MAYOR & COUNCIL COMMUNICATION

DATE: **October 21, 2014**
REGULAR ITEM **18**

AGENDA ITEM: Inwood Booster Station Improvements – Approve Terms for Site Acquisition

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:

- Introduction of Item..... City Engineer
- 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 & City Council
- Action on Motion..... Mayor Facilitates

POLICY RECOMMENDER: Engineering

FISCAL IMPACT: $22,500.

The City will be paying $22,500 to acquire fee title to the parcel of land identified as the most beneficial site for locating the Water Booster Station along Inwood Avenue and waiving a $5,800 lateral benefit assessment to the property located at 2298 Inwood Avenue. The purchase amount is about 62% of the amount budgeted for this project in the total project costs. The amount is therefore within the Capital Improvement Plan budget, however it is unknown at this time whether or not the land acquisition costs are eligible for reimbursement from the $3.5 million MN-DEED Grant.

The land acquisition costs will be funded through the $3.5 million MN-DEED Grant, if found to be an eligible grant cost, or through the Water Enterprise Fund.

SUMMARY AND ACTION REQUESTED:

The City Council is respectfully requested to consider approving the Booster Station Site Acquisition Terms as outlined in the City letter dated July 10, 2014. The recommended motion for this action is as follows:

"Move to approve the Booster Station Site Acquisition Terms as outlined in the City letter dated July 10, 2014."

LEGISLATIVE HISTORY/BACKGROUND INFORMATION:

The Inwood Booster Station and Trunk Watermain Improvement project is a $3.1 million water system infrastructure project that is needed to deliver city water service to support the growth and development in the I94 corridor, residing in the high water pressure zone. More specifically this project serves the corridor area between Inwood Avenue and Keats Avenue (Sections 33 and 34) that will include the Savona development, Boulder Ponds, Hammes Estates, Alan Dale properties, Azur properties, MFC & CM properties, and the existing properties within the Eagle Point Business Park.

This project is programmed for construction in the 2015 Capital Improvement Plan. The proposed improvements include the extension of trunk watermain facilities along Inwood Avenue from 26th Street North to Eagle Point Boulevard. A water booster station has been identified as part of this improvement to increase water pressures in the southern part of the city due to higher topography. A feasibility report was authorized by the city council on August 6, 2013 in order to ready this project for 2015 construction. The feasibility report identified the need to acquire property in the vicinity of 26th Street North and Inwood Avenue to accommodate the water booster station facility.

Over the past year, staff has been working with various property owners and Washington County to negotiate the purchase of the water booster station site and has secured an agreement to acquire a property ideal for the project, subject to council approval. The Site Acquisition terms are outlined in the attached letter dated July 10, 2014. The location of the site is identified in the attached Site Location Map.

RECOMMENDATION:

Staff is recommending that the City Council approve the Booster Station Site Acquisition Terms as outlined in the City letter dated July 10, 2014. The recommended motion for this action is as follows:

"Move to approve the Booster Station Site Acquisition Terms as outlined in the City letter dated July 10, 2014."

ATTACHMENT(S):

1. City/County Joint Site Acquisition Letter Offer to Property Owner, dated July 14, 2014.
2. Site Location Map.