Request for City Council Committee Action
From the Department of Public Works

Date: March 22, 2005
To: Honorable Sandra Colvin Roy, Chair, Transportation & Public Works Committee
Referral to: Honorable Barbara Johnson, Chair, Ways & Means/Budget Committee

Subject: **Irving Av N Sanitary Sewer, Sewer Project Number 4376. Set Public Hearing.**

Recommendation:
1. Passage and summary publication of a resolution designating the sanitary sewer work proposed to be made in the Irving Av N sanitary sewer project.
2. Adoption of a Committee Report receiving the cost estimate of $105,442, and the list of benefited properties, directing the City Engineer to prepare a proposed Sanitary Sewer Assessment against the list of benefited properties and directing the City Clerk to give notice of a Project Approval and Assessment Public Hearing to be held on May 17, 2005.

Previous Directives: None

Prepared by: Paul Chellsen, Engineering Services, 673-2406 and Suzette Hjermstad, Management Services, 673-2401

Approved by:

Klara A. Fabry, P.E., City Engineer, Director of Public Works

Presenters: Paul Chellsen , Engineering Services
Joe Carlson, Engineering Services

Financial Impact (Check those that apply)

____	No financial impact - or - Action is within current department budget. (If checked, go directly to Background/Supporting Information)
X	Action requires an appropriation increase to the Capital Budget
____	Action requires an appropriation increase to the Operating Budget
X	Action provides increased revenue for appropriation increase
____	Action requires use of contingency or reserves
X	Other financial impact (Explain): Special assessments to benefited properties.
____	Request provided to the Budget Office when provided to the Committee Coordinator

Background/Supporting Information:

CPED has petitioned the City of Minneapolis to install a public sanitary sewer in Irving Avenue N from 2nd Avenue N to approximately 84 feet south of Cedar Lake Road. This section of Irving Av N has no public sanitary sewer system. The properties are instead served by a private sanitary sewer that was constructed

in 1909 to serve the property at 249 Irving Av N. The sewer is now and has always been owned by the property at 249 Irving Av N. Some properties were allowed to connect to the private sewer, the rest were connected without recorded permission or permits to connect. We do not currently allow this situation in the city and are working to resolve the remaining private sewer issues. The sale and development of the property at 246 Irving Av N (currently owned by CPED) is dependent upon access to public sanitary sewer.

The cost estimate for the public sanitary sewer in Irving Av N is $105,442.

Policy for assessing sanitary sewers is to assess 100% of the costs. However, there are provisions in the Minneapolis City Charter that provide for adjustments. Practice has been to include these adjustments in the assessment calculations with the City paying the costs resulting from these adjustments. The assessment plan prepared by the Public Works Department included adjustments provided for in Chapter 9, Section 4 of the City Charter (see Attachments 3 and 4). The assessment rate is calculated on a front foot basis to benefited properties on Irving Av N.

A summary of the project funding rounded to whole dollars is as follows:

1. Special assessments portion	$59,955
2. City portion	$45,487
3. TOTAL PROJECT COST	$105,442

Funds are available in the Sewer Enterprise Fund in the Public Works Sewer Construction Capital Agency (7300-932-9322-SW001) to pay for the City portion of $45,487.

An appropriation increase of $59,955 in the Sewer Enterprise Fund in the Public Works Sewer Construction Capital Agency (7300-932-9322-SW001) to front-end the assessed cost is recommended. An appropriation increase will be requested at the time of the public hearing. The Sewer Enterprise Fund in the Public Works Sewer Construction Capital Agency would be reimbursed from bond sale proceeds. The revenues from the special assessments would be used to pay off the bonds.

The sanitary sewer installation work would be done by City forces. The Sewer Construction and Maintenance Engineer has advised that the construction could begin in the summer, 2005.

Attachment 1 -CPED petition
Attachment 2 - Sewer project location map
Attachment 3 - Minneapolis City Charter, Chapter 9, Section 4, Chapter 10, Section 9
Attachment 4 – Allocation of Sewer Project Costs

C: Natalie Johnson Lee, 5th Ward Council Member
Mike Abeln, Director, Capital and Debt Management
Jack Qvale, Secretary, Board of Estimate and Taxation
Bob Carlson, Public Works Right-of-Way

Community Planning & Economic Development
Crown Roller Mill, 105 Fifth Ave. S.
Suite 200
Minneapolis, MN 55401

Minneapolis
City of Lakes

June 22, 2004

Paul Chelssen
City of Minneapolis
Department of Public Works
Room 300, City of Lakes Building
Minneapolis, MN 55401

SUBJECT: Installation of Public Sanitary Sewer System
200 Block of Irving Avenue North; Minneapolis, MN

Dear Paul:

As per your request, the Minneapolis Community Development Agency and the City of Minneapolis Department of Community Planning and Economic Development (MCDA/CPED) informs the City of Minneapolis Department of Public Works that the MCDA /CPED petitions the Department of Public Works to commence the process for causing a public sanitary sewer to be installed in the public right of way so as to serve the property generally described as 246 Irving Avenue North (the "Property"). As you are aware, MCDA/CPED expects to sell the Property to David Pergande .

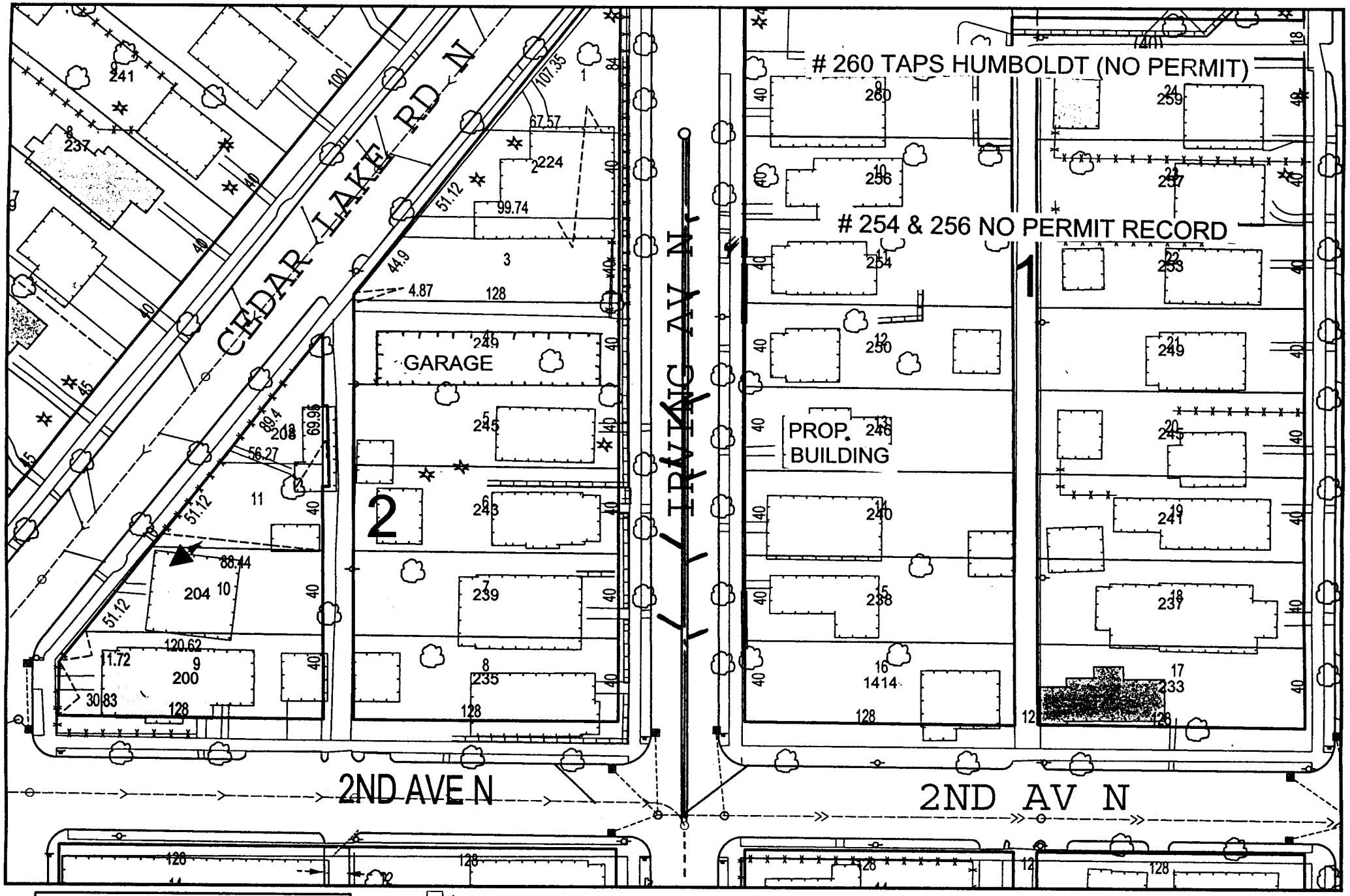
I understand that you are aware that the MCDA Board of Commissioners approved the sale of the Property to David Pergande, without the public sanitary sewer system. I also understand from the Board's action that the purchaser of the Property will be entirely and solely responsible for paying all special assessment charges to be levied against the Property as its share of the cost of the proposed sanitary sewer installation project. Neither MCDA/CPED nor the City of Minneapolis will be responsible or obligated to pay assessment charges for the subject sewer installation project once the property is sold.

If you have any questions or concerns, please contact me at 612-673-5128 or Edith Johnson of CPED Single Family Housing Development Department at 612-673-5262.

Thank you.

Sincerely,

Lee Pao Xiong
Director of Housing Policy and Development



MINNEAPOLIS DEPARTMENT OF PUBLIC WORKS

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City of Mpls

N W E S

60 0 60 120 180 240 Feet

PROPOSED SANITARY SEWER

GeoMasterversion0.99n at 2003-05-05 10:15

Attachment 3

Minneapolis City Charter*

CHAPTER 9. WATER WORKS

Section 4. Assessment for Sewers. The City Council may in like manner, whenever it shall deem it necessary, lay, relay or extend any sewer, through any street in said City, and levy and assess, and collect the cost thereof, not exceeding the estimated cost of a sewer two feet in diameter, including all necessary catch basins, manholes, lamp holes and flushing valves, by a special assessment upon the property on both sides of such street and abutting upon such improvement, of an equal sum per front foot without regard to a cash valuation. The cost not provided for by such assessment, including the increased cost of larger sewers and constructing the same across streets and against property which is by law exempt from such assessment, shall be paid out of the permanent improvement fund of said city. A sewer two feet in diameter is hereby declared to be an ordinary street sewer within the meaning of this act, for the drainage of abutting property.

CHAPTER 10. LOCAL IMPROVEMENTS – ASSESSMENTS*

Section 9. Discretion as to corner lots. The City Council may, in its discretion, in case where any lot fronting on two streets has been previously assessed and the assessment paid for laying any water main or sewer pipe upon a different street from the one through which such proposed improvement is to be extended, remit from the assessment of such corner lot such portion of such second assessment, not exceeding the amount of assessment for a frontage of sixty-six deft on such lot, as it may deem just under all the circumstances of the case, but the discretion of the City Council in such matter shall be final, and the refusal or failure of said Council to make such remission shall not be ground for setting aside such assessment in any court or proceeding.

March 22, 2005

ATTACHMENT 4

ALLOCATION OF SEWER PROJECT COSTS

IRVING AVENE N SANITARY SEWER
SEWER PROJECT NUMBER 4376

DESCRIPTION	FOOTAGE	PERCENTAGE	AMOUNT
1. A. ASSESSED PORTION PRIMARY ACCESS			
249 Irving Av N	40.0'	4.37389%	$ 4,611.92
245 Irving Av N	40.0'	4.37389%	$ 4,611.92
243 Irving Av N	40.0'	4.37389%	$ 4,611.92
239 Irving Av N	40.0'	4.37389%	$ 4,611.92
238 Irving Av N	40.0'	4.37389%	$ 4,611.92
240 Irving Av N	40.0'	4.37389%	$ 4,611.92
245 Irving Av N	40.0'	4.37389%	$ 4,611.92
250 Irving Av N	40.0'	4.37389%	$ 4,611.92
254 Irving Av N	40.0'	4.37389%	$ 4,611.92
256 Irving Av N	40.0'	4.37389%	$ 4,611.92
260 Irving Av N	40.0'	4.37389%	$ 4,611.92
1. B. ASSESSED PORTION SECONDARY ACCESS			
224 Cedar Lake Rd	80.0'	4.37389%	$ 4,611.92
235 Irving Av N	40.0'	2.18694%	$ 2,305.96
1414 2nd Av N	40.0'	2.18694%	$ 2,305.96
2. ASSESSED TOTAL (1A + 1B)	600.0'	56.86060%	$59,954.96
B. CITY PORTION			
3. City Charter, Chapter 9, Section 4: sewer construction across streets - intersection of 2nd Av N and Irving Av N	45.0'	4.92062%	$ 5,188.41
4. City Charter, Chapter 9, Section 4: secondary access cost difference	(160.0')	8.74801%	$ 9,224.08
5. Paving cost adjustments		29.4707%	$31,074.55
6. CITY TOTAL (3, 4 + 5)	45.0'	43.1393%	$45,487.04
C. PROJECT TOTALS			
7. GRAND TOTALS	645.0'	100.00000%	$105,442.00

Colvin Roy

IRVING AVENUE N SANITARY SEWER
PROJECT NO 4376

Designating the sanitary sewer work at the location described hereinafter.

Resolved by the City Council of the City of Minneapolis:

That the following existing street within the City of Minneapolis is hereby designated to be improved, pursuant to the provisions of Chapter 9, Sections 4 and 5 and Chapter 10, Sections 6 and 9 of the Minneapolis City Charter, by installing a public sanitary sewer together with all the necessary appurtenances and work related thereto:

Irving Avenue N from approx the centerline of 2nd Avenue N to approx 84 feet south of Cedar Lake Rd (as more particularly described and shown in the plans on file in the Office of the City Engineer).