



## MAYOR & COUNCIL COMMUNICATION

DATE: 7/20/10  
CONSENT  
ITEM #: 4  
MOTION *as part of Consent Agenda*

**AGENDA ITEM:** 2009 Street Improvements - Resolution Declaring Cost to be Assessed, Ordering Preparation of Proposed Assessment, and Calling for Hearing on Proposed Assessment

**SUBMITTED BY:** Ryan Stempski, Assistant City Engineer

**THROUGH:** Bruce Messelt, City Administrator

**REVIEWED BY:** Jack Griffin, City Engineer  
Tom Bouthilet, Finance Director  
Dave Snyder, City Attorney

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**SUMMARY AND ACTION REQUESTED:** As part of its Consent Agenda, the City Council is respectfully requested to approve Resolution No. 2010-035 declaring costs to be assessed for the 2009 Street Improvements, ordering preparation of the proposed assessments, and calling for a Hearing on the proposed assessments.

**BACKGROUND INFORMATION:** The 2009 Street Improvement Project has been completed and the total project costs are known. Pursuant to Minnesota Statutes Section 429, the Council must declare the amount to be assessed against the benefiting properties and the Hearing on the Proposed Assessment for these improvements needs to be conducted.

The Assessment Hearing is scheduled to be conducted at the August 17, 2010, City Council Meeting with the Final Assessment Roll being certified to the County Auditor by November 30, 2010.

**Of Note:** Assessments and assessment policies for future street projects are to be reviewed by the Assessment Review Committee (made up of appointed Council Members and Staff) and subsequently discussed with the Council.

The final costs and assessments compared to planned costs are as follows:

	<b>Final Project Costs</b>	<b>Preliminary Project Costs</b>
<b>Total Project Costs</b>	\$445,368	\$478,400 (Post Bid Estimate)
<b>Assessments</b>		
<b>Myron Ellman Sub-Division</b>	\$700	\$800
<b>Assessments</b>		
<b>Eden Park Development</b>	\$1,750	\$2,430
<b>Assessments</b>		
<b>Eden Park 2nd Development</b>	\$2,200	\$2,430
<b>Assessments</b>		
<b>The Forest Development</b>	\$1,750	\$2,430
<b>Total City Share</b>	\$311,318	\$334,670

**STAFF REPORT:** The final project costs have been tabulated for each development. Through careful management of the construction contract and coordination with the Contractor, Tower Asphalt, Inc., the final project costs for the assessable street improvements were below the Post-Bid project cost estimate amount of \$478,400. The final costs came in 6.8% below the Post-Bid project cost estimate, resulting in a total savings of \$33,032. The City portion was reduced by \$23,352.

This savings was shared by the benefitting property owners as follows: Myron Ellman unit assessment was reduced by \$100 (12.5%), Eden Park unit assessment was reduced by \$680 (28%), Eden Park 2<sup>nd</sup> unit assessment was reduced by \$230 (9.5%), and The Forest unit assessment was reduced by \$680 (28%). The existing bituminous curb was salvaged on the streets in Eden Park and The Forest. Eden Park 2<sup>nd</sup> Addition had new bituminous curb installed with this project. Myron Ellman did not have curb originally and did not have new curb installed with this project.

In addition, the final project costs for the Tablyn Park Entrance Road and Parking Lot improvements were below the Post-Bid project cost estimate amount of \$64,500, resulting in a total savings to the City of \$2,800.

**RECOMMENDATION:** It is recommended that the City Council approve as part of the Consent Agenda Resolution No. 2010-035 declaring costs to be assessed for the 2009 Street Improvements, ordering preparation of the proposed assessments, and calling for a Hearing on the proposed assessments.

Alternatively, the City Council does have the authority to remove this item from the Consent Agenda and further discuss and deliberate prior to taking action. Indefinite tabling action at tonight's meeting may prove problematic, however, as statutory timelines dictate deadlines for formal adoption of such assessments.

In particular, the Council may elect to consider amending the motion to leave the 2009 Street Improvements assessments as presented in the preliminary assessment hearing (as shown in the Preliminary Project Costs column in the table above). While such action will be consistent with that originally estimated, and the results will leave the City in a slightly better financial position, this action would not allocate actual cost savings back to the benefitting properties.

**“Move to approve Resolution No. 2010-035 *[as amended at tonight's meeting]*;  
A Resolution Declaring Costs to be Assessed, Ordering Preparation of  
Proposed Assessment, and Calling for the Hearing on the Proposed  
Assessment for the 2009 Street Improvements.”**

**ATTACHMENTS:** (3)

1. Resolution No. 2010-035
2. Notice of Hearing
3. Final Assessment Roll

**SUGGESTED ORDER OF BUSINESS (if removed from the Consent Agenda):**

- Questions from Council to Staff ..... Mayor Facilitates
- Call for Motion ..... Mayor & City Council
- Discussion ..... Mayor & City Council
- Action on Motion ..... Mayor Facilitates