

To: Greater Fort Dodge Growth Alliance  
1406 Central Avenue  
Fort Dodge, IA 50501

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## Overview

Olsson Associates has performed a property assessment and due diligence research of the +/- 2,350-acre site generally located four miles west of Fort Dodge, south of State Highway 7 in Webster County, Iowa. The purpose of the assessment was to review existing property features, identify existing transportation and utility infrastructure, and analyze the property's readiness and limitations for industrial development. The findings of this assessment are provided as follows.

## General Site Information

- The site area is +/- 2,350 acres.
- The park's site location is as follows:
  - Eastern Boundary: Union Pacific Railroad
  - Northern Boundary: State Highway 7
  - Western Boundary: Fairbank Avenue
  - Southern Boundary: Canadian National Railroad
- Approximately 752 acres are currently developed or under construction and occupied by the following industries: Cargill, Valero, and CJ Bio America.
- Nearly all of the remaining 1,598 acres are developable and make up 22 parcels of land.
- The undeveloped land parcels are owned by 10 separate entities/parties, including Majestic Farms who owns the largest tract of land.
- The exact site location is shown on a map within the appendix of this report.

## Site Topography and Floodplain Information

- The site generally slopes from north to south, with a high point at the northwest part of the site and a low point along the south edge of the site.
- USGS maps reflect a portion of the east part of the site currently developed by Valero sloping to the northeast.
- The South Branch Lizard Creek exists south of the site, with Lizard Creek located north of the site.
- The majority of the site drains toward the South Branch Lizard Creek with the exception of the north part of the currently developed Valero site, which drains north to Lizard Creek.
- A review of the current Federal Emergency Management Agency (FEMA) floodplain maps was performed on the site.
- Per map 19187C0165A, within the 1,598 acres of undeveloped part of the site, approximately 2.5 acres in the southwest corner is located within a Special Flood Hazard Area.
- Per maps 19187C0165A and 19187C0175A, within the 752 acres of developed part of the site, the north part of the Valero site and the open site between Valero and CJ Bio America are located within a Special Flood Hazard Area.
- A copy of the FIRM maps are included within the appendix of this diligence report.

## Wetlands Information

Construction activities that affect wetlands should be given special consideration. Wetlands have the potential to be classified as Waters of the State or Waters of the United States. Wetlands that are determined to be Waters of the United States (jurisdictional) are subject to review by the Army Corps of Engineers. Major impacts to existing wetlands that are jurisdictional must be permitted and will typically have a review period with the Army Corps of Engineers (six-to-nine months). The permit requires specific mitigations of the wetland disturbance that can potentially affect site development.

- A search was performed of the National Wetlands Inventory (NWI).
- A map of the identified wetlands is attached within the diligence report appendix.
- Several wetlands were identified within the limits of the parcel.
- The identified wetlands, by type, for the project site, are as follows:
  - PEMJf or Palustrine Emergent Intermittently Flooded Farmed
  - Multiple spot locations throughout the entire 2,350-acre site

- PEMJfd or Palustrine Emergent Intermittently Flooded Farmed Partially Drained/Ditched
  - One spot location on the Majestic Farms property within the undeveloped portion of the site

The National Wetland Inventory map does not always accurately depict the existing condition of wetlands. Olsson Associates recommends that a wetland delineation be performed on the parcel to more accurately evaluate the condition of any wetlands that may exist. Once the delineation is complete, the impacts to the property and the potential development of the property can be more fully known.

## Soils Information

- The records were searched to obtain soil information for the subject property.
- Soil information was obtained from the Webster County, Iowa, Soil Survey as prepared by the NRCS.
- A soil map showing the soil types has been included within the appendix of this diligence report.
- Seventeen soil types are present across the development area as identified by the NRCS. The soil formation's names and descriptions are included in the appendix of this diligence report. The majority of the soils on site are derived from alluvium, colluvium, and/or supraglacial material that was deposited as the glaciers melted.
- The majority of the soils present on site are regarded as having a high shrink/swell potential and a fair to poor bearing capacity, as it pertains to construction suitability. Typical physical properties and construction limitations, as provided by the NRCS, are provided within the appendix of this diligence report. These values are general in nature and are intended to be used for guidance purposes only. Additional laboratory testing will be necessary to verify soil parameters.
- Generally, the soils discussed in the NRCS report can be properly prepared to provide suitable bearing capacity for lightly loaded building construction. Moderately to heavily loaded structures may require an intermediate and/or deep foundation system to provide adequate support.
- It is suggested that a geotechnical report be prepared in the event of development and building design to confirm the suitability of the soils specific to the specific building pad site contained within the project area.
- It is suggested that this geotechnical report include recommendations for necessary grading procedures and bearing pressures for foundation support.

## Environmental

On July 5, 2012, Olsson Associates performed an environmental database search on the approximately 2,350-acre Webster Ag Industrial site. (See the attached Executive Summary and Map of Findings.) No violations or incidents that would indicate the potential for soil or groundwater contamination were identified in the search. The following summarizes the findings of the database search:

Three sites were identified in the search:

- VeraSun, Fort Dodge (current Valero site)
- Tate and Lyle Ingredients, Inc. (current Cargill site)
- Roger Coppinger (current Cargill site)

### VeraSun *(current Valero site)*

#### CESQG

VeraSun is listed as a Conditionally Exempt Small Quantity Generator (CESQG), which indicates < 100 kg of hazardous waste generated with the following waste codes:

- D001 – Ignitable
- D002 – pH
- D003 – Reactive
- D004 – Arsenic
- D007 – Chromium
- D009 – Mercury
- D011 – Silver
- D018 – Benzene
- F003 – Halogenated Solvents

EPA inspected the site in 2005 and noted no violations.

#### NPDES, AIRS, SPILL

On April 18, 2006, a spill of ammonia was reported. The spill was reported as one pound per hour of ammonia gas. No threat to soil or waterways was noted.

#### AST

Five Aboveground Storage Tanks (ASTs) are reported on site. No spills or leaks were reported. The contents of the tanks were not noted, and the sizes of the tanks are as follows:

- 3 – 200,000-gallon steel tanks
- 2 – 1,500,000-gallon steel tanks

### TSCA

The manufacturing site listed numerous toxic chemicals on the Toxic Substances Control Act (TSCA) inventory. No violations were noted in relation to this listing.

### Tate and Lyle Ingredients, Inc. *(current Cargill site)*

No information was noted on the database search for this site.

### Roger Coppinger *(current Cargill site)*

Two 800-gallon USTs were reported for the site. The USTs are non-regulated farm/residential tanks. No reports were made of spills or leaks associated with the tanks. According to the records search, the tanks are closed.

## Environmental Conclusion

- Based on the previous Phase I ESA and current environmental database search, no recognized environmental conditions were identified.
- This conclusion is clarified with the statement that no site visited, no environmental samples, and no interviews were performed to complete this environmental review.

## Utility Infrastructure Information

The subject project site underwent a review of existing utility infrastructure, showing where existing public and private utilities are located. An exhibit showing the location of utility infrastructure is included in the appendix of this diligence report

The following forms of utility infrastructure have been assessed, and the findings are as follows:

### Sanitary Sewer

- The City of Fort Dodge operates the public wastewater system.
- A Pump Station serving Cargill and CJ Bio America is located on the south part of the Cargill site, just north of the Canadian National Railroad along an extension of the Hayes Avenue alignment.
- The pump station currently has two pumps, each with 3.5 MGD capacity.
- Two 16-inch sanitary sewer force mains carry flow from the Pump Station to the wastewater treatment facility.
- Average annual daily usage of the city wastewater system is 6.3 MGD.
- Total capacity of the city wastewater system is 20.0 MGD.
- The wastewater treatment plant has an average daily treatment capacity of 10.5 MGD.
- Average annual peak utilization of the city wastewater system is 9.6 MGD.

- The wastewater treatment facility currently has additional capacity of 5 MGD to serve future development.
- The city has completed a report, "North Central Ag-Park Expansion – Facility Plan," analyzing phased development and wastewater system improvements.
- A gravity sanitary sewer main has been extended from the Ag-Park Pump Station to the west side of Harvest Avenue to serve Cargill, CJ Bio America, and future users within the subject site.
- Discharging industrial development may require pre-treating the sewer to remove certain industrial by-products before discharging to the public sanitary sewer system.

## Public Water

- The City of Fort Dodge operates on a public water system.
- An existing 30-inch public water main serves Cargill, Valero, and CJ Bio America, entering the southeast corner of the subject site, running along the south side of the property of the south extension of Hayes Avenue, and running north to its end on the west side of Hayes Avenue at the north building line of Valero.
- The existing 30-inch line can provide 8 MGD of water to the subject area.
- The existing water plant has a 14 MGD capacity.
- The water main would need to be extended to serve future potential users within the site.
- The city has completed a report, "North Central Ag-Park Expansion – Preliminary Engineering Report," analyzing phased development and water system improvements.
- Industrial development on this project site should be designed considering the maximum available pressure and flow.

## Stormwater

- Stormwater runoff from the site generally drains from north to south, with a high point at the northwest part of the site and a low point along the south edge of the site.
- The majority of the site drains toward the South Branch Lizard Creek, with the exception of the north part of the currently developed Valero site, which drains north to Lizard Creek.
- Proposed industrial users should incorporate grading and storm sewer design into their site development such that the existing drainage patterns would not be adversely affected.
- Large industrial developments should be prepared to provide on-site stormwater detention to minimize the impacts of increased impervious area and increased stormwater runoff.

## Electrical Service

- MidAmerican Energy operates the electrical distribution and supply service to the City of Fort Dodge and the existing industries located within the study area.
- 161 kV with 3 Phase 13.2 kV lines exist along the north side of the site to the west side of Harvest Avenue, along the south side of the site to Hayes Avenue, and through the site along Hayes Avenue, providing excellent redundancy.
- Two substations exist within the study area, one at the north part of the Valero site and one at the Cargill site west of Hayes Avenue.
- 69 kV with 1 Phase 7.62 kV service extends west along the remainder of the site from the end of the 161 kV, 3 Phase 13.2 kV service, which ends on the west side of Harvest Avenue.
- Existing line electrical service could be readily extended to potential industrial users within the site.
- A preliminary layout should be prepared and reviewed with MidAmerican officials to determine the specific requirements and capabilities to provide electric service to the project site.

## Gas Service

- MidAmerican Energy operates the local natural gas supply system.
- An existing 12-inch gas main serves the existing industries supplied from the east and running along the north side of the Valero site to Hayes avenue where it runs south to the north edge of Cargill operations and runs west to serve Cargill and CJ Bio America.
- Gas service could be readily extended to potential industrial users on the site.
- A preliminary layout should be prepared and reviewed with MidAmerican Energy officials to determine the specific requirements and capacities to provide gas service to the project site.

## Telecommunications

### Telecommunications Providers

#### WEBSTER-CALHOUN COOPERATIVE TELEPHONE ASSOCIATION

- Fiber currently bordering the north side of subject site supplied from the west and ending west of Harvest Avenue
- Can provide service within the subject site up to 100 MBS

### FRONTIER COMMUNICATIONS

- Serves the City of Fort Dodge with telephone and internet service
- Provides service to CJ Bio America supplied from the east and running along the north side of the site, ending east of Harvest Avenue
- Can provide service within the subject site at up to 80 MBS

### MEDIACOM

- Current cable TV and internet provider in Fort Dodge
- May have the capability of serving the site, but this is currently unknown

## Transportation Infrastructure Information

### Roadway Infrastructure

- The property is served with existing major transportation routes.
- Interstate 35 is located 30 miles to the east and is accessible via Hwy 20.
- Highway 7 runs adjacent to the north side of the subject site.
- Highway 20 (two-lane divided) is located 3.5 miles to the south of the subject site.
- Highway 169 is located 3.7 miles to the east of the subject site.
- Hayes Avenue and Harvest Avenue are existing paved local roads providing access to existing industries off of Highway 7.
- RISE funding has been approved, and planning/design efforts are underway for constructing paved Grain Avenue off of Highway 7, located 0.57 miles west of Harvest Avenue.
- Fairbanks Avenue is an unpaved gravel road along the west side of the subject property.
- Route P29 is a paved local road located three miles west of Grain Avenue, providing access to Highway 20.

### Railroad Infrastructure

- Existing Canadian National Railway (CN) and Union Pacific Railroad (UPRR) mainline tracks intersect just west of Fort Dodge, Iowa, near the intersection of County Highway P33 and 200th Street.
- The existing CN mainline track line runs east/west with access serving Cargill, Valero, and CJ BIO America.
- The existing UPRR mainline track runs north/south with access serving Cargill, Valero, and CJ BIO America.
- The existing Cargill wet corn milling operation will begin production in third quarter 2013.
- The existing Valero plant is a dry mill ethanol facility and is currently in operation.

- CJ BIO America is in the process of constructing a lysine facility with trackage branching from the existing Cargill industry lead track; plant operations are anticipated to begin in early 2014.
- Webster County is proposing to construct a track that will run east/west and parallel between a CN existing mainline and an existing Cargill loop track. Future access, layout, and use is indefinite at this time.
- Preliminary track layouts should be prepared and reviewed by CN and UPRR representatives to determine specific requirements and the capability to provide rail service to the project site.
- Webster County will need to identify who will perform operations and maintenance beyond UPRR and CN rights-of-way; opportunity exists for third-party switching.

## Zoning and Land Use

- The subject property is within the zoning control of Webster County.
- Site land uses are controlled by the following governing documents:
  - Webster County Comprehensive Plan 2008
  - Webster County Zoning Ordinance 2009
  - Webster County Floodplain Ordinance 2012
- Please refer to the Webster County Zoning Map and the Webster County Future Land Use Map for further details.
- The following existing land uses are found on the subject site, from largest to smallest land percentages:
  - Agricultural
  - Industrial
  - Rural Residential
- The site is almost entirely bordered by agricultural; however, one single-family residence exists at the most southeastern portion of the project area.

## Zoning Districts

The following zoning districts exist within the boundary of the project area:

### *A-1 – AGRICULTURAL PRESERVATION DISTRICT*

- This district comprises less than five percent of all land mass within the project area
- Intention of this district is to:
  - Preserve the prevailing rural agricultural farming characteristics and resources of Webster County.
  - Encourage and promote the interest of farms and preservation of production ground over all other uses.

- Rural residential is allowed with 40 acres of overall maximum density and two, non-farm residences per quarter-section.
- Non-farm residences must be located on graveled or hard-surfaced county road/highway, State Highway or U.S. Highway Corridors.
- Conditional uses with higher pedestrian impacts are allowed within this district, such as:
  - Hunting and gun clubs
  - Bed and Breakfasts
  - Public parks
  - Commercial kennels

### *AG/I – AGRICULTURAL INDUSTRIAL DISTRICT*

- This district constitutes over 95 percent of the land mass of the project area.
- This district intends to permit light and heavy industrial uses, including processing and agricultural manufacturing, but is not intended for general manufacturing.
- Permitted uses include agricultural production, distillery, storage, and manufacturing facilities.
- Cold storage, warehousing, and support facilities are additional permitted uses.
- No conditional uses are allowed.
- No opportunity exists to provide special permits.
- Retail, residential, motor vehicle repair, and manufacturing and warehousing uses that do not meet the criteria for a permitted principal use are not permitted.

## Future Land Uses

The following are adopted future land uses for the subject site, from largest to smallest land percentages:

- AG/I – Agricultural Industrial
- Agricultural Preservation

Key considerations of planning and zoning for the subject site are as follows:

- The future land use map reflects a preservation of agricultural production on the western one-third of the subject property.
- The zoning map indicates agricultural/industrial use that allows for very specific user groups but disallows some identified within the target group.
- Olsson suggests adjusting the comprehensive plan and the zoning code to revise the future land use map and develop conditional uses for the agricultural/industrial zoning classification.

## Zoning/Building Permits

The following are general instructions for obtaining zoning/building permits:

- Permits are needed for building new structures, adding onto/renovating existing facilities, or planning to use the property differently from its current use.
- Signs require a separate application.
- A copy of the deed and/or plat of the survey for the property may be requested by the zoning administrator.
- Such a permit requires a timeline for starting construction to be listed in the initial application.
- Please see the zoning/building permit application and the fee schedule for further information.

## Commercial Air Service

- The nearest commercial air service is located at the Fort Dodge Regional Airport (FOD).
- The airport is located about one mile north of the City of Fort Dodge.
- Commercial service is available through Great Lakes Airlines.
- The airport has two runways: ILS 6,547'x150' Runway 6-24 and Non-Precision 5,500'x100' Runway 12-30.
- An ILS outer marker and non-directional beacon (NDB) is located within the study area, five miles from the end of a runway, serving as the only instrument approach for the airport.
- An airspace drawing is attached within the diligence report appendix.

## Foreign Trade Zones (FTZ)

- The closest foreign trade zone is Foreign Trade Zone #107, in Des Moines, Polk County, Iowa.
- Webster County, Iowa, is currently within the service area of this FTZ, and any industry within the subject site can apply to become a sub-zone of FTZ #107.
- In February of 2012, the Iowa Foreign-Trade Zone Corporation submitted an application to the U.S. Foreign-Trade Zone Board for authority to use the "Alternative Site Framework" procedure to provide quick and simple access to FTZ #107. If approved, a sub-zone has the ability to be created in 30-90 days as opposed to the current one year time frame for sub-zone creation.