

**ARLINGTON CITY COUNCIL
SPECIAL WORKSHOP MEETING AGENDA
NOVEMBER 7, 2016 AT 5:00 P.M.
COUNCIL CHAMBERS**

1. Call to Order

DISCUSSION ITEMS

2. 5:00 p.m. Soil Borings – Proposed Purchase of Seneca Property.
3. 5:10 p.m. Preliminary Engineer Design & Cost Estimate of the 2017 Street & Utility Improvement Project. (Jason Femrite – Bolton & Menk)
4. 6:00 p.m. Discussion of Financing the 2017 Street & Utility Improvement Project. (Shannon Sweeney – David Drown & Assoc.)
5. Adjournment

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SPECIAL WORKSHOP MEETING MINUTES
NOVEMBER 7, 2016**

The regular meeting was called to order at 5:00 p.m., Mayor Richard Nagel presiding.

Members present: Battcher, Heiland, Jaszewski, Mayor Nagel, Nuesse, Wills

Members absent: None

Also present: City Adm. Donabauer, City Eng. Jason Femrite, City Financial Advisor Shannon Sweeney

Advisor Sweeney talked about the financing process for the proposed 2017 Street & Utility Improvement Project. He explained that special assessments are special tools used, and are necessary, when dealing with improvement projects due to the limited authority the City has to borrow money for street reconstruction projects. He explained that this project is being structured over 15 years. The City is currently in a 2-3 year rotation for doing projects that are larger or are similar in size (more efficient and helps keep levies and utility rates steady). The point of the rotation is to keep things level for taxpayers; old debt falls off as new debt gets added. Sweeney commented on utility rates and that some may need to be increased to cover debt services. Concern was expressed about raising utility rates, as the base rates are already high. It was suggested to pay for the water looping portion of the project out of the water fund directly, which would lower the interest rate for the project. Sweeney commented that the City could transfer money from the water fund to the storm sewer fund to prevent raising the storm sewer rates. He advised doing this cautiously; as spending down cash reserves does affect bond rating; can have a negative effect and costs more to borrow money.

The Council reviewed two (2) bid estimates to have four (4) soil borings done on the Seneca property the City is looking to acquire. It was the consensus of the Council to authorize Engineer Femrite to go with the lower bid (under \$3,600).

Engineer Femrite presented the Preliminary Design and Cost Estimates for the proposed 2017 Street & Utility Improvement Project. He stated that the project area included:

- 4th Avenue NW (W. Alden to W. Chandler)
- 3rd Avenue NW (W. Brooks to W. Alden)
- West Brooks (Hwy 5 to 3rd Ave NW)
- West Alden (Hwy 5 to 2nd Ave NW)
- Alley Drainage Improvements (4th Ave NW to 3rd Ave NW) {Alt 1}
- Watermain Looping (East end of Shamrock to 401st Ave - Hwy 5 Ditch) {Alt 2}.

Femrite commented on street widths and sidewalks (non-continuous and pedestrian ramps not in compliance). He noted that a lot of the sanitary sewer consisted of VCP pipe, which had condition ratings that were substandard; the entire system is being recommended to be replaced. The watermain is known to be a six inch (possibly some four inch sections) and is being increased to an eight inch, which will significantly increase circulation to the area. Bolton & Menk is working with MVAC on street lighting options (not included in this report and should be paid out of the electric fund). The storm sewer system is undersized for the area.

Femrite stated that Alden Street will be changed to a 9-ton roadway and stay 40 ft. wide to accommodate commercial traffic needs. He commented that in keeping with what was done with the 2015 project, street widths were being reduced to what is needed. Fourth Avenue will be reduced down to 36 ft. from 40 ft. Brooks Street is proposed to stay at 34 ft. as there is not enough room to increase it to 36 ft. and keep uniform/consistent with previous projects. Unfortunately, many of the trees along Brooks Street will be affected and have to be removed. Trees will be able to be replanted in the boulevard. Battcher suggested reducing 3rd Ave down to 36 ft. or match Brooks Street and then only allow traffic one-way, in an effort to reduce some costs. The traffic activity will be changing since the school is changing their main entrance (to the north) and installing a parking lot at the end of their property (south).

Femrite talked about the proposed watermain looping in the northeast. Due to the necessary High Island Creek crossing, the watermain will be, for the most part, directionally bored (trenchless excavation) and run with the alignment of Hwy 5 (in the ditch). A permanent utility easement will be needed; along with a right-of-way permit from MnDOT.

Femrite reviewed/summarized what the process will be if the Council decides to move forward with this project (public hearings, open houses, bid opening, etc.). He also reviewed the assessment policy and how it will be applied to the project.

Motion by Heiland, seconded by Jaszewski, and passed by unanimous vote to adjourn the meeting at 6:32 pm.

City Administrator Liza M. Donabauer

Mayor Richard Nagel