



STAFF REPORT

DATE: April 4, 2017

PUBLIC HEARING

ITEM #: 16

AGENDA ITEM: CSAH 13 (Ideal Avenue/Olson Lake Trail) Improvements – Receive Report, Call for Improvement Hearing, Declare Cost to be Assessed, and Call for Hearing on Proposed Assessment

SUBMITTED BY: Jack Griffin, City Engineer

REVIEWED BY: Kristina Handt, City Administrator
Brian Swanson, Finance Director
Sarah Sonsalla, City Attorney
Rob Weldon, Public Works Director
Chad Isakson, Project Engineer

ISSUE BEFORE COUNCIL: Should the City Council accept the Feasibility Report for the CSAH 13 (Ideal Avenue/Olson Lake Trail) Improvements and call for a Public Improvement Hearing to be held on May 2, 2017? And should the City Council declare the cost to be assessed and call the Final Assessment Hearing to also be held on May 2, 2017?

BACKGROUND: On August 16, 2016, the Lake Elmo City Council authorized the preparation of this feasibility study to implement the Phase 2 sanitary sewer extension project for the Olson Lake Trail municipal urban service area. The Phase 1 sanitary sewer extension project was constructed in 2013 with Phase 2 intended to be constructed in coordination with Washington County's street reconstruction along CSAH 13. Washington County has programmed the CSAH 13 street improvements to be constructed in 2017 and initiated the planning and preliminary design work accordingly.

The Lake Elmo City Council provided municipal consent for the CSAH 13 Phase 1 Improvements as presented by Washington County on July 19, 2016. The proposed improvements are located on Olson Lake Trail (CSAH 13) from 44th Street North to 50th Street North. The street is owned and operated by Washington County and the City Boundary between Oakdale and Lake Elmo is along the center of the street.

The main objective of this project is to extend municipal sanitary sewer service along Olson Lake Trail to an area served by septic systems adjacent to Olson Lake. The project has been coordinated to be cost effectively implemented with the Washington County street improvements. Washington County is improving the condition of the streets, providing drainage improvements and installing an off-street trail for pedestrians and bicyclists. A public informational meeting was held on December 15, 2016 at Oakdale City Hall to present approximate assessment information and answer questions from the public.

PROPOSAL DETAILS/ANALYSIS: The feasibility report has been completed in accordance with Minnesota Statutes Chapter 429 and outlines the improvements being recommended along the corridor including Washington County recommended street, drainage and trail improvements as well as the sanitary sewer extension improvements being jointly proposed by Oakdale and Lake Elmo. The report provides estimated total project costs including the cost breakdown between Washington County, the City of Oakdale and the City of Lake Elmo. The cost estimate and breakdown was provided by Washington County's design

consultant, SRF Consulting, with the sanitary sewer costs being estimated by the City's consultant, SEH, Inc. In addition, the report states that the improvements are necessary, cost effective, and feasible, and provides a preliminary assessment roll for each of the benefitting properties. The following summarizes the report findings and recommendations:

Sanitary Sewer:

- The project will be implemented as a joint effort between Washington County, the City of Lake Elmo, and the City of Oakdale, coordinated through Cooperative and Joint Powers Agreements. Washington County is the lead agency.
- The project will provide municipal sanitary sewer service to an additional 13 Lake Elmo properties and 7 Oakdale Properties through the extension of the existing Oakdale sanitary sewer system.
- The estimated one-time unit assessment for sanitary sewer will be levied over 20 years. The base assessment value is \$20,500. This unit assessment has been reduced by \$3,000 for those properties that require an individual pumping station. The pumping station purchase is included in the unit assessment and the \$3,000 assessment deduction provides a set allowance for the pumping station installation.
- Additional costs in the estimated combined amount of \$3,500 would be collected from property owners by the City of Oakdale at the time of connection to sewer. This amount is comprised of various permitting and connection fees previously established by the Oakdale utility and includes the Met Council SAC fee.
- Properties will also be directly responsible to pay a private plumbing contractor to make the service connection for their property, from the right-of-way to their home. This cost is property specific and includes the installation of the pumping station if required.
- Lake Elmo ordinance requires properties to connect to sanitary sewer service within 2 years.
- Once connected, the City of Oakdale will bill on a quarterly basis for ongoing sewer use charges. Under current practice, Oakdale uses the winter quarter water use of the property, as metered from the private well, to determine and bill for annual sewer flows.

Street, Drainage, and Trail Improvements:

- CSAH 13 (Ideal Avenue/Olson Lake Trail) is a County State Aid Highway. Improvements made along CSAH 13 must meet minimum County state aid design standards.
- The CSAH 13 improvements have been developed and recommended by Washington County after receiving public input. Preliminary plans were approved by both Oakdale and Lake Elmo.
- Washington County requires City cost participation based on County policy, including permanent and temporary right-of-way acquisition, pedestrian trail improvements, curb and gutter, retaining walls, and storm water pond construction costs.
- Residential properties will be assessed on a per unit basis at 30% of the total city cost share for those improvements. The street, drainage, and trail assessment for each parcel on this project is \$5,900 for 23 residential properties. The assessment will be levied over a 15-years.

FISCAL IMPACT: The estimated total project cost is \$5,704,500 with the City cost share estimated to be \$670,700. The City share of the street, drainage, and trail improvements is estimated at \$455,900 and City share of the sanitary sewer improvements estimated at \$214,800. The improvements are proposed to be assessed against the benefitting properties consistent with the City's Special Assessment Policy

including proposed assessments in the amount of \$135,700 for the street, drainage and trail improvements and \$230,500 for the sanitary sewer improvements.

RECOMMENDATION: Staff is recommending that the City Council approve Resolution 2017-034 receiving the Feasibility Report and calling for the Public Improvement Hearing to be held on May 2, 2017. Staff is also recommending that the City Council approve Resolution 2017-034 declaring the costs to be assessed and calling Hearing on the Proposed Assessment to also be held on May 2, 2017. The suggested motions to approve these actions are as follows:

“Move to adopt Resolution No. 2017-034 Receiving the Feasibility Report for the CSAH 13 (Ideal Avenue/Olson Lake Trail) Improvements and Calling Hearing on Improvement to be held on May 2, 2017.”

and

“Move to adopt Resolution No. 2017-035 Declaring Cost to be Assessed and Calling Hearing on Proposed Assessment for the CSAH 13 (Ideal Avenue/Olson Lake Trail) Improvements to be held on May 2, 2017.”

ATTACHMENTS:

1. Resolution No. 2017-034 Receiving the feasibility report for the CSAH 13 (Ideal Avenue/Olson Lake Trail) Improvements and calling a hearing on improvements to be held on May 2, 2017.
2. Notice of Hearing on Improvement.
3. Resolution No. 2017-035 Declaring costs to be assessed and calling hearing on proposed assessments for the CSAH 13 (Ideal Avenue/Olson Lake Trail) Improvements to be held on May 2, 2017.
4. Notice of Hearing on Proposed Assessment.
5. Project Location Map.
6. Project Schedule.
7. Assessment Roll.
8. Olson Lake Trail Improvements Feasibility Report available for review at City Hall.

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

**RESOLUTION NO. 2017-034
A RESOLUTION RECEIVING FEASIBILITY REPORT FOR CSAH 13
(IDEAL AVENUE/OLSON LAKE TRAIL) IMPROVEMENTS AND
CALLING HEARING ON IMPROVEMENT**

WHEREAS, pursuant to City Council authorization, adopted on August 16, 2016, a feasibility report has been prepared by SEH, Inc. for the CSAH 13 (Ideal Avenue/Olson Lake Trail) Improvements, and

WHEREAS, the feasibility report recommends that benefitting properties be assessed all or a portion of the cost of the improvements pursuant to the city's Special Assessment Policy and Minnesota Statutes, Chapter 429; and

WHEREAS, the feasibility report provides information regarding whether the proposed improvement is necessary, cost-effective, and feasible; whether it should best be made as proposed or in connection with some other improvement; the estimated cost of the improvements as recommended; and a description of the methodology used to calculate individual assessments for affected parcels.

NOW, THEREFORE, BE IT RESOLVED,

1. That the City Council will consider the improvements in accordance with the report and the assessments of the abutting properties for all or a portion of the cost of the improvements pursuant to Minnesota Statutes, Chapter 429 at an estimated total project cost of \$5,704,500. The estimated project cost to the City is \$670,700 with the street, drainage, and trail improvements estimate at \$455,900 and the sanitary sewer improvements estimated at \$214,800.
2. A public hearing shall be held on such proposed improvements on the 2nd day of May, 2017, in the council chambers of the City Hall at or approximately after 7:00 P.M. and the clerk shall give mailed and published notice of such hearing and improvement as required by law.

ADOPTED BY THE LAKE ELMO CITY COUNCIL ON THE FOURTH DAY OF APRIL, 2017.

CITY OF LAKE ELMO

(Seal)
ATTEST:

Julie Johnson
City Clerk

By: _____
Mike Pearson
Mayor

**CITY OF LAKE ELMO
NOTICE OF HEARING ON IMPROVEMENT
CSAH 13 (IDEAL AVENUE/OLSON LAKE TRAIL) 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 2, 2017, to consider the making of the following improvements, pursuant to Minnesota Statutes, Sections 429.011 to 429.111;

The improvements consist of the extension of sanitary sewer along CSAH 13 (Ideal Avenue/Olson Lake Trail) between 44th Street North and 50th Street North including the reconstruction of the existing streets with concrete curb and gutter, installation of storm sewer, and construction of an off-road bituminous trail.

Sanitary sewer assessments are proposed for those properties that abut the improvements and receive a service stub as part of the project including 4473, 4497, 4565, 4719, 4751, 4769, 4823, 4849, 4863, 4891, 4911, and 4941 Olson Lake Trail and 7803 50th Street North. The area proposed to be assessed for the street, drainage, and trail improvements include the properties directly abutting and accessing the proposed streets along CSAH 13 between 44th Street North and 50th Street North.

The estimated total cost for the project is \$5,704,500 with the street, drainage, and trail improvements estimated at \$5,344,300 and the sanitary sewer improvements estimated at \$360,200. 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 4, 2017

BY ORDER OF THE LAKE ELMO CITY COUNCIL

Mike Pearson, Mayor

(Published in the Oakdale-Lake Elmo Review on April 12 and 19, 2017)

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

RESOLUTION NO. 2017-035

**A RESOLUTION DECLARING COST TO BE ASSESSED AND CALLING
HEARING ON PROPOSED ASSESSMENT FOR CSAH 13 (IDEAL
AVENUE/OLSON LAKE TRAIL) IMPROVEMENTS**

WHEREAS, estimated project costs have been calculated for the CSAH 13 (Ideal Avenue/Olson Lake Trail) Improvements including street, drainage, trail, and sanitary sewer improvements along CSAH 13 from 44th Street North to 50th Street North; and

WHEREAS, the total cost of the improvements will be \$5,704,500.

WHEREAS, the City Clerk and City Engineer have prepared the proposed assessment roll and will maintain said assessment roll on file in the City offices for public inspection.

NOW, THEREFORE, BE IT RESOLVED,

1. The portion of the cost of such street, drainage, and trail improvements to be paid by the City is hereby declared to be \$320,200, and the portion of the cost to be assessed against benefited property owners is declared to be \$135,700.
2. The portion of the cost of such sanitary sewer improvements to be paid by the City is hereby declared to be \$0, and the portion of the cost to be assessed against benefited property owners is declared to be \$230,500.
3. The City Clerk, with the assistance of the City Engineer, has calculated the proper amount to be specially assessed for such improvements against every assessable lot, piece or parcel of land to be benefited by the improvements, and the Clerk has filed a copy of such proposed assessment in the City offices for public inspection.
4. Assessments shall be payable in equal annual installments extending over 15 years for street, drainage, and trail improvements and 20 years for sanitary sewer improvements, the first of the installments to be payable on or before the first Monday in January, 2018, and shall bear interest at the rate of 4.00 percent per annum from the date of the adoption of the assessment resolution.
5. A public hearing shall be held on the 2nd day of May, 2017, in the Council Chambers of the City Hall at or approximately after 7:00 P.M. to pass upon such proposed assessment. All persons owning property affected by such improvement will be given an opportunity to be heard with reference to such assessment.
6. The City Clerk is hereby directed to cause a notice of the hearing on the proposed assessment to be published once in the official newspaper at least two weeks prior to the hearing, and she shall state in the notice the total cost of the improvement. She shall also cause mailed notice to be given to the owner of each parcel described in the assessment roll not less than two weeks prior to the hearings.

7. The owner of any property so assessed may, at any time prior to certification of the assessment to the county auditor, pay the entire assessment on such property, with interest accrued to the date of payment, to the City Clerk. No interest shall be charged if the entire assessment is paid before October 31, 2017. A property owner 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 October 31 or interest will be charged through December 31 of the succeeding year.

ADOPTED BY THE LAKE ELMO CITY COUNCIL ON THE FOURTH DAY OF APRIL, 2017.

CITY OF LAKE ELMO

By: _____
Mike Pearson
Mayor

(Seal)
ATTEST:

Julie Johnson
City Clerk

CITY OF LAKE ELMO
NOTICE OF HEARING ON PROPOSED ASSESSMENT
CSAH 13 (IDEAL AVENUE/OLSON LAKE TRAIL) 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 2, 2017, to consider, and possibly adopt, the proposed assessment against abutting property for the CSAH 13 (Ideal Avenue/Olson Lake Trail) Improvements. Adoption by the Council of the proposed assessment may occur at the hearing. The following describes the area proposed to be assessed:

- Street, drainage, and trail improvements along CSAH 13 (Ideal Avenue/Olson Lake Trail) from 44th Street North to 50th Street North.
- Sanitary sewer improvements along CSAH 13 (Ideal Avenue/Olson Lake Trail) from 44th Street North to 50th Street North. Properties include 4473, 4497, 4565, 4719, 4751, 4769, 4823, 4849, 4863, 4891, 4911, and 4941 Olson Lake Trail and 7803 50th Street North.

You may at any time prior to certification of the assessment to the county auditor on October 31, 2017, 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 October 31, 2017. 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 October 31 (date assessment 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 4.00 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, drainage and trail improvements and 20 years for sanitary sewer improvements, the first of the installments to be payable on or before the first Monday in January 2018, and will bear interest at the rate of 4.00 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, 2017. 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 amount of the proposed street improvement assessment is \$135,700. The total amount of the proposed sanitary sewer improvement assessment is \$230,500. 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.

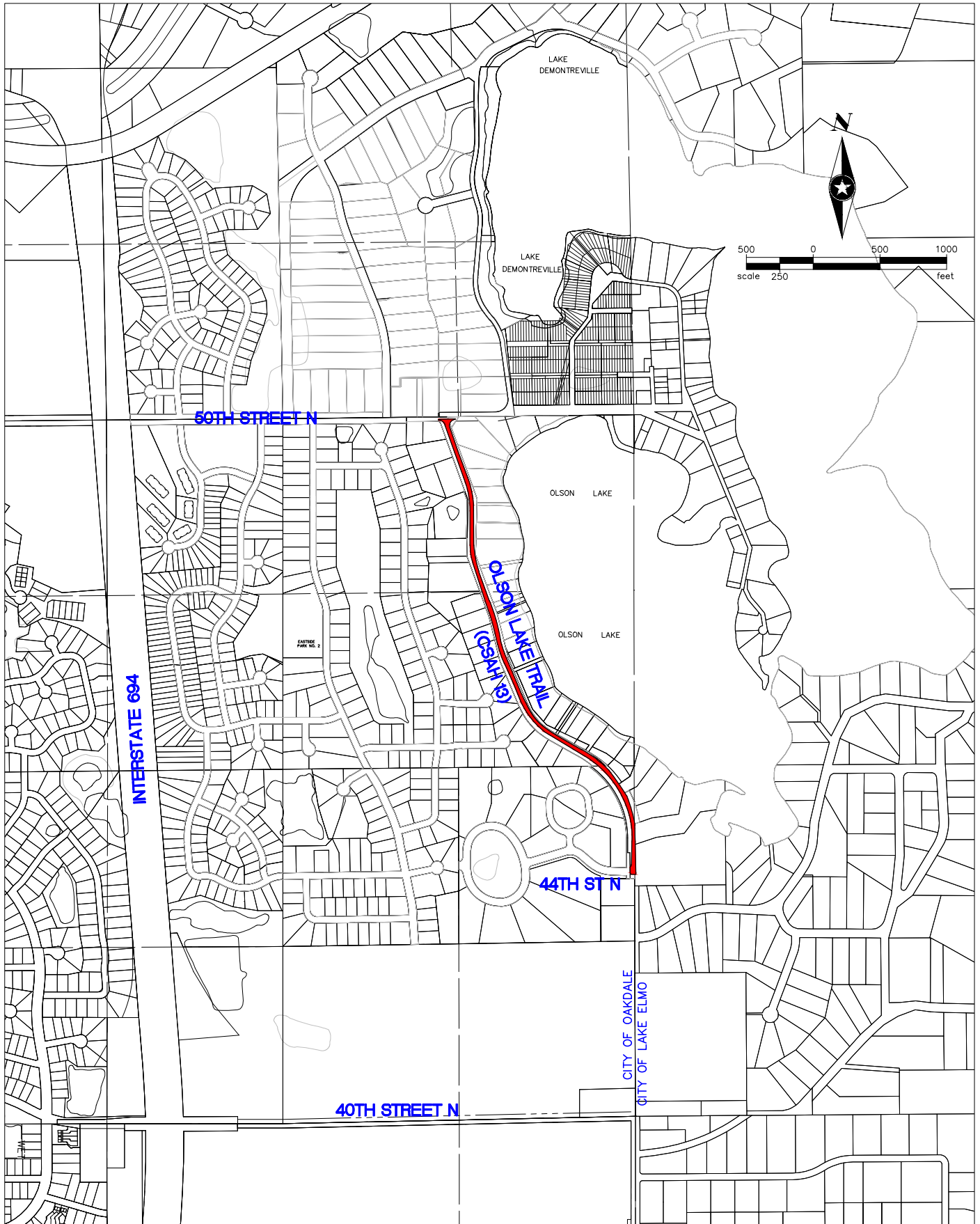
DATED: April 4, 2017

BY ORDER OF THE LAKE ELMO CITY COUNCIL

Mike Pearson, Mayor

(Published in the Oakdale-Lake Elmo Review on April 12, 2017)

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3535 VADNAIS CENTER DR.
ST. PAUL, MN 55110-5196
www.sehinc.com

FILE NO.
139299

DATE:
03/14/17

LOCATION MAP
OLSON LAKE TRAIL IMPROVEMENTS
OAKDALE, MINNESOTA

EXHIBIT
NO. 1

PROJECT SCHEDULE
CITY OF LAKE ELMO

CSAH 13 (Ideal Avenue/Olson Lake Trail)
Street, Drainage, Trail and Sanitary Sewer
PROJECT NO. 2015.125

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 2017

JULY 19, 2016	Council approves CSAH 13 Phase 1 Municipal Consent. County proceeds with Design.
AUGUST 16, 2016	Council authorizes the preparation of the Feasibility Report.
DECEMBER 15, 2016	Public Informational Meeting.
APRIL 4, 2017	Council accepts Report and adopts project assessment policy. Calls Public Improvement and Final Assessment Hearing.
APRIL, 2017	County Accepts Contractor Bids.
MAY 2, 2017	Public Improvement and Final Assessment Hearing. Council <u>Orders the Improvement</u> (Requires 4/5 th vote), provides “Concurrence” to award contract.
MAY, 2017	Begin Construction. <ul style="list-style-type: none">• NOVEMBER, 2017 Substantial Completion.• JUNE, 2018 Final Completion.

CITY OF LAKE ELMO, MN.
MARCH 2017

CSAH 13: STREET, UTILITY, AND DRAINAGE IMPROVEMENTS
PRELIMINARY ASSESSMENT ROLL
STREET IMPROVEMENTS

NO.	NAME	ADDRESS	PID	TOTAL ASSESSMENT	STREET ASSMT	SAN SEWER ASMT
1	DAVID SOVEREIGN LIVING TRS	4415 OLSON LAKE	0902921320030	\$ 5,900.00	\$ 5,900.00	
2	SOVEREIGN JEFFERY C	4405 OLSON LAKE	0902921320022	\$ 5,900.00	\$ 5,900.00	
3	HILLEREN ANNA-MARIE S & MICHAEL J	4455 OLSON LAKE	0902921320021	\$ 5,900.00	\$ 5,900.00	
4	FLANAGAN PATRICK J & ANNE H	4473 OLSON LAKE	0902921320001	\$ 23,400.00	\$ 5,900.00	\$ 17,500.00
5	HOLM BARBARA E	4497 OLSON LAKE	0802921140059	\$ 23,400.00	\$ 5,900.00	\$ 17,500.00
6	ANDERSON JEANNE M & ANTHONY P NELSON	4535 OLSON LAKE	0802921140006	\$ 5,900.00	\$ 5,900.00	
7	LEAKE JEFFERY R & ELIZABETH A	4545 OLSON LAKE	0802921140061	\$ 5,900.00	\$ 5,900.00	
8	SCHWALBACH JAMES & BEVERLY TRS	4555 OLSON LAKE	0802921140052	\$ 5,900.00	\$ 5,900.00	
9	SCHULTZ CAROLYN A	4565 OLSON LAKE	0802921140066	\$ 23,400.00	\$ 5,900.00	\$ 17,500.00
10	HAIDER ANTHONY J & DIANE M	4575 OLSON LAKE	0802921140067	\$ 5,900.00	\$ 5,900.00	
11	PATRICIA GRAHAM FAMILY TRS	4635 OLSON LAKE	0802921140005	\$ 5,900.00	\$ 5,900.00	
12	HEINS SCOTT & KRISTINE	4655 OLSON LAKE	0802921140072	\$ 5,900.00	\$ 5,900.00	
13	TAYLOR REBECCA M	4671 OLSON LAKE	0802921140071	\$ 5,900.00	\$ 5,900.00	
14	SCHULTZ CHARLES A & MARCIA R ANDERSON	4709 OLSON LAKE	0802921140070	\$ 5,900.00	\$ 5,900.00	
15	BRINK MARY F & THOMAS W	4719 OLSON LAKE	0802921140069	\$ 23,400.00	\$ 5,900.00	\$ 17,500.00
16	FIELDS FAMILY TRS	4751 OLSON LAKE	0802921140065	\$ 23,400.00	\$ 5,900.00	\$ 17,500.00
17	PEPIN ANNALIESE M & BRYAN G MILLER	4769 OLSON LAKE	0802921110011	\$ 23,400.00	\$ 5,900.00	\$ 17,500.00
18	GERGEN JAMES B & ELIZABETH J	4823 OLSON LAKE	0802921110012	\$ 23,400.00	\$ 5,900.00	\$ 17,500.00
19	KOPPY THOMAS A & JUDITH F	4849 OLSON LAKE	0802921110001	\$ 23,400.00	\$ 5,900.00	\$ 17,500.00
20	KETZNER BRUCE M & BETH A	4863 OLSON LAKE	0802921110019	\$ 23,400.00	\$ 5,900.00	\$ 17,500.00
21	KOSTUCH GREGORY D & PATRICIA M	4891 OLSON LAKE	0802921110005	\$ 23,400.00	\$ 5,900.00	\$ 17,500.00
22	JANET L SCHNEIDER TRS	4911 OLSON LAKE	0802921110006	\$ 23,400.00	\$ 5,900.00	\$ 17,500.00
23	FORSHIER CLAUDE & BARBARA	4941 OLSON LAKE	0802921110004	\$ 26,400.00	\$ 5,900.00	\$ 20,500.00
24	REVOIR HAROLD J & JANE L	7803 50TH	0802921110008	\$ 17,500.00	\$ -	\$ 17,500.00
TOTAL				\$ 366,200.00	\$ 135,700.00	\$ 230,500.00