

EMAIL TO PW COMMITTEE.
LAZY P6 LAND CO INC REQUEST TO CONNECT U11 TO CITY WATER AND SEWER.
2/24/14

FROM: Lazy P6 Land Co. Inc – Orvil Davis, President
VIA EMAIL: Lawrence M. Kostaneski, PE – Centerline

The attached chronicles events related to the 2/11/14 PWC motion to continue this item.

Additional record documents in support of and for discussion will be presented for the March 3, 2014 Council meeting.

A meeting was held 2/7/14 with the Council President, PW Chair, PW Director, City Attorney, Ass't. City Attorney, Planning Director, City Engineer and Lazy P6 representatives. P6 left thinking a tentative solution was forthcoming. The PWC meeting resulted in the opposite. The request was continued.

A 2/13/14 meeting agreed upon by P6, the Mayor and PW Director resulted in an expanded annexation boundary, drawn in concert with P6. P6 submitted a revised boundary map per this meeting; and Oversize Agreement (OA) revisions that were not part of the original discussion, but had to be discussed to tie the new boundaries together with significant changes (the 3rd in 18 months) staff made at the 5th and Catron intersection.

A meeting announced by the PW Director for 2/20/14 was never scheduled. Instead, the PW Director sent an email basically refusing to consider any proposals by P6, including those advanced by the Mayor and PW Director at the 2/13/14 meeting.

Lazy P6 requests the PW Committee direct staff to work through the items submitted after the meeting with the Mayor and PW Director. At the March 3rd Council meeting staff can present their detailed objections and explanations for those objections.

Lazy P6 remains committed to their “buyer driven” annexation strategy. They have offered two boundary choices. The city’s leverage is the inability of Lazy P6 to access oversize costs - up to \$750,000 of their own money- until annexation occurs.

PDF Attachment

lmk

LAZY P6 LAND CO. INC
505 Catron Blvd
Rapid City, SD 57701
605-391-2027; proinc11@yahoo.com

February 7, 2014

Re: Interim Water & Sewer Service to U11:
UNIT 11, (& undivided interest in common area) Southgate Commercial Condos,
Sec. 9, T1N, R8E, BHM, Pennington County, South Dakota.

Dear Mayor, Council, Staff:

The attached graphic shows Unit 11 outlined in red. It is 850 ft+ from existing city sewer, although a sewer and water extension is in progress, depicted by green and blue broken lines respectively. It will not be accepted by the city for some months, however. The cost of the utilities in front (north) of U11 is entirely at P6's expense and not included in the Oversize Agreement scope.

City Ordinance Title 13 (specifically 13.04.150) describes provisions for this request, although apparently it requires Council approval. DENR has given approval for a holding tank with the standard caveats. A copy of their letter is attached.

Given the inevitable outcome, it seems a serious waste of time and money to prevent buildings already designed to connect to public utilities - built at P6's expense - that are with 40' or so of said utilities.

P6 is always aware of the ultimate scenario and has no quarrel with the outcome, as evidenced by the executed Oversize Agreement.

But the need has become acute; due in part to changes at other critical locations, and the remedy seems simple enough.

The original meeting was scheduled for February 4, which would have allowed for inclusion on the Feb. 11 PW agenda. Then the meeting moved to Feb. 7, which is technically outside the imposed deadline for PW agenda items.

If acceptable, P6 would ask this item be placed on the Feb. 11 PW agenda anyway.

Please call with questions. Thanks.

SIGNED

Orvil Davis, President
Lazy P6 Land Co. Inc.
505 Catron Blvd
Rapid City, SD 57701
605-391-2027

2 attachments

ARBY'S

EX
Sewer

5TH
ST

16B

E CATRON BLVD

E CATRON BLVD

16B

PARTIAL
EX
Detention
pond

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U11: 2
Buildings-
5 units per
building

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DEPARTMENT OF ENVIRONMENT
and NATURAL RESOURCES

JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE, SOUTH DAKOTA 57501-3182
denr.sd.gov



January 24, 2014

Bob Warax
Warax Excavating, Inc.
295 Country Road
Rapid City, SD 57701

RE: On-site wastewater holding tank system for two warehouse rental buildings to be located at 616 E. Watts Lane, Rapid City, South Dakota

Dear Mr. Warax:

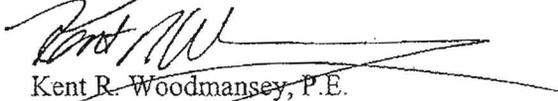
The South Dakota Department of Environment and Natural Resources is in receipt of one set of plans and specifications for a wastewater holding tank system to be located in the Northwest ¼, Section 19, Township 1 North, Range 8 East, Pennington County, South Dakota. The plans have been reviewed for compliance with South Dakota's "Individual and Small On-Site Wastewater Systems" regulations.

The results of the review process indicate there are a total of ten warehouse units between the two buildings. The wastewater holding tank system is designed for a maximum daily flow of 714 gallons. This will meet the minimum regulatory requirements and is hereby approved with the following conditions.

1. The tank shall be equipped with a high-water alarm positioned to allow at least 3 days of storage after the alarm is activated.
2. Once city sewer is available the warehouse wastewater system shall connect to this central sewer system and the holding tank shall be abandoned in accordance with the Administrative Rules of South Dakota (ARSD) § 74:53:01:11.

The lifetime of this system is dependent upon proper construction and regularly scheduled maintenance. Please feel free to contact this office if you have any questions.

Sincerely,


Kent R. Woodmansey, P.E.
Engineering Manager
(605) 773-3351

cc: Valerie Jagim, Pennington County Planning
Louie Arguello, Rapid City Engineering Project Administrator

From: Centrline@aol.com
To: Terry.Wolterstorff@rcgov.org
Sent: 2/11/2014 8:10:18 P.M. Mountain Standard Time
Subj: Re: Public Works Item 22 - P6 Sewer connection

13.4.150 Connections outside city.

No water or sewer connection permit shall be issued, after the effective date of this chapter, to serve any property located outside the corporate limits of the city, except with specific approval of the Common Council. The connections shall be authorized by resolution and shall be subject to such terms, conditions and fees as the Council finds necessary or appropriate.

(Ord. 5794 (part), 2012)

lmk

In a message dated 2/11/2014 7:54:51 P.M. Mountain Standard Time, Terry.Wolterstorff@rcgov.org writes:

The item was placed on the agenda at Chairman Nordstrom's request. What changed following the meeting last Friday was a review of the boundary of the property in question and the **2005 Resolution**. The property is contiguous to the city limits and the resolution requires annexation (both were attached to the agenda item). The resolution was adopted to allow for orderly growth of the city and staff recommends that it be followed. If you read the resolution in its entirety you will see that it is very logical. The path forward is really quite simple. Sign a petition of annexation and receive the service.

Just so everyone is clear, holding tanks or drainfields will not be permitted on this site.

I look forward to more discussions on how to ensure proper development of this area in full compliance with city standards.

Sent from my Verizon Wireless 4G LTE smartphone

----- Original message -----

From: Wright Jerry
Date: 02/11/2014 6:43 PM (GMT-07:00)
To: Nordstrom Ritchie , Landeen Joel , Wolterstorff Terry
Cc: centrline@aol.com, Kooiker Sam , Wright Jerry , Scott Amanda
Subject: Public Works Item 22 - P6 Sewer connection

PW Item 22

I might add that I am confused on the direction and action on this item today. It was my understanding at our meeting last Friday, that this be brought to the Public Works Committee with the solution as allowed in Paragraph 2 Item B. of the resolution of 16 May 2005 regarding utility services outside of the city limits. The understanding I walked out of our meeting of last Friday, was to present this item with the 300% of retail price and work for annexation. This approach would have eliminated the chance of a septic tank or holding tank being placed in service for the property concerned. Further, we did discuss we could add a desire to begin the process of an annexation agreement with P6 or for that matter direct staff to initiate discussion about an annexation agreement. I would appreciate a discussion before Monday night's meeting. Jerry

MEETING SUMMARY: Feb. 13, 2014
Lawrence M Kostaneski, PE: Centerline
for Lazy P6 Land Co. Inc

FOR COMMENT

3 PAGES

TOPIC:

Provide water and sewer service connection to U11, Southgate Commercial Condos, Lazy P6 Land Co. Inc. Revised Oversize Agreement Graphic (Exhibit B) Attached.

PRESENT:

Orvil Davis, President, Lazy P6 Land Company, Inc.
Mayor Sam Kookier, Rapid City
Terry Wolterstorff, PE, PW Director, Rapid City
Lawrence M Kostaneski, PE, Centerline for Lazy P6.

SCOPE:

Identify a strategy for U11 to obtain service from water and sewer mains in R1, currently under construction at P6's expense. U11 is currently outside Rapid City corporate limits. A 9.24.13 Council approved Oversize Agreement will require revision.

RESULT:

The attached graphic shows the adjusted boundary. Units 3 thru 6, 11 and included common ground will be attached to Phase 1. The boundary between Ph 1,2 and Ph 3,4 shall be modified as shown, including the removal of a small piece west of R1 and 5th Street.

Oversize Agreement (OA) Revisions: (ADD citations)

A: The City shall design, bid, manage and build all revised surfaces, C&G, signal upgrades, striping and impacted existing features at the 5th and Catron Boulevard intersection, including the sanitary sewer system revisions identified. The work shall extend to the current Catron Blvd right of way (ROW) line. Any additional ROW needed for this work or extensions there from shall be obtained from Lazy P6 prior to bidding. Lazy P6 shall have unimpeded access to all conduits, sewer mains and related for future extension. City shall substantially complete this work at their expense by Dec. 31, 2014.

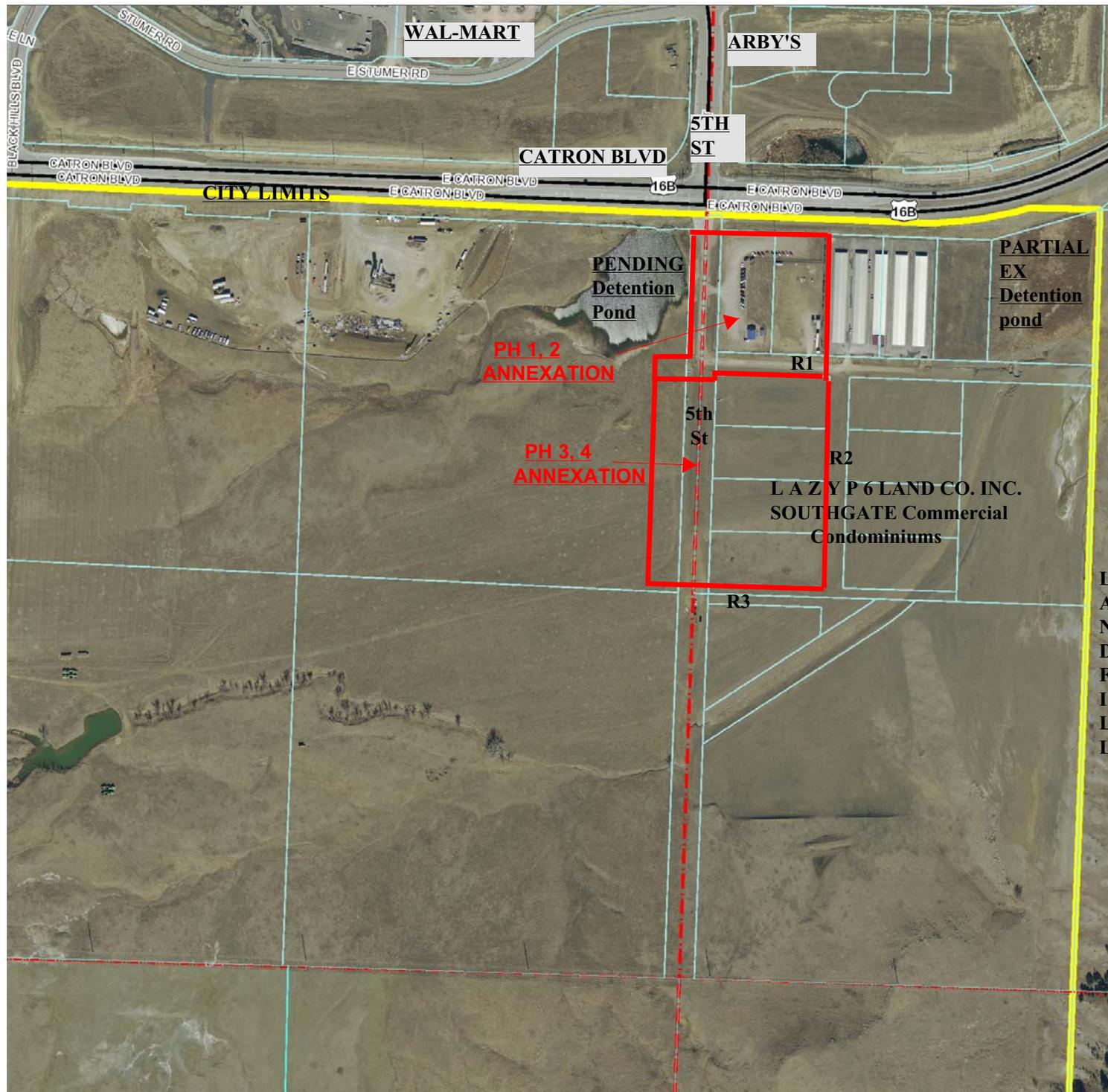
(Discussion: In the past year the city has made 3 unexpected changes to this intersection, the latest of which was instigated by city's current signal consultant. This has become complex and clearly was not anticipated when the Catron Blvd project was initially designed and built by DOT. Lazy P6 believes this is well beyond their scope and responsibility. Moreover, the city will have plans, notes, details and related construction data for the signals already in their possession.)

B: ADD a citation for oversize Design Fees included in the Lazy P6 portion of the 5th St. extension.
(Discussion: This task is covered in a companion email and properly belongs within the body of the OA)

C: REVISE the current language to include monthly reimbursements to Lazy P6 in the event land is annexed prior to completion of the eligible reimbursable improvements.

D: The City shall substantially complete MP203 (NW corner of Landfill property) at their expense prior to Dec. 31, 2014.

END

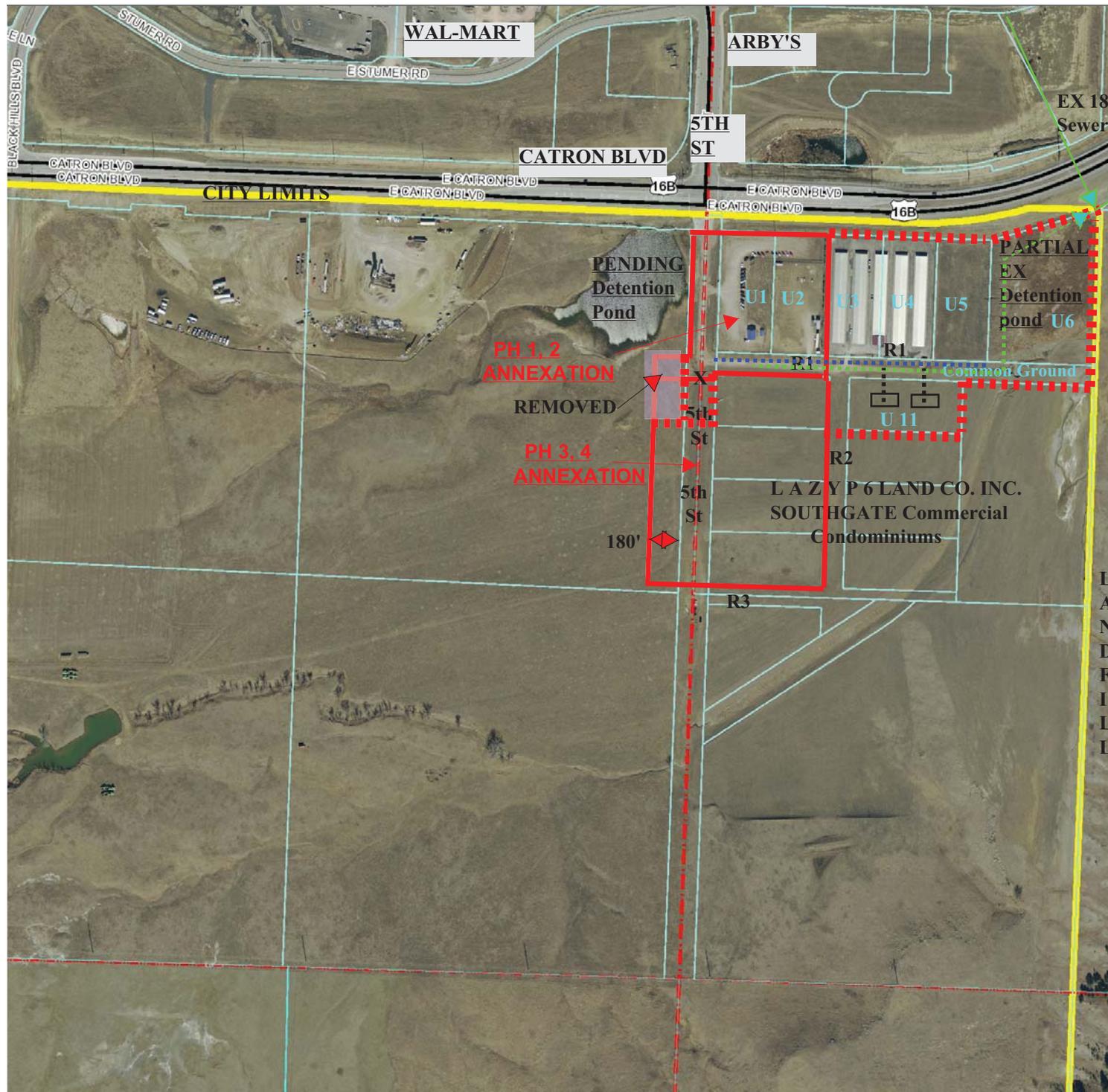


- Roads
 - Interstate
 - US highway
 - SD highway
 - County highway
 - Main road
 - Minor arterial
 - Collector
 - Ramp
 - Paved road
 - Unpaved road
 - Unimproved road
 - Trail
 - FS Highway
 - Airport Runway
 - Not yet coded
- Lot Lines
 - <Null>
 - Lot Line
 - Parcel Line
- Township/Section Lines
 - 0
 - 7
- County Line

EXHIBIT B
OVERSIZE
AGREEMENT
Page 2 of 2

Scale 1: 4,800

Map Notes:



Legend

- Roads
 - Interstate
 - US highway
 - SD highway
 - County highway
 - Main road
 - Minor arterial
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 - Lot Line
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 - 0
 - 7
- County Line

REVISED Ph 1 Oversize Agreement Boundary
 [Red dashed line symbol]

Sewer under construction at Lazy P6 expense.
 [Green dashed line symbol]

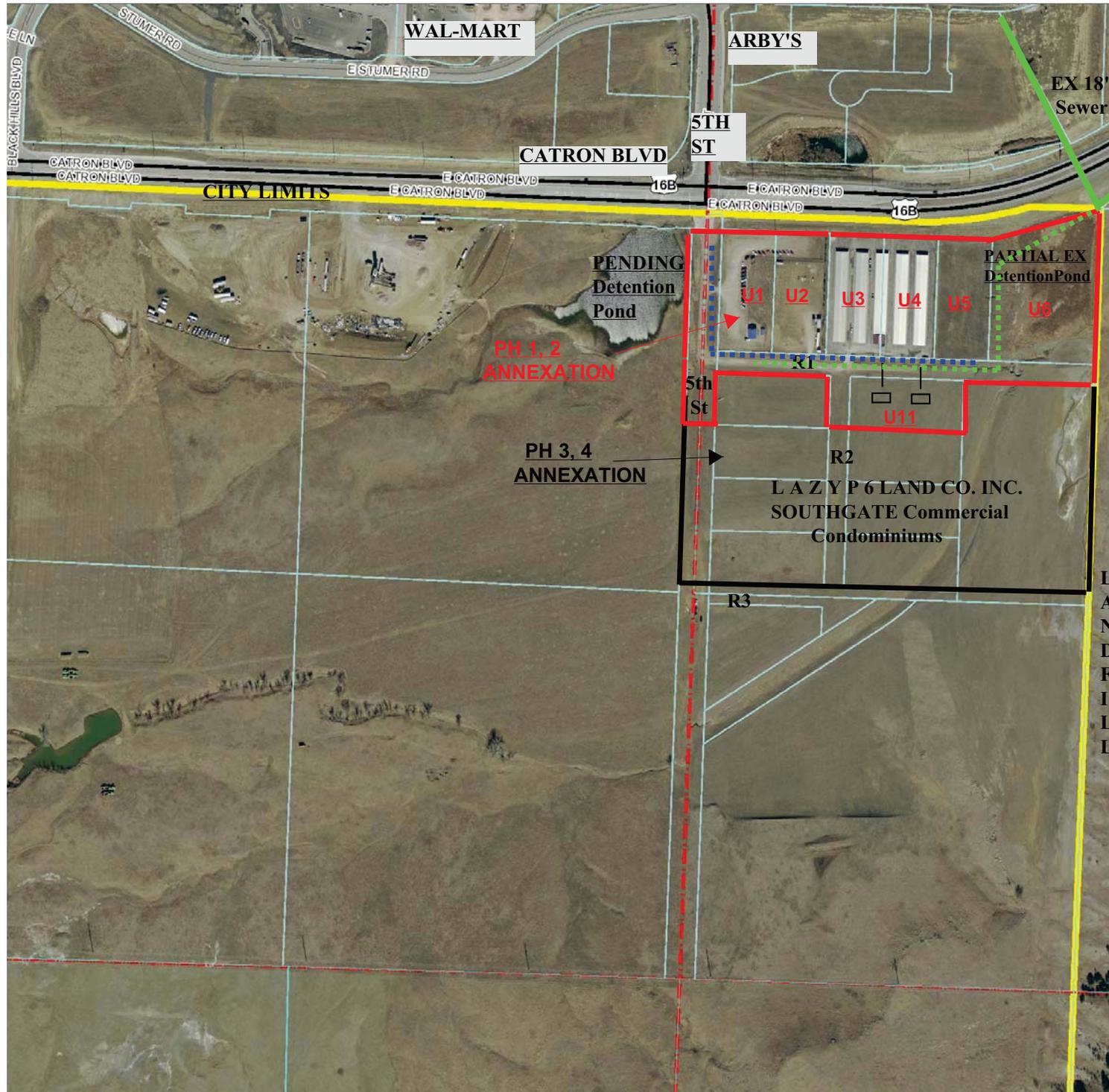
Water under construction at Lazy P6 expense.
 [Blue dashed line symbol]

DRAFT revision 2/17/14

EXHIBIT B OVERSIZE AGREEMENT

Scale 1: 4,800

Map Notes:



- Roads**
- Interstate
 - US Highway
 - SD Highway
 - County Highway
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 - Ramp
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- <Null>
 - Lot Line
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- 0
 - 7
- County Line

FOR COMMENT

City will permit interim connections to other units when utilities are available but prior to annexation of that phase

**PH 1, 2
ANNEXATION**

**PH 3, 4
ANNEXATION**

**L A Z Y P 6 LAND CO. INC.
SOUTHGATE Commercial
Condominiums**

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**EXHIBIT B
OVERSIZE
AGREEMENT**

Scale 1: 4,800

Map Notes:

From: Terry.Wolterstorff@rcgov.org
To: Centrline@aol.com, Dale.Tech@rcgov.org
Sent: 2/20/2014 11:05:44 A.M. Mountain Standard Time
Subj: RE: P6 Unit 11

I had intended on sending a message first thing this morning but got sidetracked with some meetings.

We have reviewed the option of revising the oversize agreement and allowing connections to City utilities. After serious consideration I believe it is in the City's best interest to require Lazy P6 to submit a petition of annexation for the area prior to allowing the Unit 11 structure to connect to the utilities. This option would not require an amendment to the oversize agreement. Staff's recommendation is that the area annexed should include Units 1 through 15 and the common ground. The annexation process will take approximately 3 months, but we could allow connection for Unit 11 during that process. I know that Lazy P6 will not be agreeable to this option, but it is the only option that staff can support.

The original request is on the Public Works Committee agenda again next week. Let me know if you still see a reason to meet prior to the Public Works Committee meeting.

Terry

From: Centrline@aol.com [mailto:Centrline@aol.com]
Sent: Thursday, February 20, 2014 10:32 AM
To: Wolterstorff Terry; Tech Dale
Subject: P6 Unit 11

Hi

Is there a mtg in P6's immediate future?

Thanks

lmk