



MAYOR & COUNCIL COMMUNICATION

DATE: July 7, 2015
REGULAR
ITEM # 13

AGENDA ITEM: Inwood Water Booster Station – Approve Land Purchase Agreement

SUBMITTED BY: Jack Griffin, City Engineer

THROUGH: Dean A. Zuleger, City Administrator

REVIEWED BY: Dave Snyder, City Attorney
Cathy Bendel, Finance Director

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: \$27,000 or \$37,800.

The purchase price is \$27,000 or \$37,800, depending upon council and property owner direction, to acquire fee title to a parcel of land for locating the Inwood Water Booster Station along Inwood Avenue just south of the Lake Elmo Heights neighborhood. The Land Purchase Agreement further outlines additional obligations for each party relating to the site acquisition, including the City waiving a \$5,800 lateral benefit assessment to the property located at 2298 Inwood Avenue.

The land acquisition cost will be funded by the Water Enterprise Fund, unless the cost is determined to be eligible for reimbursement through the \$3.5 million MN-DEED Grant.

SUMMARY AND ACTION REQUESTED:

The City Council is respectfully requested to consider approving the Inwood Water Booster Station Land Purchase Agreement and directing the purchase of a 90 ft. by 75 ft. parcel (or 105 ft. by 90 ft.). The recommended motion for this action is as follows:

“Move to approve the Inwood Water Booster Station Land Purchase Agreement to purchase a 90 ft. by 75 ft. parcel (or 105 ft. by 90 ft.) with the Caroline Mary Eberhard Living Trust.”

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.

Staff has been working with the property owner to negotiate the purchase of the proposed water booster station site (75 ft. by 75 ft.) and had a previous agreement outlining the site acquisition terms per a letter dated July 10, 2014 and as approved by the City council on October 21, 2014. Recently the property owner has requested to eliminate the part of the sale relating to the County’s acquisition of 15 feet along the eastern property line. To accommodate this request the City must acquire additional area consisting of 15 ft. by 75 ft. to close the gap between the proposed booster station site and the existing County right-of-way. In addition the City must now officially lead the acquisition process.

Furthermore, at the request of the property owner the City has identified a minimal footprint for property acquisition to adequately site the booster station. The minimum footprint of 75 ft. by 75 ft. was determined on the assumption that the property owner would grant temporary grading and construction easements necessary to redirect drainage around the booster station site and to match grades back to the adjacent property lines. The property owner has also submitted renderings demonstrating a preferred landscaping plan to provide screening for the new facility, including landscape improvements not located on the proposed City acquisition parcel. Therefore when considering the approval of the Land Purchase Agreement, the Council, along with property owner input, will be asked to consider two options for the proposed acquisition. Option 1 consisting of a smaller parcel (90 ft. by 75 ft.) with the property owner granting temporary construction and grading easements, or Option 2 consisting of a larger parcel (105 ft. by 90 ft.) to better accommodate construction and grading and to ensure some landscape screening.

The general terms of the agreement options are summarized as follows:

OPTION 1:

1. The City will pay the landowner \$27,000 to acquire a site 90 ft. by 75 ft. (6,750 sq.ft.) to be located in the northeast corner of the property (Parcel ID 2102921310001) and abutting the CSAH 13 road R/W.
2. The site will be used by the City to construct and operate a water booster station. The first 15 feet from the County R/W is to be reserved for future County R/W dedication. The booster station will be constructed on the remaining 90 feet by 75 feet.

3. The City will waive one \$5,800 lateral benefit assessment associated with the Inwood Trunk Watermain Improvements passing the existing property at 2298 Inwood Avenue North.
4. The property owner will provide, at no cost, temporary grading and construction easements immediately adjacent to the 75 foot by 75 foot parcel for a distance up to 15 feet to the west of the parcel and 15 feet to the south of the parcel.
5. The City will pay all costs for survey, legal descriptions and transaction costs associated with the purchase and property description changes including recording documents at the County.
6. The property owner will review and sign the closing documents. However, the City will not reimburse the property owner for costs incurred for legal or other representation.
7. The City will review draft site plans with the property owner and consider input while developing the site plan, however the plan will not be subject to property owner's direction or approvals.
8. The City may provide landscaping of the site after the booster station is operational (upon completion of the project), to be completed under a separate contract at the City's discretion. Landscaping may not fit on the City parcel and the City is under no obligation to install landscaping beyond the City owned property.

OPTION 2:

1. The City will pay the landowner \$37,800 to acquire a site 105 ft. by 90 ft. (9,450 sq.ft.) to be located in the northeast corner of the property (Parcel ID 2102921310001) and abutting the CSAH 13 road R/W.
2. The site will be used by the City to construct and operate a water booster station. The first 15 feet from the County R/W is to be reserved for future County R/W dedication. The booster station will be constructed on a 75 ft. by 75 ft. area with the remaining 15 feet to the south and 15 feet to the west being used for drainage, grading and landscaping.
3. The City will waive one \$5,800 lateral benefit assessment associated with the Inwood Trunk Watermain Improvements passing the existing property at 2298 Inwood Avenue North.
4. The City will pay all costs for survey, legal descriptions and transaction costs associated with the purchase and property description changes including recording documents at the County.
5. The property owner will review and sign the closing documents. However, the City will not reimburse the property owner for costs incurred for legal or other representation.
6. The City will review draft site plans with the property owner and consider input while developing the site plan, however the plan will not be subject to property owner's direction or approvals.
7. The City will provide landscaping of the site after the booster station is operational (upon completion of the project), to be completed under a separate contract at the City's discretion.

RECOMMENDATION:

Staff is recommending that the City Council approve the Inwood Water Booster Station Land Purchase Agreement and directing the purchase of a 90 ft. by 75 ft. parcel (or 105 ft. by 90 ft.). The recommended motion for this action is as follows:

“Move to approve the Inwood Water Booster Station Land Purchase Agreement to purchase a 90 ft. by 75 ft. parcel (or 105 ft. by 90 ft.) with the Caroline Mary Eberhard Living Trust.”

ATTACHMENT(S):

1. Inwood Water Booster Station Land Purchase Agreement.
2. Site Location Map.