

Feasibility Report

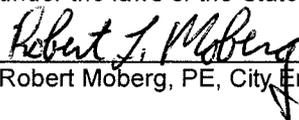
PROJECT 13-1

Street Reconstruction

Area west of Crooked Lake Boulevard
and north of 113th Avenue plus
Oakwood Drive between
9th Avenue and Eldorado Street

February 19, 2013

*I hereby certify that this report was prepared
by me or under my direct supervision and that
I am a duly Licensed Professional Engineer
under the laws of the State of Minnesota.*



Robert Moberg, PE, City Engineer

License No. 23334

Date: 2/19/13



Prepared By:
CITY OF COON RAPIDS
ENGINEERING
DIVISION

PROJECT HISTORY

In the fall of 2012, City staff completed a pavement condition rating evaluation of City streets. The evaluation identified nearly 33 miles of City streets in poor condition. Subsequently, at the recommendation of City staff, Council ordered preparation of a feasibility report on February 5, 2013. This feasibility report is for reconstruction of residential streets in an area generally lying west of Crooked Lake Boulevard and north of 113th Avenue, as well as for Oakwood Drive between 9th Avenue and Eldorado Street. This project area would include reconstruction of 2.9 miles of residential streets.

In 1994, the City began a street reconstruction program to replace aging street infrastructure. Since that time, more than 76 miles of the City's 220 mile street system have been reconstructed. In 1997, the City implemented a policy for assessing a portion of the cost of street reconstruction to properties benefitting from the improvements.

PROJECT AREA CHARACTERISTICS / EXISTING CONDITIONS

Streets included in the scope of this report are as follows:

1. Heather Street, Ivywood Street, Jonquil Street, Kerry Street and Lily Street between 113th Avenue and 115th Avenue.
2. 113th Avenue between Lily Street and Jonquil Street.
3. 113th Lane between Kerry Street and Jonquil Street and 114th Lane between Jonquil Street and Ivywood Street.
4. 115th Avenue between Heather Street and Crooked Lake Boulevard.
5. 115th Lane and 116th Avenue between Heather Street and Eidelweiss Street.
6. 116th Lane between Kerry Street and Heather Street.
7. Eidelweiss Street, Gladiola Street and Heather Street between 115th Avenue and 117th Avenue.
8. 117th Avenue between Heather Street and Gladiola Street.
9. Oakwood Drive between 9th Avenue and Eldorado Street.

The project area is comprised almost entirely of single-family residential development, except for an apartment building along Oakwood Drive, the WCCO radio tower site along Lily Street, the Crooked Lake Library along 115th Avenue, and Towerview Park along 116th Avenue. This project directly impacts 251 single-family homes.

Residential streets in the area proposed for reconstruction were originally constructed in 1971, with the exception of Oakwood Drive, which was constructed in 1978, so they are 35 to 42 years old. Because of their age, these streets have experienced excessive fatigue cracking and are to the point where routine maintenance (crack sealing and seal coating) is no longer cost-effective. There are also numerous areas where the existing concrete curb and gutter has cracked, broken, or settled, resulting in a reduced capacity to effectively convey drainage.

Storm sewer facilities are limited in the project area. Sanitary sewer was installed in 1969. Watermain was installed in Oakwood Drive in 1965 and in the rest of the project area in 1969. Some fire hydrants are considered to be obsolete and will be replaced. In addition, there are a number of watermain valves in need of some corrective action.

PROPOSED IMPROVEMENTS

Streets in the project area are proposed to be reconstructed by reclaiming the existing bituminous pavement and gravel base, recompacting reclaimed material, disposing of excess reclaimed material, and resurfacing the streets with new bituminous pavement. There may be areas where subgrade corrections are needed, due to the presence of soft or unsuitable soils. In addition, removal and replacement of existing concrete curb and gutter that is in poor condition (cracked, broken, settled) or that does not drain properly, is proposed. Curb and gutter in Kerry Street, 113th Lane, Ivywood Street, and 114th Lane is proposed to be removed and replaced in its entirety, as it is of a style that is no longer made and it provides rideability issues for existing driveways. Pedestrian ramps will be installed at curb returns with existing sidewalk (as needed) to comply with American with Disabilities Act (ADA) requirements.

Sanitary sewer manholes, storm sewer manholes and catch basins will be repaired, replaced or adjusted as needed before the street is repaved. Extension of storm sewer pipe will be considered during project design and construction, as existing conditions allow.

Obsolete fire hydrants will be replaced with new hydrants. Watermain valves and valve boxes will be repaired, replaced, or adjusted as needed prior to final paving.

Boulevard trees were trimmed this winter to clear the streets of low hanging branches. All street name signs and other street signs will be replaced with new signs and posts. All new street name signs will have larger lettering consistent with the current City logo.

MAINTENANCE IMPACT

The streets proposed for reconstruction have deteriorated extensively and would require increased maintenance if they are not repaved soon. Seal coating is no longer effective for the streets, due to the excessive cracking that has occurred. It becomes cost-prohibitive to maintain street surfaces that are as badly cracked as exists on these streets.

Once the streets are repaved, crack sealing and seal coating should be performed in 6 to 10 years to preserve the new bituminous pavement. With periodic maintenance, the street surfacing should not require replacement for at least 30 years.

New watermain valve boxes, new storm water inlet castings and structures, and new adjusting rings on sanitary sewer manholes will be installed as needed with the project, preserving the existing utility infrastructure and reducing the need for future maintenance.

ESTIMATED COST/FINANCING

The total estimated cost of the street reconstruction project is \$1,413,600.

The City Public Works Department has requested that obsolete fire hydrants be replaced with new fire hydrants as a part of every street reconstruction project and that watermain valves be repaired or replaced as needed. The estimated cost to replace fire hydrants and to repair or replace watermain valves is \$223,400. Tree trimming costs are approximately \$10,000 and will be paid from Street Reconstruction funds. Storm sewer repair costs are estimated to be \$97,100.

The City would finance the project and assess a portion of the cost to the adjacent benefiting properties. The City's policy goal is to assess approximately 50% of street reconstruction costs to benefiting properties. The City would initially pay for the cost of the project from a combination of Street Reconstruction (797), Storm Water Utility (640), and Water System Maintenance (601) funds. Project funding is summarized below:

Street Reconstruction Fund	\$639,036
Storm Water Utility Fund	\$97,100
Water System Maintenance Fund	\$223,400
Proposed Amount to be Assessed	<u>\$454,064</u>
Total Estimated Project Cost	\$1,413,600

The City share of approximately \$639,000 that is for street work would result in an annual tax levy of approximately \$150,000 if bonds are sold and paid for over a 5-year period beginning in 2014. The assessed share of the total project cost is approximately 32% for this project, due to the number and orientation of properties that can be assessed within the project limits, as well as the amount of non-assessable watermain work anticipated.

PROJECT TIMETABLE

February 19, 2013	--Council accepts feasibility report, orders a public hearing, and sets an assessment hearing date
February 28, 2013	--Staff conducts neighborhood meeting for residents
March 19, 2013	--Council holds the public hearing and assessment hearing and orders the project. Council approves plans and specs and orders ad for bids.
May 7, 2013	--Council adopts the assessments and awards contract for construction
May – Sept. 2013	--Project Construction

Note— Assessments are proposed to be adopted by Council on May 7th rather than on March 19th when the assessment hearing is held. This allows a construction contract to be awarded, signifying the Council’s intent to proceed with project construction and to incur costs for the project prior to assessments being levied. Upon adoption of the assessments, residents would have 30 days to pay off the assessment without incurring interest charges.

PROPOSED ASSESSMENTS

In 1997, assessment rates were established as part of the City’s policy for financing street reconstruction. Under the policy, rates are to be updated annually, using the Construction Cost Index (CCI). Assessment rates for 2013 have been increased by 2.8% from the 2012 rates, reflecting an increase in the CCI.

The rates to be used for 2013 are as follows--

Single-family lot	\$1,620 per lot (CCI factor results in increase of \$45 from 2012)
Residential (higher density including duplex units)	\$20.24 per front-foot or average width
Office and Commercial	\$40.48 per front foot or average width (double residential rate per policy)

Assessments would be spread over a 10-year period with an interest rate of 2.7% and the first installment would be due in 2014. Property owners would have the option of paying their entire assessment within 30 days following Council adoption of the assessments and would incur no interest charges. Payments made after the 30-day period would also require payment of any interest charges accrued up to the time payment is made. If the assessment were paid as part of the property tax statement, the annual cost for a single-family home would be approximately \$200 per year for the 10-year period.

A copy of the proposed assessment roll is available in the City Engineer’s office, as well as in the City Clerk’s office.

PROJECT FEASIBILITY

The proposed project is necessary for the City to keep the streets in the project area in a safe and drivable condition. The project is cost effective and is technically feasible to construct. An independent appraiser was retained in 2008 to review the “benefit” to the properties for work similar to what is proposed with this project. The appraiser’s report indicated that the “benefit” to the properties is in the range of \$2,000 to \$5,000. The proposed rate of \$1,620 does not exceed this “benefit” amount. Therefore, the project is also economically feasible.

CONCLUSIONS AND RECOMMENDATION

As part of its 2013 Street Reconstruction Program, the City is proposing to reconstruct 2.9 miles of residential streets with this project. A majority of the project cost would be paid by the City and a portion of the project cost would be recovered through assessments to benefiting property owners, in accordance with the Street Reconstruction Policy approved by Council in 1997. Property owners were notified of the project and of the proposed assessment rates by letter in December 2012. An informational meeting will be held in February 2013 and staff will hear concerns, listen to suggestions, and answer questions, etc. that residents may have regarding the project. Council will be requested to schedule both the public hearing and assessment hearing for March 19, 2013.

It is recommended that Council accept this feasibility report, order a public hearing on the project, and order a hearing on the proposed assessments by adopting the resolutions included with this report.

