



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

Date: June 23, 2015

To: Honorable Kevin Reich, Chair Transportation & Public Works Committee

Referral to: Honorable John Quincy, Chair Ways and Means

Subject: **Authorization to amend the 2015 Capital Budget for the construction of 8th St SE Reconstruction and Street Lighting Project No 2283 (CPV120)**

Recommendation:

- A. Pass a Resolution to amend the 2015 Adopted Capital Budget resolution 2014R-520 by establishing project CPV120 8th St SE Reconstruction and Street Lighting Project with the following amendments to the budget:
 1. Appropriation increase of \$186,698 in Fund 04100-9010937.
 2. Revenue budget increase of \$186,698 in Fund 04100-9010937 with revenue source 384601 \$80,593 Assessments and \$106,105 revenue source 322502 from the University of Minnesota.
- B. Pass a Resolution declaring the City's intent to reimburse expenditures up to \$80,593 with proceeds from tax-exempt bonds.

Previous Directives:

May 5, 2015 - Council authorization to execute a construction agreement with the University of Minnesota.

September 9, 2014 - Council Resolution ordering the City Engineer to proceed and do the work and adopt special assessments.

July 22, 2014 - Council Resolution designating, receiving cost estimates, and identifying the list of benefitted properties for the street reconstruction and lighting projects and setting the public hearings for each of those projects and for the abandonment and removal of areaways in conflict with the project.

December 10, 2013 - Council approved project layout.

November 12, 2013 - City Council Resolution 2013R-509 established 2014 Uniform Assessment Rates.

June 28, 2013 - Council authorized City officers to enter into Cooperative Agreement with University of Minnesota.

Department Information:

Prepared by: Bill Fellows, P.E., Senior Professional Engineer, 673-5661
Don Elwood, P.E., Director, Transportation Planning & Engineering

Approved by: _____
Steven A. Kotke, P.E., Director of Public Works

Presenters in Committee: Bill Fellows, P.E., Senior Professional Engineer, Department of Public Works, Transportation Planning and Engineering

Financial Impact

- Action requires an appropriation to the Capital Budget
Dept Name: Public Works
Fund Name: 04100 - Capital
Project Name & Number: 8th Street Reconstruction & Street Lighting – CPV120
Amount: \$186,698
- Action provides revenue for appropriation
Dept Name: Public Works
Fund Name: 04100 – Capital
Project Name & Number: 8th Street Reconstruction & Street Lighting – CPV120
Amount: \$186,698
- Action is within the Business Plan
- Request provided to the Finance Department

Community Impact

- Neighborhood Notification: Information meeting held on-site summer of 2013 and 2014. Public Hearing Notices mailed out August 2014.
- City Goals: High-quality and convenient transportation options connect every corner of the city. Infrastructure, public services and community assets support businesses and commerce. Strategies with our City and regional partners are aligned, leading to economic success. Manage and improve the city's infrastructure for current and future needs.

Supporting Information

On September 9, 2014 the Council ordered the City Engineer to complete the 8th St SE Street Reconstruction and Street Lighting project. Since this project is being performed outside the CLIC process, the requested recommendation is to establish the project budget. The project is scheduled for construction in 2015.

The street proposed to be improved is 8th St SE from 15th Av SE to approximately 1,100 feet east where the street will end in a cul-de-sac. The proposed improvements are street reconstruction, street lighting, and associated storm and sanitary sewer improvements. The University of Minnesota will manage the roadway reconstruction.

The street reconstruction project cost estimate, including project design costs, street lighting, and associated storm and sanitary sewer improvements, is \$865,525.

The project is funded by a combination of assessment bonds, sewer revenue and the University of Minnesota.

The proposed total assessment amounts are:

- \$43,970.38 for the 8th St SE Reconstruction Project No 2283C
- \$36,623.03 for the Street Lighting Improvement Project No 2283L

The anticipated cost for the sanitary sewer work is \$54,350, to be paid with sewer revenue funds.

The University of Minnesota will fund the remainder of the project, estimated to be \$730,582 which includes \$106,105 for City of Minneapolis design cost.

In order to comply with IRS Treasury Regulations Section 1.150-2, the City of Minneapolis hereby declares its official intent to reimburse up to \$80,593 of expenditures related to the 8th Street Reconstruction and Street Lighting project from the proceeds of tax exempt debt of the City. The expenditures to be reimbursed include all preliminary expenses for planning, design, legal, consulting services and staff costs reasonably allocated to the project as well as costs incurred and paid for the design and construction of the Reconstruction and Street Lighting project. The reasonably expected source of funds to pay such original expenditures and to pay debt service on the tax exempt debt to be issued by the City consists of assessments against benefitted properties.

Attachment - Project Location Map

cc: Council Member Cam Gordon, Ward 2
Jack Qvale, Secretary, Board of Estimate and Taxation
Mike Abeln, Director of Capital and Debt Management



Project

