



WEST DES MOINES WATER WORKS BOARD OF TRUSTEES MEETING COMMUNICATION

DATE: July 16, 2018

ITEM:

5. Recommendations from Committees

- a. Planning and Regionalization
 1. Public Hearing – Sale and Conveyance of Property by the West Des Moines Water Works
 2. Resolution – Approving and Accepting Purchase Agreement and Conveyance of Property between West Des Moines Water Works and the City of West Des Moines
 3. Discussion – Consideration of Options for Future Water Works Administrative Office Location and Potential Action to Retain Shive Hattery

FINANCIAL IMPACT:

City to pay \$1,200,498.35 for acquisition of partial interest in City Hall property belonging to West Des Moines Water Works.

SUMMARY:

These actions provide for the Public Hearing on the proposed sale and conveyance of property and consideration of a purchase agreement and quitclaim deed between the City of West Des Moines and West Des Moines Water Works.

BACKGROUND

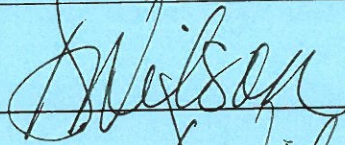
The City of West Des Moines requires additional space within the City Hall building and is in the process of instituting additional security measures. The need for additional space and security coincides with the timeline for necessary repairs to the building's heating and cooling system, which will require personnel to vacate the building suites during the installation work. The City requested to purchase the existing Water Works suite within City Hall, with plans to relocate city staff within the space following the building renovation. Based upon agreements between Water Works and the City in 1994 and 2001, the parties negotiated a buyout price of \$1,200,498.35 for interest in the building, which includes consideration for an expedited move and initial Water Works office leasing, the transition of moving fifteen Water Works employees and for the relocation/installation of servers, computers, internal fiber installations and connections. With this purchase Water Works will relinquish and convey all of its interests in the City Hall building and property to the City. Water Works employees will vacate City Hall on or before December 3, 2018.

The City of West Des Moines approved a Resolution accepting the following purchase agreement and conveyance documents at their Council meeting held on Monday, July 9, 2018.

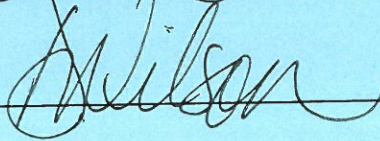
RECOMMENDED ACTION BY THE BOARD OF TRUSTEES:

That the Board of Trustees hold the public hearing and take comments from the people present and that the Resolution entitled "Authorizing Approval and Acceptance of Purchase Agreement and Conveyance of Property between the West Des Moines Water Works and the City of West Des Moines" be adopted.

Prepared by: _____



Approved for Content by: _____



MEMORANDUM

TO: Chair, The Board of Trustees

FROM: Diana Wilson

DATE: July 16, 2018

RE: Script for Conducting the Public Hearing on the Sale and Conveyance of Property by the West Des Moines Water Works

This is a script to assist you with the public hearings and related matters on today's agenda. The parts you will want to read aloud are in **larger, bold type**. A copy of the script has been provided to all the Trustees.

Chairman: **This is the time and place for a public hearing on the matter of the sale and conveyance of property by the West Des Moines Water Works.**

Ms. General Manager, please announce the date upon which the notice of public hearing was published.

General Manager: The notice of public hearing was published in the Des Moines Register on Wednesday, July 11, 2018.

Chairman: **Have we received any written comments about this matter?**

General Manager: Reads any written comments received or says that none have been received.

Chairman: **Are there any comments from anyone in the audience?**

Chairman: (After all comments are received) **I declare the public hearing to be closed.**

Chairman: **I will entertain a motion to adopt the Resolution entitled “A Resolution to Approve and Accept Purchase Agreement and Conveyance of Property between West Des Moines Water Works and the City of West Des Moines” as found in your meeting packet.**

(The motion is seconded and a vote is taken.)

This concludes the needed actions by The Board of Trustees on this matter.

* * * * *

West Des Moines Water Works

RESOLUTION NO. 0718-1

**A RESOLUTION AUTHORIZING APPROVAL AND ACCEPTANCE OF PURCHASE
AGREEMENT AND CONVEYANCE OF PROPERTY BETWEEN THE WEST DES MOINES
WATER WORKS AND THE CITY OF WEST DES MOINES**

WHEREAS, on August 1, 1994 the City of West Des Moines (City) and the West Des Moines Water Works (WDMWW) executed the Intergovernmental Agreement for the Joint Occupation of Municipal Offices, filed of record on September 6, 1994 in Book 7081, Page 980 in the Office of the Polk County, Iowa Recorder, and filed of record on September 14, 1994 in Book 0775, Page 312 in the Office of the Dallas County, Iowa Recorder ("Agreement"); and

WHEREAS, on June 11, 2001 the Parties executed the Amendment to the Intergovernmental Agreement ("Amendment to the Agreement") with the City for Joint Occupation of Municipal Offices; and

WHEREAS, the Agreement and the Amendment to the Agreement granted property interests in West Des Moines City Hall to WDMWW as consideration for payment by WDMWW to City; and

WHEREAS, the City and WDMWW have negotiated a Purchase Agreement for the termination of the Agreement and Amendment to the Agreement and the conveyance of WDMWW's interest in City Hall property to the City; and

WHEREAS, notice of a Public Hearing on a proposed Purchase Agreement and the conveyance of WDMWW's property was published in the Des Moines Register on July 11, 2018 and on July 16, 2018 the Board held the Public Hearing with no objections received.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES
OF THE WEST DES MOINES WATER WORKS, AS FOLLOWS:**

1. The Purchase Agreement between the City and WDMWW and the quitclaim deed from WDMWW to City are hereby accepted and approved.
2. The Board Chair is authorized to sign the Agreement and quitclaim deed and the Secretary is directed to attest the signature.
3. The Finance Director and Treasurer is authorized to invest proceeds of sale in liquid funds with the Iowa Public Agency Investment Trust for use in future lease, purchase or construction of a new administrative building.

PASSED AND APPROVED this 16th day of July, 2018

BOARD OF TRUSTEES, WEST DES MOINES WATER WORKS

Attest:

Brian P. Rickert
Chair

Diana Wilson
Secretary

PURCHASE AGREEMENT BETWEEN THE CITY OF WEST DES MOINES, IOWA AND THE WEST DES MOINES WATER WORKS

This Purchase Agreement ("Agreement") is made as of the _____ day of July 2018 by and between the City of West Des Moines, Iowa ("City") and the West Des Moines Water Works ("Water Works"), both organized and existing under the laws of the State of Iowa.

WATER WORKS agrees to sell and CITY agrees to buy all right, title and interest owned by Water Works as acquired through the Intergovernmental Agreement for the Joint Occupation of Municipal Offices dated August 1, 1994 and filed of record on September 6, 1994 in Book 7081, Page 980 in the Office of the Polk County, Iowa Recorder, and filed of record on September 14, 1994 in Book 0775, Page 312 in the Office of the Dallas County, Iowa Recorder, (hereinafter "Agreement") and the Amendment to the Intergovernmental Agreement with the City of West Des Moines for the Joint Occupation of Municipal Offices dated June 11, 2001 (hereinafter "Amendment to the Agreement") for the real property and improvements generally-described as:

That part of Lot 2 comprising approximately 7.25 acres, West Des Moines City/School Campus Replat, an official plat in the City of West Des Moines, Polk County, Iowa, including 4850 square feet and appurtenant common areas, more or less, of the improvements located thereon and which comprise a portion of West Des Moines City Hall, 4200 Mills Civic Parkway, West Des Moines, Iowa (hereinafter "Property and Improvements").

1. The purchase price for the Property and Improvements is \$1,200,498.35, payable by City to Water Works within thirty (30) days from approval of this Agreement by both the City and Water Works. The purchase price includes payment for an expedited move and initial office leasing, payment for moving fifteen employees, and payment for relocating/installation of servers, computers, internal fiber installations and connections.
2. Water Works shall have no obligation whatsoever for any costs incurred under the Agreement and the Amendment to the Agreement for Maintenance and Utility Costs comprising the following:
 - a. 2012 City Hall Parking Lot Repairs;
 - b. 2017 City Hall Parking Lot Repairs;
 - c. 2014 City Hall Geothermal Well Field Expansion;
 - d. City Hall Lighting Replacement;
 - e. 2017 City Hall Exterior Renovation;
 - f. Anticipated 2018 City Hall geothermal heating and cooling rehabilitation.
3. All obligations of Water Works and the City as set forth in the Agreement and Amendment to the Agreement are deemed satisfied, and the Agreement and Amendment to the Agreement are terminated in their entirety. Water Works shall

provide a quitclaim deed to the City relinquishing and conveying any and all interests obtained through the Agreement and Amendment to the Agreement.

4. Water Works shall vacate City Hall on or before December 3, 2018, provided, however, that for the time thereafter needed by Water Works to move to a new administrative location:
 - a. Water Works is allowed continued use of the climate-controlled server room within its current office space and all fiber connections until such time that a permanent location is established and equipment is transferred.
 - b. Water Works is allowed to store several large pieces of equipment and furnishings within City Hall until a permanent administrative location is established. Items requiring storage include a large plotter, file storage cabinets and miscellaneous office furniture.
 - c. Water Works is allowed use of City Hall Council Chambers or other City owned conference spaces for regular and special Board of Trustee meetings, bid openings and to conduct other business matters until a permanent administrative office location is established.
 - d. City personnel shall be responsible to collect drop box materials by 8:30 a.m. each business day, sort material for delivery to various City departments and Water Works. The City courier shall deliver the Water Works materials to the administrative office location no later than 10 a.m. with each day's collected drop box material.

CITY OF WEST DES MOINES, IOWA

Steven K. Gaer, Mayor

ATTEST:

Ryan T. Jacobson, City Clerk

COUNTY OF POLK)
) ss
STATE OF IOWA)

This document was acknowledged before me on this ___ day of July, 2018 by Steven K. Gaer and Ryan T. Jacobson, Mayor and City Clerk, respectively, as approved

by the City Council of the City of West Des Moines in Resolution _____ on July __, 2018, and on behalf of whom this record was executed.

Notary

WEST DES MOINES WATER WORKS

Brian P. Rickert, Chair
Board of Trustees

ATTEST:

Secretary

COUNTY OF POLK)
) ss
STATE OF IOWA)

This document was acknowledged before me on this ____ day of July, 2018 by Brian P. Rickert and _____, Chair and Secretary, respectively, as approved by the West Des Moines Board of Water Works Trustees in Resolution _____ on _____, 2018, and on behalf of whom this record was executed.

Notary

Prepared by and return to: R.J. Scieszinski, P.O. Box 65320, West Des Moines, IA 50265 (515) 222-3614
Address Tax Statements: City of West Des Moines, Iowa P.O. Box 65320, West Des Moines, IA 50265

QUITCLAIM DEED

For one dollar and other valuable consideration, WEST DES MOINES WATER WORKS, a public utility organized and existing under the laws of the State of Iowa, does hereby quitclaim to the CITY OF WEST DES MOINES, IOWA, a municipal corporation organized under the laws of the State of Iowa, all its right, title, interest, estate, claim and demand in the following described improvements and real estate located in Polk County, Iowa:

That part of Lot 2 comprising approximately 7.25 acres, West Des Moines City/School Campus Replat, an official plat in the City of West Des Moines, Polk County, Iowa, including 4850 square feet and appurtenant common areas, more or less, of the improvements located thereon and which comprise a portion of West Des Moines City Hall, 4200 Mills Civic Parkway, West Des Moines, Iowa.

This deed terminates all right, title and interest owned by West Des Moines Water Works acquired through the Intergovernmental Agreement for the Joint Occupation of Municipal Offices dated August 1, 1994 and filed of record on September 6, 1994 in Book 7081, Page 980 in the Office of the Polk County, Iowa Recorder, and filed of record on September 14, 1994 in Book 0775, Page 312, in the Office of the Dallas County, Iowa Recorder, and the Amendment to the Intergovernmental Agreement with the City of West Des Moines for the Joint Occupation of Municipal Offices dated June 11, 2001.

Words and phrases herein, including acknowledgment hereof, shall be construed as in the singular or plural number, and as masculine or feminine gender, according to the context.

Dated this ____ day of July, 2018.

WEST DES MOINES WATER WORKS
Grantor

Brian P. Rickert, Chair
Board of Trustees

ATTEST:

Secretary

COUNTY OF POLK)
) ss
STATE OF IOWA)

This document was acknowledged before me on this ____ day of July, 2018 by Brian P. Rickert and _____, Chair and Secretary, respectively, as approved by the West Des Moines Board of Water Works Trustees in Resolution _____ on _____, 2018, and on behalf of whom this record was executed.

Notary

This deed is exempt from transfer tax pursuant to Iowa Code Section 428A.2(6).