



DATE: August 14, 2023
TO: Honorable Mayor and City Councilmembers
Dave Perrault, City Administrator
FROM: David Swearingen, P.E. Public Works Director / City Engineer
SUBJECT: 2024 PMP Street and Utility Improvements – Improvement Public Hearing

Budgeted Amount: \$3,001,100	Actual Amount: \$3,001,100 (Feasibility Estimate)	Funding Source: PIR, Surface Water, Sanitary, Water, Special Assessments
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Council Should Consider

Motions to approve, table, or deny the following:

- Conducting Improvement public hearing for the proposed 2024 PMP Street and Utility Improvements project in accordance with City Council Resolution 2023-038. The City Council will be requested to make a formal decision regarding ordering the specific improvements and ordering project plans and specifications under Agenda Item 11A.

Background/Discussion

On July 24, 2023, the City Council adopted Resolution 2023-038 receiving the feasibility report and calling for a public hearing to consider proposed improvements for the 2024 PMP Street and Utility Improvements Project. A complete copy of the feasibility report is provided on the City project webpage <https://www.cityofardenhills.org/1201/2024-PMP-Street-and-Utility-Improvements> (scroll down to Project Feasibility Report). A condensed version of the Feasibility Report is provided in Attachment B.

Projects involving special assessments generally require two public hearings commonly known as an Improvement Hearing and an Assessment Hearing. The subject hearing for August 14 is the improvement hearing. The purpose of the improvement hearing is for the City Council to discuss a specific local improvement before ordering it done. The second public hearing is the assessment hearing which is scheduled after the project has received contractor bids to provide property owners an opportunity to express concerns about the actual special assessments.

At the improvement hearing, interested persons may voice their opinion regarding the proposed project improvements and whether or not they are in the proposed assessment area. A reasonable estimate of the total amount to be assessed and the description of the methodology used to calculate

individual assessments for affected parcels is contained within the feasibility report, a copy of which is available for review on the City's website.

Pursuant to Minnesota Statutes, Chapter 429, notices of the Improvement Public Hearing were published in the Pioneer Press on August 3, 2023 and August 10, 2023. A notice was also mailed to each property within the draft assessment roll area on July 31, 2023.

Prior to opening the hearing, the City's engineering consultant, Bolton & Menk, will present general information regarding the scope of the proposed improvements, the overall cost and funding for the project, and assessments that apply for this project. The proposed improvements are generally located along the identified streets below and described in greater detail within the feasibility report.

Streets proposed for Full-Depth Reclamation:

- Keithson Drive from County State Aid Highway (CSAH) 96 West to 800 feet south of CSAH 96 West
- Royal Hills Drive from Snelling Avenue North to Arden View Drive
- Colleen Avenue from McClung Drive to Hamline Avenue North
- Norma Avenue from Dawn Circle to Briarknoll Drive
- Norma Avenue from Briarknoll Drive to Colleen Avenue
- James Avenue from Indian Oaks Trail to Colleen Avenue

Full-Depth Reclamation consists of grinding the existing pavement, shaping the generated aggregate material to raise the center crown to improve pavement drainage and repaving the roadway with 4-inches of bituminous pavement.

Streets proposed for Mill & Overlay:

- Briarknoll Circle
- Briarknoll Drive from Snelling Avenue North to Norma Avenue
- Royal Lane from Norma Avenue to Floral Drive West
- McClung Drive from Snelling Avenue North to Colleen Avenue
- Colleen Circle
- Arden Vista Court

Mill & Overlay consists of grinding and removing the top 2-inches of existing pavement and repaving the roadway with 2-inches of bituminous pavement.

Preliminary Project Schedule:

Resident Questionnaire Survey May 26, 2023

*Council Work Session for Direction on Preliminary Design** June 20, 2023

Accept Feasibility Report & Order Public Improvement Hearing* July 24, 2023

Public Open House August 8, 2023

Public Improvement Hearing* August 14, 2023

Order Improvements & Authorize Preparation of Plans and Specifications* August 14, 2023

Approve Final Plans & Specifications and Authorize Advertisement for Bids* January, 2024

Bid Opening February, 2024

Accept Bids & Order Assessment Hearing* February, 2024

Assessment Hearing/Adopt Assessment Roll & Award Construction Contract* March, 2024

Public Open House April, 2024

Construction Begins Spring, 2024

Construction Substantial Completion Fall, 2024

City Certifies Assessments to County November, 2024

* *City Council Meeting*

Budget Impact

Proposed project funding sources are a combination of the City’s Permanent Improvement Revolving (PIR) fund, utility funds, and special assessments for street improvements summarized in the following tables:

Table 2 – Estimated Total Project Costs				
Proposed Improvements	Reclamation Areas	Mill & Overlay Areas	Trails & Ponds	Total Project Costs
Streets	\$973,600	\$497,500	-	\$1,471,100
Storm Sewer	\$358,100	\$477,200	-	\$835,300
Sanitary Sewer	\$120,200	\$47,100	-	\$167,300
Watermain	\$202,500	\$17,100	-	\$219,600
Trails & Ponds	-	-	\$307,800	\$307,800
Total Project Costs	\$1,654,400	\$1,038,900	\$307,800	\$3,001,100

Table 3 – Estimated Funding Breakdown	
Funding Source	Project Total Cost
PIR Fund	\$900,700
Assessments	\$735,500
Utility Fund – Sanitary Sewer	\$167,300
Utility Fund – Water	\$219,600
Utility Fund – Surface Water Management	\$978,000
Total	\$3,001,100

The total estimated cost of the recommended improvements is \$3,001,100 which reflects a fairly significant increase to the Surface Water Management Fund. This project will most likely cause the Surface Water Management Fund to go negative in 2024, but it should be positive again in 2025, as there is not a PMP project scheduled for that year. A portion of this project is proposed to be assessed to the benefiting property owners and the remainder through other funding sources. In accordance with the City’s Assessment policy, the preliminary assessment for the recommended improvement is calculated as:

Reclamation Areas:

50% Estimated Street Project Costs = \$486,800

Residential Equivalent Units = 86

Assessment Rate = **\$5,660**

Mill & Overlay Areas

50% Estimated Street Project Costs = \$248,750

Residential Equivalent Units = 69

Assessment Rate = **\$3,605**

As the project is designed and competitively bid, the calculated assessment amount will be updated leading up to the adoption of the assessment roll. The project funding is further described on **pages 10 through 12** of the Feasibility Report.

Attachments

Attachment A: Presentation Slides for Improvement Public Hearing

Attachment B: 2024 PMP Feasibility Report