

## HEARING PROCEEDINGS 2008 Improvement Project

April 15, 2008

Pursuant to proper notice, the City Council of Thief River Falls, Minnesota, conducted a public hearing with regard to the 2008 Street, Sidewalk, and Utilities Improvement Project at 7:30 p.m., on April 15, 2008 in the Council Chambers of City Hall. The following Councilmembers were present: Bendickson, Cullen, Erickson, Holten, Kajewski, Lee, Schmalz, and Mayor Nordhagen. No Councilmembers were absent. Mayor Nordhagen chaired the hearing. Approximately 12 persons affected by the proposed improvements were in attendance of the hearing.

### **REVIEW OF PROPOSED PROJECT**

Assistant Public Works Director, Mark Borseth, presented a detailed explanation of each of the following proposed improvement areas:

**Willow Court – Street Construction:** An owner of a new home of the Court has requested installation of curb and gutter, concrete driveway and bituminous surfacing and there are three vacant lots remaining on the cul-de-sac.

The total estimated project cost is \$42,000. It is recommended that the benefited properties be assessed for 60% of the cost of street improvements and 100% of the cost of concrete driveway approaches. Estimated rates are \$42.00/equivalent front foot for street improvements and \$55.00/square yard for concrete driveway approaches.

**LaBree Avenue and Twelfth Street Construction - Eleventh Street to Thirteenth Street and East of Main:** A majority of the property owners have signed a petition requesting improvements to this area. The proposed improvements include construction of 1,100 feet of roadway to an urbanized, seven-ton designed, 36-foot wide section of excavation, aggregate backfill, curb and gutter, and three inches of bituminous surfacing.

The total estimated project cost is \$179,000. It is recommended that benefited properties be assessed for 60% of the cost of street improvements and 100% of the cost of concrete driveway approaches. Estimated rates are \$42/equivalent front foot for street improvements and \$55/square yard for concrete driveway approaches. Excavation and aggregate backfilling will be accomplished by the Street Department to reduce the City's cost. Stormwater utility reserves will fund the estimated \$15,000 cost for replacement of storm sewer at Twelfth Street and LaBree Avenue.

**Nora Street Water Main Replacement – Crocker Avenue to Kneale Avenue South:** The proposed improvements consist of replacing an 800 feet long pipe segment, including a portion of the feeder line to the tower base. Bituminous trench patching of Nora Street is also required.

The total estimated project cost is \$110,000. There are no individual properties benefiting from the improvements available for assessment. Funding of the cost

would be from general City bonding with a portion of the cost to be reimbursed from Water Department revenues.

**Kneale Avenue Water Main Replacement – First Street to Nora Street:** The proposed improvements consist of replacing the water main with an eight-inch diameter water main and reconnecting the 45 existing service lines. The master plan for the City's water distribution system recommends upsizing the line to improve distribution of water from the Nora Street water tower to the eight-inch water main on Third Street. The upper 26 inches of the water main trench will be backfilled with aggregate material and capped with a single one and one-half inch layer of bituminous surfacing. In the near future, it is recommended that the west half of the street be excavated, aggregate backfilled, curbs replaced on both sides, and the street bituminous paved.

The total estimated cost is \$180,000. Under the City's current policy, water main replacement costs are not assessed to adjacent properties. Funding would be from general City bonding with a portion of the cost to be reimbursed from Water Department revenues.

**Greenwood Street Bridge Approaches Construction and Utilities Improvements – Oakland Park Road to Pennington Avenue:** Construction of the new Greenwood Street Bridge is scheduled for 2008 with a bid letting proposed for May. Included in the bridge project is the construction of a new nine-ton urbanized street segment from Oakland Park Road east to Columbia Avenue. Bituminous resurfacing of Greenwood Street from Columbia Avenue to Pennington Avenue is also included in the project. The bridge construction requires the relocation of a section of 16-inch diameter water main due to road elevation conflicts. The proposed relocation will also allow for future water service to the Greenwood Trails area. In addition, sanitary sewer service is proposed for extension to the Greenwood Trails site in the advent of future use.

The total estimated cost of utilities improvements is \$32,000. The cost also includes stubbing water and sewer service lines to a vacant residential lot as required by City ordinance. The cost of the utilities improvements is not eligible for state or federal funding and will be funded from general City bonding. A portion of the cost is to be reimbursed from Water Department revenues.

**Miscellaneous Sidewalk Repairs:** It is proposed to include quantities of work in the 2008 improvements project sufficient to make repairs to sidewalks at approximately 16 locations. Property owners would be given the opportunity to have the City's contractor make spot repairs to their sidewalk and be invoiced for 80% of the cost according to past City policy.

The estimated total project cost is \$10,000.

**Highway 1 (8<sup>th</sup> Street) Water Main Replacement – Atlantic Avenue to Davis Avenue:** The proposed improvements consist of replacing the existing six-inch water main with an eight-inch water main and reconnecting the four service lines, along

with replacing eight-inch CIP water main in the Atlantic Avenue and Davis Avenue intersections. The master plan for the City's water distribution system recommends upsizing the main under the Canadian Pacific Railroad. Installing an eight-inch water main will require jacking a 16-inch steel casing pipe under the railroad. Mn/DOT and railroad permits along with traffic control and bituminous trench patching will also be required.

The total estimated project cost is \$80,000. Under the City's current policy, water main replacement costs are not assessed to adjacent properties. Funding of the cost of the improvements would be from general City bonding with a portion of the cost to be reimbursed from Water Department revenues.

### **SUMMARY**

The total estimated project cost for the discussed improvements is \$633,000. The City will recover approximately \$78,000 in special assessments, and \$15,000 from the Storm Water Utility, resulting in an estimated general City cost of \$508,000 plus \$32,000 for Street Department force account work.

### **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 Mark Borseth. For those projects where there may be assessments, the City will go out to finance or internally finance the debt through the use of City reserves depending on the size and scope of the projects approved by the City Council.

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 12 years. Looking at the current rates, the City is anticipating an interest rate of five 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 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 Schmalz moved, being seconded by Councilmember Cullen, to adjourn the hearing at 8:02 p.m. On vote being taken, the Chairman declared the motion unanimously carried and the hearing adjourned.

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Steve Nordhagen, Mayor

Attest: \_\_\_\_\_  
Jodie R. Torkelson, City Administrator