CITY OF WEST DES MOINES
CITY COUNCIL MEETING COMMUNICATION

DATE: January 21, 2020

ITEM:

Motion – Approving Purchase of Wetland Credits (White Fox Mitigation Bank)
Raccoon River Basin Segment 5 Sewer

FINANCIAL IMPACT:

The cost of purchasing forested wetland credits from the White Fox Mitigation Bank is $172,500.00 for 2.30 credits. It is anticipated that an additional 1.15 acres of forested wetland credits will become available in the White Fox Mitigation Bank in Summer 2020 at a cost of $86,250.00. City Staff would like City Council approval to purchase a maximum of 3.45 acres of forested wetland credits from the White Fox Mitigation Bank at a total cost not-to-exceed $258,750.00. All costs for these credits can be paid from account no. 640.000.000.5250.495 with ultimate funding intended to come from Sanitary Sewer Fee Revenue.

BACKGROUND:

Due to the displacement of existing forested wetlands (equivalent to 2.63 acres) anticipated as part of the Raccoon River Basin Segment 5 Sewer project, the City of West Des Moines is required by Federal Law to relocate the displaced forested wetlands. Rather than construct new forested wetlands, the City is able to purchase credits from an approved mitigation bank for forested wetlands, which are constructed and maintained by a third party. In the recent past, the City has been purchasing emergent wetland credits from the Voas Mitigation Bank in Dallas County, but forested wetland credits are handled differently, thus the need to identify a different mitigation bank. City Staff have negotiated the attached Purchase Agreement with White Fox Farms, LLC in Wright County for the reservation of 2.30 forested wetland credits, which exhausts the credits available to date. This will allow the City to proceed with the construction of the lift station and forcemain portions of the Raccoon River Basin Segment 5 Sewer project. In order to obtain approvals to proceed with the construction of the gravity sewer portion of the Raccoon River Basin Segment 5 Sewer project, an additional 0.33 acres of forested wetland credits are needed. An additional 1.15 acres of forested wetland credits are to become available in Summer 2020. City Staff recommend purchasing all available credits, which would leave approximately 0.82 acres of forested wetland credits available for future use. City Staff recommend execution of the attached Purchase Agreement for the purchase of 2.30 acres of forested wetland credits from the White Fox Mitigation Bank at a cost of $172,500.00 and approval to authorize the City Engineer to execute a future Purchase Agreement for the purchase of an additional 1.15 acres of forested wetland credits from the White Fox Mitigation when they become available at a total additional cost not-to-exceed $86,250.00.

OUTSTANDING ISSUES: None.

RECOMMENDATION:

City Council Adopt:

- Motion Approving Purchase of Wetland Credits (White Fox Mitigation Bank).

Lead Staff Member: Brian J. Hemesath, P.E., City Engineer BJH

STAFF REVIEWS

Department Director	Brian J. Hemesath, P.E., City Engineer
Appropriations/Finance	Tim Stiles, Finance Director
Legal	Richard Scieszinski, City Attorney RJS
Agenda Acceptance	

PUBLICATION(S) (if applicable)

Published In	
Dates(s) Published	

SUBCOMMITTEE REVIEW (if applicable)

Committee	Public Services		
Date Reviewed	January 13, 2020		
Recommendation	Yes	No	Split

January 2, 2020

White Fox Farms, LLC
2839 Madison Avenue
Clarion, Iowa 50525

PURCHASE AGREEMENT

City of West Des Moines
Brian Hemesath
4200 Mills Civic Parkway
P.O. Box 65320,
West Des Moines, Iowa 50265

Re: CEMVR-OD-P- 2019-966 and CEMVR-OD-P-2019-1343

White Fox Farms, LLC (White Fox) owns and operates the White Fox Mitigation Bank legally described as follows:

> A PARCEL OF LAND LOCATED IN THE SOUTHWEST QUARTER OF SECTION 12, TOWNSHIP 90 NORTH, RANGE 25 WEST OF THE 5TH P.M., WRIGHT COUNTY, IOWA, MORE PARTICULARLY DESCRIBED AS FOLLOWS: REFERRING TO THE SOUTHEAST CORNER OF THE SOUTHWEST QUARTER OF SAID SECTION 12, THENCE S89°36'59"W (ASSUMED BEARING) ON THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 12, 1008.88 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING S89°36'59"W ON SAID SOUTH LINE, 1064.79 FEET; THENCE N00°22'08"E, 847.53 FEET; THENCE N26°15'09"E, 1216.76 FEET; THENCE N60°34'13"E, 85.00 FEET; THENCE N37°19'29"E, 195.25 FEET; THENCE N00°25'57"W, 516.56 FEET TO THE NORTH LINE OF SAID SOUTHWEST QUARTER; THENCE N89°36'38"E ON SAID NORTH LINE, 1315.65 FEET TO THE NORTHEAST CORNER OF SAID SOUTHWEST QUARTER; THENCE S00°33'32"E ON THE EAST LINE OF SAID SOUTHWEST QUARTER, 1876.50 FEET; THENCE S86°25'41 "W, 587.59 FEET; THENCE S66°50'59"W, 444.44 FEET; THENCE S00°37'49"W, 566.44 FEET TO THE POINT OF BEGINNING. CONTAINING 90.29 ACRES, MORE OR LESS.

White Fox Mitigation Bank is operating in accordance with the Federal Guidance for the Establishment, Use and Operation of Mitigation Banks; Notice published in the Tuesday, November 28, 1995 Federal Register, Volume 60, No. 228.

The White Fox Mitigation Bank offers wetland credits to a primary service area for the Upper Des Moines River Basin as defined within the Iowa Mitigation Banking document (Last revised: July 2019).

January 2, 2020

The White Fox Mitigation Bank is in compliance with the Banking Instrument.

- The required Conservation Easement, (White Fox, Grantor; Iowa Natural Heritage Foundation, Grantee) is filed with the Wright County Recorder.
- The required long-term maintenance account has been created.
- Construction is currently in progress.
- Credits will be within sufficient quantities and qualities for debit to meet the City of West Des Moines requirements.

It is our understanding that you require 2.30 acres of forested wetland credits to satisfy unavoidable impacts described in the above referenced Section 404 Application. Upon the USACE permit approval and the signing of this Purchase Agreement, and the payment $172,500.00 for the 2.30 forested wetlands to White Fox, White Fox will debit 2.30 acres of forest wetlands from the White Fox Mitigation Bank's credit ledger to the appropriate projects.

General Provisions:

PRICE: The Purchase Price for 2.30 credits of forested wetland credits will be $172,500.00 payable to White Fox Farms, LLC as follows: Balance of $172,500.00 due on or before March 1, 2020.

TIME FOR ACCEPTANCE: When accepted, this Agreement shall become a binding contract. If payment in full is not received on or before March 1, 2020, this Purchase Agreement shall become Null and Void. The date may be extended to accommodate processing time for the USACE to approve the permits listed above.

Immediately upon receiving payment and two signed originals, White Fox Farms, LLC will execute the documents, return a signed original to you, and by regular mail deliver a copy and proof of payment to:

Matt Zehr
Regulatory Project Manager
Rock Island District Corps of Engineers
Clock Tower Building – PO Box 2004
Rock Island, IL 51204-2004

Ms. Christine Schwake
Iowa DNR Section 401 WQC
Wallace State Office Building
502 East 9th Street
Des Moines, IA 50319-0034

January 2, 2020

Credits are not reserved until this document is fully executed and returned.

Date:_____

White Fox Farms, LLC
101 East Graham Ave.
Clarion, Iowa 50525

For White Fox Farms, LLC:

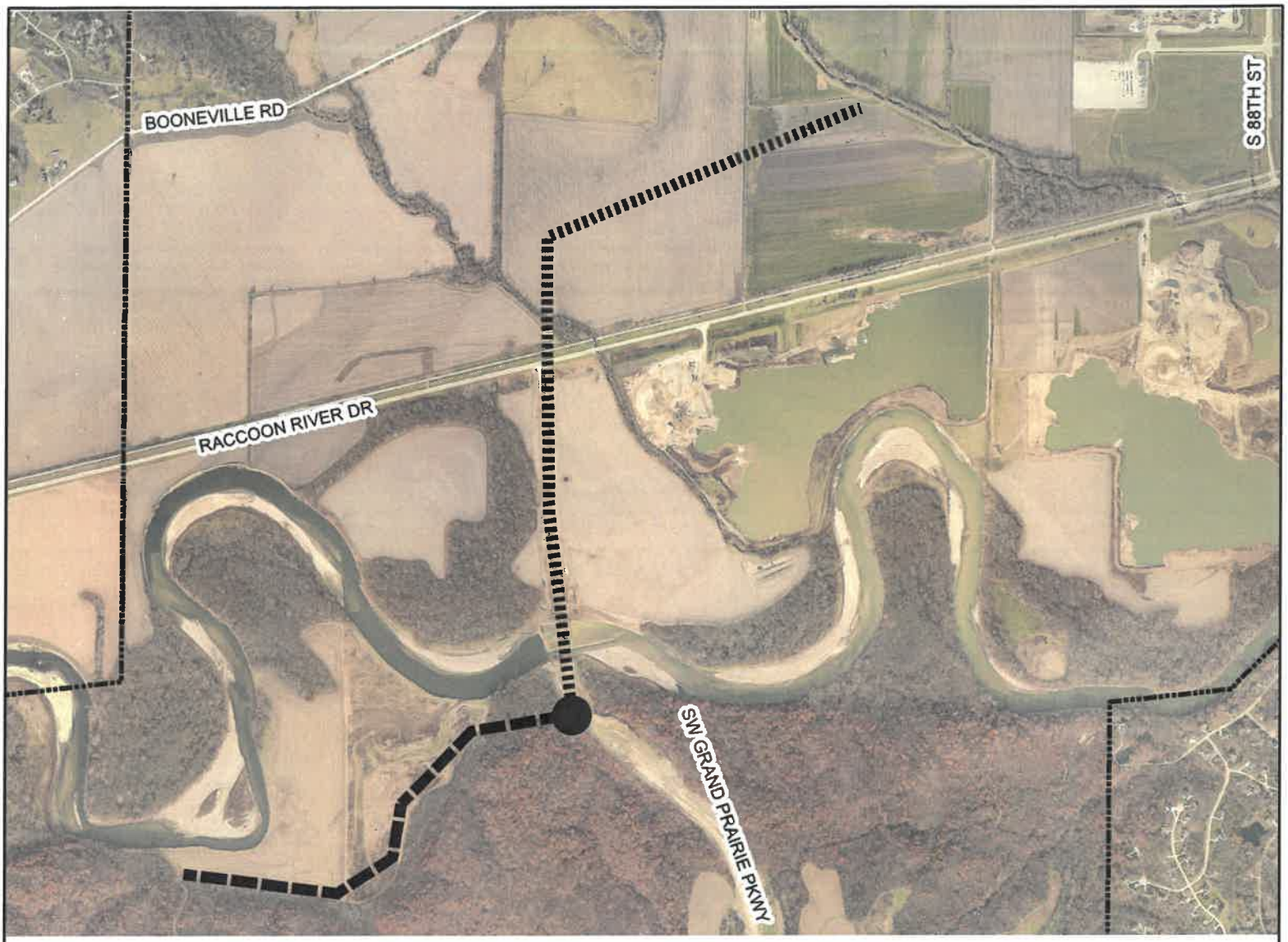
_____
Larry Anderson, Owner
White Fox Farms, LLC

Date:_____

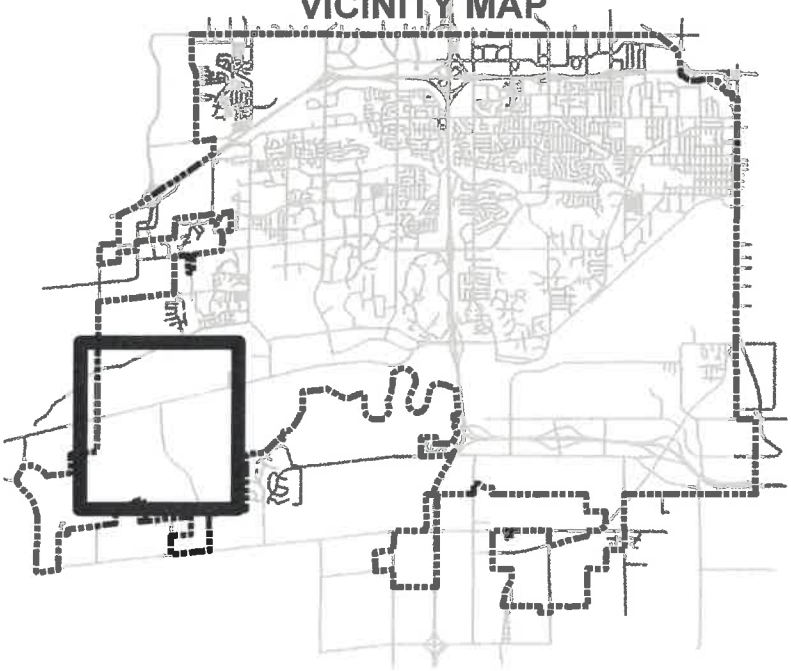
City of West Des Moines
4200 Mills Civic Parkway
P.O. Box 65320
West Des Moines, Iowa 50265

For: City of West Des Moines, Iowa

_____
Brian Hemesath
City of West Des Moines



VICINITY MAP



LEGEND

LIFT STATION

GRAVITY SEWER (FUTURE)

FORCEMAIN (FUTURE)

N
W E
S

THE CITY OF WEST DES MOINES

PROJECT:

Raccoon River Basin Segment 5 Sewer - Lift Station

LOCATION: Exhibit "A"

DRAWN BY: JDR	DATE: 6/24/2019	PROJECT NUMBER/NAME: 0510-060-2015	SHT. 1 of 1