FEASIBILITY REPORT AND COST ESTIMATE FOR

IMPROVEMENT PROJECT NO. 14-14
TRUNK AND LATERAL SANITARY SEWER AND TRUNK AND LATERAL WATER MAIN

AUSTIN STREET NE ALIGNMENT
PHEASANT RIDGE DRIVE NE TO 109TH AVENUE NE

CITY OF BLAINE, MINNESOTA

MARCH 5, 2015

I hereby certify that this plan, specification, or 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.

Jean Keely, PE
City Engineer
Minn. Lic. No. 20672

CITY OF BLAINE ENGINEERING DEPARTMENT
10801 Town Square Drive NE
Blaine, Minnesota 55449-8101
(763) 785-6172

Prepared By: Tom Scott
Project Coordinator

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FEASIBILITY REPORT
PROJECT NO. 14-14

EXECUTIVE SUMMARY

The proposed project will construct public improvements for trunk and lateral sanitary sewer and trunk and lateral water main, and related construction on the Austin Street NE Alignment from Pheasant Ridge Drive to the 112th Avenue alignment in the plat of Glenn Meadows to serve the North Half of the Northeast Quarter of Section 23 abutting Lexington Avenue and 109th Avenue, and the Plat of Glenn Meadows Addition (South Half of Section 14) abutting Lexington Avenue and 109th Avenue.

The estimated total project cost is $1,011,545. It is proposed to assess $534,899 ($236,453 current, $298,446 deferred – collected as connection charges), which is proposed to be assessed over ten years. Deferred assessments will be collected as connection charges, or spread over ten years, when future development occurs.

The project is necessary, cost-effective, and feasible, and will result in a benefit to the properties proposed to be assessed.

1. PROJECT HISTORY

This project was initiated by a petition for public improvements dated December 17, 2014, signed by property owners representing 41.9% of real property proposing to benefit from the improvements. This Feasibility Report was ordered by the Blaine City Council on January 8, 2015, Resolution No. 15-010.

This report is based on observations, record drawings, 2014 aerial photography, 1985 aerial topography, grading plans and the Rice Creek Watershed District's Comprehensive Wetland Management Plan.

2. PROJECT AREA CHARACTERISTICS

The project is located on the Austin Street NE alignment from Pheasant Ridge Drive NE to 112th Avenue NE in the plat of Glenn Meadows serving the North Half of the Northeast Quarter of Section 23 abutting Lexington Avenue and 109th Avenue (Allina), and the Glenn Meadows Addition (South Half of Section 14) abutting Lexington Avenue and 109th Avenue (Pulte, Alliance).

The existing zoning for the residential area north of 109th Avenue is Development Flex, and the existing zoning south of 109th Avenue is Planned Business District. The existing land use for the commercial area north of 109th Avenue is PI/PC, Planned Industrial/Planned Commercial.

The existing right-of-way for Austin Street is 60 feet wide, and extends for approximately 600 feet north of Pheasant Ridge Drive. The right-of-way is unimproved except for a driveway to the Security Products site over the south 200 feet.

The Anoka County Soil Survey indicates the soil types in the project area are Isanti Fine Sandy Loam, Markey Muck, Rifle Mucky Peat, and Soderville Fine Sand. Based on past projects in the area, the proposed improvements will require dewatering to install.

The project area is in Sanitary Sewer District 3-7. City water main and sanitary sewer are currently installed at Pheasant Ridge Drive. The topography in the area is generally flat and is similar to topography throughout the City.

The site is also a part of the Rice Creek Watershed District area and a significant component of the Ditch 53-62 Comprehensive Wetland Management Plan (CWMP).

See Exhibit No. 1 for Project Location.

3. PROPOSED IMPROVEMENTS

The proposed improvements will include trunk and lateral water main, and trunk and lateral sanitary sewer. The improvements are necessary, cost-effective, and feasible, as future development cannot occur without sanitary sewer and water main improvements. Right-of-way through the project site will need to be acquired. Final alignment determined through right-of-way acquisition may affect project costs. Any disturbance to existing streets and driveways will be repaired with the project. Each improvement is described as follows:

A. Water Main

The proposed project will connect to an existing 12-inch water main in Pheasant Ridge Drive at the Austin Street alignment. The proposed water main on Austin Street will be 12-inch in diameter. To allow for greater flexibility, services will not be installed with this project allowing future sites to connect to the main at appropriate locations. The water main will be bored under 109th Avenue.

See Exhibit No. 2 for the proposed water main layout.

B. **Sanitary Sewer**

The proposed project will connect to an existing 10-inch sanitary sewer in Pheasant Ridge Drive. The proposed gravity sanitary sewer will be 8-inches in diameter north to 109th Avenue. Additional fill will be necessary over the pipe as it approaches 109th Avenue to provide adequate cover for frost protection. This fill will be placed in a way to provide for future road construction. A lift station will be installed at 112th Avenue for connections from the Pulte site. A 4-inch diameter force main will be installed from the lift station to the gravity sewer at 109th Avenue. The force main will be bored under 109th Avenue.

Final alignment of the sanitary sewer, future streets and upland areas may increase parcel areas for trunk sanitary sewer. If this occurs, additional trunk sewer charges would become due with development.

It is anticipated that existing upland area on the western portion of parcel PIN 14-31-23-43-0002 could also be served by sanitary sewer on Naples Street, south of 109th Avenue, and is not included in this current project.

See Exhibit No. 3 for the proposed sanitary sewer layout.

4. IMPACT OF PROPOSED IMPROVEMENTS

The impacts associated with the proposed project are minor. Short-term traffic delays, construction dust and noise, and erosion will occur. Efforts to minimize these impacts include the restriction of work hours, and dust and erosion control. Any disruptions that occur to existing yards and driveways will be restored.

During construction, special efforts will be required by the Contractor and the property owners to access properties.

5. SUMMARY OF ESTIMATED PROJECT COSTS AND FUNDING

Project: 14-14

Description: Austin Street NE Alignment from Pheasant Ridge Drive to 112th Avenue NE, serving the North Half of the Northeast Quarter of Section 23 abutting Lexington Avenue and 109th Avenue, and the plat of Glenn Meadows (South Half of Section 14) abutting Lexington Avenue and 109th Avenue.

Cost Item	Percent	Amount	
Construction Costs			
Water Main		$ 297,193	
Sanitary Sewer		452,100	
Total Construction Costs			**$ 749,293**
Administrative Costs			
Engineering	18%	$ 134,873	
Assessment	1%	7,493	
Legal	2%	14,986	
Administration	4%	29,972	
Capitalized Interest	8%	59,943	
Bonding	2%	14,986	
Total Administrative Costs			**$ 262,253**
TOTAL ESTIMATED PROJECT COSTS			**$ 1,011,546**

Temporary Funding Source EDA & Pooled TIF Funds

Permanent Funding Source Pooled TIF Funds, Assessments, Future Connection Charges, Public Utility Funds

(ENR Construction Index for January 2015 is 11,760.40)

Funding Summary

Total Generation from Assessments	$534,899 ($236,453 current, $298,446 deferred)
Water Utility Fund	$50,000 oversizing
Pooled TIF/EDA	$150,409 Platted Austin Street
	$276,238 Water Main

6. ASSESSMENT METHODOLOGY

It is proposed to assess benefiting properties over 10 years in accordance to the City's Assessment Policy.

Costs for improvements in the existing Austin Street right-of-way will be paid for from Pooled TIF Funds.

Water main lateral improvements will be paid for from Pooled TIF Funds. Any parcels that connect directly to the water main in the future will pay the typical lateral connection charge.

Sanitary sewer trunk assessments were divided between improvements north of 109th Avenue and for those south of 109th Avenue. Any parcels that connect directly to the sanitary sewer in the future will pay the typical lateral connection charge.

Assessments to property PINs 14-31-23-43-0002, 14-31-23-44-0002, 23-31-23-11-0001, 23-31-23-12-0001 and 23-31-23-14-0008 will be deferred and collected as connection charges, or spread over ten years, when future development occurs.

The amount of proposed assessments does not include the connection charges for Water Availability Charge (WAC) and Sewer Availability Charge (SAC), which would be collected at the time of building permit application for connection to the improvements.

See exhibits 4 and 5 for the proposed assessment roll and map.

7. FINANCE

The project will be funded through the use of Economic Development Authority and pooled tax increment funds. The City's EDA and Pooled TIF funds will be repaid through special assessments charged to benefiting properties over ten years and connection charges with development in accordance with current City Assessment Policy and Minnesota Statutes Chapter 429, Special Assessment Laws.

A. Finance Director Statement

With reference to this feasibility report for Improvement Project No. 14-14, dated March 5, 2015, I find the following:

Permanent financing will include:

1. The project will be funded through the use of pooled tax increment funds and temporary loans from pooled tax increment and Blaine Economic Development Authority funds whereupon permanent financing would include Pooled TIF, Public Utility Funds, special assessments, deferred assessments, and connection charges.
2. Sufficient moneys are currently available from the City's internal funds to temporarily fund the special assessment portion of the project. It is estimated that $534,899 will be assessed.

Joseph Huss, Finance Director

8. PROJECTED SCHEDULE

January 8, 2015	Receive Petition
March 5, 2015	Receive Feasibility Report Order Public Hearing
April 2, 2015	Hold Public Hearing Order Improvements and Order Preparation of Plans and Specifications
July 16, 2015	Approve Plans and Specifications Order Advertisement for Bids
August 18, 2015	Open Bids
September 3, 2015	Award Contract
Fall 2015	Construct Improvements
September 2016	Assess Project
2017	First Assessment Payment Due with Real Estate Taxes

9. PROJECT FEASIBILITY AND RECOMMENDATION

The project as proposed is technically and financially feasible, is necessary, cost-effective, and will result in a benefit to the properties proposed to be assessed. It is recommended that the City Council accept this report, hold the public hearing, and order the improvements.

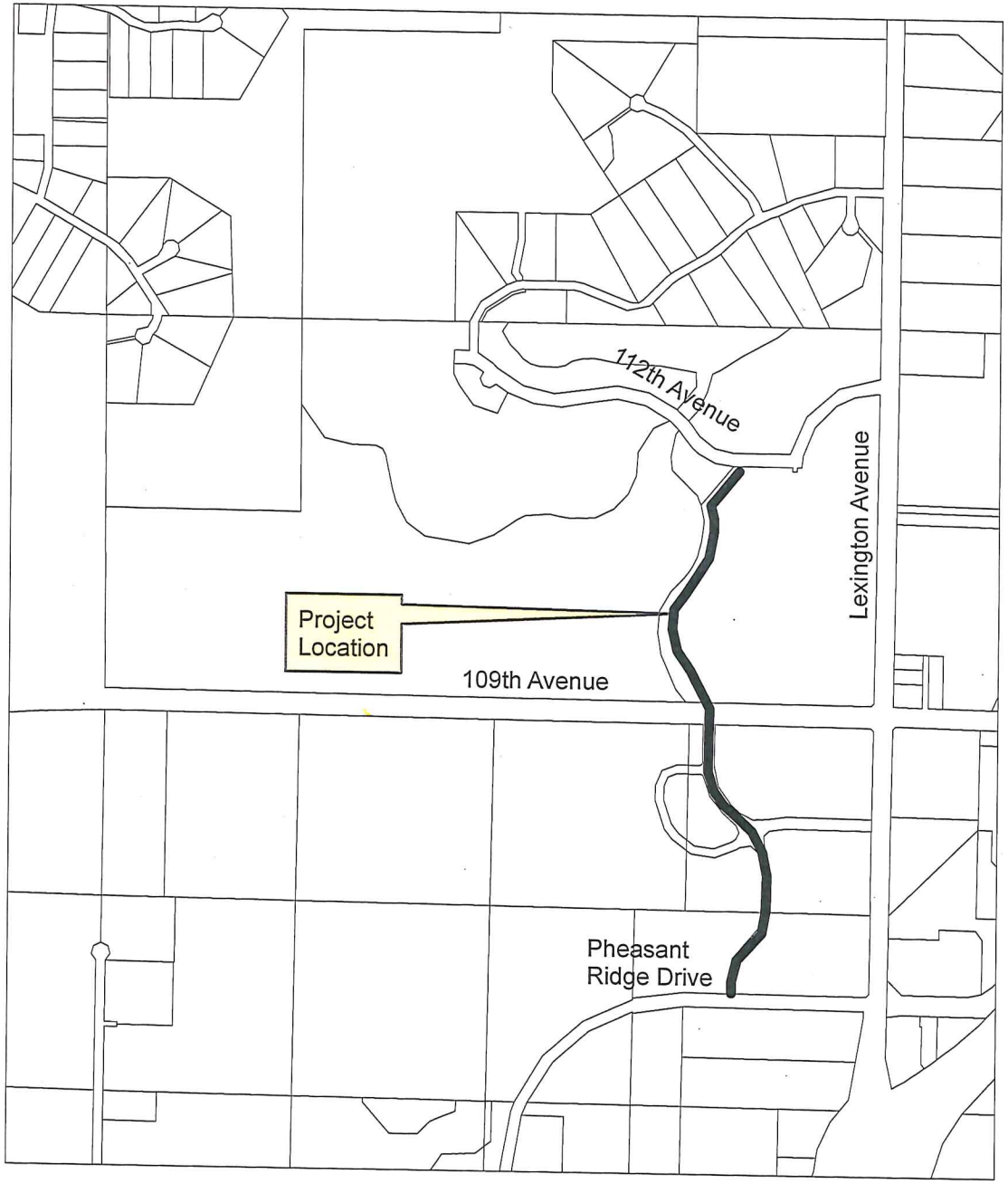

Exhibit No. 1 Project Location

City of Blaine Engineering Department / 10801 Town Square Dr NE / Blaine, MN 55449 / (763) 785-6172

Project No. 14-14

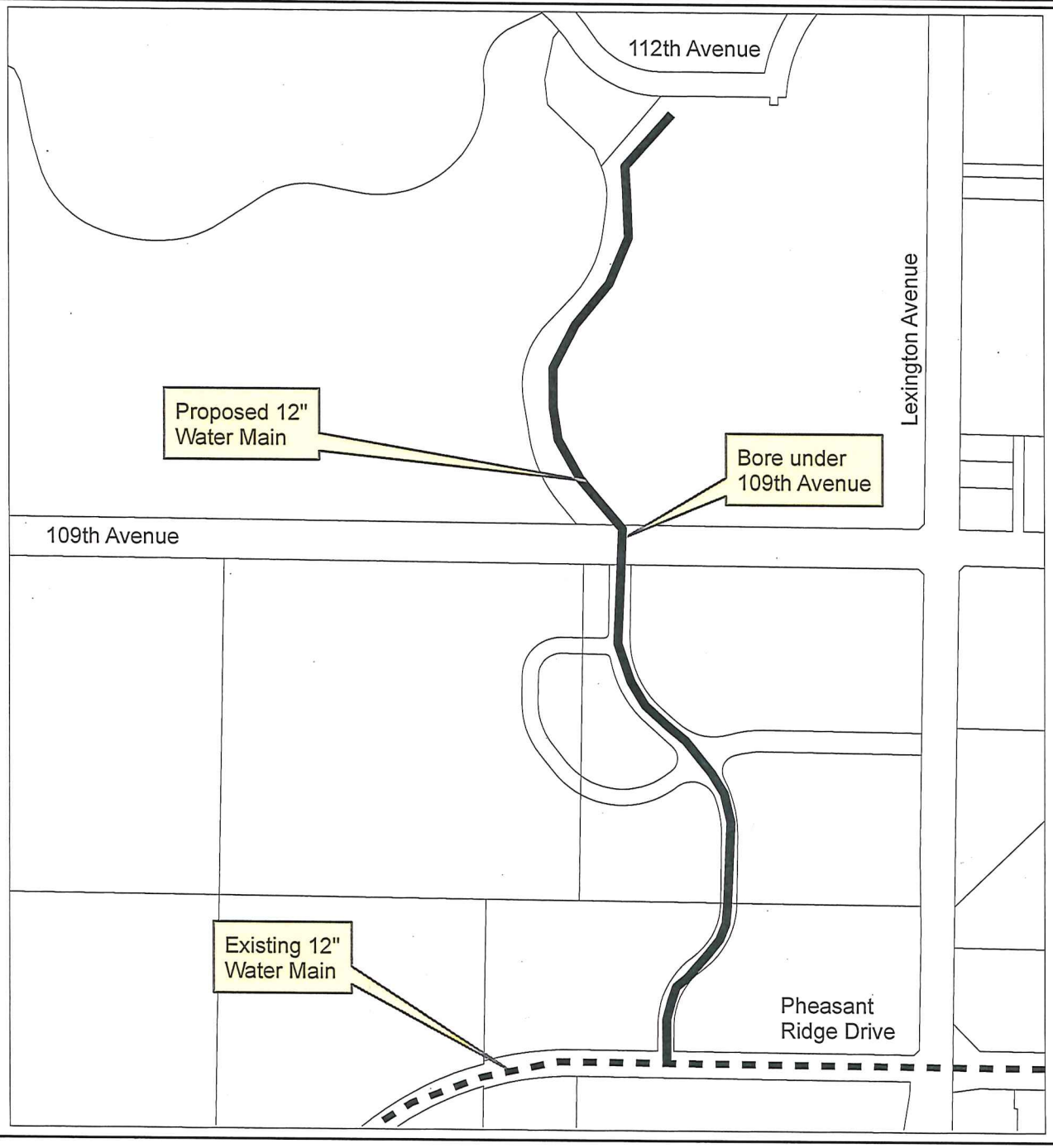

Exhibit No. 2 Proposed Water Main

City of Blaine Engineering Department / 10801 Town Square Dr NE / Blaine, MN 55449 / (763) 785-6172

Project No. 14-14

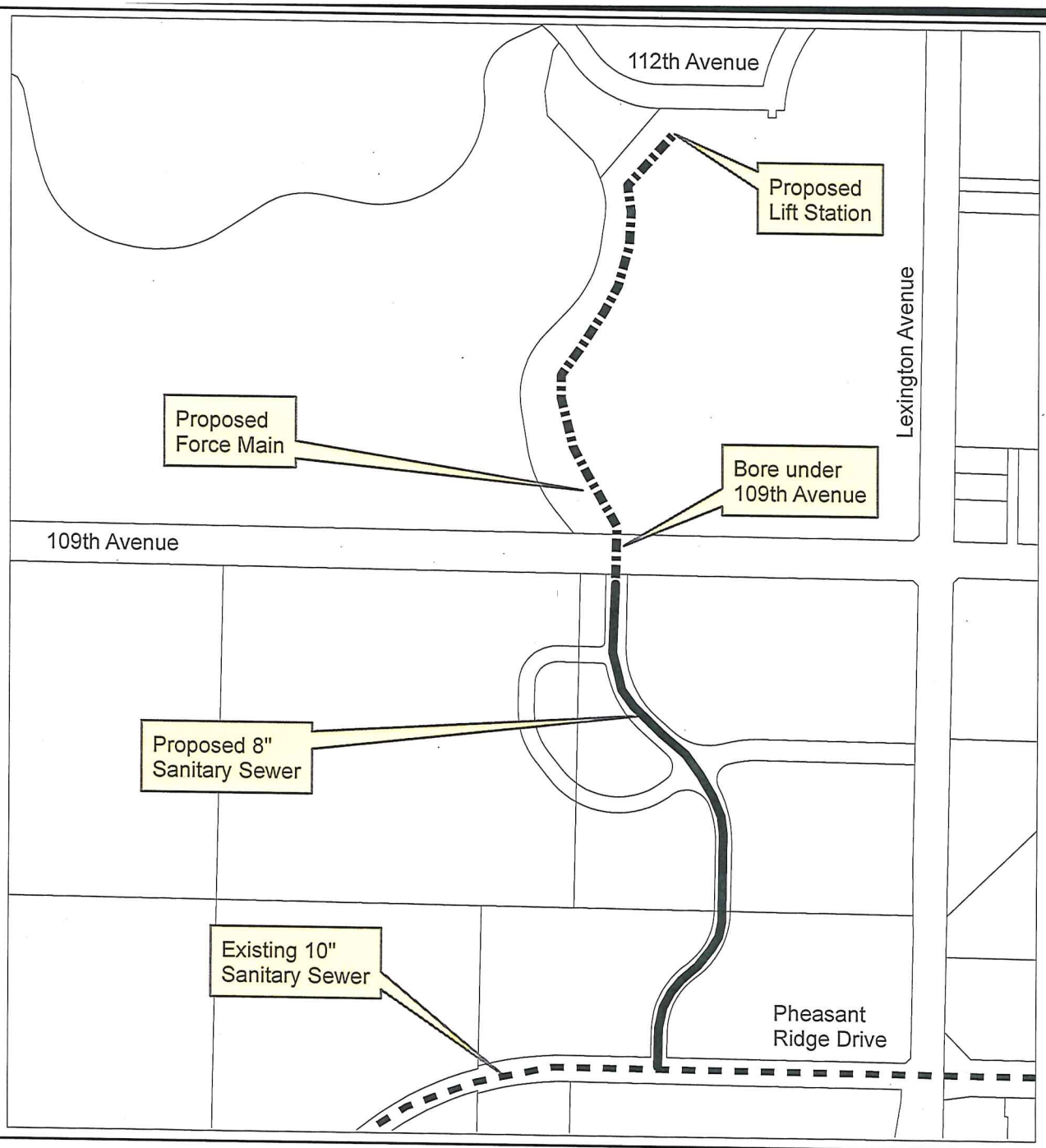

Exhibit No. 3 Proposed Sanitary Sewer

City of Blaine Engineering Department / 10801 Town Square Dr NE / Blaine, MN 55449 / (763) 785-6172

Project No. 14-14

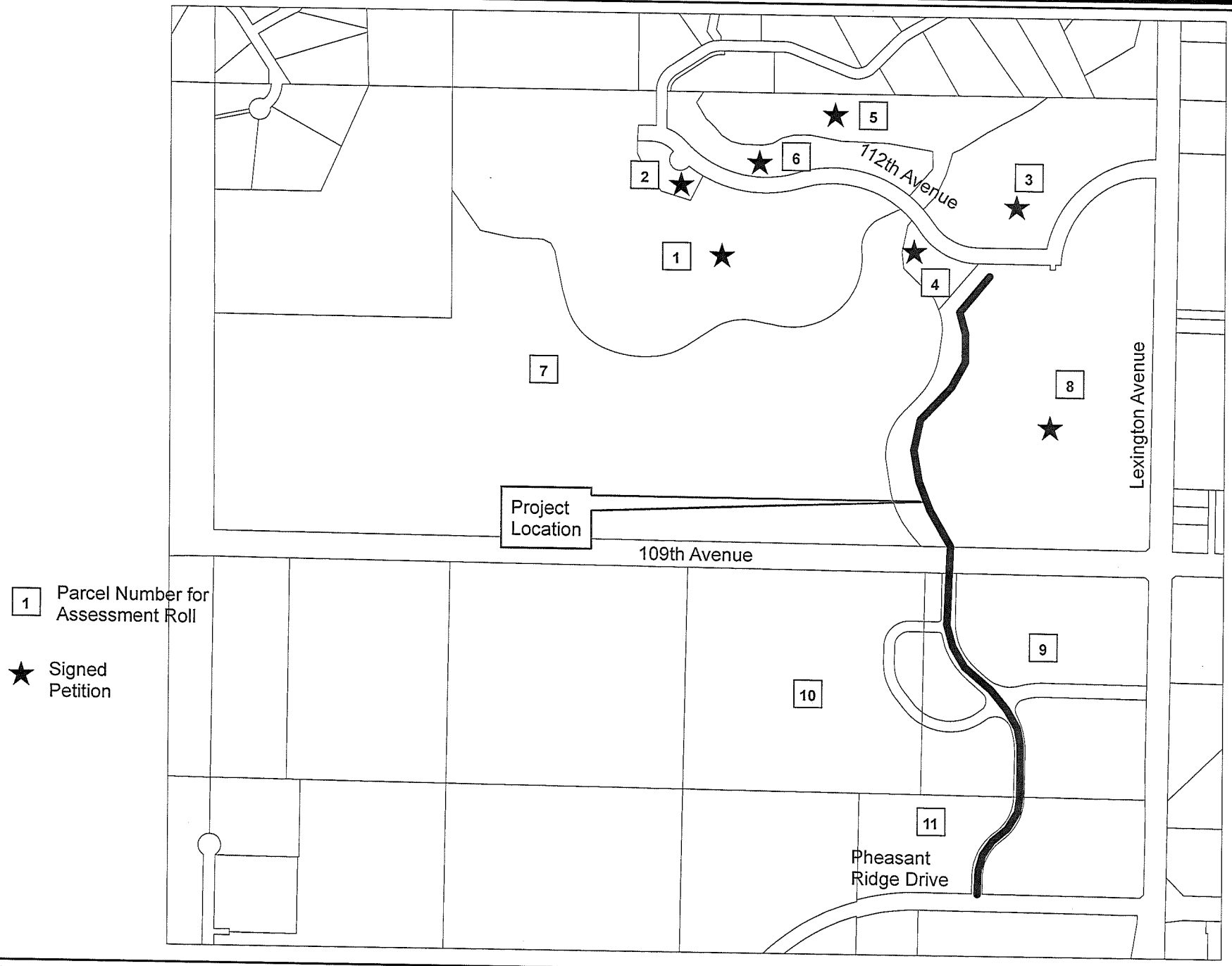

Exhibit No. 4 Assessable Parcels

BLAINE
City of Blaine Engineering Department / 10801 Town Square Dr NE / Blaine, MN 55449 / (763) 785-6172

Project No. 14-14

H:\Team\GISEng\Public Projects\2014 Project List\14-14 Sections 23 and 14\Feasibility Report\ASMT -4.xls

PROPOSED ASSESSMENT ROLL
PROJECT 14-14
AUSTIN STREET

PROPOSED ESTIMATED RATES		
SANITARY TRUNK - A	$3,110.00	PER ACRE - NORTH OF 109TH AVENUE
SANITARY TRUNK - B	$1,681.00	PER ACRE - SOUTH OF 109TH AVENUE

PIN	OWNER	PARCEL NUMBER	TRUNK RATE	SANITARY TRUNK ACRES (2)	TOTAL PROPOSED ASSESSMENT	ESTIMATED (1) ANNUAL ASSESSMENT PAYMENTS FIRST YEAR	FIRST YR MONTHLY	TENTH YEAR	TENTH YR MONTHLY
14-31-23-31-0003	PULTE	1	A	49.65	**$154,412**	29,306	2,442	16,599	1,383
14-31-23-31-0004	PULTE	2	A	1.47	**$4,572**	868	72	491	41
14-31-23-41-0002	PULTE	3	A	15.93	**$49,542**	9,403	784	5,326	444
14-31-23-41-0003	PULTE	4	A	2.1	**$6,531**	1,240	103	702	59
14-31-23-42-0002	STATE OF MN	5	A	0	**$0**	0	0	0	0
14-31-23-42-0003	PULTE	6	A	6.88	**$21,397**	4,061	338	2,300	192
14-31-23-43-0002	POLARIS	7	A	26.68	**$82,975** (3)	15,748	1,312	8,920	743
14-31-23-44-0002	ALLIANCE	8	A	26.68	**$82,975** (3)	15,748	1,312	8,920	743
23-31-23-11-0001	ALLINA	9	B	36.61	**$61,541** (3)	11,680	973	6,616	551
23-31-23-12-0001	ALLINA	10	B	38.61	**$64,903** (3)	12,318	1,027	6,977	581
23-31-23-14-0008	SECURITY PRODUCTS	11	B	3.6	**$6,052** (3)	1,149	96	651	54

TOTAL CURRENT ASSESSMENT **$236,453**

TOTAL DEFERRED ASSESSMENT **$298,446**

THIS PRELIMINARY APPORTIONMENT IS BASED ON THE ESTIMATED PROJECT COST AND THE CURRENT ASSESSMENT PRACTICES AT THE TIME OF THE PREPARATION OF THIS FEASIBILITY REPORT AND IS SUBJECT TO CHANGE.

ENR INDEX JANUARY 2015 = 11,760.40

NOTES
1) BASED ON 7.5% APR SPREAD OVER 10 YEARS.
2) BASED ON PRELIMINARY PLAT OF GLENN MEADOWS 12/10/04
3) TO BE DEFERRED AND COLLECTED AS FUTURE CONNECTION CHARGE

PROJECT14-14
AUSTIN STREET FROM PHEASANT RIDGE DRIVE TO 109TH AVENUE

EXHIBIT NO. 5
PROPOSED ASSESSMENT ROLL