

CITY COUNCIL STUDY SESSION

TO: Mayor and City Council
FROM: Mari E. Macomber, City Manager
SESSION DATE: May 5, 2014
TIME: 4:30 pm
PLACE: EDA Building – 315 South Franklin

AGENDA:

- **PRESENTATION FROM MISSOURI PARTNERSHIP**
- **ANNEXATION EVALUATION**
- **FUTURE STUDY SESSION ITEMS**
- **REVIEW CITY COUNCIL AGENDA**
- **REVIEW CITY COUNCIL NEWSLETTER – April 30, 2014**

PRESENTATION FROM MISSOURI PARTNERSHIP

Christopher Chung, President and CEO of the Missouri Partnership will be in attendance at the City Council Study Session May 5th. Mr. Chung will discuss the process companies use to select locations for new facilities, or expand existing ones, as part of the overall process of economic development.

KREDI is one of many partner organizations that work with the Missouri Partnership. Included for your review is a list of all the partners.

The Missouri Partnership, in close collaboration with the Missouri Department of Economic Development, as well as regional and local economic development organizations around the state, spearheads Missouri's global effort to attract new industry and jobs to the state's communities. Chung joined the Missouri Partnership as the public-private, non-profit corporation's first President and CEO in 2007. Chung directs the Partnership's efforts to market Missouri for new business investment and recruit new employers to the state.

ANNEXATION EVALUATION

In March, the City Council discussed two potential areas for annexation directing staff to evaluate both areas in conjunction with the City's Annexation Policy.

Area 1 – is a trailer park on Potter Avenue.

Area 2 – is a small subdivision off of Highway 11 west and consists of about ten homes.

Based on the City's Annexation Policy, the City will focus on the following areas when considering a proposed annexation.

- A. The City shall pursue an annexation program that adds to the economic stability of the city, protects and enhances its quality of life, and protects its environmental resources.
- B. The City shall use annexation as a tool for the protection of valuable natural resources such as the Hazel Creek and Forest Lake Watersheds.
- C. The City shall use annexation as a tool to establish environmental practices that will eliminate over-the-hill sewage systems, establish storm water management; and ensure that the groundwater of Kirksville is protected and preserved.
- D. The City shall use annexation as a way to control the type, quality, and location of development in areas currently outside the city limits guiding the growth in the extra-territorial jurisdiction by focusing infrastructure spending in less environmentally sensitive areas and into preferred growth corridors.

The recently adopted Comprehensive Plan states, "Accessibility to the sewer system and access to some locations will be issues that the City will need to contend with and plan for in the future." In both of these annexation areas, it is access to sewer that has encouraged the exploration of annexation.

Both of these areas fall under one or more of the guidelines in the Annexation Policy and frankly are considering options to meet Department of Natural Resource standards for wastewater. Public Works Director Alan Griffiths and Utility Maintenance Supervisor Dennis Snyder evaluated the existing condition of the water infrastructure within the trailer park. They were concerned that the size of the lines were inadequate to meet city requirements and would need to be upsized to provide sufficient fire flows. Consultant John Buckwalter was asked to review the subdivision.

Due to the City's plans to extend sewer service to the water treatment plant, the owners of the trailer park can access the sewer directly. It is recommended that the City offer the owners an extraterritorial agreement (see ordinance on page 11) giving them the go ahead to connect into the City's sewer system at their own expense so long as the City approves their plans, installation and connection to the system. The Council may also want to require the owners to voluntarily annex into the City in the future. This would be an agreement similar to ones we have had in the past with other property owners outside the city limits.

The second area reviewed by Mr. Buckwalter is more complicated. Included with this Study Session cover is a report from John explaining the various options he has evaluated. The Cost to provide sewer to this area varies with the most expensive exceeding the assessed valuation of all of the property in the subdivision. Staff will be meeting with a couple of representatives from this area on Monday to review the results. We want to visit with the Council on Monday to share that conversation and discuss possible options for consideration.

FUTURE STUDY SESSION ITEMS

This is an opportunity for the City Council to review what has been discussed, what is planned for future meetings and to add items of interest.

REVIEW COUNCIL AGENDA

REVIEW COUNCIL NEWSLETTER – April 30, 2014

Attachments

- Missouri Partnership Information – pgs 4 – 8
- Annexation Study Session Report – pgs 9 - 10
- Extraterritorial Sewer Rates – pg 11
- Study Session Topics – pgs 12 - 13

Missouri Partnership

What They Do

For many business leaders, relocation or expansion is a once-in-a-lifetime experience. So the more trust you can put in your team, the better. Missouri Partnership's recruiters work as part of your team at any stage of a project. Free services include:

- Vetting available sites
- Locating new or existing buildings
- Compiling information on communities and workforce
- Determining eligibility for business incentives
- Coordinating labor training
- Identifying utility availability and costs
- Facilitating meetings with state government agencies and potential strategic partners.

Through a comprehensive network of economic development [partners](#) located throughout the state, our recruitment team can also put you in contact with proven service providers in construction, engineering, legal and accounting services. And, once you are ready for a site visit, we will help identify optimal locations, arranging transportation and accompanying you on your visit, all the while ensuring the highest standards of confidentiality for your project. After your visit, we will promptly follow up with local representatives to answer any outstanding questions or issues.

Partners

The Missouri Partnership is not the only organization working to make Missouri a destination your business wants to call home. Take a look at the many local and regional partners working to make Missouri stronger.

Regional Economic Development Marketing Partners:

Cape Area MAGNET

Central Missouri Economic Development Alliance

East Central Missouri Development Association

Fort Leonard Wood Region

Joplin Regional Partnership

Kansas City Area Development Council

Mid-South Economic Development Alliance

Missouri Core Partnership

Northeast Missouri Development Partnership

Northwest Missouri Roundtable of Economic Developers

Ozark Heritage Region

Springfield Regional Partnership

St. Louis Regional Chamber

Local Economic Development Partners:

City of Albany
City of Arnold
Atchison County Economic Development Corporation
City of Aurora
City of Ava
City of Ballwin
Bates County
City of Bethany
Blue Springs Economic Development Corporation
Bolivar Area Chamber of Commerce
Boonslick Regional Planning Commission
City of Boonville
Bootheel Area Regional Planning and Economic Development Commission
Branson Lakes Area Chamber of Commerce
Brookfield Chamber of Commerce
City of Cabool
City of Camdenton
Camdenton Area Chamber of Commerce
City of Cameron
City of Cape Girardeau
City of Carl Junction
Carthage Chamber of Commerce
City of Caruthersville
Cass County Corporation of Economic Development
Cassville Area Chamber of Commerce
City of Centralia
City of Charleston
City of Chesterfield
Chillicothe Development Corporation
Clay County Economic Development Council
City of Clayton
City of Clinton
Columbia REDIRegional Economic Development, Inc.
City of Creve Coeur
City of Cuba
City of Desloge
Dexter Chamber of Commerce
City of East Prairie
El Dorado Springs
Eldon Chamber of Commerce
City of Ellisville
Eminence Chamber of Commerce
City of Excelsior Springs
City of Farmington
City of Fayette
City of Ferguson

City of Festus
City of Florissant
Fulton Area Development Corporation
City of Gladstone
City of Granby
City of Grandview
City of Grain Valley
Grain Valley Chamber of Commerce
The Green Hills Regional Planning Commission
City of Hannibal
City of Harrisonville
City of Hazelwood
City of Hermann
City of Higginsville
Independence Economic Development
City of Jackson
Jefferson City Chamber of Commerce
Johnson County Economic Development Corporation
Joplin Area Chamber of Commerce
The Economic Development Corporation of Kansas City
Greater Kansas City Chamber of Commerce
Kearney Area Development Council
Kennett Chamber of Commerce
Kirksville Regional Economic Development, Inc.
City of Kirkwood
City of Knob Noster
City of Lamar
City of Lebanon
Lebanon Regional Economic Development, Inc.
City of Lee's Summit
Lee's Summit Economic Development Council
Lewis County Industrial Development Authority
Liberty Economic Development Corporation
Lincoln County
Macon County Economic Development Corporation
City of Malden
Marshall-Saline Development Corporation
City of Maryland Heights
City of Maryville
Meramec Regional Planning Commission
City of Mexico
Moberly Area Economic Development Corporation
Monett Chamber of Commerce
Monroe City
Montgomery City
City of Mt. Vernon
Mountain Grove Chamber of Commerce
City of Mountain View

City of Neosho
Neosho Chamber of Commerce
Nevada Missouri Economic Development
City of New Madrid
City of Nixa
City of North Kansas City
North County Incorporated
Northeast Missouri Economic Development Council
Northwest Missouri Regional Council of Governments
City of Odessa
City of O'Fallon
City of Ozark
Ozark Foothills Regional Planning Commission
City of Park Hills
City of Pacific
Perry County Economic Development Authority
Platte County Economic Development Council
City of Pleasant Hill
City of Piedmont
Pike County Development Authority
Poplar Bluff Industries
City of Raymore
Raytown Chamber of Commerce
City of Republic
City of Richland
City of Richmond
Rolla Regional Economic Commission
City of Rolla
City of St. Ann
City of Saint Charles
Economic Development Center of St. Charles County
City of St. Clair
St. Joseph Area Chamber of Commerce
St. Joseph Missouri Economic Development
St. Louis Economic Development Partnership
St. Louis Development Corporation
Ste. Genevieve Chamber of Commerce
City of St. Peters
City of Salem
City of Savannah
Schuyler County
Economic Development Sedalia-Pettis County
City of Seymour
City of Shelbina
Shelby County Development Corporation
City of Sikeston
City of Smithville
Southeast Missouri Regional Planning and Economic Development Commission

Stoddard County Industrial Development Authority
City of Sullivan
Taney County Business Development Partnership
Troy Area Chamber of Commerce
City of Union
University City
City of Vandalia
City of Warrensburg
City of Warrenton
City of Warsaw
Washington Missouri Community and Economic Development
Webster Groves
City of Wentzville
City of West Plains
City of Wildwood
City of Willow Springs
Washington County Economic Development
Wright City
Wright County Industrial Development

Other Supporting Partners:

Ameren
Associated Electric Cooperative, Inc
Electrical Connection
Empire District Electric Co.
Kansas City Power and Light
Laclede Gas
Missouri Enterprise
MU Office of Economic Development
Wind Capital Group

KIRKSVILLE CITY COUNCIL STUDY SESSION ATTACHMENT

SUBJECT: Annexation, South Business Highway 63

STUDY SESSION MEETING DATE: May 5, 2014

CITY DEPARTMENT: Public Works

PREPARED BY: John R. Buckwalter, PE

BACKGROUND: The City Manager asked that I review the proposed voluntary annexation of property West of and adjoining Business Highway 63 from the current City limits to Eagle Trail, including and focusing on the Burk Subdivision.

DISCUSSION: The area considered for annexation extends from the current southern City limit, then south along Baltimore/Business 63 to the north right of way of Eagle Trail. It would extend west from Baltimore roughly 1000 feet from the current city limit to highway 11, then would include all of the area platted as Burk Subdivision south of highway 11. The entire area includes 28 parcels and 398 acres, including one parcel of 199 acres. If only the eastern 10 acre portion of that parcel with highway frontage is included, the area is reduced to 209 acres. The parcels include TH&N Electric, Jepson Lumber, the former Bear Creek Apartments, and the Burk Subdivision.

This review was initiated at the request of members of the Burk Subdivision Homeowners Association. The subdivision uses a three cell lagoon for wastewater treatment. This lagoon is permitted by the Missouri Department of Natural Resources. The current permit was issued on December 2, 2011 and expires on December 1, 2016. The permit established new limits for the discharge from the lagoon which must be met by December 2, 2014. The lagoon is not able to meet these limits, and the homeowners desire to annex into the City for sanitary sewer service.

Property owners in the area, other than those in Burk Subdivision, are typically on large parcels with individual sanitary sewer disposal systems, and have little incentive to annex. There are only two residential parcels in the area outside Burk Subdivision. For a more detailed review the focus was changed to only the Burk Subdivision.

The minimum annexation would include 14 parcels, with 11 residences, totaling 62.7 acres. The minimum annexation includes only 15% of the area of the larger annexation, but includes almost 70% of the assessed value. The assessed value of the minimum annexation is just over \$590,000.

Several options for sewer service for the subdivision were reviewed:

1 - Existing: Gravity collection system to three cell lagoon. Average discharge 3200 gpd. Design discharge 11,200 gpd. New limits must be met by Dec 2, 2014, BOD 45/TSS 70/Ammonia as N 1.4. Lagoons do not provide nutrient removal, and will not meet the new limits.

2 - Lift Station: Construct 10,000 gpd lift station at outfall to gravity system, pump by force main to city system. Possible connection points are Doyle Way (4200 feet), WWTP (5500 feet), or Dept of Conservation line (5950 feet). The estimate to construct a lift station similar to those used in the Route P annexation is \$272,750.

3 - Extend Gravity Line: Extend gravity mains from current end at head of lagoon to WWTP generally following tributary to Bear Creek. 5500 feet 16 manholes and bore and case under Business 63. Grade may be minimum, and there are significant environmental concerns with working near stream bed and possible flood plain. The cost of constructing a gravity main is estimated to be at least \$580,000.

4 - Individual Septic Tanks: Install individual septic tanks and leach fields at each home. Many lots are less than 3 acres, and soils will probably not pass a perk test.

5 - STEP to lagoon: Install individual septic tanks for solids removal. Use septic tank effluent pump system to pump liquids to lagoon for final treatment. May not meet Nitrogen removal standards. Each residence would have a cost of \$3400 for tank and pump. Collection system to lagoon would be reconfigured and used to transport effluent.

6 - Package plant at subdivision: Install 10,000 gpd package treatment plant at subdivision, discharge to current outfall of lagoon system. May not meet nitrogen removal standard. The estimate for a package plant, with tertiary treatment, installed is \$250,000. Operating and maintenance costs would have to be added to the capital investment.

The individual treatment systems do not meet City policy, and would not be considered options for the area if annexed. The cost of providing sewer service for just the minimum annexed area would be at least \$250,000 or \$22,727 per existing home.

Annexation normally includes provision of all City utilities and services. The cost of bringing the water distribution system up to City standards would be \$330,000. The cost of improving the streets to minimum usable condition with open ditches would be \$60,000, and the cost to provide curb and gutter and pavement to meet city standards would be between \$250,000 for asphalt pavement to \$330,000 for concrete pavement.

Revenue from the annexed area will not meet expenses. Based on the current tax rate of \$.6824/\$100 tax revenue from the minimum annexation would be \$5000 per year. Revenues from water and sewer user fees would be \$13,000 per year.

CONCLUSION: It is not in the City's best fiscal interest to annex the area along South Baltimore/Business 63 at this time.

Sec. 25-113. "Sewer customers located outside the corporate limits of the city shall pay one hundred fifty (150) percent of the applicable sewer volume charge for the same customers inside the city limits, regardless of whether the sewer use fee is assessed on a basis of actual water consumption, an annually adjusted flat fee as provided herein, the addition of excess use charges as provided herein, or other method as so determined. The minimum charge shall be one hundred fifty (150) percent of the city customer rate for usage which does not exceed two hundred (200) cubic feet of water per month. Effective January 1, 2008, in addition to the applicable volume charge, each of these city sewer customers will be assessed the monthly service availability fee as outlined in section 25-113."

2014 Study Session Topics

Completed Topics

- Public Works Director's Report – 1/6
- Pseudoephedrine – 1/6
- No Study Session / Council Meeting – 1/20
- State of the City – 2/3
- No Study Session/ Council Meeting – 2/17
- MPO Program Update – 3/3
- Annual Report from Kirk Tran Report – 3/3
- Airport Fuel Program – 3/3
- Review of Financial Policies – 3/17
- Purchasing and Bad Debt
- Review of Parks and Recreation Fees – 3/17
- Annexation Discussion and Policy – 3/17
- Wellness Report – 4/7
- Idea Generation for North Park Complex – 4/7
- Plan to Generate Interest in Façade Program – 4/7
- Dog Park Update – 4/7
- 2014 Transportation Plan – 4/7
- Bear Creek Presentation – 4/21
- Comprehensive Plan – 4/21
- Report of Services from Public Works – 4/21
- Easement Use and Catering Truck – 4/21

Topics in Process

- Presentation from Missouri Partnership – 5/5
- Annexation Evaluation – 5/5
- Future Study Session Topics – 5/5

Future Topics

- Tour of NEMO Health Council
- Parking Tickets and Other Traffic Violations – 5/19
- Report of Services from Emergency Personnel – 5/19
- E-911 Program and Partnership – 5/19
- Traffic Signal Report – 5/19
- Review Long Term Plans to Establish Priority Goals – 6/2
- Demolition Project Update – 6/2
- Storm Drain Policy – 6/2
- Lot Split Purpose, Policy, Process – 6/2
- Review Dog Park Design – 6/16
- WWTP Requirements and Plant Design Update – 6/16
- Historic Preservation Funding Program – 7/7
- Airport Report – 8/4
- Vehicle Replacement Program – 8/4
- No Study Session / Council Meeting – 9/1
- Planning Meeting – 9/15
- Central Garage Evaluation – 9/15
- Meeting with MoDOT District Engineer
- Utility Rate Review – 11/3
- Budget Review – 11/17