



MAYOR & COUNCIL COMMUNICATION

DATE: May 3, 2016
REGULAR
ITEM 10

AGENDA ITEM: Old Village Phase 2 Street, Drainage 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: Kristina Handt, City Administrator

REVIEWED BY: Julie Johnson, City Clerk
Cathy Bendel, Finance Director
Chad J. Isakson, Project Engineer
Sarah Sonsalla, 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: \$8,445,985.

The Old Village Phase 2 Street, Drainage and Utility Improvements is a \$8.45 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 2 Street, Drainage and Utility Improvements; and following the Hearing, consider adopting Resolution No. 2016-37, ordering the improvement for the Old Village Phase 2 Street, Drainage 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 May 3, 2016, to consider making street, drainage and utility improvements for the following corridors:

- 30th Street North, from the Lake Elmo Avenue to Lisbon Avenue North.
- Lake Elmo Avenue North from 500-feet south of 30th Street North to CSAH 14.
- 34th Street from Lake Elmo Avenue to 150-feet west
- 35th Street from Lake Elmo Avenue to the dead end
- 36th Street from Lake Elmo Avenue to 200-feet west

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 the streets as described above.

The estimated total project post-bid cost is \$8,445,958. The estimated total cost of the street and drainage improvements are \$5,192,354; sanitary sewer improvements are \$1,204,385; landscape and streetscape improvements are \$267,648; regional drainage improvements are \$208,759; and water system improvements are \$1,572,812. 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, drainage, landscape, and streetscape 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 residential equivalent unit 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 presented in the Feasibility Report.

BACKGROUND INFORMATION:

A feasibility report was authorized by the City Council on February 2, 2016 in order to ready these improvements for 2016 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. 2016-37, ordering the improvement for the Old Village Phase 2 Street, Drainage and Utility Improvements as detailed in the Feasibility Report dated as amended May 2016 and providing Municipal Concurrence for Washington County to Award a Contract. This resolution must be approved by a 4/5th's vote. The recommended motion for this action is as follows:

“Move to adopt Resolution No. 2016-37, ordering the improvement for the Old Village Phase 2 Street, Drainage and Utility Improvements as detailed in the Feasibility Report as amended May 2016 and providing Municipal Concurrence for Washington County to Award a Contract.”

ATTACHMENT(S):

1. Resolution 2016-37 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.