

Mayor:
David Grant

Councilmembers:
Brenda Holden
Fran Holmes
Dave McClung
Steve Scott



**Special City Council
Work Session Agenda
February 12, 2018
5:30 p.m.
City Hall**

Address:
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Arden Hills MN 55112

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City Vision

Arden Hills is a strong community that values its unique environmental setting, strong residential neighborhoods, vital business community, well-maintained infrastructure, fiscal soundness, and our long-standing tradition as a desirable City in which to live, work, and play.

CALL TO ORDER

1. AGENDA ITEMS

1.A. Utility Rate Study

Dave Perrault, City Administrator
Sue Polka, Public Works Director/City Engineer

Documents:

[MEMO.PDF](#)
[ATTACHMENT A.PDF](#)
[ATTACHMENT B.PDF](#)
[ATTACHMENT C.PDF](#)

2. COUNCIL/STAFF COMMENTS

ADJOURN



DATE: February 12, 2018
TO: Honorable Mayor and City Councilmembers
FROM: Dave Perrault, City Administrator
Sue Polka, Director of Public Works/City Engineer
SUBJECT: Utility Rate Study and Capital Projects

Budgeted Amount: N/A	Actual Amount: N/A	Funding Source: N/A
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Council Should Consider

The City Council should provide direction on future capital projects as presented in the Ehlers Rate Study.

Background

The City Council requested a Special Work Session to discuss 2018 capital projects as they relate to the Ehlers Rate Study presented to the City Council at the January 16, 2018 Work Session. Below are the upcoming capital projects, anticipated cost, and the reasoning as to whether or not the project needs to be completed in 2018, or could be delayed.

WATER PROJECTS

Water Tower Repair & Repainting - \$520,000

A contract was awarded to Osseo Construction Co. at the June 26, 2017 City Council meeting. The work is scheduled to begin in May of this year.

County Road E2 Water Replacement/Old Hwy 10 Loop - \$855,000

The current estimate for this work is \$1,046,600. The increase in cost is due to additional watermain replacement that is proposed for CR E2 due to an additional break in the line last year. The estimate for CR E2 watermain replacement is \$415,100. CR E2 could be delayed; however, this watermain has had six breaks since 2015, and more are anticipated if not replaced. The estimate for the loop in Old Snelling Avenue is \$631,500. The loop is recommended to

provide redundancy in the system. While the project could be postponed, Ramsey County is planning an overlay project on Old Snelling in 2019. If this project were delayed the work done on Old Snelling after that time would require more costly pavement restoration. City Staff is also seeking an independent opinion on the necessity of this loop, this information will be provided at the Special Work Session.

Booster Station Repair/Upgrade (Roseville) - \$400,000

The City is contractually obligated to participate in the Booster Station upgrades.

County Road F Water Main Replacement - \$300,000

Ramsey County has a project to reconstruct County Road F between Hamline and Lexington in the spring/summer of 2018. The existing watermain is cast iron pipe that was installed in 1969. In addition, with the proposed widening of CR F, the watermain would be located directly beneath the new concrete curb and gutter. The proposed watermain has been designed and included in Ramsey County's construction plans. If this project is delayed, the City will be responsible for the replacement of the watermain and associated street repairs with the road the County had just reconstructed.

Indian Oaks/Floral Dr PMP (2018 PMP) - \$751,000

Staff is proposing to replace all of the watermain in the Indian Oaks/Floral Drive neighborhood with the 2018 PMP. The existing pipes are cast iron and were installed in 1971 and 1975.

SANITARY SEWER PROJECTS

Sewer Lining/Rehabilitation - \$400,000

A contract was awarded to Michels Pipe Services. Work is currently underway and should be completed in March. A portion of the funding will be provided by the MCES I/I grant program. This project is a rollover of \$200,000 from 2017, the remaining \$200,000 could be delayed for a future project.

Indian Oaks/Floral Dr PMP (2018 PMP) - \$270,000

This work is included in the 2018 PMP and includes sanitary sewer pipe lining, manhole repairs and adjustments. The lining portion of this project will also be partially funded by the MCES I/I grant program providing for a cost savings.

STORM WATER PROJECTS

Indian Oaks/Floral Dr PMP (2018 PMP) - \$560,000

This work is in the 2018 PMP. Due to drainage complaints in the project area, additional storm sewer pipe and pond modifications are required.

Surface Water Project (TBD) - \$200,000

This is a place holder for a project that has yet to be determined and could be used for the 2018 PMP improvements.

Attachment

Attachment A: Capital Projects – Water Fund

Attachment B: Capital Projects – Sewer Fund

Attachment C: Capital Projects – Storm Water Fund

Capital Projects – Water Fund

Projects	Project Number	2018	2019	2020	2021	2022
EXISTING INFRASTRUCTURE & PROJECTS						
Water Tower Repair & Repainting	12-W-001	520,000				
CR E2 Water Replacement/Old Hwy 10 Loop	17-W-001	855,000				
Booster Station Repair/Upgrade (Roseville)	18-W-001	400,000	154,000			
County Road F Watermain Replacement	18-W-002	300,000				
Future PMP	18-Str-005			400,000		400,000
Indian Oaks/Floral Dr PMP - 2018 PMP	18-Str-065	751,000				
Watermain Replacement			250,000	250,000	250,000	250,000
Total Existing Infrastructure & Projects		2,826,000	404,000	650,000	250,000	650,000
Actual CIP (2017 Dollars)		2,826,000	404,000	650,000	250,000	650,000
Percent Inflation		3%	3%	3%	3%	3%
		2,910,780	428,604	710,273	281,377	753,528
Total Projects to be Bonded for:						
	5-Year Term	0	0	0	0	0
	10-Year Term	3,000,000	0	1,200,000	0	1,100,000
	15-Year Term	0	0	0	0	0

- Significant projects in 2018
- Water Fund does not have sufficient cash to pay for capital projects without external borrowing



Capital Projects – Sewer Fund

Projects	Project Number	2018	2019	2020	2021	2022
EXISTING INFRASTRUCTURE PROJECTS						
Sewer Lining/Rehabilitation	09-Sew-002	400,000	400,000		400,000	
Reconstruct Lift Station 11	10-Sew-003					
Future PMP	18-Str-005			400,000		400,000
Indian Oaks/Floral Dr PMP - 2018 PMP	18-Str-065	270,000				
Lift Stations		125,000	125,000			
Actual CIP (2017 Dollars)		795,000	525,000	400,000	400,000	400,000
Percent Inflation		3%	3%	3%	3%	3%
Inflated Project Costs		818,850	556,973	437,091	450,204	463,710
Total Projects to be Bonded for:	5-Year Term	0	0	0	0	0
	10-Year Term	800,000	0	1,100,000	0	900,000
	15-Year Term	0	0	0	0	0

- Sewer fund does not have sufficient cash to pay for projects without external borrowing



Capital Projects – Storm Water Fund

Projects	Project Number	2018	2019	2020	2021	2022
EXISTING INFRASTRUCTURE PROJECTS						
Storm Pond Maintenance	09-Storm-001		50,000			
Storm Water Inlet/Outlet Repairs	13-Storm-001		25,000			
Storm Water BMP Study/Construction	17-Storm-001					
Old Snelling Ave PMP w/ Bridge Reconstruction	17-Str-004		50,000			
Future PMP	18-Str-005			200,000		200,000
Indian Oaks/Floral Dr PMP - 2018 PMP	18-Str-065	555,000				
Surface Water Project (Undetermined)	18-Storm-001	200,000				
Actual CIP (2017 Dollars)		755,000	125,000	200,000	0	200,000
Percent Inflation		3%	3%	3%	3%	3%
Inflated Project Costs		777,650	132,613	218,545	-	231,855
Total Projects to be Bonded for:	5-Year Term	0	0	0	0	0
	10-Year Term	0	0	0	0	0
	15-Year Term	0	0	0	0	0

- Storm Water fund has sufficient cash to pay for projects.

