



STAFF REPORT

DATE: October 17, 2023
FINAL ASSESSMENT HEARING

AGENDA ITEM: Approve MPCA Grant Agreement; Adopt Final Assessment Roll for the Parkview Estates, Cardinal View, and 15th Street Neighborhood Street and Utility Improvements

SUBMITTED BY: Jack Griffin, City Engineer
REVIEWED BY: Kristina Handt, City Administrator
Sarah Sonsalla, City Attorney
Clarissa Hadler, Finance Director
Marty Powers, Public Works Director
Chad Isakson, Project Engineer

ISSUE BEFORE COUNCIL: The City Council is respectfully requested to Approve the MPCA Grant Agreement Amendment #2; and consider holding a Public Hearing for the proposed assessments for the Parkview Estates, Cardinal View, and 15th Street Neighborhood Street and Utility Improvements. Following the hearing, should the City Council adopt the final assessment roll?

BACKGROUND: On September 19, 2023, the City Council approved a Resolution declaring the costs to be assessed, ordering the preparation of the proposed assessment, and calling for the hearing on proposed assessment for the Parkview Estates, Cardinal View, and 15th Street Neighborhood Street and Utility Improvements. Mailed notice has been provided to each assessed property and notice of the public hearing has been published in the local paper.

Consistent with conditions outlined in the feasibility report and MPCA grant agreement, properties that opted not to connect to city water within the one-year timeframe will have special assessments for the public improvements imposed against the benefiting properties. Formal mailed notice, dated November 11, 2022 was sent to each property indicating that the public watermain was available for connection and that the property owner had one year to complete the water service connection and well abandonment work. The allocated one-year timeframe to meet this eligibility and to abate the public improvement assessments will expire on November 11, 2023. A reminder notice was sent on September 5, 2023.

Due to private utility conflicts the Cardinal Ridge portion of the project (Ivy Avenue) was not completed until summer 2023. The 17 properties impacted by this delay in construction did not receive formal notice that water connection was available until August 11, 2023. These properties are NOT included in this final assessment roll as they will have until August 11, 2024 to connect to water and have their assessments considered paid in full. A final assessment hearing will be held in the fall of 2024 for these properties.

PROPOSAL DETAILS/ANALYSIS: Pursuant to Minnesota Statutes, Section 429, the Council must declare the amount to be assessed against the benefitting properties and the Hearing on the proposed Assessment for these Improvements must be held. Staff has attached a Final Assessment Roll which must be certified to the County Auditor by November 17, 2023. *Properties that provide proof of connection to city water and sealing of their private well by November 11, 2023 will be removed administratively from the assessment roll prior to certifying the assessments to Washington County.*

There are 13 properties that completed the connection to city water and abandoned their private well(s) prior to the council declaring the costs to be assessed. Six (6) additional properties, including 8975 15th Street N, 1532 15th Street Ct N, 1583 Ivory Ave N, 1727 Ivory Ave N, 1779 Ivory Ave N, and 1873 Ivory Ave N were removed from the assessment roll since the September 19, 2023 council meeting. The Final Assessment Roll has therefore been amended to remove these six additional properties.

Special assessments are levied in accordance with Minnesota Statutes Chapter 429 and consistent with the City's Special Assessment Policy. Attached to this agenda report is a summary of the Estimated Total Project Costs showing the cost breakdown by infrastructure component and resulting unit assessment. Based on the Estimated Final Project Cost at completion, the public watermain assessment is reduced from \$36,600 down to \$32,400 per residential property, and the public street and storm sewer assessment is the same as the feasibility report at \$8,600 per residential property.

The street and drainage improvements will be levied over a 15-year period and the watermain assessments will be levied over a 20-year period. Assessments would be charged an interest rate of 4.75%.

FISCAL IMPACT: The estimated total project cost for the public improvements \$4,557,600; including \$2,197,100 for the street, drainage and storm sewer improvements and \$2,360,500 for the water system improvements. Of these costs, \$326,800 will be specially assessed for street and drainage improvements and \$1,231,200 will be specially assessed for watermain improvements. The remaining costs will be covered by grant funds from the 3M Settlement Grant Agreement for the project.

MPCA GRANT AGREEMENT UPDATE/AMENDMENT: Throughout the course of the project, City staff has been working with the MPCA to seek an amendment to the Grant Agreement that would allow a property to be eligible for the public improvement portion of the Grant regardless of whether the property connected to City water or sealed the private well on the property. Following the latest meeting on October 10, 2023 the MPCA finally agreed to issue an amendment to the Grant Agreement that provides this flexibility.

Under Grant Agreement Amendment #2, attached to this agenda report, properties within the project service area that do not seal their private well will remain eligible for the public improvement portion of the project. This provides the City Council the opportunity to not levy assessments for the public improvements as originally recommended (street and drainage improvements; and public watermain improvements). However, the provision will remain that properties that do not choose to seal their private well within the timeframe of the agreement, will not be eligible for reimbursement for the private service connection costs.

OPTIONS:

- 1) Approve the Grant Agreement Amendment #2 with the MPCA for the Parkview Estates, Cardinal Ridge, and Cardinal View Street and Utility Improvements; and Approve a motion to cancel all project assessments.
- 2) Approve the Grant Agreement Amendment #2 with the MPCA for the Parkview Estates, Cardinal Ridge, and Cardinal View Street and Utility Improvements; and Approve Resolution 2023-101 Adopting the Final Assessment Roll, or as amended, for the Parkview Estates, Cardinal Ridge, and Cardinal View Street and Utility Improvements.
- 3) Do not approve the Grant Agreement Amendment #2 with the MPCA for the Parkview Estates, Cardinal Ridge, and Cardinal View Street and Utility Improvements; and Approve Resolution 2023-101 Adopting the Final Assessment Roll, or as amended, for the Parkview Estates, Cardinal Ridge, and Cardinal View Street and Utility Improvements.

RECOMMENDATION: Staff is recommending that the City Council Approve the Grant Agreement Amendment #2 with the MPCA for the Parkview Estates, Cardinal Ridge, and Cardinal View Street and Utility Improvements; and Approve a motion to cancel all project assessments. The recommended motion for this action is as follows:

“Move to approve the Grant Agreement Amendment #2 with the MPCA for the Parkview Estates, Cardinal Ridge, and Cardinal View Street and Utility Improvements, and cancel all proposed assessments for the improvements.”

ATTACHMENTS:

1. Resolution Adopting the Final Assessment Roll.
2. Notice of Hearing on Proposed Assessment.
3. Estimated Total Project Cost at Completion.
4. Final Assessment Roll.
5. MPCA Grant Agreement Amendment #2.

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

RESOLUTION NO. 2023-101

**A RESOLUTION ADOPTING THE FINAL ASSESSMENT ROLL FOR
THE PARKVIEW ESTATES, CARDINAL VIEW, AND 15TH STREET
NEIGHBORHOOD STREET AND UTILITY IMPROVEMENTS**

WHEREAS, pursuant to proper notice duly given as required by law, the Council has met and heard and passed upon all objections to the proposed assessment for the Parkview Estates, Cardinal View and 15th Street North Neighborhood Street and Utility Improvements including street and drainage and watermain improvements along Ivory Avenue North, Ivory Court North, 16th Street North, 15th Street Court North, and 15th Street east of Inwood Avenue.

NOW, THEREFORE, BE IT RESOLVED,

1. Such proposed assessment, a copy of which is attached hereto and made a part hereof, is hereby accepted and shall constitute the special assessment against the lands named therein, and each tract of land therein included is hereby found to be benefited by the proposed improvement in the amount of the assessment levied against it.
2. Such assessment shall be payable in equal annual installments extending over 15 years for street and drainage improvements and 20 years for watermain improvements, the first of the installments to be payable on or before the first Monday in January, 2024 and shall bear interest at the rate of 4.75 percent per annum from the adoption date of this assessment resolution. To the first installment shall be added interest on the entire assessment from the date of this resolution until December 31, 2023. To each subsequent installment, when due, shall be added interest for one year on all unpaid installments.
3. The owner of any property so assessed may, at any time prior to the certification of the assessment to the county auditor, pay the whole of the assessment on such property, with the interest accrued to the date of payment, to the City Clerk, except that no interest shall be charged if the entire assessment is paid within 30 days from the adoption of this resolution; and he/she may, at any time thereafter, pay to the City Clerk the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 15 or interest will be charged through December 31 of the next succeeding year.
4. The City Clerk shall forthwith transmit a certified duplicate of this assessment to the County Auditor to be extended on the property tax lists of the county. Such assessments shall be collected and paid over in the same manner as other municipal taxes.

**ADOPTED BY THE LAKE ELMO CITY COUNCIL ON THE SEVENTEENTH DAY OF
OCTOBER, 2023.**

CITY OF LAKE ELMO

By: _____
Charles Cadenhead
Mayor

(Seal)
ATTEST:

Julie Johnson
City Clerk

CITY OF LAKE ELMO

NOTICE OF HEARING ON PROPOSED ASSESSMENT PARKVIEW ESTATES, CARDINAL VIEW, AND 15TH STREET NEIGHBORHOOD STREET AND UTILITY IMPROVEMENTS

Notice is hereby given that the City Council of Lake Elmo will conduct a public hearing on **Tuesday October 17, 2023** at, or approximately after, 7:00 P.M. at Lake Elmo City Hall to consider, and possibly adopt, the proposed assessment against abutting properties for the Parkview Estates, Cardinal View, and 15th Street Neighborhood Street and Utility Improvements. Adoption by the Council of the proposed assessment may occur at the hearing. The following describes the proposed improvements and area(s) to be assessed:

The extension of municipal water into the Parkview Estates, Cardinal View and 15th Street North neighborhood area to replace individual private wells and to provide clean drinking water to 45 properties 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:

- Ivory Avenue North.
- Ivory Court North.
- 16th Street North.
- 15th Street Court North.
- 15th Street North, from Inwood Avenue to the east cul-de-sac.

The area proposed to be assessed for the watermain improvements include 38 properties located along the proposed watermain alignment 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 38 properties that gain, or could gain direct driveway access from the above referenced streets to be improved as part of this project.

You may at any time prior to certification of the assessment to the county auditor on November 17, 2023, pay the entire assessment on such property to the City Clerk with interest accrued to the date of payment. No interest shall be charged if the entire assessment is paid to the City Clerk prior to November 17, 2023. You may at any time thereafter, pay to the City Clerk the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 15 (for the assessment to be certified to County Auditor) or interest will be charged through December 31 of the succeeding year. If you decide not to prepay the assessment before the date given above the rate of interest that will apply is 4.75 percent per year.

Once assessments are certified to the County, the assessments are payable in equal annual installments extending over a period of 15 years for street and drainage improvements and 20 years for watermain improvements, the first of the installments to be payable on or before the first Monday in January 2024 and will bear interest at the rate of 4.75

percent per annum from the date of adoption of the assessment resolution. To the first installment shall be added interest on the entire assessment from the date of the assessment resolution until December 31, 2023. To each subsequent installment when due shall be added interest for one year on all unpaid installments.

The proposed assessment roll is on file for public inspection at the City Clerk's office. The total street improvement amount to be assessed is \$326,800. The total watermain amount to be assessed is \$1,231,200. The total project costs for the public watermain and street reconstruction is \$4,557,600. Written or oral objections will be considered at the meeting. No appeal may be taken as to the amount of an assessment unless a written objection signed by the affected property owner is filed with the municipal clerk prior to the assessment hearing or presented to the presiding officer at the hearing. The Council may upon such notice consider any objection to the amount of a proposed individual assessment at an adjourned meeting upon such further notice to the affected property owners as it deems advisable.

An owner may appeal an assessment to district court pursuant to Minnesota Statutes, Section 429.081 by serving notice of the appeal upon the Mayor or Clerk within 30 days after the adoption of the assessment and filing such notice with the district court within ten days after service upon the Mayor or Clerk.

The City Council is authorized in its discretion to defer the payment of an assessment for any homestead property owned by a person for whom it would be a hardship to make payment if the owner is 65 years of age or older and/or the owner is a person retired by virtue of a permanent and total disability or by a person who is a member of the Minnesota National Guard or other military reserves who is ordered into active military service, as defined in section 190.05 subdivision 5b or 5c, as stated in the person's military orders, for whom it would be a hardship to make the payments. The owner must request a deferment of the assessment at or before the public hearing at which the assessment is adopted and make application on forms prescribed by the City Clerk within 30 days after the adoption.

Notwithstanding the standards and guidelines established by the City for determining a hardship, a deferment of an assessment may be obtained pursuant to Minnesota Statutes Section 435.193.

DATED: September 19, 2023

BY ORDER OF THE LAKE ELMO CITY COUNCIL

Charles Cadenhead, Mayor

(Published in the Stillwater Gazette on September 22, 2023)

CITY OF LAKE ELMO
PARKVIEW-CARDINAL NEIGHBORHOOD
PROJECT NO. 2020.121

	Feasibility Report Estimate of Cost	Final Project (Estimate at Completion)
Total Project Cost	\$5,329,000	\$5,647,600
Street Improvements	\$2,050,000	\$2,197,100
<i>Assessed Residential Parcels</i>	64	65
<i>Assesseable Residential Equivalent Units (REU)</i>	68	68
<i>Assessment Amount per REU</i>	\$8,600	\$8,600
Watermain Improvements	\$2,265,000	\$2,360,500
<i>Assessable Cost</i>	\$2,265,000	\$2,265,000
<i>Assessed Parcels</i>	62	70
<i>Assessment Amount</i>	\$36,600	\$32,400
Private Water Service Connections	\$1,014,000	\$1,090,000
*MPCA Grant Amount is \$5,651,120		

PARKVIEW ESTATES-CARDINAL VIEW NEIGHBORHOOD
STREET AND UTILITY IMPROVEMENTS
FINAL ASSESSMENT ROLL

NO.	NAME	ADDRESS	MAILING ADDRESS					PID	TOTAL ASSESSMENT	STREET & DRAINAGE ASSESSMENT	WATERMAIN ASSESSMENT
1	GRIFFIN PETER & CHRISTINE	1849 IVORY AVE N	1849	IVORY	AVE N	LAKE ELMO	MN 55042	2802921120022	\$41,000	\$8,600	\$32,400
2	KLOSNER MARK S & BARBARA F	1827 IVORY AVE N	1827	IVORY	AVE N	LAKE ELMO	MN 55042	2802921120021	\$41,000	\$8,600	\$32,400
3	WILLIAMS JAMES M & SUSAN T	1805 IVORY AVE N	1805	IVORY	AVE N	LAKE ELMO	MN 55042	2802921120020	\$41,000	\$8,600	\$32,400
4	NELSON DAVID F & LESLIE R	1757 IVORY AVE N	1757	IVORY	AVE N	LAKE ELMO	MN 55042	2802921120018	\$41,000	\$8,600	\$32,400
5	DRESSEL DAVE & JESSICA	1743 IVORY AVE N	1743	IVORY	AVE N	LAKE ELMO	MN 55042	2802921120017	\$41,000	\$8,600	\$32,400
6	AXBERG GARY T & JEANETTE L	1709 IVORY AVE N	1709	IVORY	AVE N	LAKE ELMO	MN 55042	2802921120015	\$41,000	\$8,600	\$32,400
7	BARTOSH PETER T & SANDRA K	1697 IVORY AVE N	1697	IVORY	AVE N	LAKE ELMO	MN 55042	2802921120014	\$41,000	\$8,600	\$32,400
8	YOCUM TIMOTHY C & SHANNON C S	1694 IVORY AVE N	1694	IVORY	AVE N	LAKE ELMO	MN 55042	2802921120009	\$41,000	\$8,600	\$32,400
9	BEARTH GREGORY A & MELISSA A	1681 IVORY AVE N	1681	IVORY	AVE N	LAKE ELMO	MN 55042	2802921120013	\$41,000	\$8,600	\$32,400
10	DEEB TIFFNI L & DANIEL L	1680 IVORY AVE N	1680	IVORY	AVE N	LAKE ELMO	MN 55042	2802921120008	\$41,000	\$8,600	\$32,400
11	WORTMAN STEPHEN D & CHERYL L	1668 IVORY AVE N	1664	IVORY	AVE N	LAKE ELMO	MN 55042	2802921120007	\$41,000	\$8,600	\$32,400
12	IVERSON JEFFREY S & JULI A	1663 IVORY AVE N	1663	IVORY	AVE N	LAKE ELMO	MN 55042	2802921120012	\$41,000	\$8,600	\$32,400
13	BATTAH ABDALLA M-A	1654 IVORY AVE N	1654	IVORY	AVE N	LAKE ELMO	MN 55042	2802921120006	\$41,000	\$8,600	\$32,400
14	ANDERSON DAVID M & MARIA V	1645 IVORY AVE N	1645	IVORY	AVE N	LAKE ELMO	MN 55042	2802921120011	\$41,000	\$8,600	\$32,400
15	SNIDER BERT W & TERRI L	1636 IVORY AVE N	1636	IVORY	AVE N	LAKE ELMO	MN 55042	2802921120005	\$41,000	\$8,600	\$32,400
16	ANDERSON JAMES L & KARIN L	1627 IVORY AVE N	1627	IVORY	AVE N	LAKE ELMO	MN 55042	2802921120010	\$41,000	\$8,600	\$32,400
17	HAUGE ROBERT JR & LAIS MONICA	1615 IVORY AVE N	1615	IVORY	AVE N	LAKE ELMO	MN 55042	2802921130018	\$41,000	\$8,600	\$32,400
18	VANG CHRISTOPHER C & MINA M	9155 16TH ST N	9155	16TH	ST N	LAKE ELMO	MN 55042	2802921130012	\$41,000	\$8,600	\$32,400
19	HICKEY TERRANCE S & LYNDA L	9125 16TH ST N	9125	16TH	ST N	LAKE ELMO	MN 55042	2802921130013	\$41,000	\$8,600	\$32,400
20	HENEHAN THOMAS A & MARY L	1570 IVORY AVE N	1570	IVORY	AVE N	LAKE ELMO	MN 55042	2802921130016	\$41,000	\$8,600	\$32,400
21	LECUYER BRENDA & ALLEN	1567 IVORY AVE N	1567	IVORY	AVE N	LAKE ELMO	MN 55042	2802921130015	\$41,000	\$8,600	\$32,400
22	KUMP SUZANNE & JOHN	1539 IVORY CT N	1539	IVORY	CT N	LAKE ELMO	MN 55042	2802921130008	\$41,000	\$8,600	\$32,400
23	ADAMSKY STEVEN J & HOLLIE	1535 IVORY CT N	1535	IVORY	CT N	LAKE ELMO	MN 55042	2802921130009	\$41,000	\$8,600	\$32,400
24	HYBBEN RICHARD & SAMANTHA	1525 IVORY CT N	1525	IVORY	CT N	LAKE ELMO	MN 55042	2802921130011	\$41,000	\$8,600	\$32,400
25	SAUNDERS SHARON M & DAVID S	1517 IVORY CT N	1517	IVORY	CT N	LAKE ELMO	MN 55042	2802921130007	\$41,000	\$8,600	\$32,400
26	FUNFSINN DOUG & ERICKA	1513 IVORY CT N	1513	IVORY	CT N	LAKE ELMO	MN 55042	2802921130006	\$41,000	\$8,600	\$32,400
27	WHITE ROBERT J & BETH A	1543 15TH ST CT N	1543	15TH	ST CT N	LAKE ELMO	MN 55042	2702921230009	\$41,000	\$8,600	\$32,400
28	MOODY TERRY B & KAREN A	1535 15TH ST CT N	1535	15TH	ST CT N	LAKE ELMO	MN 55042	2702921230010	\$41,000	\$8,600	\$32,400
29	MOYNAGH MICHAEL J & MARGARET E	1521 15TH ST CT N	1521	15TH	ST CT N	LAKE ELMO	MN 55042	2702921230005	\$41,000	\$8,600	\$32,400
30	TROUPE DOUGLAS R	9250 15TH ST N	9250	15TH	ST N	LAKE ELMO	MN 55042	2702921240002	\$41,000	\$8,600	\$32,400
31	JESKE DON F & CORRYL E	8996 15TH ST N	8996	15TH	ST N	LAKE ELMO	MN 55042	2802921140001	\$41,000	\$8,600	\$32,400
32	LINDER HENDERSON TRS	9255 15TH ST N	9255	15TH	ST N	LAKE ELMO	MN 55042	2702921310001	\$41,000	\$8,600	\$32,400
TOTALS									\$1,312,000	\$275,200	\$1,036,800

Grant Agreement Amendment #2

State of Minnesota

Doc Type: Contract

SWIFT Contract Number: 188424

Agency Interest ID: 224243

Activity ID: PRO20210001

Contract Start Date:	<u>April 2, 2021</u>	Total Contract Amount:	<u>\$5,651,120.00</u>
Original Contract Expiration Date:	<u>December 31, 2023</u>	Original Contract:	<u>\$5,200,000.00</u>
Current Contract Expiration Date:	<u>December 31, 2024</u>	Previous Amendment(s) Total:	<u>\$451,120.00</u>
Requested Contract Expiration Date:	<u>N/A</u>	This Amendment:	<u>\$0</u>

This amendment is by and between the State of Minnesota, acting through its Commissioner of the **Minnesota Pollution Control Agency**, 520 Lafayette Road North, St. Paul, MN 55155-4194 ("MPCA" or "State") and **City of Lake Elmo**, ~~3800~~ 3880 Laverne Avenue North, Lake Elmo, MN 55042 ("Grantee" or "Contractor").

Recitals

1. The State has a grant contract with the Grantee identified as SWIFT Contract Number 188424 ("Original Grant Agreement") to provide the **Parkview-Cardinal Extension of Municipal Water Supply Project**.
2. The Original Agreement is being amended to correct the grantee address and update the Grantee's Duties and Well Sealing language and workplan.
3. The State and the Grantee are willing to amend the Original Grant Agreement as stated below.

Grant Agreement Amendment

In this Amendment, changes to pre-existing Agreement language will use ~~strike through~~ for deletions and underlining for insertions.

REVISION 1. Clause 2. "**Grantee's Duties and Well Sealing**" is amended as follows:

1. Grantee's Duties and Well Sealing

2.1 Grantee's duties. The Grantee, who is not a state employee, will perform the duties specified in ~~Revised Attachment A Amendment 2~~, which is attached and incorporated into this grant agreement.

2.2 Well Sealing. All associated wells with properties getting individual/residential water service connections are required to be properly sealed and abandoned as part of the project within the timeframe of the grant agreement in order to get reimbursement for private connections.

All well sealing will follow Minnesota Department of Health (MDH) regulations and will only be done by licensed well contractors.

Reimbursement for individual/residential water service connections and well sealing will not occur until proof of well sealing has been provided to MPCA.

MPCA may identify certain wells as potential monitoring wells. If agreed upon by MPCA, the City and the well owner, MPCA will assume responsibility of converting those wells to monitoring wells. In these instances, proof of well sealing is not required for reimbursement of individual/residential water service connection costs.

REVISION 2. Clause 6. "**Authorized Representative**" is amended as follows:

6. Authorized Representative

The State's Authorized Representative is **Elizabeth Kaufenberg**, 520 Lafayette Road, St. Paul, MN 55155, 651-757-2481, elizabeth.kaufenberg@state.mn.us, or their successor, and has the authority to monitor the Grantee's performance and to accept the services provided under this agreement. If the services are satisfactory, the MPCA's Project Manager will certify acceptance of each invoice submitted for payment.

The State's Project Manager is **Megan Holthaus**, 520 Lafayette Road North, St. Paul, MN 55155, 651-757-2843, megan.holthaus@state.mn.us, or their successor, and has the authority to monitor the Grantee's performance and receive invoices from the Grantee.

The Grantee's Authorized Representative is **Kristina Handt**, ~~3800~~ 3880 Laverne Avenue North, Lake Elmo, MN 55042, 651-747-3905, khandt@lakeelmo.org, or their successor. If the Grantee's Authorized Representative changes at any time during this grant agreement, the Grantee must immediately notify the State.

Except as amended herein, the terms and conditions of the Original Grant Agreement and all previous amendments and change orders remain in full force and effect. The Original Grant Agreement and any previous amendments and change orders are incorporated into this amendment by reference.

Signatures

Title	Name	Signature	Date
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520 Lafayette Road North
St. Paul, MN 55155-4194

Project Workplan

Doc Type: Contract

Swift #:	188424
AI #:	224243
Activity ID #:	PRO20210001

Project Title: Parkview-Cardinal Extension of Municipal Water Supply Project

1. Project Summary:

Organization: City of Lake Elmo (the City)
Contact name: Kristina Handt
Address: ~~3800~~ 3880 Laverne Ave North
 Lake Elmo, MN 55042
Phone: 651-747-3905
E-mail: khandt@lakeelmo.org

Minnesota Pollution Control Agency (MPCA) contact:

MPCA project manager: Megan Holthaus
Address: 520 Lafayette Road North
 St. Paul, MN 55155
Phone: 651-757-2843
E-mail: megan.holthaus@state.mn.us

Project information

Start date: 4/2/2021 **End date:** 12/31/2024

Total estimated costs: \$5,651,120

2. Statement of Problems, Opportunities, and Existing Conditions

This project will extend clean drinking water to 62 homes located in and adjacent to the Parkview Estates, Cardinal Ridge, and Cardinal View subdivisions in the City of Lake Elmo by extending the municipal water system into the neighborhood prior to reconstructing the neighborhood streets as scheduled for improvement in 2022 in the City's Capital Improvement Plan.

The project extends an 8-inch public watermain from Inwood Avenue into and throughout the Parkview Estates neighborhood along Ivory Avenue, Ivory Court and 16th Street. The watermain then extends into the Cardinal Ridge neighborhood along 16th Street and then along Ivy Avenue. A watermain is also extended along 15th Street, making a looped connection to the Inwood Avenue trunk watermain while also extending the public watermain to 15th Street Court to serve the properties within the Cardinal View neighborhood. An additional six properties along 15th Street would also be able to connect to City watermain. Individual water service stubs will be installed to the edge of right-of-way at each of the 62 residential properties. Following the installation of the public watermain improvements, the public streets, including Ivory Avenue, Ivory Court, 16th Street, Ivy Avenue, 15th Street and 15th Street Court will be improved.

The properties reside in an area where per- and polyfluoroalkyl substances (PFAS) contamination exceeds Health Based Values (HBVs) and well advisories have been issued. The project is consistent with the long-term drinking water supply plan to address PFAS contamination to drinking water supplies in the East Metro area.

Individual water services will be stubbed from the main line for each of the 62 residential properties. The project will include grant funding and administrative processes for ensuring each property completes the private service connection from the service stub to each home, including water meter installation, sealing of the private well including a well at Pebble Park, removal of any existing granular activated carbon (GAC) filters, and all permitting and connection fees. The City intends to directly implement the public improvement portion of the project for the water main components that will remain owned and operated by the City and will require property owners to contract directly for the work to be completed on their individual properties. The private property work will be funded on a reimbursement basis. The City will distribute materials, provided by the MPCA, regarding individual/residential water service connections and well sealing to all residents impacted by this project. All associated wells with properties getting individual/residential water service connections are required to be properly sealed and abandoned as part of the project within the timeframe of the grant agreement in order to get reimbursement for private connections. All well sealing will follow Minnesota Department of Health (MDH) regulations and will only be done by licensed well contractors. Reimbursement for individual/residential water service connections and well sealing will not occur until proof of well sealing has been provided to MPCA.

In accordance with the City's standard Capital Improvement Program process, a feasibility study and project design will be completed to ready the project for 2022 construction. Bids will be received in early 2022 with construction to commence in May 2022. The water main will be tested, operational and ready for connection to the individual properties in late 2022.

No environmental review is required to implement this project. The project will require the following permits:*

- Minnesota Department of Health Watermain Extension Permit
- Washington County Right-of-Way Permit
- Valley Branch Watershed District Permit
- MPCA National Pollutant Discharge Elimination System Construction Permit

* The City will need to demonstrate expenses related to these items are attributable to actions necessary to address PFAS impacts.

3. Measurable Outcomes

The City will report at least quarterly to the MPCA regarding progress of the project. The City will also report to the MPCA as part of the quarterly report the itemized costs incurred for that quarter for reimbursement by the MPCA. Monthly reimbursement requests can be provided as determined by the City.