



Legislation Text

File #: Res. 2020-015, **Version:** 1

City Council Meeting Date: February 4, 2020

To: Mayor and City Council

From: Brenda Angelstad, Finance Director
David E. Bennett, Public Works Director/City Engineer

Consider Resolution Approving a Street Reconstruction Plan and Giving Preliminary Approval to Issue Street Reconstruction Bonds related to financing for the Jefferson Parkway and Trunk Highway 246 Roundabout improvement project.

Action Requested:

The Northfield City Council approves the attached Resolution approving a Street Reconstruction Plan and Giving Preliminary Approval to Issue Street Reconstruction Bonds.

Summary Report:

On January 7, 2020, Council set the public hearing for approving a street reconstruction plan and intent to issue general obligation street reconstruction bonds. The recommended action tonight is to set in place the proposed financing for the Jefferson Parkway and Trunk Highway 246 Roundabout improvement project. The General Obligation Street Reconstruction Bonds is another way for the City to finance street improvement projects that do not have assessments.

Currently, within the 2020-2024 Capital Improvement Plan the Roundabout is the only project proposed to use this financing method. In 2024, Wall Street Road (County 79) may also need to use this financing method. As we move closer to 2024, the financing plan for that project will be determined.

The proposed action tonight will provide approval to issue bonds up to a maximum principal amount of \$1,500,000.

Alternative Options:

None recommended.

Financial Impacts:

The project cost has increased since the feasibility stage as final plans are nearing completion. The project cost increases can be attributed to poor soils discovered, soil corrections, earthwork related to raising of roundabout to keep pedestrian underpasses from flooding, and utility costs related to storm sewer and water main.

The costs related to utility work are proposed to be funded from the Water Fund and Storm Water Fund. Other increased costs will be funded with State Aid.

Tentative Timelines:

The proposed schedule is attached. With this approval, there is a 30-day reverse referendum process that ends March 5, 2020. Bonds would be issued later this summer with the 2020 Mill and Overlay project bonds.