

**AGENDA
CITY COUNCIL
WORK SESSION
CITY OF EAST GRAND FORKS
MARCH 23, 2010
5:00 PM**

CALL TO ORDER

CALL OF ROLL

DETERMINATION OF A QUORUM

1. Report of Feasibility – 2010 Assessment Job No. 1 – Paving Point of Woods 5th Addition – Greg Boppre
2. Sanitary Sewer Phase 2 Presentation – Greg Boppre
3. Business Development Infrastructure Application – Jim Richter

ADJOURN

Upcoming Meetings

Regular Meeting – April 6, 2010 – 5:00 PM – Council Chambers

Work Session – April 13, 2010 – 5:00 PM – Training Room

Regular Meeting – April 20, 2010 – 5:00 PM – Council Chambers

Work Session – April 27, 2010 – 5:00 PM – Training Room

Request for Council Action

Date: March 17, 2010

To: East Grand Forks City Council, Mayor Lynn Stauss, President Dick Grassel, Council Vice President Henry Tweten, Council Members: Marc Demers, Craig Buckalew, Wayne Gregoire, Greg Leigh, and Mike Pokrzywinski.

Cc: File

From: Greg Boppre, P.E.

RE: Report of Feasibility – 2010 Assessment Job No. 1 – Paving Point of Woods 5th Addition

Background:

The initial curb and gutter for Laurel Drive SE was installed in 2005 and now the residents would like to get the pavement installed. As of this date, a petition has been forwarded to the City Administrator and the percentage of front footage on the petition is 33.7%. However, the City does own a lot where the storm lift station is located that is not included the petition.

Recommendation:

Approval to forward to the City Council and set a date for public hearing.

Enclosures:

Report of Feasibility



March 17, 2010

Honorable Mayor and City Council
City of East Grand Forks
PO Box 373
East Grand Forks, MN 56721

RE: Report of Feasibility
Estimate of Cost and
Area Proposed to be Assessed
Point of Woods 5th Addition,
East Grand Forks, MN

Dear Members of Council:

We have as directed by the Council made an investigation as to the feasibility of constructing concrete paving on Laurel Drive Southeast.

We have identified the project needs as follows:

Street Construction:

The proposed project would involve salvaging 7" of existing crushed concrete base between the curb lines and constructing 7" of non reinforced concrete pavement. The aggregate base and curb and gutter were installed as part of the utility project in 2005.

The estimated total cost for the proposed street construction is approximately \$271,818.75.

The estimated assessment rate for the proposed street construction is \$107.85 per front foot benefit.

Areas Proposed to be assessed:

Point of Woods 5th Addition:

Block 1	Lots 1 - 12
Block 2	Lot 6 and Lots 10-14
Block 2	Replat of Lots 7, 8, and 9

Construction of the concrete paving will provide for proper conveyance of surface water to the storm sewer system and shall provide for all weather access to the residential properties. The proposed project will also benefit the adjacent properties through increased property values and improved aesthetics of the lots and therefore we feel the project as described to be feasible.

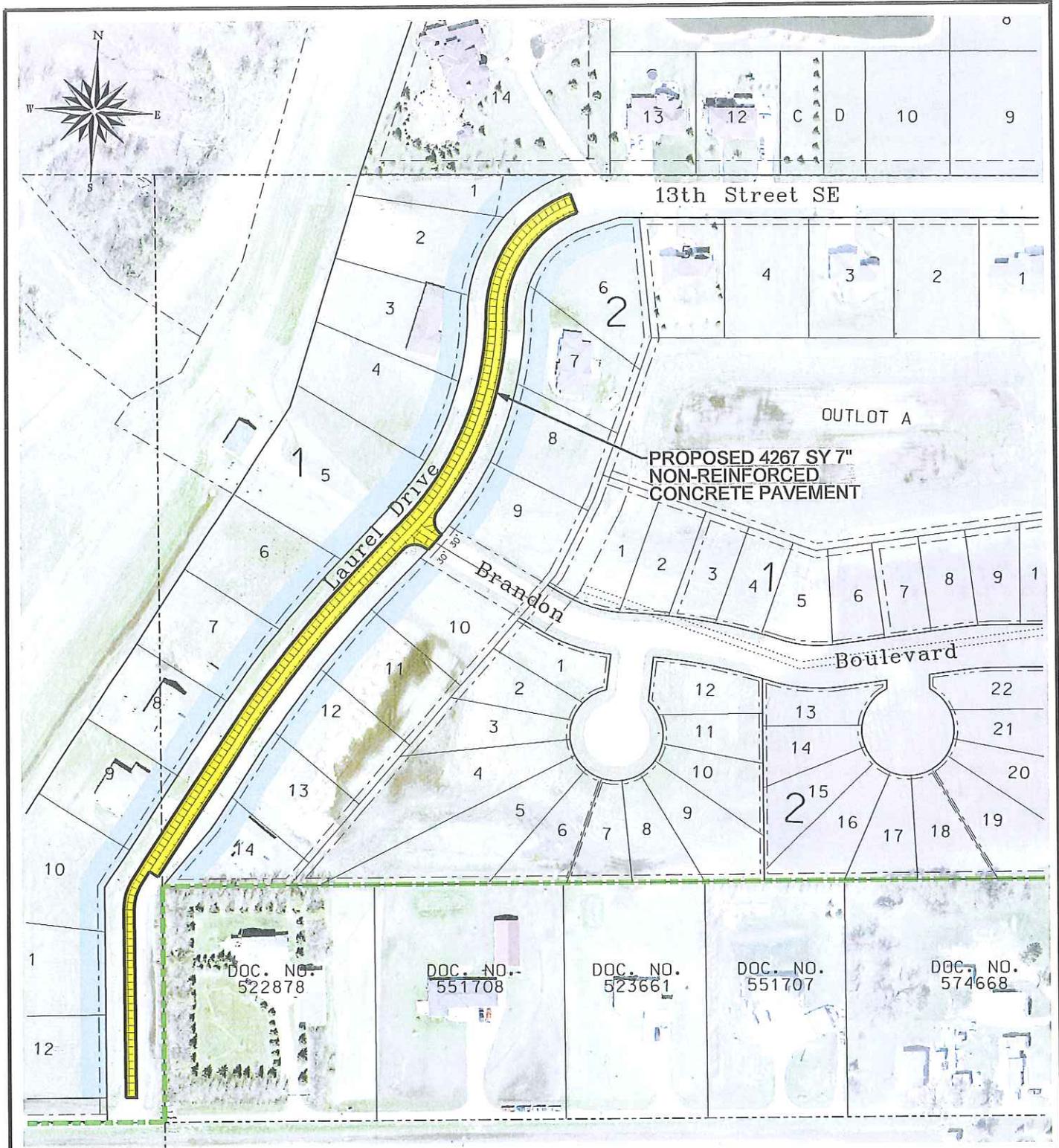
If you have any questions or need further information, please contact our office.

Respectfully yours,
FS Engineering

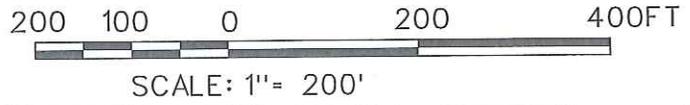


Steve Emery, P.E.

SE:mrh



KEY
PROPOSED PAVING
ASSESSABLE FRONTAGE



DRAWN BY: MBA
 DATE: 3/16/2010
 DGN: 10aj1_pow5th_paving.dgn
 MODEL NAME: proposal sheet

PROJECT:
2010 Assessment Job No. 1
Street Construction Proposal
East Grand Forks, Minnesota

SHEET:
1 of 1

PATH: N:\EGF\proposal-exhibits\10aj1_pow5th_paving.dgn

2010 ASSESSMENT JOB NO. 1

PAVING

EAST GRAND FORKS, MINNESOTA

ASSESSMENT ROLL CALCULATIONS

PAVING CONSTRUCTION COSTS

Construction	\$217,455.00
Plans & Specifications	\$19,570.95
Staking & Inspection	\$10,872.75
Contingencies	\$15,221.85
Assessment Roll (1%)	\$2,174.55
Administrative costs	\$6,523.65
Total Amount to be assessed	\$271,818.75

AREA TO BE ASSESSED

POINT OF WOODS 5TH ADDITION
REP L 7,8,9, B 2 PT WOODS 5TH
TOTAL

2167.95	Front Feet
352.38	
2520.33	

\$107.8504601 per FRONT FOOT

**2010 ASSESSMENT JOB No. 1 - PAVING
EAST GRAND FORKS, MINNESOTA
ASSESSMENT ROLL**

PARCEL No.	OWNER	DESCRIPTION	FRONT FOOTAGE	PAVING BENEFIT	TOTAL ASSESSMENT BEFORE INTEREST
POINT OF WOODS 5TH ADDITION					
R 83.04199.00	ROBERT E & JEANINE H PEABODY	Lot-001 Block-001	89.37	\$9,638.60	\$9,638.60
R 83.04200.00	ROBERT E & JEANINE H PEABODY	Lot-002 Block-001	111.60	\$12,036.11	\$12,036.11
R 83.04201.00	MICHAEL J & HEATHER L BERGERON	Lot-003 Block-001	112.85	\$12,170.92	\$12,170.92
R 83.04202.00	DEREK & REBECCA TODD	Lot-004 Block-001	112.12	\$12,092.19	\$12,092.19
R 83.04203.00	EAST GRAND FORKS CITY	Lot-005 Block-001	181.90	\$19,617.99	\$19,617.99
R 83.04204.00	TOM & BRENDA MCDONALD	Lot-006 Block-001	129.17	\$13,931.04	\$13,931.04
R 83.04205.00	ROBERT E & JEANINE H PEABODY	Lot-007 Block-001	125.25	\$13,508.27	\$13,508.27
R 83.04206.00	BENJAMIN J & KELEIGH J MOEN	Lot-008 Block-001	124.99	\$13,480.23	\$13,480.23
R 83.04207.00	STEVEN R & LINDA M EMERY	Lot-009 Block-001	124.99	\$13,480.23	\$13,480.23
R 83.04208.00	JOHN S & TAMARA K KINZLER	Lot-010 Block-001	151.91	\$16,383.55	\$16,383.55
R 83.04209.00	ROBERT E & JEANINE H PEABODY	Lot-011 Block-001	126.65	\$13,659.26	\$13,659.26
R 83.04210.00	WILLIAM M & MOLLY M FREDLUND	Lot-012 Block-001	114.02	\$12,297.11	\$12,297.11
R 83.04216.00	ROBERT E & JEANINE H PEABODY	Lot-006 Block-002	120.97	\$13,046.67	\$13,046.67
R 83.04220.00	ROBERT E & JEANINE H PEABODY	Lot-010 Block-002	111.97	\$12,076.02	\$12,076.02
R 83.04221.00	ROBERT E & JEANINE H PEABODY	Lot-011 Block-002	109.96	\$11,859.24	\$11,859.24
R 83.04222.00	ROBERT E & JEANINE H PEABODY	Lot-012 Block-002	109.96	\$11,859.24	\$11,859.24
R 83.04223.00	ROBERT E & JEANINE H PEABODY	Lot-013 Block-002	109.99	\$11,862.47	\$11,862.47
R 83.04224.00	GALEN & JOELLEN CARIVEAU	Lot-014 Block-002	100.28	\$10,815.24	\$10,815.24
SUBTOTAL POINT OF WOODS 5th ADDITION			2167.95	\$233,814.38	\$233,814.38
REP L 7,8,9, B 2 PT WOODS 5TH					
R 83.04367.00	PHILIP L & ALISSA A KNUTSON	Lot-00A (EX SLY 20.14FT)	123.55	\$13,324.92	\$13,324.92
R 83.04368.00	PHILIP L & ALISSA A KNUTSON	Lot-00A SLY 20.14FT	20.14	\$2,172.11	\$2,172.11
R 83.04369.00	ROBERT E & JEANINE H PEABODY	Lot-00B	106.28	\$11,462.35	\$11,462.35
R 83.04370.00	ROBERT E & JEANINE H PEABODY	Lot-00C	102.41	\$11,044.97	\$11,044.97
SUBTOTAL REP L 7,8,9, B 2 PT WOODS 5TH			352.38	\$38,004.35	\$38,004.35
GRAND TOTALS			2520.33	\$271,818.73	\$271,818.73

Request for Council Action

Date: March 17, 2010

To: East Grand Forks City Council, Mayor Lynn Stauss, President Dick Grassel, Council Vice President Henry Tweten, Council Members: Marc Demers, Craig Buckalew, Wayne Gregoire, Greg Leigh, and Mike Pokrzywinski.

Cc: File

From: Greg Boppre, P.E.

RE: Sewer Study – Phase II

Background:

In 2008 the City performed the first phase of the sanitary sewer project, which included lift stations, gravity sewer and forcemains. It was decided not to reconstruct the sewage ponds at that time in order to see the results from phase I project. Also some Council members were wondering about sending our waste to the City of Grand Forks and what the associated cost would be. Therefore, we met with staff from the City of Grand Forks and their consultants, to discuss how do we get the waste to Grand Forks and what the cost would be to the City of East Grand Forks .

Therefore, attached is a copy of the power point presentation, comparing the East Grand Forks project by itself and a project with the City of Grand Forks.

Recommendation:

N/A

Enclosures:

Power Point

SANITARY SEWER STUDY

EAST GRAND FORKS, MN

Prepared by: FS ENGINEERING

March, 2010



PHASE I - OVERVIEW

- PROJECT COST - \$4,101,975
- Replaced 4800 lf of 8"-15" sanitary sewer pipe
- Relined 1685 lf of 8"-15" sanitary sewer pipe
- Replaced lift station No. 4
- Modified lift station No. 7
- Installed 11,010 lf of 6" drain tile around ponds

PHASE I – CASH FLOW ANALYSIS

Wastewater Rate Summary 2/6/08

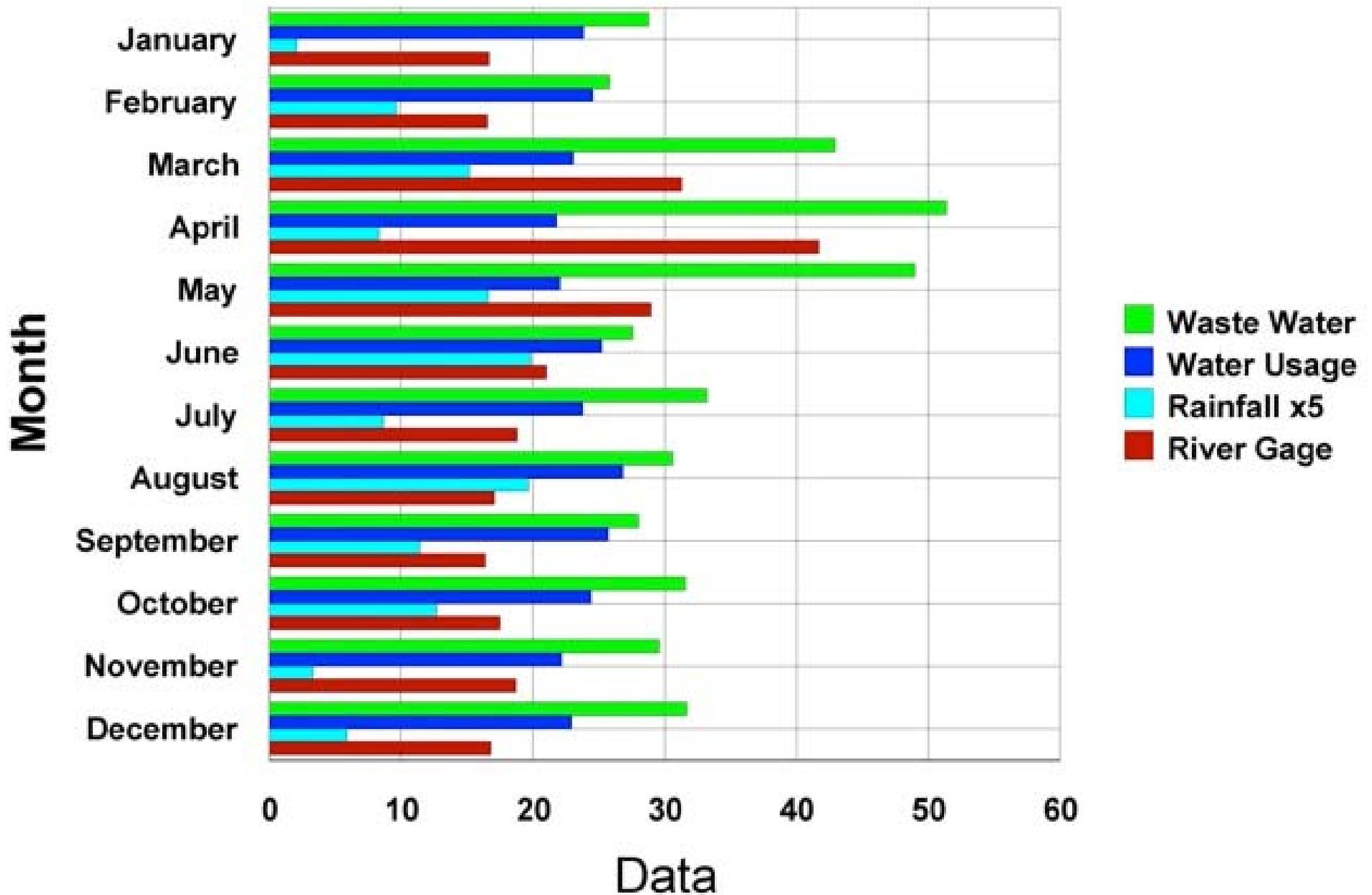
		One Phase Project-Recommended Proposal alt						
		0	1	2	3	4	5	6
		Current	07/01/08	01/01/09	07/01/09	01/01/10	07/01/10	01/01/11
A. Meter Charge (service)								
Current monthly base rate		\$2.00	\$6.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
Estimated annual revenue		\$73,577	\$220,730	\$367,883	\$367,883	\$367,883	\$367,883	\$367,883
Each \$1 increase generates annually		\$36,788	\$147,153	\$147,153	\$0	\$0	\$0	\$0
B. Residential Usage Charge (commodity)								
Rate as percent of water rate:		50%	50%	50%	50%	50%	50%	50%
Current charge		\$2.38	\$2.38	\$2.38	\$2.38	\$2.38	\$2.38	\$2.38
Estimated annual revenue		\$278,547	\$278,547	\$278,547	\$278,547	\$278,547	\$278,547	\$278,547
Each 10% increase of water rate		\$55,709	\$0	\$0	\$0	\$0	\$0	\$0
C. Apartment Charge								
Current monthly rate		\$5.50	\$5.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
Estimated annual revenue		\$83,756	\$82,736	\$115,920	\$115,920	\$115,920	\$115,920	\$115,920
Each \$.50 increase generates annually		\$5,790	\$28,960	\$23,184	\$0	\$0	\$0	\$0
D. Commercial Usage Charge (commodity)								
Percentage of water rate:		50%	60%	70%	75%	75%	75%	75%
Break at gallons	100,000	\$141,467	\$167,944	\$194,421	\$207,659	\$207,659	\$207,659	\$207,659
Break at gallons	200,000	\$153,097	\$182,745	\$212,380	\$227,217	\$227,217	\$227,217	\$227,217
Break at gallons	300,000	\$157,400	\$188,222	\$219,045	\$234,456	\$234,456	\$234,456	\$234,456
Break at gallons	500,000	\$162,791	\$195,084	\$227,376	\$243,522	\$243,522	\$243,522	\$243,522
	none	\$166,449	\$199,739	\$233,028	\$246,673	\$246,673	\$246,673	\$246,673
Estimated Annual Revenue		\$557,347	\$774,758	\$981,295	\$1,005,872	\$1,009,023	\$1,009,023	\$1,009,023
			\$666,052		\$993,633		\$1,009,023	
Homeowner pay monthly on gallons:								
	4,000	\$12	\$16	\$20	\$20	\$20	\$20	\$20
	6,000	\$16	\$20	\$24	\$24	\$24	\$24	\$24
	8,000	\$21	\$25	\$29	\$29	\$29	\$29	\$29
	10,000	\$26	\$30	\$34	\$34	\$34	\$34	\$34

PHASE I – INFLOW/INFILTRATION RESULTS

- Examined the data from the master liftstation.
- Reviewed weather data from the year.
- Reviewed river gage readings from the year.

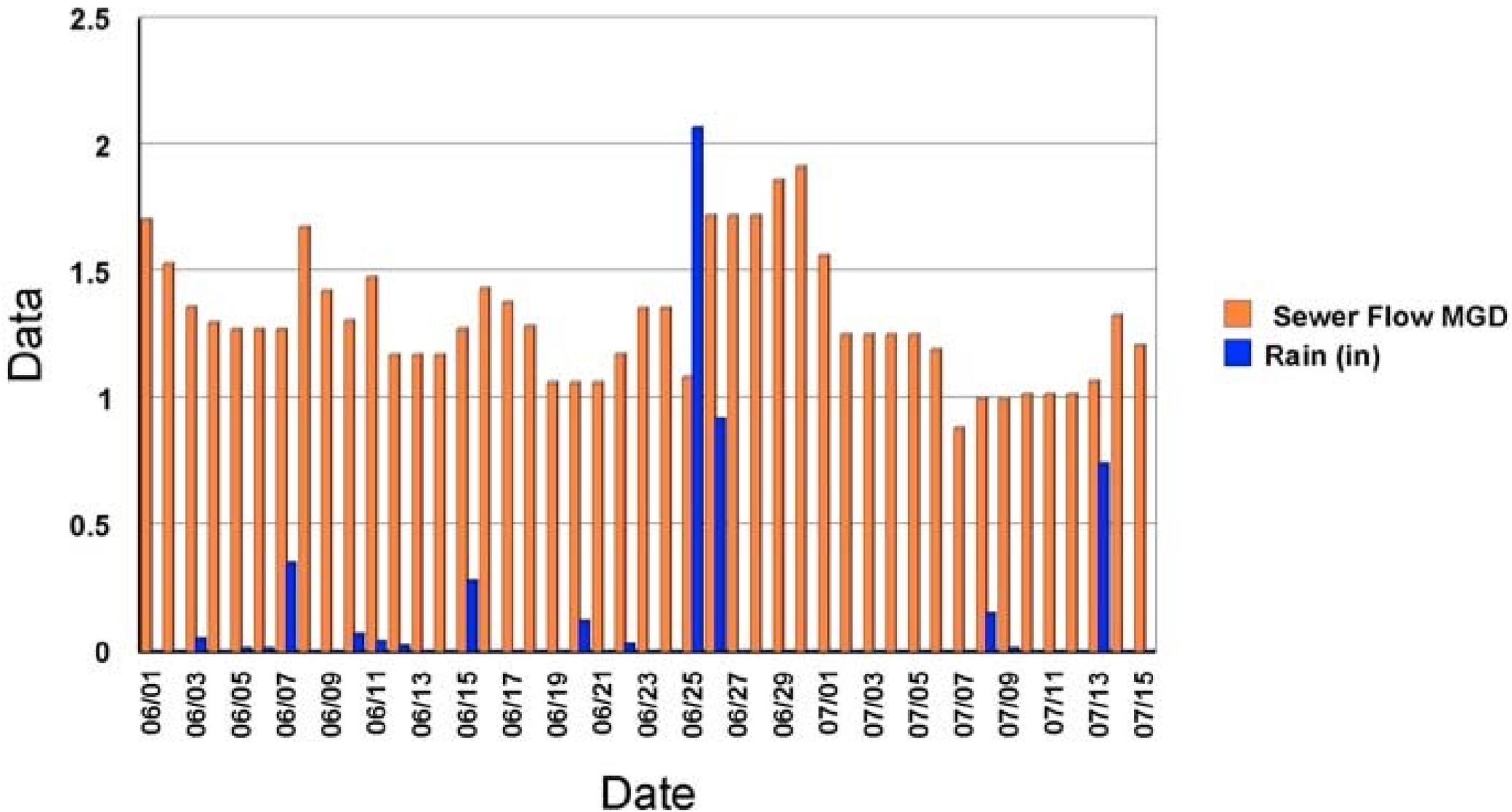
Plotted the data in a graphical format to review.

2009 Comparison of wastewater flows



Daily Flows vs Rain

June 1 to July 15



WASTEWATER PONDS



CAPACITY OF PONDS

Pond Size	329	Acres
With a 4 foot useable working depth		
	1,316	Ac-Ft
	428,790,701	Gallons
	57,324,960	Cubic Feet

CAPACITY OF PONDS

Average Rainfall	19.8	Inches
	1.65	Ft
	23,645,546	Cubic Feet

Pond Storage	57,324,960	Cubic Feet
Rain	-23,645,546	Cubic Feet
Useable Storage	33,679,414	Cubic Feet

CAPACITY OF PONDS

Pond Storage	57,324,960	Cubic Feet
Rain	-23,645,546	Cubic Feet
Useable Storage	33,679,414	Cubic Feet
Allowable Leakage	8,027,072	Cubic Feet
Total Available Storage	41,706,441	Cubic Feet

Based on current flow rates this would allow for a 30% increase

PHASE II – OVERVIEW

- Reconstruction of existing 2-cell system to a 3 cell system
- Increase pond capacity by raising dike by 2 feet
- Reline pond bottom with new clay
- Install new rip-rap
- Estimated project cost - \$10,626,875

PHASE II – CASH FLOW ANALYSIS

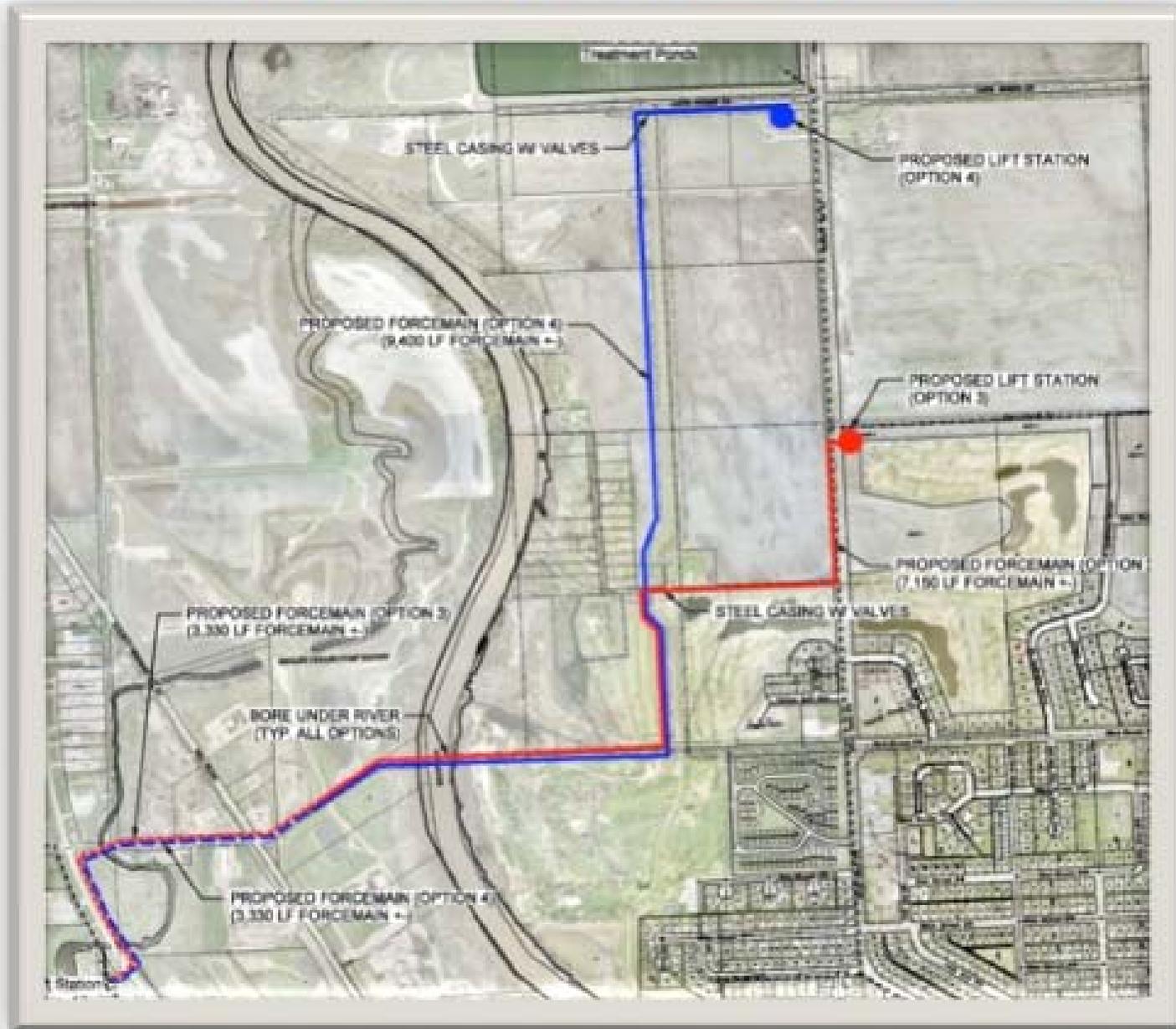
Wastewater Rate Summary
2/6/09

	<u>0</u> Current	<u>1</u> 2010	<u>2</u> 2011	<u>3</u> 2012	<u>4</u> 2013	<u>5</u> 2014	<u>6</u> 2015
A. Meter Charge (service)							
Current monthly base rate	\$10.00	\$10.00	\$10.00	\$15.00	\$15.00	\$15.00	\$15.00
Estimated annual revenue	\$336,938	\$336,938	\$336,938	\$505,407	\$505,407	\$505,407	\$505,407
Each \$1 increase generates annually	\$18,394	\$0	\$0	\$168,469	\$0	\$0	\$0
B. Residential Usage Charge (commodity)							
Rate as percent of water rate:	50%	50%	50%	75%	75%	75%	75%
Current charge	\$2.38	\$2.43	\$2.43	\$3.64	\$3.64	\$3.64	\$3.64
Estimated annual revenue	\$268,375	\$274,025	\$274,025	\$411,038	\$411,038	\$411,038	\$411,038
Each 10% increase of water rate	\$55,709	\$5,650	\$0	\$137,013	\$0	\$0	\$0
C. Apartment Charge							
Current monthly rate	\$10.00	\$10.00	\$10.00	\$12.00	\$12.00	\$12.00	\$12.00
Estimated annual revenue	\$115,920	\$115,920	\$115,920	\$139,104	\$139,104	\$139,104	\$139,104
Each \$.50 increase generates annually	\$5,796	\$0	\$0	\$23,184	\$0	\$0	\$0
D. Commercial Usage Charge (commodity)							
Percentage of water rate:	75%	75%	75%	75%	75%	75%	75%
Current charge	\$3.33	\$3.64	\$3.64	\$3.64	\$3.64	\$3.64	\$3.64
Estimated annual revenue	\$241,425	\$263,719	\$263,719	\$263,719	\$263,719	\$263,719	\$263,719
Each 10% increase of water rate	\$55,709	\$22,294	\$0	\$0	\$0	\$0	\$0
Estimated Annual Revenue	\$962,658	\$990,601	\$990,601	\$1,319,267	\$1,319,267	\$1,319,267	\$1,319,267
Homeowner pay monthly on gallons:							
4,000	\$20	\$20	\$20	\$30	\$30	\$30	\$30
6,000	\$24	\$24	\$24	\$37	\$37	\$37	\$37
8,000	\$29	\$29	\$29	\$44	\$44	\$44	\$44
10,000	\$34	\$34	\$34	\$51	\$51	\$51	\$51

EGF/GF - SEWER STUDY

- COSTS – Both capital and rate charges
- EGF – Capital costs
- EGF – Value of existing land
- GF – Capital costs
- GF – Cost to Service

EGF – CAPITAL COST OPTIONS



EGF – CAPITAL COST OPTIONS

Estimate of Cost
Grand Forks / East Grand Forks Sewer Study
Option No. 3
East Grand Forks, Mn

<u>Item</u>	<u>Quantity</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total</u>
16" Forcemain	7100	LF	\$65.00	\$461,500.00
Ductile Iron Fittings	1800	LBS	\$6.00	\$10,800.00
24" Steel Casing	160	LF	\$300.00	\$48,000.00
Directional Bore 16" Forcemain	400	LF	\$300.00	\$120,000.00
Lift Station Construction	1	LS	\$1,500,000.00	\$1,500,000.00
Pond Construction	1	LS	\$1,670,000.00	\$1,670,000.00
Reclaim Existing Ponds	1	LS	\$2,523,400.00	\$2,523,400.00
Meter Manhole	1	LS	\$50,000.00	\$50,000.00
Misc. Piping	1	LS	\$50,000.00	\$50,000.00
Landscaping	1	LS	\$25,000.00	\$25,000.00
Land Value	1	LS	(\$1,200,000.00)	(\$1,200,000.00)
Subtotal				\$5,258,700.00
EALC (25%)				<u>\$1,314,675.00</u>
Total				\$6,573,375.00

EGF – CAPITAL COST OPTIONS

**Estimate of Cost
Grand Forks / East Grand Forks Sewer Study
Option No. 4
East Grand Forks, Mn**

Item	Quantity	Unit	Unit Price	Total
Land Acquisition	6.5	Acre	\$10,000.00	\$65,000.00
16" Forcemain	9000	LF	\$65.00	\$585,000.00
Ductile Iron Fittings	2112	LBS	\$6.00	\$12,672.00
24" Steel Casing	160	LF	\$300.00	\$48,000.00
Directional Bore 16" Forcemain	400	LF	\$300.00	\$120,000.00
Lift Station Construction	1	LS	\$1,500,000.00	\$1,500,000.00
Pond Construction	1	LS	\$1,670,000.00	\$1,670,000.00
Reclaim Existing Ponds	1	LS	\$2,523,400.00	\$2,523,400.00
Meter Manhole	1	LS	\$50,000.00	\$50,000.00
Misc. Piping	1	LS	\$50,000.00	\$50,000.00
Landscaping	1	LS	\$25,000.00	\$25,000.00
Land Value Subtotal	1	LS	(\$1,200,000.00)	(\$1,200,000.00)
				\$5,449,072.00
EALC (25%)				\$1,362,268.00
Total				\$6,811,340.00

GF – CAPITAL COSTS & RATES

- Capital Costs(WFW – GF Consultant)
- Forcemain and Lift Station Improvements- \$971,000
- Cost of Service(AE2S – GF Consultant)
- The annual cost to EGF is \$421,230, using 1.2 MGD flow
- This cost is for treatment only, City will still have maintenance cost of the system

COST COMPARISON

EGF PROJECT

- Capital Cost - \$10.6 Million
- Current sewage cost - \$24/mo
- Proposed(2012) - \$37/mo
- Net Increase - \$13/mo

GF/EGF PROJECT

- EGF Capital Cost - \$7 Million
- GF Capital Cost - \$926,000
- Current sewage cost - \$24/mo
- EGF Proposed(2012) - \$27/mo
- GF Cost of service - \$13/mo
- Total GF/EGF - \$40/mo
- Net Increase - \$16/mo

SUMMARY

EGF - OPTION

- PROS
 - System is easy to maintain
 - Reasonable treatment cost
 - Should provide City with many years of service
-
- CONS
 - Future MPCA regulations - \$
 - Future growth of ponds limited

EGF/GF - OPTION

- PROS
 - No worry about treatment
 - City just maintains existing collection system
-
- CONS
 - Future ND regulations - \$
 - Future GF Plant expansions - \$

THANK YOU



Request for Council Action

Date March 10, 2010

TO: East Grand Forks City Council, Mayor Lynn Stauss; President Dick Grassel, Councilmembers, Craig Buckalew, Henry Tweten, Wayne Gregoire, Greg Leigh, Mark Demers, and Mike Pokrzywinski

Cc: File

From: ECONOMIC DEVELOPMENT HOUSING AUTHORITY

RE: CONSIDER A RESOLUTION AUTHORIZING THE SUBMISSION OF A GRANT APPLICATION TO THE STATE OF MINNESOTA DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT UNDER THE BUSINESS DEVELOPMENT INFRASTRUCTURE PROGRAM.

THIS APPLICATION IS IN CONJUNCTION WITH THE FEDERAL EDA APPLICATION FOR FUNDS TO DO STREET, STORM SEWER, SANITARY SEWER AND WATER EXPANSION IN THE INDUSTRIAL PARK SECOND ADDITION. WE ARE REQUESTING THE MAXIMUM PER PROJECT WHICH IS \$250,000 DOLLARS. THESE FUNDS WILL BE CONTINGENT UPON THE FEDERAL AWARD.

IF YOU HAVE ANY QUESTIONS PRIOR TO THE MEETING PLEASE CALL ME AT 773-2371.

RESOLUTION NO. 10 – 03 - XX

**LOCAL GOVERNMENT RESOLUTION
BUSINESS DEVELOPMENT INFRASTRUCTURE APPLICATION**

Council Member _____, supported by Council Member _____, introduced the following resolution and moved its adoption:

BE IT RESOLVED; that the City of East Grand Forks (hereafter known as "city") act as the legal sponsor for project(s) contained in the Business Development Infrastructure Application to be submitted on _____ and that the Mayor and City Administrator are hereby authorized to apply to the Department of Employment and Economic Development for funding of this project on behalf of the City of East Grand Forks.

BE IT FURTHER RESOLVED; that the City has the legal authority to apply for financial assistance, and the institutional, managerial, and financial capability to ensure adequate construction, operation, maintenance and replacement of the proposed project for its design life.

BE IT FURTHER RESOLVED; that the City has not violated any Federal, State, or local laws pertaining to fraud, bribery, kickbacks, collusion, conflict of interest or other unlawful or corrupt practice.

BE IT FURTHER RESOLVED; that upon approval of its application by the state, the City may enter into an agreement with the State of Minnesota for the above-referenced project(s), and that

BE IT FURTHER RESOLVED; that upon approval of its application by the state, the City will commit \$175,000 towards the local match requirement.

The City certifies that it will comply with all applicable laws, regulations, and rules of the Business Development Infrastructure Application.

NOW, THEREFORE BE IT RESOLVED that the Mayor and City Administrator, or their successors in office, are hereby authorized to execute such agreements and amendments thereto, as are necessary to implement the project(s) on behalf of the applicant.

Voting Aye:
Voting Nay: None.
Absent: None.

The President declared the resolution passed.

Passed: March 16, 2010

Attest:

City Administrator/Clerk-Treasurer

President of Council

I hereby approve the foregoing resolution this 16th of March, 2010.

Mayor