



MAYOR & COUNCIL COMMUNICATION

DATE: 12/7/2010
REGULAR
ITEM #: 16
MOTION *Resolution No. 2010-073*

AGENDA ITEM: Lake Elmo Avenue Infrastructure Project I-94 to 30th Street – Authorize Design for Alternate Gravity Sewer (South of 10th Street), or Approve Plans and Specifications and Order the Advertisement for Bid

SUBMITTED BY: Jack Griffin, City Engineer

THROUGH: Bruce A. Messelt, City Administrator

REVIEWED BY: Ryan Stempski, Assistant City Engineer
Tom Bouthilet, Finance Director

SUMMARY AND ACTION REQUESTED: The City Council is respectfully requested to provide direction to staff as follows:

1. Authorize staff to prepare plans and specifications to incorporate a gravity trunk sewer option for south of 10th Street as an add/alternate bid for the above project. For this option the recommended motion to act on is as follows:

SUGGESTED MOTION: *“Move to direct staff to prepare plans and specifications, work with the impacted property owners, acquire appraisals and negotiate the necessary easements, all as necessary to incorporate an add/alternate bid option to provide a gravity trunk sewer for all or portions of the trunk sewer project between 10th Street and the I-94 corridor.”*

OR

2. Approve Resolution No. 2010-073, thereby approving the Plans and Specifications for the Lake Elmo Avenue Infrastructure Project I-94 to 30th Street, and order the advertisement for bids. For this option the recommended motion to act on is as follows:

SUGGESTED MOTION: *“Move to approve Resolution No. 2010-073 Approving the Plans and Specifications for the Lake Elmo Avenue Trunk Sewer Infrastructure Project I-94 to 30th Street and Ordering the Advertisement for Bids.”*

STAFF REPORT: TKDA has completed the Plans and Specifications for the Lake Elmo Avenue Infrastructure Project from I-94 to 30th Street. The project design, as completed at this time, includes a trunk sanitary sewer forcemain along the entire project corridor, connecting the proposed Village Area Lift Station to the MCES Meter Station (located near Hudson Boulevard and Lake Elmo Avenue). The project plans have been designed with the Village Area Lift Station located near Lisbon Avenue and 30th Street on a site previously presented to the Council as Site No. 3, located outside of and to the east of Reid Park.

In accordance with Council direction, received at the August 17, 2010, meeting, staff has finalized the proposed project plans and is prepared to advertise the project and receive contractor bids. Should the City choose to take bids on the project, the bid schedule, including the actual bid date, could be set to occur at any time this winter or spring, at the Council's discretion, upon making 21 days public notice.

Once bids are received, the contract documents will allow for the bids to be retained by the City for a period of 60 days, before the City must either award the project or reject all bids. If the project is awarded, construction work would begin in the spring of 2011 and would be substantially completed in November 2011. The detailed Plans and Specifications are available for review at City Hall. The Engineer's post design estimate of total project costs is \$3.8 million.

Also in accordance with Council direction, received at the August 17, 2010, meeting, staff has completed a preliminary layout for a design alternative to install gravity trunk sewer in lieu of a forcemain trunk sewer for the areas along the corridor between 10th Street and Hudson Boulevard (I-94). Staff has met and discussed this alternative with most of the impacted property owners and has received a favorable initial response to moving forward with this design alternative.

In order to further pursue this design alternative, staff is seeking Council direction and authorization to obtain soil borings, complete a design survey, and prepare plans and specifications to incorporate this alternative as an add/alternate bid option for the project. This work would also include continued discussions with the impacted property owners, preparation of easement appraisals, and negotiation with property owners to acquire the necessary easements.

The Engineer's preliminary estimate of total project cost for the project with the gravity sewer option is \$5.2 million, not including any costs that may be necessary for easement acquisitions. If Council authorizes this option tonight, we could be ready for contractor bids in accordance with the attached proposed Project Schedule for Option 1.

FINANCIAL CONSIDERATIONS: Moving forward with the gravity sewer option for south of 10th Street does require an initial capital investment by the City, however, once the sewer system is fully built-out, the City would save roughly \$600,000 in today's dollars by not constructing redundant pipe infrastructure.

Should Council elect to proceed in any fashion with the proposed project, City staff will engage with in-house and contracted Financial Advisors to develop various funding scenarios and options for the City Council to consider well prior to bid acceptance, awarding, and final project approval.

RECOMMENDATION: Staff recommends that the City Council discuss with staff and provide direction for defining the next steps for this project by taking one of the following actions:

1. Authorize staff to prepare plans and specifications to incorporate a gravity trunk sewer. Authorize staff to prepare plans and specifications to incorporate a gravity trunk sewer option for south of 10th Street as an add/alternate bid for the above project. For this option the recommended motion to act on is as follows:

***SUGGESTED
MOTION:***

“Move to direct staff to prepare plans and specifications, work with the impacted property owners, acquire appraisals and negotiate the necessary easements, all as necessary to incorporate an add/alternate bid option to provide a gravity trunk sewer for all or portions of the trunk sewer project between 10th Street and the I-94 corridor.”

OR

2. Approve Resolution No. 2010-073, thereby approving the Plans and Specifications for the Lake Elmo Avenue Infrastructure Project I-94 to 30th Street, and order the advertisement for bids. For this option the recommended motion to act on is as follows:

***SUGGESTED
MOTION:***

“Move to approve Resolution No. 2010-073 Approving the Plans and Specifications for the Lake Elmo Avenue Trunk Sewer Infrastructure Project I-94 to 30th Street and Ordering the Advertisement for Bids.”

Alternatively, the City Council does have the authority to table this item for future consideration, or further discuss, deliberate and/or, if appropriate, amend the recommended motion or resolution prior to taking action. Due to the complexity of this issue, City Engineering, Legal and Administrative staff will assist the City Council with any amendments at the Dias on Tuesday evening

ATTACHMENTS:

1. Resolution No. 2010-073
2. Project Schedule – Option 1
3. Project Schedule – Option 2

SUGGESTED ORDER OF BUSINESS:

- Introduction of Item City Administrator
- Report/Presentation..... City Engineer
- Questions from Council to Staff Mayor Facilitates
- Public Input, if Appropriate Mayor Facilitates
- Call for Motion Mayor & City Council
- Discussion Mayor Facilitates
- Action on Motion Mayor & City Council