 14,434,866.21
TOTAL	\$	111,100,273.00	\$	111,100,273.00	\$ 111,100,273.00

- Due to the this Second Amendment, funding in future years payable through FY 2035 and one (1) fiscal year beyond FY 2035, which requires the extension of the duration of the Agreement between the WRA and the City.

PREVIOUS COUNCIL ACTION(S):

Date: July 25, 2016

Roll Call Number: [16-1187](#)

Action: [Approving](#) Amendment Number One to the Agreement with the Flood Mitigation Board and the Des Moines Metropolitan Wastewater Reclamation Authority (WRA). ([Council Communication No. 16-412](#)) Moved by Hensley to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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