



MAYOR & COUNCIL COMMUNICATION

DATE: June 9, 2015
REGULAR
ITEM 13

AGENDA ITEM: Old Village Phase 1 Street and Utility Improvements – Public Improvement Hearing; Resolution Ordering the Improvement; and providing Municipal Concurrence to Washington County to Award a Contract

SUBMITTED BY: Jack Griffin, City Engineer

THROUGH: Dean A. Zuleger, City Administrator

REVIEWED BY: Adam Bell, City Clerk
Cathy Bendel, Finance Director
Chad J. Isakson, Project Engineer
Dave Snyder, City Attorney

SUGGESTED ORDER OF BUSINESS:

- Introduction of Item City Engineer
- Report/Presentation..... City Engineer
- Questions from Council to Staff Mayor Facilitates
- Open Public Improvement Hearing; Public Input Mayor Facilitates
- Call for Motion Mayor & City Council
- Discussion Mayor & City Council
- Action on Motion..... Mayor Facilitates

POLICY RECOMMENDER: Engineering.

FISCAL IMPACT: \$5,802,486.

The Old Village Phase 1 Street and Utility Improvements is a \$5.8 million street, sanitary sewer, drainage and storm water management improvement project. The project will be funded through the issuance of general obligation bonds with bond payments made from special assessments, the water enterprise fund, the storm water fund, County cost participation, Municipal State Aid Funds, and general tax levy.

SUMMARY AND ACTION REQUESTED:

The City Council is respectfully requested to open the Public Improvement Hearing for the Old Village Phase 1 Street and Utility Improvements; and following the Hearing, consider adopting Resolution No. 2015-50, ordering the improvement for the Old Village Phase 1 Street and Utility Improvements and providing Municipal Concurrence for Washington County to Award a Contract. The recommended motion for this action is as follows:

“Move to adopt Resolution No. 2015-50, ordering the improvement for the Old Village Phase 1 Street and Utility Improvements and providing Municipal Concurrence for Washington County to Award a Contract.”

LEGISLATIVE HISTORY:

Pursuant to Minnesota Statutes, Section 429.011 to 429.111, a Public Improvement Hearing was noticed for June 9, 2015, to consider making the following improvements:

- Reconstruction of streets along Upper 33rd Street from Lake Elmo Avenue to Laverne Avenue, Laverne Avenue from Upper 33rd Street to Trunk Highway 5, 36th Street from Lake Elmo Avenue to Laverne Avenue, and the Alley between Laverne Avenue and Lake Elmo Avenue from Upper 33rd Street to 36th Street, with the addition of sidewalks all as approved by Council as a part of Municipal Consent on February 5, 2015.
- Construction of the initial regional drainage system improvements including a large infiltration pond and oversized storm sewer to begin addressing flooding issues in the Old Village Area.
- Extension of sanitary sewer to provide service to benefitting properties within the Old Village, including Upper 33rd Street from where it crosses the Union Pacific Railroad Tracks to Lake Elmo Avenue, along Laverne Avenue from Upper 33rd Street to Trunk Highway 5, 36th Street from Lake Elmo Avenue to Laverne Avenue, and the Alley between Laverne Avenue and Lake Elmo Avenue from Upper 33rd Street to 200-feet south of 36th Street. Improvements will include a service stub to the property line for each benefitting property.
- Replacement of an aged watermain system.
- Street lights and landscaping amenities including boulevard trees.

The attached notice was published in the official newspaper and individual notifications were sent to each address that will be assessed for the improvements. The area proposed to be assessed for the street improvements include the properties directly abutting Upper 33rd Street, 36th Street, and Laverne Avenue as detailed above.

The estimated total project cost is \$5,802,500. The estimated total cost of the street and landscape improvements are \$1,507,100; sanitary sewer improvements are \$699,800; streetscape improvements are \$49,000; regional drainage improvements are \$3,013,100; and water system improvements are \$533,600. The watermain replacement and regional storm sewer system will not be assessed. 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.

The street and landscape improvements and extension of sanitary sewer are proposed to be assessed against the benefitting properties consistent with the City's Special Assessment Policy. Street improvement assessments are proposed at a rate of 30% for residential properties using an average residential front footage, and 100% for commercial properties based upon the actual front footage. Extension of sanitary sewer is 100% paid for by the benefitting property owners using a per residential equivalent method. The remainder of the proposed project costs are proposed to be paid through a combination of municipal state aid funds, water enterprise funds, and general funds.

Assessments for street improvements are levied over 10 years while the sanitary sewer improvements would be levied over a 20 year period. Additional cost breakdown, assessment information, and financial detail is present in the Feasibility Report.

BACKGROUND INFORMATION:

A feasibility report was authorized by the City Council on July 1, 2014 in order to ready these improvements for 2015 construction. The feasibility report is needed to meet state statutory requirements if any portion of the project is to be assessed to benefitting properties. The report identifies the necessary improvements, the estimated project costs, the assessment methodology and preliminary assessment amounts to be levied against properties adjacent to and benefitting from the street and sanitary sewer improvements.

RECOMMENDATION:

Staff is recommending that the City Council adopt Resolution No. 2015-50, ordering the improvement for the Old Village Phase 1 Street and Utility Improvements and providing Municipal Concurrence for Washington County to Award a Contract. The recommended motion for this action is as follows:

“Move to adopt Resolution No. 2015-50, ordering the improvement for the Old Village Phase 1 Street and Utility Improvements and providing Municipal Concurrence for Washington County to Award a Contract.”

ATTACHMENT(S):

1. Resolution No. 2015-50 Ordering the Improvement and providing Municipal Concurrence for Washington County to Award a Contract.
2. Notice of Hearing on Improvement.
3. Updated Post-Bid Preliminary Assessment Rolls (*will be made available at the meeting*).
4. Location Map.
5. Project Schedule.