

HEARING PROCEEDINGS
2006 Street and Utilities Improvement Project

February 13, 2006

Pursuant to proper notice, the City Council conducted a public hearing at 7:00 p.m. on February 13, 2006 in the Council Chambers of City Hall. The following Councilmembers were present: Carlson, Cullen, Schmalz, and Mayor Wennberg. Councilmembers Blacklance, Kajewski, Worker, and Holten were absent. Mayor Wennberg chaired the hearing. Approximately eight citizens were in attendance.

DISCUSSION

Ron Lindberg, Public Works Director, outlined the areas proposed for street and utilities improvements which are proposed to begin after Memorial Day and completed by the end of September.

BITUMINOUS RECLAMATION AND CONSTRUCTION OF RIGHT TURN LANES – BROOKS AVENUE FROM THIRD STREET TO END OF URBAN SECTION SOUTH OF FIRST STREET The proposed improvements would consist of reclaiming the existing 4½ inches of bituminous pavement and 4½ inches of aggregate base by grinding, mixing and recompacting the upper 9 inches of street surface. Excess combined materials would be removed and salvaged for use by the City on other municipal projects. Replacement of miscellaneous sections of curb and gutter would be accomplished along with construction of right turn lanes at First Street and Third Street and placing 4 inches of bituminous pavement. The new bituminous would be sawed and sealed at 45 foot intervals to control future cracking.

The total estimated project cost is \$150,000. The project would be funded with Municipal State Aid Transportation funds and special assessments. There are approximately 3,360 linear feet of benefited street improvement frontage available for assessment. The City Council has recommended that benefited properties pay for a portion of the cost, which is determined to be 60% of the equivalent cost/ft. for a 36-foot wide, 7-ton designed, residential street. The assessment rate for street improvements is estimated at \$19/ft. Property owners would also be assessed for 60% of the cost of concrete curb or driveway replacement if requested by the property owner.

BITUMINOUS RECLAMATION OR OVERLAY OF MUNICIPAL STATE AID STREETS – FIRST STREET FROM KNIGHT AVENUE TO MAIN AVENUE; SECOND STREET FROM HORACE AVENUE TO ATLANTIC AVENUE; & ATLANTIC AVENUE FROM SECOND STREET TO THIRD STREET First Street - the proposed improvements would consist of milling, removing and replacing 1½ - 2 inches of the bituminous surface. The proposed improvements on Second Street would consist of reclaiming the existing 4½ inches of bituminous pavement and 4½ inches of aggregate base by grinding, mixing and recompacting the upper 9 inches of street surface. Excess combined materials would be removed and salvaged for use by the City on other municipal projects. Replacement of miscellaneous sections of curb and gutter would be accomplished along with placing 4 inches of bituminous pavement. The new bituminous on both segments would be sawed and sealed at 45 foot intervals to control future cracking.

The total estimated project cost is \$93,000. The project would be funded with Municipal State Aid Transportation funds and special assessments. There are approximately 725 linear feet of fronting properties on Atlantic Ave. available for assessment. The City Council has recommended that bene-

fitted properties pay for a portion of the cost, which is determined to be 60% of the equivalent cost/ft. for a 36-foot wide, 7-ton designed, residential street. The assessment rate for street improvements is estimated at \$19/ft. Property owners would also be assessed for 60% of the cost of concrete curb or driveway replacement if requested by the property owner.

OAKLAND PARK ROAD, BAKEN STREET AND MMCDC DEVELOPMENT AREA – BITUMINOUS WEARING COURSE PLACEMENT: The proposed improvements would consist of placing minor bituminous leveling in any street settlement areas and then pave a final 1-inch thick bituminous wearing course. The total estimated project cost is \$73,000. Benefiting property owners have prepaid for the cost of the bituminous wearing course as part of their assessment for past street improvements.

COUNTRYSIDE MOBILE HOME PARK – BITUMINOUS RECLAMATION OF STREETS: The proposed street improvements would consist of reclaiming the existing bituminous pavement and Class 5 aggregate base by milling, mixing and recompacting the upper 8 inches of street surface. Excess combined materials would be removed and salvaged for use by the City on other municipal streets. Drain tile would also be installed on Westview Avenue. Minor sections of curb and gutter and six concrete valley gutters would be replaced and 3 inches of new bituminous pavement installed. Cul-de-sacs would be edge milled and bituminous resurfaced only.

The total estimated project cost is \$204,000. The City Council has recommended that the developer be direct invoiced for 60% of the cost of street improvements according to City policy. The estimated developer cost is \$122,000.

HIGHWAY 59 FRONTAGE ROAD RECONSTRUCTION – BARZEN AVENUE TO RUBY AVENUE: The improvements would consist of reclaiming the 4 inches of bituminous and removing and salvaging 24 inches of existing aggregate. An additional 8 inches of unsuitable soils would be excavated. After accomplishing subgrade preparation and fabric installation the salvaged aggregate, along with imported bituminous reclaimed aggregate, would be replaced to a depth of 32 inches. Bituminous paving of 3½ inches would complete the section to a 9-ton load design.

The total estimated project cost is \$85,000. The City Council has recommended that properties benefiting from the improvements be assessed for 80% of the project cost according to current City policy. There are approximately 1,100 linear feet of benefited frontage available for assessment at an estimated rate of \$62/ft.

HANSON DRIVE – STREET AND STORM SEWER IMPROVEMENTS: The proposed improvements would involve the installation of storm sewer, excavation, aggregate backfilling, and construction of curb and gutter and 2 inches thick bituminous paving of 36 foot wide 7-ton designed roadways. Bituminous wearing course would be placed and assessed in a future year.

The total estimated project cost is \$182,000. The City Council has recommended that benefited properties be assessed for 60% of the cost of street and storm sewer improvements and 100% of the cost of concrete driveway approaches. There are approximately 2,000 linear feet of benefited property available for assessment at rates of \$37/equivalent front foot for street improvements and \$45/sq.yd. for concrete driveway approaches. There are approximately 2,800 linear feet of benefiting property available for storm sewer assessment of \$11/equivalent front foot.

HANSON DRIVE – UTILITIES EXTENSION SOUTH TO COUNTRY ROAD 62: Proposed improvements would consist of installation of 750 linear feet of 8-inch sanitary sewer, 1,000 linear feet of 12-inch water main, and utilities service lines on Hanson Drive. The large diameter water main would also service future residential areas south of County Road #62 and east of Highway 59.

Annexation of the Myhrer property would be required prior to utilities installation.

The total estimated project cost is \$72,000. According to past City policy the developers would be required to be direct invoiced for 100% of the cost of utilities less the City's contribution of approximately \$10,000 for costs related to oversizing the water main to accommodate future extensions.

ALLEY RECONSTRUCTION – SECOND STREET TO THIRD STREET WEST OF MAIN AVENUE: The proposed improvements would consist of removing the existing concrete and replacing with 8 inches of concrete pavement after making minor repairs to the storm sewer.

The total estimated project cost is \$55,000 with 600 linear feet of benefited properties available for 100% assessment of costs according to past City policies. The estimated assessment rate of \$92/ft. would begin at 61% for the first 24 feet adjacent to the alley improvements, 38% for the second 44 feet, and 1% for the last 72 feet.

GREENWOOD STREET EAST OF HWY 59 AND HOUSING SITE AREA – UTILITIES EXTENSION AND MINOR STREET IMPROVEMENTS: Proposed improvements would consist of installing a lift station and force main to serve development of the area and provide future service to existing homes currently on septic systems. Large diameter water main and sanitary sewer would also be installed on Greenwood Street to loop existing water main to the northwest and provide a trunk sewer line for area development. Water main and sanitary sewer would be extended 1,500 linear feet north on three roadways to serve eight properties adjacent to the Red Lake River and twenty vacant lots. Utilities service lines would be installed to all properties. Rural sectioned roads would be restored to present condition and 300 linear feet on Rider Court would be excavated and aggregate backfilled for development of nine lots.

The total estimated project cost for utilities and street improvements is \$450,000 with approximately 3,000 linear feet of property benefited at this time. Past policy for trunk lines have required the property owners to pay for equivalent 8 inch diameter water and sewer lines and the City has paid for the oversize and overdepth costs.

According to past City policy the developer would be required to pay 100% of the cost of utilities less the City's oversize contribution of approximately \$30,000. The developer would also be required to pay 60% of the cost of street improvements on Rider Court. Estimated cost of the lift station and force main is \$115,000. Of that cost, approximately 35% would be recovered through initial project invoicing and the balance funded from Utilities Reserves. Area lift station fees charged to each lot as developed in the future would eventually reimburse the Utility Fund. Estimated developer costs are \$275,000 for utilities and \$15,000 for partial street improvements on Rider Court. Private lots adjacent to the river would be invoiced an estimated \$2,000/lot for lift station and service line costs, plus an additional \$52/ft. for water main and sanitary sewer benefit.

The City Council has recommended that the developers and homeowners be direct invoiced for 100% of the costs related to the utilities improvements including lift station fees.

Estimated developers costs are \$132,000 for Ault/Bieto; \$155,000 for Ness; \$53,000 for private river lots; plus \$100,000 Utilities Reserves and \$10,000 in general City costs.

STORM SEWER REPLACEMENT – FOURTH STREET AND DAVIS AVENUE: The proposed improvements would consist of removing the existing bituminous and concrete street surfaces and replacing the clay tile pipe with concrete pipe. The Davis Avenue pipe replacement would also require the replacement of curb and sidewalk adjacent to the Eagles Club building.

Total estimated project cost is \$65,000 with \$30,000 to be funded from Storm Water Utilities Reserves and \$35,000 from Municipal State Aid Funds.

FIRST STREET BRIDGE MAINTENANCE: State required annual bridge inspection of the First Street Bridge has revealed a need for contracted repairs.

The repairs would consist of cleaning and repairing sixteen abutment bearings, replacing the PVC glands in both end expansion devices, repairing four anchor rods at pier bearings, replacing the two steel sidewalk grates with non-skid type, and repairing the water main insulation jacket.

Total estimated cost of \$39,000 to be funded 100% from Municipal State Aid Funds.

FINANCING

Jodie Torkelson, City Administrator, presented the options available for financing of the projects. Property owners will be either invoiced or assessed depending on the type of project and following City policy as already outlined by Ron Lindberg. For those projects where there may be assessments, the City will internally finance the debt through the use of City reserves.

Following last year's policy, developers will be invoiced for 50% of the project amount payable May 1st with the remainder due upon completion of the project.

Assessed property owners will be notified later in the project year (normally October) of a hearing to provide the actual dollar amount of their proposed invoice or assessment. At that time, the interest rate and term of the special assessment will be determined.

The interest rate for any agreed upon special assessment is normally one percent above the estimated cost of financing by the City. The term of the assessment roll is also normally determined by the size of the project and the number of property owners assessed. Generally, it is 10-12 years. Looking at the current rates, the City is anticipating an interest rate of five and one-half percent, but the City will check again just before the October hearing date for those figures.

The property owner has the option of paying their assessment up in full, or even paying a portion of the amount due. Interest is always charged on the unpaid balance of the assessment. Payment options will be covered more thoroughly at the assessment hearing in the Fall after the project is substantially completed.

QUESTIONS

The public was then given an opportunity to ask questions on the proposed improvements. The questions and answers provided are on file in the Office of the City Administrator.

ADJOURNMENT

There being no further discussion, Councilmember Cullen moved, being seconded by Councilmember Schmalz, to adjourn the hearing at 8:00 p.m. On vote being taken, the Chairman declared the motion unanimously carried and the hearing adjourned.

Dale Wennberg, Mayor

Attest: _____
Jodie R. Torkelson, City Administrator