



## **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

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### **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.
- 34<sup>th</sup> Street from Lake Elmo Avenue to 150-feet west
- 35<sup>th</sup> Street from Lake Elmo Avenue to the dead end
- 36<sup>th</sup> 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 4/5<sup>th</sup>'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.

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

**RESOLUTION NO. 2016-37**

**A RESOLUTION 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**

**WHEREAS**, pursuant a resolution of the city council adopted on April 5, 2016, the council ordered a hearing on Improvement for the Old Village Phase 2 Street, Drainage 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 3<sup>rd</sup> day of May, 2016, 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 March 2016 states that the project is necessary, cost-effective, and feasible; and

**WHEREAS**, the City has directed Washington County, and its consultants, to oversee the preparation of the Plans and Specifications, and to accept bids for the improvements; and

**WHEREAS**, pursuant to an advertisement for bids, bids were received by Washington County on April 5, 2016, opened, and tabulated according to the law, and reviewed to verify that all requirements of the submittals were met.

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

1. Such improvement is deemed necessary, cost-effective, and feasible as detailed in the Feasibility Report dated March 2016 and amended May 2016.
2. Assessments shall be levied to the benefiting properties as outlined in the preliminary assessment rolls and as amended by the city council.
3. Such improvement is hereby ordered as proposed in the council resolution adopted this 3rd day of May, 2016.
4. The city council declares its official intent to reimburse itself for the costs of the improvement from the proceeds of tax exempt bonds.
5. That the city concurs with the bids and Washington County's recommendation to award a contract.

6. The city will enter into a cooperative agreement with Washington County and the county shall oversee the preparation of the Plans and Specifications and construction for the making of such improvement.

**ADOPTED BY THE LAKE ELMO CITY COUNCIL ON THE THIRD DAY OF MAY, 2016.**

**CITY OF LAKE ELMO**

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

(Seal)  
ATTEST:

\_\_\_\_\_  
Julie Johnson  
City Clerk

CITY OF LAKE ELMO  
NOTICE OF HEARING ON IMPROVEMENT  
OLD VILLAGE PHASE 2 STREET, DRAINAGE AND UTILITY IMPROVEMENTS

Notice is hereby given that the City Council of Lake Elmo will meet in the council chambers of the city hall at or approximately after 7:00 P.M. on Tuesday, May 3, 2016, to consider the making of the following improvements, pursuant to Minnesota Statutes, Sections 429.011 to 429.111;

The street, landscape and streetscape improvements are proposed along Lake Elmo Avenue from 500 feet south of 30th Street North to CSAH 14 and 30th Street from Lake Elmo Avenue to Lisbon Avenue North, 34th Street from Lake Elmo Avenue to 150-feet west, 35th Street from Lake Elmo Avenue to the dead end, and 36th Street from Lake Elmo Avenue to 200-feet west. The improvements consist of reconstruction of the existing streets with concrete curb and gutter, installation of a storm sewer system, replacement of aged watermain, boulevard trees, ornamental street lights, and sidewalk installation.

The sanitary sewer improvements include the extension of existing sanitary sewer along Lake Elmo Avenue from 500 feet south of 30th Street North to CSAH 14 and 30th Street from Lake Elmo Avenue to 200 feet east of Legion Avenue, 34th Street from Lake Elmo Avenue to 150-feet west, 35th Street from Lake Elmo Avenue to the dead end, and 36th Street from Lake Elmo Avenue to 200-feet west. Improvements will include a service stub to each benefitting property to the property line.

The area proposed to be assessed for the street improvements include the properties directly abutting Lake Elmo Avenue, 30<sup>th</sup> Street, 34<sup>th</sup> Street, 35<sup>th</sup> Street, and 36<sup>th</sup> Street as detailed above.

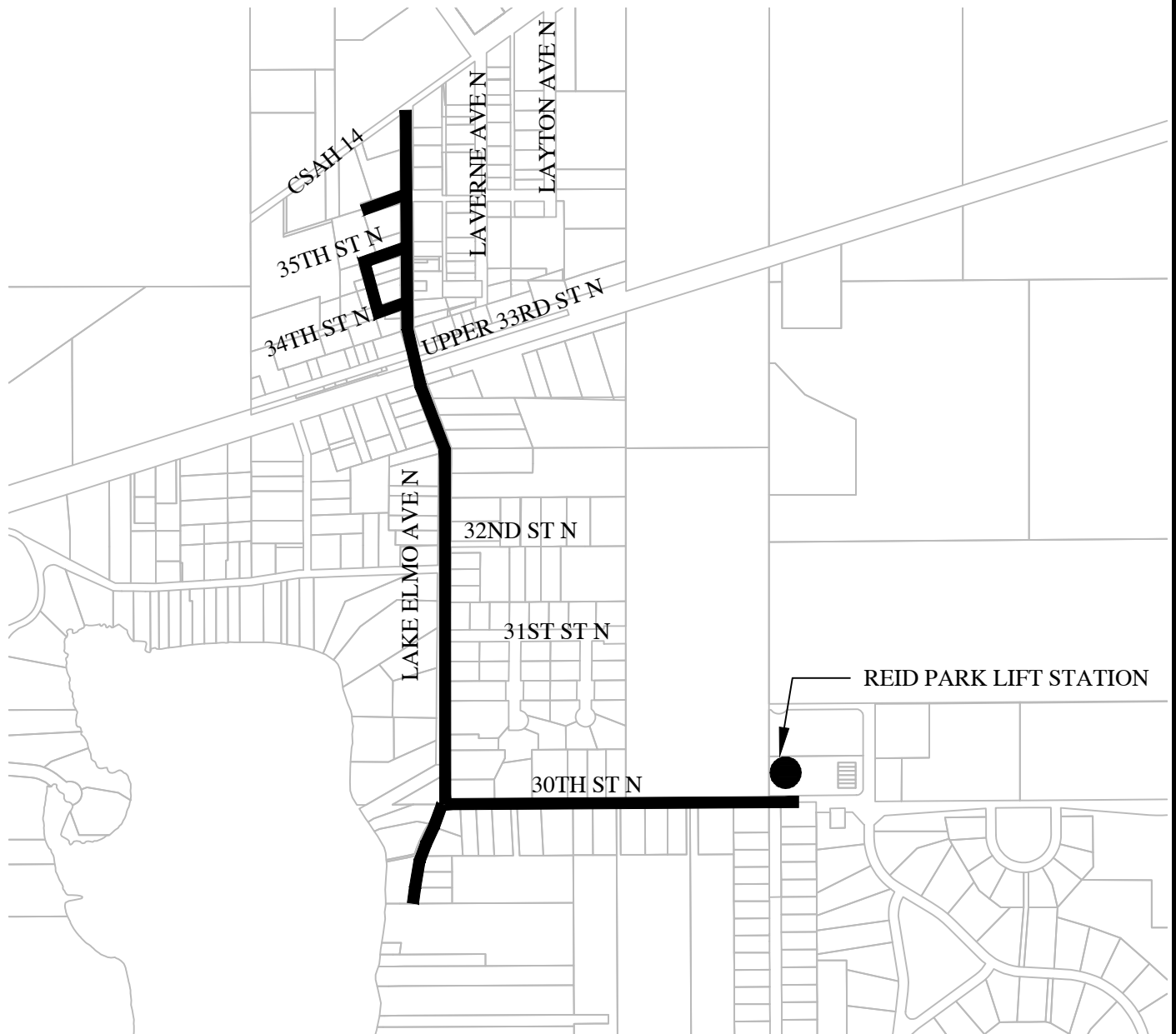
The total estimated project cost for the Phase 2 improvements is \$9,312,677. The estimated total cost of the street and landscape improvements are \$5,810,611, sanitary sewer improvements are \$1,436,740, streetscape improvements are \$81,000, regional drainage improvements are \$254,016, and water system improvements are \$1,730,310. 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.

**DATED:** April 5, 2016

**BY ORDER OF THE LAKE ELMO CITY COUNCIL**

**Mike Pearson, Mayor**

*(Published in the Oakdale-Lake Elmo Review on April 13, 2016 and April 20, 2016)*



**LEGEND**

**OLD VILLAGE PHASE 2 - STREET, DRAINAGE AND UTILITY IMPROVEMENTS**



**FOCUS**  
ENGINEERING

OLD VILLAGE STREET,  
DRAINAGE AND UTILITY  
IMPROVEMENTS  
PROJECT NO. 2016.124  
MARCH, 2016

EXHIBIT NO. 1

**LOCATION MAP**

OLD VILLAGE PHASE 2 STREET, DRAINAGE  
AND UTILITY IMPROVEMENTS

PROJECT SCHEDULE  
CITY OF LAK ELMO

OLD VILLAGE PHASE 2: STREET, DRAINAGE  
AND UTILITY IMPROVEMENTS  
PROJECT NO. 2016.124

**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

*MARCH 2016*

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FEBRUARY 5, 2015	Council approves Phase 2 Municipal Consent. County proceeds with Final Design.
FEBRUARY 2, 2016	Council authorizes the preparation of the Phase 2 Feasibility Report.
FEBRAURY 16, 2016	County presents final plans and specifications. No formal action required.
MARCH, 2016	County posts advertisement for bid.
APRIL 5, 2016	Council accepts Report; and adopts project assessment policy. Calls Public Improvement Hearing.
APRIL 5, 2016	County Accepts Contractor Bids.
APRIL 8, 2016	Notice of Public Hearing (Publish April 13 and April 20, 2016).
MAY 3, 2016	Public Improvement Hearing. Council approves "Concurrence" to award contract. Council <u>Orders the Improvement</u> for the Old Village Phase 2: Street, Drainage, and Utility Improvements (Requires 4/5 <sup>th</sup> vote).
MAY, 2016	Start of Phase 2 Construction. <ul style="list-style-type: none"><li>• NOVEMBER, 2016 Substantial Completion.</li><li>• JULY, 2017 Final Completion.</li></ul>