



# City of Northfield

City Hall  
801 Washington Street  
Northfield, MN 55057  
ci.northfield.mn.us

## Legislation Text

**M2015-033**

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**File #: 15-115, Version: 1**

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**City Council Meeting Date:** April 7, 2015

**To:** Mayor and City Council  
City Administrator

**From:** David Bennett, P.E., Public Works Director/City Engineer

**Subject:**

2016 Woodley Street Reconstruction - Approve Cost Participation Agreement with Rice County

**Action Requested:**

The Northfield City Council approves the attached cooperative agreement with Rice County for the Woodley Street Reconstruction (STRT2013-A18) project.

**Summary Report:**

At their February 3, 2015 meeting, the City Council directed staff to undertake negotiations with Rice County for a cooperative agreement on the Woodley Street Reconstruction project. Since that time, staff has met with Rice County to review the estimated project costs. The project costs in the agreement reflect the following scope of work as directed by Council:

- 44' face-of-curb to face-of-curb road section
- 5' wide sidewalk on both sides of the street
- Corridor lighting for all roadway users
- Intersection Enhancements and traffic calming
- Urban Treescape

The City Attorney has reviewed the County Cooperative Agreement and has indicated minor modifications to the agreement. The County has reviewed those proposed modifications and hasn't indicated any opposition to the City Attorney.

The County has identified participation at 55% County and 45% City related to the street and storm sewer improvements. However, in staff negotiations with the County over the past few weeks, the County has made concessions and increased their cost participation on the project. The County will now cost share for 50% of the sidewalk on one side of the street, along with increasing their participation in engineering and legal fees to 20% of the estimated construction costs in the cooperative agreement. This equates to an additional County contribution of \$200,000.

Since the February 3<sup>rd</sup> City Council meeting, the proposed project numbers have been reviewed and updated to reflect the proposed cost share agreement, current material prices per comparable projects as well as full

reconstruction versus that of resurfacing (which is reflected in the previous cost sharing agreement). The updated project costs are summarized in the table below.

To properly and fully fund the project, staff has worked with the finance department. Notable differences since the previous report include using identified MSA funds that aren't planned in the current Capital Improvement Plan, but are available to be spent on MSA eligible streets. Woodley Street is MSA eligible and these funds can be used to make up any funding gap that may have existed. The other main cost that made up the \$950,000 increase was the water main replacement cost. The City's Water Fund with this project taken into account will still be in line with the City fund balance goal.

	<b>Total</b>	<b>County</b>	<b>City</b>
Project Cost	\$4,752,998	\$1,422,469	\$3,330,528
STIP Grant	<u>\$760,000</u>	<u>\$380,000</u>	<u>\$380,000</u>
Total Project Less Grant	<b>\$3,992,998</b>	<b>\$1,042,469</b>	<b>\$2,950,528</b>

The project costs include 100% City costs related to the all water main and sanitary sewer on the project and street improvement costs on Evelyn and Frances Circle.

**Public Engagement Process**

Staff has developed a comprehensive, albeit compact, public engagement process. The goal and intent will be inform and receive feedback from residents immediately adjacent to Woodley Street as well as the broader community as the street is clearly one of significance. To do so, the outreach will include an online survey, community meetings, and neighborhood meetings. Upon conclusion of the public engagement effort, staff will report back to council with the findings from the public engagement process. The engagement process will focus on the construction of a Complete Street meeting the needs of the roadway users, within the scope that has been established by City Council (44' Wide Street), hence not necessitating the need for right-of-way acquisition.

*Administrator's Notes*

**At this point, staff has done a wonderful job bridging the Council's expectations and goals for this project into a proposal that the City has the financial and technical expertise to execute per Rice County's cost sharing policy and identified goals and requirements of the street. This is inclusive of sidewalks on both sides of the street, on street bike lanes and preserving parking. Moving forward, through the public engagement process and design process, the scope and therefore costs may be reduced but it will not increase. Staff has accounted for these matters through our various governing documents such as MSA requirements, Safe Routes to School Plan, Trail Plan and budget.**

**Therefore, at this point staff is recommending approval of the Cost Participation Agreement as drafted with the understanding that FUTURE council consideration will be made concerning typical street construction process matters as shown in attachment 3.**

Should the cooperative agreement be approved, staff has established a tentative timeline for public outreach and

input on the project. The tentative timelines are attached to this report.

**Alternative Options:**

1. City Council could direct staff to proceed with the scope of work as laid out in the Statewide Transportation Improvement Plan (STIP) as reclamation and that is already agreed upon contractually between the City and County. However, the potential for utility repairs in the project corridor could impact the long term condition of the street.

**Financial Impacts:**

Funding for the project:

<b>Funding Sources</b>	<b>County</b>	<b>City</b>
Rice County	\$1,042,469	
STIP Grant	\$380,000	\$380,000
Bonded		\$504,980
MSA		\$789,000
Special Assessment		\$420,495
Private Service Assessments		\$40,824
Sewer Fund		\$397,575
Water Fund		\$631,350
Storm Fund		\$166,304
<b>Total Funding</b>	<b>\$1,422,469</b>	<b>\$3,330,528</b>

**Tentative Timelines:**

Following the approval of the cooperative agreement staff will bring back an agreement to enter into a contract with an engineering consultant to perform the project design and all state and federal paper work associated with the project.

The project is scheduled for the 2016 construction season, and at this point, with no ROW acquisition, keeping this project on schedule is possible. Attachment 3 is the Project Process.

## ENGINEERING AND CONSTRUCTION COOPERATIVE PROJECT AGREEMENT

THIS AGREEMENT ("Agreement"), made and entered into this \_\_\_ day of \_\_\_\_\_, 2015, by and between the County of Rice, a body politic and corporate under the laws of the State of Minnesota, (hereinafter referred to as the "County") and the City of Northfield, a municipal corporation under the laws of the State of Minnesota, (hereinafter referred to as the "City"); (collectively the "Parties").

### WITNESSETH:

WHEREAS, the County and City have been negotiating to bring about improvements of Rice County State Aid Highway 28 ("CSAH 28") (also known as Woodley Street) from the intersection of Trunk Highway 246 (also known as Division St.) to the intersection of Prairie Street, including, but not limited to new concrete or bituminous pavement, storm sewer, curb and gutter, and sidewalks; and the City further desires to make additional improvements including underground utility replacements and repairs, landscaping and street lighting improvements, (hereinafter referred to as the "Project"); and

WHEREAS, the above described Project lies within the corporate limits of both the County and the City; and

WHEREAS, the City and County have prepared a preliminary engineer's estimate of quantities and unit prices of material and labor, engineering, administration and legal for the above described Project, hereinafter referred to as the "Project Costs" which has a total estimated Project cost of four million, seven hundred fifty-two thousand, nine hundred ninety-eight dollars (\$4,752,998.00). A copy of said engineer's estimate is attached hereto as Exhibit 1 and by this reference is made a part hereof; and

WHEREAS, it is contemplated that said work on the Project be carried out cooperatively by the Parties hereto under the provisions of Minn. Stat. 162.17, Subd. 1, in accordance with the terms and conditions contained in this Agreement.

NOW, THEREFORE, IT IS HEREBY AGREED:

1

The City shall provide for the preliminary and final design, construction engineering and project administrative work contemplated herewith. The County will provide assistance in the principle roadway design elements, and provide timely responses to design questions. It is understood that this segment will be designed and constructed to current appropriate State Aid standards and provide a 10-ton structural pavement rating. The County will provide the City with the pavement section to be incorporated into the design. The County shall review and approve the final design of the Project improvements prior to bidding. This segment will be reconstructed to an urban section with a 44' wide roadway section, and may include traffic calming treatments .

2

Upon approval of all applicable Federal Aid and State Aid requirements, and written concurrence from the County Engineer of the final design, the City shall advertise the Project for bids pursuant to Federal Aid requirements, receive and open bids pursuant to said advertisement. Prior to bidding, the City will prepare an updated construction estimate for the Project based upon final estimated bid quantities and submit same to the County. The City shall review bids and provide the County all bid abstracts, prepare an updated probable cost estimate utilizing the low responsible bidder's unit prices, and make a recommendation of the low responsible bidder. The County will promptly review the City's recommendation, and upon written concurrence from the County Engineer, the City shall enter into a contract with the successful bidder at the unit prices specified in the bid, according to law in such case provided for the City. The contract shall be in a form and include the plans and specifications prepared by the City and its agents and approved by the County.

3

The City shall have overall authority to administer the contract, and responsibility to inspect the construction of the contract work for the project. Any change orders or supplemental agreements that affect the project cost must be approved by both parties prior to execution of work. The Rice County Engineer shall cooperate with the City Engineer or designee at their request to the extent necessary. Final completion of the construction project and determination of final quantities must be approved by both the City Engineer and County Engineer.

4

The City will be solely responsible for any, and all, right-of-way acquisition processes, requirements, and costs, both permanent and temporary, associated with the Project, in accordance with applicable Federal Aid requirements which are necessary to construct the improvements as proposed in the final design.

5

Storm sewer constructions costs will be prorated to the City and County respectively based upon an appropriate storm water analysis completed by Mn-DOT as part of the review process. For project estimation purposes only these costs shall be shown as 55% County and 45% City as noted on Exhibit 2,

6

It is agreed that all Federal Aid funds awarded to the City and the County will be applied directly to the final contract price for eligible bid items pursuant to the County Cost Participation Policy, or as defined in paragraph 5.

7

The County will contribute up to \$240,000, for administration, engineering and legal ("AEL") Project costs. Actual County contributions to the Project AEL costs will be determined by applying a 20% rate to the final County approved Project construction costs as summarized on Exhibit 1, and more specifically identified as Total Schedule "A" Street, and Total Schedule "B" Storm sewer.

8

The County will contribute up to \$114,000 towards sidewalk construction costs for the Project. Actual County construction costs will be determined based upon approved contract unit prices, and approved construction quantities.

9

Any and all traffic calming, or related improvements, that introduce additional construction, maintenance or future removal costs and that are made part of the final approved Project shall be the responsibility of the City. Removal of traffic calming improvements shall be warranted by an appropriate traffic study that determines a level of service 'D', or worse, exists.

10

It is further agreed that the engineer's estimate referred to in this agreement are estimates of the construction cost for the contract work on the project and that the unit prices set forth in the contract with the successful bidder and the final quantities as measured by the City and approved by the County Engineer shall govern in computing the total final construction contract costs, unless the item is included under a lump sum agreement.

11

The County shall, based on the contract price, deposit with the City Treasurer fifty percent (50%) of the estimated County share of the construction, costs as payment within thirty (30) days after award of contract and execution of this Agreement, whichever is later. Further, the County shall deposit the remaining fifty percent (50%) of the estimated County share of the construction costs as payment within one hundred eighty (180) days after the award of the contract and execution of this Agreement, whichever is later. The final amount of the County's Project costs shall be made to the City upon completion of the project and a submittal to the County Engineer of a final, itemized, statement of the project construction costs. In the event the initial payments exceed the County share of these final costs, such overpayment shall be returned to the County by the City. The City Engineer shall be responsible to submit copies of all project payments to the County.

12

In the event that dispute arises, the City and County agree that all disputes between them arising out of or relating to this Agreement shall be submitted to non-binding mediation, unless the parties mutually agree otherwise. The parties shall agree upon a mediator and will equally share the mediator's costs.

13

All records kept by the City with respect to this project shall be subject to examination by the County. All data collected, created, received, maintained or disseminated for any purpose by the activities of the City or County pursuant to this Contract shall be governed by Minnesota Statutes Chapter 13, as amended, and the Minnesota Rules implementing such Act now in force or hereafter adopted.

14

Neither the City, its officers, agents or employees, either in their individual or official capacity, shall be responsible or liable in any manner to the County for any claim, demand, action or cause of action of any kind or character arising out of, allegedly arising out of or by reason of the performance, negligent performance or nonperformance of the hereinbefore described participation in roadway construction by the County, or arising out of the negligence of any contractor under any contract let by the County for the performance of said work;

and the County agrees to defend, save and keep the City, its officers, agents and employees harmless from all claims, demands, actions or causes of action arising out of negligent performance by the County, its officers, agents or employees.

14

It is further agreed that neither the County, its officers, agents or employees, either in their individual or official capacity, shall be responsible or liable in any manner to the City for any claim, demand, action or cause of action of any kind or character arising out of, allegedly arising out of or by reason of the performance, negligent performance or nonperformance of the hereinbefore described roadway construction by the City, or arising out of the negligence of any contractor under any contract let by the City for the performance of said work; and the City agrees to defend, save and keep the County, its officers, agents and employees harmless from all claims, demands, actions or causes of action arising out of negligent performance by City, its officers, agents or employees.

15

It is further agreed that each party to this agreement shall not be responsible or liable to the other or to any other person for any claims, damages, actions, or causes of actions of any kind or character arising out of, allegedly arising out of or by reason of the performance, negligent performance or nonperformance of any work or part hereof by the other as provided herein; and each party further agrees to defend at its sole cost and expense any action or proceeding commenced for the purpose of asserting any claim of whatsoever character arising in connection with or by virtue of performance of its own work as provided herein.

16

It is further agreed that any and all employees of the County and all other persons engaged by the County in the performance of any work or services required or provided herein to be performed by the County shall not be considered employees, agents or independent contractors of the City, and that any and all claims that may or might arise under the Worker's Compensation Act or the Unemployment Compensation Act of the State of Minnesota on behalf of said County employees while so engaged and any and all claims made by any third parties as a consequence of any act or omission on the part of said County employees while so engaged in any of the work or services to be rendered pursuant to this Agreement shall be the sole responsibility of the County and shall in no way be the obligation or responsibility of the City.



Any and all employees of the City and all other persons engaged by the City in the performance of any work or services required or provided for herein to be performed by the City shall not be considered employees, agents or independent contractors of the County, and that any and all claims that may or might arise under the Worker's Compensation Act or the Unemployment Compensation Act of the State of Minnesota on behalf of said City employees while so engaged and any and all claims made by any third parties as a consequence of any act or omission on the part of said City employees while so engaged in any of the work or services to be rendered pursuant to this Agreement, shall be the sole responsibility of the City and shall in no way be the obligation or responsibility of the County.

17

The provisions of M.S. 181.59 and of any applicable local ordinance relating to Civil Rights and discrimination and the affirmative action policy statement of Rice County shall be considered a part of this agreement as though fully set forth herein.

IN TESTIMONY WHEREOF, The parties hereto have caused this agreement to be executed by their respective duly authorized officers as of the day and year first above written.

**Upon proper execution, this agreement will be legally valid and binding**

**CITY OF NORTHFIELD**

**ATTEST:**

By *Debra Kitter* By *Debra Kitter*  
City Administrator Clerk Mayor  
Date 4/24/15 Date 4/15

**RECOMMEND FOR APPROVAL:**

By N/A By N/A  
City Attorney City Engineer  
Date \_\_\_\_\_ Date \_\_\_\_\_



**Exhibit 1**  
**Woodley Street Funding (County 28)**

County pays for 50% of sidewalk on one side of the street

	<b>Total</b>	<b>County</b>	<b>City</b>
Total Project Cost	\$4,752,998	\$1,422,469	\$3,330,528
STIP Grant	\$760,000	\$380,000	\$380,000
Total Project Less Grant	<b>\$3,992,998</b>	<b>\$1,042,469</b>	<b>\$2,950,528</b>

**Project Cost Summary**

TOTAL SCHEDULE "A" STREET- 55% COUNTY 45% CITY	\$1,627,394	\$923,642	\$703,752
TOTAL - SCHEDULE A-1 STREET - 100% CITY	\$873,075	\$0	\$873,075
TOTAL SCHEDULE "B" STORM SEWER - 55% COUNTY 45% CITY	\$279,974	\$153,986	\$125,988
TOTAL - SCHEDULE "C" SANITARY - 100% CITY	\$301,193	\$0	\$301,193
TOTAL - SCHEDULE "D" WATERMAIN - 100% CITY	\$478,295	\$0	\$478,295
TOTAL - SCHEDULE "E" PRIVATE SERVICES - 100% CITY	\$40,824	\$0	\$40,824
TOTAL CONSTRUCTION		\$1,077,628	\$2,523,127
10% CONSTRUCTION CONTINGENCY	\$360,076	\$107,763	\$252,313
ADMIN, ENGR, & LEGAL 20%	\$792,167	\$237,078	\$555,088
<b>Total Project</b>	<b>\$4,752,998</b>	<b>\$1,422,469</b>	<b>\$3,330,528</b>

## Woodley Street Reconstruction Public Engagement Process (2013STRT-A18)

Date	Audience	Purpose of Meeting	Focus	Staff Action
April 15, 2015	Neighborhood Project Update	Properties within 350' of the improvements will be mailed the public meeting schedule along with an infrastructure and parking survey.	Woodley Neighborhood	Mail notice: April 15, 2015
April 22, 2015	Scope Discussion	A meeting to inform the greater community of the upcoming project and provide the current details of the project scope (i.e. section width, sidewalks, etc.) A brief question and answer session will allow for the public to clearly understand the current scope.	Public	Advertise: Northfield News KYMN Website
April 22, 2015	Community	Online survey on City website will be open for public input (No Public Meeting)	Public	Advertise: Northfield News KYMN Website
April 29, 2015	Community Context	A meeting to discuss the broader community impact of Woodley and what features are desired by the community at large. Items to be discussed would likely include parking, bike lanes, pedestrian features, and tree removals.	Public	Advertise: Northfield News KYMN Website
May 6, 2015	Neighborhood Meeting	A meeting with the neighborhood/property owners to discuss their concerns and desires of the Woodley project. Items to be discussed would likely include parking, bike lanes, pedestrian features, tree removals, and other items specific to the property owners.	Woodley Neighborhood	Mail notice: April 15, 2015
May 20, 2015	Community Review	Present the information compiled from the previous meetings for discussion with the public.	Public	Advertise: Northfield News KYMN Website
May 13, 2015	Community	Online survey on City website will be closes (No Public Meeting)	Public	Advertise: Northfield News KYMN Website
May 26, 2015	City Council Work Session	Discussion with City Council on the results of the public input. Refine the final direction provided	Council	
June 3, 2015	Community Feedback	A meeting to present the final results of the Council direction on Woodley Street.	Public	Advertise: Northfield News KYMN Website
May 2016	Neighborhood Tour	Prior to the start of construction a walking tour of the project corridor will be taken. Individual meetings with property owners will be scheduled to go over the details of construction and document existing conditions.	Woodley Neighborhood	Mail notices mid-April 2016

# Woodley Street Reconstruction Project Process (2013STR118)

The following actions detail the required 429 process track for local improvements.

Date <sup>1</sup>	Project Step	Purpose of Step	Council/Board Action <sup>2</sup>	Staff Action <sup>3</sup>
February 3, 2015	Scope Discussion	City Council meeting with County Administrator and County Engineer to discuss scope, process, and cost participation for completion of the project.		
February 10, 2015	Scope Discussion	County Board meeting to discuss scope, process, and cost participation for completion of the project.		
March 3, 2015	Approve Request for Proposals for Engineering Services	City Council meeting to approve the release of a request for proposals for engineering services for the design of Woodley Street.	Motion	
March 10, 2015	Approve Request for Proposals for Engineering Services	County Board meeting to approve the release of a request for proposals for engineering services for the design of Woodley Street.	Motion	
March 17, 2015	Approve Cost Participation Agreement	City Council meeting to discuss agreement regarding the cost participation between City and County	Resolution	
April 2015	Arborist Report – Update	A trained forester or arborist has evaluated the trees along the project corridor. Updated recommendations will be provided as the corridor layout is finalized. Recommendations include removals and trimming as appropriate as well as impacts to be caused by the reconstruction.		Contact Arborist February 2015
April 1, 2015	Engineering Proposals Due	Engineering proposals due to City of Northfield for evaluation and selection of designer		
April 7, 2015	Approve Cost Participation Agreement	City Council meeting to discuss agreement regarding the cost participation between City and County	Motion	
April 8, 2015	Selection of Engineering Consultant	Select engineering consultant for design of the project. Selection board consists of City and County staff.		
April 21, 2015	Approve Cost Participation Agreement	County Board approves agreement regarding the cost participation between City and County	County Motion	
April 21, 2015	Award Engineering Consultant Contract	Awarding of the consultant contract allows staff to begin work with designer and coordinate efforts with Rice County	Motion	
May 5, 2015	Order Preparation of Feasibility Report	Ordering the Feasibility Report is a required step in the 429 process.	Resolution	
June 16, 2015	Accept Feasibility Report and call for Improvement Hearing	The engineer will present the Feasibility Report, the proposed project, an initial cost estimate and potential assessments. As part of the meeting the City Council will also set the date and time for the Improvement Hearing as required by the 429 process.	Resolution	
July 7, 2015	Improvement Hearing	The purpose of this hearing is for the City Council to discuss a specific local improvement before ordering it done. The Council considers all the information in the Feasibility Report and any other information necessary for Council deliberation.  At the Improvement Hearing interested persons may voice their concerns, whether or not they are in the proposed assessment area. A reasonable estimate of the total amount to be assessed and a description of the methodology used to calculate individual assessments for affected parcels must be available at the hearing. If the Council rejects the project, it may not reconsider that same project unless another hearing is held following the required notice.	Public Hearing	Mail notice: June 23, 2015.  Ad in paper: June 24 & 27, 2015.
July 7, 2015	Order Improvement and Preparation of Plans and Specifications	The project may be ordered any time within 6 months after the Improvement Hearing. It is not advisable to change project parameters after ordering the improvement. Upon ordering the improvement construction drawings and specifications are prepared. Any changes to the project scope after this point will require redesign effort with additional cost and staff time as a result. This also has the potential to delay the project.	Resolution 2015	

1 – Dates in grey text indicate actions that have taken place. Dates in bold text indicate the next planned step. Dates in *italics* denote tentatively scheduled future actions.

2 – Motions will be used for those items that are not necessary for the 429 process. Resolutions are required for those steps that are part of the 429 process.

3 – Staff actions to insure that proper timelines are followed in the 429 process.

August 15, 2015	50% Design Review	Review of design with City staff, County staff and designer.		
September 30, 2015	95% Design Review	Review of design with City staff, County staff and designer.		
October 15, 2015	Pre-final Review	Review of design with City staff, County staff and designer.		
November/December 2015	State Aid Review	Submit plans to MnDOT State Aid for review and approval.		
December 1, 2015	Approve Plans and Order Advertisement for Bids	This step is a requirement of the 429 process.	Resolution	
December 5, 12, & 19, 2015	Publish Ad for Bid in Northfield News	A step in the bidding process. The project will also be advertised on the MnDOT e-Advert website, along with the City and County websites.		
January 7, 2016	Bid Opening – 10:00 A.M.	Final step in the bidding process. Bids are opened by staff and tabulated. From here staff will make a recommendation to the City Council for award.		
January 2016	State Aid Approval of Bids	MnDOT State Aid approval required prior to award of contract.		
January 2016	County Approval of Bids	County concurrence regarding award of contract to bidder.		
February 16, 2016	Accept Bids and Award Contract	This step is a requirement of the 429 process and allows for the project to move forward with beginning the actual construction process.	Resolution	
May 2016	Preconstruction Conference	Meeting with City, County, Designer, and Contractor to discuss how the project will progress.		
May 2016	Neighborhood Tour	Prior to the start of construction a walking tour of the project corridor will be taken. Individual meetings with property owners will be scheduled to go over the details of construction and document existing conditions.		
May – November 2016	Construction	Once the project is awarded staff manages the day-to-day contract execution. Typically a Resident Project Representative is on-site to make sure the project is constructed in accordance to the plans and specifications. Communications between the contractor and city is primarily through the City Engineer, Project Manager and Resident Project Representative.  Significant changes will be brought to the City Council and County Highway Department for approval prior to the work being executed. Minor changes and field directives are authorized by the City Engineer in advance to maintain the project schedule. All contract changes must be approved by the City Council. Adjustments to estimated quantities occur during the final acceptance of the improvements.		
July 2017	Accept Improvements and Authorize Final Payment	The City Engineer recommends to City Council when the final payment should be made to the Contractor. The City Council may accept the work by resolution; however, if the city fails to pay the amount due within 30 days of a monthly estimate, or 90 days after the final estimate, the city must pay interest on the past due amount as prescribed by law.	Resolution	

The following actions detail the required 429 process track to assess benefitting property owners for local improvements.

Date <sup>1</sup>	Project Step	Purpose of Step	Council Action <sup>2</sup>	Staff Action <sup>3</sup>
January 5, 2016	Call for Assessment Hearing	The City Council will set the date and time for the Assessment Hearing as required by the 429 process.	Resolution	

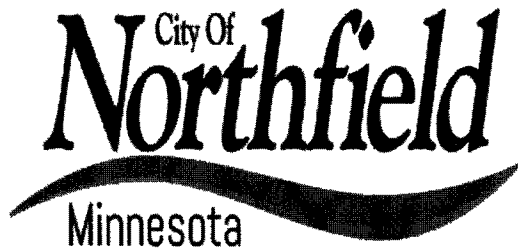
1 – Dates in grey text indicate actions that have taken place. Dates in bold text indicate the next planned step. Dates in *italics* denote tentatively scheduled future actions.

2 – Motions will be used for those items that are not necessary for the 429 process. Resolutions are required for those steps that are part of the 429 process.

3 – Staff actions to insure that proper timelines are followed in the 429 process.

February 2, 2016	Assessment Hearing	The purpose of this hearing is to give property owners an opportunity to express concerns about the actual special assessment. At the Assessment Hearing the City Council shall hear and consider all objections to the proposed assessment, whether presented orally or in writing.	Public Hearing	<p>Mail notice: January 15, 2016.</p> <p>Ad in paper: January 16, 2016.</p>
April 5, 2016	Adopt Assessments	The City Council has some flexibility before it adopts the assessment roll and may change, or amend, the proposed assessment as to any parcel. City Council must, by resolution, adopt the same as the special assessment against the lands named in the assessment roll. Once the assessment roll is adopted the assessments are set and become liens against the properties listed.	Resolution	Mail notice of adoption on April 6, 2016.

1 – Dates in grey text indicate actions that have taken place. Dates in bold text indicate the next planned step. Dates in *italics* denote tentatively scheduled future actions.  
2 – Motions will be used for those items that are not necessary for the 429 process. Resolutions are required for those steps that are part of the 429 process.  
3 – Staff actions to insure that proper timelines are followed in the 429 process.



**DATE:** April 6, 2015  
**TO:** City Administrator, Mayor and City Council  
**FROM:** David Bennett, Public Work Director/City Engineer  
Melanie Schlomann, Finance Director  
**RE:** 15-115 - 2016 Woodley Street Cost Participation Agreement with Rice County

This memo is to provide clarification on the project costs as they compare to the costs shared with the City Council on February 3, 2015. The cost differences from February 3rd are summarized below.

1. Project costs related to Evelyn Circle and Frances Circle were not included in the last estimate. These are considered "orphan projects" that would otherwise not be included in any other street project.
2. Construction costs have been updated to reflect anticipated 2016 bid prices.
3. Project costs reflect current City Council project scope identified at the February 3rd Council Meeting. (44' Wide, Sidewalks both sides, Corridor Lighting, Intersection Enhancements, traffic calming, Urban treescape)

A side by side comparison of the project funding shared with City Council on February 3, 2015 and the current funding is shown in the table below.



<b>Funding Sources</b>	<b>City Feb 3</b>	<b>City April 7</b>
Bonded	\$800,030	\$800,030
MSA	\$190,000	\$789,000
Special Assessment	\$325,805	\$420,495
Private Service Assessments	\$109,510	\$40,824
Sewer Fund	\$294,399	\$295,896
Water Fund	\$387,624	\$478,295
Storm Fund	\$118,859	\$125,988
<b>Total Funding</b>	<b>\$2,226,227</b>	<b>\$2,950,528</b>

### **Project Funding**

There are a couple of ways to approach funding on this project as it relates to MSA and Bonding. Currently the City receives roughly \$800,000 annually for MSA. Of this \$600,000 is for Municipal Construction and \$200,000 is for Municipal Maintenance. The Municipal Maintenance is used for crack sealing, seal coating and general street maintenance. The Municipal Construction needs to be allocated to state-aid eligible streets. The current CIP 2015-2019 does not identify any MSA Street improvement project funding other than Woodley Street. That means the un-programed MSA construction dollars from 2015 which is estimated to be \$440,000, and the 2016 \$600,000 allocation will be available. This totals \$1,040,000 available for 2016 MSA Street construction

The City's Debt study identifies general construction dollars available out to the year 2020. In 2016, \$800,000 is available. In order to maintain the CIP and debt service levy staff strongly recommends utilizing all of the \$800,000 allocated for Woodley. *The proposed funding is within the limitations of the 2015-2016 Budget, CIP and Utility Rate Analysis completed in late 2015.*

### **Pavement Management**

The Engineering Department is currently reviewing and updating the City's pavement management program. Staff will be asking City Council to establish Pavement Condition Index (PCI) goals for City streets and trails later this year. Before Council can establish PCI goals for the City, staff will identify the funding necessary to reach each goal. This will be compared to current funding sources available (Bonding, MSA, Special Assessments) and identify any gaps and how they may be overcome.

Once a goal is established, when the CIP is implemented we will consider the needs of the other infrastructure (sanitary sewer, storm sewer, water, sidewalks, trails, etc.) and tie them all together in the CIP to ensure they align with the financing and fund balance goals established by the City.

### **Cooperative Agreement**

As part of negotiations with the County staff on the agreement, the County has indicated they will pay for 50% of the sidewalk on one side of the street. This amount has been estimated as \$114,000 and is shown as a not to exceed in the agreement. Staff is satisfied with this cost participation amount.

In the Cooperative agreement it identifies the City as the responsible agency related to Right-of-Way acquisition for both permanent and temporary. It is the City intent to design and construct the project within existing dedicated Right-of-Way and easements.