

FACTSHEET

TITLE: ANNEXATION NO. 10004, requested by Sky Ranch Acres Neighborhood Association, to annex approximately 37 acres, more or less, generally located at North 108th Street and Holdrege Street.

STAFF RECOMMENDATION: Approval, subject to an Annexation Agreement

ASSOCIATED REQUESTS: Agreement Regarding the Annexation of Sky Ranch Acres (12R-182).

SPONSOR: Planning Department

BOARD/COMMITTEE: Planning Commission
Public Hearing: 06/13/12
Administrative Action: 06/13/12

RECOMMENDATION: Approval, subject to an Annexation Agreement (7-0: Gaylor Baird, Sunderman, Hove, Francis, Butcher, Weber and Cornelius voting 'yes'; Lust and Esseks absent).

FINDINGS OF FACT:

1. This is a proposal requested by the Sky Ranch Acres Neighborhood Association to annex 36.11 acres within the Sky Ranch Acres subdivision because the private sewage treatment plant is failing. The treatment plant is 40 years old and needs to be replaced. Nebraska Department of Environmental Quality is requiring that the treatment plant cease operation by October 1, 2012. The homeowners want to connect to the City's sewer system, and the Stevens Creek trunk sewer is being extended this fall to Holdrege, very close to their lots. By longstanding policy, the City requires annexation in return for providing City services.
2. The area being annexed is located south of Holdrege Street and west of North 112th Street and includes 30 single family homes. The annexation proposal does not include the existing grass air strip. Sanitary sewer will be available to serve this area. A water main would need to be extended from North 98th Street along Holdrege Street to Cessna Lane, so homeowners will continue to operate their community well system.
3. The staff recommendation of approval, subject to an annexation agreement, is based upon the "Analysis" as set forth on p.4-5, concluding that the proposed annexation is consistent with the City's annexation policy and the 2040 Comprehensive Plan. The annexation agreement is needed to obtain easements for public sanitary sewer mains and to establish conditions of annexation such as payment of wastewater impact fee and maintenance of streets. The staff presentation is found on p.6-7.
4. There was no testimony by the applicant.
5. There was no testimony in opposition.
6. On June 13, 2012, the Planning Commission agreed with the staff recommendation and voted 7-0 to recommend approval, subject to an annexation agreement (Lust and Esseks absent).
7. The associated Agreement Regarding the Annexation of Sky Ranch Acres is also being introduced on August 6, 2012, as Bill #12R-182. Staff is in the process of finalizing this agreement with the homeowners association.

FACTSHEET PREPARED BY: Jean L. Preister
REVIEWED BY: Marvin Krout, Director of Planning
REFERENCE NUMBER: FS\CC\2012\ANNEX10004+

DATE: July 30, 2012
DATE: July 30, 2012

LINCOLN/LANCASTER COUNTY PLANNING STAFF REPORT

for JUNE 13, 2012 PLANNING COMMISSION MEETING

- PROJECT #:** Annexation #10004, Sky Ranch Acres
- PROPOSAL:** Request to annex approximately 36.11 acres of the land
- LOCATION:** N. 108th St. and Holdrege St.
- LAND AREA:** 36.11 acres, more or less
- CONCLUSION:** The proposed annexation is consistent with the City's Annexation Policy.

<u>RECOMMENDATION:</u>	Approval
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GENERAL INFORMATION:

LEGAL DESCRIPTION: Lots 1-14, Sky Ranch Acres Addition including public Rights-of-Way and Lots 1-16 and Outlot A & B Sky Ranch Acres 1st Addition including public rights-of-Way, located in the NE 1/4 of Section 24, Township 10 North, Range 7 East, Lancaster County, NE

EXISTING ZONING: AG, Agricultural

SURROUNDING LAND USE AND ZONING:

North:	AG, Agricultural	Farm ground
South	AG, Agricultural	Farm ground
East	AG, Agricultural	Airstrip and airplane hangar
West	R-3, residential	Undeveloped

EXISTING LAND USE: Single-family residential.

COMPREHENSIVE PLAN SPECIFICATIONS:

Priority B of Tier 1: Areas designated for development in the first half of the planning period (to 2025) are generally contiguous to existing development and should be provided with basic infrastructure as they develop. Some of the infrastructure required for development may already be in place. (p12.7)

The ANNEXATION POLICY- page 12.14 of the 2040 Comprehensive Plan.

Annexation policy is a potentially powerful means for achieving many of the goals embodied in the Plan's Vision. Annexation is a necessary and vitally important part of the future growth and health of Lincoln. The annexation policies of the City of Lincoln include but are not limited to the following:

The provision of municipal services must coincide with the jurisdictional boundaries of the City – in short, it is not the intent of the City of Lincoln to extend utility services (most notably, but not necessarily limited to, water and sanitary sewer services) beyond the corporate limits of the City.

The extension of water and sanitary sewer services should be predicated upon annexation of the area by the City. City annexation must occur before any property is provided with water, sanitary sewer, or other potential City services.

The areas within Tier I Priority A that are not annexed serve as the future urban area for purposes of annexation per state statute and are appropriate for immediate annexation upon final plat. These areas have approved preliminary plans.

To demonstrate the City's commitment to the urbanization of land in Tier I Priority B, the City should annex land that is contiguous to the City and generally urban in character, as well as land that is engulfed by the City. Land which is remote or otherwise removed from the limits of the City of Lincoln will not be annexed.

Annexation generally implies the opportunity to access all City services within a reasonable period of time.

Voluntary annexation agreements may limit or otherwise outline the phasing, timing or installation of utility services (e.g., water, sanitary sewer), and may include specific or general plans for the private financing of improvements to the infrastructure supporting or contributing to the land uses in the annexed area. The annexation of large projects may be done in phases as development proceeds.

The character of existing residential areas should be respected as much as possible during the annexation process. When low density "acreage" areas are proposed for annexation due to the City's annexation policy, additional steps should be taken to ease the transition as much as possible, such as public meetings, advance notice and written explanation of changes as a result of annexation. In general, many aspects of acreage life may remain unchanged, such as zoning or covenants. However, any annexation of existing residential areas will include some costs which must be the responsibility of property owners.

Annexation to facilitate the installation of improvements and/or possible assessment districts is appropriate if it is consistent with the annexation policies of the Plan listed above.

Plans for the provision of services within the areas considered for annexation shall be carefully coordinated with the Capital Improvements Program of the City and the County.

HISTORY:

- | | |
|---------------|--|
| June 14, 1971 | Special Permit #551, Sky Ranch Acres Community Unit Plan was approved by the City Council. |
| May 26, 1971 | Sky Ranch Acres Addition final plat was approved by the Planning Commission. |
| April 2, 1973 | Sky Ranch Acres 1 st Addition final plat was approved by the City Council. |

UTILITIES & SERVICES:

- A. **Sanitary Sewer:** A new sanitary sewer main line is being built to the lift station in Waterford Estates. The sanitary sewer main should be completed by the end of September 2012 at which time the lift station in Waterford Estates will be

decommissioned. This new main will serve the Sky Ranch Acres subdivision. A new public main will need to be built at no cost to the City from Sky Ranch Acres to the new main located approximately 60 feet west of Sky Ranch Acres west boundary.

- B. **Water:** A 16" water main exists in Holdrege St. up to 98th St. To serve Sky Ranch Acres the water line would need to be extended from N. 98th St. to Cessna Lane. The future water main in Holdrege St. is not in the current Capitol Improvements Plan. The construction of a public water system in the streets within the subdivision will be at no cost to the City. The property owners can request an assessment district and assessed to the benefitted property owners.

The subdivision is currently served by 2 community wells. The proposal is for the wells to continue to serve the residents after the annexation in the near term.

- C. **Roads:** There are existing public streets within Sky Ranch Acres. These streets are built to rural cross-section and have no sidewalks. The City is willing to accept the streets as City public streets with the following provisions:
1. Maintenance of the open ditches, driveways and driveway culverts will be the property owners responsibility.
 2. The City is not responsible for any damage to lawns or sprinklers that are in the right-of-way.
 3. The homeowners association will not object to a paving district in the future if the local streets need re-paving.
 4. Provisions are made to provide pedestrian access to the future school in Waterford Estates.
- D. **Parks and Trails:** The Countywide Trails Plan in the 2040 Comprehensive Plan identifies a future trail to the east side of Sky Ranch Acres along Stevens Creek.
- E. **Fire Protection:** Currently, this area is served by the Southeast Rural Fire District. Upon annexation the area will be served by the City. The nearest city fire stations are located at S. 84th St. and South St. or N. Cotner Blvd. and Vine St.

ANALYSIS:

1. This is a request for annexation of approximately 36 acres within the Sky Ranch Acres subdivision located south of Holdrege St and west of N. 112th St. The portion that has a grass air strip is not proposed to be annexed. The annexation area includes 30 single family houses.
2. Sky Ranch Acres subdivision is requesting annexation of approximately 36 acres due to their failing private sewage treatment plant. The treatment plant is 40 years old and needs to be replaced. Instead of replacing the treatment plant, Sky Ranch Acres has requested annexation. Nebraska Department of Environmental Quality is requiring the treatment plant to cease operation by October 1, 2012.

3. The area to be annexed is adjacent to the city limits. To the west is the Waterford Estates development.
4. The area of annexation is within the future service limits and in Tier One Priority B as identified in the 2040 Comprehensive Plan. The 2040 Lincoln Future Land Use Plan identifies this area as urban residential.
5. Sanitary sewer is available to serve this area. A water main would need to be extended from N. 98th along Holdrege St. to Cessna Lane to serve Sky Ranch Acres.
6. An annexation agreement is needed to obtain easements for public sanitary sewer mains, establish conditions of annexations such as payment of wastewater impact fee and maintenance of streets. The draft agreement is attached.

CONDITIONS OF APPROVAL:

Before the City Council approves the annexation the applicant signs an annexation and/or zoning agreement

Prepared by:

Tom Cajka
Planner

DATE: June 4, 2012

APPLICANT: Ronald Wilhelm
President, Sky Ranch Acres Neighborhood Association
1301 Piper way
Lincoln, NE 68527
402-416-1942

CONTACT: Same as applicant

ANNEXATION NO. 10004

PUBLIC HEARING BEFORE PLANNING COMMISSION:

June 13, 2012

Members present: Gaylor Baird, Sunderman, Hove, Francis, Butcher, Weber and Cornelius; Lust and Esseks absent.

Staff recommendation: Approval, subject to an annexation agreement.

There were no ex parte communications disclosed.

Staff presentation: **Tom Cajka of Planning staff** submitted copies of comments received from other departments on this application that were not included with the staff report but were referenced in the analysis.

Cajka explained that this is an application to annex the Sky Ranch Acres subdivision which is immediately east of Waterford Estates. It is basically a little bit east of 98th Street on the south side of Holdrege. It includes approximately 36.11 acres and 30 single family houses. It does not include the small grass airstrip. The reason for this annexation request is that the private sewage treatment plant is failing and the cost to fix or replace is quite expensive. With the City's new Stevens Creek trunk sewer line being built, the sewer line will come down into Waterford Estates. Once the trunk sewer line is built towards the latter part of September, 2012, the lift station will be de-commissioned in Waterford Estates. Sky Ranch Acres will be able to hook onto the new trunk sewer line.

Sky Ranch Acres is contiguous to the city limits on the west side and is within the future service limits, Tier I. Water mains are not available for this area. The water line currently stops at 98th Street on Holdrege. The subdivision association is aware and they are agreeable to proceed with annexation knowing that city water will not be available in the near future. The subdivision is currently served by two wells which they can continue to operate. They will be required to get permits through the Health Department with a yearly inspection after annexation.

The roads are currently county public streets. They would become city public streets. In the annexation agreement, the association is agreeing to maintain the open ditches and culverts, and if it becomes necessary to re-pave those streets in the future, they would not be opposed to a re-paving district.

Fire protection for the area is currently provided by the SE Rural Fire District. Upon annexation, it would become the City's responsibility. The nearest fire stations are at S. 84th and South Street and N. Cotner Blvd. and Vine Street. The response time is approximately 4 minutes to this area. The association is aware that it is beyond the normal response time the Fire Department prefers, but again, in the annexation agreement, the association acknowledges that the fire protection service is different than within the more urban built area of the city.

Butcher inquired about the hydrant issue – are they going to use the water system that currently exists? Cajka acknowledged that they have no fire hydrants. The City has agreements with the

Rural Fire District whereby the Rural Fire District could help or they would have to have tankers. The closest fire hydrant is at 98th on Holdrege.

Francis inquired as to how many tankers are owned by the City, and are there a couple of tankers located at the two closest fire stations? Cajka did not know.

Butcher believes the rural fire department is located on Holdrege just past 84th. Cajka agreed.

Francis inquired whether the rural fire district would automatically respond. Cajka believes the Lincoln Fire Department would notify the SE Rural Fire District for mutual aid. Cajka did not know how much time it would take the rural fire volunteers to get out there, but he assumes it would be well more than 4-5 minutes.

Hove inquired whether the Airport Authority is required to approve this annexation, even though the airstrip is not included. Cajka stated that there is no approval required from Airport Authority and the airstrip has been there for years.

Proponents: The applicant was not present.

There was no testimony in opposition.

ACTION BY PLANNING COMMISSION:

June 13, 2012

Hove moved approval, subject to annexation agreement, seconded by Sunderman.

Francis is concerned about the response time for fire; however, it is important to approve this because of the failing sewer system.

Gaylor Baird observed that it sounds like there have been extensive discussions with the association about the requirements they will face as they are annexed, including paving and volunteer fire response. If anything, they are getting a lot more information than they might otherwise as a result of this annexation process.

Motion for approval, subject to an annexation agreement, carried 7-0: Gaylor Baird, Sunderman, Hove, Francis, Butcher, Weber and Cornelius voting 'yes'; Lust and Esseks absent. This is a recommendation to the City Council.



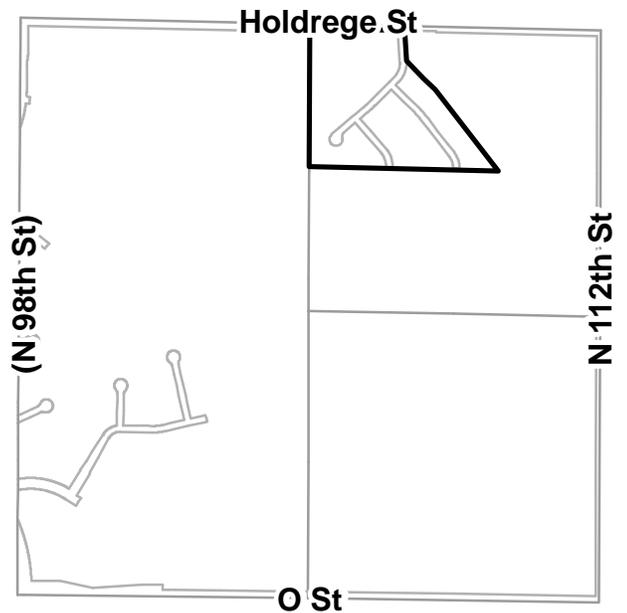
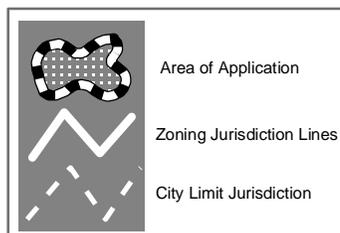
2010 aerial

Annexation #10004 N 108th & Holdrege St

Zoning:

R-1 to R-8	Residential District
AG	Agricultural District
AGR	Agricultural Residential District
O-1	Office District
O-2	Suburban Office District
O-3	Office Park District
R-T	Residential Transition District
B-1	Local Business District
B-2	Planned Neighborhood Business District
B-3	Commercial District
B-4	Lincoln Center Business District
B-5	Planned Regional Business District
H-1	Interstate Commercial District
H-2	Highway Business District
H-3	Highway Commercial District
H-4	General Commercial District
I-1	Industrial District
I-2	Industrial Park District
I-3	Employment Center District
P	Public Use District

One Square Mile Sec. 24 T10N R07E



Mr. Marvin Krout, Planning Director
Lincoln/Lancaster County Planning Department
555 South 10th Street, Suite 213
Lincoln NE 68508

Re: Letter from Stephen Mason
President Sky Ranch Acres
August 31, 2010

Dear Mr. Krout,

I am writing this letter to update your office on the current status of the Sky Ranch Acres Neighborhood Association annexation.

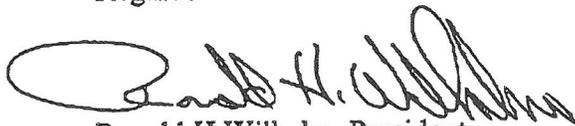
As stated in the above reference, the driving force for our request is that our present waste water system is 40 years old and needs to be replaced. Our present permit with Nebraska Department of environmental Quality (NDEQ) will terminate Oct 1, 2012. It is understood that we will need to have another system in place at that time. It is our goal to have our waste water system annexed to the City of Lincoln system at that time.

Since our letter of August 31, 2010, JEO Consulting has completed their engineering study and have developed plans to connect to the City of Lincoln Waste water within the Waterford Estates property. A local contractor has been selected through a bidding process utilizing the JEO plan designed with specifications according to the city of Lincoln guidelines. We anticipate to have the project completed approximately by August 10th, 2012.

It is our understanding that the Waterford Estates lift station will no longer be needed when the city completes its Stevens Creek waste water line. The project manager, Brian Kramer, anticipates this to be mid August 2012. It is our desire to have our connection in place and to begin utilizing the system once the lift station has been shut down.

We have received an Annexation Agreement, which is currently under review by our association board. We have discussed its content and we understand the responsibilities set forth. In the next few days we will be meeting for its final review.

Regards



Ronald H Wilhelm, President
Sky Ranch Acres Neighborhood Association

5/31/12
DATE

Cc: Mr. Steve Henrichson
Mr. Tom Cajka
Sky Ranch Association BOD Members

RECEIVED

SEP 1 - 2010

Lincoln/Lancaster Co.
Planning Department

August 31, 2010

Mr. Marvin Krout, Planning Director
Lincoln/Lancaster County Planning Department
555 South 10th Street, Suite 213
Lincoln, NE 68508

Dear Mr. Krout,

I am writing this letter per instructions provided by Mr. Steve Henrichson regarding interest of the Sky Ranch Acre Neighborhood Association to connect to the City of Lincoln Sewer System and be annexed. Our association consists of 30 homes located near 108th and Holdrege. The driving force for this request is the fact that our present waste water system is 40 years old, and our present permit with the Nebraska Department of Environmental Quality (NDEQ) indicates that we either need to install a system to treat E. coli in our waste water being released into a tributary of Steven's Creek or connect to the City of Lincoln system by Sept 30, 2011. The association has determined that the cost of installing a new sewage plant is excessively expensive, thus the best option is to connect to the City of Lincoln system and request annexation. We have communicated this to the NDEQ by letter (copy attached).

Members of our association (primarily Mr. Rodger Johnson) have had communication with the NDEQ and Steve Henrichson for several years regarding possible annexation. During the past year, the Sky Ranch Acres Neighborhood Association commissioned JEO Consulting to conduct a study of sewage/wastewater management options and future considerations for water services. A copy of the JEO Consulting report for the sewage/wastewater management options is attached for your information. At the request of JEO Consulting, we had the City of Lincoln run a camera through our sewer system, which indicated that the sewer lines were of adequate size and quality to be accepted by the City of Lincoln. The JEO Consulting report presented three options: install a new sewage/wastewater plant, hook up to the Steven's Creek trunk line when it reaches our association, or hook up to a manhole located at the Waterford Estates sewage lift station located just west of our association property. Since the Steven's Creek trunk line will not reach Holdrege Street by Sept 2011, connecting to it is not a viable option. It should be noted that 28 of the homes in the association are hooked directly to the present sewage/wastewater plant by gravity. One other home (10601 Holdrege) has a private lift station allowing it to use our plant. The final home (10401 Holdrege) is not connected to our sewage/wastewater system, having a private septic system.

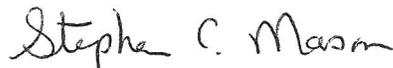
Sky Ranch Acres Association has streets built to rural standards and managed by Lancaster County. The association paid for the paving costs, deeded the streets to Lancaster County, and the county provides maintenance and snow removal. The streets do not have curbs or sidewalks, and there are no street lights. It is our desire to maintain this "rural atmosphere" upon annexation by the City of Lincoln. The Southeast Rural Fire Station provides fire protection. The association has two wells and a closed loop water system for home use which meets our needs. It is our desire to maintain this water

system, and at some time in the future (when city water is available and our wells require major capital investment) to consider hooking up to the City of Lincoln System while maintaining the option to continue using our present water system. It should be noted that this annexation will not include the grass runway airport located just to the east of association property.

Our goal is to proceed with the annexation and connection to the City of Lincoln sewage system by Sept 30, 2011. This requires that the terms of agreement for annexation be determined during the fall of 2010 with approval by January or February 2011. At that time an engineering study would likely be required to develop plans to install a sewer line under the tributary to Steven's Creek on the west side of the association property, then actual installation of the sewer line. The Board of Directors (BOD) would be happy to meet with City officials concerning the terms of agreement and reasonable monthly cost per home for sewage service and maintenance of the Waterford Estates lift station. It will be important that this process occur at a pace that allows the BOD to communicate the process and considerations to all association members. If necessary, the Sky Ranch Acres Association is willing to obtain legal counsel to represent us during the process.

You should also be aware that the Sky Ranch Acres BOD has rotating membership, with changes occurring in early Oct. I will be president until Oct. 4, when Mr. Ron Wilhelm (1301 Piper Way) will assume leadership. I will continue as a member of the BOD as past president, thus be able to provide continuity during the change in leadership. I await your response and indication of the steps required in this process.

Sincerely,



Stephen C. Mason, President
Sky Ranch Acres Neighborhood Association

Xc: Mr. Steve Henrichson
Mr. Tom Cajka ✓
Sky Ranch Association BOD Members

Memorandum

To: Tom Cajka, Steve Henrichsen
From: Dennis Bartels Public Works and Utilities
Subject: Annexation 10004, Skyranch Acres
Date: September 14, 2010
cc: Roger Figard
Randy Hoskins
Brian Kramer
Nick McElvain

The Development Services Section of Engineering Services has reviewed the proposed Skyranch Acres annexation location south of Holdrege Street east of Waterford Estates and has the following comments:

1. **Sanitary Sewer Service** - The stated purpose of the annexation request is to provide sewer service to this area by connecting to the Waterford Estates trunk sewer. The JEO report states there is fall from the Skyranch development to the trunk sewer but that existing ground elevations have not been confirmed. The 8" sewer connection must cross a large drainage ditch. Based on contours from the Waterford Estates Preliminary Plat it appears the outlet route shown will be very shallow with minimal cover if the contours are accurate. If the contours are not accurate the sewer may be too shallow. I recommend that survey and proposed flow lines of the sewer in the critical area of the routing be confirmed and provided prior to action on this request. The cost assumptions for Skyranch are questionable until this is confirmed and the acceptability of the sewer routing or future obligation to Skyranch Acres will be unknown until this information is provided.

30' wide sanitary sewer easements will need to be dedicated to the city along the sanitary sewer route for the portion of the existing and proposed system lying outside public right-of-way. An easement from Waterford Estates will also be required.

Skyranch Acres will be required to pay the entire cost of the new sewer mains, acquisition of easements, construction and engineering costs and abandonment of the existing treatment system.

Since public water is not available at this time, sewer billings will need to be based on other calculation methods. The method of calculation for sewer billings should be agreed upon prior to annexation.

The JEO report about utilities references assessment districts to fund the new wastewater mains needed. Public Works recommends an assessment district not be an option and the necessary sanitary sewer be built by authority of an executive order.

2. **Water** - Sky ranch Acres is not requesting water service at this time. Water service will not be available without extension of the 16" water main from 98th and Holdrege to the intersection of Cessna Lane and Holdrege and the construction of a public water system in the streets within this subdivision. The lot owners are responsible for these future costs as well as for payment of water impact fees. Per the Lincoln Municipal Code, these water mains can be built by assessment district and assessed to the benefitted property owners, if approved by City Council. The existing private system, based on information, is not acceptable as a public water system. Public Works does not object to not serving the annexed area with public water until a future date. The unavailability of water at the present time and the future liability for the cost to provide the local water system should be acknowledged in the annexation agreement.

3. **Streets** - The annexation application letter requests that the public streets presently existing as paved rural cross-section streets without sidewalks and ornamental lighting be allowed to remain as is. Public Works does not object to not requiring re-paving to urban cross-section streets with this annexation provided that:
 - a. The property owners agree that the maintenance of the open ditches, driveways, and driveway culverts are the property owner's responsibility.
 - b. Agree that damage to turf and lawn sprinkler systems in the right-of-way are not a city responsibility to repair if they are damaged in the performance by the city of its street maintenance responsibilities, such as paving repairs, snow removal or street sweeping.
 - c. When the paving reaches a condition that it is not in the opinion of Public Works and the paving needs to be replaced, the agreement should state that property owners will not object to a paving or re-paving district to replace the paving and the assessment of these costs will be passed to the benefitted property owners. The paving may be replaced with standard urban cross-section curb and gutter paving.
 - d. The City Council may order construction of sidewalks along both sides of the street. Provisions should be made to provide access for pedestrians to the LPS school site to the west of this annexation.
 - e. The existing ROW for Holdrege Street is not adequate to meet present standards for arterial streets. Other annexations by agreement have required dedication of standard right-of-way. If dedication cannot be required today, Public Works requests agreement that right of way will be dedicated to the city upon demand with the right-of-way is needed.

Health Department comments:

Water wells existing when annexation occurs may continue to exist and be used for domestic (household) or non-domestic (irrigation) use if the use is consistent with the use prior to annexation. A biennial well permit is required for all wells within the city limits.

Onsite wastewater treatment systems must be properly abandoned.