

***APPRAISAL REPORT ON  
CITY OF LOW MOOR, IOWA  
WATER AND WASTEWATER SYSTEM INFRASTRUCTURE ASSESSMENT  
REVISION TO 2021 VALUES***



*BY*

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May 9, 2024

Honorable Mayor Tom Goldensoph and Council Members  
c/o Joyce Lanning, City Clerk  
City of Low Moor  
323 3<sup>rd</sup> Avenue  
Low Moor, IA 52757

Dear Mayor Goldensoph and Council Members:

At your request, I have completed an appraisal intended to comply with Standard 1 of the Uniform Standards of Professional Appraisal Practice (USPAP) requirements. This is an appraisal type report prepared under Standards Rule 2-2(a). I have made a physical viewing of the property on March 5, 2024 of the facilities and real estate that comprise the City of Low Moor, Iowa delivery and wastewater systems, located in Low Moor, Iowa. I have viewed most of the property, researched data, and considered matters pertinent to its value.

The purpose of this appraisal assignment is to arrive at an opinion of market value of the city water and wastewater systems as private systems to be sold to a private end-user. The market value relates to the Fee Simple Interest and easements assuming no liens or encumbrances.

#### **FINAL OPINION OF VALUE:**

Assuming the sale of the two complete systems to a private entity the final market value of the subject property is **\$1,290,000** “as is” as of March 5, 2024. The allocated fair market value to the systems are as follows:

The final market value of the subject property relating to the Water Delivery System “as is” as of March 5, 2024 is:

**SIX HUNDRED THOUSAND DOLLARS**  
**\$600,000**

*Appraisal of a Water Delivery and Wastewater System*  
*The City of Low Moor, Iowa*  
May 9, 2024

The final market value of the subject property relating to the Wastewater Treatment System “as is” as of March 5, 2024 is:

**SIX HUNDRED NINETY THOUSAND DOLLARS**  
**\$690,000**

The client has requested a separate value for the water treatment and city hall building. The overall value of the improvements and land are reconciled at \$162,534, rounded to \$165,000. The market value reflects \$103.00/SF of gross building area. The reconciled value of the city hall and water treatment property is allocated from the reconciled value of the water delivery system assuming the potential buyer would not acquire this component of the asset. The fair market value of the water treatment facility assuming the city retains this component is therefore calculated as follows:

**Fair Market of the Water Delivery System w/o City Hall/Treatment                      \$435,000**

This is an appraisal report, which is intended to comply with the reporting requirements set forth under Standards Rule 2-2 (a) of the Uniform Standards of Professional Appraisal Practice. As such, this report presents summary discussions of the data, reasoning and analyses that are used in the appraisal process to develop a credible opinion of value. Supporting documentation concerning the data, reasoning and analyses are retained in the appraisal file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated below. The appraiser is not responsible for unauthorized use of this report.

The following report describes my method of approach, contains data gathered in my investigations, and demonstrates my analysis in arriving at a credible opinion of market value for the subject property.

In compliance with the ethics rule I have performed other services, as an appraiser or in any other capacity, regarding the property that is the subject of the work under review within the three-year period immediately preceding acceptance of this assignment.

Respectfully submitted,



Patrick D. Kirchner, MAI, SRA  
Iowa Certified General Appraiser #CG03568  
THE DASCHER COMPANY, INC.

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## **EXECUTIVE SUMMARY**

Location: City of Low Moor, Iowa

Property Type: Water Delivery & Wastewater System

Land Size Breakdown: 5,940 square feet – Water Treatment Site  
435,164 square feet; 9.99 acres – Lagoon Site

Building Size: Filtration Plant 1,578 square feet – Built in 1900 updated in 2011-2018

Ground Storage Tank: Elevated Steel with 30,000 gallon capacity

Lagoon: The existing lagoon has been retired

Year Built: Various stages 1900-2018

Zoning: Exempt – Similar to Agricultural – Residential - Commercial

Date of Valuation: March 5, 2024 “As Is”

Date of Inspection: March 5, 2024

Market Value “As Is” as of March 5, 2024.

Valuation by Cost Approach..... \$1,690,000  
Valuation by Sales Comparison Approach ..... \$1,120,000  
Valuation by Income Capitalization Approach..... Not Applicable

The final market value of the subject property relating to the Water Delivery System “as is” as of March 5, 2024 is:

**SIX HUNDRED THOUSAND DOLLARS**  
**\$600,000**

The final market value of the subject property relating to the Wastewater Treatment System “as is” as of March 5, 2024 is:

**SIX HUNDRED NINETY THOUSAND DOLLARS**  
**\$690,000**

**APPRAISAL REPORT ON  
CITY OF LOW MOOR, IOWA  
WATER AND WASTEWATER SYSTEM INFRASTRUCTURE ASSESSMENT  
REVISION TO 2021 VALUES**

**CLIENT:** CITY OF LOW MOOR, IOWA

**APPRAISER:** THE DASCHER COMPANY, INC.  
Patrick D. Kirchner, MAI, SRA  
1919 Hampshire Avenue  
St. Paul, MN 55116

**SUBJECT:** WATER DELIVERY AND WASTEWATER SYSTEMS  
City of Low Moor, Iowa  
323 3<sup>rd</sup> Avenue  
P.O. Box 130  
Low Moor, IA 52757

**PURPOSE OF THE APPRAISAL:**

The purpose of this appraisal is to provide the appraiser's best estimate of the market value of the subject real property as of the effective date. *Market value* is defined by the federal financial institutions regulatory agencies as follows:

*Market value* means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- (1) buyer and seller are typically motivated;
- (2) both parties are well informed or well advised, and acting in what they consider their own best interests;
- (3) a reasonable time is allowed for exposure in the open market;
- (4) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

(Source: Office of the Comptroller of the Currency under 12 CFR, Part 34, Subpart C-Appraisals, 34.42 Definitions [ff].)

## INTENDED USE OF REPORT:

The intended use of this appraisal report is to assist the client the City of Low Moor, Iowa and the Iowa Utilities Board with the potential acquisition of the City of Low Moor water and wastewater systems by private company.

## INTENDED USER OF REPORT:

The intended users of this appraisal report include the client (for potential acquisition purposes), the City of Low Moor (for asset disposition), and the Iowa Utilities Board with jurisdiction over the transfer of the water delivery and wastewater collection system assets from the City of Low Moor to a Private for profit company.

## INTEREST VALUED:

The purpose of this appraisal is to estimate the market value of the subject property “as is” in the fee simple interest subject to the assumptions and limiting conditions herein. I have requested legal descriptions from the city regarding easements of record. I did not receive detailed legal descriptions for the rights and interests relating to the individual sewer lines and residential/commercial users in the City of Low Moor. I assume that various easements relating to access to the lagoon, easement rights for the sewer lines and equipment will transfer to a typical buyer. I do not consider these easements to have value to an independent purchaser of this type of asset.

The subject property consists of a water delivery and wastewater system. The following is a summary of the systems:

### Water Treatment

The source—2 wells

Well #1 was drilled in 1923, is inactive and is maintained as an emergency standby well, but has not been operated to the system since 1996. Well #2 was drilled in 1959 and is the only active well. Both wells pump directly through the treatment plant and into the distribution system

Treatment system—chlorine, phosphate, potassium permanganate added

Elevated storage tank-1

Water Supply

|                  | Well #1 | Well #2 |
|------------------|---------|---------|
| Location         | At WTP  | At WTP  |
| Capacity (gpm)   | 100     | 170     |
| Depth (ft)       | 256     | 322     |
| Age              | 1923    | 1959    |
| Casing Size (in) | 6       | 8       |
| Motor size (HP)  | NA      | 10      |

### Treatment System



The wells and treatment facility are located within the maintenance/mechanical room of the City Hall building. Treatment consists of chemical addition only. Sodium hypochlorite is fed for primary/secondary disinfection and polyphosphate is fed for iron sequestration. The distribution system is not looped and consists of approximately 10,000 linear feet of 4" cast iron pipe. A newer section of main along 260<sup>th</sup> Street is PVC.

A 30,000 gallon elevated tank constructed in the 1930's provides an average 42 psi system pressure. The city owns services up to and including the curb stop. All meters have been replaced over the last 10 years with remote read Hersey meters.

Per engineers system infrastructure assessment:

The City Hall/Well Building is a mixed-use occupancy structure, the building is a 1-story, 1,578 SF structure. The waterworks section is 878 SF and both wells occupy this space. The City Hall space is 700 SF. The building was constructed in 1900 but has had substantial improvements both in 2013 and 2018 that have extended the useful life of this building. The estimated useful life remaining in this building is approximately 20 years equating to 70% of the cost of replacement. The cost of replacement of this mixed-use structure is determined to be nearly \$190/SF, based on a combination of historical waterworks building and single-story office construction of this grade utilizing RSMeans data.

Well#1 is approximately 101 years old and has a useful life of 75 years, this well is a standby well only to be used in emergencies. This well is determined to have fully depreciated its useful life.

Well #2 is approximately 65 years old and has a useful life of 75 years. We separated the pump assembly, piping components and electrical from the physical well itself as the components described are 8 years old and have a 25-year life. These items were upgraded in 2016.

Standby power is provided by a permanent Kohler 30 KW Generator with an automatic transfer switch that was installed in 2012. This generator has a useful life of 20 years, with 8 years remaining.

The chemical feed to Well #2 is a simple sodium hypochlorite pumping system and was upgraded in 2018, this component has a useful life of approximately 5 years.

The City has an 30,000-gallon elevated storage tank that was constructed in the 1930's. The useful life of this storage is approximately 75 years and this component has fully depreciated its useful life.

The City has around 10,000 LF of primarily 4" cast iron water main. Cast iron water main can have a useful life of anywhere from 80 to 120 years. For the purpose of this assessment the water main is anticipated to have a useful life of 100 years, with the average age in the system being approximately 83 years.



There are approximately 126 residential services with an average age of 80 years, with this component having a useful life of 75 years, the services have fully depreciated their useful life.

The City has approximately 126 residential meters that are 11 years old and have a useful life of 15 years.

### **Wastewater Treatment**

The most prominent component of the wastewater system is the wastewater pumping facilities constructed in 2011. The wastewater pumping facilities was constructed to pump the City's wastewater to Clinton, Iowa for treatment. The components of this facility are approximately 13 years old and have an overall useful life of 50 years.

The remaining components of the system are the wastewater collection system throughout the community these are primarily vitrified clay pipe and manholes constructed around 1967, these components are 56 years old and have a useful life of approximately 60 years. The system consists of 12" and 8" mains with 4" sewer laterals. There are 27 manholes in the system.

There is a joint 28E agreement between Clinton/Low Moor waste water treatment district. This is a voluntary joint undertaking of the Clinton/Low Moor waste water treatment district pursuant to Chapter 28E of the Code of Iowa, 2007. The purpose of the joint agreement is to afford both waste water transport and treatment for the city of Low Moor by the city of Clinton at the wastewater treatment plant owned by the city of Clinton, Iowa which plant is proposed for completion in 2013. Said entity was established for the purpose of assisting and serving the people within the city of Clinton and Low Moor, Iowa and such other surrounding areas as may benefit from the plant. Further, the purpose thereof shall be to provide more efficient waste water treatment at a reasonable cost. Please see document in the addendum of this report. The lift station pumps the waste water east to the city of Clinton.

**Table 1** summarizes the water and wastewater systems and the length, material and size.

|                   | Item # | Description                                      |
|-------------------|--------|--|
| Water System      | 1      | City Hall / Well Building                        |
|                   | 2      | Well #1  |
|                   | 3      | Well #2 (Excluding below items)                  |
|                   | 4      | Well #2 (Pump, Piping & Electrical)              |
|                   | 5      | Standby Power                                    |
|                   | 6      | Chemical Feed System                             |
|                   | 7      | Elevated Storage Tank, 30,000 gallon, 1930 era   |
|                   | 8      | Distribution, 10,000 LF 4" Cast Iron (Primarily) |
|                   | 9      | Residential Services, 125 ea                     |
|                   | 10     | Residential Meters, 125 ea                       |
| Wastewater System | 11     | Pumping Station, Force Main & Gravity Sewer      |
|                   | 12     | 12" VCP, 1,304 LF                                |
|                   | 13     | 8" VCP, 7084 LF                                  |
|                   | 14     | 4" Laterals, 4,785 LF                            |
|                   | 15     | Manholes, 27 EA                                  |
|                   | 16     | Wastewater Property, 10 acres                    |
|                   |        |  |

For the purpose of this report, the following definition of Fee Simple is used:

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

*Source: The Dictionary of Real Estate, 7<sup>th</sup> Edition, Published by; The Appraisal Institute)*

**EFFECTIVE DATE OF VALUE:**

The subject "as is" is based on the date of inspection on March 5, 2024.

**DATE OF REPORT:**

May 9, 2024

**SCOPE OF WORK:**

I have reviewed the State of Iowa Chapter 1024 relating to the sale of the city utilities and acquisition of public utilities.

I have been advised not to include within this appraisal report the municipal building and land relating to these improvements. The elevated storage tank would be retained by a potential buyer of this asset. I assume that an easement would be in place to allow a potential buyer to maintain the elevated storage tank

The scope of work includes a number of independent investigations and analysis including an observation of the subject property. Research sources utilized to gather information regarding the subject property and market data include the Clinton County Register of Deeds and Treasurer Offices, office data, assessor's land records and sales, publications, the internal records database of this appraisal office, Marshall & Swift, and data from the city.

I have relied on management relating to the age and configuration of the systems. Management has also provided the actual costs of the system upgrades that were performed in 2011-2013. If the information provided by the client and management is deemed to be untrue or inaccurate would render my value opinion unreliable.

I have relied on Origin Design regarding the depreciated value of the water delivery and wastewater systems. I have also reviewed the Wastewater Treatment Facility Improvements performed by IIW Engineers & Surveyors, P.C. in 2006. I also reviewed the Water System Summary performed by IAWC Engineering dated May 15, 2015.

In my opinion, the research sources used are sufficient for the discovery of comparable market data, and the sales recited and analyzed are sufficient to provide a reliable value opinion for the property being appraised. However, because of the diversity of the information discovery process, there may be other data which may be more comparable, more recent, or more suitable to the subject property, which was not discovered, and which was, therefore, not included in this analysis.

An appraisal is defined as "A definite, written, detailed opinion of a qualified appraiser as to the market value of property." The appraisal is designed to assist in decision making regarding a particular property.

In professional appraisals, three approaches to value are considered and usually applied: (1) Cost Approach, (2) Sales Comparison Approach, (3) Income Approach. All approaches apply data that are derived from the market.

In the Cost Approach, the component parts of the subject property are analyzed and an estimate of what it would cost in the market to replace them with property of like utility and value is made. Land is broken into use classes, each evaluated on its value in the market. The value of the improvements is estimated based on cost new, less depreciation. Depreciation is defined as loss in value from any cause and may be physical wear, functional and/or external obsolescence.

I have relied on actual costs supplied by the client and a report prepared by Origin Design which details the depreciated value of the assets. In addition, I have consulted and reviewed other engineering reports and data relating to water delivery and wastewater treatment facilities. Based on these additional sources the Origin Design Report is considered accurate, thorough and credible relating to this assignment.

The Sales Comparison Approach involves market analysis of properties that have been sold. Each property is compared with the subject property (the property being appraised) on numerous factors; some being time of sale, size location, quality, and improvements. Since no two properties are alike, each factor is given a dollar value in comparison to the subject. This is the concept of “comparable sales,” which is based on the economic principle of substitution and state: “One will not pay more for an item than for another item of equal utility.”

There are very limited potential investors of municipal utilities. Currently there are ten states that have enacted Fair Market Legislation regarding water utilities. Iowa recently passed legislation to allow local governments to sell their municipal water and sewer systems. There are few potential purchasers of this type of asset. Typical investors have been Aqua Illinois, Inc, Illinois American Water and in Iowa the entity that has shown interest in various systems is Iowa American Water Company.

I have been able to uncover sales of water delivery and wastewater systems that have occurred in the State of Illinois and Iowa. The sales have been extensively researched from state dockets.

The Income Approach usually involves the capitalization of net income. The appraiser outlines annual income under typical use and management using market income and expenses. The capitalization rate is derived from the market, using actual data from similar properties and similar investment criteria.

The Income Approach was not found applicable relating to this assignment. The subject is a municipal utility. There is limited to scarce market data to support and formulate a reliable rental rate, operating expenses and Overall Capitalization Rate.

The final process is correlation of the approaches and selection of the approach or approaches that most accurately represent market value.

This appraisal report is a brief summary of the data, analysis, and conclusion. All supporting documentation is retained in the appraisal file.

The subject property is appraised “as is”.

#### **CUSTOMER COUNTS:**

According to officials from the City of Low Moor, the subject property water delivery system serves 126 customers and the subject property wastewater system serves 128 customers. This appraisal assumes the customer counts provided by city officials are accurate and are relied throughout this appraisal assignment.

#### **ENVIRONMENTAL ISSUES:**

This report has not taken into consideration the possibility of the existence of any environmental hazards or substances, including but not limited to asbestos, PCB transformers, or other toxic, hazardous, or contaminated substances and/or underground storage tanks (hazardous material), or the cost of encapsulation or removal thereof.

Should the client have concern over the existence of such substances or any other hazardous items on the subject properties, the appraiser consider it imperative for the client to retain the services of a qualified, independent engineer or contractor to determine the existence and extent of any hazardous materials, as well as the cost associated with any required or desirable treatment or removal thereof. Under such circumstances, the valuation stated herein would be void.

#### **SOILS AND SUBSOILS:**

This appraisal report gives no consideration to the potential impact on the subject property regarding any archeological findings; in addition, the cost of preparing any archeological studies/reports for the subject property is not incorporated into this valuation. It is assumed for purposes of this appraisal that there are no hidden or unapparent conditions of the property or subsoils that render the subject property more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them. It is also assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the appraisal report.

USPAP Standard Rule 1-2(g) requires the identification of all hypothetical conditions that are necessary for a credible value opinion.

## **DEFINITION OF HYPOTHETICAL CONDITION:**

A hypothetical condition is defined as follows:

A condition that is presumed to be true when it is known to be false. (SVP)  
2. A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. Comment: Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. (USPAP, 2020-2021 ed.)

*(Source: The Dictionary of Real Estate Appraisal, 7th Edition, Appraisal Institute)*

None exist relating to this assignment.

## **DEFINITION OF EXTRAORDINARY ASSUMPTION:**

An extraordinary assumption is defined as follows:

An assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions. Comment: Uncertain information might include physical, legal, or economic characteristics of the subject property, or conditions external to the property, such as market conditions or trends, or about the integrity of data used in an analysis. (USPAP, 2020-2021 ed.) See also special assumption.

*(Source: The Dictionary of Real Estate Appraisal, 7th Edition, Appraisal Institute)*

The following extraordinary assumptions are detailed as follows:

The extraordinary assumption included in this report is there are no adverse environmental conditions on or around the property that would have a negative impact on the overall utility, and hence value. Any deviation from this extraordinary assumption may have a significant effect on the market value opinion stated in this report.

This appraisal is performed made subject to the following extraordinary assumptions:

- 1.) Information provided by management, the client and the operator Iowa American Water pertaining to the water delivery and wastewater systems including the physical, legal, costs, overall age is relied on throughout this assignment. I reserve the right to revise all opinions and conclusions

presented in this report if upon receiving or becoming aware of any information that is inconsistent with and/or contradicts the information provided by the client.

- 2.) The costs of the systems as provided are relied on throughout this assignment and any deviation relating to the costs would render my market opinion unreliable.
- 3.) I have relied on the Origin Design Engineering Report. I reserve the right to revise all opinions and conclusions presented in this report if upon receiving or becoming aware of any information that is inconsistent with and/or contradicts the information provided by the client.
- 4.) The city has provided the legal descriptions of the parcels that are owned in fee simple by the city, located in public rights-of-way, and assets located on private property. I assume with regards to the sale of the systems to private companies, permanent easements will be in place. The mayor states that there is a perpetual easement relating access to the lagoon. I assume that this easement will transfer to a private entity upon sale of the asset. I assume that permanent easements for the applicable properties will transfer to a private entity to allow for future use of the systems, the continued ability to maintain the services in regards to repair, replace and updates as required.
- 5.) I assume that permanent easements that are or will be in place if the property were to be sold to a private entity.

An easement is a right to use another person's property for a specific purpose. Almost every property has an easement.

The most common easement on a residential lot is a drainage and utility easement. This type of easement is needed for stormwater runoff and underground utilities such as water, sanitary sewer, electric, gas, telephone or cable, and storm water sewer lines. Easements typically run along each property line and differ in width and length from one property to the next and can range anywhere from 5 to 50 feet wide. Easements may also be established from maintenance access to stormwater ponds, roadways, trails and sidewalks, wetland protection or other private use (gas, cable, electric, utilities , etc.).

Easements need to remain accessible to provide utility companies and City staff access for maintenance and work on infrastructure. Here is what you should know about what you can and cannot do within an easement:

**Allowed at owner's risk :**

- Irrigation systems
- Some types of surface landscaping
- Fences in areas that do not contain underground city utilities or will not impede drainage.

*NOTE: It is assumed that the City or utility company is entitled to remove any of these or similar obstructions if access is needed.*

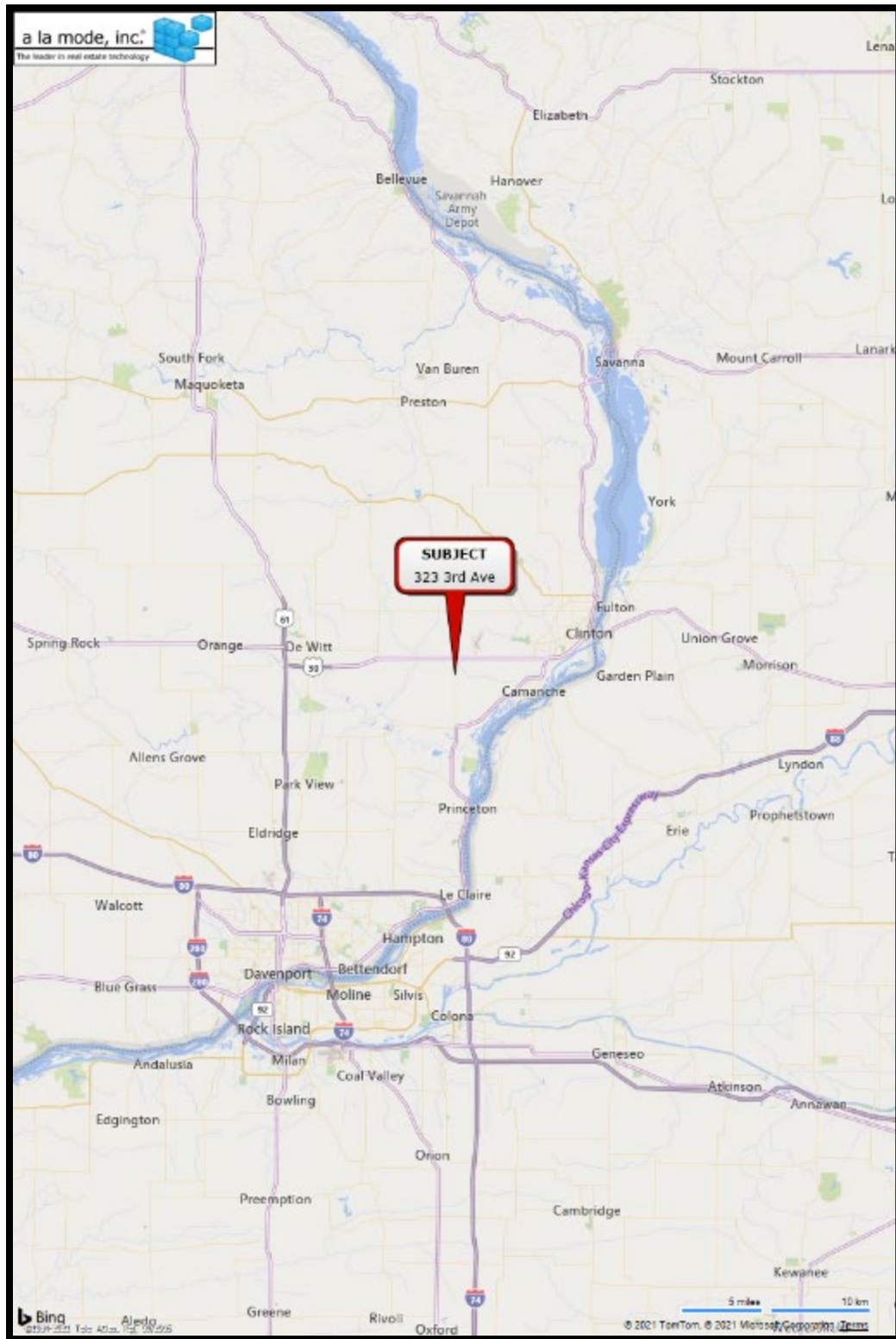


**Improvements typically not allowed:**

- Retaining walls or berms
- Paver patio
- Driveways
- Decks, gazebos
- Stairs
- Fire pits
- Pools
- Storage sheds/playhouses or similar structures

This appraisal, presented in an appraisal report is intended to comply with the reporting requirements outlined under the USPAP for an appraisal report. The report was also prepared to comply with the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute.

## AREA MAP



## **REGIONAL & SITE DATA:**

Low Moor is a city in Clinton County, Iowa, United States. The population was 250 at the 2020 census. Low Moor is located at 41°48'5"N 90°21'22"W (41.801348, -90.356218).

According to the United States Census Bureau, the city has a total area of 0.47 square miles (1.22 km<sup>2</sup>), all land.

Located in Clinton County, Iowa, Low Moor is minutes west of Clinton Regional Airport, and one mile south of US 30. The biggest little town in Iowa was founded on 320 acres of land and incorporated in 1859. This bedroom community has many activities, including a baseball park with lights, two city parks, a tennis/basketball court, a 4-H club, the Lions Club, and the annual Low Moor Days which is held in July of each year.

The community center was completed in 1980 which hosts a variety of events and is available for rent. School age children (Pre-K through 12th grade) are considered to be in the Central DeWitt School District. Bus stops are currently located at the city park, community center, and fire station. The town underwent a major sewer project in 2011-2012 to meet DNR regulations.

City of Low Moor was recognized in 2013 by the Iowa League of Cities as an All Star Community for the collaborative efforts to build a regional waste water reclamation center with the nearby communities of Clinton and Camanche. A new City Hall was completed in December of 2013, under the direction of Mayor Richard Meland and the city council, and allows the town to conduct business in a modern, welcoming environment. The office is located under the iconic elevated storage tank at the corner of 3rd Ave and 4th Street. The physical address is 323 3rd Avenue.

The following demographics were researched within the City of Low Moor, Iowa.

## Population

| Radius                        | 1 Mile       | 3 Mile       | 5 Mile       |
|-------------------------------|--------------|--------------|--------------|
| <b>Population</b>             |              |              |              |
| 2028 Projection               | 171          | 1,093        | 6,450        |
| 2023 Estimate                 | 175          | 1,068        | 6,337        |
| 2010 Census                   | 202          | 1,007        | 6,154        |
| Growth 2023 - 2028            | -2.29%       | 2.34%        | 1.78%        |
| Growth 2010 - 2023            | -13.37%      | 6.06%        | 2.97%        |
| <b>2023 Population by Age</b> |              |              |              |
|                               | <b>175</b>   | <b>1,068</b> | <b>6,337</b> |
| Age 0 - 4                     | 9 5.14%      | 56 5.24%     | 321 5.07%    |
| Age 5 - 9                     | 9 5.14%      | 59 5.52%     | 350 5.52%    |
| Age 10 - 14                   | 10 5.71%     | 63 5.90%     | 386 6.09%    |
| Age 15 - 19                   | 9 5.14%      | 61 5.71%     | 374 5.90%    |
| Age 20 - 24                   | 9 5.14%      | 57 5.34%     | 336 5.30%    |
| Age 25 - 29                   | 10 5.71%     | 59 5.52%     | 334 5.27%    |
| Age 30 - 34                   | 10 5.71%     | 59 5.52%     | 327 5.16%    |
| Age 35 - 39                   | 10 5.71%     | 59 5.52%     | 336 5.30%    |
| Age 40 - 44                   | 10 5.71%     | 62 5.81%     | 369 5.82%    |
| Age 45 - 49                   | 10 5.71%     | 59 5.52%     | 359 5.67%    |
| Age 50 - 54                   | 10 5.71%     | 64 5.99%     | 382 6.03%    |
| Age 55 - 59                   | 12 6.86%     | 76 7.12%     | 440 6.94%    |
| Age 60 - 64                   | 14 8.00%     | 86 8.05%     | 495 7.81%    |
| Age 65 - 69                   | 13 7.43%     | 78 7.30%     | 465 7.34%    |
| Age 70 - 74                   | 11 6.29%     | 66 6.18%     | 404 6.38%    |
| Age 75 - 79                   | 8 4.57%      | 48 4.49%     | 295 4.66%    |
| Age 80 - 84                   | 6 3.43%      | 32 3.00%     | 195 3.08%    |
| Age 85+                       | 4 2.29%      | 26 2.43%     | 168 2.65%    |
| Age 65+                       | 42 24.00%    | 250 23.41%   | 1,527 24.10% |
| <b>Median Age</b>             | <b>45.50</b> | <b>45.00</b> | <b>45.50</b> |
| <b>Average Age</b>            | <b>43.70</b> | <b>43.20</b> | <b>43.40</b> |

| <b>Radius</b>                         | <b>1 Mile</b> | <b>3 Mile</b> | <b>5 Mile</b> |
|---------------------------------------|---------------|---------------|---------------|
| <b>2023 Population by Occupation</b>  | <b>173</b>    | <b>997</b>    | <b>5,967</b>  |
| Real Estate & Finance                 | 15 8.67%      | 43 4.31%      | 136 2.28%     |
| Professional & Management             | 26 15.03%     | 169 16.95%    | 914 15.32%    |
| Public Administration                 | 1 0.58%       | 6 0.60%       | 133 2.23%     |
| Education & Health                    | 12 6.94%      | 87 8.73%      | 530 8.88%     |
| Services                              | 21 12.14%     | 75 7.52%      | 438 7.34%     |
| Information                           | 1 0.58%       | 12 1.20%      | 19 0.32%      |
| Sales                                 | 30 17.34%     | 156 15.65%    | 925 15.50%    |
| Transportation                        | 0 0.00%       | 0 0.00%       | 0 0.00%       |
| Retail                                | 2 1.16%       | 52 5.22%      | 495 8.30%     |
| Wholesale                             | 2 1.16%       | 5 0.50%       | 39 0.65%      |
| Manufacturing                         | 11 6.36%      | 106 10.63%    | 703 11.78%    |
| Production                            | 9 5.20%       | 89 8.93%      | 759 12.72%    |
| Construction                          | 17 9.83%      | 54 5.42%      | 386 6.47%     |
| Utilities                             | 13 7.51%      | 65 6.52%      | 223 3.74%     |
| Agriculture & Mining                  | 1 0.58%       | 21 2.11%      | 48 0.80%      |
| Farming, Fishing, Forestry            | 0 0.00%       | 18 1.81%      | 32 0.54%      |
| Other Services                        | 12 6.94%      | 39 3.91%      | 187 3.13%     |
| <b>2023 Worker Travel Time to Job</b> | <b>90</b>     | <b>505</b>    | <b>3,050</b>  |
| <30 Minutes                           | 62 68.89%     | 376 74.46%    | 2,248 73.70%  |
| 30-60 Minutes                         | 26 28.89%     | 112 22.18%    | 640 20.98%    |
| 60+ Minutes                           | 2 2.22%       | 17 3.37%      | 162 5.31%     |
| <b>2010 Households by HH Size</b>     | <b>83</b>     | <b>415</b>    | <b>2,612</b>  |
| 1-Person Households                   | 16 19.28%     | 97 23.37%     | 730 27.95%    |
| 2-Person Households                   | 39 46.99%     | 178 42.89%    | 1,041 39.85%  |
| 3-Person Households                   | 12 14.46%     | 55 13.25%     | 321 12.29%    |
| 4-Person Households                   | 8 9.64%       | 46 11.08%     | 306 11.72%    |
| 5-Person Households                   | 5 6.02%       | 28 6.75%      | 160 6.13%     |
| 6-Person Households                   | 2 2.41%       | 7 1.69%       | 36 1.38%      |
| 7 or more Person Households           | 1 1.20%       | 4 0.96%       | 18 0.69%      |
| <b>2023 Average Household Size</b>    | <b>2.50</b>   | <b>2.40</b>   | <b>2.40</b>   |
| <b>Households</b>                     |               |               |               |
| 2028 Projection                       | 69            | 451           | 2,738         |
| 2023 Estimate                         | 71            | 441           | 2,693         |
| 2010 Census                           | 82            | 414           | 2,613         |
| Growth 2023 - 2028                    | -2.82%        | 2.27%         | 1.67%         |
| Growth 2010 - 2023                    | -13.41%       | 6.52%         | 3.06%         |

## Housing

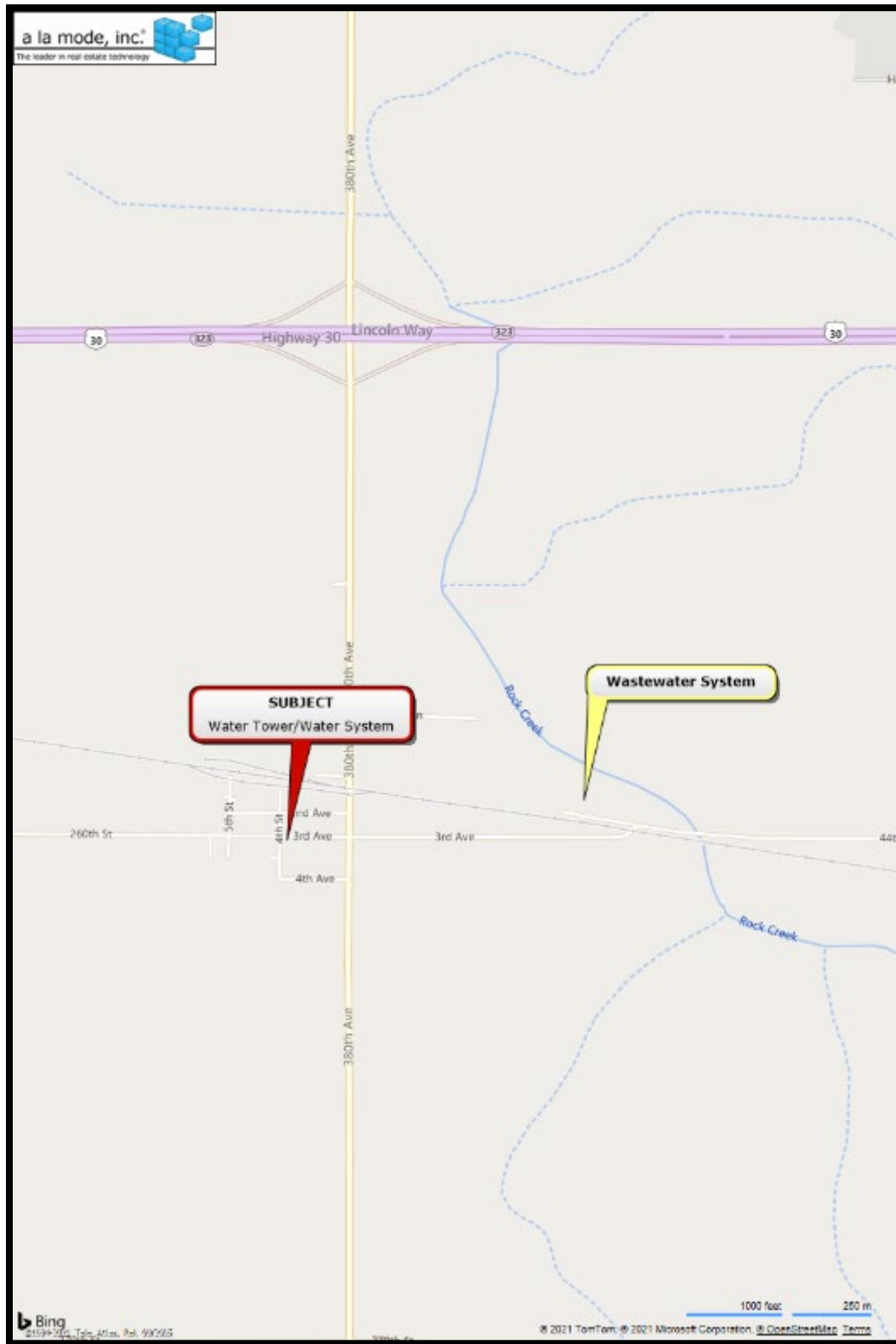
| Radius                                | 1 Mile           | 3 Mile           | 5 Mile           |
|---------------------------------------|------------------|------------------|------------------|
| <b>2023 Households by HH Income</b>   | <b>71</b>        | <b>441</b>       | <b>2,692</b>     |
| <\$25,000                             | 16 22.54%        | 60 13.61%        | 446 16.57%       |
| \$25,000 - \$50,000                   | 10 14.08%        | 96 21.77%        | 718 26.67%       |
| \$50,000 - \$75,000                   | 23 32.39%        | 128 29.02%       | 800 29.72%       |
| \$75,000 - \$100,000                  | 13 18.31%        | 65 14.74%        | 268 9.96%        |
| \$100,000 - \$125,000                 | 3 4.23%          | 32 7.26%         | 189 7.02%        |
| \$125,000 - \$150,000                 | 6 8.45%          | 26 5.90%         | 150 5.57%        |
| \$150,000 - \$200,000                 | 0 0.00%          | 19 4.31%         | 71 2.64%         |
| \$200,000+                            | 0 0.00%          | 15 3.40%         | 50 1.86%         |
| <b>2023 Avg Household Income</b>      | <b>\$60,627</b>  | <b>\$75,851</b>  | <b>\$65,861</b>  |
| <b>2023 Med Household Income</b>      | <b>\$55,277</b>  | <b>\$61,771</b>  | <b>\$56,232</b>  |
| <b>2023 Occupied Housing</b>          | <b>71</b>        | <b>441</b>       | <b>2,693</b>     |
| Owner Occupied                        | 60 84.51%        | 378 85.71%       | 2,184 81.10%     |
| Renter Occupied                       | 11 15.49%        | 63 14.29%        | 509 18.90%       |
| <b>2010 Housing Units</b>             | <b>80</b>        | <b>423</b>       | <b>2,737</b>     |
| 1 Unit                                | 78 97.50%        | 402 95.04%       | 2,297 83.92%     |
| 2 - 4 Units                           | 2 2.50%          | 20 4.73%         | 141 5.15%        |
| 5 - 19 Units                          | 0 0.00%          | 1 0.24%          | 271 9.90%        |
| 20+ Units                             | 0 0.00%          | 0 0.00%          | 28 1.02%         |
| <b>2023 Housing Value</b>             | <b>60</b>        | <b>379</b>       | <b>2,183</b>     |
| <\$100,000                            | 19 31.67%        | 125 32.98%       | 568 26.02%       |
| \$100,000 - \$200,000                 | 32 53.33%        | 129 34.04%       | 1,123 51.44%     |
| \$200,000 - \$300,000                 | 9 15.00%         | 84 22.16%        | 295 13.51%       |
| \$300,000 - \$400,000                 | 0 0.00%          | 23 6.07%         | 85 3.89%         |
| \$400,000 - \$500,000                 | 0 0.00%          | 14 3.69%         | 59 2.70%         |
| \$500,000 - \$1,000,000               | 0 0.00%          | 4 1.06%          | 53 2.43%         |
| \$1,000,000+                          | 0 0.00%          | 0 0.00%          | 0 0.00%          |
| <b>2023 Median Home Value</b>         | <b>\$134,375</b> | <b>\$150,000</b> | <b>\$146,616</b> |
| <b>2023 Housing Units by Yr Built</b> | <b>86</b>        | <b>483</b>       | <b>2,935</b>     |
| Built 2010+                           | 0 0.00%          | 54 11.18%        | 206 7.02%        |
| Built 2000 - 2010                     | 0 0.00%          | 15 3.11%         | 152 5.18%        |
| Built 1990 - 1999                     | 3 3.49%          | 76 15.73%        | 239 8.14%        |
| Built 1980 - 1989                     | 4 4.65%          | 27 5.59%         | 185 6.30%        |
| Built 1970 - 1979                     | 19 22.09%        | 79 16.36%        | 739 25.18%       |
| Built 1960 - 1969                     | 6 6.98%          | 32 6.63%         | 465 15.84%       |
| Built 1950 - 1959                     | 10 11.63%        | 34 7.04%         | 295 10.05%       |
| Built <1949                           | 44 51.16%        | 166 34.37%       | 654 22.28%       |
| <b>2023 Median Year Built</b>         | <b>1949</b>      | <b>1970</b>      | <b>1970</b>      |

## Consumer Spending

| <b>2023 Annual Spending (\$000s)</b>     | <b>1 Mile</b>  | <b>3 Mile</b>   | <b>5 Mile</b>   |
|--|----------------|-----------------|-----------------|
| <b>Total Specified Consumer Spending</b> | <b>\$2,047</b> | <b>\$13,858</b> | <b>\$75,933</b> |
| <b>Total Apparel</b>                     | <b>\$97</b>    | <b>\$637</b>    | <b>\$3,634</b>  |
| Women's Apparel                          | 37             | 244             | 1,383           |
| Men's Apparel                            | 21             | 133             | 737             |
| Girl's Apparel                           | 6              | 44              | 255             |
| Boy's Apparel                            | 5              | 33              | 194             |
| Infant Apparel                           | 5              | 30              | 175             |
| Footwear                                 | 24             | 153             | 892             |
| <b>Total Entertainment &amp; Hobbies</b> | <b>\$330</b>   | <b>\$2,174</b>  | <b>\$11,818</b> |
| Entertainment                            | 50             | 337             | 1,291           |
| Audio & Visual Equipment/Service         | 69             | 451             | 2,626           |
| Reading Materials                        | 5              | 35              | 202             |
| Pets, Toys, & Hobbies                    | 58             | 377             | 2,142           |
| Personal Items                           | 147            | 974             | 5,557           |
| <b>Total Food and Alcohol</b>            | <b>\$545</b>   | <b>\$3,553</b>  | <b>\$20,428</b> |
| Food At Home                             | 305            | 1,928           | 11,309          |
| Food Away From Home                      | 204            | 1,383           | 7,760           |
| Alcoholic Beverages                      | 36             | 243             | 1,359           |
| <b>Total Household</b>                   | <b>\$305</b>   | <b>\$2,105</b>  | <b>\$11,798</b> |
| House Maintenance & Repair               | 86             | 554             | 3,209           |
| Household Equip & Furnishings            | 119            | 832             | 4,645           |
| Household Operations                     | 76             | 531             | 2,962           |
| Housing Costs                            | 24             | 188             | 982             |
| <b>2023 Annual Spending (000s)</b>       | <b>1 Mile</b>  | <b>3 Mile</b>   | <b>5 Mile</b>   |
| <b>Total Transportation/Maint.</b>       | <b>\$573</b>   | <b>\$4,021</b>  | <b>\$20,663</b> |
| Vehicle Purchases                        | 320            | 2,309           | 11,295          |
| Gasoline                                 | 153            | 985             | 5,483           |
| Vehicle Expenses                         | 6              | 58              | 294             |
| Transportation                           | 27             | 224             | 1,149           |
| Automotive Repair & Maintenance          | 68             | 444             | 2,441           |
| <b>Total Health Care</b>                 | <b>\$120</b>   | <b>\$759</b>    | <b>\$4,476</b>  |
| Medical Services                         | 68             | 434             | 2,539           |
| Prescription Drugs                       | 40             | 248             | 1,488           |
| Medical Supplies                         | 12             | 77              | 449             |
| <b>Total Education/Day Care</b>          | <b>\$77</b>    | <b>\$609</b>    | <b>\$3,116</b>  |
| Education                                | 45             | 367             | 1,832           |
| Fees & Admissions                        | 32             | 242             | 1,284           |



## NEIGHBORHOOD MAP



## **OWNERSHIP HISTORY**

The owner of the subject property is the City of Low Moor, Iowa who has owned the systems for the last 5+ years. There is no pending agreement relating to the water delivery and wastewater systems. I was told that the city is in the process of negotiations with Iowa American Water Company regarding a potential sale of the systems.

There is a joint 28E agreement between Clinton/Low Moor waste water treatment district. This is a voluntary joint undertaking of the Clinton/Low Moor waste water treatment district pursuant to Chapter 28E of the Code of Iowa, 2007. The purpose of the joint agreement is to afford both waste water transport and treatment for the city of Low Moor by the city of Clinton at the wastewater treatment plant owned by the city of Clinton, Iowa which plant is proposed for completion in 2013. Said entity was established for the purpose of assisting and serving the people within the city of Clinton and Low Moor, Iowa and such other surrounding areas as may benefit from the plant. Further, the purpose thereof shall be to provide more efficient waste water treatment at a reasonable cost. Please see document in the addendum of this report.

Additional easements relating to the sewer lines extending to the city of Clinton are also included in the addendum of this report.

## **LEGAL DESCRIPTION**

Parcel Number 24-0011-0000 is legally described as N ½ of Lot 8, Block 1, Dannatts Addition, Clinton County.

Parcel Number 24-0141-0000 is legally described as PRT OF SE SW PC N OF C & NW RR ADJ R/W.

## **PROPERTY TAX SECTION – ASSESSED VALUE ONLY**

| PID#         | Land Size - SF | Land Value-2023 | Building Value-2023 | Total Value-2023 |
|--------------|----------------|-----------------|---------------------|------------------|
| 24-0011-0000 | 5,940          | \$9,500         | \$10,060            | \$19,560         |
| 24-0141-0000 | 435,164        | \$50,950        | \$0                 | \$50,950         |
| <b>Total</b> | <b>441,104</b> | <b>\$60,450</b> | <b>\$10,060</b>     | <b>\$70,510</b>  |

\*2023 values have changed significantly from previous years. From 2017 – 2022 the overall value for PID #24-011-0000 was \$55,704 and for PID # 24-0141-0000 was \$23,377.

\*The subject parcels are tax exempt.

## **ZONING DESCRIPTION:**

According to the city clerk the subject property relating to PID#24-0011-000 is within an exempt zoned district. The city is willing to work with a potential purchaser of this parcel relating to a future zoning that will conform to the existing improvements. The parcel is generally surrounded

by commercial and residential uses. The Highest and Best Use of this site is for commercial oriented use.

According to the city clerk the subject property relating to PID#24-0141-000 is within an exempt zoned district. The city is willing to work with a potential purchaser of this parcel relating to a future zoning that will conform to the existing improvements. The parcel is generally surrounded by agricultural and industrial uses. The Highest and Best Use of this site is for agricultural oriented use.

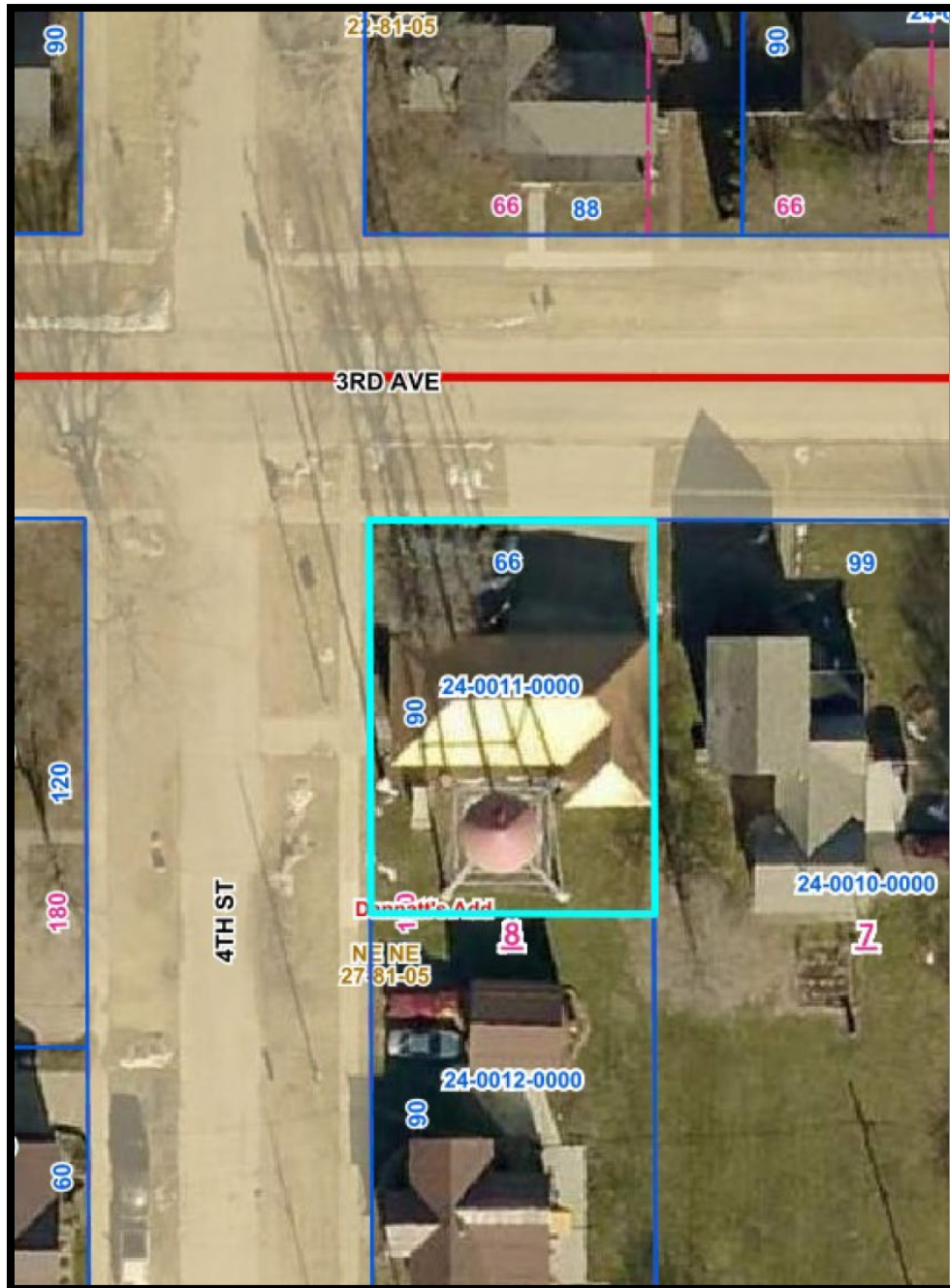
### **Conclusion:**

No formal study was performed in regards to deed restrictions. However, it is recommended that a lawyer or title company be consulted regarding any deed restrictions associated with subject site.

The appraiser is not an expert in the interpretation of complex zoning ordinances but the subject property appears to be a conforming use based on a review of public information. Please note that the determination of compliance is beyond the scope of a real estate appraisal. It is recommended that local planning and zoning personnel be contacted regarding more specific information that might be applicable to the subject.

In addition, we know of no deed restrictions, private or public, that further limit the subject property's use. The research required to determine whether or not such restrictions exist, however, is beyond the scope of this appraisal assignment. Deed restrictions are a legal matter and only a title examination by an attorney or a title company can usually uncover such restrictive covenants. Thus, we recommend a title search to determine if any such restrictions do exist. I have received only an email from the city clerk regarding the zoning districts of the two systems.

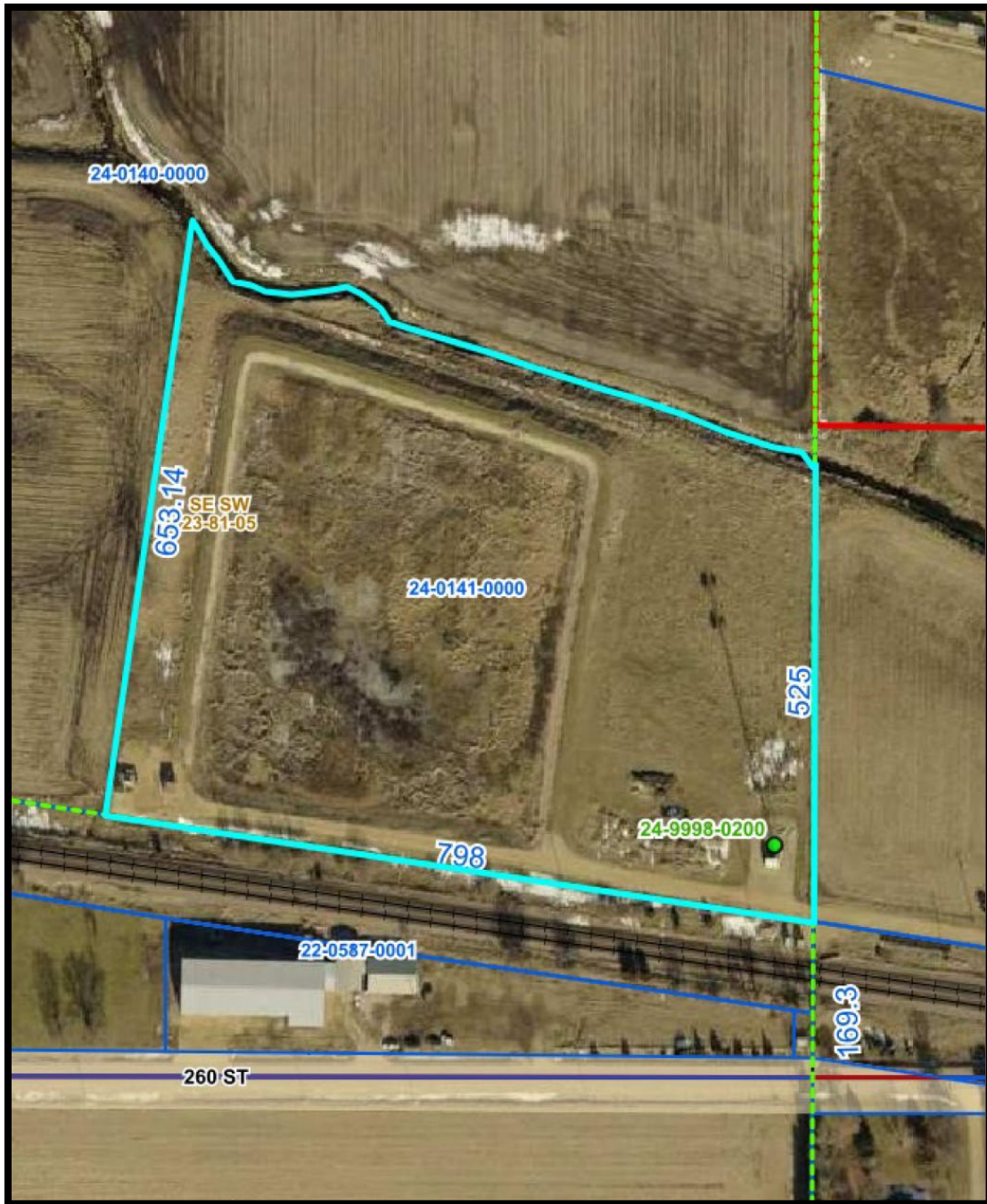
*AERIAL MAP*



The above aerial relates to PID #24-0011-0000



*AERIAL MAP*



The above aerial relates to the lagoon site parcel #24-0141-0000.

## **SITE DATA:**

### **Dimensions and Size:**

The various sites are rectangular and irregular in shape. The following are the summary of land sizes.

| <b>PID#</b>  | <b>Land Size - SF</b> |
|--------------|-----------------------|
| 24-0011-0000 | 5,940                 |
| 24-0141-0000 | 435,164               |
| <b>Total</b> | <b>441,104</b>        |

### **Topography:**

The subject parcels are generally level topography.

### **Utilities:**

Public utilities that are available include water, sewer, electricity, natural gas, internet, and telephone.

### **Floodplain:**

According to the Federal Emergency Management Agency (FEMA) the area is not participating in the program.

### **Environmental Conditions:**

I am not aware, at the time of my observation, of any conditions in the soil or buildings that would suggest environmental hazards on the property. However, I am not qualified to detect such conditions or substances. No environmental study by a qualified party has been made available for my review. If environmental hazards are suspected, the client is urged to have an independent study completed by a qualified party to determine if environmental hazards do exist.

### **Easements, Encroachments, or Encumbrances:**

Per survey there are easements of record as displayed previously.

As of the date of this appraisal, we have received documentation regarding the existence of permanent easements that reportedly convey to the City of Low Moor limited real property rights, including the right to operate, maintain, inspect, repair and replace the components of the respective water and wastewater systems.

This appraisal assumes the City of Low Moor has permanent and legal means of access to the lagoon, as well as the property rights necessary for the continued use and maintenance/repair/replacement of the facilities as necessary for its water delivery and wastewater operations.

There is a permanent easement between the city of Low Moor and Chicago and North Western Transportation Company relating to a permanent and perpetual easement, for the construction, operation, maintenance, use and reconstruction of a microwave tower and communications facilities located on the retired lagoon parcel. The easement documentation is included in the addendum of this report.

There are six additional easements relating to the main sewer lines that extend to the city of Clinton described as follows:

| <b>Easement</b>              | <b>Land Size - Acre</b> |
|------------------------------|-------------------------|
| Clinton Bio Energy           | 1.99                    |
| City of Clinton              | 1.52                    |
| Clinton Regional Development | 1.99                    |
| Dodds                        | 3.20                    |
| Lingle                       | 0.80                    |
| Seeser                       | 0.31                    |
| <b>Total</b>                 | <b>9.81</b>             |



## IMPROVEMENT ANALYSIS:

The subject property consists of a water delivery and wastewater system. The following is a summary of the systems:

### Water Treatment

The source—2 wells

Well #1 was drilled in 1923, is inactive and is maintained as an emergency standby well, but has not been operated to the system since 1996. Well #2 was drilled in 1959 and is the only active well. Both wells pump directly through the treatment plant and into the distribution system

Treatment system—chlorine, phosphate, potassium permanganate added

Elevated storage tank-1

Water Supply

|                  | Well #1 | Well #2 |
|------------------|---------|---------|
| Location         | At WTP  | At WTP  |
| Capacity (gpm)   | 100     | 170     |
| Depth (ft)       | 256     | 322     |
| Age              | 1923    | 1959    |
| Casing Size (in) | 6       | 8       |
| Motor size (HP)  | NA      | 10      |

### Treatment System

The wells and treatment facility are located within the maintenance/mechanical room of the City Hall building. Treatment consists of chemical addition only. Sodium hypochlorite is fed for primary/secondary disinfection and polyphosphate is fed for iron sequestration. The distribution system is not looped and consists of approximately 10,000 linear feet of 4" cast iron pipe. A newer section of main along 260<sup>th</sup> Street is PVC.

A 30,000 gallon elevated tank constructed in the 1930's provides an average 42 psi system pressure. The city owns services up to and including the curb stop. All meters have been replaced over the last 10 years with remote read Hersey meters.

Per engineers system infrastructure assessment:

The City Hall/Well Building is a mixed-use occupancy structure, the building is a 1-story, 1,578 SF structure. The waterworks section is 878 SF and both wells occupy this space. The City Hall space is 700 SF. The building was constructed in 1900 but has had substantial improvements both in 2013 and 2018 that have extended the useful life of this building. The estimated useful life remaining in this building is approximately 20 years equating to 70% of the cost of replacement. The cost of replacement of this mixed-use structure is determined to be nearly \$190/SF, based on a combination of historical waterworks building and single-story office construction of this grade utilizing RSMeans data.

Well#1 is approximately 101 years old and has a useful life of 75 years, this well is a standby well only to be used in emergencies. This well is determined to have fully depreciated its useful life.

Well #2 is approximately 65 years old and has a useful life of 75 years. We separated the pump assembly, piping components and electrical from the physical well itself as the components described are 8 years old and have a 25-year life. These items were upgraded in 2016.

Standby power is provided by a permanent Kohler 30 KW Generator with an automatic transfer switch that was installed in 2012. This generator has a useful life of 20 years, with 8 years remaining.

The chemical feed to Well #2 is a simple sodium hypochlorite pumping system and was upgraded in 2018, this component has a useful life of approximately 5 years.

The City has an 30,000-gallon elevated storage tank that was constructed in the 1930's. The useful life of this storage is approximately 75 years and this component has fully depreciated its useful life.

The City has around 10,000 LF of primarily 4" cast iron water main. Cast iron water main can have a useful life of anywhere from 80 to 120 years. For the purpose of this assessment the water main is anticipated to have a useful life of 100 years, with the average age in the system being approximately 83 years.

There are approximately 126 residential services with an average age of 80 years, with this component having a useful life of 75 years, the services have fully depreciated their useful life.

The City has approximately 126 residential meters that are 11 years old and have a useful life of 15 years.

## **Wastewater Treatment**

The most prominent component of the wastewater system is the wastewater pumping facilities constructed in 2011. The wastewater pumping facilities was constructed to pump the City's wastewater to Clinton, Iowa for treatment. The components of this facility are approximately 13 years old and have an overall useful life of 50 years.

The remaining components of the system are the wastewater collection system throughout the community these are primarily vitrified clay pipe and manholes constructed around 1967, these components are 56 years old and have a useful life of approximately 60 years. The system consists of 12" and 8" mains with 4" sewer laterals. There are 27 manholes in the system.

There is a joint 28E agreement between Clinton/Low Moor waste water treatment district. This is a voluntary joint undertaking of the Clinton/Low Moor waste water treatment district pursuant to Chapter 28E of the Code of Iowa, 2007. The purpose of the joint agreement is to afford both waste water transport and treatment for the city of Low Moor by the city of Clinton at the wastewater treatment plant owned by the city of Clinton, Iowa which plant is proposed for completion in 2013. Said entity was established for the purpose of assisting and serving the people within the city of Clinton and Low Moor, Iowa and such other surrounding areas as may benefit from the plant. Further, the purpose thereof shall be to provide more efficient waste water treatment at a reasonable cost. Please see document in the addendum of this report. The lift station pumps the waste water east to the city of Clinton.

**Table 1** summarizes the water and wastewater systems and the length, material and size.

|                   | Item # | Description                                      |
|-------------------|--------|--|
| Water System      | 1      | City Hall / Well Building                        |
|                   | 2      | Well #1  |
|                   | 3      | Well #2 (Excluding below items)                  |
|                   | 4      | Well #2 (Pump, Piping & Electrical)              |
|                   | 5      | Standby Power                                    |
|                   | 6      | Chemical Feed System                             |
|                   | 7      | Elevated Storage Tank, 30,000 gallon, 1930 era   |
|                   | 8      | Distribution, 10,000 LF 4" Cast Iron (Primarily) |
|                   | 9      | Residential Services, 125 ea                     |
|                   | 10     | Residential Meters, 125 ea                       |
| Wastewater System | 11     | Pumping Station, Force Main & Gravity Sewer      |
|                   | 12     | 12" VCP, 1,304 LF                                |
|                   | 13     | 8" VCP, 7084 LF                                  |
|                   | 14     | 4" Laterals, 4,785 LF                            |
|                   | 15     | Manholes, 27 EA                                  |
|                   | 16     | Wastewater Property, 10 acres                    |
|                   |        |  |

### Functional Utility

The current design characteristics of the subject meet modern standards and are adequately suited to their current use. Based on our inspection and consideration of its current and future use, there do not appear to be any significant items of functional obsolescence.

## **ADA Compliance**

The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have not made, nor are we qualified by training to make, a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey and a detailed analysis of the requirements of the ADA could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Based on the overall plans the proposed project appear to adhere to the requirements.

## **Furniture, Fixtures and Equipment (Personal property)**

The systems include fixtures and equipment as detailed throughout this assignment.

## **Environmental Issues**

I was not provided a Phase I Environmental Assessment for preparation of this report. I did not observe any potentially hazardous materials such as lead paint, asbestos, urea formaldehyde foam insulation, or other potentially hazardous construction materials on or in the improvements. However, it is noted that I did not search for such materials and are not qualified to detect such materials. The existence of said hazardous materials (if any) may have an effect on the value of the property. Therefore, for the purpose of this appraisal, I have specifically assumed that the property is not affected by any hazardous materials that may be present on or in the improvements. We strongly recommend that a qualified environmental engineering firm be retained by the Client prior to making a business decision.

## **Conclusion**

A typical user of the subject property would be an owner-operator to utilize as a water delivery and wastewater system as warranted by market demand. There are limited investors of this type of asset. There are very limited potential investors of municipal utilities. Currently there are ten states that have enacted Fair Market Legislation regarding water utilities. Iowa recently passed legislation to allow local governments to sell their municipal water and sewer systems. There are few potential purchasers of this type of asset. Typical investors have been Aqua Illinois, Inc, Illinois American Water and in Iowa the entity that has shown interest in various systems is Iowa American Water Company. The most likely purchaser of this asset would be a public or private entity of water delivery and wastewater systems.

**SUBJECT PROPERTY**  
**Water & Wastewater Systems**  
**Low Moor, Iowa**



**City Hall & Filtration Plant – Northwest Elevation**



**City Hall - North Elevation**



**SUBJECT PROPERTY**  
**Water & Wastewater Systems**  
**Low Moor, Iowa**



**Elevated storage tank**



**Lift Station**

**SUBJECT PROPERTY**  
**Water & Wastewater Systems**  
**Low Moor, Iowa**



**Old Lift Station**



**Clinton Wastewater Lift Station**



**SUBJECT PROPERTY**  
**Water & Wastewater Systems**  
**Low Moor, Iowa**



## **MARKET ANALYSIS:**

For many small municipalities, these for-profit water utilities have recently shown interest in acquiring municipal utilities.

Sell, and the community gets an influx of extra revenue from the sale, but ratepayers often end up with higher bills. According to data released in a 2017 Chicago Tribune expose, Illinois American and Aqua Illinois were slapping Chicagoland customers with rates *20 to 70 percent higher* than the rates of publicly-managed water systems using the same Lake Michigan water (Keeping a system municipally-owned does not mean there will never be a rate increase, but public water is cheaper in the long run, especially when private profit is involved.)

But if local governments want to keep the system public, the municipality (read, ratepayers) has to fork out money to pay for expensive system upgrades and maintenance on a depreciating water system. According to a 2017 report from the American Society of Civil Engineers, most of the water pipes across the US were installed in the early- to mid-20th century, and their time is almost up; the pipes were projected to last about 75 to 100 years.

Four types of privatization considered representative of the range of privatization arrangements available in the United States are considered in this report. In order of private responsibility and risk assumption, they are (1) “outsourcing” of the performance of specific public utility support services to private companies; (2) full-service contract operation and management by private companies of publicly owned treatment works; (3) coupling design and construction services with comprehensive operating agreements for new, expanded, or upgraded facilities under design-build-operate (DBO) contracts; and (4) the sale of government-owned water/ wastewater assets to private water companies.

Only the fourth option fully transfers risks and responsibilities of asset ownership, operation, maintenance, and replacement to the private sector. Private companies that operate as tax-paying corporate entities currently collect about 14 percent of the revenues and own about 11 percent of the assets providing drinking water in the United States (EPA, 1997). They typically operate under long-term franchises granted by local municipalities. State commissions regulate their rates and charges.

**Source: Citizens Utility Board/The National Academies of Sciences Engineering Medicine**

### **Privatization Pros and Cons**

Supporters of privatization say it provides a great way to maintain and update pipes, filters and technology in order to make water safer. “The advantage is that you get the political meddling out of it and the source of finance becomes more stable,” says Chris Edwards, a fiscal expert at the Cato Institute, a libertarian-leaning think tank. “When something is run by the government, there’s always fighting over appropriations and micromanagement.”

Communities with smaller or older public water systems are increasingly turning to private-sector

partners to make up for service gaps and their own limited budgets. One recent example is Salem, N.J., where residents voted last November to sell their water and sewer systems to New Jersey American Water. The city is deep in debt and can't afford the cost of cleanup of PFAS chemicals.

Sales of water systems appeal to smaller towns or cities as a way to offload the cost of water infrastructure projects. About a dozen states — most recently Florida — have encouraged sales by passing so-called fair market value legislation, which makes utilities more attractive to buyers. Traditionally, the value of water and wastewater systems has been determined by calculating their original cost, minus depreciation. Fair market value legislation allows water and wastewater utilities to use alternative valuations, such as purchase price or an average of appraisals.

Critics complain that this leads to artificial inflation of systems' value in a way that ultimately hurts customers. Private water companies "have been very successful at pushing that legislation through legislatures," says Mary Grant, who works on water issues for Food and Water Watch, an environmental advocacy group. "I think that we're going to see more privatization in states that have fair market value legislation on the books. That's their goal."

### **Protests and Pushback**

Companies such as Essential Utilities, which owns more than 1,500 public water systems nationwide, have lobbied for fair market value legislation. "There's both a political and a marketing machine driving outsourcing privatization," says Donald Cohen, co-author of *The Privatization of Everything*.

Throughout American history, ownership of water systems has swung back and forth between the public and private sectors. Despite the recent growth in privatization, there have been examples of municipalities taking back control and ownership.

Residents served by the Chester Water Authority in southeastern Pennsylvania have been fighting a takeover of the system by an Essential Utilities subsidiary. Last spring, Jackson water maintenance workers staged a protest against the city's contract with a private company. Even in Salem, which voted heavily in favor of privatization, Food and Water Watch worked with community activists to get the question on the ballot and give residents a say in the matter.

A Pennsylvania court ruled last year that the Public Utility Commission should not have allowed the sale of a municipal sewer system, because the deal could have led rates to double. The finding ran against a prior trend in favor of consolidation of utilities.

Nationwide, publicly owned water systems remain the primary source of water for Americans. That likely won't change.

"The key concern with the privatization of water is that loss of local control over the projects," says Grant, of Food and Water Watch. "Companies may be offering large sums of money to entice local officials to sell assets, but that's not free money. That's just a debt that your constituents are going to have to pay through their water bills."

*Source: Governing Magazine*

## HIGHEST AND BEST USE:

The Dictionary of Real Estate, 7th Edition published by the Appraisal Institute, defines highest and best use as:

### Highest And Best Use

1. The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.
2. The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. (IVS)
3. [The] highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions)
4. [For fair value determination] The use of a nonfinancial asset by market participants that would maximize the value of the asset or the group of assets and liabilities (for example, a business) within which the asset would be used. (FASB Glossary) The highest and best use of a nonfinancial asset takes into account the use that is physically possible, legally permissible, and financially feasible. (FASB 820-10-35-10B). The highest and best use of a nonfinancial asset establishes the valuation premise used to measure the fair value of the asset, as follows: (a) The highest and best use of a nonfinancial asset might provide maximum value to market participants through its use in combination with other assets as a group (as installed or otherwise configured for use) or in combination with other assets and liabilities (for example, a business). (b) The highest and best use of the asset might provide maximum value to market participants on a standalone basis. (FASB 820-10-35-10E)

The above definition indicates that an improved property be analyzed for its highest and best use first as though the site is vacant, and second as it is presently improved. The highest and best use of the vacant site may be different from the existing use. The existing use will continue until land value in its highest and best use exceeds the total value of the existing property.

In each highest and best use analysis, four criteria must be met. The highest and best use must be (1) legally permissible, (2) physically possible, (3) financially feasible, and (4) maximally productive.

## **HIGHEST and BEST USE - As Vacant**

### **Legally Permissible**

Legally permissible considers the uses, which are permitted by public and private restrictions on the site. Intended uses of the subject site must comply with local laws, zoning ordinances, and deed restrictions of the City of Low Moor, Iowa.

The potential uses that meet the requirements of the legal permissibility test include agricultural and residential uses per zoning. An alternative use would be institutional and the current use as a municipal utility.

### **Physically Possible**

One of the first constraints imposed on the possible use of a site, as if vacant, is dictated by its physical characteristics. Size, shape, topography, access, frontage and availability to utilities have an influence affecting the uses for which a site may be developed. Utility of a parcel may depend on its frontage and depth. Consideration must also be made of its future or potential use rather than its actual use. The maximum use of the land must be determined.

Access to the various sites are considered average.

### **Financially Feasible**

In determining which uses are legally permissible and physically possible, an appraiser eliminates some uses from consideration. Then the uses that meet the first two criteria are analyzed further to determine which are likely to produce income or return equal to or greater than the amount need to satisfy operating expenses, financial obligations and capital amortization. All uses that are expected to produce a positive return are regarded as financially feasible.

### **Maximally Productive**

Maximum profitability is obtained from that use among those financially feasible which provides the highest present worth to the property. A correlation of the three previous tests for the site, as if vacant, indicates that the current development would be the highest and best use for the subject sites.

## **HIGHEST and BEST USE - As Improved**

The use that produces the highest price, or value, consistent with the rate of return warranted by the market for that use is the maximally productive or Highest and Best Use. Based on the current system components, age, and overall functional utility the Highest and Best Use of the property is the present use as a water delivery and wastewater system. This use is legally permissible, physically possible, financially feasible and is the maximally productive use.

## ANALYSIS AND VALUATION:

This report considers the three standard approaches to value in the valuation process; the cost approach, sales comparison approach, and the income approach. Each approach complements and confirms the conclusions reached through the other two methods of valuation. Each of these approaches to the opinion of market value is explained at the beginning of its respective section. The income approach was not found applicable relating to this assignment. The sales comparison approach is based on per water and wastewater connection since, that is what investors purchase as indicated by the comparable sales. The cost approach is based on the total system infrastructure relating to the water delivery and wastewater systems including land since the function of the cost approach is to estimate a replacement cost for the improvements.

### Land Value:

In this approach, sales of similar unimproved land are analyzed, compared and adjusted to derive an indication of value for the land being appraised. In applying the sales comparison approach, the appraiser follows a systematic procedure. The appraiser must always compare like properties. That is, the appraiser must adjust each comparable to the subject to impute an indicated value to the property. The steps of the procedure are as follows:

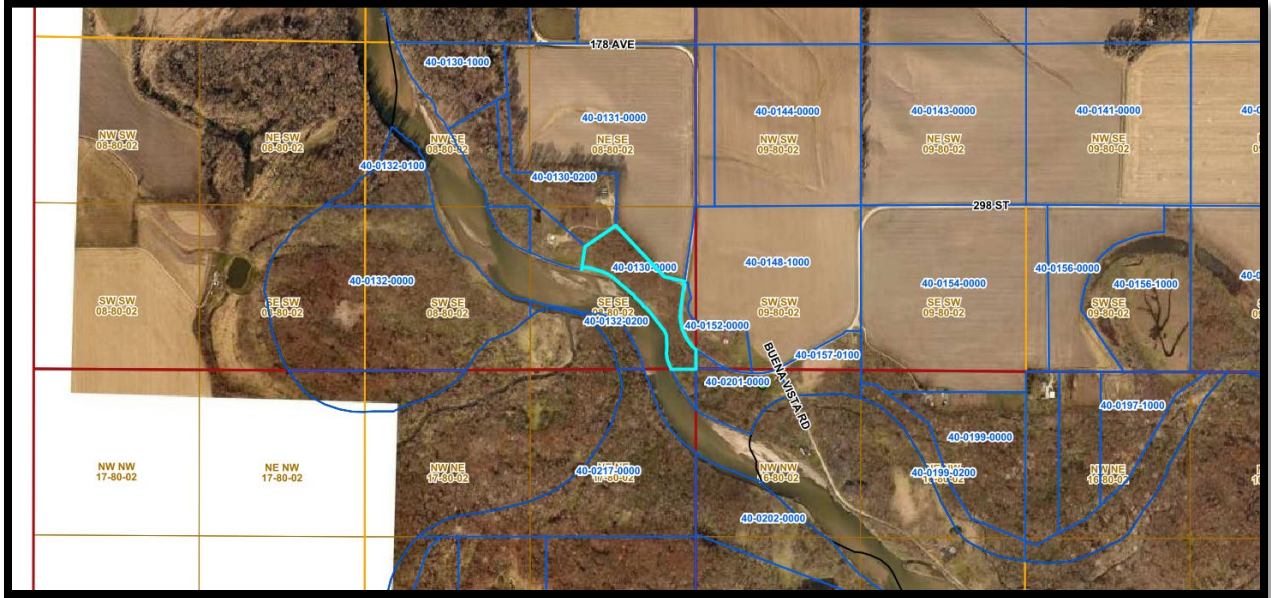
1. Research the market to obtain information about transactions and listings of other properties similar to the subject property.
2. Verify the information by considering whether the data is factually accurate and the transaction reflects an arm's length market consideration.
3. Determine relevant units of comparison such as acres, square foot and front foot, and develop a comparative analysis for each unit.
4. Compare the subject and comparable sales according to the elements of comparison and adjust the sales price of each comparable as appropriate.
5. Reconcile the multiple value indications that result from the adjustments into a single value indication.

The subject property contains 5,940 square foot parcel within the city of Low Moor and is improved with the water treatment and well facility and elevated storage tank. The waste water parcel is located east of the city and includes 9.99 acres of land. This parcel is the site of the lagoon and lift station. Over the last several years there have been limited sales of agricultural land in the city of Low Moor, Iowa. Therefore, I have had to go outside of the usual parameters in terms of size and location.

The following land sales have been researched and are considered to be most applicable in establishing a reliable estimate of market value of the subject's land relating to the lagoon property and lift station as of the date of this appraisal.



## LAND COMPARABLE #1



## Sale Information

|                       |  |
|-----------------------|--|
| Intended Use of Site: | Vacant Agricultural Land   |
| Location:             | 2974 178 <sup>th</sup> Avenue, Calamus, IA                           |
| Legal Description:    | PID#40-0130-0000, Scott County, IA.                                  |
| Date of Sale:         | October 11, 2023   |
| Grantee:              | Mitchell T. Sawyer   |
| Grantor:              | Dennis & Cheryl Timmerman  |
| Zoning:               | Agriculture  |
| Utilities:            | Private  |
| Topography:           | Gently rolling to level  |
| Size:                 | 9.15 Acres   |
| Sale Price:           | \$80,000   |
| Unit Price:           | \$8,743/Acre   |
| Source:               | Assessor/County Records  |
| Comments:             | The agricultural land is located northwest of the city of Blue Grass |



## LAND COMPARABLE #2



### **Sale Information**

|                       |  |
|-----------------------|--|
| Intended Use of Site: | Vacant Land  |
| Location:             | xx 140 <sup>th</sup> Avenue, Sharon Township, IA             |
| Legal Description:    | PID#48-0024-0000, Clinton County, IA.                        |
| Date of Sale:         | November 3, 2023   |
| Grantee:              | James A. Beck Family Trust                                   |
| Grantor:              | Russell A. Busch   |
| Zoning:               | Agriculture  |
| Utilities:            | Private  |
| Topography:           | Generally level  |
| Size:                 | 9.50 Acres   |
| Sale Price:           | \$60,000   |
| Unit Price:           | \$6,316/Acre   |
| Source:               | Assessor/County Records                                      |
| Comments:             | Agricultural land located northwest of the subject property. |

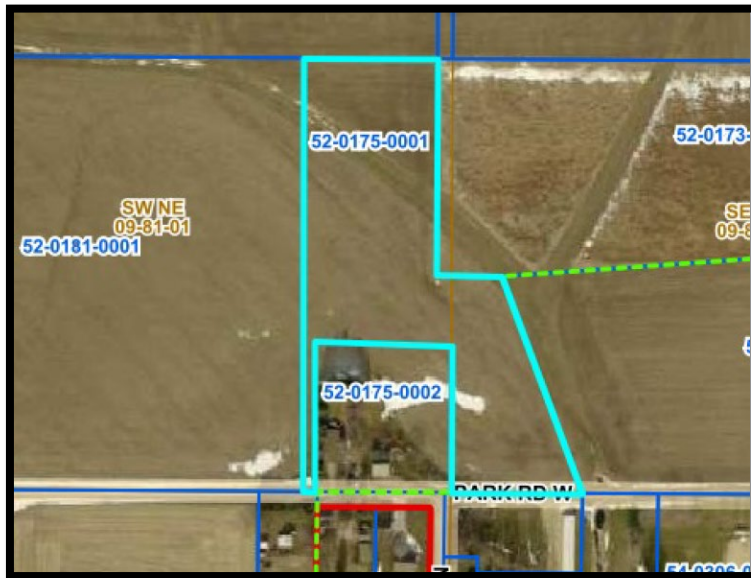
### LAND COMPARABLE #3



#### **Sale Information**

|                       |  |
|-----------------------|--|
| Intended Use of Site: | Vacant Agricultural Land   |
| Location:             | 6226 145 <sup>th</sup> Street, Blue Grass Twp, IA                    |
| Legal Description:    | PID#823101003, Scott County, IA.                                     |
| Date of Sale:         | May 18, 2020   |
| Grantee:              | Raymond D. Berger  |
| Grantor:              | Daurer Company, Inc.   |
| Zoning:               | Agriculture  |
| Utilities:            | Private  |
| Topography:           | Gently rolling to level  |
| Size:                 | 15.71 Acres  |
| Sale Price:           | \$82,600   |
| Unit Price:           | \$5,258/Acre   |
| Source:               | Assessor/County Records  |
| Comments:             | The agricultural land is located northwest of the city of Blue Grass |

### LAND COMPARABLE #4



#### **Sale Information**

|                       |   |
|-----------------------|---|
| Intended Use of Site: | Vacant Land   |
| Location:             | xx 233 <sup>rd</sup> Street, Spring Rock Township, IA |
| Legal Description:    | PID#52-0175-0001, Clinton County, IA.                 |
| Date of Sale:         | October 17, 2019                                      |
| Grantee:              | Todd Rohling Revocable Trust                          |
| Grantor:              | TMT Properties, LLC                                   |
| Zoning:               | Agriculture   |
| Utilities:            | To be extended  |
| Topography:           | Generally level                                       |
| Size:                 | 6.50 Acres  |
| Sale Price:           | \$50,000  |
| Unit Price:           | \$7,692/Acre  |
| Source:               | Assessor/County Records                               |
| Comments:             | Agricultural land just west of the city of Wheatland  |

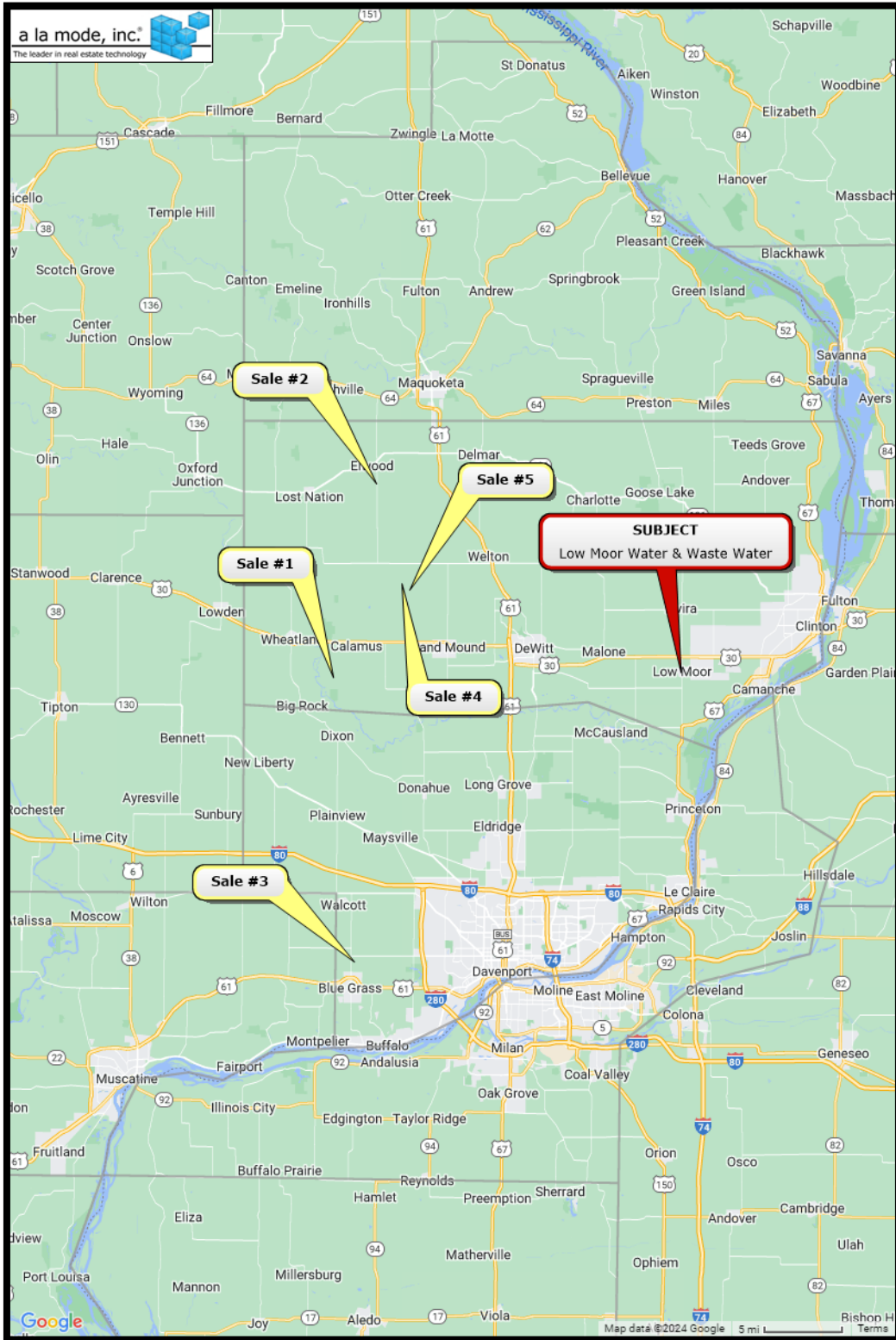
## LAND COMPARABLE #5



### **Sale Information**

|                       |   |
|-----------------------|---|
| Intended Use of Site: | Vacant Land   |
| Location:             | xx 120 <sup>th</sup> Avenue, Spring Rock Township, IA     |
| Legal Description:    | PID#52-52-0181-2100, Clinton County, IA.                  |
| Date of Sale:         | June 11, 2020   |
| Grantee:              | Todd Rohling Revocable Trust                              |
| Grantor:              | Scott D. Drechsler  |
| Zoning:               | Agriculture   |
| Utilities:            | To be extended  |
| Topography:           | Generally level   |
| Size:                 | 4.12 Acres  |
| Sale Price:           | \$36,500  |
| Unit Price:           | \$8,859/Acre  |
| Source:               | Assessor/County Records                                   |
| Comments:             | Agricultural land just northwest of the city of Wheatland |

## LAND COMPARABLE MAP





## **SUMMARY OF LAND SALES:**

The preceding comparables all require adjustments for differences to the subject. Those adjustments found pertinent to the valuation of land are those for differences in property rights conveyed, financing, sale terms, and expenditures after purchase, size of the parcel, non-realty components, and economic conditions that would affect the sales price.

Applying these adjustments to the comparable sales produces a subtotal relative to the actual recorded sales price. This figure is then adjusted for market conditions resulting in a figure that is in turn divided by the size (Acre) of the comparable sale to determine an estimated adjusted price per acre. (Experience has shown that the primary comparative unit in land sales is the price per acre.) The adjustment for market conditions reflects a broader consideration of the market and is always invoked to some degree, as opposed to a specific adjustment for economic conditions that may apply to only a given sector of market activity, and may be reflective of a specific incident or trend.

Adjustments for differences are considered and include adjustments for overall location, visibility, access, commercial density and traffic flow. Adjustments are also given based on physical characteristics of the site relative to the shape of the lot as well as the topography.

Certain aspects of comparison will be of more importance for different property types. For example, retail properties benefit more from good visibility and ease of access than would an industrial property.

The adjustments are then considered with respect to the adjusted price per acre to produce an indication of value, which is reflective of the subject property. The rationale and application for each of these adjustments is as follows:

### **Property Rights Conveyed Adjustments**

This adjustment accounts for differences in the type of interest held. This generally applies when the interest being valued, or that sold, is less than full fee simple. Leasing conditions of the sale, such as leasehold or leased fee, are compared to market conditions and appropriate adjustments are made. Other types of property interests include life estate, easement (servient or dominant estate), or undivided interests. No adjustments are necessary if the interest being valued is equivalent to that of the comparables.

### **Financing**

Adjustments for differences in financing refer to terms of sale that are not equivalent to cash. Examples would include seller financing, seller buy-down of buyer's mortgage, assumed financing, buyer paying transaction costs that are normally paid by the seller (or vice versa), installment sale contract, or a lease with the option to buy. All of the comparables would be adjusted to cash equivalent sales prices in order to account for differences in financing terms. None of the comparable sales require an adjustment for this factor.

## **Conditions of Sale**

This adjustment is given when a sale includes possible circumstances in which a buyer or seller is not typically motivated. Examples would include sales determined not to be of arm's length, typically those involving family members, friends or related corporations or partnerships, assemblages, financial necessity to sell or buy, or inadequately informed parties. None of the comparable sales require an adjustment for this aspect of comparison.

## **Expenditure after Purchase**

In some instances sales of land require that the buyer extend additional monies to develop the land. Some of these circumstances include soil remediation, wetland containment, or the cost of razing an existing structure. All comparable properties sold as is and no adjustment is necessary.

## **Market Conditions**

This adjustment accounts for the effect of changes in general property values over time due to inflation, deflation, changing investor perceptions, and fluctuations in supply and demand. The most reliable method of determining a credible adjustment is to analyze properties which have sold and re-sold over the last several years. However, no multiple transactions have occurred over the last several years to reconcile a reliable rate. I have researched market data over the last few years from the Scott and Clinton County Assessor's Office. Land values have remained relatively flat in the general market area and no adjustment is warranted.

## **Location/Access**

This adjustment accounts for differences in overall location. Further adjustments will follow relative to this larger issue, addressed with additional consideration to issues of site visibility, access, commercial density, and traffic flow. The subject is located in a good location in the City of Low Moor, Iowa. Location for agricultural oriented property considers visibility and ease of access. The subject property is located just east of the city. It has good visibility and adequate access. Sale #1 is considered inferior to the subject in terms of access and is adjusted upward. All other sales are considered similar to the subject and no further adjustment is warranted.

## **Size**

The size adjustment generally reflects the inverse relationship expressed between unit price and lot size. Paired sales analysis indicates that an adjustment is warranted in excess of 3 acres.



## Topography

The size adjustment generally reflects the overall topography. Sale #3 includes heavy wood cover and an adjustment upward is warranted to this land parcel. All other sales are considered similar to the subject and no further adjustment is warranted.

The following is a land grid demonstrating the adjustments to the comparable properties.

| GRID ANALYSIS OF LAND SALES |                  |          |          |          |          |          |
|-----------------------------|------------------|----------|----------|----------|----------|----------|
| SALE #                      | SUBJECT PROPERTY | SALE #1  | SALE #2  | SALE #3  | SALE #4  | SALE #5  |
| DATE OF SALE                | Mar-24           | Oct-23   | Nov-23   | May-20   | Oct-19   | Jun-20   |
| PRICE                       |                  | \$80,000 | \$60,000 | \$82,600 | \$50,000 | \$36,500 |
| SIZE (ACRE)                 | 9.99             | 9.15     | 9.50     | 15.71    | 6.50     | 4.12     |
| PROPERTY RIGHTS CONVEYED    |                  | 0%       | 0%       | 0%       | 0%       | 0%       |
| FINANCING                   |                  | 0%       | 0%       | 0%       | 0%       | 0%       |
| ADJUSTMENTS: %              |                  |          |          |          |          |          |
| CONDITIONS OF SALE          |                  | 0%       | 0%       | 0%       | 0%       | 0%       |
| EXPENDITURES AFTER PURCHASE |                  | 0%       | 0%       | 0%       | 0%       | 0%       |
| NORMAL PRICE:               |                  | \$80,000 | \$60,000 | \$82,600 | \$50,000 | \$36,500 |
| MARKET COND'S               |                  | 0.00%    | 0.00%    | 0.00%    | 0.00%    | 0.00%    |
| ADJUSTED PRICE:             |                  | \$80,000 | \$60,000 | \$82,600 | \$50,000 | \$36,500 |
| LOCATION                    | Low Moor, Iowa   | -5%      | 0%       | 0%       | 0%       | 0%       |
| SIZE                        | 9.99 acres       | 0%       | 0%       | 10%      | -5%      | -10%     |
| VISIBILITY                  | Average          | 0%       | 0%       | 0%       | 0%       | 0%       |
| ZONING                      | Exempt           | 0%       | 0%       | 0%       | 0%       | 0%       |
| TOPOGRAPHY                  | Generally Level  | 0%       | 0%       | 0%       | 0%       | 0%       |
| SHAPE                       | Irregular        | 0%       | 0%       | 0%       | 0%       | 0%       |
| ACCESS                      | Average          | 0%       | 10%      | 10%      | 0%       | 0%       |
| UTILITIES                   | Municipal        | 0%       | 0%       | 0%       | 0%       | 0%       |
| OTHER                       |                  | 0%       | 0%       | 0%       | 0%       | 0%       |
| NET ADJUSTMENT              |                  | -5%      | 10%      | 20%      | -5%      | -10%     |
| ADJ SALE PRICE:             |                  | \$76,000 | \$66,000 | \$99,120 | \$47,500 | \$32,850 |
| /ACRE                       |                  | \$8,306  | \$6,947  | \$6,309  | \$7,308  | \$7,973  |
| AVERAGE PRICE:              |                  |          |          |          |          |          |
| /ACRE                       | \$7,369          |          |          |          |          |          |

## **CONCLUSION OF VALUE OF SUBJECT LAND**

Land sales in built-up areas similar to the subject can be difficult to come by, which may influence the degree to which a given sale resembles the subject. I have researched sales as similar as possible to the subject. The Sales Comparison Approach is based on the sales of five vacant parcels of similar zoned land within the subject market area of competition.

The above adjusted sales indicate a range of \$6,947 to \$8,306 per acre. Sale #1 and #2 are most similar to the subject in terms of size indicating an adjusted mean near \$7,627/Acre.

Based on the above information, the value of the property is estimated near this range reconciled at \$7,600/Acre. The market value of the subject property is shown as follows:

|                      |              |              |             |          |
|----------------------|--------------|--------------|-------------|----------|
| <b>Lagoon Parcel</b> | 9.99 acres @ | \$7,600/acre | =           | \$75,924 |
|                      |              |              | Rounded to, | \$76,000 |

I have considered the six permanent easements that owned by the city of Low Moor relating to the utility lines extending to Clinton. The Appraisal of Real Estate states: "An easement is an interest in real property that transfers use, but not ownership, of a portion of an owner's property. Easements usually permit a specific portion of a property to be used for identified purposes, such as access to an adjoining property or as the location of a certain underground utility. Although surface easements are the most common, subterranean and overhead easements are used for public utilities, fiber-optic cables, subways, and bridges... Governments may be the beneficiaries of easements placed on privately owned land that is dedicated to conservation, open space, or preservation. The permanent easements are summarized as follows:

Clinton Bio Energy Easement – 1.99 acres  
City of Clinton Easement – 1.52 acres  
Clinton Regional Development Corporation Easement – 1.99 acres  
Dodds Easement – 3.20 acres  
Lingle Easement – 0.80 acres  
Seeser Easement – 0.31 acres

The total market value of the underlying land was reconciled at \$7,600/acre. Based on property that I have valued over the last several years a typical discount of 80% is applied to the fee value reconciled at \$1,520/Acre. Therefore the contributory value of the permanent easements is as follows:

| <b>Easement</b>              | <b>Land Size - Acre</b> | <b>Market Value/Acre</b> | <b>Total Value</b> |
|------------------------------|-------------------------|--------------------------|--------------------|
| Clinton Bio Energy           | 1.99                    | \$1,520                  | \$3,025            |
| City of Clinton              | 1.52                    | \$1,520                  | \$2,310            |
| Clinton Regional Development | 1.99                    | \$1,520                  | \$3,025            |
| Dodds                        | 3.20                    | \$1,520                  | \$4,864            |
| Lingle                       | 0.80                    | \$1,520                  | \$1,216            |
| Seeser                       | 0.31                    | \$1,520                  | \$471              |
| <b>Total</b>                 | <b>9.81</b>             |                          | <b>\$14,911</b>    |

The contributory value of the permanent easements is rounded to \$15,000.

The following land sales are considered applicable relating to the valuation of the smaller parcels which house the elevated storage tank and well locations.

## LAND COMPARABLE #1



### **Sale Information**

|                       |  |
|-----------------------|--|
| Intended Use of Site: | Vacant Commercial Land                             |
| Location:             | 621 8 <sup>th</sup> Street, Dewitt, IA             |
| Legal Description:    | PID#20-0037-1200, Clinton County, IA.              |
| Date of Sale:         | October 24, 2022                                   |
| Grantee:              | Dawn & Adam Marcus                                 |
| Grantor:              | Murphy Properties Dewitt, LLC                      |
| Zoning:               | Commercial   |
| Utilities:            | All available to the site                          |
| Topography:           | Generally level                                    |
| Size:                 | 5,984 square feet                                  |
| Sale Price:           | \$21,000   |
| Unit Price:           | \$3.51/SF  |
| Source:               | Assessor/County Records                            |
| Comments:             | Land to be held for future commercial development. |

## LAND COMPARABLE #2



### Sale Information

|                       |   |
|-----------------------|---|
| Intended Use of Site: | Vacant Residential Land                             |
| Location:             | 1323 5 <sup>th</sup> Avenue<br>Dewitt, IA           |
| Legal Description:    | PID#20-0403-0000, Clinton County, IA.               |
| Date of Sale:         | February 10, 2023                                   |
| Grantee:              | Edstrom Properties, LLC                             |
| Grantor:              | Gary Clark  |
| Zoning:               | Residential   |
| Utilities:            | All available to the site                           |
| Topography:           | Generally level                                     |
| Size:                 | 9,075 square feet                                   |
| Sale Price:           | \$27,000  |
| Unit Price:           | \$2.98/SF   |
| Source:               | Assessor/County Records                             |
| Comments:             | Land to be held for future residential development. |

### **LAND COMPARABLE #3**

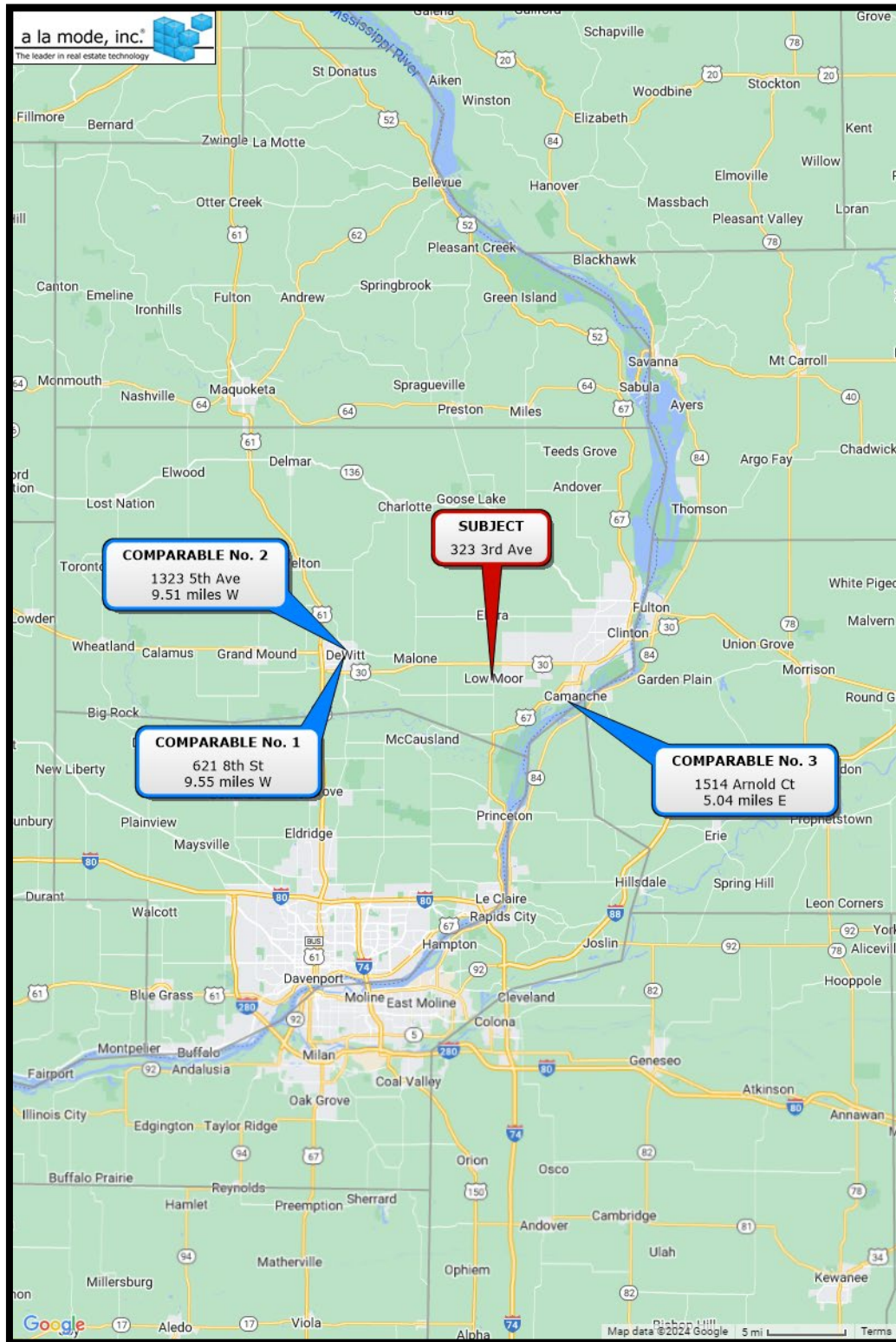


#### **Sale Information**

|                       |  |
|-----------------------|--|
| Intended Use of Site: | Vacant Residential Land                                |
| Location:             | 1514 Arnold Court<br>Camanche, IA                      |
| Legal Description:    | PID#10-1483-0507, Clinton County, IA.                  |
| Date of Sale:         | November 17, 2022                                      |
| Grantee:              | Gayle M. Fraker  |
| Grantor:              | Hagge, LLC   |
| Zoning:               | Residential  |
| Utilities:            | All available to the site                              |
| Topography:           | Generally level  |
| Size:                 | 6,900 square feet                                      |
| Sale Price:           | \$17,000   |
| Unit Price:           | \$2.46/SF  |
| Source:               | Assessor/County Records                                |
| Comments:             | Land that was developed with a single family residence |



## LAND COMPARABLE MAP





## **SUMMARY OF LAND SALES:**

The preceding comparables all require adjustments for differences to the subject. Adjustments are given both for quantitative and qualitative differences. Those adjustments found pertinent to the quantitative valuation of land are those for differences in property rights conveyed, financing, sale terms, and expenditures after purchase, size of the parcel, non-realty components, and economic conditions that would affect the sales price.

### **Property Rights Conveyed Adjustments**

This adjustment accounts for differences in the type of interest held. This generally applies when the interest being valued, or that sold, is less than full fee simple. Leasing conditions of the sale, such as leasehold or leased fee, are compared to market conditions and appropriate adjustments are made. Other types of property interests include life estate, easement (servient or dominant estate), or undivided interests. No adjustments are necessary if the interest being valued is equivalent to that of the comparables.

### **Financing**

Adjustments for differences in financing refer to terms of sale that are not equivalent to cash. Examples would include seller financing, seller buy-down of buyer's mortgage, assumed financing, buyer paying transaction costs that are normally paid by the seller (or vice versa), installment sale contract, or a lease with the option to buy. All of the comparables have been adjusted to cash equivalent sale prices in order to account for differences in financing terms. No further adjustment is warranted.

### **Conditions of Sale**

This adjustment is given when a sale includes possible circumstances in which a buyer or seller is not typically motivated. Examples would include sales determined not to be of arm's length, typically those involving family members, friends or related corporations or partnerships, assemblages, financial necessity to sell or buy, or inadequately informed parties. None of the comparable sales require an adjustment for this aspect of comparison.

### **Expenditure after Purchase**

In some instances sales of land require that the buyer extend additional monies to develop the land. Some of these circumstances include soil remediation, wetland containment, or the cost of razing an existing structure. All sales sold as is and no adjustment is warranted.

### **Market Conditions**

This adjustment accounts for the effect of changes in general property values over time due to inflation, deflation, changing investor perceptions, and fluctuations in supply and demand.

The most reliable method of determining a credible adjustment is to analyze properties which have sold and re-sold over the last several years.

Based on experience within this market, sales which have occurred after December 2021 are not adjusted. It is my opinion that the market has been relatively flat during this period with no real marked gains or losses.

### **Size**

This adjustment is given with attention to the market phenomenon wherein larger quantities of a given entity tend to sell for less on a per-unit basis than do smaller quantities of a similar entity. Weight is given in the reconciliation process regarding the subject's various land parcels.

### **Location**

This adjustment accounts for differences in overall location. Further adjustments will follow relative to this larger issue, addressed with additional consideration to issues of site visibility, access, commercial density, and traffic flow. Sale #1 and #2 are located in a superior location and are adjusted downward. All other sales are located in similar locations as the subject and no adjustment is warranted.

### **Zoning**

This area of comparison accounts for differences in permitted land uses as dictated by existing zoning ordinance. All sales are considered similar and no further adjustment is necessary.

The following is an adjustment grid detailing the adjustments to the comparable sales.

| GRID ANALYSIS OF LAND COMPARABLE SALES |                               |                    |          |          |
|--|-------------------------------|--------------------|----------|----------|
| SALE #                                 | SUBJECT PROPERTY              | SALE #1            | SALE #2  | SALE #3  |
| DATE OF SALE                           | March-24                      | Oct-22             | Feb-23   | Nov-22   |
| PRICE                                  |                               | \$21,000           | \$27,000 | \$17,000 |
| SIZE (SF)                              | 5,940                         | 5,984              | 9,075    | 6,900    |
| PROPERTY RIGHTS CONVEYED               |                               | 0%                 | 0%       | 0%       |
| FINANCING                              |                               | 0%                 | 0%       | 0%       |
| ADJUSTMENTS: %                         |                               |                    |          |          |
| SALE COND'S                            |                               | 0%                 | 0%       | 0%       |
| EXPENDITURES AFTER PURCHASE            |                               | 0%                 | 0%       | 0%       |
| NORMAL PRICE:                          |                               | \$21,000           | \$27,000 | \$17,000 |
| MARKET COND'S                          |                               | 0.00%              | 0.00%    | 0.00%    |
| ADJUSTED PRICE:                        |                               | \$21,000           | \$27,000 | \$17,000 |
| LOCATION                               | Low Moor, Iowa                | -5%                | -5%      | 0%       |
| SIZE                                   | 5,940 SF                      | 0%                 | 5%       | 2%       |
| VISIBILITY                             | Good                          | 0%                 | 0%       | 0%       |
| ZONING                                 | Exempt/Commercial/Residential | 0%                 | 0%       | 0%       |
| TOPOGRAPHY                             | Generally level               | 0%                 | 0%       | 0%       |
| SHAPE                                  | Generally Rectangular         | 0%                 | 0%       | 0%       |
| ACCESS                                 | Good                          | 0%                 | 0%       | 0%       |
| UTILITIES                              | Municipal                     | 0%                 | 0%       | 0%       |
| NET ADJUSTMENT                         |                               | -5%                | 0%       | 2%       |
| ADJ SALE PRICE:                        |                               | \$19,950           | \$27,000 | \$17,340 |
| /SF                                    |                               | \$3.33             | \$2.98   | \$2.51   |
| Mean                                   |                               | \$2.94             |          |          |
| Standard Deviation                     |                               | \$0.41             |          |          |
| Range                                  |                               | \$2.51 - \$3.33/SF |          |          |
| Median                                 |                               | \$2.98             |          |          |
| Mode                                   |                               | #N/A               |          |          |

### CONCLUSION OF MARKET VALUE FOR RESIDENTIAL LAND:

Land sales in built-up areas similar to the subject can be difficult to come by, which may influence the degree to which a given sale resembles the subject. I have researched sales as similar as possible to the subject. The Sales Comparison Approach is based on the sales of three vacant parcels of similar zoned land within the subject market area of competition.

The above adjusted sales indicate a range of \$2.51 to \$3.33 per square foot with a mean near \$2.94/SF. Based on the above information, the value of the property is estimated near this range reconciled at \$2.95/SF. The market value of the subject property is shown as follows:

$$\text{Water Treatment Parcel } 5,940 \text{ SF } @ \$2.95/\text{SF} = \$17,523$$

Rounded to,      \$18,000

## **VALUATION BY COST APPROACH:**

Underlying the theory of the Cost Approach to Value is the principle of substitution which suggests that no prudent person will pay more for a property than the amount for which he can obtain, by purchase of a site and construction of improvements without undue delay, a property of equal desirability and utility. Consequently, current reproduction cost, prior to any deduction for accrued depreciation, plus land value, plus entrepreneurial profit, provide a measure against which prices for already improved properties may be judged. For the Cost Approach to produce a valid indication of market value, it is necessary to consider the accrued depreciation evident in the property being appraised due to all causes; physical, functional, and external.

The steps taken by the appraiser in deriving an indication of value through application of the Cost Approach are:

1. Estimate the value of the land as though vacant and available to be developed to its highest and best use.
2. Estimate the reproduction or replacement cost of the improvement on the effective appraisal date.
3. Estimate the amount of accrued depreciation of the improvements, categorized by three major types:
  - a. Physical Deterioration
  - b. Functional Obsolescence
  - c. External Obsolescence
4. Deduct the appropriate estimated depreciation from the reproduction or replacement cost of the improvements to derive an estimate of the improvements' contribution to total value.
5. Add the depreciated reproduction or replacement cost of the improvements to obtain an estimated value by the Cost Approach.

The following are the replacement costs of the systems per engineer with Origin Design. I have checked with market data and three recent appraisals of similar facilities which indicates that the replacement cost is supported. I concur with the engineers report.

|                   | Item # | Description                                      | Age    | Useful Life | Cost of Replacement (2021 Dollars)<br>Construction Only | Cost of Replacement (2024 Dollars)<br>Construction Only | Current Value (2024 Dollars) |
|-------------------|--------|--|--------|-------------|---|---|------------------------------|
| Water System      | 1      | City Hall / Well Building                        | 11/123 | 40          | \$ 250,000  | \$ 297,052  | \$ 207,936                   |
|                   | 2      | Well #1  | 101    | 75          | \$ 215,000  | \$ 255,465  |                              |
|                   | 3      | Well #2 (Excluding below items)                  | 65     | 75          | \$ 150,000  | \$ 178,231  | \$ 23,764                    |
|                   | 4      | Well #2 (Pump, Piping & Electrical)              | 8      | 25          | \$ 25,000   | \$ 29,705   | \$ 20,200                    |
|                   | 5      | Standby Power                                    | 12     | 20          | \$ 25,000   | \$ 29,705   | \$ 11,882                    |
|                   | 6      | Chemical Feed System                             | 6      | 5           | \$ 2,000  | \$ 2,376  |                              |
|                   | 7      | Elevated Storage Tank, 30,000 gallon, 1930 era   | 89     | 75          | \$ 600,000  | \$ 712,925  |                              |
|                   | 8      | Distribution, 10,000 LF 4" Cast Iron (Primarily) | 83     | 100         | \$ 2,000,000  | \$ 2,376,416  | \$ 403,991                   |
|                   | 9      | Residential Services, 125 ea                     | 83     | 75          | \$ 250,000  | \$ 297,052  |                              |
|                   | 10     | Residential Meters, 125 ea                       | 11     | 15          | \$ 30,000   | \$ 35,646   | \$ 9,506                     |
| Wastewater System | 11     | Pumping Station, Force Main & Gravity Sewer      | 13     | 50          | \$ 800,000  | \$ 950,566  | \$ 703,419                   |
|                   | 12     | 12" VCP, 1,304 LF                                | 56     | 60          | \$ 325,000  | \$ 386,168  | \$ 25,745                    |
|                   | 13     | 8" VCP, 7084 LF                                  | 56     | 60          | \$ 1,600,000  | \$ 1,901,133  | \$ 126,742                   |
|                   | 14     | 4" Laterals, 4,785 LF                            | 56     | 60          | \$ 360,000  | \$ 427,755  | \$ 28,517                    |
|                   | 15     | Manholes, 27 EA                                  | 56     | 60          | \$ 200,000  | \$ 237,642  | \$ 15,843                    |
|                   | 16     | Wastewater Property, 10 acres                    |        |             |   |   | \$ 2,800                     |
|                   |        |  |        | Totals      | \$ 6,832,000  | \$ 8,117,837  | \$ 1,580,344                 |

## **DISCUSSION:**

The cost new of the improvements is based on the actual costs, the depreciated cost new based on the Origin Design Engineering Analysis and checked with various cost guides. Site improvements include items such as the paved areas and fencing.

## **DEPRECIATION**

### **Physical**

Physical depreciation is measured using a modified age/life method. This technique estimates physical depreciation as a percentage of current replacement cost, with adjustments for short-lived items. The percentage used reflects the ratio of estimated effective age to the anticipated physical life of the improvements.

There is physical deterioration associated with the systems. Incurable obsolescence is the normal wear and tear on the systems.

Functional obsolescence is the impairment of capacity or efficiency due to overcapacity, inadequacy, and changes in construction standards inherent in the property itself, that cause a commensurate loss of value to the property.

External/Economic obsolescence is an impairment of desirability or useful life caused by factors external to the property itself. Included in this category are economic forces which affect demand for properties similar to the subject, as well as land use changes in the subject neighborhood. The subject does not exhibit external obsolescence.

**SUMMARY**

|   |                    |
|---|--------------------|
| Water Plant and Delivery System:                  | \$677,279          |
| Sum of Depreciated Value of Wastewater System:    | \$900,266          |
| Plus Land Value for the Retired Lagoon Property   | \$76,000           |
| Plus Land Value for the Water Treatment/City Hall | \$18,000           |
| Plus Easement Land Value:                         | \$15,000           |
| Total:  | \$1,686,545        |
| <b>Rounded to,</b>                                | <b>\$1,690,000</b> |

The client has requested a separate value for the water treatment and city hall building. The overall value of the improvements and land are reconciled at \$162,534, rounded to \$165,000. The market value reflects \$103.00/SF of gross building area. I have researched smaller office and retail properties that have sold in the general market area. These sales are included as follows for review. The final market value is supported by the recent sales.



### Improved Comparable Sale #1



#### **Sale Information**

|                    |                                    |
|--------------------|------------------------------------|
| Type of Property:  | An Office Property                 |
| Location:          | 2705 Kimberly Road, Bettendorf, IA |
| Legal description: | PID#842005702                      |
| Date of Sale:      | August 23, 2023                    |
| Buyer:             | Timothy & Dawn Baietto             |
| Seller:            | JI Real Estate HJoldings, LLC      |

#### **Building/Site Data**

|                         |                                    |
|-------------------------|------------------------------------|
| Land Size:              | 12,197 square feet                 |
| Gross Building Area:    | 2,768 square feet                  |
| Land to Building Ratio: | 4.41:1                             |
| Zoning:                 | Commercial District                |
| Utilities:              | All available to the site          |
| Topography and Soil:    | Generally level and assumed stable |
| Building Construction:  | Masonry                            |
| Year Built:             | 1977                               |

#### **Terms of Sale**

|                        |   |
|------------------------|---|
| Sale Price:            | \$244,000   |
| Price per Square Foot: | \$88.15/SF  |
| Source:                | CREV/Assessor/Broker/County Records                       |
| Comment:               | Smaller split level office property in average condition. |

### Improved Comparable Sale #2



#### **Sale Information**

Type of Property: An Office Property  
Location: 1311 30<sup>th</sup> Street, Rock Island, IL  
Legal description: PID#09-2200300-3814  
Date of Sale: August 21, 2023

#### **Building/Site Data**

Land Size: 7,643 square feet  
Gross Building Area: 1,500 square feet  
Land to Building Ratio: 5.09:1  
Zoning: B-1, Business District  
Utilities: All available to the site  
Topography and Soil: Generally level and assumed stable  
Building Construction: Masonry  
Year Built: 1985

#### **Terms of Sale**

Sale Price: \$145,000  
Price per Square Foot: \$96.67/SF  
Source: CREV/Assessor/Broker/County Records  
Comment: Smaller office property in average condition.

### Improved Comparable Sale #3



#### **Sale Information**

|                    |  |
|--------------------|--|
| Type of Property:  | An Office Property                       |
| Location:          | 2102 47 <sup>th</sup> Street, Moline, IL |
| Legal description: | PID#17-02-304-003                        |
| Date of Sale:      | November 30, 2022                        |
| Buyer:             | Sandy & Ken Lemaster                     |
| Seller:            | TR Holdings, LLC                         |

#### **Building/Site Data**

|                         |                                    |
|-------------------------|------------------------------------|
| Land Size:              | 34,848 square feet                 |
| Gross Building Area:    | 1,247 square feet                  |
| Land to Building Ratio: | 27.95:1                            |
| Zoning:                 | C-2, Commercial District           |
| Utilities:              | All available to the site          |
| Topography and Soil:    | Generally level and assumed stable |
| Building Construction:  | Masonry                            |
| Year Built:             | 1984                               |

#### **Terms of Sale**

|                        |  |
|------------------------|--|
| Sale Price:            | \$160,000                                  |
| Price per Square Foot: | \$128.31/SF                                |
| Source:                | CREV/Assessor/County Records               |
| Comment:               | Smaller office property in good condition. |

#### Improved Comparable Sale #4



#### **Sale Information**

|                    |   |
|--------------------|---|
| Type of Property:  | An Office Property                      |
| Location:          | 413 13 <sup>th</sup> Avenue, Fulton, IL |
| Legal description: | PID#128303003                           |
| Date of Sale:      | April 12, 2022                          |
| Buyer:             | Kurt Dreger Trust                       |
| Seller:            | David A. Olsen                          |

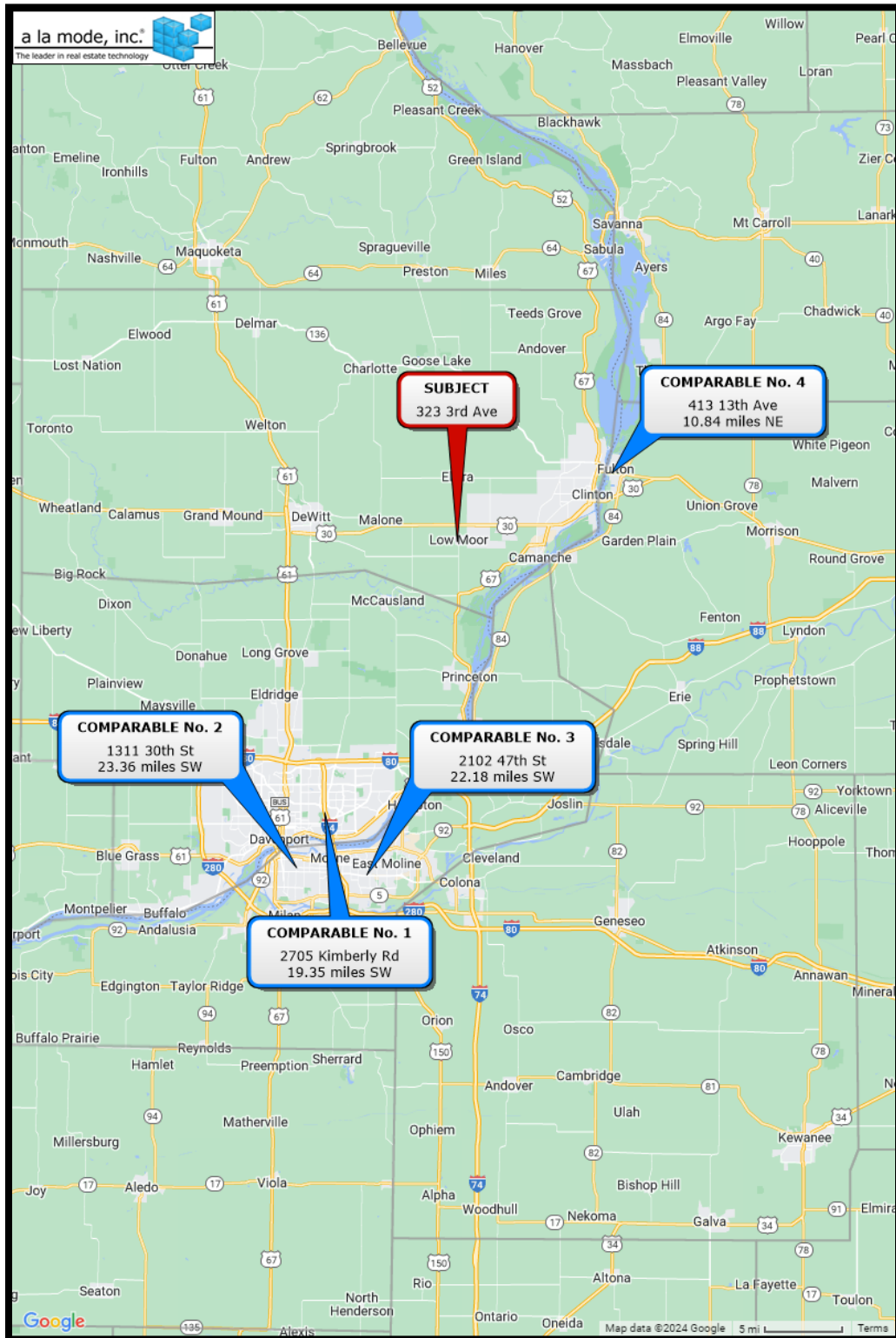
#### **Building/Site Data**

|                         |                                    |
|-------------------------|------------------------------------|
| Land Size:              | 5,227 square feet                  |
| Gross Building Area:    | 1,378 square feet                  |
| Land to Building Ratio: | 3.79:1                             |
| Zoning:                 | Commercial District                |
| Utilities:              | All available to the site          |
| Topography and Soil:    | Generally level and assumed stable |
| Building Construction:  | Wood framed/Vinyl/Metal            |
| Year Built:             | 1990                               |

#### **Terms of Sale**

|                        |   |
|------------------------|---|
| Sale Price:            | \$125,000                                     |
| Price per Square Foot: | \$90.71/SF                                    |
| Source:                | CREV/Assessor/Broker/County Records           |
| Comment:               | Smaller office property in average condition. |

## **IMPROVED SALES COMPARABLE MAP**



## **SUMMARY OF ADJUSTMENTS**

Adjustments for differences are considered and include adjustments for overall location; physical aspects of the improvements such as condition, quality, available parking, and age. Additional consideration is given to the efficiency ratio of the structure, as well as the design of the building, and the land to building ratio. Use of the building is also considered.

### **Property Rights Conveyed Adjustments**

This adjustment accounts for differences in the type of interest held. This generally applies when the interest being valued, or that sold, is less than full fee simple. Leasing conditions of the sale, such as leasehold or leased fee, are compared to market conditions and appropriate adjustments are made. Other types of property interests include life estate, easement (servient or dominant estate), or undivided interests. No adjustments are necessary if the interest being valued is equivalent to that of the comparables.

### **Financing**

Adjustments for differences in financing refer to terms of sale that are not equivalent to cash. Examples would include seller financing, seller buy-down of buyer's mortgage, assumed financing, buyer paying transaction costs that are normally paid by the seller (or vice versa), installment sale contract, or a lease with the option to buy. All of the comparable sales have been adjusted to cash equivalent sales prices in order to account for differences in financing terms.

### **Conditions of Sale**

This adjustment is given when a sale includes possible circumstances in which a buyer or seller is not typically motivated. Examples would include sales determined not to be of arm's length, typically those involving family members, friends or related corporations or partnerships, assemblages, financial necessity to sell or buy, or inadequately informed parties. None of the comparable sales require an adjustment for this aspect of comparison.

### **Expenditure After Purchase**

A quantitative number can be added to sales that require additional expenditure beyond the sales price. Examples of items of expenditure may be the cost of bringing the structure to compliance in terms of zoning codes, fire codes, ADA codes, or environmental codes, to list just a few. All sales sold as is and no further adjustment is necessary.



## **Market Conditions**

This adjustment accounts for the effect of changes in general property values over time due to inflation, deflation, changing investor perceptions, and fluctuations in supply and demand. All sales which have occurred after January 2022 are not adjusted. It is my opinion that property values over the last three years have been relatively flat and no further adjustment is necessary.

## **Location**

As is true of virtually all types of real estate, location is the premier value influence factor. Properties located in well-established, higher density, higher traffic and more easily accessible areas tend to sell for higher per unit prices than otherwise equal properties located in less developed areas. A locational adjustment is typically measured via a rental rate comparison (i.e. superior located properties command higher rents than inferior properties, all other things being equal).

Location includes such factors as visibility, corner location, traffic flows and surrounding complementary development. This item of comparison can be judged on rental rates. Sales #1 and #4 are located in superior locations in relation to the subject and are adjusted downward. All sales are located in similar location in terms of proximity to complimentary uses and no adjustment is necessary.

## **Size**

This adjustment is given with attention to the market phenomenon wherein larger quantities of a given entity tend to sell for less on a per-unit basis than do smaller quantities of a similar entity. Based on paired sales analysis, an adjustment appears to be warranted for size relating to sale #1. All other sales are considered similar to the subject and no adjustment is warranted.

## **Condition**

The age of the improvements can contribute to aspects of physical depreciation that would affect the value of the improvements, but this is not an aspect of comparison that alone would indicate a substantial difference between a given subject building and comparable sales. Issues of quality and condition must be included in judging whether the age of the improvements is a salient point of comparison. Varying degrees of adjustments are performed to the sales.

## **Quality**

This adjustment is given with attention to the market phenomenon wherein larger quantities of office finish and/or quality of finish are desirable to potential investors. The subject property is

constructed with average quality construction and overall finish. Sale #3 appears to have superior quality and office finish in relation to the subject property and is adjusted downward. All other sales are considered similar to the subject and no further adjustment is necessary.

### **Land to Building Ratio**

Land to building ratio can be indicative of an ability to expand the present improvements, or perhaps market the surplus land. Further, an increased land to building ratio may contribute to the ability of the site to accommodate zoning-dictated issues such as required parking or green space. Not all superior land to building ratios necessarily indicates the above-stated ability to expand improvements or parking. Some properties may contain wetlands or otherwise unbuildable area. Often, an inferior ratio will not necessarily describe an inferior lot. Sales analysis indicates an adjustment downward to sale #3 for the ability to expand the building and/or parking lot.

The following grid details the appropriate adjustments to the comparable properties.

| GRID ANALYSIS OF IMPROVED COMPARABLE SALES |                           |                       |           |           |           |
|--|---------------------------|-----------------------|-----------|-----------|-----------|
| SALE #                                     | SUBJECT PROPERTY          | SALE #1               | SALE #2   | SALE #3   | SALE #4   |
| DATE OF SALE                               | March-24                  | Aug-23                | Aug-23    | Nov-22    | Apr-22    |
| PRICE                                      |                           | \$244,000             | \$145,000 | \$160,000 | \$125,000 |
| SIZE (SF)                                  | 1,578                     | 2,768                 | 1,500     | 1,247     | 1,378     |
| PROPERTY RIGHTS CONVEYED                   |                           | 0%                    | 0%        | 0%        | 0%        |
| FINANCING                                  |                           | 0%                    | 0%        | 0%        | 0%        |
| ADJUSTMENTS: %                             |                           | \$244,000             | \$145,000 | \$160,000 | \$125,000 |
| CONDITIONS OF SALE                         |                           | 0%                    | 0%        | 0%        | 0%        |
| EXPENDITURES AFTER PURCHASE                |                           | 0%                    | 0%        | 0%        | 0%        |
| NORMAL PRICE:                              |                           | \$244,000             | \$145,000 | \$160,000 | \$125,000 |
| MARKET CONDITIONS                          |                           | 0.00%                 | 0.00%     | 0.00%     | 0.00%     |
| ADJUSTED PRICE:                            |                           | \$244,000             | \$145,000 | \$160,000 | \$125,000 |
| LOCATION                                   | Low Moor, IA              | -5%                   | 0%        | 0%        | -5%       |
| SIZE                                       | 1,578 SF                  | 5%                    | 0%        | 0%        | 0%        |
| AGE  | 1900-2018                 | 0%                    | 0%        | 0%        | 0%        |
| CONDITION                                  | Good                      | 10%                   | 5%        | 0%        | 10%       |
| QUALITY                                    | Average                   | 0%                    | 0%        | -10%      | 0%        |
| AMENITIES                                  | Minimal                   | 0%                    | 0%        | 0%        | 0%        |
| PARKING                                    | Adequate/Surface          | 0%                    | 0%        | 0%        | 0%        |
| USE  | City Hall/Water Treatment | 0%                    | 0%        | 0%        | 0%        |
| LAND TO BUILDING RATIO                     | 3.76:1                    | 0%                    | 0%        | -3%       | 0%        |
| NET ADJUSTMENT                             |                           | 10%                   | 5%        | -13%      | 5%        |
| ADJ SALE PRICE:                            |                           | \$268,400             | \$152,250 | \$139,200 | \$131,250 |
| /SF  |                           | \$96.97               | \$101.50  | \$111.63  | \$95.25   |
| Mean                                       |                           | \$101.33              |           |           |           |
| Standard Deviation                         |                           | \$7.35                |           |           |           |
| Range                                      |                           | \$95.25 - \$111.63/SF |           |           |           |
| Median                                     |                           | \$99.23               |           |           |           |
| Mode                                       |                           | #N/A                  |           |           |           |

### Conclusion of Value For The Improved Comparable Sales

All of the adjusted comparable sales provide a wide range from \$95.25/SF - \$111.63/SF. The adjusted mean value of the closed sales indicates \$101.33/SF. The subject is most similar to sale #2, #3 and #4 in terms of size and indicated an adjusted mean of \$102.79/SF.

Based on these comparables the market data suggests \$103.00 per square foot as the value for the subject property. The opinion of market value, using the sales comparison approach, is calculated as follows:

|                            |   |                   |   |                    |
|----------------------------|---|-------------------|---|--------------------|
| <u>Gross Building Area</u> | x | <u>Price/s.f.</u> | = | <u>Total Value</u> |
| 1,578 s.f.                 | x | \$103.00/s.f.     | = | \$162,534          |
| <b>Rounded to,</b>         |   |                   |   | <b>\$165,000</b>   |

## **VALUATION BY SALES COMPARISON APPROACH:**

The application of this approach produces an estimate of value of a property by comparing it with similar properties of the same type and class which have been sold recently or are currently offered for sale in the same or competing areas. The comparative processes utilized in determining the degree of comparability between two properties involves judgment as to their similarity with respect to many factors such as location, construction, age and condition. The sale price of these properties deemed most comparable tends to set the range in which the value of the subject property will fall. Further consideration of the comparative data will indicate to the appraiser a figure representing the value of the subject property; that is, the probable price at which it could be sold by a willing seller to a willing buyer as of the date of the appraisal.

The purpose of this appraisal is to derive a credible opinion of the fair market value of the subject properties water delivery and wastewater systems. I have researched recent sales of public municipal systems to private for profit companies. The system sales are generally viewed between motivated sellers and interested and informed buyers. There are very few buyers of this type of system assets and could be viewed as competitive market or monopoly.

The unit comparison that is most applicable is price per residential/commercial connection. This unit of comparison is one of the most widely used common indicators of fair market value as demonstrated by the 17 sales utilized in this analysis. In estimating the value of the property by this approach, other water delivery and wastewater treatment facilities which have sold are compared to the subject property. I have researched national press releases, reviewed filings and final orders of closed sales to the transactions relating to the various systems. A summary of these is as follows:

## Total System Sales

| Utility Sale | Location                                    | Date of Sale | Sale Price Water | Sale Price Wastewater | Water Connections | Wastewater Connections | Price per Connection |
|--------------|---|--------------|------------------|-----------------------|-------------------|------------------------|----------------------|
| Sale #1      | Donahue, Iowa                               | 12/7/2023    |                  | \$785,000             |                   | 118                    | \$6,653              |
| Sale #1      | Donahue, Iowa                               | 12/7/2023    | \$965,000        |                       | 140               |                        | \$6,893              |
| Sale #2      | Blue Grass, Iowa                            | 7/12/2022    |                  | \$2,000,000           |                   | 750                    | \$2,667              |
| Sale #3      | Mt. Pulaski, IL                             | 4/1/2021     |                  | \$1,850,000           |                   | 800                    | \$2,313              |
| Sale #3      | Mt. Pulaski, IL                             | 4/1/2021     | \$3,400,000      |                       | 849               |                        | \$4,005              |
| Sale #4      | Hardin, IL                                  | 6/11/2021    |                  | \$1,200,000           |                   | 405                    | \$2,963              |
| Sale #4      | Hardin, IL                                  | 6/11/2021    | \$2,100,000      |                       | 435               |                        | \$4,828              |
| Sale #5      | Grant Park, IL                              | 5/31/2018    |                  | \$2,300,000           |                   | 540                    | \$4,259              |
| Sale #6      | Andalusia, IL                               | 7/10/2019    |                  | \$1,700,000           |                   | 460                    | \$3,696              |
| Sale #6      | Andalusia, IL                               | 7/10/2019    | \$1,600,000      |                       | 490               |                        | \$3,265              |
| Sale #7      | Glasford, IL                                | 9/11/2018    |                  | \$1,100,000           |                   | 482                    | \$2,282              |
| Sale #7      | Glasford, IL                                | 9/11/2018    | \$800,000        |                       | 492               |                        | \$1,626              |
| Sale #8      | Leonore, IL                                 | 8/28/2019    | \$100,000        |                       | 68                |                        | \$1,471              |
| Sale #9      | Sidney, IL                                  | 6/6/2019     | \$2,300,000      |                       | 560               |                        | \$4,107              |
| Sale #10     | Shiloh, IL                                  | 10/22/2019   |                  | \$3,600,000           |                   | 1,245                  | \$2,892              |
| Sale #11     | Blue Grass, IA                              | 9/18/2016    | \$1,300,000      |                       | 650               |                        | \$2,000              |
| Sale #12     | Rosiclare, IL                               | 5/29/2020    |                  | \$120,000             |                   | 377                    | \$318                |
| Sale #12     | Rosiclare, IL                               | 5/29/2020    | \$480,000        |                       | 508               |                        | \$945                |
| Sale #13     | Fisher, IL                                  | 3/1/2018     |                  | \$3,100,000           |                   | 890                    | \$3,483              |
| Sale #13     | Fisher, IL                                  | 3/1/2018     | \$3,700,000      |                       | 890               |                        | \$4,157              |
| Sale #14     | Skyline, Kane County, IL<br>Water and Sewer | 4/10/2018    | \$3,550,000      |                       | 752               | Water & Sewer          | \$4,721              |
| Sale #15     | Farmington, IL                              | 5/15/2017    | \$3,750,000      |                       | 1,060             |                        | \$3,538              |
| Sale #16     | Peotone, IL                                 | 7/7/2017     |                  | \$7,170,900           |                   | 1,589                  | \$4,513              |
| Sale #16     | Peotone, IL                                 | 7/7/2017     | \$5,129,100      |                       | 1,598             |                        | \$3,210              |
| Sale #17     | Manteno, IL                                 | 9/18/2017    |                  | \$25,000,000          |                   | 3,816                  | \$6,551              |

|                                   |
|-----------------------------------|
| <b>Utility Comparable Sale #1</b> |
|-----------------------------------|

**Sale Information**

|                   |  |
|-------------------|--|
| Type of Property: | Donahue, Iowa Water & Wastewater                           |
| Location:         | 106 North Main Street<br>P.O. Box 186<br>Donahue, IA 52746 |
| Date of Sale:     | December 7, 2023   |
| Buyer:            | Iowa American Water  |
| Seller:           | City of Donahue, Iowa                                      |

**System Information**

|                         |     |
|-------------------------|-----|
| Wastewater Connections: | 118 |
| Water Connections:      | 140 |

**Terms of Sale**

|                                  |  |
|----------------------------------|--|
| Sale Price:                      | \$1,750,000 Allocated purchase was estimated to be \$965,000 for water and \$785,000 for wastewater. |
| Price Per Wastewater Connection: | \$6,653/Connection   |
| Price Per Water Connection:      | \$6,893/Connection   |
| Source:                          | Application/Press Release/Appraisal/Mayor  |

**Description of the Systems:**

The subject property consists of the Water Delivery and Wastewater Systems within the city of Donahue, Iowa. Water Treatment

The source—2 wells  
Treatment system—chlorine, phosphate, potassium permanganate added  
Ground storage tank-1

Wastewater Treatment

Collection system—gravity and pressure

The water system includes one storage tank, a pump station, and the water distribution system. The wastewater system includes a three cell lagoon, lift station, and the sewer collection system.

**Water Pump Station**

The water filtration plant and pump station is located at the north end of 8<sup>th</sup> Court East near the water storage tank. The pump station includes two (2) high service pumps with VFD – 75 gallons per minute each. There is one 500 gpm high service pump. The plant was



constructed in 2006-2007 and is in good condition. The plant measures 32x38 = 1,216 SF and is constructed with concrete panel with flat roof.

### **Water Storage Tank**

The water system includes one ground storage tank and has a storage capacity of 78,000 gallons. The water is collected from two wells. Well #1 has a 125 gpm capacity in service since 1960 and Well #2 has a 150 gpm capacity in service since 1991.

### **Water Distribution System**

The water distribution system was not observed for condition. It is assumed that a majority of the water main was installed in the 1960's and 1990's and updated in 2006-2010. Based on the condition of the assets that were observed, it is assumed that the water distribution system is also well-maintained and is assumed to be in good condition.

### **Wastewater Treatment Plant**

The wastewater treatment plant is a three-cell lagoon system. The county indicates that a land purchase for a portion of the lagoon in June of 2020. It is assumed that this purchase was for an expansion of the treatment plant and that the original plant dates back to the 1960's when the system began operation.

According to the city, the maximum design flowrate is 0.158 MGD and the actual flowrate is 0.068 MGD. Actual flow rate as of 2018 indicated 0.026 MGD. This leaves 57% of the design capacity available for future growth.

### **Sewer Lift Stations**

The wastewater system includes a sewer lift station with a force main including 2,000 linear feet of pipeline. The below ground equipment was not observed at the lift station. The above ground equipment includes the access hatch, electrical equipment, and control equipment.

### **Sewer Collection System**

There are 40 manholes.

Population growth appears to be declining at -1.06% annually.

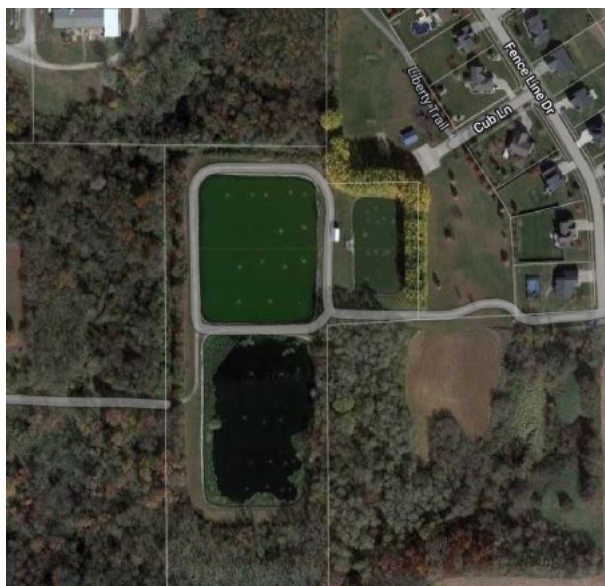
**Table 1** summarizes the water systems and the length, material and size.

| ITEM DESCRIPTION                           | ESTIMATED<br>QUANTITY | UNITS | Age |      |
|--|-----------------------|-------|-----|------|
| Well #1-125 gpm                            | 407                   | ft    | 13  | 2008 |
| Well #2-150 gpm                            | 429                   | ft    | 31  | 1990 |
| Tank - 70,000 gal                          | 70000                 | gal   | 30  | 1991 |
| 6" PVC (including valves and fittings)     | 4800                  | ft    | 40  | 1981 |
| Hydrants                                   | 8                     | ea    | 40  | 1981 |
| 6" PVC (including valves and fittings)     | 650                   | ft    | 40  | 1981 |
| 6" PVC (including valves and fittings)     | 1750                  | ft    | 40  | 1981 |
| Hydrants                                   | 3                     | ea    | 40  | 1981 |
| 6" PVC (including valves and fittings)     | 2800                  | ft    | 30  | 1991 |
| Hydrants                                   | 2                     | ea    | 16  | 2005 |
| 6" PVC (including valves and fittings)     | 1330                  | ft    | 5   | 2016 |
| Hydrants                                   | 3                     | ea    | 5   | 2016 |
| 6" PVC (including valves and fittings)     | 800                   | ft    | 12  | 2009 |
| Hydrants                                   | 3                     | ea    | 12  | 2009 |
| 6" PVC (including valves and fittings)     | 1650                  | ft    | 10  | 2011 |
| Hydrants                                   | 5                     | ea    | 10  | 2011 |
| 4" CI (including valves and fittings)      | 2500                  | ft    | 52  | 1969 |
| 6" PVC Raw (including valves and fittings) | 2300                  | ft    | 12  | 2009 |
| 8" Sewer                                   | 10000                 | ft    | 30  | 1991 |
| Manholes                                   | 12                    | ea    | 10  | 2011 |
| Manholes                                   | 28                    | ea    | 30  | 1991 |
|  |                       |       |     |      |

**Table 2** summarizes the wastewater systems and the length, material and size.

|                             |           |             |           |
|-----------------------------|-----------|-------------|-----------|
|                             | Age (yrs) |             |           |
| 3 Cell Stabilization Lagoon | 10        |             |           |
| - Design Capacity           |           |             |           |
| Avg Flow (MGD)              | 0.058     |             |           |
| Max Flow (MGD)              | 0.158     |             |           |
|                             |           |             |           |
| - Actual Flow - 2018        |           |             |           |
| Avg Flow (MGD)              | 0.026     |             |           |
| Max Flow (MGD)              | 0.068     |             |           |
|                             |           |             |           |
| Lift Station                | 10        |             |           |
| Force Main                  | 10        |             |           |
|                             |           |             |           |
| Collection System           |           |             |           |
| Material                    | Age (yrs) | Length (ft) |           |
| 8" Concrete ?               |           | 10000       | estimated |
| Manholes                    |           | 40          | estimated |

## Utility Comparable Sale #2



### **Sale Information**

|                   |  |
|-------------------|--|
| Type of Property: | City of Blue Grass, Iowa Wastewater    |
| Location:         | Blue Grass, Iowa                       |
| Date of Sale:     | July 12, 2022, closed October 26, 2022 |
| Buyer:            | Iowa American Water Company            |
| Seller:           | City of Blue Grass                     |

### **System Information**

|                         |                       |
|-------------------------|-----------------------|
| Wastewater Connections: | 750                   |
| Type of System:         | Three Lagoon Stations |

### **Terms of Sale**

|                                  |   |
|----------------------------------|---|
| Sale Price:                      | \$2,000,000   |
| Price Per Wastewater Connection: | \$2,667/Connection                                    |
| Source:                          | Application/Docket Nos : SPU-2021-0014<br>Report/City |

Comments: Iowa American Water plans to invest \$4 million in the first five years to update the sewer.

Population growth appears to be declining at -0.23% annually.

|                                   |
|-----------------------------------|
| <b>Utility Comparable Sale #3</b> |
|-----------------------------------|

**Sale Information**

|                   |  |
|-------------------|--|
| Type of Property: | Mt. Pulaski, Illinois Water and Wastewater |
| Location:         | City of Mt. Pulaski, IL                    |
| Date of Sale:     | Entered in April 1, 2021                   |
| Buyer:            | Illinois American Water Company            |
| Seller:           | City of Mt. Pulaski                        |

**System Information**

|                         |                                    |
|-------------------------|------------------------------------|
| Wastewater Connections: | 800                                |
| Water Connections:      | 849                                |
| Type of System:         | Report to include plant and lagoon |

**Terms of Sale**

|                                  |   |
|----------------------------------|---|
| Sale Price:                      | \$5,250,000 Allocated purchase was reported to be \$3,400,000 for water and \$1,850,000 for wastewater. |
| Price Per Wastewater Connection: | \$2,313/Connection  |
| Price Per Water Connection:      | \$4,005/Connection  |
| Source:                          | Application/Final Report/ICC Document #21-0309  |

The water system includes three parcels of land owned in fee, one water treatment plant, three active wells, one water tower, meters, hydrants, and approximately 68,000 linear feet of water mains. The wastewater system includes four wastewater lift stations, a wastewater treatment plant, and approximately 71,600 linear feet of mains. The wastewater system comprises of a lagoon system.

Illinois American Water plans to invest approximately \$13.8 million in the first five years of ownership to upgrade the City of Mt. Pulaski water and wastewater systems. Work will include replacing water meters, water main, sewer main, manholes and lateral main connections. Generators will be installed for increased resiliency and continued service in the event of a power outage. Upgrades to the water treatment and wastewater treatment plants will support safe, reliable service. Safety and security upgrades will be completed to implement automation and improve operational efficiency.

Population growth appears to be declining at -1.31% annually.

#### Utility Comparable Sale #4

##### **Sale Information**

Type of Property: Village of Hardin, Calhoun County, Illinois Water & Wastewater  
Location: Hardin, IL  
Date of Sale: June 11, 2021  
Buyer: Illinois American Water Company  
Seller: Village of Hardin

##### **System Information**

Wastewater Connections: 405  
Water Connections: 435  
Type of System: Report to include plant and lagoon

##### **Terms of Sale**

Sale Price: \$3,300,000 Allocated purchase was reported to be \$2,100,000 for water and \$1,200,000 for wastewater.  
Price Per Wastewater Connection: \$2,963/Connection  
Price Per Water Connection: \$4,828/Connection  
Source: Application/Final Report/ICC Document #21-0511

Hardin is located close to American Water's Jerseyville operations, which Illinois American Water acquired in 2020.

The water system includes five parcels of land owned in fee, one water treatment plant, two active wells, one water storage tank, one pressure reducing station, one booster pump station, meters, hydrants, and approximately 49,800 linear feet of water mains. The land parcels owned in fee include 1 Lions Lane (a water treatment plant), Dripping Springs Hollow Road (a water storage tank), the east side of County Hwy 1 (two wells), S County Road (booster pump station), and W Main St and Stone Hill Road (pressure reducing station).

The wastewater system includes a lagoon system, six parcels of land owned in fee, five wastewater lift stations, a wastewater treatment plant, and approximately 57,400 linear feet of mains. The land parcels owned in fee include 21415 Illinois River Road (wastewater treatment plant), 2 Braun St (lift station #1), South of North Side Grocery on Rt 100 (lift station #2), North of North Side Grocery on Rt 100 (lift station #3), South of Calhoun Auto on Rt 100 (lift station #4), East of Water Treatment Plant on Rt 100 (lift station #5).

Illinois American Water plans to invest approximately \$3 million in the first five years of ownership to upgrade the Village of Hardin water and wastewater systems. Work will include replacing water meters, installing a sanitary pump station and force wastewater main. Generators will be installed for increased resiliency and continued service in the event of a power outage. Upgrades to the water and wastewater treatment plants will support safe, reliable service. In addition, Safety and security upgrades will be completed including the implementation of automation for operational efficiency. Population growth appears to be declining at -11.14% annually.

|                                   |
|-----------------------------------|
| <b>Utility Comparable Sale #5</b> |
|-----------------------------------|

**Sale Information**

|                   |  |
|-------------------|--|
| Type of Property: | Grant Park, Illinois Wastewater        |
| Location:         | 106 West Taylor Street, Grant Park, IL |
| Date of Sale:     | May 31, 2018                           |
| Buyer:            | Aqua Illinois, Inc.                    |
| Seller:           | Village of Grant Park                  |

**System Information**

|                         |                                  |
|-------------------------|----------------------------------|
| Wastewater Connections: | 540                              |
| Water Connections:      | Unknown                          |
| Type of System:         | Activated sludge treatment plant |

**Terms of Sale**

|                                  |   |
|----------------------------------|---|
| Sale Price:                      | \$2,300,000                                   |
| Price Per Wastewater Connection: | \$4,259/Connection                            |
| Price Per Water Connection:      | Unknown                                       |
| Source:                          | Application/Final Order/ICC Document #18-1093 |

Legal: The area consists of 540 sewer connections and a population of approximately 1,500. The customer composition is a mix of residential, commercial, and industrial, with the majority being single-family residential customers. The wastewater system consists of a 350,000 gallon per day (MGD) activated sludge treatment plant, one lift station, and approximately 56,000 lineal feet of gravity and force main sewer ranging from 4" – 36". Aqua Illinois Grant Park Wastewater System Certificated Area defined as follows: Sections 17, 19, 20, 21, 28, 29, 30, Township 32N, Range 14E (of the 3rd Principal Meridian); South 1/4 of Section 16, Township 32N, Range 14E (of the 3rd Principal Meridian); South 1/2 of the Southeast 1/4, Section 18, Township 32N, Range 14E (of the 3rd Principal Meridian); Encompassing an Area of 4,771 Acres.

Population growth appears to be declining at -0.11% annually.



## Utility Comparable Sale #6

### **Sale Information**

|                   |  |
|-------------------|--|
| Type of Property: | Andalusia, Illinois Water and Wastewater |
| Location:         | Andalusia, IL                            |
| Date of Sale:     | July 10, 2019, closed May 27, 2020       |
| Buyer:            | Illinois American Water Company          |
| Seller:           | Village of Andalusia                     |

### **System Information**

|                         |                          |
|-------------------------|--------------------------|
| Wastewater Connections: | 460                      |
| Water Connections:      | 490                      |
| Type of System:         | Include plant and lagoon |

### **Terms of Sale**

|                                  |   |
|----------------------------------|---|
| Sale Price:                      | \$3,300,000 Allocated purchase was reported to be \$1,600,000 for water and \$1,700,000 for wastewater. |
| Price Per Wastewater Connection: | \$3,696/Connection  |
| Price Per Water Connection:      | \$3,265/Connection  |
| Source:                          | Application/Final Report/ICC Document #19-0732  |

Comments: Illinois American Water plans to invest \$2 million in the first five years to update the water main and the sewer main also will be lined throughout the village. The source of water supply includes two wells. Well #1 is 150 feet deep and well #3 is 170 feet deep. The wells pump 159 and 150 gallons per minute. The wells utilize a shallow bedrock aquifer overlain by a mixture of permeable gravel, sand, silt, and clay, varying in composition and thickness. The water system includes one water treatment plant, two active wells, a 310,000 gallon standpipe. The treatment plant has an annual average daily flow of 0.067 MGD and capacity of .445 MGD. The wastewater system includes one 3-cell lagoon, an overflow lagoon and three lift stations. The treatment facility has a rated design flow average capacity of approximately 0.23 MGD and a design maximum flow capacity of 0.826 MGD. Source: IAWC Documentation.

Population growth appears to be declining at -0.45% annually.

## Utility Comparable Sale #7

### **Sale Information**

|                   |   |
|-------------------|---|
| Type of Property: | Glasford, Illinois Water and Wastewater |
| Location:         | Glasford, IL                            |
| Date of Sale:     | Entered in September 11, 2018           |
| Buyer:            | Illinois American Water Company         |
| Seller:           | Village of Glasford                     |

### **System Information**

|                         |                                    |
|-------------------------|------------------------------------|
| Wastewater Connections: | 482                                |
| Water Connections:      | 492                                |
| Type of System:         | Report to include plant and lagoon |

### **Terms of Sale**

|                                  |   |
|----------------------------------|---|
| Sale Price:                      | \$1,900,000 Allocated purchase was reported to be \$800,000 for water and \$1,100,000 for wastewater. |
| Price Per Wastewater Connection: | \$2,282/Connection  |
| Price Per Water Connection:      | \$1,626/Connection  |
| Source:                          | Application/Final Report/ICC Document #18-1498  |

#### Glasford Water System - IEPA PWSID IL \_\_\_\_\_

- Water Treatment Plant
- Well #1 – 876 ft deep
- Well #2 – 1,750 ft deep
- Well #3 – 1,000 ft deep
- Elevated water storage tank – 125,000 gallons
- Ground water storage tank – 50,000 gallons
- Hydrants -- 65
- Water distribution system
 

|                 | <u>Quantity</u>    |
|-----------------|--------------------|
| ▪ 8" water main | 11,000 linear feet |
| ▪ 6" water main | 30,000 linear feet |
| ▪ 4" water main | 7,300 linear feet  |
| ▪ Valves        | 58                 |

#### Glasford Wastewater System

- Wastewater treatment plant
- Lagoon
- Wastewater collection system
 

|                     | <u>Quantity</u>    |
|---------------------|--------------------|
| ▪ Manholes          | 120                |
| ▪ Customer services | 15,000 linear feet |
| ▪ Lift stations     | 2                  |
| ▪ 8" main           | 16,000 linear feet |
| ▪ 4" main           | 10,500 linear feet |
| ▪ 3" main           | 5,300 linear feet  |

Population growth appears to be declining at -0.41% annually.

## Utility Comparable Sale #8

### **Sale Information**

Type of Property: Leonore, Illinois Water  
Location: Leonore, IL  
Date of Sale: August 28, 2019  
Buyer: Illinois American Water Company  
Seller: Village of Leonore

### **System Information**

Water Connections: 68  
Type of System: See below

### **Terms of Sale**

Sale Price: \$100,000  
Price Per Water Connection: \$1,471/Connection  
Source: Application/Final Report/Docket #19-0854  
Legal: System includes 10,000 and 7,500 gallon hydropneumatic water storage tanks, groundwater supply well and water treatment plant.

**Water System Name: Leonore**  
**IEPA Water System Facility No. 0990400**  
**Principal County Served: LaSalle**  
**Primary Source Water: GW**

- **Water Treatment Plant (1)**
  - Chlorine, fluoride, and phosphate chemical feeds
- **Groundwater Supply Well (1)**
  - 62 feet deep, 25 gpm capacity
- **Hydropneumatic Water Storage Tanks (2)**
  - 10,000 gallons
  - 7,500 gallons
- **Water Distribution System**
  - 4-inch water mains -- \_\_\_\_\_ feet
  - 16 flushing hydrants
  - 68 meters (50 inside sets, 18 outside meter pits)
  - 68 curb stops
  - 68 service connections from main to b-box/property line

IAWC explains that Leonore is the only municipality whose corporate boundaries lie within one and one-half miles of the proposed area to be certificated. IAWC further states that the System includes one water treatment plant with an annual average daily flow of 0.009 MGD and capacity of 0.028 MGD, one active well, and two hydro pneumatic storage tanks.

Population growth appears to be minimal with no change annually.

|                                   |
|-----------------------------------|
| <b>Utility Comparable Sale #9</b> |
|-----------------------------------|

**Sale Information**

|                   |                                 |
|-------------------|---------------------------------|
| Type of Property: | Sidney, Illinois Water System   |
| Location:         | Sidney, IL                      |
| Date of Sale:     | June 6, 2019                    |
| Buyer:            | Illinois American Water Company |
| Seller:           | Village of Sidney               |

**System Information**

|                    |           |
|--------------------|-----------|
| Water Connections: | 560       |
| Type of System:    | See below |

**Terms of Sale**

|                             |   |
|-----------------------------|---|
| Sale Price:                 | \$2,300,000 for water system.               |
| Price Per Water Connection: | \$4,107/Connection                          |
| Source:                     | Application/Final Report/Docket No #19-0653 |
| System Information:         |   |

**Water System Name: Sidney****IEPA Water System Facility No. \_\_\_\_\_****Principal County Served: Champaign****Primary Source Water: Purchased water from Illinois American Water**

- Booster pump station and building
- Elevated water storage tank – 150,000 gallons
- 567 meters and service connections
- 62 valves
- 62 hydrants
- Meter vault
- Pressure reducing valve vault
- Water mains:

|          |                    |
|----------|--------------------|
| 1 ½-inch | 204 linear feet    |
| 2-inch   | 7,461 linear feet  |
| 4-inch   | 26,053 linear feet |
| 6 inch   | 15,685 linear feet |
| 8 inch   | 45,260 linear feet |

Population growth appears to be increasing at 1.08% annually.

|                                    |
|------------------------------------|
| <b>Utility Comparable Sale #10</b> |
|------------------------------------|

**Sale Information**

|                   |                                    |
|-------------------|------------------------------------|
| Type of Property: | Shiloh, Illinois Wastewater System |
| Location:         | Shiloh, IL                         |
| Date of Sale:     | October 22, 2019                   |
| Buyer:            | Illinois American Water Company    |
| Seller:           | Village of Shiloh                  |

**System Information**

|                         |           |
|-------------------------|-----------|
| Wastewater Connections: | 1,245     |
| Type of System:         | See below |

**Terms of Sale**

|                                  |  |
|----------------------------------|--|
| Sale Price:                      | \$3,600,000 for wastewater system.       |
| Price Per Wastewater Connection: | \$2,892/Connection                       |
| Source:                          | Application/Final Report/Docket #19-1002 |
| System Information:              |  |

**Gravity Mains**

|           | <u>Linear<br/>Feet</u> | <u>Miles</u> |
|-----------|------------------------|--------------|
| 8"        | 83,000                 | 15.7         |
| 10"       | 9,800                  | 1.8          |
| 12"       | 8,300                  | 1.6          |
| 15"       | 4,500                  | 0.8          |
| <br>Total |                        | <br>19.9     |

**Force Mains**

|           |           |       |
|-----------|-----------|-------|
| 3"        | 1,000     | 0.2   |
| 4"        | 16,800    | 3.2   |
| 6"        | 8,440     | 1.6   |
| 8"        | 4,000     | 0.7   |
| 10"       | 12,000    | 2.3   |
| <br>Total | <br>Total | <br>8 |

**Service Laterals**

1,230

**Manholes**

200

**Lift Stations**

13

Population growth appears to be declining at -0.18% annually. Based on testimony, Shiloh currently has a wastewater treatment agreement with the City of O'Fallon, Illinois, which

provides wastewater treatment for Shiloh. As a condition of closing the acquisition, there will be an assignment of the O'Fallon wastewater treatment agreement to IAWC. IAWC is planning specific improvements to the Shiloh collection system and treatment facilities, including the construction of improvements to the Archview lift station and the associated forcemain within six months after the closing of the acquisition, and construction of improvements to the Church Street lift station within one year of closing. Improvements for the Archview lift station include the replacement of two pumps and the installation of approximately 5,000 feet of 12" forcemain to increase capacity. The Church Street lift station improvements will also include the replacement of pumps for improved capacity as well as the addition of a new generator and automatic transfer switch for improved reliability. Estimated overall costs for these two improvements at \$950,000. IAWC anticipates ongoing capital investment as is typical for this type and size of wastewater collection system.

#### Utility Comparable Sale #11

#### **Sale Information**

|                   |                          |
|-------------------|--------------------------|
| Type of Property: | Blue Grass Water System  |
| Location:         | City of Blue Grass, Iowa |
| Date of Sale:     | September 28, 2016       |
| Buyer:            | Iowa American Water      |
| Seller:           | City of Blue Grass, Iowa |

#### **System Information**

|                    |                                  |
|--------------------|----------------------------------|
| Water Connections: | 650                              |
| Type of System:    | Well with tower and pump station |

#### **Terms of Sale**

|                             |  |
|-----------------------------|--|
| Sale Price:                 | \$1,300,000 was reported to be for water.  |
| Price Per Water Connection: | \$2,000/Connection   |
| Source:                     | Public record/City Clerk   |
| Appraisal Record:           | Older sale of a water system located south of the subject property. According to press releases the system requires substantial repairs that could run \$5,000,000 to \$6,000,000. |

Population growth appears to be declining at -0.23% annually.



|                                    |
|------------------------------------|
| <b>Utility Comparable Sale #12</b> |
|------------------------------------|

**Sale Information**

|                   |   |
|-------------------|---|
| Type of Property: | Rosiclare, Illinois Water and Wastewater                  |
| Location:         | Rosiclare, IL   |
| Date of Sale:     | July 10, 2019 filed with the Illinois Commerce Commission |
| Buyer:            | Illinois American Water Company                           |
| Seller:           | City of Rosiclare   |

**System Information**

|                         |           |
|-------------------------|-----------|
| Wastewater Connections: | 377       |
| Water Connections:      | 508       |
| Type of System:         | See below |

**Terms of Sale**

|                                  |   |
|----------------------------------|---|
| Sale Price:                      | \$600,000 Allocated purchase was reported to be \$480,000 for water and \$120,000 for wastewater. |
| Price Per Wastewater Connection: | \$318/Connection  |
| Price Per Water Connection:      | \$945/Connection  |
| Source:                          | Application/Final Report/Docket #19-0733  |

Comments: The Rosiclare Water System includes, among other assets, one water treatment plant, two active wells, and a 150,000 gallon elevated tower. The treatment plant (IL-0690150) has an annual average daily flow of 0.01 MGD, 93 and capacity of 0.15 MGD. The Rosiclare wastewater system includes, among other assets, one treatment plant, two sludge tanks, two holding tanks, and two lift stations. The treatment facility (IL-0034207) has a rated design average flow capacity of approximately 0.35 MGD and a design maximum flow capacity of 0.875 MGD. Source: IAWC Documentation The sale occurred in June of 2019 and closed in May 29, 2020.

Population growth appears to be declining at -1.24% annually.

|                                    |
|------------------------------------|
| <b>Utility Comparable Sale #13</b> |
|------------------------------------|

**Sale Information**

|                   |   |
|-------------------|---|
| Type of Property: | Village of Fisher, Illinois Water and Wastewater  |
| Location:         | Village of Fisher, IL                             |
| Date of Sale:     | August 4, 2017 – Transaction closed in March 2018 |
| Buyer:            | Illinois American Water Company                   |
| Seller:           | Village of Fisher                                 |

**System Information**

|                         |           |
|-------------------------|-----------|
| Wastewater Connections: | 890       |
| Water Connections:      | 890       |
| Type of System:         | See Below |

**Terms of Sale**

|                                  |   |
|----------------------------------|---|
| Sale Price:                      | \$6,800,000 Allocated purchase was reported to be \$3,700,000 for water and \$3,100,000 for wastewater. |
| Price Per Wastewater Connection: | \$3,483/Connection  |
| Price Per Water Connection:      | \$4,157/Connection  |
| Source:                          | Application/Final Report/ICC Docket #17-0339  |

Comments: Illinois American Water plans to invest \$2.9 million in the first five years to update the water utility and the wastewater utility. Most of the expenditures will be made to the wastewater system. The upgrades will include \$610,000 to the water delivery system and \$2,300,000 to the wastewater system. The Fisher water system includes one water treatment plant and two elevated water storage tanks. The water treatment facility (IL-0190150) has a rated capacity of approximately 0.32 million gallons per day (MGD) based on filter capacity. The average daily production is reported to be approximately 135,000 gallons per day and maximum daily production reported to average approximately 215,000 gallons per day with a single max day reported as 271,000 gallons per day although this max flow is reportedly not normal for the system.

The Fisher wastewater system includes one treatment plant. The treatment facility (IL-0021016) has a rated design average flow capacity of approximately 0.2 MGD and a design maximum flow capacity of 0.5 MGD. The actual average daily flow is reported to vary between 170,000 and 180,000 gallons per day and peak wet weather flows are reported to vary between 500,000 and 700,000 gallons per day. Source: IAWC Documentation

Population growth appears to be increasing at 0.44% annually.

## Utility Comparable Sale #14

### **Sale Information**

|                   |   |
|-------------------|---|
| Type of Property: | Skyline Systems, Kane County, Illinois Water and Wastewater |
| Location:         | Skyline Systems, Kane County, IL                            |
| Date of Sale:     | April 10, 2018 – August 27, 2019 Draft Order                |
| Buyer:            | Aqua Illinois, Inc.   |
| Seller:           | Fox River Water Reclamation District                        |

### **System Information**

|                         |           |
|-------------------------|-----------|
| Wastewater Connections: | 376       |
| Water Connections:      | 376       |
| Type of System:         | See Below |

### **Terms of Sale**

|                       |   |
|-----------------------|---|
| Sale Price:           | \$3,550,000 for water and wastewater (Not Allocated). |
| Price Per Connection: | \$4,721/Connection                                    |
| Source:               | Application/Final Report/ICC Docket #18-0785          |

- All water system Tangible Personal Property including approximately:
  - 377 meters and services
  - 12,180 linear feet of 6" mains
  - 5,439 linear feet of 8" mains
  - 560 linear feet of 12" mains
  - 38 hydrants
  - 2 wells and raw water piping
  - 1 water treatment plant with building and support facilities
  - 1 elevated storage tank of 600,000 gallon volume
- All wastewater system Tangible Personal Property including approximately:
  - 1 sewage pumping station
  - 151 manholes
  - 3,284 linear feet of 10" force mains
  - 14,796 linear feet of 8" gravity sewers
  - 3,155 linear feet of 10" gravity sewers
  - 2,527 linear feet of 12" gravity sewers
  - 569 linear feet of 15" gravity sewers
  - 2,786 linear feet of 18" gravity sewers
  - 2,286 linear feet of 20" gravity sewers
  - 376 sewer services

Population growth appears to be increasing at 0.16% annually.

|                                    |
|------------------------------------|
| <b>Utility Comparable Sale #15</b> |
|------------------------------------|

**Sale Information**

|                   |                                 |
|-------------------|---------------------------------|
| Type of Property: | Water Delivery System           |
| Location:         | City of Farmington, IL          |
| Date of Sale:     | May 15, 2017                    |
| Buyer:            | Illinois American Water Company |
| Seller:           | City of Farmington, IL          |

**System Information**

|                    |           |
|--------------------|-----------|
| Water Connections: | 1,060     |
| Type of System:    | See Below |

**Terms of Sale**

|                       |  |
|-----------------------|--|
| Sale Price:           | \$3,750,000 for water                        |
| Price Per Connection: | \$3,538/Connection                           |
| Source:               | Application/Final Report/ICC Docket #17-0246 |

The water delivery system includes two wells reported to be 1,743' and 1,710' depth with the capacity of 350 and 385 gpm. There are two elevated storage tanks with capacity of 156,000 gallons/each put into place sometime in 1992-1997. Regarding system improvements following the acquisition, IAWC states that capital improvements for the Water System in the first five years of IAWC ownership will be approximately \$5,540,000. The improvements contemplated include security and safety improvements, SCADA systems integration (supervisory control and data acquisition), customer meter replacements, water main replacement and dead end elimination, and miscellaneous water treatment plant related capital expenditures such as reverse osmosis membrane replacement and conversion from gas to liquid chlorine. Population growth appears to be decreasing at -0.12% annually.

|                                    |
|------------------------------------|
| <b>Utility Comparable Sale #16</b> |
|------------------------------------|

**Sale Information**

|                   |   |
|-------------------|---|
| Type of Property: | Village of Peotone Systems, Peotone, Illinois<br>Water and Wastewater |
| Location:         | Peotone, IL   |
| Date of Sale:     | July 7, 2017  |
| Buyer:            | Aqua Illinois, Inc.   |
| Seller:           | Village of Peotone, Illinois  |

**System Information**

|                         |           |
|-------------------------|-----------|
| Wastewater Connections: | 1,589     |
| Water Connections:      | 1,598     |
| Type of System:         | See Below |

**Terms of Sale**

|                                  |  |
|----------------------------------|--|
| Sale Price:                      | \$12,300,000 Allocated purchase was reported to be \$5,129,100 for water and \$7,170,900 for wastewater. |
| Price Per Wastewater Connection: | \$4,513/Connection   |
| Price Per Water Connection:      | \$3,210/Connection   |
| Source:                          | Application/Final Report/ICC Docket #17-0314   |

The customer composition is a mix of residential and commercial, with the majority being single-family residential customers. The potable water production facilities include three potable water wells, one 250,000 gallon elevated Docket No. 17-0314 5 storage tank, a 150,000 gallon elevated storage tank, 300 fire hydrants and 145,000 lineal feet of water main pipe ranging from 2" to 12" in diameter. Metering appears to consists of 1,300 3/4" meters, 150 meters ranging in size between 1" and 2", and 50 meters greater than 2" in size. The average daily pumpage is approximately 300,000 gallons with maximum day around 550,000. The wastewater system consists of an 850,000 gallon per day activated sludge treatment plant, five lift stations, nearly 100,000 lineal feet of gravity sewer ranging from 6" to 30", and 5,000 feet of force main ranging in size from 4" to 8". Capital improvements in the first five years after sale are estimated at \$2,000,000 for the wastewater system and \$600,000 for the water delivery system.

Population growth appears to be increasing at 0.15% annually.

|                                    |
|------------------------------------|
| <b>Utility Comparable Sale #17</b> |
|------------------------------------|

**Sale Information**

|                   |  |
|-------------------|--|
| Type of Property: | Village of Manteno System, Peotone, Illinois |
|                   | Wastewater                                   |
| Location:         | Manteno, IL                                  |
| Date of Sale:     | September 18, 2017                           |
| Buyer:            | Aqua Illinois, Inc.                          |
| Seller:           | Village of Manteno, Illinois                 |

**System Information**

|                         |           |
|-------------------------|-----------|
| Wastewater Connections: | 3,816     |
| Type of System:         | See Below |

**Terms of Sale**

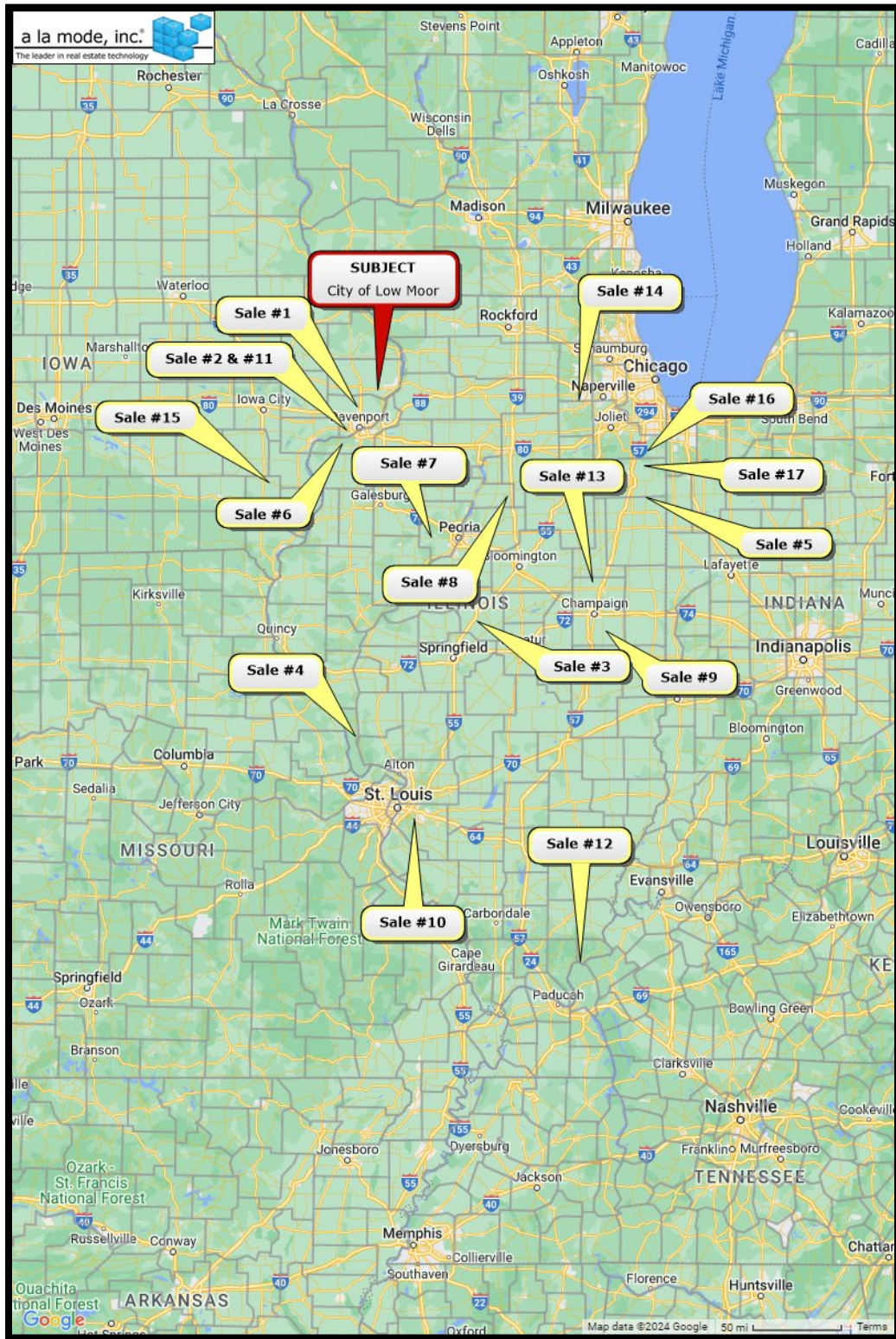
|                                  |  |
|----------------------------------|--|
| Sale Price:                      | \$25,000,000                                 |
| Price Per Wastewater Connection: | \$6,551/Connection                           |
| Source:                          | Application/Final Report/ICC Docket #17-0813 |

The wastewater system includes a wastewater treatment plant, seven wastewater lift stations, and approximately 288,000 linear feet of mains. The Manteno System is a municipal wastewater operation, consisting of wastewater collection and treatment. The area served (the "Area") by the System is located entirely within Kankakee County, Illinois. The Area consists of 3,816 sewer customers, and a population of approximately 9,300 people. The customer composition is a mix of residential, commercial, and industrial, with the majority being single-family residential customers. The wastewater system consists of an 1.15 million gallon per day ("MGD") activated sludge treatment plant, seven lift stations, more than 257,000 lineal feet of gravity sewer ranging from 6" to 24", and 31,500 feet of force main ranging in size from 4" to 12". The subject property includes four parcels of land owned in fee, easements, facilities and buildings, and the wastewater system personal property assets. The sludge system is in average condition. Capital improvements in the first five years after sale are estimated at \$4,300,000 for the wastewater system.

Population growth appears to be decreasing at -0.09% annually.



## IMPROVED COMPARABLE MAP



## **SUMMARY OF ADJUSTMENTS:**

Adjustments for differences are considered and include adjustments for overall location; physical aspects of the water delivery and wastewater systems such as condition, system configuration, capacity (Connections), and age. Additional consideration is given to location in regards to access, utility of the systems and growth potential. It should be noted that most of the sales are located in the State of Illinois. The State of Iowa recently passed legislation to allow for the transfer of non-profit utilities to for profit companies. There are very few sales that have occurred in the State of Iowa. The State of Illinois has similar legislation in place as Iowa has with utility acquisitions based on three independent appraisals. The sales located in Illinois are considered representative of the market for these types of assets.

### **Property Rights Conveyed Adjustments**

This adjustment accounts for differences in the type of interest held. This generally applies when the interest being valued, or that sold, is less than full fee simple. Leasing conditions of the sale, such as leasehold or leased fee, are compared to market conditions and appropriate adjustments are made. Other types of property interests include life estate, easement (servient or dominant estate), or undivided interests. No adjustments are necessary if the interest being valued is equivalent to that of the comparables.

### **Financing**

Adjustments for differences in financing refer to terms of sale that are not equivalent to cash. Examples would include seller financing, seller buy-down of buyer's mortgage, assumed financing, buyer paying transaction costs that are normally paid by the seller (or vice versa), installment sale contract, or a lease with the option to buy. None of the comparable sales require an adjustment for this aspect of comparison.

### **Conditions of Sale**

This adjustment is given when a sale includes possible circumstances in which a buyer or seller is not typically motivated. Examples would include sales determined not to be of arm's length, typically those involving family members, friends or related corporations or partnerships, assemblages, financial necessity to sell or buy, or inadequately informed parties. None of the comparable sales require an adjustment for this aspect of comparison.

### **Expenditure After Purchase**

A quantitative number can be added to sales that require additional expenditure beyond the sales price. Examples of items of expenditure may be the cost of bringing the structure to compliance

in terms of legislative codes, fire codes, , or environmental codes, to list just a few. All sales sold as is and no further adjustment is warranted. Information gathered during review of the sales indicates that improvements have been planned to the Blue Grass Water System (Sale #11) and the Village of Fisher water delivery and wastewater system. I have considered the present value of the expenditures after purchase relating to these systems. The Blue Grass System obviously requires substantial upgrades. Considering present value of the improvements would reflect an adjusted price per connection near \$8,020/connection. The water and wastewater system in Village of Fisher would reflect an adjusted price as of the date of this appraisal near \$4,694/water connection and \$5,508/wastewater connection. The Shiloh wastewater treatment system will replace and repair two lift stations at a cost of \$950,000 in the first year of acquiring the system. All other systems sold as is.

### **Market Conditions**

This adjustment accounts for the effect of changes in general property values over time due to inflation, deflation, changing investor perceptions, and fluctuations in supply and demand. The ten sales have occurred from 2016 – 2020. Overall property values have fluctuated up and down with no real market gains or losses.

### **Location**

As is true of virtually all types of real estate, location is the premier value influence factor. Properties located in well-established, higher density, higher traffic and more easily accessible areas tend to sell for higher per unit prices than otherwise equal properties located in less developed areas. A locational adjustment is typically measured via a rental rate comparison (i.e. superior located properties command higher rents than inferior properties, all other things being equal).

It should be noted that most of the sales are located in the State of Illinois. The State of Iowa recently passed legislation to allow for the transfer of non-profit utilities to for profit companies. There are very few sales that have occurred in the State of Iowa. The State of Illinois has similar legislation in place as Iowa has with utility acquisitions based on three independent appraisals. The sales located in Illinois are considered representative of the market for these types of assets.

All other sales are located in similar markets or similar locations in terms of proximity to complimentary uses and no further adjustment is necessary.

### **Size**

This adjustment is given with attention to the market phenomenon wherein larger quantities of a given entity tend to sell for less on a per-unit basis than do smaller quantities of a similar entity. The subject property is a water delivery and wastewater treatment system in the City of Low Moor,

Iowa. Simply, I have been unable to locate sales of similar size properties in terms of water and sewer connections. The previous sales are considered representative of the market for municipal systems. Based on the array of sales systems with the greater number of connections generally sell at a higher price per connection in relation to smaller systems. More weight is applied in the reconciliation process.

### **Condition**

The age of the improvements can contribute to aspects of physical depreciation that would affect the value of the improvements, but this is not an aspect of comparison that alone would indicate a substantial difference between a given subject system and comparable sales. Issues of quality and condition must be included in judging whether the age of the improvements is a salient point of comparison.

### **Demographics – Potential for Growth**

Based on the community profile for Low Moor population appears to decline over the next several years. The comparable utility sales differ slightly in terms of growth and varying adjustments are applied.

### **System/Facility Make up**

The subject property comprises of water delivery and wastewater systems. Sales of water and wastewater systems are given the most weight in the final analysis. Permitted design capacity is also considered. More weight is applied in the reconciliation process.

### **Treatment System**

The wells and treatment facility are located within the maintenance/mechanical room of the City Hall building. Treatment consists of chemical addition only. Sodium hypochlorite is fed for primary/secondary disinfection and polyphosphate is fed for iron sequestration. The distribution system is not looped and consists of approximately 10,000 linear feet of 4” cast iron pipe. A newer section of main along 260<sup>th</sup> Street is PVC.

A 30,000 gallon elevated tank constructed in the 1930’s provides an average 42 psi system pressure. The city owns services up to and including the curb stop. All meters have been replaced over the last 10 years with remote read Hersey meters.

Per engineers system infrastructure assessment:



The City Hall/Well Building is a mixed-use occupancy structure, the building is a 1-story, 1,578 SF structure. The waterworks section is 878 SF and both wells occupy this space. The City Hall space is 700 SF. The building was constructed in 1900 but has had substantial improvements both in 2013 and 2018 that have extended the useful life of this building. The estimated useful life remaining in this building is approximately 20 years equating to 70% of the cost of replacement. The cost of replacement of this mixed-use structure is determined to be nearly \$190/SF, based on a combination of historical waterworks building and single-story office construction of this grade utilizing RSMeans data.

Well#1 is approximately 101 years old and has a useful life of 75 years, this well is a standby well only to be used in emergencies. This well is determined to have fully depreciated its useful life.

Well #2 is approximately 65 years old and has a useful life of 75 years. We separated the pump assembly, piping components and electrical from the physical well itself as the components described are 8 years old and have a 25-year life. These items were upgraded in 2016.

Standby power is provided by a permanent Kohler 30 KW Generator with an automatic transfer switch that was installed in 2012. This generator has a useful life of 20 years, with 8 years remaining.

The chemical feed to Well #2 is a simple sodium hypochlorite pumping system and was upgraded in 2018, this component has a useful life of approximately 5 years.

The City has an 30,000-gallon elevated storage tank that was constructed in the 1930's. The useful life of this storage is approximately 75 years and this component has fully depreciated its useful life.

The City has around 10,000 LF of primarily 4" cast iron water main. Cast iron water main can have a useful life of anywhere from 80 to 120 years. For the purpose of this assessment the water main is anticipated to have a useful life of 100 years, with the average age in the system being approximately 83 years.

There are approximately 126 residential services with an average age of 80 years, with this component having a useful life of 75 years, the services have fully depreciated their useful life.

The City has approximately 126 residential meters that are 11 years old and have a useful life of 15 years.

## **Wastewater Treatment**

The most prominent component of the wastewater system is the wastewater pumping facilities constructed in 2011. The wastewater pumping facilities was constructed to pump the City's wastewater to Clinton, Iowa for treatment. The components of this facility are approximately 13 years old and have an overall useful life of 50 years.

The remaining components of the system are the wastewater collection system throughout the community these are primarily vitrified clay pipe and manholes constructed around 1967, these components are 56 years old and have a useful life of approximately 60 years. The system consists of 12” and 8” mains with 4” sewer laterals. There are 27 manholes in the system.

There is a joint 28E agreement between Clinton/Low Moor waste water treatment district. This is a voluntary joint undertaking of the Clinton/Low Moor waste water treatment district pursuant to Chapter 28E of the Code of Iowa, 2007. The purpose of the joint agreement is to afford both waste water transport and treatment for the city of Low Moor by the city of Clinton at the wastewater treatment plant owned by the city of Clinton, Iowa which plant is proposed for completion in 2013. Said entity was established for the purpose of assisting and serving the people within the city of Clinton and Low Moor, Iowa and such other surrounding areas as may benefit from the plant. Further, the purpose thereof shall be to provide more efficient waste water treatment at a reasonable cost. Please see document in the addendum of this report. The lift station pumps the waste water east to the city of Clinton.

The following is the adjustment grid detailing the appropriate adjustments as warranted by the market relating to the subject property “as is”.



The summary of the systems are as follows:

### Water Delivery Systems

| Utility Sale  | Location               | Date of Sale | Sale Price Water | Water Connections | Price per Connection |
|---------------|------------------------|--------------|------------------|-------------------|----------------------|
| Sale #1       | Donahue, IA            | 12/7/2023    | \$965,000        | 140               | \$6,893              |
| Sale #3       | Mt. Pulaski, IL        | 4/1/2021     | \$3,400,000      | 849               | \$4,005              |
| Sale #4       | Hardin, IL             | 6/11/2021    | \$2,100,000      | 435               | \$4,828              |
| Sale #6       | Andalusia, IL          | 7/10/2019    | \$1,600,000      | 490               | \$3,265              |
| Sale #7       | Glasford, IL           | 9/18/2018    | \$800,000        | 492               | \$1,626              |
| Sale #8       | Leonore, IL            | 8/28/2019    | \$100,000        | 68                | \$1,471              |
| Sale #9       | Sidney, IL             | 6/6/2019     | \$2,300,000      | 560               | \$4,107              |
| Sale #11      | Blue Grass, IA         | 9/18/2016    | \$1,300,000      | 650               | \$2,000              |
| Sale #12      | Rosiclare, IL          | 7/10/2019    | \$480,000        | 508               | \$945                |
| Sale #13      | Fisher, IL             | 3/1/2018     | \$3,700,000      | 890               | \$4,157              |
| <b>Range</b>  | <b>\$945 - \$6,893</b> |              |                  |                   |                      |
| <b>Mean</b>   | <b>\$3,330</b>         |              |                  |                   |                      |
| <b>Median</b> | <b>\$3,635</b>         |              |                  |                   |                      |

| GRID ANALYSIS OF WATER DELIVERY COMPARABLE SALES |                               |           |             |             |             |           |           |             |             |           |             |  |
|--|-------------------------------|-----------|-------------|-------------|-------------|-----------|-----------|-------------|-------------|-----------|-------------|--|
| SALE #   | SUBJECT PROPERTY              | SALE #1   | SALE #3     | SALE #4     | SALE #6     | SALE #7   | SALE #8   | SALE #9     | SALE #11    | SALE #12  | SALE #13    |  |
| DATE OF SALE                                     | March-24                      | Dec-23    | Apr-21      | Jun-21      | Jul-19      | Sep-18    | Aug-19    | Jun-19      | Sep-16      | Jul-19    | Aug-17      |  |
| PRICE  |                               | \$965,000 | \$3,400,000 | \$2,100,000 | \$1,600,000 | \$800,000 | \$100,000 | \$2,300,000 | \$1,300,000 | \$480,000 | \$3,700,000 |  |
| SIZE (CONNECTIONS)                               | 126                           | 140       | 849         | 435         | 490         | 492       | 68        | 560         | 650         | 508       | 890         |  |
| PROPERTY RIGHTS CONVEYED                         |                               | 0%        | 0%          | 0%          | 0%          | 0%        | 0%        | 0%          | 0%          | 0%        | 0%          |  |
| FINANCING  |                               | 0%        | 0%          | 0%          | 0%          | 0%        | 0%        | 0%          | 0%          | 0%        | 0%          |  |
| ADJUSTMENTS: %                                   |                               |           |             |             |             |           |           |             |             |           |             |  |
| SALES CONDITIONS                                 |                               | 0%        | 0%          | 0%          | 0%          | 0%        | 0%        | 0%          | 0%          | 0%        | 0%          |  |
| EXPENDITURES AFTER PURCHASE                      |                               | 0%        | 0%          | 0%          | 0%          | 0%        | 0%        | 0%          | 301%        | 0%        | 13%         |  |
| NORMAL PRICE:                                    |                               | \$965,000 | \$3,400,000 | \$2,100,000 | \$1,600,000 | \$800,000 | \$100,000 | \$2,300,000 | \$5,213,000 | \$480,000 | \$4,177,948 |  |
| MARKET CONDITIONS                                |                               | 0.00%     | 0.00%       | 0.00%       | 0.00%       | 0.00%     | 0.00%     | 0.00%       | 0.00%       | 0.00%     | 0.00%       |  |
| ADJUSTED PRICE:                                  |                               | \$965,000 | \$3,400,000 | \$2,100,000 | \$1,600,000 | \$800,000 | \$100,000 | \$2,300,000 | \$5,213,000 | \$480,000 | \$4,177,948 |  |
| LOCATION   | Low Moor, Iowa                | Similar   | Similar     | Similar     | Similar     | Similar   | Similar   | Similar     | Similar     | Similar   | Similar     |  |
| SIZE   | 126 Water Connections         | Similar   | Neg -       | Neg -       | Neg -       | Neg -     | Pos +     | Neg -       | Neg -       | Neg -     | Neg -       |  |
| CONDITION  | Good - Updated in 2013 & 2018 | Neg -     | Pos +       | Pos +       | Pos +       | Pos +     | Pos +     | Pos +       | Neg -       | Pos +     | Neg -       |  |
| DEMOGRAPHICS/POP GROWTH                          | Decreasing                    | Similar   | Similar     | Similar     | Similar     | Similar   | Similar   | Neg -       | Neg -       | Pos +     | Neg -       |  |
| SYSTEM   | Water Delivery                | Similar   | Similar     | Similar     | Similar     | Similar   | Similar   | Similar     | Similar     | Similar   | Similar     |  |
| NET ADJUSTMENT                                   |                               | Neg -     | x           | x           | x           | x         | Pos +     | Neg -       | Neg -       | Pos +     | Neg -       |  |
| SALE PRICE:                                      |                               | \$965,000 | \$3,400,000 | \$2,100,000 | \$1,600,000 | \$800,000 | \$100,000 | \$2,300,000 | \$5,213,000 | \$480,000 | \$4,177,948 |  |
| /SF  |                               | \$6,893   | \$4,005     | \$4,828     | \$3,265     | \$1,626   | \$1,471   | \$4,107     | \$8,020     | \$945     | \$4,694     |  |

## Conclusion of the Fair Market Value of the Water Delivery System

Sale #11 and #13 require updates over the next 3-5 years. The subject property has been updated substantially over the last 10 years and would reflect systems on the higher end of the range. Sale #1, #4, #6, #7 and #8 are similar in size and reflect \$3,617/connection. The most recent sales #1, #3, #4, #6, #8, #9 and #12 reflecting a mean near \$3,645/connection. The two sales located in Iowa reflect a midpoint near \$4,447/connection. Based on the above analysis, a market value for the subject property of \$4,100/connection is considered reasonable. Therefore, the value of the subject property, based on the Sales Comparison Approach utilizing a value per connection basis, is estimated as follows:

Water Delivery System – 126 Connections @ \$4,100/Connection = \$516,600

## Wastewater Delivery Systems

| Utility Sale  | Location             | Date of Sale | Sale Price Wastewater | Wastewater Connections | Price per Connection |
|---------------|----------------------|--------------|-----------------------|------------------------|----------------------|
| Sale #1       | Donahue, IA          | 12/7/2023    | \$785,000             | 118                    | \$6,653              |
| Sale #2       | Blue Grass, IA       | 7/12/2022    | \$2,000,000           | 750                    | \$2,667              |
| Sale #3       | Mt. Pulaski, IL      | 4/1/2021     | \$1,850,000           | 800                    | \$2,313              |
| Sale #4       | Hardin, IL           | 6/11/2021    | \$1,200,000           | 405                    | \$2,963              |
| Sale #5       | Grant Park, IL       | 5/31/2018    | \$2,300,000           | 540                    | \$4,259              |
| Sale #6       | Andalusia, IL        | 7/10/2019    | \$1,700,000           | 460                    | \$3,696              |
| Sale #7       | Glasford, IL         | 9/18/2018    | \$1,100,000           | 482                    | \$2,282              |
| Sale #10      | Shiloh, IL           | 10/22/2019   | \$3,600,000           | 1,245                  | \$2,892              |
| Sale #12      | Rosiclare, IL        | 5/29/2020    | \$120,000             | 377                    | \$318                |
| Sale #13      | Fisher, IL           | 3/1/2018     | \$3,100,000           | 890                    | \$3,483              |
| <b>Range</b>  | <b>\$318-\$6,653</b> |              |                       |                        |                      |
| <b>Mean</b>   | <b>\$3,152</b>       |              |                       |                        |                      |
| <b>Median</b> | <b>\$2,927</b>       |              |                       |                        |                      |

| GRID ANALYSIS OF WASTEWATER TREATMENT FACILITY COMPARABLE SALES |                            |           |             |             |             |             |             |             |             |           |             |  |
|---|----------------------------|-----------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-----------|-------------|--|
| SALE #  | SUBJECT PROPERTY           | SALE #1   | SALE #2     | SALE #3     | SALE #4     | SALE #5     | SALE #6     | SALE #7     | SALE #10    | SALE #12  | SALE #13    |  |
| DATE OF SALE  | March-24                   | Dec-23    | Jul-22      | Apr-21      | Jun-21      | May-18      | Jul-19      | Sep-18      | Oct-19      | Jul-19    | Mar-18      |  |
| PRICE   |                            | \$785,000 | \$2,000,000 | \$1,850,000 | \$1,200,000 | \$2,300,000 | \$1,700,000 | \$1,100,000 | \$3,600,000 | \$120,000 | \$3,100,000 |  |
| SIZE (CONNECTIONS)  | 128 Connections            | 118       | 750         | 800         | 405         | 540         | 460         | 482         | 1,245       | 377       | 890         |  |
| PROPERTY RIGHTS CONVEYED  |                            | 0%        | 0%          | 0%          | 0%          | 0%          | 0%          | 0%          | 0%          | 0%        | 0%          |  |
| FINANCING   |                            | 0%        | 0%          | 0%          | 0%          | 0%          | 0%          | 0%          | 0%          | 0%        | 0%          |  |
| ADJUSTMENTS: %  |                            |           |             |             |             |             |             |             |             |           |             |  |
| SALE COND'S   |                            | 0%        | 0%          | 0%          | 0%          | 0%          | 0%          | 0%          | 0%          | 0%        | 0%          |  |
| EXPENDITURES AFTER PURCHASE                                     |                            | 0%        | 87%         | 0%          | 0%          | 0%          | 0%          | 0%          | 26%         | 0%        | 58%         |  |
| NORMAL PRICE:   |                            | \$785,000 | \$3,748,437 | \$1,850,000 | \$1,200,000 | \$2,300,000 | \$1,700,000 | \$1,100,000 | \$4,550,000 | \$120,000 | \$4,902,110 |  |
| MARKET COND'S   |                            | 0.00%     | 0.00%       | 0.00%       | 0.00%       | 0.00%       | 0.00%       | 0.00%       | 0.00%       | 0.00%     | 0.00%       |  |
| ADJUSTED PRICE:   |                            | \$785,000 | \$3,748,437 | \$1,850,000 | \$1,200,000 | \$2,300,000 | \$1,700,000 | \$1,100,000 | \$4,550,000 | \$120,000 | \$4,902,110 |  |
| LOCATION  | Low Moor, Iowa             | Similar   | Similar     | Similar     | Similar     | Similar     | Similar     | Similar     | Similar     | Similar   | Similar     |  |
| SIZE  | 128 Wastewater Connections | Similar   | Neg -       | Neg -       | Neg -       | Neg -       | Neg -       | Neg -       | Neg -       | Neg -     | Neg -       |  |
| CONDITION   | Good - Updated in 2011     | Neg -     | Neg -       | Pos +       | Pos +       | Pos +       | Pos +       | Pos +       | Pos +       | Pos +     | Neg -       |  |
| DEMOGRAPHICS/POP GROWTH   | Decreasing                 | Similar   | Similar     | Similar     | Similar     | Similar     | Similar     | Similar     | Similar     | Neg -     | Neg -       |  |
| SYSTEM  | Wastewater Treatment       | Neg -     | Similar     | Pos +       | Similar     | Neg -       | Similar     | Similar     | Similar     | Similar   | Neg -       |  |
| NET ADJUSTMENT  |                            | Neg -     | Neg -       | Pos +       | x           | Neg -       | x           | x           | x           | Neg -     | Neg -       |  |
| SALE PRICE:   |                            | \$785,000 | \$3,748,437 | \$1,850,000 | \$1,200,000 | \$2,300,000 | \$1,700,000 | \$1,100,000 | \$4,550,000 | \$120,000 | \$4,902,110 |  |
| /SF   |                            | \$6,653   | \$4,998     | \$2,313     | \$2,963     | \$4,259     | \$3,696     | \$2,282     | \$3,655     | \$318     | \$5,508     |  |

## Conclusion of the Fair Market Value of the Wastewater Systems

The most recent sales #1, #2, #3, #4, #6, #10 and #12 indicating \$3,514/connection. The two sales located in Iowa indicate a midpoint near \$5,826/connection. The subject wastewater system fall within this range of \$3,514 - \$5,826/connection and reconciled near \$4,700/connection. Based on the above analysis, a market value for the subject property of \$4,700/connection is considered reasonable. Therefore, the value of the subject property, based on the Sales Comparison Approach utilizing a value per connection basis, is estimated as follows:

|                                     |   |                      |           |
|-------------------------------------|---|----------------------|-----------|
| Wastewater System – 128 Connections | @ | \$4,700/Connection = | \$601,600 |
|-------------------------------------|---|----------------------|-----------|

## Conclusion of the Fair Market Value of the Complete System

|   |   |                      |           |
|---|---|----------------------|-----------|
| Water Delivery System – 126 Connections | @ | \$4,100/Connection = | \$516,600 |
| Wastewater System – 128 Connections     | @ | \$4,700/Connection = | \$601,600 |

|  |             |
|--|-------------|
| Total Market Value of the Subject Property | \$1,118,200 |
|--|-------------|

|                           |             |
|---------------------------|-------------|
| Round to nearest \$5,000, | \$1,120,000 |
|---------------------------|-------------|

Note the overall fair market value for the combined systems equates to \$4,409/Connection. The indicated unit price is within the range of the comparable combined utility systems detailed in this report.

## VALUATION BY INCOME CAPITALIZATION APPROACH:

Investment property includes real estate which is bought primarily on the basis of the income which is produced. In dealing with such properties, the value tends to be set by the quantity, quality, and durability of the net income to the property.

In the valuation of fee simple rights, the appraiser begins by analyzing the existing and/or most probable gross income at the time of appraisal, plus miscellaneous and net service income, if any. Economic rental is based on prevailing rental rates for comparable space. This may be more or less than the actual or contract rent.

Prudent investors make a deduction for anticipated vacancy and/or collection losses, which leaves an effective gross income. The next claims upon income are the various operating expenses, such as taxes, insurance, administration, utilities, repairs, reserve for replacements, and any other appropriate out-of-pocket expense.

Capitalization is the process of converting net income into value, either by dividing the net income by an appropriate rate, or multiplying it by a factor. There is no single way to capitalize income. The most commonly used methods have variable built-in assumptions.

Various income approaches to value may be used in an appraisal since, if properly used, each analysis helps to explain the characteristics important to real estate investments; and

also they help to illustrate how different points of view can still result in similar value estimates.

The subject property operates as a public utility. There is scarce to limited market data of leased utilities. The Income Approach was not found applicable relating to this assignment.

#### **CORRELATION OF VALUE OPINIONS:**

Market Value “As Is” as of March 5, 2024.

|  |                |
|--|----------------|
| Valuation by Cost Approach.....                  | \$1,690,000    |
| Valuation by Sales Comparison Approach.....      | \$1,120,000    |
| Valuation by Income Capitalization Approach..... | Not Applicable |

#### **ESTIMATED EXPOSURE AND MARKETING TIME:**

**EXPOSURE TIME:** An opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.

**Comment:** Exposure time is a retrospective opinion based on an analysis of past events assuming a competitive and open market. The improved property sales indicated that exposure time (i.e., the length of time the subject property would have been exposed for sale in the market had it sold at the market value concluded in this analysis as of the date of this valuation) would have been approximately 12 months. The estimated marketing time (i.e., the amount of time it would probably take to sell the property if exposed in the market beginning on the date of valuation) is estimated to be 12 months.



## FINAL RECONCILIATION:

In the Cost Approach, the component parts of the subject property are analyzed and an estimate of what it would cost in the market to replace them with property of like utility and value is made. Land is broken into use classes, each evaluated on its value in the market. The value of the improvements is estimated based on cost new, less depreciation. Depreciation is defined as loss in value from any cause and may be physical wear, functional and/or external obsolescence.

I have relied on actual costs supplied by the client and a report prepared by Origin Design which details the depreciated value of the assets. In addition, I have consulted and reviewed other engineering reports and data relating to water delivery and wastewater treatment facilities. Based on these additional sources the Origin Design Report is considered accurate, thorough and credible relating to this assignment. After accounting for depreciation and the overall land values the indicated value is considerably higher in relation to the Sales Comparison Approach. The difference may be attributable to some form of obsolescence. Furthermore, the difference in this approach in the other approach to value is that the methods do not reflect the actual buyer of this type of asset. 30% weight is applied to this approach.

The Sales Comparison Approach analyzes sales of other municipal water delivery and wastewater systems in the general area which have recently sold. Adjustments are made to reflect differences between them and the subject. The sales chosen were recent and provided good market data to make supported adjustments for variance. There were ten sales which are considered applicable in bracketing the subject's two systems in terms of the functional use, condition, number of connections and future utility. Therefore, this approach is a reliable indicator of the market value of the subject property. This approach to value actually reflects the actual buyer of this type of asset and given the most weight in the final reconciliation.

The Income Capitalization Approach to Value is predicated on the assumption that a definite relationship exists between the net income a property produces and total value. The subject property operates as a public utility. There is scarce to limited market data of leased utilities. The Income Approach was not found applicable relating to this assignment.

Thus reporting weight to the applicable approaches to value renders the following final fair market value of the water delivery and wastewater systems.

| VALUE INDICATION          | RECONCILED VALUE | %/WEIGHT           | INDICATED EXTENSION |
|---------------------------|------------------|--------------------|---------------------|
| COST APPROACH             | \$1,690,000      | 30%                | \$507,000           |
| SALES COMPARISON APPROACH | \$1,120,000      | 70%                | \$784,000           |
| INCOME APPROACH           | \$0              | 0%                 | \$0                 |
| TOTAL FAIR MARKET VALUE   |                  |                    | \$1,291,000         |
|                           |                  | <b>Rounded to,</b> | <b>\$1,290,000</b>  |

**FINAL OPINION OF VALUE:**

Assuming the sale of the two complete systems to a private entity the final market value of the subject property is **\$1,290,000** “as is” as of March 5, 2024. The allocated fair market value to the systems are as follows:

The final market value of the subject property relating to the Water Delivery System “as is” as of March 5, 2024 is:

**SIX HUNDRED THOUSAND DOLLARS**  
**\$600,000**

The final market value of the subject property relating to the Wastewater Treatment System “as is” as of March 5, 2024 is:

**SIX HUNDRED NINETY THOUSAND DOLLARS**  
**\$690,000**

The client has requested a separate value for the water treatment and city hall building. The overall value of the improvements and land are reconciled at \$162,534, rounded to \$165,000. The market value reflects \$103.00/SF of gross building area. The reconciled value of the city hall and water treatment property is allocated from the reconciled value of the water delivery system assuming the potential buyer would not acquire this component of the asset. The fair market value of the water treatment facility assuming the city retains this component is therefore calculated as follows:

|  |                  |
|--|------------------|
| Fair Market Value of the Whole System:   | \$600,000        |
| <u>Less the Fair Market Value of the City Hall/Treatment/Delivery Property</u> | <u>\$165,000</u> |
| <b>Fair Market of the Water Delivery System w/o City Hall/Treatment</b>        | <b>\$435,000</b> |

## ***ASSUMPTIONS AND LIMITING CONDITIONS***

- 1. The "Scope of Work", as agreed upon by the client and appraiser, is the work the appraiser performed to develop the assignment results. Please refer to the "Scope of Work" section of this report.*
- 2. This is an Appraisal Report which is intended to comply with the reporting requirements set forth under Standard Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice for an Appraisal Report. As such, it might not include full discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's file. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraiser is not responsible for unauthorized use of this report.*
- 3. No responsibility is assumed for legal description, legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated in this report.*
- 4. The property is appraised free and clear of any or all liens and encumbrances unless otherwise stated in this report.*
- 5. Responsible ownership and competent property management are assumed unless otherwise stated in this report.*
- 6. The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.*
- 7. All engineering is assumed to be correct. Any plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.*
- 8. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.*
- 9. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless otherwise stated in this report.*
- 10. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a non-conformity has been stated, defined, and considered in this appraisal report.*
- 11. It is assumed that all required licenses, certificates of occupancy or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimates contained in this report are based.*
- 12. Any sketch in this report may show approximate dimensions and is included to assist the reader in visualizing the property. Maps and exhibits found in this report are provided for reader reference purposes only. No guarantee as to accuracy is expressed or implied unless otherwise stated in this report. No survey has been made for the purpose of this report.*

### ***ASSUMPTIONS AND LIMITING CONDITIONS (Continued)***

- 13.** *It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless otherwise stated in this report.*
- 14.** *The appraiser is not qualified to detect hazardous waste and/or toxic materials. Any comment by the appraiser that might suggest the possibility of the presence of such substances should not be taken as confirmation of the presence of hazardous waste and/or toxic materials. Such determination would require investigation by a qualified expert in the field of environmental assessment. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The appraiser's value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value unless otherwise stated in this report. No responsibility is assumed for any environmental conditions, or for any expertise or engineering knowledge required to discover them. The appraiser's descriptions and resulting comments are the result of the routine observations made during the appraisal process.*
- 15.** *Unless otherwise stated in this report, the subject property is appraised without a specific compliance survey having been conducted to determine if the property is or is not in conformance with the requirements of the Americans with Disabilities Act. The presence of architectural and communications barriers that are structural in nature that would restrict access by disabled individuals may adversely affect the property's value, marketability, or utility.*
- 16.** *Any proposed improvements are assumed to be completed in a good workmanlike manner in accordance with the submitted plans and specifications.*
- 17.** *The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.*
- 18.** *Possession of this report, or a copy thereof, does not carry with it the right of publication in whole or in part. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser.*
- 19.** *Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news sales, or other media without prior written consent and approval of the appraiser.*
- 20.** *The valuation of the property (i.e., Cost Approach, Sales Comparison Approach and Income Capitalization Approach) is used in the appraisal to value only this property for the intended client. The appraised value, any parts of the appraisal, or valuation process must not be used for any other purpose or reason.*
- 21.** *The client agrees that the appraisal firm does not by performing the services rendered, assume, abridge, abrogate, or undertake to discharge any duty of client to any other entity.*

### ***ASSUMPTIONS AND LIMITING CONDITIONS (Continued)***

22. *Any use of the appraisal report, by the client, is conditioned upon payment of all fees in accordance with the agreed terms.*
23. *In the future, if the appraisal firm is compelled to produce documents or testify with regard to work performed, the client shall reimburse appraiser for all costs and expenses incurred.*
24. *The Dascher Company, Inc. and/or the appraisers are not qualified to render expert opinions regarding structural issues, water damage, environmental assessments (such as mold), engineering/mechanical issues, ADA and/or building code compliance, land planning, architectural experts or soil conditions. If requested, The Dascher Company, Inc. will recommend qualified experts in these fields to assist the client and/or the appraisal process.*
25. *This appraisal report has been written for the intended use of the client listed in this appraisal. Possession of this report, or a copy thereof, does not carry with it the right of publication (either in whole or in part), nor may it be used for any purpose other than the one stated in the Letter of Transmittal and the Purpose of the Appraisal, without the express, written consent of the appraiser and client. Authorized copies of this report will be signed by the appraiser(s). Unsigned copies should be considered incomplete. All unauthorized or incomplete copies of this report should also be considered confidential, and as such, must be returned, in their entirety, to The Dascher Company, Inc.*

## **CERTIFICATION**

*I certify that, to the best of my knowledge and belief:*

1. *The statements of fact contained in this report are true and correct.*
2. *The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.*
3. *I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.*
4. *I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.*
5. *My engagement in this assignment was not contingent upon developing or reporting predetermined results.*
6. *My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.*
7. *My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.*
8. *I have made a personal inspection of the property that is the subject of this report. Inspection should be noted that I observed the water treatment facility and well location. I am not a professional inspector or engineer. I observed the physical attributes of the systems that were visible and not obscured by weather/snow cover and that were underground. I have relied on the city and management of the systems in regards to plans and photos of the system plans.*
9. *No one provided significant real property appraisal assistance to the person signing this certification.*
10. *The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.*
11. *The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.*
12. *As of the date of this report, I have completed the requirements of the continuing education program of the Appraisal Institute.*
13. *I have the appropriate knowledge of the specific market and relevant experience appraising properties similar in size and complexity to the property under consideration to complete this assignment with competence.*
14. *I have performed other services, as an appraiser or in any other capacity, regarding the property that is the subject of the work under review within the three-year period immediately preceding acceptance of this assignment.*

Respectfully submitted,



Patrick D. Kirchner, MAI, SRA  
Date of Signature – May 9, 2024  
Iowa Certified General Appraiser #CG03568  
THE DASCHER COMPANY, INC



**QUALIFICATIONS OF  
PATRICK D. KIRCHNER, MAI, SRA**



**MAI, SRA, Designated Member of the Appraisal Institute**

Minnesota Certified General Real Property Appraiser License Number: 20049235

Illinois Certified General Real Property Appraiser License Number: 553-002997

Iowa Certified General Real Property Appraiser License Number: CG03568

Wisconsin Certified General Appraiser License Number: 1514-010

Minnesota Real Estate Broker License Number: 40756007

**Primary Market Area**

State of Minnesota, Iowa and Wisconsin

**Secondary Market Area**

Montana, North & South Dakota and Nebraska

**Scope of Business**

Appraisal • Appraisal Review • Consulting • Estate/Trust • Portfolio Management • Development Valuation and Consultation • Easement Analysis • Eminent Domain Valuation and Consulting • Feasibility Studies • Foreclosure / REO • Highest and Best Use Studies • Land Use Studies and Planning • Litigation / Litigation Support • Market Analysis • Real Estate Tax Valuation and Consulting • Relocation Appraisal and Consulting • Retrospective Valuation • Sensitivity Analysis

**Real Estate Appraisal/Business Experience**

*Agricultural*

Crop ▶ • Dairy ▶ • Hog and Poultry/ Forest / Timber ▶ • Grain Elevator ▶ • Grove / Orchard ▶ • Livestock ▶ • Pasture / Range ▶ • Ranch ▶ • Vineyard

*Residential*

Condo, Multi-Family Project (Townhouse, Condo, Etc) • Timeshare • Farmette (Lifestyle farm, Hobby farm) • High End Residential • Low Income and/or Affordable Housing • Mixed Use (Residential / Commercial) • Mobile Home Park • Multi-family (2-4 units) • Multi-family (5+ units) • Ranchette (Hobby) • Single Family Appraisal (Conventional, Other) • Single Family Appraisal (Relocation) • Unique Property

*Commercial*

Assisted Living / Skilled Care Facility / Nursing Home • Automobile Dealership • Banquet / Reception Hall • Branch Bank / Financial Building • Condominium (Office / Retail / Etc.) • Convenience Store / Service station • Day Care • Dry Cleaner • Hotel / Resort • Medical Facility / Clinic • Motel • Office

Building (High Rise, over three stories) • Office Building (Low Rise, three stories or less) • Retail (Single Tenant or Free Standing) • Self Storage • Shopping Center (Local, Strip, Neighborhood, Community, Etc.) • Shopping Center (Power Center, Outlet Center, Lifestyle, Etc.) • Shopping Center

### *Industrial*

Industrial (Heavy (Manufacturing) • Industrial (Small Office Warehouse / Mfg.) • Industrial Light (Distribution, Storage) • Research and Development Lab / Hi-Tech / Bioengineering • Truck Terminal / Hub / Transit Facility

### *Land*

Acreage (Mixed Use) • Acreage (Non-Residential) • Acreage (Residential) • Lakeshore, Riverfront, Other Waterfront • Land, Rural • Land, Transitional • Land, Urban • Open Space / Public Park • Subdivided Land / Lot (Non-Residential) • Subdivided Land / Lot (Residential) • Subdivision (Commercial, Industrial, etc) • Subdivision (Residential) • Wetland, Swamp, Marsh

### *Special Properties*

Municipal Water Delivery and Wastewater Systems  
Baseball Stadiums  
Golf Course/Clubs  
Grain Elevators/Dairy/Horse/Pig Farms  
Assisted Living/Memory Care  
Self-Storage – Conversion Property  
Marinas  
Resorts

### *Property Rights Appraised*

Access Rights • Air Rights • Fee Simple Interest • Ground Lease • Leased Fee Interest • Leasehold Interest • Life Estate • Partial Interest • Fractional Interest as it relates to Residences, Farms, Timeshare, Townhomes, Condominiums. In addition, Patrick D. Kirchner has appraised the fee simple, leasehold and fee simple estates; and has considerable experience in condemnation appraisals.

### **Specialized Education**

All 500 level classes at the Appraisal Institute relating to requirements regarding the MAI & SRA professional designations.

7-Hour National USPAP Update Course **Appraisal Institute (Successfully completed in 2019).**

***Creighton University, B.S in Mathematics - 1986***

### **Correspondence**

**Address – 1919 Hampshire Avenue, Saint Paul, Minnesota 55116**

**Telephone – 651-698-1998**

**Cell Phone – 612-270-3565**

**Email – [patrick.kirchner@daschercompany.com](mailto:patrick.kirchner@daschercompany.com)**



## ***ADDENDUM***

## *APPRAISER'S LICENSE*



STATE OF IOWA  
IOWA DEPARTMENT OF COMMERCE  
PROFESSIONAL LICENSING AND REGULATION

This is to certify that the below named has been granted a certification  
as: Certified General Appraiser.

Certification Number: CG03568 Expires: June 30, 2024

Status: Active

Patrick Daniel Kirchner  
The Dascher Company, Inc.  
1919 Hampshire Avenue  
St. Paul, Minnesota 55116

***CHAPTER 1024 STATE OF IOWA CODE***

**CHAPTER 1024**  
**SALE OF CITY UTILITIES AND ACQUISITION OF PUBLIC UTILITIES**  
*H.F. 2307*

**AN ACT** relating to the sale or acquisition of certain utilities.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. NEW SECTION. 388.2A Procedure for disposal of city utility by sale.

1. A proposal to discontinue a city utility and dispose of such utility by sale, whether upon the council's own motion or upon the receipt of a valid petition pursuant to [section 388.2, subsection 1](#), paragraph "b", shall not be submitted to the voters of the city pursuant to [section 388.2](#) at any election unless the governing body of the city utility meets the requirements of [this section](#).

2. a. (1) The governing body of the city utility shall determine the fair market value of the utility system after obtaining two appraisals of the system's fair market value. One appraisal shall be obtained from an independent appraiser selected by the governing body, and the other appraisal shall be obtained from an independent appraiser approved by the Iowa utilities board. Both appraisals shall be conducted in conformance with the uniform standards of professional appraisal practice or substantially similar standards.

(2) Any appraisal obtained pursuant to this paragraph shall consider the depreciated value of the capital assets to be sold, the loss of future revenues to the city utility, including the right to generate surpluses, and the cost of any capital improvements reasonably necessary to provide adequate service and facilities to the city utility's customers.

b. After considering the appraisals obtained pursuant to paragraph "a", the governing body shall establish the city utility's fair market value. The fair market value shall be the greater of any of the following:

(1) The average of the two appraisals obtained pursuant to paragraph "a".

(2) The depreciated value of the capital assets to be sold.

(3) The amount necessary to retire all of the city's outstanding revenue and general obligations issued for purposes of the city utility.

c. The governing body's determination of a city utility's fair market value pursuant to [this subsection](#) shall not be dispositive of the city utility's system price, which shall be subject to negotiation by the governing body.

d. The governing body shall prepare an inventory of the city utility's real and personal property, and a statement of net position or balance sheet of the city utility, including all assets, liabilities, outstanding revenue and general obligations used to finance the city utility system.

e. The governing body shall prepare a financial information statement of the city utility that includes current and projected rate schedules for the next five fiscal years, as well as the five most recent fiscal year revenue statements, if such statements exist, and a projection of the city utility's revenue statements for the next five fiscal years.

f. The governing body shall consider alternatives to disposing of the city utility system by sale, including entering into an agreement pursuant to [chapter 28E](#), or into a finance agreement, purchase agreement, or lease agreement with another entity described in [section 476.1, subsection 5](#).

g. (1) The governing body shall make available on its internet site, at least sixty days prior to submitting a proposal for election pursuant to [section 388.2](#), a copy of each item listed in paragraphs "a" through "f" of [this subsection](#).

(2) If, at the time of posting information pursuant to subparagraph (1), the governing body has received any offers or appraisals of fair market value from any prospective purchasers of the city utility system in connection with a proposal to discontinue the city utility and dispose of such utility by sale, then the governing body shall make available on its internet site each offer and appraisal then in existence. Proprietary information of a rate-regulated public utility under [chapter 476](#) that is exempt from disclosure pursuant to [section 22.7](#) may be withheld from disclosure on the governing body's internet site. The governing body may continue to receive new or revised offers or appraisals thereafter.

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(3) The governing body shall make a good-faith effort to provide, by regular mail to each property owner of the city and each ratepayer of the city utility, a notice of the proposal to dispose of the city utility by sale, a summary of the proposal, a summary of the information described in subparagraphs (1) and (2), and instructions for locating the information described in subparagraphs (1) and (2) on the governing body's internet site.

3. Upon the governing body meeting the requirements of [subsection 2](#), a city council may submit a proposal to discontinue and dispose of a city utility pursuant to [section 388.2](#).

4. If a proposal to discontinue and dispose of a city utility is to be submitted to voters following the receipt of a valid petition pursuant to [section 388.2, subsection 1](#), paragraph "b", the council shall submit the proposal at the next general election, regular city election, or a special election called for that purpose, within one hundred twenty days after the governing body of the city utility meets the requirements of [subsection 2](#).

5. A proposal to discontinue and dispose of a city utility by sale that is approved by the voters pursuant to [section 388.2, subsection 2](#), paragraph "a", shall not require the governing body or any purchasing entity to finalize a sale of the city utility.

6. No action may be brought which questions the legality of the election or the city and governing body's compliance with [this section](#), except as provided in [section 57.1](#), within twenty days of the canvass of votes for the election by the county board of supervisors.

Sec. 2. [Section 476.72, subsection 4](#), Code 2018, is amended to read as follows:

4. "Public utility" means a ~~gas or electric~~ rate-regulated public utility providing electric, gas, water, sanitary sewage, or storm water drainage service, or any combination thereof.

Sec. 3. **NEW SECTION. 476.84 Water, sanitary sewer, and storm water utilities — acquisitions — advance ratemaking.**

1. [This section](#) applies to the acquisition of water, sanitary sewer, and storm water utilities by rate-regulated public utilities. [This section](#) does not apply to the acquisition of such utilities by non-rate-regulated entities described in [section 476.1, subsection 5](#).

2. a. A public utility shall not acquire, in whole or in part, a water, sanitary sewer, or storm water utility with a fair market value of five hundred thousand dollars or more from a non-rate-regulated entity described in [section 476.1, subsection 5](#), unless the board first approves the acquisition. In addition, if the utility to be acquired is a city utility, then the public utility shall not acquire the city utility until the city has first met the requirements of [section 388.2A](#).

b. If a water, sanitary sewer, or storm water utility that is the subject of an acquisition meets the requirements of paragraph "a", then the acquiring public utility may apply to the board, prior to the completion of the acquisition, for advance approval of a proposed initial tariff for providing service to customers of the acquired utility.

c. As part of its review of the proposed acquisition, the board shall specify in advance, by order issued after a contested case proceeding, the ratemaking principles that will apply when the costs of the acquired utility are included in regulated rates. The lesser of the sale price or the fair market value of the acquired utility as established pursuant to [section 388.2A, subsection 2](#), shall be used in determining the applicable ratemaking principles. In determining the applicable ratemaking principles, the board shall not be limited to traditional ratemaking principles or traditional cost recovery mechanisms. Among the principles and mechanisms the board may consider, the board has the authority to approve ratemaking principles that provide for reasonable restrictions upon the ability of the public utility to seek an increase in specified regulated rates for a period of time after the acquisition takes place.

d. In determining the applicable ratemaking principles, the board shall find that the proposed acquisition will result in just and reasonable rates to all customers of the public utility, including but not limited to existing customers of the public utility. In making this finding, the board may consider any factor it reasonably concludes may affect future rates, including but not limited to the price paid for the acquired utility and the projected cost of reasonable and prudent changes to the acquired utility in order to provide adequate services and facilities to customers. The board shall consider whether there are ratemaking principles that will result in just and reasonable rates to all customers in determining whether to approve or disapprove a proposed acquisition.

e. Upon the approval of a proposal for acquisition by board order, the parties subject to the acquisition shall have the option of either proceeding with such acquisition or not, subject to any termination provisions contained in the acquisition agreement.

f. Notwithstanding any provision of [this chapter](#) to the contrary, the ratemaking principles established by the board pursuant to [this section](#) shall be binding with regard to the acquired utility in any subsequent rate proceeding.

Approved March 21, 2018

## ***EASEMENT DOCUMENTATION***

## PERMANENT EASEMENT

6908-92

RECORDER *W. L. Wilke*  
*by Patricia F. Moeat,*  
Deputy

KNOW BY ALL MEN THESE PRESENTS, that the CITY OF LOW MOOR, a municipal corporation of Clinton County, Iowa, hereinafter referred to as the GRANTOR, and in consideration of the sum of Ten and NO/100 DOLLARS (\$10.00) and other good and valuable consideration to them in hand paid, the receipt of which is hereby acknowledged, grants to the Grantee, CHICAGO AND NORTH WESTERN TRANSPORTATION COMPANY, a Delaware corporation, at 165 North Canal Street, Chicago, Illinois 60606, for itself, its successors and assigns, and those whom it may elect, a permanent and perpetual easement, for the construction, operation, maintenance, use and reconstruction of a microwave tower and communication facilities and appurtenances thereto; together with the right of ingress, egress and the placement of utilities, in the access road over and across the following described real estate situated in the County of Clinton, and the State of Iowa, to wit:

The Southerly 105 feet of the Easterly 75.00 feet except the Southerly 30.00 feet thereof, of the following description: A tract of land in the South Half of the Southeast Quarter of the Southwest Quarter of Section 23, Township 81 North, Range 5 East of the Fifth Principal Meridian, in the Town of Low Moor, Clinton County, Iowa, more particularly described as follows: Commencing at a found 5/8" rebar marking the South Quarter corner of said Section 23; thence North (an assumed bearing for this description only) 169.30 feet (field measure to be North 00°08'55" West - 169.20 feet) along the East line of said South Half of the Southeast Quarter of the Southwest Quarter of Section 23 to a found concrete monument on the Northerly right of way line of the Chicago and North Western Transportation Company being the point of beginning; thence North 81°34'30" West - 798.00 feet (field measure 797.46 feet) along the said Northerly right of way line to a found concrete monument; thence North 8°25'30" East - 653.14 feet to the center of Rock Creek; thence along the centerline of said Rock Creek the next six bearings: South 56°27'20" East - 83.72 feet; South 72°41'30" East - 222.77 feet; South 71°00'20" East - 96.69 feet; South 80°44'00" East - 115.02 feet; South 63°17'40" East - 94.87 feet; South 74°53'00" East - 125.90 feet to the said East line; thence South - 525.00 feet to the point of beginning.

Grantor further grants unto Grantee, its successors and assigns, the right in common with Grantor, its successors and assigns, and those whom it may elect, to use for the installation and maintenance of an underground cable and for driveway purposes a strip of land 30 feet in width, described as follows:

The Southerly 30.00 feet of the Easterly 75.00 feet of the following description: A tract of land in the South Half of the Southeast Quarter of the Southwest Quarter of Section 23, Township 81 North, Range 5 East of the Fifth Principal Meridian, in the Town of Low Moor, Clinton County, Iowa, more particularly described as follows: Commencing at a found 5/8" rebar marking the South Quarter corner of said Section 23; thence

North (an assumed bearing for this description only) 169.30 feet (field measure to be North 00°08'55" West - 169.20 feet) along the East line of said South Half of the Southeast Quarter of the Southwest Quarter of Section 23 to a found concrete monument on the Northerly right of way line of the Chicago and North Western Transportation Company being the point of beginning; thence North 81°34'30" West - 798.00 feet (field measure 797.46 feet) along the said Northerly right of way line to a found concrete monument; thence North 8°25'30" East - 653.14 feet to the center of Rock Creek; thence along the centerline of said Rock Creek the next six bearings: South 56°27'20" East - 83.72 feet; South 72°41'30" East - 222.77 feet; South 71°00'20" East - 96.69 feet; South 80°44'00" East - 115.02 feet; South 63°17'40" East - 94.87 feet; South 74°53'00" East - 125.90 feet to the said East line; thence South - 525.00 feet to the point of beginning.

Grantor, its successors and assigns, assumes no responsibility for any cost in connection with the construction, reconstruction, maintenance or repair of said driveway.

Also, Grantor grants unto Grantee, its successors and assigns, a thirty (30) foot wide easement over, upon and across the existing access road extending from the Easterly boundary line of the above described real estate and running in an Easterly direction to the public road.

Grantee, its successors and assigns, agrees to erect and maintain, at its sole expense, adequate fencing around the perimeter of the above described microwave tower site.

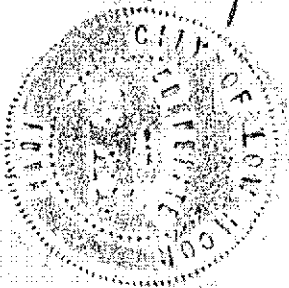
In the event Grantee discontinues the use of said real estate for the purpose herein granted, for a period of one full year, then this Easement shall then terminate effective upon the day Grantee completes the removal of said microwave tower or towers, buildings and facilities from said real estate.

IT IS MUTUALLY AGREED BETWEEN THE PARTIES that all liability attendant with the operation of the site by the Grantee would be borne by Grantee except for conditions or contamination existing at the date of this grant or releases or discharges from Grantor's property thereafter. Grantee agrees to indemnify and hold harmless the Grantor for any claims made against the Grantor by virtue of Grantee's activities from and after the date of this grant. Grantor shall to the extent applicable under law, remain responsible for the condition of the groundwater, including contamination thereof as well as other environmental contamination existing as of the date of this grant or created after the date

of this grant which is a result of releases or discharges resultant from activities upon or from the Grantor's property and not otherwise related to nor caused by activity of the Grantee. (It being contemplated by the parties that the within agreement would not transfer liability which the Grantor may already have or may incur in the future as a result of contamination existing upon the property at the date of this grant of easement or subsequently created by virtue of the conduct of the Grantor.)

Grantor warrants that it has title in fee simple absolute to the above described real estate.

IN WITNESS WHEREOF, the Grantor has executed its presents this 3<sup>rd</sup> day of September, 1992.



CITY OF LOW MOOR, IOWA

By: Otis E. Hofer  
OTIS E. HOFER, Mayor

Attest: Shirley Hall  
SHIRLEY HALL, City Clerk

STATE OF IOWA )  
COUNTY OF CLINTON ) SS:

On this day personally appeared before me OTIS E. HOFER and SHIRLEY HALL, to me known to be the individuals described herein and who executed the foregoing instrument, and acknowledged to me that they signed and sealed the said instrument as their free and voluntary act and deed for the uses and purposes therein mentioned.

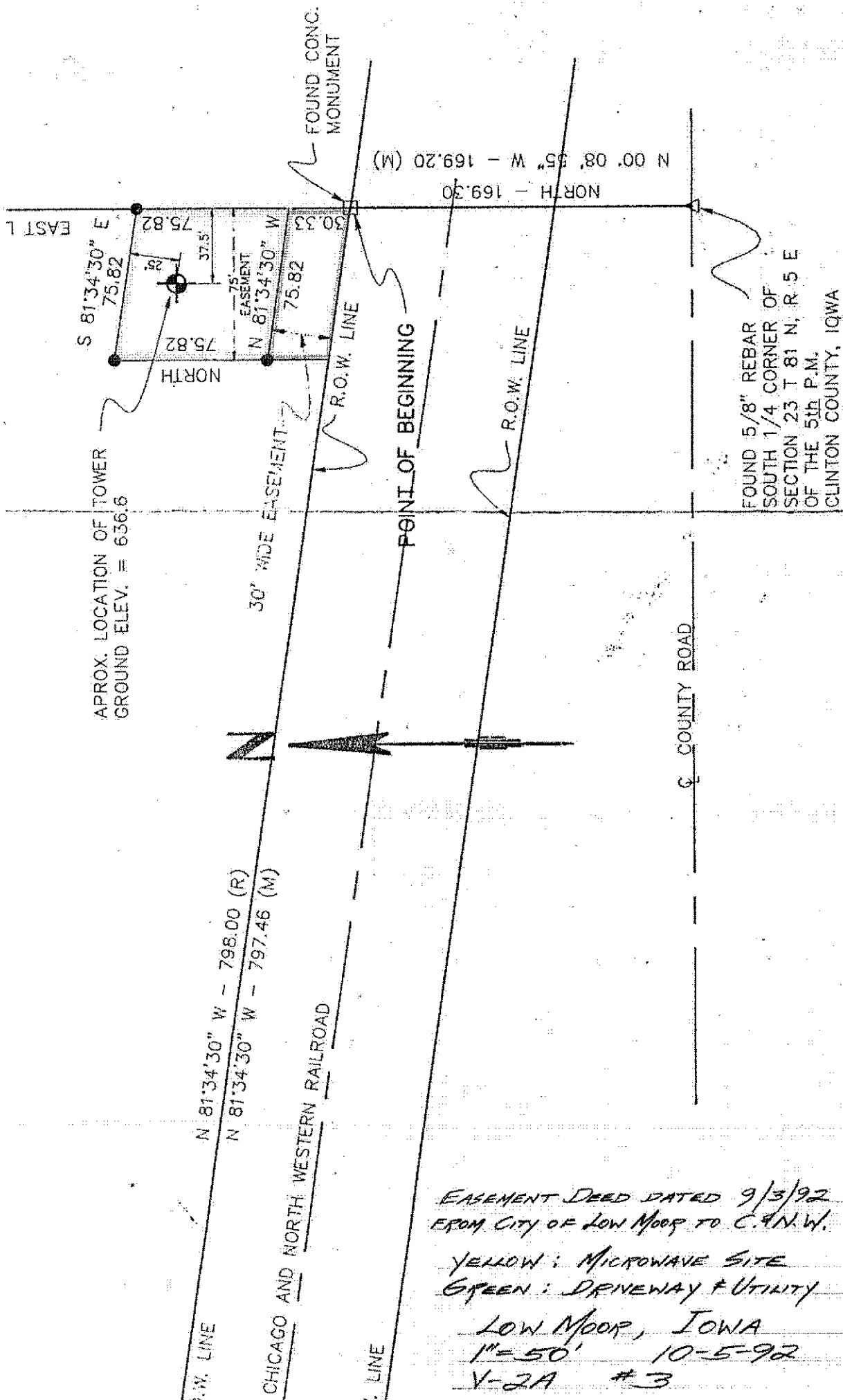
WITNESS my hand and official seal, this 3<sup>rd</sup> day of September, 1992.



Robert J. McGee  
Notary Public, In and for the County  
of Clinton, in the State of Iowa

My Commission Expires: \_\_\_\_\_

This instrument was prepared by the Chicago and North Western Transportation Company, 165 North Canal Street, Chicago, Illinois 60606.



EASEMENT DEED DATED 9/3/92  
FROM CITY OF LOW MOOR TO C. & N.W.

YELLOW : MICROWAVE SITE  
GREEN : DRIVEWAY & UTILITY

LOW MOOR, IOWA

1" = 50' 10-5-92

Y-2A #3



REAL ESTATE AND OFFICE SERVICES DEPARTMENT

CHICAGO, ILLINOIS

October 9, 1992

Messrs. A. L. Raack, Assistant Vice President-Taxes  
F. D. Tippy, Manager-Engineering Services

The attached print shows in yellow outline a parcel of land at Low Moor, Iowa over which an easement was acquired by the Chicago and North Western for a microwave tower site, and in green outline an easement acquired for driveway and utility purposes.

The easements were acquired from the City of Low Moor by permanent easement deed dated September 3, 1992, recorded in Clinton County, Iowa on September 11, 1992 as Document No. 6908-92. The easement contained the following special clauses:

Grantor further grants unto Grantee, its successors and assigns, the right in common with Grantor, its successors and assigns, and those whom it may elect, to use for the installation and maintenance of an underground cable and for driveway purposes a strip of land 30 feet in width, described as follows:

The Southerly 30.00 feet of the Easterly 75.00 feet of the following description: A tract of land in the South Half of the Southeast Quarter of the Southwest Quarter of Section 23, Township 81 North, Range 5 East of the Fifth Principal Meridian, in the Town of Low Moor, Clinton County, Iowa, more particularly described as follows: Commencing at a found 5/8" rebar marking the South Quarter corner of said Section 23; thence North (an assumed bearing for this description only) 169.30 feet (field measure to be North 00°08'55" West - 169.20 feet) along the East line of said South Half of the Southeast Quarter of the Southwest Quarter of Section 23 to a found concrete monument on the Northerly right of way line of the Chicago and North Western Transportation Company being the point of beginning; thence North 81°34'30" West - 798.00 feet (field measure 797.46 feet) along the said Northerly right of way line to a found concrete monument; thence North 8°25'30" East - 653.14 feet to the center of Rock Creek; thence along the centerline of said Rock Creek the next six bearings: South 56°27'20" East - 83.72 feet; South 72°41'30" East - 222.77 feet; South 71°00'20" East - 96.69 feet; South 80°44'00" East - 115.02 feet; South 63°17'40" East - 94.87 feet; South 74°53'00" East - 125.90 feet to the said East line; thence South - 525.00 feet to the point of beginning.

Grantor, its successors and assigns, assumes no responsibility for any cost in connection with the construction, reconstruction, maintenance or repair of said driveway.

Also, Grantor grants unto Grantee, its successors and assigns, a thirty (30) foot wide easement over, upon and across the existing access road extending from the Easterly boundary line of the above described real estate and running in an Easterly direction to the public road.

Grantee, its successors and assigns, agrees to erect and maintain, at its sole expense, adequate fencing around the perimeter of the above described microwave tower site.

In the event Grantee discontinues the use of said real estate for the purpose herein granted, for a period of one full year, then this Easement shall then terminate effective upon the day Grantee completes the removal of said microwave tower or towers, buildings and facilities from said real estate.

IT IS MUTUALLY AGREED BETWEEN THE PARTIES that all liability attendant with the operation of the site by the Grantee would be borne by Grantee except for conditions or contamination existing at the date of this grant or releases or discharges from Grantor's property thereafter. Grantee agrees to indemnify and hold harmless the Grantor for any claims made against the Grantor by virtue of Grantee's activities from and after the date of this grant. Grantor shall to the extent applicable under law, remain responsible for the condition of the groundwater, including contamination thereof as well as other environmental contamination existing as of the date of this grant or created after the date of this grant which is a result of releases or discharges resultant from activities upon or from the Grantor's property and not otherwise related to nor caused by activity of the Grantee. (It being contemplated by the parties that the within agreement would not transfer liability which the Grantor may already have or may incur in the future as a result of contamination existing upon the property at the date of this grant of easement or subsequently created by virtue of the conduct of the Grantor.)

Robert A. Meyer  
Manager-Records

(pre-1) a: tram. 1

bcc: C. W. Boehm, Director-Property Accounting  
R. S. Kennerley, Manager-Acquisitions & Title

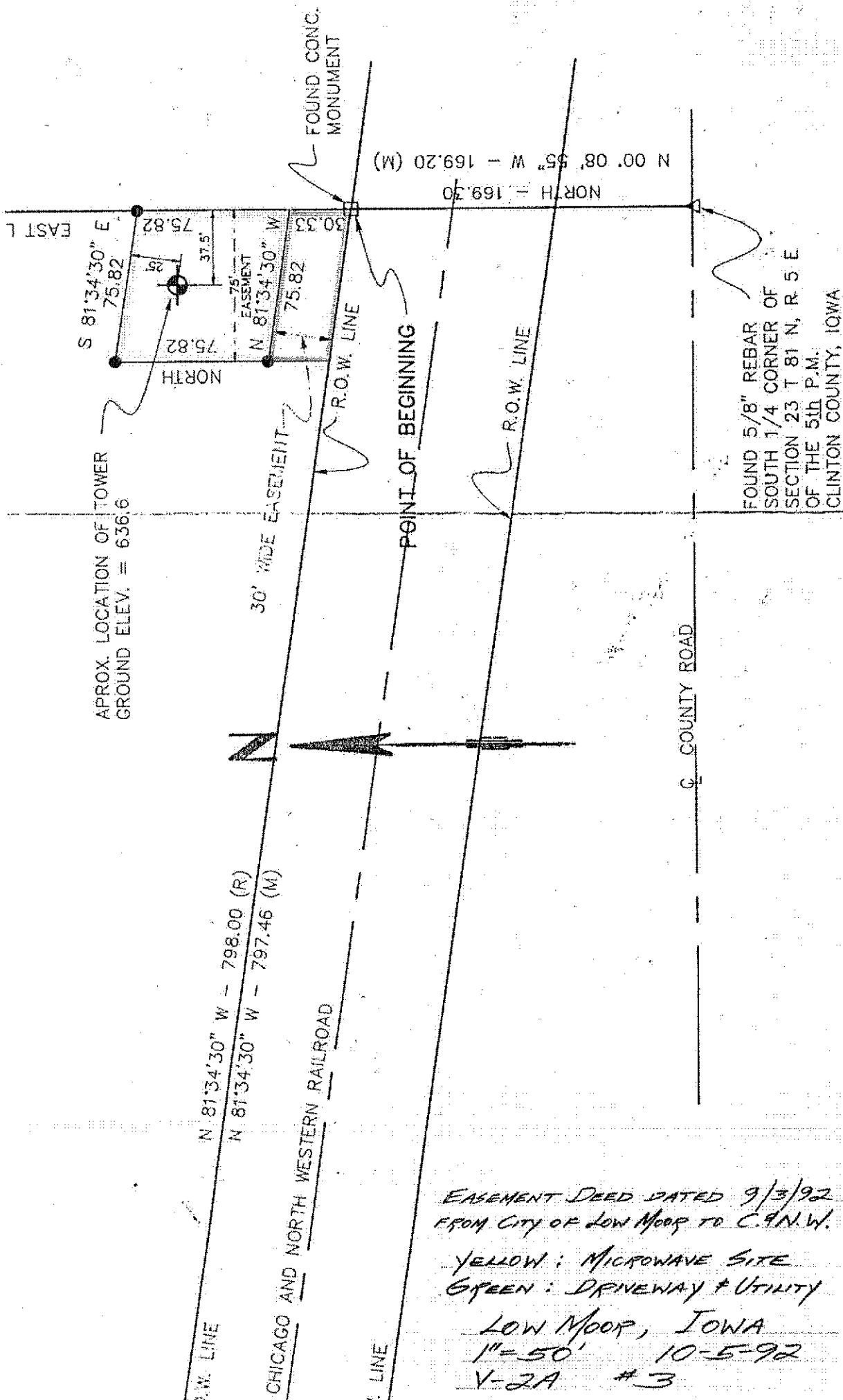
**LAND COMPLETION REPORT**

| LOCATION: LOW MOOR                                 |      | STATE: IOWA         |                              | COUNTY: CLINTON          |              |            |       |                  |
|--|------|---------------------|------------------------------|--------------------------|--------------|------------|-------|------------------|
| FROM:  |      |                     | TO:                          |                          |              |            |       |                  |
| AFE NO.: 81062                                     |      |                     | AUTH. NO.:                   |                          |              |            |       |                  |
| DEED NO.: -  |      | DEED KIND: EASEMENT |                              | DEED DATE: SEPT. 3, 1992 |              |            |       |                  |
| GRANTOR: CITY OF LOW MOOR                          |      |                     |                              |                          |              |            |       |                  |
| GRANTEE: C&NW T. CO.                               |      |                     |                              |                          |              |            |       |                  |
| BOARD RES. DATE:                                   |      |                     | DATE CASH DEPOSITED:         |                          |              |            |       |                  |
| LAND SALES FILE NO.: 102-7                         |      |                     | SUBJECT TO LOCAL ASSESSMENT: |                          |              |            |       |                  |
| MORTGAGE RELEASE:                                  |      | SECTION 3.2         |                              | SPECIFIC NONE            |              |            |       |                  |
| PURCHASE: <input checked="" type="checkbox"/> SALE |      | RETIREMENT          |                              | ABAND. LINE              |              |            |       |                  |
| CARRIER TO NON-CARRIER                             |      |                     | NON-CARRIER TO CARRIER       |                          |              |            |       |                  |
| C/N  | VAL. | MAP                 | PARCEL                       | ACRE                     | SQ.FT.       | COST       | SPEC. | SALES PRICE      |
| C  | SEC. |                     |                              |                          |              |            | ASMT. |                  |
| C  | 2A   | 3                   | 15                           |                          | 5,687        |            |       |                  |
|  |      |                     | 16                           |                          | 2,275        |            |       |                  |
|  |      |                     |                              |                          | OPTION       | \$ 500.00  |       | CHECK NO. 608823 |
|  |      |                     |                              |                          | BALANCE      | 6,000.00   |       | CHECK NO. 657850 |
|  |      |                     |                              |                          | TITLE SEARCH | 65.00      |       | CHECK NO. 636088 |
|  |      |                     |                              |                          | TOTAL        | \$6,565.00 |       |                  |

REMARKS PARCEL 15 IS FOR A MICROWAVE TOWER. PARCEL 16 IS FOR DRIVEWAY. INSTRUMENT RECORDED ON SEPT. 11, 1992 AS DOCUMENT NO. 6908-92.

PREPARED BY *H. M. Meyer* DATE 10/9/92  
REAL ESTATE DEPARTMENT  
APPROVED BY \_\_\_\_\_ DATE \_\_\_\_\_  
ASSISTANT VICE PRESIDENT-TAXES  
APPROVED BY \_\_\_\_\_ DATE \_\_\_\_\_  
DIRECTOR-PROPERTY ACCOUNTING

(pre-1)a:\f\83.9



EASEMENT DEED DATED 9/3/92  
FROM CITY OF LOW MOOR TO C. & N.W.

YELLOW : MICROWAVE SITE  
GREEN : DRIVEWAY & UTILITY

LOW MOOR, IOWA

1"=50' 10-5-92

V-2A #3

Document # 2010-00536

Date: January 27, 2010 Time: 3:12 P.M.

Fee \$ 49<sup>00</sup> R.E. Transfer Tax \$ —

*Steve Mangan-Clinton County IA Recorder*

---

**EASEMENT AGREEMENT**

Recorder's Cover Sheet

**Preparer Information:**

Robert J. McGee, P.C., 1226 North Second Street, Clinton, (563) 243-4796

**Taxpayer Information:**

City of Clinton, Iowa

**Return Address**

Robert J. McGee, P.C., 1226 North Second Street, Clinton, Iowa 52732

**Grantors:**

City of Clinton, Iowa

**Grantees:**

City of Low Moor, Iowa

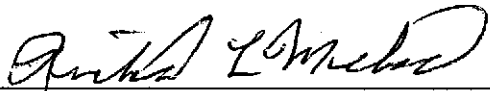
RESOLUTION NO. 10-12

RESOLUTION APPROVING SEWER AND WATER UTILITY  
AGREEMENT BETWEEN THE CITY OF LOW MOOR, IOWA AND  
THE CITY OF CLINTON, IOW

WHEREAS, the City of Low Moor, in the County of Clinton, State of Iowa,  
desires to create and establish a formal easement with the City of Clinton, in the County  
of Clinton, State of Iowa

NOW, THEREFORE, It Is Resolved by the City Council of the City of Low  
Moor, Iowa, that the sewer and water utility agreement between the City of Low Moor,  
Iowa and the City of Clinton, Iowa be approved as presented on the attachment and the  
Mayor and City Clerk are authorized to sign said agreement.

Passed, approved, and adpoted January 5, 2010.

  
\_\_\_\_\_  
Mayor

Attest:

  
\_\_\_\_\_  
City Clerk

**RESOLUTION NO. 2009-499**

**RESOLUTION APPROVING SEWER AND WATER UTILITY AGREEMENT  
BETWEEN THE CITY OF CLINTON, IOWA AND LOW MOOR, IOWA**

**WHEREAS**, the City of Clinton, Iowa is the owner of real property situated within Clinton County, Iowa, and

**WHEREAS**, the City of Low Moor, Iowa desires to construct, install, maintain, repair, operate, and use a water and sewer line under, over, and across portions of said real property, and

**WHEREAS**, the City of Low Moor, Iowa anticipates the immediate installation of a water line in the future if circumstances warrant the same, and

**WHEREAS**, the parties desire to create and establish a formal easement in the City of Low Moor, Iowa for said water and sewer line, and

**WHEREAS**, the City of Clinton, Iowa desires to reserve the right to connect to the sewer line and the City of Low Moor, Iowa has no objection to same, subject to such connection occurring at the sole expense of the City of Clinton, Iowa and the City of Clinton, Iowa's compliance with any conditions as may be imposed by the City of Clinton, Iowa including but not limited to user fees as the City of Clinton may impose;

**THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CLINTON, IOWA** that the sewer and water utility agreement between the City of Clinton, Iowa and the City of Low Moor, Iowa be approved as presented on the attachment and the Mayor and City Clerk are authorized to sign said agreement.

 , Mayor

**ATTEST:**

  
City Clerk

**ADOPTED:** December 18, 2009



Prepared By: Robert J. McGee P.C. 1226 N. 2<sup>nd</sup> St. Clinton, IA 52732 563 243-4796

## SEWER AND WATER UTILITY EASEMENT AGREEMENT

THIS AGREEMENT, made and entered into this 18 day of December 2009, by and between, The City of Clinton, Iowa hereinafter referred to as "Grantor," and the City of Low Moor, Iowa, hereinafter referred to as "Grantee."

### WITNESSETH:

WHEREAS, Grantor is the owner of certain real property situated within Clinton County, Iowa; and

WHEREAS, the Grantee desires to construct, install, maintain, repair, operate, and use a water and sewer line under, over, and across certain portions of said real property; and

WHEREAS, the Grantee anticipates immediate installation of the sewer line with the prospect of the installation of a water line in the future if circumstances warrant the same; and

WHEREAS, the parties hereto desire to create and establish a formal easement in the Grantee for said water line and sewer line, and to set forth the manner in which said water line and sewer line shall be installed, constructed, maintained, repaired, operated and used;

WHEREAS, Grantor desires to reserve the right to connect to the sewer line and Grantee has no objection to the same, subject to such connection occurring at the sole expense of Grantor and Grantor's compliance with any conditions as maybe imposed by the City of Clinton, including but not limited to user fees as the City of Clinton may impose.

NOW, THEREFORE, in consideration of the mutual covenants and conditions herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Grantor, the parties hereto agree, for themselves, their heirs, successors, and assigns, as follows:

1. Grantor, subject to the terms and conditions hereinafter set forth, hereby grants and conveys unto the Grantee, its successors and assigns, an easement over, across, and under the following described real property in Clinton County, Iowa, for the purpose of permitting the Grantee to construct, install, maintain, repair, use and operate an underground water line and sewer line and related facilities:

(SEE ATTACHED EXHIBITS "A" and "B")

"A" - Easement Legal Description

"B" - Vicinity Map showing property and Easement

2. The duration of the easement herein granted shall be perpetual, unless the Grantee agrees to terminate or abandon its use of the same for the stated purpose.

3. Grantor further grants and conveys unto the Grantee, a temporary easement over, under, and across that real estate identified in Exhibit "A" as a "Temporary Construction Easement", which temporary easement shall be for the purpose of permitting the Grantee, its employees, agents, and contractors to thereupon operate such equipment and to use and store, on a temporary basis, such supplies, materials, and equipment as may be reasonably necessary for the construction and installation of the underground water line and sewer line to be constructed in the herein above described permanent easement. Said temporary easement shall terminate, and cease to be of any further force or effect, upon the completion of the underground water line and sewer line in the permanent easement, or 12 months from the date hereof, whichever shall first occur, excepting that Grantee is specifically authorized to install the water line at an indefinite point in the future as demand may dictate subject to Grantee exercising reasonable care in installing the same including restoring Grantor's premises to the condition existent prior to the waterline installation.

4. Both easements hereinabove granted, the temporary easement and the permanent easement, shall specifically include, without limiting the foregoing, the right of the Grantee, its agents, employees, contractors, and assigns, to traverse the easement with vehicles and equipment, and to make such improvements and excavations thereon and thereunder as may be reasonably necessary to construct, install, maintain, repair, replace, operate, or use the above-specified underground water line and sewer line.

5. The Grantee shall save and hold the Grantor harmless from any and all liability for personal injury and property damage resulting from, or in any way connected with, said underground water line and sewer line, or any related facilities or activities conducted or located with said easements, except liability for personal injuries or property damage caused solely by the negligence or wrongdoing of the Grantor.

6. The Grantee shall take all reasonable steps to restore and revegetate any ground areas disturbed by its water line and sewer line construction or related activities in both the permanent and the temporary easements herein granted.

7. The parties acknowledge and agree that the easements herein granted are non-exclusive, and the Grantor, or its heirs, successors or assigns, shall be entitled at all times to travel over the easements, and to conduct any and all activities which they may desire to conduct in either the temporary or the permanent easement provided the same do not unreasonably interfere with the Grantee's use of said easement for the construction, installation, maintenance, repair, operation or use of the above-specified underground water line and sewer line.

8. Grantor shall retain the right to connect to the sewer line, subject to such connection occurring at the sole expense of Grantor and Grantor's compliance with any conditions as maybe imposed by the City of Clinton, including but not limited to user fees as the City of Clinton may impose.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed on the day and year first above written.

GRANTOR: CITY OF CLINTON, IOWA

Signature: \_\_\_\_\_

MAYOR

Signature: [Signature]  
ATTEST: CITY CLERK

STATE OF IOWA )  
 ) ss.  
County of Clinton )

On this day of December 18, 2009 before me, a Notary Public, in and for said County and State, personally appeared Rodger E.J. Holm and Patricia Van Loo known or identified to me to be the individual whose names are subscribed to the within instrument, and acknowledged to that they executed the same as their voluntary act and deed as Mayor and City Clerk respectively, on behalf of the City of Clinton, Iowa as approved by Council Resolution # 2009-499.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

[Signature]  
NOTARY PUBLIC FOR IOWA



My commission expires: 02/14/11

GRANTEE: LOW MOOR, IOWA

Signature: [Signature]  
MAYOR

Signature: [Signature]  
ATTEST: CITY CLERK

STATE OF IOWA )  
 ) ss.  
County of Clinton )

On this day of Jan. 5, 2010 before me, a Notary Public, in and for said County and State, personally appeared Richard J. Meland and Beren Roode known or identified to me to be the individual whose names are subscribed to the within instrument, and acknowledged to that they executed the same as their voluntary act and deed as Mayor and City Clerk respectively, on behalf of the City of Low Moor, Iowa as approved by Council Resolution # 16-12.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

[Signature]  
NOTARY PUBLIC FOR IOWA

My commission expires: 12-31-10

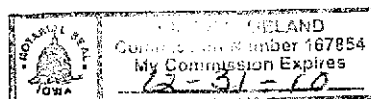


EXHIBIT "A"

PREPARED BY: IIV ENGINEERS & SURVEYORS P.C. 4155 PENNSYLVANIA AVE. DUBUQUE, IOWA 563.556.2464

PLAT OF EASEMENT  
PART OF E 1/2 OF SW 1/4 SECTION 24, T81N, R5E OF 5TH P.M.,  
CITY OF CLINTON, CLINTON COUNTY, IOWA

OWNER: MARY JEANNE DODDS  
W.D. DOC. 2107-91

OWNER: CITY OF CLINTON, IA  
W.D. DOC. 2008-09258

OWNER: CLINTON REGIONAL  
DEVELOPMENT CORPORATION  
W.D. DOC. 2479-03

SW COR. SECTION 24  
MAG NAIL

NORTHERLY ROW  
LINE 44TH AVE.

S 1/4 CORNER SECTION 24  
MAG NAIL

50' TEMPORARY  
CONSTRUCTION  
EASEMENT  
50' PERMANENT  
EASEMENT  
N. 50 FT. OF  
S. 83 FT.

E 1/2 - SW 1/4 SEC. 24

1323.36'

N89°57'58"E 2646.72' (2646.89')

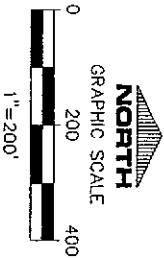
1323.36'

33'

LEGEND

- PERMANENT EASEMENT  
1.52 AC.
- TEMPORARY EASEMENT  
1.52 AC.
- CORNER
- ROW
- RIGHT-OF-WAY
- RECORD INFORMATION

DRAWING MAY HAVE BEEN REDUCED



NOTE  
THIS PLAT IS SUBJECT TO EASEMENTS,  
RESERVATIONS, RESTRICTIONS AND  
RIGHTS-OF-WAY OF RECORD AND NOT OF  
RECORD.



I HEREBY CERTIFY THAT THIS LAND SURVEYING DOCUMENT WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A LICENSED LAND SURVEYOR UNDER THE LAWS OF THE STATE OF IOWA.  
FOR IIV ENGINEERS & SURVEYORS P.C.  
MARY A. CHILDERS  
LICENSE NO. 11306  
DATE 08/15/2009  
W.D. 152



|                                      |          |           |          |
|--------------------------------------|----------|-----------|----------|
| DRAWN                                | SJC      | PLAT NO.  | -1A-07   |
| CHECKED                              | WAC      | PROD. NO. | 09139-02 |
| DATE                                 | 10-09-09 | SHEET     | 1 of 2   |
| P:\09\159\159-02\DWG\CIVIL\EASEMENTS |          |           |          |

PROPRIETOR: CITY OF CLINTON, IOWA  
PREPARED FOR: CITY OF LOW MOOR  
DATE PREPARED: OCTOBER 9, 2009

IIV ENGINEERS &  
SURVEYORS P.C.  
ENGINEERS, EXPLORERS, SOLUTIONS  
4155 PENNSYLVANIA AVE. DUBUQUE, IA 52002  
PHONE (563) 556-2464 FAX (563) 556-2461

# PLAT OF EASEMENT

PART OF E 1/2 OF SW 1/4 SECTION 24, T81N, R5E OF 5TH P.M.,  
CITY OF CLINTON, CLINTON COUNTY, IOWA

PERMANENT AND TEMPORARY CONSTRUCTION EASEMENT

CITY OF CLINTON, IOWA  
TO  
CITY OF LOW MOOR, IOWA

A permanent easement for municipal sanitary sewer and water main purposes across the North 50.00 feet of the South 83.00 feet of the East Half of the Southwest Quarter of Section 24, Township 81 North, Range 5 East of the 5th P.M., City of Clinton, Clinton County, Iowa, and containing 1.52 acres more or less.

TOGETHER WITH a 50.00 foot wide temporary construction easement located northerly of and adjoining the above described permanent easement, containing 1.52 acres more or less.



I.W. ENGINEERS &  
SURVEYORS, P.C.

INTEGRITY. EXPERTISE. SOLUTIONS.  
CLINTON, IA HAZEL GREEN, IA  
4155 PENNSYLVANIA AVE. DUBUQUE, IA 52002  
PHONE (563) 556-2464 FAX (563) 556-7911  
www.iwengr.com

|                                      |          |           |         |
|--------------------------------------|----------|-----------|---------|
| DRAWN                                | SJC      | PLAT NO.  | -IA-07  |
| CHECKED                              | WAC      | PROJ. NO. | 09159-0 |
| DATE                                 | 09-28-09 | SHEET     | 1 of 2  |
| P: 09\159\159-02\DWG\CIVIL\EASEMENTS |          |           |         |

# PLAT OF EASEMENT

PART OF E 1/2 OF SW 1/4 SECTION 24, T81N, R5E OF 5TH P.M.,  
CITY OF CLINTON, CLINTON COUNTY, IOWA

OWNER: MARY JEANNE DODDS  
W.D. DOC. 2107-91

OWNER: CITY OF CLINTON, IA  
W.D. DOC. 2008-09258

E 1/2 - SW 1/4 SEC. 24

50' TEMPORARY  
CONSTRUCTION  
EASEMENT

50' PERMANENT  
EASEMENT

N. 50 FT. OF  
S. 83 FT.

S. 83 FT.

1323.36'

N89°57'58"E 2646.72' (2646.89')

1323.36'

44TH AVE.

SW COR. SECTION 24  
MAG NAIL

NORTHERLY ROW  
LINE 44TH AVE.

33'

S 1/4 CORNER SECTION 24  
MAG NAIL



GRAPHIC SCALE



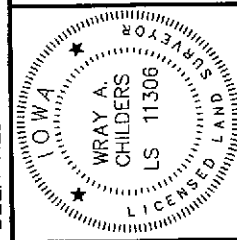
## LEGEND

- PERMANENT EASEMENT  
1.52 AC.
- TEMPORARY EASEMENT  
1.52 AC.
- FOUND SECTION
- CORNER
- RIGHT-OF-WAY
- RECORD INFORMATION

## NOTE

THIS PLAT IS SUBJECT TO EASEMENTS,  
RESERVATIONS, RESTRICTIONS AND  
RIGHTS-OF-WAY OF RECORD AND NOT OF  
RECORD.

DRAWING MAY HAVE BEEN REDUCED



I HEREBY CERTIFY THAT THIS LAND SURVEYING DOCUMENT WAS PREPARED  
AND THE RELATED SURVEY WORK WAS PERFORMED BY ME OR UNDER MY  
DIRECT PERSONAL SUPERVISION AND THAT I AM A DULY LICENSED LAND  
SURVEYOR UNDER THE LAWS OF THE STATE OF IOWA.

FOR ILL ENGINEERS & SURVEYORS, P.C.

Wray A. Childers  
DATE: Oct. 15, 2009

MY LICENSE RENEWAL DATE IS 12/31/2009

PAGES OR SHEETS COVERED BY THIS SEAL



ILL ENGINEERS &  
SURVEYORS, P.C.

INTEGRITY. EXPERTISE. SOLUTIONS.  
DOUGLAS, IA  
4155 PENNSYLVANIA AVE. DOUGLAS, IA 52008  
PHONE (563) 386-4444 FAX (563) 386-7811  
www.ill-engineers.com

DRAWN SJC

CHECKED WAC

DATE 10-09-09

SHEET 1 of 2

P: \09\159\159-02\DWG\CIVIL\EASEMENTS

PROPRIETOR: CITY OF CLINTON, IOWA  
PREPARED FOR: CITY OF LOW MO  
DATE PREPARED: OCTOBER-9, 2009

OWNER: CLINTON REGIONAL  
DEVELOPMENT CORPORATION

**Document # 2010-00758**

**Date:** February 05, 2010 **Time:** 2:57 P. M.

**Fee \$** 39<sup>00</sup> **R.E. Transfer Tax \$** —

***Steve Mangan-Clinton County IA Recorder***

**EASEMENT AGREEMENT**  
**Recorder's Cover Sheet**

**Preparer Information:**

Robert J. McGee, P.C., 1226 North Second Street, Clinton, (563) 243-4796

**Taxpayer Information:**

Clinton County Bio Energy LLC, Low Moor, Iowa 52757

**Return Address**

Robert J. McGee, P.C., 1226 North Second Street, Clinton, Iowa 52732

**Grantors:**

Clinton County Bio Energy, LLC

**Grantees:**

City of Low Moor, Iowa



RESOLUTION NO. 10-12

RESOLUTION APPROVING SEWER AND WATER UTILITY  
AGREEMENT BETWEEN THE CITY OF LOW MOOR, IOWA AND  
THE CLINTON BIO ENERGY, L.L.C.


WHEREAS, the City of Low Moor, in the County of Clinton, State of Iowa,  
desires to create and establish a formal easement with the Clinton Bio Energy, L.L.C., in  
the County of Clinton, State of Iowa

NOW, THEREFORE, It Is Resolved by the City Council of the City of Low  
Moor, Iowa, that the sewer and water utility agreement between the City of Low Moor,  
Iowa and the Clinton Bio Energy, L.L.C., be approved as presented on the attachment  
and the Mayor and City Clerk are authorized to sign said agreement.

Passed, approved, and adopted January 5, 2010.

  
\_\_\_\_\_  
Mayor

Attest:

  
\_\_\_\_\_  
City Clerk

Prepared By: Robert J. McGee P.C. 1226 N. 2<sup>nd</sup> St. Clinton, IA 52732 563 243-4796

## SEWER AND WATER UTILITY EASEMENT AGREEMENT

THIS AGREEMENT, made and entered into this 18 day of December, 2009, by and between, Clinton County Bio Energy L.L.C. hereinafter referred to as "Grantor," and the City of Low Moor, Iowa, hereinafter referred to as "Grantee."

### WITNESSETH:

WHEREAS, Grantor is the owner of certain real property situated within Clinton County, Iowa; and

WHEREAS, the Grantee desires to construct, install, maintain, repair, operate, and use a water and sewer line under, over, and across certain portions of said real property; and

WHEREAS, the Grantee anticipates immediate installation of the sewer line with the prospect of the installation of a water line in the future if circumstances warrant the same; and

WHEREAS, the parties hereto desire to create and establish a formal easement in the Grantee for said water line and sewer line, and to set forth the manner in which said water line and sewer line shall be installed, constructed, maintained, repaired, operated and used;

WHEREAS, Grantor desires to reserve the right to connect to the sewer line and Grantee has no objection to the same, subject to such connection occurring at the sole expense of Grantor and Grantor's compliance with any conditions as maybe imposed by the City of Clinton, including but not limited to user fees as the City of Clinton may impose.

NOW, THEREFORE, in consideration of the mutual covenants and conditions herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Grantor, the parties hereto agree, for themselves, their heirs, successors, and assigns, as follows:

1. Grantor, subject to the terms and conditions hereinafter set forth, hereby grants and conveys unto the Grantee, its successors and assigns, an easement over, across, and under the following described real property in Clinton County, Iowa, for the purpose of permitting the Grantee to construct, install, maintain, repair, use and operate an underground water line and sewer line and related facilities:

(SEE ATTACHED EXHIBITS "A" and "B")

"A" - Easement Legal Description

"B" - Vicinity Map showing property and Easement

2. The duration of the easement herein granted shall be perpetual, unless the Grantee agrees to terminate or abandon its use of the same for the stated purpose.

3. Grantor further grants and conveys unto the Grantee, a temporary easement over, under, and across that real estate identified in Exhibit "A" as a "Temporary Construction Easement", which temporary easement shall be for the purpose of permitting the Grantee, its employees, agents, and contractors to thereupon operate such equipment and to use and store, on a temporary basis, such supplies, materials, and equipment as may be reasonably necessary for the construction and installation of the underground water line and sewer line to be constructed in the herein above described permanent easement. Said temporary easement shall terminate, and cease to be of any further force or effect, upon the completion of the underground water line and sewer line in the permanent easement, or 12 months from the date hereof, whichever shall first occur, excepting that Grantee is specifically authorized to install the water line at an indefinite point in the future as demand may dictate subject to Grantee exercising reasonable care in installing the same including restoring Grantor's premises to the condition existent prior to the waterline installation.

4. Both easements hereinabove granted, the temporary easement and the permanent easement, shall specifically include, without limiting the foregoing, the right of the Grantee, its agents, employees, contractors, and assigns, to traverse the easement with vehicles and equipment, and to make such improvements and excavations thereon and thereunder as may be reasonably necessary to construct, install, maintain, repair, replace, operate, or use the above-specified underground water line and sewer line.

5. The Grantee shall save and hold the Grantor harmless from any and all liability for personal injury and property damage resulting from, or in any way connected with, said underground water line and sewer line, or any related facilities or activities conducted or located with said easements, except liability for personal injuries or property damage caused solely by the negligence or wrongdoing of the Grantor.

6. The Grantee shall take all reasonable steps to restore and revegetate any ground areas disturbed by its water line and sewer line construction or related activities in both the permanent and the temporary easements herein granted. In this regard, in the event the Grantee disturbs the existing detention pond (spill capture pond) located on the southwest corner of Grantor's property, Grantee shall be obligated to restore the condition of the pond to that same condition as existed prior to the installation of the sewer/water line.

7. The parties acknowledge and agree that the easements herein granted are non-exclusive, and the Grantor, or its heirs, successors or assigns, shall be entitled at all times to travel over the easements, and to conduct any and all activities which they may desire to conduct in either the temporary or the permanent easement provided the same do not unreasonably interfere with the Grantee's use of said easement for the construction, installation, maintenance, repair, operation or use of the above-specified underground water line and sewer line.

8. Grantor shall retain the right to connect to the sewer line, subject to such connection occurring at the sole expense of Grantor and Grantor's compliance with any conditions as maybe imposed by the City of Clinton, including but not limited to user fees as the City of Clinton may impose.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed on the day and year first above written.

GRANTOR: Clinton County Bio Energy L.L.C.  
BY:

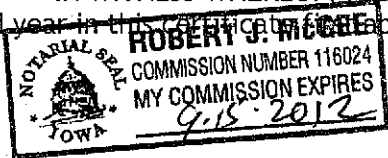
Signature: 

Darrel L. Holesinger

STATE OF IOWA )  
 ) ss.  
County of Clinton )

On this day of Dec. 18, 2009 before me, a Notary Public, in and for said County and State, personally appeared Daniel L. Holsinger and managing member known or identified to me to be the individual whose names are subscribed to the within instrument, and acknowledged to me that they executed the same as their voluntary act and deed on behalf of Grantor as managing member of Grantor.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



Robert J. McLeew  
NOTARY PUBLIC FOR IOWA

My commission expires: \_\_\_\_\_

GRANTEE: LOW MOOR, IOWA

Signature: Richard L. McLeew  
MAYOR

Signature: Karen Roode  
ATTEST: CITY CLERK

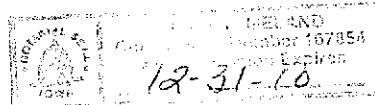
STATE OF IOWA )  
 ) ss.  
County of Clinton )

On this day of Jan. 5, 2010 before me, a Notary Public, in and for said County and State, personally appeared Richard L. McLeew and Karen Roode known or identified to me to be the individual whose names are subscribed to the within instrument, and acknowledged to that they executed the same as their voluntary act and deed as Mayor and City Clerk respectively, on behalf of the City of Low Moor, Iowa as approved by Council Resolution # 10-1A.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Richard L. McLeew  
NOTARY PUBLIC FOR IOWA

My commission expires: 12-31-10



# PLAT OF EASEMENT

PART OF SE 1/4 OF SECTION 24, T81N, R5E OF 5TH P.M.,  
CITY OF CLINTON, CLINTON COUNTY, IOWA

SE 1/4 SECTION 24

(933.38')

OWNER: NOVA BIOFUELS  
CLINTON COUNTY L.L.C.  
W.D. DOC. 2007-08085

OWNER: CLINTON  
AREA DEVELOPMENT  
CORPORATION  
W.D. DOC. 2479-03

S. 83 FT.

50' TEMPORARY  
CONSTRUCTION  
EASEMENT

N. 50 FT. OF  
S. 83 FT.

(446.69')

1378.58'

NORTHERLY ROW LINE 44TH AVE. 933.38 44TH AVENUE SOUTH

N89°58'26"E 2661.81' (2661.97')

50' PERMANENT EASEMENT

CORNER SE 1/4 SECTION 24  
NAIL

NORTH

GRAPHIC SCALE

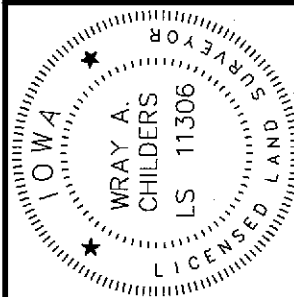
0 100 200

1"=100'

SE CORNER SECTION 24  
MAG NAIL

PERMANENT EASEMENT  
.07 AC.  
TEMPORARY EASEMENT  
.07 AC.  
ROUND SECTION CORNER  
RIGHT-OF-WAY  
RECORD INFORMATION

PROPRIETOR: NOVA BIOFUELS CLINTON COUNTY L.L.C.  
PREPARED FOR: CITY OF LOW MOOR  
DATE PREPARED: AUGUST 25, 2009



I HEREBY CERTIFY THAT THIS LAND SURVEYING DOCUMENT WAS PREPARED  
AND THE RELATED SURVEY WORK WAS PERFORMED BY ME OR UNDER MY  
DIRECT PERSONAL SUPERVISION AND THAT I AM A DULY LICENSED LAND  
SURVEYOR UNDER THE LAWS OF THE STATE OF IOWA.

FOR IIV ENGINEERS & SURVEYORS, P.C.  
WRAY A. CHILDERS  
DATE: Oct. 15, 2009  
MY LICENSE RENEWAL DATE IS 12/31/2009  
PAGES OR SHEETS COVERED BY THIS SEAL: 2 of 2



IIV ENGINEERS &  
SURVEYORS, P.C.  
INTEGRITY. EXPERTISE. SOLUTIONS.  
DUBUQUE, IA HAZEL GREEN, WI  
4155 PENNSYLVANIA AVE. DUBUQUE, IA 52002  
VOICE (563) 556-2464 FAX (563) 556-7811  
www.iivengr.com

|         |          |           |          |
|---------|----------|-----------|----------|
| DRAWN   | SJC      | PLAT NO.  | -IA-07   |
| CHECKED | WAC      | PROJ. NO. | 09159-02 |
| DATE    | 08-25-09 | SHEET     | 1 of 2   |

IT IS SUBJECT TO  
ITS, RESERVATIONS,  
IONS AND RIGHTS-OF-WAY  
ORD AND NOT OF RECORD.

# PLAT OF EASEMENT

PART OF SE 1/4 OF SECTION 24, T81N, R5E OF 5TH P.M.,  
CITY OF CLINTON, CLINTON COUNTY, IOWA

## PERMANENT AND TEMPORARY CONSTRUCTION EASEMENT

NOVA BIOFUELS CLINTON COUNTY, LLC  
TO  
CITY OF LOW MOOR, IOWA

A permanent easement for municipal sanitary sewer and water main purposes across part of the Southeast Quarter of Section 24, Township 81 North, Range 5 East of the 5th P.M., City of Clinton, Clinton County, Iowa, described as follows:

The North 50.00 feet of the South 83.00 feet of the real estate described in the Warranty Deed dated September 27, 2007 and filed October 2, 2007 as Document No. 2007-08085 at the Clinton County, Iowa Recorder's Office, containing 1.99 acres more or less.

TOGETHER WITH a 50.00 foot wide temporary construction easement located northerly of and adjoining the above described permanent easement, containing 1.99 acres more or less.



**I/W ENGINEERS &  
SURVEYORS, P.C.**

INTEGRITY. EXPERTISE. SOLUTIONS.

DUBUQUE, IA HAZEL GREEN, WI

4155 PENNSYLVANIA AVE. DUBUQUE, IA 52002

VOICE (563) 556-2464 FAX (563) 556-7811

www.iwengr.com

DRAWN SJC PLAT NO. -IA-07

CHECKED WAC PROJ. NO. 09159-02

DATE 09-0X-09 SHEET 2 of 2

P: \09\159\159-02\DWG\CIVIL\EASEMENTS

**Document # 2010-00535**

**Date:** January 27, 2010 **Time:** 3:11 P. M.

**Fee \$** 39<sup>00</sup> **R.E. Transfer Tax \$** —

***Steve Mangan-Canton County IA Recorder***

---

**EASEMENT AGREEMENT**

**Recorder's Cover Sheet**

**Preparer Information:**

Robert J. McGee, P.C., 1226 North Second Street, Clinton, (563) 243-4796

**Taxpayer Information:**

Clinton Regional Development Corporation, Low Moor, Iowa 52757

**Return Address**

Robert J. McGee, P.C., 1226 North Second Street, Clinton, Iowa 52732

**Grantors:**

Clinton Regional Development Corporation

**Grantees:**

City of Low Moor, Iowa



RESOLUTION NO. 10-12

RESOLUTION APPROVING SEWER AND WATER UTILITY  
AGREEMENT BETWEEN THE CITY OF LOW MOOR, IOWA AND  
THE CLINTON REGIONAL DEVELOPEMNT CORPORATION

WHEREAS, the City of Low Moor, in the County of Clinton, State of Iowa, desires to create and establish a formal easement with the Clinton Regional Development Corporation, in the County of Clinton, State of Iowa

NOW, THEREFORE, It Is Resolved by the City Council of the City of Low Moor, Iowa, that the sewer and water utility agreement between the City of Low Moor, Iowa and the Clinton Regional Development Corporation, be approved as presented on the attachment and the Mayor and City Clerk are authorized to sign said agreement.

Passed, approved, and adopted January 5, 2010.

  
\_\_\_\_\_  
Mayor

Attest:

  
\_\_\_\_\_  
City Clerk

Prepared By: Robert J. McGee P.C. 1226 N. 2<sup>nd</sup> St. Clinton, IA 52732 563 243-4796

## **SEWER AND WATER UTILITY EASEMENT AGREEMENT**

THIS AGREEMENT, made and entered into this 18 day of December, 2009, by and between, Clinton Regional Development Corporation (CRDC) hereinafter referred to as "Grantor," and the City of Low Moor, Iowa, hereinafter referred to as "Grantee."

### **WITNESSETH:**

WHEREAS, Grantor is the owner of certain real property situated within Clinton County, Iowa; and

WHEREAS, the Grantee desires to construct, install, maintain, repair, operate, and use a water and sewer line under, over, and across certain portions of said real property; and

WHEREAS, the Grantee anticipates immediate installation of the sewer line with the prospect of the installation of a water line in the future if circumstances warrant the same; and

WHEREAS, the parties hereto desire to create and establish a formal easement in the Grantee for said water line and sewer line, and to set forth the manner in which said water line and sewer line shall be installed, constructed, maintained, repaired, operated and used;

WHEREAS, Grantor desires to reserve the right to connect to the sewer line and Grantee has no objection to the same, subject to such connection occurring at the sole expense of Grantor and Grantor's compliance with any conditions as maybe imposed by the City of Clinton, including but not limited to user fees as the City of Clinton may impose.

NOW, THEREFORE, in consideration of the mutual covenants and conditions herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Grantor, the parties hereto agree, for themselves, their heirs, successors, and assigns, as follows:

1. Grantor, subject to the terms and conditions hereinafter set forth, hereby grants and conveys unto the Grantee, its successors and assigns, an easement over, across, and under the following described real property in Clinton County, Iowa, for the purpose of permitting the Grantee to construct, install, maintain, repair, use and operate an underground water line and sewer line and related facilities:

(SEE ATTACHED EXHIBITS "A" and "B")

"A" - Easement Legal Description

"B" - Vicinity Map showing property and Easement

2. The duration of the easement herein granted shall be perpetual, unless the Grantee agrees to terminate or abandon its use of the same for the stated purpose.

3. Grantor further grants and conveys unto the Grantee, a temporary easement over, under, and across that real estate identified in Exhibit "A" as a "Temporary Construction Easement", which temporary easement shall be for the purpose of permitting the Grantee, its employees, agents, and contractors to thereupon operate such equipment and to use and store, on a temporary basis, such supplies, materials, and equipment as may be reasonably necessary for the construction and installation of the underground water line and sewer line to be constructed in the herein above described permanent easement. Said temporary easement shall terminate, and cease to be of any further force or effect, upon the completion of the underground water line and sewer line in the permanent easement, or 12 months from the date hereof, whichever shall first occur, excepting that Grantee is specifically authorized to install the water line at an indefinite point in the future as demand may dictate subject to Grantee exercising reasonable care in installing the same including restoring Grantor's premises to the condition existent prior to the waterline installation.

4. Both easements hereinabove granted, the temporary easement and the permanent easement, shall specifically include, without limiting the foregoing, the right of the Grantee, its agents, employees, contractors, and assigns, to traverse the easement with vehicles and equipment, and to make such improvements and excavations thereon and thereunder as may be reasonably necessary to construct, install, maintain, repair, replace, operate, or use the above-specified underground water line and sewer line.

5. The Grantee shall save and hold the Grantor harmless from any and all liability for personal injury and property damage resulting from, or in any way connected with, said underground water line and sewer line, or any related facilities or activities conducted or located with said easements, except liability for personal injuries or property damage caused solely by the negligence or wrongdoing of the Grantor.

6. The Grantee shall take all reasonable steps to restore and revegetate any ground areas disturbed by its water line and sewer line construction or related activities in both the permanent and the temporary easements herein granted.

7. The parties acknowledge and agree that the easements herein granted are non-exclusive, and the Grantor, or its heirs, successors or assigns, shall be entitled at all times to travel over the easements, and to conduct any and all activities which they may desire to conduct in either the temporary or the permanent easement provided the same do not unreasonably interfere with the Grantee's use of said easement for the construction, installation, maintenance, repair, operation or use of the above-specified underground water line and sewer line.

8. Grantor shall retain the right to connect to the sewer line, subject to such connection occurring at the sole expense of Grantor and Grantor's compliance with any conditions as maybe imposed by the City of Clinton, including but not limited to user fees as the City of Clinton may impose.

9. Grantee covenants that the sewer and waterlines will be designed (300' specially cased sewer lines) so as to allow for installation of a railroad crossing at the currently designated location between man holes # 6 and #7 as shown on the City of Low Moor sewer plans. Design of the sewer line will accommodate installation of roadways over the top of the lines.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed on the day and year first above written.

GRANTOR: Clinton Regional Development Corporation  
(CRDC) BY: Steven G. Ames, President & CEO

Signature: *Steven G. Ames*

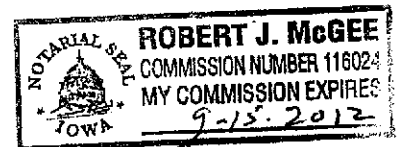
STATE OF IOWA )  
 ) ss.  
County of Clinton )

On this 18 day of December, 2009 before me, a Notary Public, in and for said County and State, personally appeared **Steven G. Ames** known or identified to me to be the individual whose name is subscribed to the within instrument, and acknowledged to me that he executed the same as his voluntary act and deed on behalf of Grantor as President and CEO of Grantor.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

*Robert J. McGee*  
NOTARY PUBLIC FOR IOWA

My commission expires: 9.15.2012



GRANTEE: LOW MOOR, IOWA

Signature: *Richard L. McNeal*  
MAYOR

Signature: *Karen Roode*  
ATTEST: CITY CLERK

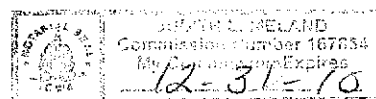
STATE OF IOWA )  
 ) ss.  
County of Clinton )

On this day of Jan. 5, 2010 before me, a Notary Public, in and for said County and State, personally appeared *Richard L. McNeal* and *Karen Roode* known or identified to me to be the individual whose names are subscribed to the within instrument, and acknowledged to that they executed the same as their voluntary act and deed as Mayor and City Clerk respectively, on behalf of the City of Low Moor, Iowa as approved by Council Resolution # 10-12.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

*Richard L. McNeal*  
NOTARY PUBLIC FOR IOWA

My commission expires: 12-31-10



# PLAT OF EASEMENT

PART OF SE 1/4 OF SECTION 24, T81N, R5E OF 5TH P.M.,  
CITY OF CLINTON, CLINTON COUNTY, IOWA

PERMANENT AND TEMPORARY CONSTRUCTION EASEMENT

CLINTON REGIONAL DEVELOPMENT CORPORATION  
TO  
CITY OF LOW MOOR, IOWA

A permanent easement for municipal sanitary sewer and water main purposes across part of the Southeast Quarter of Section 24, Township 81 North, Range 5 East of the 5th P.M., City of Clinton, Clinton County, Iowa, described as follows:

The North 50.00 feet of the South 83.00 feet of the real estate described in the Warranty Deed dated February 13, 2003 and filed March 10, 2003 as Document No. 2479-03 at the Clinton County, Iowa Recorder's Office, containing 1.99 acres more or less.

TOGETHER WITH a 50.00 foot wide temporary construction easement located northerly of and adjoining the above described permanent easement, containing 1.99 acres more or less.

PROPRIETOR: CLINTON REGIONAL DEVELOPMENT CORPORATION  
PREPARED FOR: CITY OF LOW MOOR  
DATE PREPARED: 8/25/09



|   |          |           |         |
|---|----------|-----------|---------|
| IIV ENGINEERS &<br>SURVEYORS, P.C.<br>INTEGRITY. EXPERTISE. SOLUTIONS.<br>DUBUQUE, IA<br>4155 PENNSYLVANIA AVE. DUBUQUE, IA 52002<br>VOICE: (563) 556-2464 FAX: (563) 556-7811<br>www.iivsurvey.com |          |           |         |
| DRAWN   | SJC      | PLAT NO.  | -IA-07  |
| CHECKED   | WAC      | PROJ. NO. | 09159-4 |
| DATE  | 09-0X-09 | SHEET     | 1 of 2  |
| P:\09\159\159-02\DWG\CIVIL\EASEMENTS  |          |           |         |

# PLAT OF EASEMENT

PART OF SE 1/4 OF SECTION 24, T81N, R5E OF 5TH P.M.,  
CITY OF CLINTON, CLINTON COUNTY, IOWA

OWNER: MARY JEANNE DODDS

WEST LINE SE 1/4  
SECTION 24

SE 1/4 SECTION 24

E LINE SE 1/4 SECTION 24  
& C.L. 54TH ST.

OWNER: CLINTON  
REGIONAL  
DEVELOPMENT  
CORPORATION  
W.D. DOC. 2479-03

50' TEMPORARY  
CONSTRUCTION  
EASEMENT

OWNER: NOVA BIOFUELS  
CLINTON COUNTY L.L.C.  
W.D. DOC. 2007-08085

50' PERMANENT  
EASEMENT

OWNER: CLINTON REGIONAL  
DEVELOPMENT CORPORATION  
W.D. DOC. 2479-03

50' PERMANENT  
EASEMENT  
N. 50 FT. OF  
S. 83 FT.

50' TEMPORARY  
CONSTRUCTION  
EASEMENT

349.85'  
(350.00')  
SW CORNER  
SE 1/4  
SECTION 24  
MAG NAIL

NORTHERLY ROW  
LINE 44TH AVE.

(933.38')

44TH AVENUE SOUTH

N89°58'26"E 2661.81' (2661.97')

1378.58'

SE CORNER  
SECTION 24  
MAG NAIL



GRAPHIC SCALE



1"=200'

DRAWING MAY HAVE BEEN REDUCED

## NOTE

THIS PLAT IS SUBJECT TO EASEMENTS,  
RESERVATIONS, RESTRICTIONS AND  
RIGHTS-OF-WAY OF RECORD AND NOT OF  
RECORD.

## LEGEND

PERMANENT EASEMENT

1.99 AC.

TEMPORARY EASEMENT

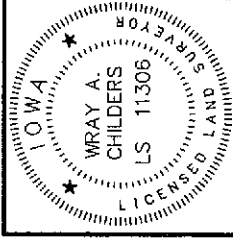
1.99 AC.

FOUND SECTION CORNER  
RIGHT-OF-WAY  
RECORD INFORMATION

PROPRIETOR: CLINTON REGIONAL DEVELOPMENT CORPORATION

PREPARED FOR: CITY OF LOW MOOR

DATE PREPARED: AUGUST 25, 2009



I HEREBY CERTIFY THAT THIS LAND SURVEYING DOCUMENT WAS PREPARED  
AND THE RELATED SURVEY WORK WAS PERFORMED BY ME OR UNDER MY  
DIRECT PERSONAL SUPERVISION AND THAT I AM A FULLY LICENSED LAND  
SURVEYOR UNDER THE LAWS OF THE STATE OF IOWA.

FOR IOW ENGINEERS & SURVEYORS, P.C.

Wray A. Childers  
DATE 08/15/2009

LICENSE NO. 11306 MY LICENSE RENEWAL DATE IS 12/31/2009

PAGES OR SHEETS COVERED BY THIS SEAL 54/152



IOW ENGINEERS &  
SURVEYORS, P.C.  
INTEGRITY. EXPERTISE. SOLUTIONS.

14200 GREEN ST.  
DUBUQUE, IA 52002  
4157 PENNSYLVANIA AVE. DUBUQUE, IA 52002  
VOICE (563) 556-4464 FAX (563) 556-7811  
www.iowasurvey.com

|                                      |          |           |         |
|--------------------------------------|----------|-----------|---------|
| DRAWN                                | SJC      | PLAT NO.  | -IA-07  |
| CHECKED                              | WAC      | PROJ. NO. | 09159-0 |
| DATE                                 | 08-25-09 | SHEET     | 1 of 2  |
| P: 09\159\159-02\DWG\CIVIL\EASEMENTS |          |           |         |

Document # 2010-00534

Date: January 27, 2010 Time: 3:10 P.M.

Fee \$ 39<sup>00</sup> R.E. Transfer Tax \$ —

*Steve Mangan-Clinton County IA Recorder*

---

**EASEMENT AGREEMENT**  
Recorder's Cover Sheet

**Preparer Information:**

Robert J. McGee, P.C., 1226 North Second Street, Clinton, (563) 243-4796

**Taxpayer Information:**

Mary Jeanne Dodds, Low Moor, Iowa 52757

**Return Address**

Robert J. McGee, P.C., 1226 North Second Street, Clinton, Iowa 52732

**Grantors:**

Mary Jeanne Dodds

**Grantees:**

City of Low Moor, Iowa




RESOLUTION NO. 10-12

RESOLUTION APPROVING SEWER AND WATER UTILITY  
AGREEMENT BETWEEN THE CITY OF LOW MOOR, IOWA AND  
THE MARY JEANNE DODD PROPERTY

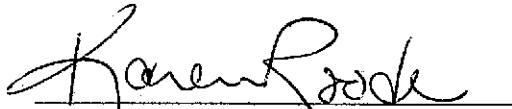
WHEREAS, the City of Low Moor, in the County of Clinton, State of Iowa,  
desires to create and establish a formal easement with the Mary Jeanne Dodd Property, in  
the County of Clinton, State of Iowa

NOW, THEREFORE, It Is Resolved by the City Council of the City of Low  
Moor, Iowa, that the sewer and water utility agreement between the City of Low Moor,  
Iowa and the Mary Jeanne Dodd Property, be approved as presented on the attachment  
and the Mayor and City Clerk are authorized to sign said agreement.

Passed, approved, and adopted January 5, 2010.

  
\_\_\_\_\_  
Mayor

Attest:

  
\_\_\_\_\_  
City Clerk

Prepared By: Robert J. McGee P.C. 1226 N. 2<sup>nd</sup> St. Clinton, IA 52732 563 243-4796

## SEWER AND WATER UTILITY EASEMENT AGREEMENT

THIS AGREEMENT, made and entered into this 29<sup>th</sup> day of Dec., 2009, by and between, The Mary Jeanne Dodds Property Management Trust dated February 23, 2009 hereinafter referred to as "Grantor," and the City of Low Moor, Iowa, hereinafter referred to as "Grantee."

### WITNESSETH:

WHEREAS, Grantor is the owner of certain real property situated within Clinton County, Iowa; and

WHEREAS, the Grantee desires to construct, install, maintain, repair, operate, and use a water and sewer line under, over, and across certain portions of said real property; and

WHEREAS, the Grantee anticipates immediate installation of the sewer line with the prospect of the installation of a water line in the future if circumstances warrant the same; and

WHEREAS, the parties hereto desire to create and establish a formal easement in the Grantee for said water line and sewer line, and to set forth the manner in which said water line and sewer line shall be installed, constructed, maintained, repaired, operated and used;

WHEREAS, Grantor desires to reserve the right to connect to the sewer line and Grantee has no objection to the same, subject to such connection occurring at the sole expense of Grantor and Grantor's compliance with any conditions as maybe imposed by the City of Clinton, including but not limited to user fees as the City of Clinton may impose.

NOW, THEREFORE, in consideration of the mutual covenants and conditions herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Grantor, the parties hereto agree, for themselves, their heirs, successors, and assigns, as follows:

1. Grantor, subject to the terms and conditions hereinafter set forth, hereby grants and conveys unto the Grantee, its successors and assigns, an easement over, across, and under the following described real property in Clinton County, Iowa, for the purpose of permitting the Grantee to construct, install, maintain, repair, use and operate an underground water line and sewer line and related facilities:

(SEE ATTACHED EXHIBITS "A" and "B")

"A" - Easement Legal Description

"B" - Vicinity Map showing property and Easement

2. The duration of the easement herein granted shall be perpetual, unless the Grantee agrees to terminate or abandon its use of the same for the stated purpose.

3. Grantor further grants and conveys unto the Grantee, a temporary easement over, under, and across that real estate identified in Exhibit "A" as a "Temporary Construction Easement", which temporary easement shall be for the purpose of permitting the Grantee, its employees, agents, and contractors to thereupon operate such equipment and to use and store, on a temporary basis, such supplies, materials, and equipment as may be reasonably necessary for the construction and installation of the underground water line and sewer line to be constructed in the herein above described permanent easement. Said temporary easement shall terminate, and cease to be of any further force or effect, upon the completion of the underground water line and sewer line in the permanent easement, or 12 months from the date hereof, whichever shall first occur, excepting that Grantee is specifically authorized to install the water line at an indefinite point in the future as demand may dictate subject to Grantee exercising reasonable care in installing the same including restoring Grantor's premises to the condition existent prior to the waterline installation.

4. Both easements hereinabove granted, the temporary easement and the permanent easement, shall specifically include, without limiting the foregoing, the right of the Grantee, its agents, employees, contractors, and assigns, to traverse the easement with vehicles and equipment, and to make such improvements and excavations thereon and thereunder as may be reasonably necessary to construct, install, maintain, repair, replace, operate, or use the above-specified underground water line and sewer line.

5. The Grantee shall save and hold the Grantor harmless from any and all liability for personal injury and property damage resulting from, or in any way connected with, said underground water line and sewer line, or any related facilities or activities conducted or located with said easements, except liability for personal injuries or property damage caused solely by the negligence or wrongdoing of the Grantor.

6. The Grantee shall take all reasonable steps to restore and revegetate any ground areas disturbed by its water line and sewer line construction or related activities in both the permanent and the temporary easements herein granted.

7. The parties acknowledge and agree that the easements herein granted are non-exclusive, and the Grantor, or its heirs, successors or assigns, shall be entitled at all times to travel over the easements, and to conduct any and all activities which they may desire to conduct in either the temporary or the permanent easement provided the same do not unreasonably interfere with the Grantee's use of said easement for the construction, installation, maintenance, repair, operation or use of the above-specified underground water line and sewer line.

8. Grantor shall retain the right to connect to the sewer line, subject to such connection occurring at the sole expense of Grantor and Grantor's compliance with any conditions as maybe imposed by the City of Clinton, including but not limited to user fees as the City of Clinton may impose.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed on the day and year first above written.

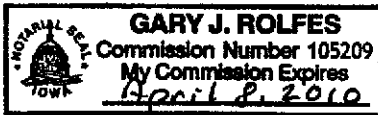
GRANTOR: The Mary Jeanne Dodds Property Management  
Trust

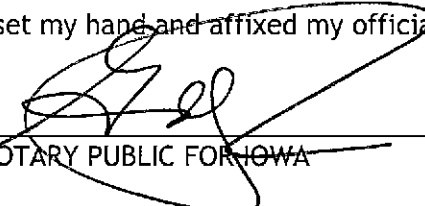
Signature: Mary Jeanne Dodds  
TRUSTEE

STATE OF IOWA )  
 ) ss.  
County of Clinton )

On this day of December 29, 2009 before me, a Notary Public, in and for said County and State, personally appeared known or identified to me to be the individual whose name is subscribed to the within instrument, and acknowledged to me that she executed the same as Trustee of the The Mary Jeanne Dodds Property Management Trust and that said Trust is presently in existence and that she is authorized under the terms of the Trust to make this conveyance.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



  
\_\_\_\_\_  
NOTARY PUBLIC FOR IOWA

My commission expires: \_\_\_\_\_

GRANTEE: LOW MOOR, IOWA

Signature:   
\_\_\_\_\_  
MAYOR

Signature:   
\_\_\_\_\_  
ATTEST: CITY CLERK

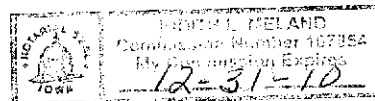
STATE OF IOWA )  
 ) ss.  
County of Clinton )

On this day of Apr. 5, 2010 before me, a Notary Public, in and for said County and State, personally appeared Richard L. Meland and Karen Roode known or identified to me to be the individual whose names are subscribed to the within instrument, and acknowledged to that they executed the same as their voluntary act and deed as Mayor and City Clerk respectively, on behalf of the City of Low Moor, Iowa as approved by Council Resolution # 10-12.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

  
\_\_\_\_\_  
NOTARY PUBLIC FOR IOWA

My commission expires: 12-31-10





# PLAT OF SURVEY

PART OF S 1/2 SECTION 23 AND SW 1/4 SECTION 24, T81N, R5E OF 5TH P.M., CITY OF CLINTON, CLINTON COUNTY, IOWA

PERMANENT AND TEMPORARY CONSTRUCTION EASEMENT

DODDS  
TO  
CITY OF LOW MOOR, IOWA

A permanent easement for municipal sanitary sewer and water main purposes across the North 65.00 feet of the South 98.00 feet of the East 40 feet of the South Half of the Southwest Quarter of the Southeast Quarter of Section 23, Township 81 North, Range 5 East of the 5th P.M., City of Clinton, Clinton County, Iowa, and containing 0.06 acres more or less.

TOGETHER WITH a 50.00 foot wide temporary construction easement located northerly of and adjoining the above described permanent easement, containing 0.05 acres more or less,

AND

A permanent easement for municipal sanitary sewer and water main purposes across the North 65.00 feet of the South 98.00 feet of the West 60.00 feet of the East Half of the Southeast Quarter of Section 23, Township 81 North, Range 5 East of the 5th P.M., City of Clinton, Clinton County, Iowa, and containing 0.09 acres more or less.

TOGETHER WITH a 50.00 foot wide temporary construction easement located northerly of and adjoining the above described permanent easement, containing 0.07 acres more or less,

AND

A permanent easement for municipal sanitary sewer and water main purposes across the North 50.00 feet of the South 83.00 feet of the East Half of the Southeast Quarter of Section 23, Township 81 North, Range 5 East of the 5th P.M., City of Clinton, Clinton County, Iowa, EXCEPT the West 60.00 feet thereof, and containing 1.46 acres more or less.

TOGETHER WITH a 50.00 foot wide temporary construction easement located northerly of and adjoining the above described permanent easement, containing 1.46 acres more or less,

AND

A permanent easement for municipal sanitary sewer and water main purposes across the North 50.00 feet of the South 83.00 feet of the West Half of the Southwest Quarter of Section 24, Township 81 North, Range 5 East of the 5th P.M., City of Clinton, Clinton County, Iowa, and containing 1.52 acres more or less.

TOGETHER WITH a 50.00 foot wide temporary construction easement located northerly of and adjoining the above described permanent easement, containing 1.52 acres more or less.

The total area of the above described permanent easements is 3.13 acres more or less, and the total area of the above described temporary construction easements is 3.10 acres more or less.



IJW ENGINEERS &  
SURVEYORS, P.C.

INTEGRITY. EXPERTISE. SOLUTIONS.  
DUBUQUE, IA HAZEL GREEN, VT  
4155 PENNSYLVANIA AVE. DUBUQUE, IA 52002  
VOICE (563) 556-2464 FAX (563) 556-7811  
www.ijweng.com

DRAWN S.J.C.

CHECKED WAC

DATE 09-0X-09

SHEET 2 OF 2

PLAT NO. -IA-07

PROJ. NO. 09159-

P: \09\159-02\DWG\CIVIL\EASEMENTS

Document # 2010-00537

Date: January 27, 2010 Time: 3:13 P.M.

Fee \$ 39<sup>00</sup> R.E. Transfer Tax \$ —

*Steve Mangan-Canton County IA Recorder*

---

**RESOLUTION**  
**Recorder's Cover Sheet**

**Preparer Information:**

Robert J. McGee, P.C., 1226 North Second Street, Clinton, (563) 243-4796

**Taxpayer Information:**

Richard and Mary Lingle, 6528 44<sup>th</sup> Avenue, Clinton, Iowa 52732

**Return Address**

Robert J. McGee, P.C., 1226 North Second Street, Clinton, Iowa 52732

**Grantors:**

Robert J. McGee, P.C.

**Grantees:**

City of Low Moor, Iowa

RESOLUTION NO. 10-14

RESOLUTION APPROVING SEWER AND WATER UTILITY  
AGREEMENT BETWEEN THE CITY OF LOW MOOR, IOWA AND  
RICHARD AND MARY LINGLE

WHEREAS, the City of Low Moor, in the County of Clinton, State of Iowa,  
desires to create and establish a formal easement with Richard and Mary Lingle, in the  
County of Clinton, State of Iowa

NOW, THEREFORE, It Is Resolved by the City Council of the City of Low  
Moor, Iowa, that the sewer and water utility agreement between the City of Low Moor,  
Iowa and Richard and Mary Lingle, be approved as presented on the attachment and the  
Mayor and City Clerk are authorized to sign said agreement.

Passed, approved, and adopted January 14, 2010.

  
\_\_\_\_\_  
Mayor

Attest:

  
\_\_\_\_\_  
City Clerk



Prepared By: Robert J. McGee P.C. 1226 N. 2<sup>nd</sup> St. Clinton, IA 52732 563 243-4796

## SEWER AND WATER UTILITY EASEMENT AGREEMENT

THIS AGREEMENT, made and entered into this 17 day of January, 2010, by and between, Richard J. Lingle and Mary E. Lingle, Husband and wife, hereinafter referred to as "Grantor," and the City of Low Moor, Iowa, hereinafter referred to as "Grantee."

### WITNESSETH:

WHEREAS, Grantor is the owner of certain real property situated within Clinton County, Iowa; and

WHEREAS, the Grantee desires to construct, install, maintain, repair, operate, and use a water and sewer line under, over, and across certain portions of said real property; and

WHEREAS, the Grantee anticipates immediate installation of the sewer line with the prospect of the installation of a water line in the future if circumstances warrant the same; and

WHEREAS, the parties hereto desire to create and establish a formal easement in the Grantee for said water line and sewer line, and to set forth the manner in which said water line and sewer line shall be installed, constructed, maintained, repaired, operated and used;

WHEREAS, Grantor desires to reserve the right to connect to the sewer line and Grantee has no objection to the same, subject to such connection occurring at the sole expense of Grantor and Grantor's compliance with any conditions as maybe imposed by the City of Clinton, including but not limited to user fees as the City of Clinton may impose.

NOW, THEREFORE, in consideration of the mutual covenants and conditions herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Grantor, the parties hereto agree, for themselves, their heirs, successors, and assigns, as follows:

1. Grantor, subject to the terms and conditions hereinafter set forth, hereby grants and conveys unto the Grantee, its successors and assigns, an easement over, across, and under the following described real property in Clinton County, Iowa, for the purpose of permitting the Grantee to construct, install, maintain, repair, use and operate an underground water line and sewer line and related facilities:

(SEE ATTACHED EXHIBITS "A" and "B")

"A" - Easement Legal Description

"B" - Vicinity Map showing property and Easement

2. The duration of the easement herein granted shall be perpetual, unless the Grantee agrees to terminate or abandon its use of the same for the stated purpose.

3. Grantor further grants and conveys unto the Grantee, a temporary easement over, under, and across that real estate identified in Exhibit "A" as a "Temporary Construction Easement", which temporary easement shall be for the purpose of permitting the Grantee, its employees, agents, and contractors to thereupon operate such equipment and to use and store, on a temporary basis, such supplies, materials, and equipment as may be reasonably necessary for the construction and installation of the underground water line and sewer line to be constructed in the herein above described permanent easement. Said temporary easement shall terminate, and cease to be of any further force or effect, upon the completion of the underground water line and sewer line in the permanent easement, or 12 months from the date hereof, whichever shall first occur, excepting that Grantee is specifically authorized to install the water line at an indefinite point in the future as demand may dictate subject to Grantee exercising reasonable care in installing the same including restoring Grantor's premises to the condition existent prior to the waterline installation.

4. Both easements hereinabove granted, the temporary easement and the permanent easement, shall specifically include, without limiting the foregoing, the right of the Grantee, its agents, employees, contractors, and assigns, to traverse the easement with vehicles and equipment, and to make such improvements and excavations thereon and thereunder as may be reasonably necessary to construct, install, maintain, repair, replace, operate, or use the above-specified underground water line and sewer line.

5. The Grantee shall save and hold the Grantor harmless from any and all liability for personal injury and property damage resulting from, or in any way connected with, said underground water line and sewer line, or any related facilities or activities conducted or located with said easements, except liability for personal injuries or property damage caused solely by the negligence or wrongdoing of the Grantor.

6. The Grantee shall take all reasonable steps to restore and revegetate any ground areas disturbed by its water line and sewer line construction or related activities in both the permanent and the temporary easements herein granted.

7. The parties acknowledge and agree that the easements herein granted are non-exclusive, and the Grantor, or its heirs, successors or assigns, shall be entitled at all times to travel over the easements, and to conduct any and all activities which they may desire to conduct in either the temporary or the permanent easement provided the same do not unreasonably interfere with the Grantee's use of said easement for the construction, installation, maintenance, repair, operation or use of the above-specified underground water line and sewer line.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed on the day and year first above written.

GRANTOR: Richard J. Lingle and Mary E. Lingle, Husband and Wife

Signature: Richard J. Lingle  
Richard J. Lingle

Signature: Mary E. Lingle  
Mary E. Lingle

STATE OF IOWA

)  
) ss.

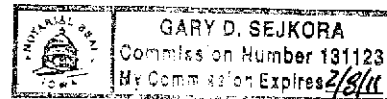
County of Clinton )

On this day of January 14, 2010 before me, a Notary Public, in and for said County and State, personally appeared Richard J. Lingle AND Mary E. Lingle, known or identified to me to be the individuals whose names are subscribed to the within instrument, and acknowledged to me that they executed the same as their voluntary act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Mary D. Sejkora  
NOTARY PUBLIC FOR IOWA

My commission expires: 2-8-2011



GRANTEE: LOW MOOR, IOWA

Signature: Richard L. Meland  
MAYOR

Signature: Karen Roode  
ATTEST: CITY CLERK

STATE OF IOWA )  
 ) ss.  
County of Clinton )

On this day of 17 Jan., 2010 before me, a Notary Public, in and for said County and State, personally appeared Richard L. Meland and Karen Roode known or identified to me to be the individual whose names are subscribed to the within instrument, and acknowledged to that they executed the same as their voluntary act and deed as Mayor and City Clerk respectively, on behalf of the City of Low Moor, Iowa as approved by Council Resolution # 10-14.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Judith L. Meland  
NOTARY PUBLIC FOR IOWA

My commission expires: 12-31-10



**PLAT OF SURVEY**  
**PART OF SECTION 23, T81N, R5E 5TH P.M., CITY OF**  
**CLINTON, CLINTON COUNTY, IOWA**

**PERMANENT AND TEMPORARY CONSTRUCTION EASEMENT**

LINGLE  
TO  
CITY OF LOW MOOR, IOWA

A 30.00 foot wide permanent easement for municipal sanitary sewer and water main purposes across part of the real estate described in the Warranty Deed dated April 30, 1974 and filed May 1, 1974 as Document No. 2134-74 at the Clinton County, Iowa Recorder's Office, and located in the West Half of the Southeast Quarter of Section 23, Township 81 North, Range 5 East of the 5th P.M., City of Clinton, Clinton County, Iowa, the centerline of said 30.00 foot permanent easement being described as follows:

Commencing at the south quarter corner of said Section 23;

Thence North 00 degrees 01 minutes 28 seconds West (assumed bearing) along the west line of the Southeast Quarter of said Section 23 a distance of 189.14 feet to the point of beginning of the centerline of said permanent easement;

Thence South 81 degrees 36 minutes 12 seconds East along said centerline 349.37 feet and said centerline there terminating,

AND

A 40.00 foot wide permanent easement for municipal sanitary sewer and water main purposes across part of the real estate described in the Warranty Deed dated April 30, 1974 and filed May 1, 1974 as Document No. 2134-74 at the Clinton County, Iowa Recorder's Office, and located in the West Half of the Southeast Quarter of Section 23, Township 81 North, Range 5 East of the 5th P.M., City of Clinton, Clinton County, Iowa, the centerline of said 40.00 foot permanent easement being described as follows:

Beginning at the terminus of the above described permanent easement,

Thence North 80 degrees 12 minutes 54 seconds East along said centerline 150.01 feet;

Thence South 82 degrees 35 minutes 12 seconds East along said centerline 459.50 feet and said centerline there terminating.

The above described permanent easements contain 0.80 acres more or less.

TOGETHER WITH a 50.00 foot wide temporary construction easement located northerly of and adjoining the above described permanent easements as shown on sheet 1 hereof, containing 0.72 acres more or less.



**IITW ENGINEERS &  
SURVEYORS, P.C.**

INTEGRITY. EXPERTISE. SOLUTIONS.  
DUBUQUE, IA HAZEL GREEN, WI  
4155 PENNSYLVANIA AVE. DUBUQUE, IA 52002  
VOICE (563) 556-2464 FAX (563) 556-7811  
www.iitwengr.com

|                                   |          |           |        |
|-----------------------------------|----------|-----------|--------|
| DRAWN                             | SJC      | PLAT NO.  | 47-1A- |
| CHECKED                           | WAC      | PROJ. NO. | 159-02 |
| DATE                              | 10-02-09 | SHEET     | 2 of 2 |
| P:\09\159\159-02\DWG\CIVIL\EASEME |          |           |        |

DATE REVISED: DECEMBER 22, 2009

# PLAT OF EASEMENT

▲ N. 1/4 CORNER SECTION 23  
 PART OF W 1/2 OF SE 1/4 OF SECTION 23, T81N, R5E OF  
 5TH P.M., CITY OF CLINTON, CLINTON COUNTY, IOWA

WEST LINE-SE 1/4  
 SECTION 23

OWNER: RICHARD J. AND MARY E. LINGLE  
 W.D. DOC. 2134-74

**NORTH**

GRAPHIC SCALE



SE 1/4 OF SECTION 23

DRAWING MAY HAVE BEEN REDUCED

CENTERLINE 30'  
 PERMANENT EASEMENT

N80°12'54"E 150.01'

50' TEMPORARY  
 CONSTRUCTION  
 EASEMENT

40' PERMANENT  
 EASEMENT

S81°36'12"E 349.37'

P.O.B. 30'  
 PERMANENT  
 EASEMENT

30' PERMANENT  
 EASEMENT

S. 1/4 CORNER  
 SECTION 23

P.O.B. 40'  
 PERMANENT  
 EASEMENT

N'LY ROW OF  
 44TH AVE.

44TH AVENUE SOUTH

N'LY ROW OF  
 RAILROAD  
 CENTERLINE OF 40'  
 PERMANENT EASEMENT  
 (948.5')

(2657.02')

SE CORNER  
 SECTION 23

**NOTE**

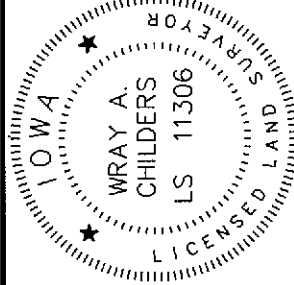
HIS PLAT IS SUBJECT TO  
 EASEMENTS, RESERVATIONS,  
 RESTRICTIONS AND RIGHTS-OF-WAY  
 OF RECORD AND NOT OF RECORD.

## LEGEND

- PERMANENT EASEMENT
- 0.80 AC.
- TEMPORARY EASEMENT
- 0.72 AC.
- FOUND SECTION
- CORNER
- RECORD INFORMATION

I HEREBY CERTIFY THAT THIS LAND SURVEYING DOCUMENT WAS PREPARED  
 AND THE RELATED SURVEY WORK WAS PERFORMED BY ME OR UNDER MY  
 DIRECT PERSONAL SUPERVISION AND THAT I AM A DULY LICENSED LAND  
 SURVEYOR UNDER THE LAWS OF THE STATE OF IOWA.

FOR IOW ENGINEERS & SURVEYORS, P.C.



*Wray A. Childers* Dec. 23, 2009  
 DATE  
 WRAY A. CHILDERS  
 LICENSE NO. 11306 MY LICENSE RENEWAL DATE IS 12/31/2009  
 PAGES OR SHEETS COVERED BY THIS SEAL *SHT 1 of 2*



**IOW ENGINEERS &  
 SURVEYORS, P.C.**

INTEGRITY. EXPERTISE. SOLUTIONS.  
 DUBUQUE, IA  
 4155 PENNSYLVANIA AVE. DUBUQUE, IA 52002  
 VOICE (563) 556-3464 FAX (563) 556-7811  
 www.iowengr.com

|         |          |           |      |
|---------|----------|-----------|------|
| DRAWN   | SJC      | PLAT NO.  | 47-1 |
| CHECKED | WAC      | PROJ. NO. | 0915 |
| DATE    | 10-15-09 | SHEET     | 1 of |

P:\09\159\159-02\DWG\CIVIL\EASEM

PROPRIETOR: RICHARD J. AND MARY E. LINGLE  
 PREPARED FOR: CITY OF LOW MOOR  
 DATE PREPARED: OCTOBER 15, 2009  
 DATE REVISED: DECEMBER 22, 2009

OWNER: LOW MOOR SHOP L.L.C.  
 W.D. DOC. 2007-01462

**Document # 2010-00759**

**Date:** February 05, 2010 **Time:** 2:58 P.M.

**Fee \$** 34<sup>00</sup> **R.E. Transfer Tax \$** —

***Steve Mangan-Clinton County IA Recorder***

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**SEWER AND WATER UTILITY EASEMENT AGREEMENT**

**Recorder's Cover Sheet**

**Preparer Information:**

Robert J. McGee, P.C., 1226 North Second Street, Clinton, (563) 243-4796

**Taxpayer Information:**

Harlan A. Seeser d/b/a Low Moor Shop L.L., Low Moor, Iowa 52757

**Return Address**

Robert J. McGee, P.C., 1226 North Second Street, Clinton, Iowa 52732

**Grantors:**

Harlan A. Seeser d/b/a Low Moor Shop L.L., Low Moor, Iowa 52757

**Grantees:**

City of Low Moor, Iowa

## **SEWER AND WATER UTILITY EASEMENT AGREEMENT**

THIS AGREEMENT, made and entered into this 2<sup>nd</sup> day of February 2010, by and between, Harlan A. Sesser d/b/a Low Moor Shop L. L., hereinafter referred to as "Grantor," and the City of Low Moor, Iowa, hereinafter referred to as "Grantee."

### **WIT N E S S E T H:**

WHEREAS, Grantor is the owner of certain real property situated within Clinton County, Iowa; and

WHEREAS, the Grantee desires to construct, install, maintain, repair, operate, and use a water and sewer line under, over, and across certain portions of said real property; and

WHEREAS, the Grantee anticipates immediate installation of the sewer line with the prospect of the installation of a water line in the future if circumstances warrant the same; and

WHEREAS, the parties hereto desire to create and establish a formal easement in the Grantee for said water line and sewer line, and to set forth the manner in which said water line and sewer line shall be installed, constructed, maintained, repaired, operated and used;

WHEREAS, Grantor desires to reserve the right to connect to the sewer line and Grantee has no objection to the same, subject to such connection occurring at the sole expense of Grantor and Grantor's compliance with any conditions as maybe imposed by the City of Clinton, including but not limited to user fees as the City of Clinton may impose.

NOW, THEREFORE, in consideration of the mutual covenants and conditions herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Grantor, the parties hereto agree, for themselves, their heirs, successors, and assigns, as follows:

1. Grantor, subject to the terms and conditions hereinafter set forth, hereby grants and conveys unto the Grantee, its successors and assigns, an easement over, across, and under the following described real property in Clinton County, Iowa, for the purpose of permitting the Grantee to construct, install, maintain, repair, use and operate an underground water line and sewer line and related facilities:

(SEE ATTACHED EXHIBITS "A" and "B")

"A" - Easement Legal Description

"B" - Vicinity Map showing property and Easement

2. The duration of the easement herein granted shall be perpetual, unless the Grantee agrees to terminate or abandon its use of the same for the stated purpose.

3. Grantor further grants and conveys unto the Grantee, a temporary easement over, under, and across that real estate identified in Exhibit "A" as a "Temporary Construction Easement", which temporary easement shall be for the purpose of permitting the Grantee, its employees, agents, and contractors to thereupon operate such equipment and to use and store, on a temporary basis, such supplies, materials, and equipment as may be reasonably necessary for the construction and installation of the underground water line and sewer line to be constructed in the herein above described permanent easement. Said temporary easement shall terminate, and cease to be of any further force or effect, upon the completion of the underground water line and sewer line in the permanent easement, or 12 months from the date hereof, whichever shall first occur, excepting that Grantee is specifically authorized to install the water line at an indefinite point in the future as demand may dictate subject to Grantee exercising reasonable care in installing the same including restoring Grantor's premises to the condition existent prior to the waterline installation.

4. Both easements hereinabove granted, the temporary easement and the permanent easement, shall specifically include, without limiting the foregoing, the right of the Grantee, its agents, employees, contractors, and assigns, to traverse the easement with vehicles and equipment, and to make such improvements and excavations thereon and thereunder as may be reasonably necessary to construct, install, maintain, repair, replace, operate, or use the above- specified underground water line and sewer line.

5. The Grantee shall save and hold the Grantor harmless from any and all liability for personal injury and property damage resulting from, or in any way connected with, said underground water line and sewer line, or any related facilities or activities conducted or located with said easements, except liability for personal injuries or property damage caused solely by the negligence or wrongdoing of the Grantor.


6. The Grantee shall take all reasonable steps to restore and revegetate any ground areas disturbed by its water line and sewer line construction or related activities in both the permanent and the temporary easements herein granted.

7. The parties acknowledge and agree that the easements herein granted are non- exclusive, and the Grantor, or its heirs, successors or assigns, shall be entitled at all times to travel over the easements, and to conduct any and all activities which they may desire to conduct in either the temporary or the permanent easement provided the same do not unreasonably interfere with the Grantee's use of said easement for the construction, installation, maintenance, repair, operation or use of the above-specified underground water line and sewer line.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed on the day and year first above written.

GRANTOR:


Signature:

  
Harlan A. Sesser

STATE OF IOWA       )  
                                  ) ss.



On this day of 2<sup>nd</sup> of February 2010 before me, a Notary Public, in and for said County and State, personally appeared Harlan A. Sesser d/b/a Low Moor Shop L. I., known or identified to me to be the individuals whose names are subscribed to the within instrument, and acknowledged to me that they executed the same as their voluntary act and deed.

  
NOTARY PUBLIC FOR IOWA

My commission expires: \_\_\_\_\_

Signature: Richard L. Wilson  
MAYOR

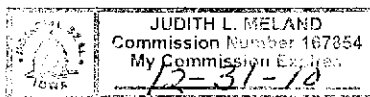
Signature: Karen Rode  
ATTEST: CITY CLERK

[illegible]

On this day of Feb. 2, 2010, 2010 before me, a Notary Public, in and for said County and State, personally appeared Richard Meland and Bara Koode known or identified to me to be the individual whose names are subscribed to the within instrument, and acknowledged to that they executed the same as their voluntary act and deed as Mayor and City Clerk respectively, on behalf of the City of Low Moor, Iowa as approved by Council Resolution # 10-5.

Julide K. Nelson  
NOTARY PUBLIC FOR IOWA

My commission expires: 12-31-10



PREPARED BY: IIV ENGINEERS & SURVEYORS P.C. 4155 PENNSYLVANIA AVE. DUBUQUE, IOWA. (563) 556-2464

# PLAT OF EASEMENT

## PART OF SE 1/4 SECTION 23, T81N, R5E OF 5TH P.M., CITY OF CLINTON, CLINTON COUNTY, IOWA

### PERMANENT AND TEMPORARY CONSTRUCTION EASEMENT

LOW MOOR SHOP LLC  
TO  
CITY OF LOW MOOR, IOWA

A 40.00 foot wide permanent easement for municipal sanitary sewer and water main purposes across part of the real estate described in the Quit Claim Deed dated February 22, 2007 and filed February 27, 2007 as Document No. 2007-01462 at the Clinton County, Iowa Recorder's Office, and located in the Southeast Quarter of Section 23, Township 81 North, Range 5 East of the 5th P.M., City of Clinton, Clinton County, Iowa, the centerline of said 40 foot permanent easement being described as follows:

Commencing at the south quarter corner of said Section 23;

Thence South 89 degrees 53 minutes 00 seconds East (assumed bearing) along the south line of the Southeast Quarter of said Section 23 a distance of 948.50 feet to the westerly line of the real estate described in said Quit Claim Deed;

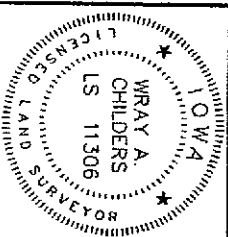
Thence North 00 degrees 06 minutes 56 seconds West along said westerly line 97.28 feet to the point of beginning of the centerline of said permanent easement;

Thence South 82 degrees 38 minutes 09 seconds East along said centerline 239.74 feet;

Thence North 81 degrees 53 minutes 46 seconds East along said centerline 84.20 feet;

Thence South 82 degrees 55 minutes 06 seconds East along said centerline 14.03 feet to the easterly line of the real estate described in said Quit Claim Deed and said centerline there terminating, containing 0.31 acres more or less.

TOGETHER WITH a 50.00 foot wide temporary construction easement located northerly of and adjoining the above described permanent easement, containing 0.39 acres more or less.



I HEREBY CERTIFY THAT THIS LAND SURVEYING DOCUMENT WAS PREPARED AND THE RELATED SURVEY WORK WAS PERFORMED BY ME OR UNDER MY DIRECT PERSONAL SUPERVISION AND THAT I AM A DULY LICENSED LAND SURVEYOR UNDER THE LAWS OF THE STATE OF IOWA.

FOR IIV ENGINEERS & SURVEYORS P.C.

WRAY A. CHILDERS

DATE

LICENSE NO. 11306

MY LICENSE RENEWAL DATE IS 12/31/2009

PAGES OR SHEETS COVERED BY THIS SEAL



IIV ENGINEERS &  
SURVEYORS P.C.

INTEGRITY. EXPERTISE. SOLUTIONS.

DUBUQUE, IA  
4155 PENNSYLVANIA AVE., DUBUQUE, IA 52002  
VOICE (563) 556-2464 FAX (563) 556-7411  
www.iivinc.com

|                                      |          |           |        |
|--------------------------------------|----------|-----------|--------|
| DRAWN                                | SJC      | PLAT NO.  | -1A-07 |
| CHECKED                              | WAC      | PROJ. NO. | 159-02 |
| DATE                                 | 10-09-09 | SHEET     | 1 of 2 |
| P:\09\159\159-02\DWG\CIVIL\EASEMENTS |          |           |        |

PREPARED BY: IIW ENGINEERS & SURVEYORS P.C., 4155 PENNSYLVANIA AVE., DUBUQUE, IOWA, (563) 556-2464

# PLAT OF EASEMENT PART OF SE 1/4 SECTION 23, T81N, R5E OF 5TH P.M., CITY OF CLINTON, CLINTON COUNTY, IOWA

OWNER: RICHARD J. & MARY E. LINGLE  
W.D. DOC. 2134-74

CENTERLINE OF 40'  
PERMANENT EASEMENT

OWNER: LOW MOOR SHOP L.L.C.  
W.D. DOC. 2007-01462

OWNER: MARY JEANNE DODDS  
W.D. DOC. 2009-01921

| LINE | BEARING     | DISTANCE |
|------|-------------|----------|
| 1    | S89°53'00"E | 948.50'  |
| 2    | N00°06'56"W | 97.28'   |
| 3    | S82°38'09"E | 239.74'  |
| 4    | N81°53'46"E | 84.20'   |
| 5    | S82°55'06"E | 14.03'   |

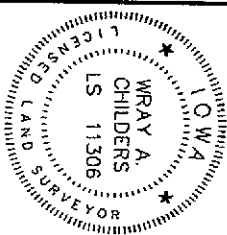
S. 1/4 CORNER  
OF SECTION 23  
MAG NAIL

GRAPHIC SCALE



LEGEND  
DRAWING MAY HAVE BEEN REDUCED

- PERMANENT EASEMENT  
0.31 AC.
- TEMPORARY EASEMENT  
0.39 AC.
- FOUND SECTION  
CORNER
- RECORD INFORMATION  
POINT OF BEGINNING



I HEREBY CERTIFY THAT THIS LAND SURVEYING DOCUMENT WAS PREPARED BY ME OR UNDER MY DIRECT PERSONAL SUPERVISION AND THAT I AM A DULY LICENSED LAND SURVEYOR UNDER THE LAWS OF THE STATE OF IOWA.

FOR IIW ENGINEERS & SURVEYORS, P.C.

Wray A. Childers  
DATE: Oct 15, 2009  
LICENSE NO. 11306  
MAY LICENSE RENEWAL DATE IS 12/31/2009  
PAGES OR SHEETS COVERED BY THIS SEAL: 1 of 2

IIW ENGINEERS & SURVEYORS, P.C.  
DUBUQUE, IOWA  
4155 PENNSYLVANIA AVE., DUBUQUE, IOWA 52002  
VOICE (563) 556-2464 FAX (563) 556-2464  
WWW.IIWENGINEERS.COM

DRAWN: SJC  
CHECKED: WAC  
DATE: 10-02-09  
PLAT NO.: 1A-07  
PROJ. NO.: 159-02  
SHEET: 1 of 2  
P: 109159159-02-DWG-CIVIL-EASEMENTS

NOTE:  
THIS PLAT IS SUBJECT TO  
EASEMENTS, RESERVATIONS,  
RESTRICTIONS AND RIGHTS-OF-WAY  
OF RECORD AND NOT OF RECORD.

PROPRIETOR: LOW MOOR SHOP L.L.C.  
PREPARED FOR: CITY OF LOW MOOR  
DATE PREPARED: OCTOBER 2, 2009

SE CORNER  
SECTION 23  
MAG NAIL

