



Department Source: City Utilities - Sewer/Stormwater

To: City Council

From: City Manager & Staff

Council Meeting Date: May 20, 2024

Re: Authorizing a Sewer Extension Agreement with Setzer Properties, LLC to serve property on the east side of Route Z, north of Interstate 70.

## Executive Summary

Staff has prepared for Council consideration an ordinance authorizing the City Manager to execute a Sewer Extension Agreement with Setzer Properties, LLC in accordance with Section 22-229 of the City Code of Ordinances. This agreement provides for construction of a sanitary sewer extension along the North Fork of the Grindstone Creek to serve a proposed development on the east side of Route Z, north of Interstate 70, see attached Exhibit A, Proposed Sewer. The developer's design professional has estimated the sewer extension will cost approximately \$1,488,795 and all costs will be paid for by the developer. The agreement provides for potential reimbursement of these costs through project connection fees charged to other properties that connect to the sewer in accordance with Section 22-229 of the City Code.

## Discussion

Setzer Properties plans to construct a trucking facility east of Route Z and north of Interstate 70, near the American Outdoor Brands facility. The developer requires public sanitary sewer service in order to move forward with the project. This sewer extension would require the sewer to cross multiple properties that are not in control of the developer. The developer would like to complete the sewer extension as quickly as possible. The Sewer Utility does not currently have funding identified in the Capital Improvement Plan for this sewer extension. The developer and City staff propose to construct the sewer extension in accordance Section 22-229 of the City Code of Ordinances, a copy of this section of the City Code is attached.

Section 22-229 of the Code allows the city to enter into agreements with property owners, for sewer extensions where the owner extends city sewers to serve their property. The sewer must be constructed to city specifications and the developer pays all costs for design, easement acquisition, and construction. In the future, when other properties are connected to the sewer, the city agrees to charge an additional connection fee and pay this fee to the developer that constructed and paid for the sewer. The additional connection fee is proportional based on the actual project cost and the area of the property to be connected relative to the total watershed area served by the sewer extension. This allows the developer an opportunity to recover the cost of construction from other properties benefitting from the sewer extension.. The additional connection fees are collected for a period not to exceed 20 years. The agreement requires the City to assist with easement acquisition if necessary.



Since the Columbia Wastewater Treatment Plant was constructed and placed in service in 1983, more than 100 sewer treatment facilities have been removed from service and connected to the City's Wastewater Treatment Plant. This reduced discharges into local streams and improved the water quality of local streams.

Grindstone Creek is currently listed on the 303(d) list of impaired streams due to bacteria. Construction of this sewer extension would not only provide public sewer for this proposed development, it would also allow for existing facilities that discharge to Grindstone Creek to be removed from service, improving water quality of the stream. This continues the city's decades long efforts to improve the water quality of local streams by regionalization of sewer treatment. Additionally it will help to achieve the goals of the city's Integrated Management Plan for Wastewater and Storm Water that was adopted by Council in 2018. The proposed sewer extension is shown on Exhibit A, Proposed Sewer. Construction of the proposed sewer includes approximately 6800 feet of 8 inch to 12 inch diameter sewer. The developer's design professional has estimated the cost to be approximately \$1,488,795 and all costs will be paid for by the developer.

This agreement is beneficial to both the City and the property owner. It will allow for public sewer to be provided in a timely manner with all costs funded by the property owner. The property owner has the potential to recover the expense in the future. It expands the city sewer infrastructure at no cost to rate payer. It assists in continuing the goals of improving water quality of local streams.

## Fiscal Impact

Short-Term Impact: All costs associated with this agreement are paid by the developer.  
Long-Term Impact: There are no costs for maintenance of the sewer anticipated for at least five years. Routine cleaning is including in the annual operation budget for the sewer division.

## Strategic & Comprehensive Plan Impact

### Strategic Plan Impacts:

Primary Impact: Reliable Infrastructure, Secondary Impact: Not Applicable, Tertiary Impact: Not Applicable

### Comprehensive Plan Impacts:

Primary Impact: Infrastructure, Secondary Impact: Environmental Management, Tertiary Impact: Not Applicable



# City of Columbia

701 East Broadway, Columbia, Missouri 65201

## Legislative History

Date	Action
None	None

## Suggested Council Action

Approve the ordinance.