



DATE: December 7, 2021
PUBLIC HEARING

AGENDA ITEM: Public Improvement Hearing: Resolution Ordering the Improvement for the Torre Pines Street and Utility Improvements

SUBMITTED BY: Jack Griffin, City Engineer

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

ISSUE BEFORE COUNCIL: The City Council is respectfully requested to open the Public Improvement Hearing for the Torre Pines Street and Utility Improvements; and following the Hearing, consider adopting a Resolution Ordering the Improvements (4/5th vote required).

BACKGROUND: The Torre Pines Street and Utility Improvement project includes the extension of public watermain from Inwood Avenue into and throughout the Torres Pines neighborhood to provide clean drinking water to 23 residential properties located along 21st Street, 22nd Street, and 22nd Street Court. Watermain will be installed through directional drilling to minimize impacts to the streets and boulevards. Individual water service stubs will be installed to the edge of right-of-way at each property. Following the watermain installation, street and drainage improvements will be completed including the excavation and replacement of the aggregate base to a depth of 6-inches, and pavement of a new bituminous surface. The existing concrete curb and gutter was found to be in servable condition therefore, only curb and gutter sections found to be cracked or damaged will be replaced. The project plans include an alternate bid package for replacing all curb and gutter to determine if full replacement is more cost effective.

As part of the Grant Agreement with the MPCA, all households in the development, regardless of Health Based Values (HBVs), are eligible to connect to municipal water and all households that connect to city water must have the private wells properly sealed and abandoned as part of the project and within the timeframe of the grant agreement. To implement these State requirements for the project the city intends to levy assessments for the public watermain, and the street and storm sewer improvements in accordance with the city's Special Assessment Policy and current practices. Each property that connects to city water must abandon all private wells, unless exempted by the MPCA as a monitoring well, within one year after water service is made available and following written notice from the city to connect. Once the private improvements are completed, the public watermain, and street and storm sewer improvement assessments levied for this project will be fully or partially reduced based on the grant amount applied by the state.

In order to assess all or a portion of the improvements, the city has prepared a feasibility report as required by the statutory process for public improvements that are specially assessed. The feasibility report has been completed and provides the scope of recommended improvements; estimated project costs; identifies easement and right-of-way, permits and other requirements needed to implement the improvements; recommends whether the improvements should be best made as proposed or in connection with some other improvement; and advises that the improvements are necessary, cost effective, and feasible. The report also includes a preliminary assessment roll for each of the benefitting properties based upon the city's Special Assessment Policy for Local Improvements.

PROPOSAL DETAILS/ANALYSIS: Pursuant to Minnesota Statutes, Section 429.011 to 429.111, a Public Improvement Hearing was noticed for December 7, 2021, to consider making the improvements necessary to extend municipal water into the Torre Pines subdivision and to reconstruct the streets along

21st Street, 22nd Street, and 22nd Street Court. The attached notice was published in the official newspaper and individual notifications were sent to each address that will be wholly or partially assessed for the improvements.

A feasibility report was adopted by the City Council on October 19, 2021 in order to ready these improvements for 2022 construction. The total estimated cost of the improvements is \$2,243,000. This includes \$875,000 for the public watermain improvements, \$944,000 for the street and drainage improvements, and \$424,000 for the private water service connections/well sealing improvements. The proposed public watermain assessment is \$38,000 for each of the 23 residential properties based on assessing 100% of the public watermain improvements on a per REC basis. The proposed street and storm sewer assessment is \$12,300 for each of the 23 residential properties with direct access to the improved roadways. This unit assessment is based on assessing 30% of the street and storm sewer costs on a per unit basis. Assessments for street and drainage improvements will be levied over a 15-year period. Assessments for new watermain improvements will be levied over a 20-year period. All assessments that are not waived and removed from the property will be charged an interest rate of 1% over the bond rate for the project.

In addition, the plans and specifications were approved by the city council and contractor bids will be received on December 15, 2021. Once received, bids may be held for up to 60 days providing the option to present Council with an award recommendation at a future council meeting up the first meeting in February. A project schedule for the improvement is attached and outlines the implementation timeframe for construction in 2022.

FISCAL IMPACT: The total estimated project cost is \$2,243,000. The improvements will be funded primarily through a grant from the MPCA under the 2018 3M Settlement Agreement, in the amount of \$2,219,000, and in accordance with the terms of the MPCA-Lake Elmo Grant Agreement dated April 2, 2021. Special assessments will be levied, and general city funds will be considered to cover costs incurred outside the grant agreement terms.

The city will contract for the public watermain, and street and storm sewer improvements located within the public right-of-way, make payment to the contractors and submit invoices for reimbursement through the MPCA Grant. The City intends to use fund reserves for the public improvements to pay the up-front project costs and to cover any city cost participation. Project invoices will be periodically submitted to the MPCA for grant reimbursement in accordance with the terms of the grant agreement. The private water service connection and well sealing work will be contracted separately by each individual property owner. Eligible private property costs will be paid from the MPCA Grant on a reimbursement basis through the city. This reimbursement applies to the contractor costs to install the water service line from the right-of-way to the home connection, the costs to abandon the private well(s) on the property, and all permit fees including a \$3,000 Water Availability Charge (WAC), a \$1,000 Water Connection Charge, a \$1,040 Meter Fee, and a \$60 Plumbing Permit Fee. If the property currently has a granular activated carbon (GAC) treatment system, the removal of the system from the home will also be reimbursed.

RECOMMENDATION: Staff is recommending that the City Council adopt a Resolution Ordering the Improvements (4/5th vote required) for the Torre Pines Street and Utility Improvements as outlined in the Feasibility Report approved on October 19, 2021. The recommended motion for this action is as follows:

“Move to adopt Resolution No. 2021-139 Ordering the Improvements (4/5th vote required) for the Torre Pines Street and Utility Improvements as outlined in the Feasibility Report approved on October 19, 2021.”

ATTACHMENTS:

1. Resolution Ordering the Improvements for the Torre Pines Street and Utility Improvements.
2. Notice of Hearing on Improvement.
3. Preliminary Assessment Roll and Exhibit.
4. Location Map.
5. Proposed Improvements Exhibit.
6. Project Schedule.

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

RESOLUTION NO. 2021-139

**A RESOLUTION ORDERING THE IMPROVEMENT FOR THE
TORRE PINES STREET AND UTILITY IMPROVEMENTS**

WHEREAS, pursuant to City Council resolution, adopted on October 19, 2021, the Council ordered a hearing on improvement for the Torre Pines Street and Utility Improvements; and

WHEREAS, ten days mailed notice and two weeks published notice of the hearing was given, and the hearing was held thereon on the 7th day of December 2021, at which all persons desiring to be heard were given the opportunity to be heard thereon; and

WHEREAS, the feasibility report prepared by FOCUS Engineering, Inc., and dated October 2021 states that the project is necessary, cost-effective, and feasible.

NOW, THEREFORE, BE IT RESOLVED,

1. Such improvement is deemed necessary, cost-effective, and feasible as detailed in the Feasibility Report dated October 2021.
2. Such improvement is hereby ordered as proposed in the council resolution adopted this 7th day of December, 2021.
3. The City Council declares its official intent to reimburse itself for the costs of the improvement from the proceeds of tax-exempt bonds.
4. The City Engineer is hereby designated as the engineer for making this improvement.

ADOPTED BY THE LAKE ELMO CITY COUNCIL ON THE SEVENTH DAY OF DECEMBER, 2021.

CITY OF LAKE ELMO

(Seal)
ATTEST:

By: _____
Charles Cadenhead
Mayor

Julie Johnson
City Clerk

**CITY OF LAKE ELMO
NOTICE OF HEARING ON IMPROVEMENT
TORRE PINES STREET AND UTILITY IMPROVEMENTS**

Notice is hereby given that the City Council of Lake Elmo will conduct a public hearing on **Tuesday, December 7, 2021**, at or approximately after 7:00 PM to consider the making of the following improvements, pursuant to Minnesota Statutes, Sections 429.011 to 429.111:

The extension of municipal water into the Torre Pines subdivision to replace individual private wells along 21st Street North, 22nd Street North, and 22nd Street Court North to provide clean drinking water to each of the 23 homes adjacent to the new watermain, including a water service stub to the public right-of-way. Following the watermain installation, street and drainage improvements will be completed along the following public streets:

- 21st Street North, from Inwood Avenue North to 22nd Street Court North.
- 22nd Street North, from 21st Street North to 22nd Street Court North.
- 22nd Street Court North.

The area proposed to be assessed for the watermain improvements include each of the 23 properties located along 21st Street North, 22nd Street North, and 22nd Street Court North that will be receiving access to connect to city water; and the area proposed to be assessed for the street and storm sewer improvements include each of the 23 properties that gain direct driveway access from the above referenced streets to be improved as part of this project. The estimated total cost for the project is \$2,243,000; consisting of \$875,000 for the public watermain improvements, \$944,000 for the street and drainage improvements, and \$424,000 for the private water service connections/well sealing improvements. A reasonable estimate of the impact of the assessment will be available at the hearing. Such persons as desiring to be heard with reference to the proposed improvements will be heard at this meeting.

DATED: October 19, 2021

BY ORDER OF THE LAKE ELMO CITY COUNCIL

Charles Cadenhead, Mayor

(Published in the Stillwater Gazette on October 22, 2021 and October 29, 2021)

TORRE PINES STREET AND UTILITY IMPROVEMENTS
PRELIMINARY ASSESSMENT ROLL

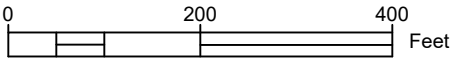
NO.	NAME	ADDRESS			MAILING ADDRESS						PID	TOTAL ASSESSMENT	STREET & DRAINAGE ASSESSMENT	WATERMAIN ASSESSMENT
1	KROSCHER DAVID M & BRENDA K	8141	21ST	ST N	8141	21ST	ST N	LAKE ELMO	MN	55042	2102921330010	\$50,300	\$12,300	\$38,000
2	GOLDSTROHM AARON C & TRISTA L SCHAGAT	8171	21ST	ST N	8171	21ST	ST N	LAKE ELMO	MN	55042	2102921330011	\$50,300	\$12,300	\$38,000
3	BEST WALTER G & LAN N	8180	21ST	ST N	8180	21ST	ST N	LAKE ELMO	MN	55042	2102921330014	\$50,300	\$12,300	\$38,000
4	LIEBENOW DAVID W & BEVERLY A	8219	21ST	ST N	8219	21ST	ST N	LAKE ELMO	MN	55042	2102921330012	\$50,300	\$12,300	\$38,000
5	BOURNE MICHAEL R & KATHERINE M	8260	21ST	ST N	8260	21ST	ST N	LAKE ELMO	MN	55042	2102921340008	\$50,300	\$12,300	\$38,000
6	LISA LARAE SETTERSTROM TRS	8271	21ST	ST N	8271	21ST	ST N	LAKE ELMO	MN	55042	2102921340011	\$50,300	\$12,300	\$38,000
7	SELBY MEGAN A	8311	21ST	ST N	8311	21ST	ST N	LAKE ELMO	MN	55042	2102921340012	\$50,300	\$12,300	\$38,000
8	YOCUM RUTH A	8330	21ST	ST N	8330	21ST	ST N	LAKE ELMO	MN	55042	2102921340009	\$50,300	\$12,300	\$38,000
9	SEVENICH JOHN & BETH	8381	21ST	ST N	8381	21ST	ST N	LAKE ELMO	MN	55042	2102921340014	\$50,300	\$12,300	\$38,000
10	KATARE RAJESH & SHILPA SHUKLA	8125	22ND	ST N	8125	22ND	ST N	LAKE ELMO	MN	55042	2102921330013	\$50,300	\$12,300	\$38,000
11	MATTHEW D MOORE TRS & JANE B MOORE TRS	8134	22ND	ST N	8134	22ND	ST N	LAKE ELMO	MN	55042	2102921330004	\$50,300	\$12,300	\$38,000
12	GARDENHIRE RONALD C & CAROL J	8206	22ND	ST N	8206	22ND	ST N	LAKE ELMO	MN	55042	2102921330003	\$50,300	\$12,300	\$38,000
13	MCGEE FAMILY REV TRS	8263	22ND	ST N	8263	22ND	ST N	LAKE ELMO	MN	55042	2102921340007	\$50,300	\$12,300	\$38,000
14	COHEN ANNE N & DWAYNE L	8276	22ND	ST N	8276	22ND	ST N	LAKE ELMO	MN	55042	2102921340005	\$50,300	\$12,300	\$38,000
15	LARSON MICHAEL P & MELISSA D	8335	22ND	ST N	8335	22ND	ST N	LAKE ELMO	MN	55042	2102921340006	\$50,300	\$12,300	\$38,000
16	SCHARA JODELL L	8340	22ND	ST N	8340	22ND	ST N	LAKE ELMO	MN	55042	2102921340004	\$50,300	\$12,300	\$38,000
17	MALMBERG JOHN A & JUDITH A	8382	22ND	ST N	8382	22ND	ST N	LAKE ELMO	MN	55042	2102921340003	\$50,300	\$12,300	\$38,000
18	EMILY M BLISS IRREV TRS	8414	22ND	ST N	11514	PLANDOME	DR SE	HOBE SOUND	FL	33455	2102921340002	\$50,300	\$12,300	\$38,000
19	CASWELL JEFFREY K & VICTORIA	8006	22ND	CT N	8006	22ND	CT N	LAKE ELMO	MN	55042	2102921330008	\$50,300	\$12,300	\$38,000
20	PETERSON BRUCE A & NORMA JEAN	8028	22ND	CT N	8028	22ND	CT N	LAKE ELMO	MN	55042	2102921330007	\$50,300	\$12,300	\$38,000
21	KORY L & MAUREEN C NEISES LIV TRS	8042	22ND	CT N	8042	22ND	CT N	LAKE ELMO	MN	55042	2102921330006	\$50,300	\$12,300	\$38,000
22	FLEMING BERNHARD M & JEANNE	8047	22ND	CT N	8047	22ND	CT N	LAKE ELMO	MN	55042	2102921330009	\$50,300	\$12,300	\$38,000
23	ODOM LISA M & ANTHONY L WINCZEWSKI JR	8074	22ND	CT N	8074	22ND	CT N	LAKE ELMO	MN	55042	2102921330005	\$50,300	\$12,300	\$38,000
TOTALS												\$1,156,900	\$282,900	\$874,000



LEGEND



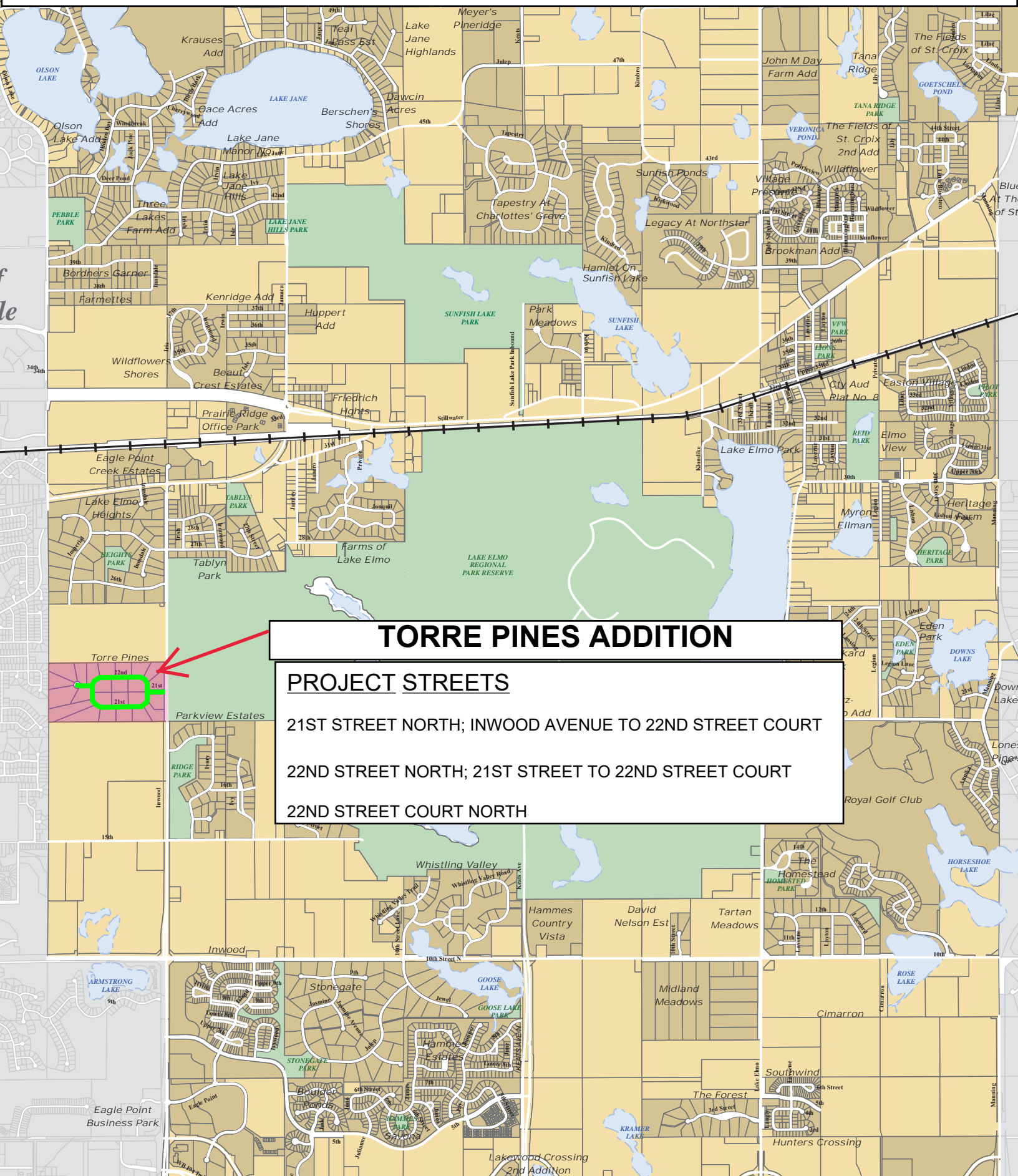
ASSESSABLE PROPERTY - STREET AND WATERMAIN IMPROVEMENTS



CITY OF LAKE ELMO

TORRE PINES STREET AND UTILITY IMPROVEMENTS

PROJECT LOCATION MAP



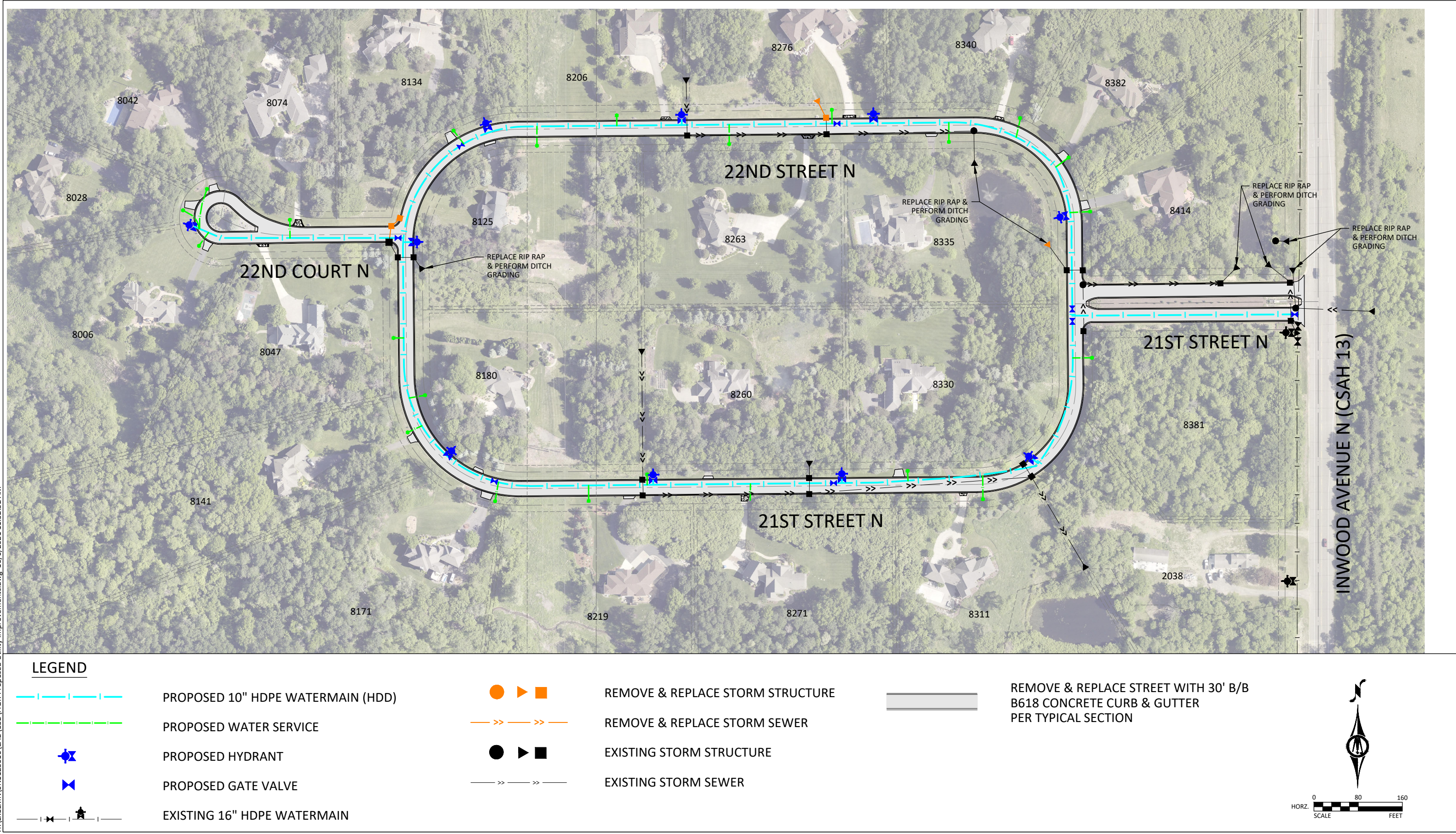
TORRE PINES ADDITION

PROJECT STREETS

21ST STREET NORTH; INWOOD AVENUE TO 22ND STREET COURT

22ND STREET NORTH; 21ST STREET TO 22ND STREET COURT

22ND STREET COURT NORTH



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PROJECT SCHEDULE
CITY OF LAKE ELMO

FOCUS ENGINEERING, inc.

Cara Geheren, P.E. 651.300.4261
Jack Griffin, P.E. 651.300.4264
Ryan Stempski, P.E. 651.300.4267
Chad Isakson, P.E. 651.300.4283

TORRES PINES STREET AND UTILITY IMPROVEMENTS
PROJECT NO. 2020.122

APRIL 6, 2021	Council Approves MPCA Grant Agreement.
JULY 6, 2021	Council orders preparation of Feasibility Report and Design Phase Services.
OCTOBER 19, 2021	Presentation of Feasibility Report. Council accepts Report and calls for Improvement Hearing. Council approves Plans and Specifications and orders Advertisement for Bids.
DECEMBER 7, 2021	Public Improvement Hearing. Council Orders the Improvement (4/5th Vote).
DECEMBER 15, 2021	Project Bid Date: Receive contractor bids.
DECEMBER 21, 2021 or JANUARY 4, 2022 or JANUARY 18, 2022	Council accepts Bids and awards Contract. <i>(bids may be held for 60 days)</i>
MARCH, 2022	Conduct Pre-Construction Meeting and issue Notice to Proceed. <ul style="list-style-type: none">OCTOBER 14, 2022 Substantial Completion.NOVEMBER 25, 2022 Final Completion.

**Final Assessment Hearing Schedule TBD*