DATE: April 15, 2014

REGULAR ITEM 9

AGENDA ITEM: 39th Street North: Street and Sanitary Sewer Improvements – Resolution

Receiving Feasibility Report and Calling Hearing on Improvement

SUBMITTED BY: Jack Griffin, City Engineer

THROUGH: Dean A. Zuleger, City Administrator

REVIEWED BY: Adam Bell, City Clerk

Cathy Bendel, Finance Director Chad Isakson, Project Engineer

SUGGESTED ORDER OF BUSINESS:

POLICY RECOMMENDER: Engineering

FISCAL IMPACT: None.

The Feasibility Report was previously authorized. Calling for and conducting the Public Improvement Hearing is included in the feasibility report scope of services.

SUMMARY AND ACTION REQUESTED:

The City Council is respectfully requested to consider adopting Resolution No. 2014-24 receiving the Feasibility Report and calling for a Public Improvement Hearing for the 39th Street North: Street and Sanitary Sewer Improvements to be held on May 6, 2014. The recommended motion for this action is as follows:

"Move to adopt Resolution No. 2014-24, receiving the Feasibility Report and calling Hearing for the 39th Street North: Street and Sanitary Sewer Improvements."

LEGISLATIVE HISTORY/BACKGROUND INFORMATION:

Pursuant to Minnesota Statue 429, the City of Lake Elmo received a Petition requesting street and sanitary sewer improvements along 39th Street North, from State Highway 5 to Lake Elmo Avenue.

The 39th Street North: Street and Sanitary Sewer Improvement project will be built in conjunction with the Village East Trunk Sanitary Sewer extension project in 2014. The Village Sewer project will extend trunk sanitary sewer from the new Village lift station near Reid Park to undeveloped properties in the north and northwestern Village area. The Village area comprehensive sewer plan indicates the preferred alignment for this trunk sewer to be along 39th Street North.

The feasibility report was authorized by the city council on March 18, 2014 in order to ready these improvements for 2014 construction. The feasibility report is needed to meet state statutory requirements if any portion of the project is to be assessed to benefitting properties. The report identifies the necessary improvements, the estimated project costs, the assessment methodology and preliminary assessment amounts to be levied against properties adjacent to and benefitting from the street and sanitary sewer improvements.

The improvements consist of the following:

- Reconstruction of 39th Street North from State Highway 5 to CSAH 17. The street improvements are proposed to be an extension of the Village Parkway street section as envisioned in the Village area plan.
- The improvement includes an alternative to add an 8-foot bituminous trail along the north boulevard and a 6-foot sidewalk along the south boulevard in order to maintain the extension of Village Parkway.
- Replacement of the existing storm sewer conveyance system along 39th Street North.
- Extension of 10 and 12-inch diameter trunk sanitary sewer in connection with the Village East Trunk Sanitary Sewer extension.
- Installation of 11 service stubs to existing properties to provide owners with the opportunity to hook up to municipal sewer.

The total estimated project cost is \$1,247,000. The street and storm sewer improvement portion is \$641,000, the sanitary sewer improvement is \$425,000, the sidewalk improvement is \$113,000, and the trail improvement is \$68,000.

Street improvements will be financed by levying special assessments against the benefitting properties along 39th Street North. Non-residential properties will be assessed 80-100% of the total project costs based upon the abutting property's front footage.

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The total estimated project costs to bring sanitary sewer from the lift station through 39th Street will be paid in full by all properties benefitting from the extension. Project costs were apportioned based on the Residential Equivalent (REC) Units method. Benefitting properties along 39th Street are proposed to be specially assessed for their portion of this Village Eastern Trunk Sewer.

With the assessments being levied over 15 years, the city should bond for the project as the interim funding source, and repay the bond using the assessments as they are collected. The feasibility report findings and recommendations will be further presented at the meeting.

RECOMMENDATION:

Staff is recommending that the City Council adopt Resolution No. 2014-24, receiving the Feasibility Report and calling Hearing for the 39th Street North: Street and Sanitary Sewer Improvements. The recommended motion for this action is as follows:

"Move to adopt Resolution No. 2014-24, receiving the Feasibility Report and calling Hearing for the 39th Street North: Street and Sanitary Sewer Improvements."

ATTACHMENT(S):

- 1. Resolution 2014-24 Receiving the Feasibility Report for the 39th Street North: Street and Sanitary Sewer Improvements and Calling Hearing on Improvement.
- 2. Notice of Hearing on Improvement.
- 3. Location Map.
- 4. Project Schedule.
- 5. Feasibility Report (available for review at City Hall)