



## STAFF REPORT

DATE: July 16, 2019

**REGULAR**

**AGENDA ITEM:** Stonegate Addition Street and Utility Improvements – Authorize Preparation of a Feasibility Report

**SUBMITTED BY:** Jack Griffin, City Engineer

**REVIEWED BY:** Kristina Handt, City Administrator  
Sarah Sonsalla, City Attorney  
Marty Powers, Public Works Director  
Chad Isakson, Assistant City Engineer

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**ISSUE BEFORE COUNCIL:** Should the City Council authorize the preparation of a feasibility report for the Stonegate Addition Street and Utility Improvements?

**BACKGROUND:** In conjunction with the City's Annual Street Maintenance Program, the City has implemented and maintains a five (5) year street Capital Improvement Program which provides long-term planning and management of street and transportation infrastructure throughout the City. The CIP Program consists of a 5-year overview of scheduled capital street projects to address the City's goals for maintaining public street infrastructure to an acceptable level of service. The 5-year horizon of the CIP provides the City with an opportunity to evaluate project priorities annually and to adjust the timing, scope, and cost of projects as new information becomes available. The number of streets selected each year is dependent upon the amount of funding available. Streets that have exceeded their life expectancy and can no longer be effectively maintained are programed for reconstruction in the City's Street CIP.

**PROPOSAL DETAILS/ANALYSIS:** The public streets located in the Stonegate 2nd Addition have been identified for improvement in the year 2020 including the following street segments:

- Julep Avenue North, from the Stonegate 1st Addition to Jewel Avenue;
- Julep Court North, from Julep Avenue to the end of cul-de-sac; and
- Jewel Avenue North, from 10th Street North to the end of cul-de-sac.

In addition to street improvements, the City of Lake Elmo has also applied for grant funds through the Minnesota-3M PFC Settlement Expedited Project Grant Program to extend clean drinking water to 65 homes located in the Stonegate 1st and 2nd Additions. The Stonegate neighborhood is located along the south side of 10th Street North, between Inwood Avenue (CSAH 13) and Keats Avenue (CSAH 19), in an area experiencing groundwater contamination. The neighborhood consists of 65 large Rural Estate lots with private individual onsite wastewater treatment systems and private water supply wells. The properties reside in an area where PFAS contamination exceeds recommended Health Based Values (HBV) and many well advisories have been issued.

If the grant funding is awarded to the City for this neighborhood the project will include the extension of the municipal water system into the neighborhood prior to reconstructing the streets in the 2nd Addition. More specifically, the project will extend the public watermain from the adjacent Inwood development along 10th Street North, then along the public streets and making a looped watermain connection to the adjacent Savona development. Individual water service stubs will be installed to the edge of right-of-way at each of the 65 residential properties.

The project will include grant funding and administrative processes for ensuring each property completes the private service connection from the right-of-way to each home, including water meter installation, sealing of the private well, and all permitting and connection fees.

In order to initiate the improvement, the Council must direct the preparation of a feasibility report as required by the statutory process for public improvements that are specially assessed. The feasibility report will advise on the scope of recommended improvements; provide estimated project costs; identify easement and right-of-way, permits and other requirements of other local agencies needed to implement the improvements; recommend whether the improvements should be best made as proposed or in connection with some other improvement; and advise if the improvements are necessary, cost effective, and feasible. The report will also provide a proposed preliminary assessment roll for each of the benefitting properties based upon the City's Special Assessment Policy for Local Improvements. Consistent with the City Assessment Policy and past practices, the street improvements will be funded 30% through special assessments to the benefitting properties and 70% from the City general fund.

A project schedule for the Stonegate Addition Street and Utility Improvements is attached and outlines the implementation timeframe necessary to ready the improvements for construction in 2020. The proposed schedule provides necessary time to address public involvement, acquire project related easements, acquire field survey before heavy snowfall, and to receive contractor bids early in 2020 to promote a competitive bid environment.

**FISCAL IMPACT:** \$9,800.

If authorized, FOCUS Engineering Inc., will prepare a feasibility report in the not to exceed amount of \$9,800 for the Stonegate Addition Street and Utility Improvements. If the improvements are ordered, the report costs will be charged against the project fund and become assessable to the benefitting properties. Should the project not be constructed, the report costs cannot be assessed.

**RECOMMENDATION:** Staff is recommending that the City Council approve a Resolution Ordering Preparation of a Feasibility Report for the Stonegate Addition Street and Utility Improvements. The recommended motion for this action is as follows:

***“Move to approve Resolution No. 2019-054, Ordering preparation of a Feasibility Report for the Stonegate Addition Street and Utility Improvements to be completed by FOCUS Engineering, Inc. in the not to exceed amount of \$9,800.”***

**ATTACHMENTS:**

1. Resolution Ordering Preparation of a Feasibility Report.
2. Stonegate Addition Street and Utility Improvements – Location Map.
3. Stonegate Addition Street and Utility Improvements – Project Schedule.

**CITY OF LAKE ELMO  
WASHINGTON COUNTY  
STATE OF MINNESOTA**

**RESOLUTION NO. 2019-054**

**A RESOLUTION ORDERING THE PREPARATION OF A FEASIBILITY REPORT  
FOR THE STONEGATE ADDITION STREET AND UTILITY IMPROVEMENTS**

**WHEREAS**, the City maintains a 5-year revolving Street Capital Improvement Program (Street CIP) to promote the strategic use of limited financial resources while maintaining, developing or replacing the City's local street network; and

**WHEREAS**, the Street CIP represents the City's long-range street improvement program that identifies the present and future needs and priorities, and develops a schedule of public improvements to address the most essential improvements first; and

**WHEREAS**, the public streets located in the Stonegate 2nd Addition have been identified for improvement in the year 2020; and

**WHEREAS**, the City has also applied for grant funds through the Minnesota-3M PFC Settlement Expedited Project Grant Program to extend clean drinking water to 65 homes located in the Stonegate 1st and 2nd Addition neighborhoods in the City of Lake Elmo; and

**WHEREAS**, it is proposed to initiate the Stonegate Addition Street and Utility Improvements to extend clean drinking water to all homes located in the Stonegate 1st and 2nd Addition and to improve the following local streets within the Stonegate 2nd Addition; including Julep Avenue North, from the 1st Addition to Jewel Avenue, Julep Court North, from Julep Avenue to the end of cul-de-sac, and Jewel Avenue North, from 10th Street North to the end of cul-de-sac, and

**WHEREAS**, it is proposed to assess the benefiting properties for all or a portion of the cost of the improvement, pursuant to the City's Special Assessment Policy and Minnesota Statutes, Chapter 429.

**NOW, THEREFORE, BE IT RESOLVED,**

That the proposed improvement, called Stonegate Addition Street and Utility Improvements, be referred to the City Engineer and FOCUS Engineering, to complete a feasibility report in accordance with Minnesota Statutes, Chapter 429 for the proposed improvements, and to report to the council with all convenient speed advising the council in a preliminary way as to whether the proposed improvement is necessary, cost-effective, and feasible; whether it should be best made as proposed or in connection with some other improvement; the estimated cost of the improvement as recommended; and a description of the methodology used to calculate individual assessments for affected parcels.

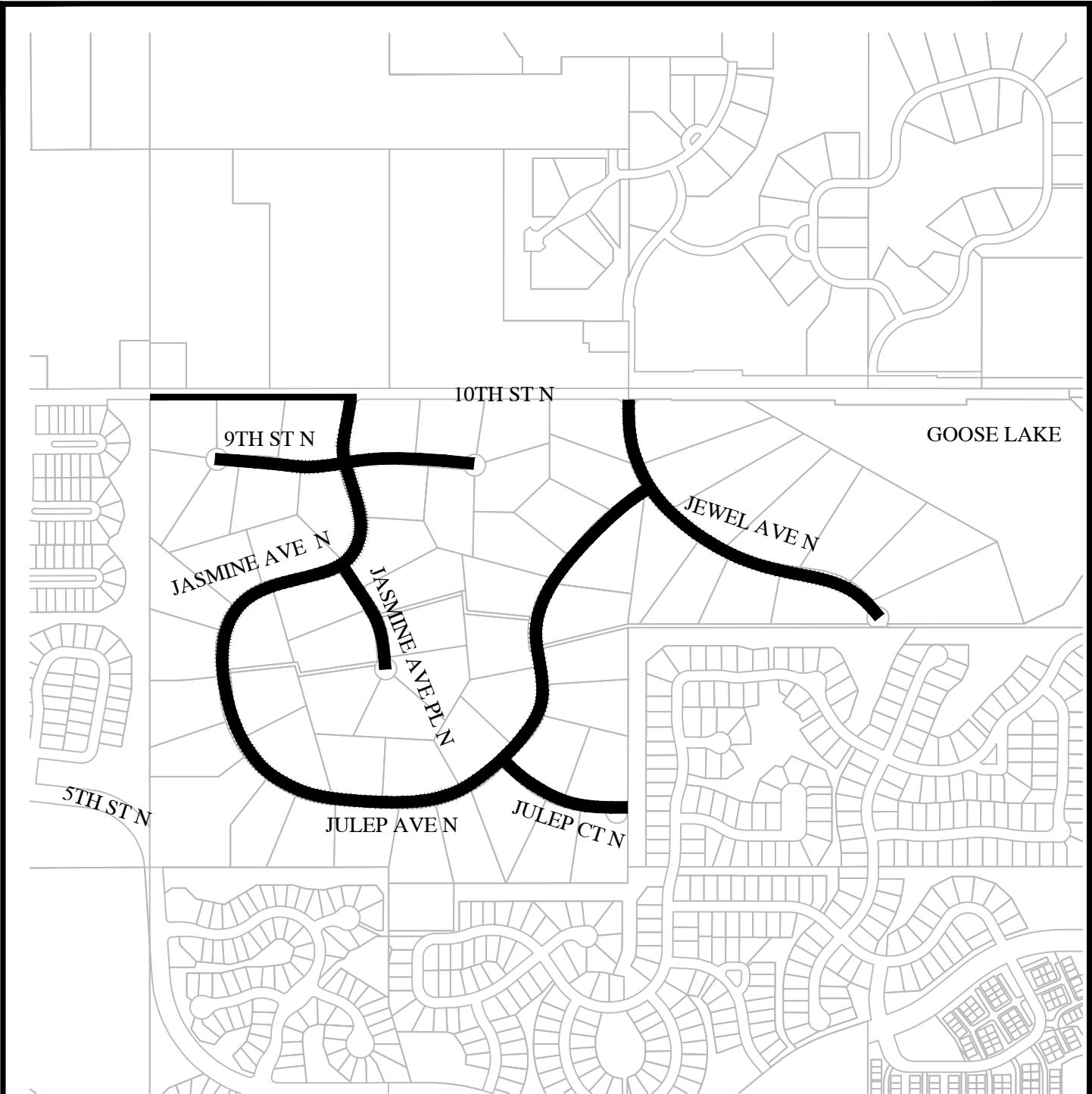
**ADOPTED BY THE LAKE ELMO CITY COUNCIL ON THE SIXTEENTH DAY OF JULY, 2019.**

**CITY OF LAKE ELMO**

By: \_\_\_\_\_  
Mike Pearson  
Mayor

(Seal)  
ATTEST:

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Julie Johnson  
City Clerk



**LEGEND**

 STONEGATE NEIGHBORHOOD



FIGURE NO. 1

**LOCATION MAP**

STONEGATE NEIGHBORHOOD

**FOCUS**  
ENGINEERING, inc.

PROJECT SCHEDULE  
CITY OF LAKE ELMO

**FOCUS** ENGINEERING, inc.

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STONEGATE ADDITION STREET AND UTILITY IMPROVEMENTS  
PROJECT NO. 2019.XXX

*JULY 2019*

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JULY 16, 2019	Council orders preparation of Feasibility Report.
OCTOBER 15, 2019	Presentation of Feasibility Report. Council accepts Report and calls for Improvement Hearing.
NOVEMBER 19, 2019	Public Improvement Hearing. Council orders the preparation of Plans and Specifications.
MARCH 3, 2020	Council approves Plans and Specifications and orders Advertisement for Bids; Declares Costs to be Assessed and Calls for Hearing on Assessment.
APRIL 2, 2020	Receive Contractor Bids.
APRIL 21, 2020	Final Assessment Hearing. Council <u>Orders the Improvement (4/5<sup>th</sup> vote)</u> ; accepts Bids and awards Contract; and adopts the Final Assessment Roll.
MAY 19, 2020	Conduct Pre-Construction Meeting and issue Notice to Proceed. <ul style="list-style-type: none"><li>• SEPTEMBER 25, 2020 Substantial Completion.</li><li>• NOVEMBER 13, 2020 Final Completion.</li></ul>