



CITY OF BAYPORT

294 NORTH 3RD STREET
BAYPORT, MN 55003

NOTICE OF CITY COUNCIL WORKSHOP

***** Please note: There will be no public comment taken at the workshop. *****

NOTICE IS HEREBY GIVEN that the City Council will hold a workshop at Bayport City Hall on Monday, September 25, 2023, at 4:30 p.m. The purpose of the workshop is to discuss the relocation of Andersen Elementary School, followed by a potential extension of municipal utilities and related assessments to serve Lots 4-7, Block 90 along Perro Creek.

Matt Kline, City Administrator



CITY OF BAYPORT
294 NORTH THIRD STREET
BAYPORT, MINNESOTA 55003
PHONE 651-275-4404 FAX 651-275-4411

Date: September 20, 2023

To: Mayor and City Council

From: Matt Kline, City Administrator

RE: Potential extension of municipal utilities and related assessments to serve Lots 4-7, Block 90

BACKGROUND

Lots 4-7, Block 90 are located south of the 3rd Ave. S. and 2nd St. S. intersection. The lots are abutted by Perro Creek to the west and the railroad to the east and are accessed by a 20' platted, unimproved city right-of-way that does not meet city standards (see attached map).

The parcels were purchased a number of years ago by tax forfeiture. Over the years, there have been numerous inquiries on the prospects of developing the lots. One of the major challenges has been access to city utilities. For a new development, 100% of the utility costs are to be paid by the developer for areas not previously served. For these lots, this means bringing water and sewer utilities from 3rd Ave. S. approximately 200' south. The cost for this work has been estimated at \$100,000, making it financially difficult to extend utilities and develop the lots, which is likely why the property has been for sale for over 20 years.

Recently, Rick Fedorowski acquired the lots with the intent to install a single-family or twin home on the property. The site is located within the floodplain and has setback restrictions for wetland areas and Perro Creek, as well as minimum elevation requirements, making development challenging.

The current water and sewer utility and road conditions are as follows:

- The water and sewer mains are located on 3rd Ave. S. approximately 200' north of the property.
- The four existing homes in this area have individual water service lines directly connected to the water main in 3rd Ave. S.
- The two existing homes at 143 and 175 3rd Ave. S. have a sewer line directly connected to the sewer main in 3rd Ave. S.
- The two existing homes at 422 and 430 2nd St. S. are connected to a substandard 4" shared sewer line, which does not provide a cleanout and was likely installed at little expense. This type of installation would not be allowed under current standards.
- The platted city right-of-way is currently a gravel alley used to access the garage for 422 2nd St. S. and the front entry for 430 2nd St. S.

If the lots are to be developed, staff recommends the following improvements:

- An appropriately sized sewer main be installed from 3rd Ave. S. to the lots with manholes on both ends, to allow appropriate cleanout of the line and access for a sewer backup.
- An appropriately sized water main be installed from 3rd Ave. S. to the lots with a fire hydrant.
- The existing 20' platted right-of-way be paved with an easement for a private driveway to access the lots, which has been allowed in other areas in the city.

Miller Excavating has provided an estimate for the improvements listed above. Staff also put together a rough estimate based on the 2021 Street Improvement Project to verify those numbers, which are similar in cost. Additional soft costs for plans, specifications, and engineering would also be required for the project, to be completed by a private contractor or city engineer.

As outlined, the utility and road improvements pose a financial challenge, making development of the site difficult. As a result, staff has identified the following options, which would decrease costs for the property owner, for discussion and consideration by the City Council at the September 25 workshop:

1. Assess the other four existing properties in this area for upgrading/installing new water and sewer main service (road improvements for the private driveway would not be assessed).
2. If option 1 is not deemed viable because the properties are already served by sewer and water, the assessment policy does allow for modification, "...when the assessable costs far exceed normal and accepted cost, based on prior city history, as well as the metropolitan-wide average." The estimated costs far exceed previous assessment projects (past assessment costs will be provided at the workshop).
3. Allow a water and sewer connection that does not meet city standards, similar to what already exists.

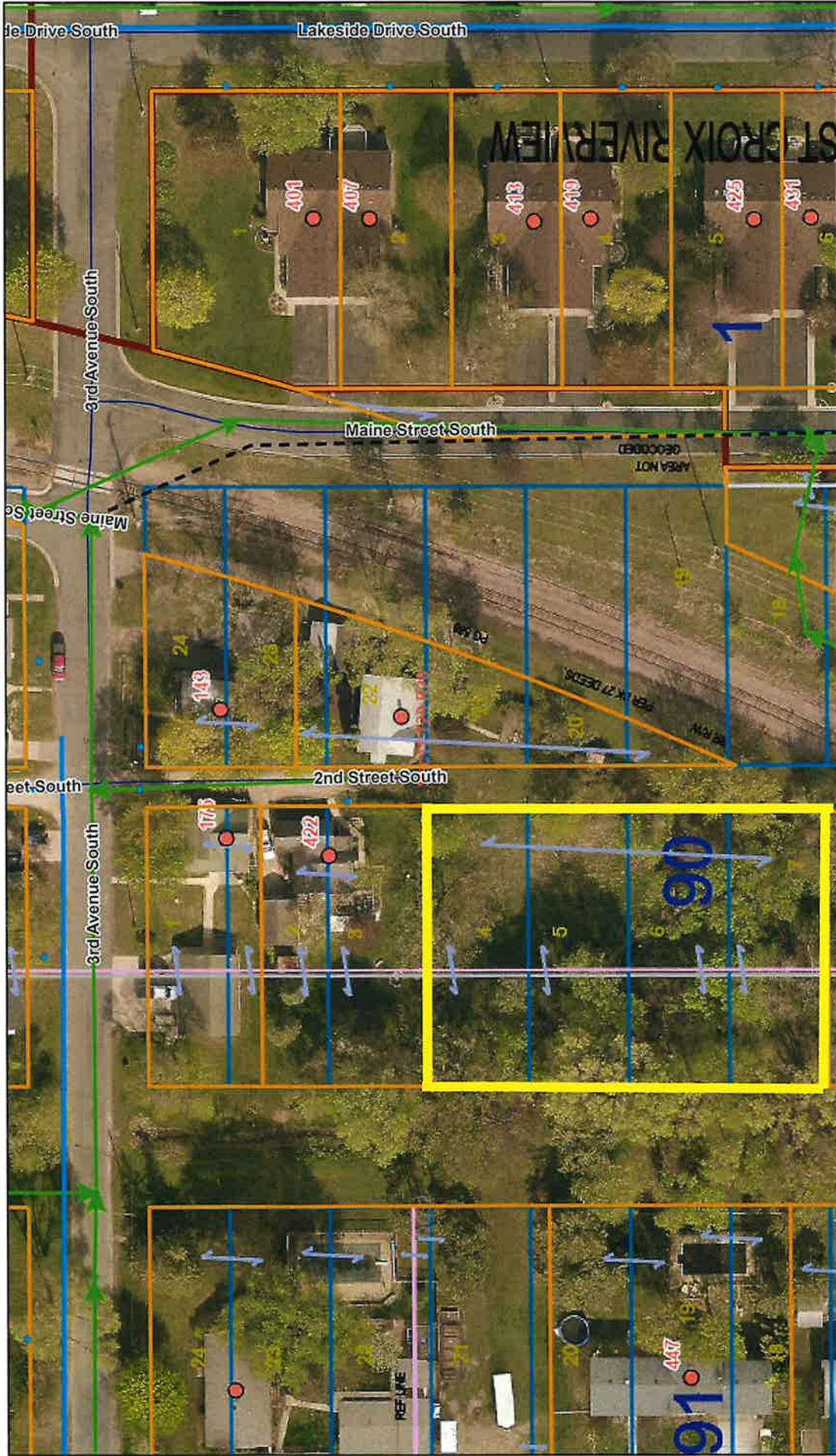
RECOMMENDATION

Staff recommends the City Council discuss options for utility and road improvements, as outlined, and provide direction to staff and property owner accordingly.

Attachments:

- Project area map
- Excerpt of city assessment policy
- Miller Excavating cost estimate

Lots 4-7 Block 90



9/20/2023, 9:39:20 AM

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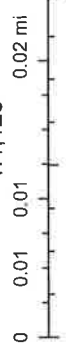
- Red: Band_1 Water Main
- Green: Band_2 Active
- Blue: Band_3

- ➔ Sanitary Gravity Main
- ➔ Active
- - - Abandoned
- Road

- Parcels
- PARKS
- NOTATIONAL
- GOVERNMENT

- DETAILED
- Lots
- Survey
- Land Tie Connector

1:1,128



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assessable cost, divided by the total assessable lots or parcels benefiting from the improvement. For the purpose of determining the lots or parcels, all parcels, including government agencies, shall be included in such calculations.

5. AMOUNTS ASSESSED

A. Street Improvements

- (1) For improvements to existing public streets, roadways or alleys, fifty (50) percent of the project costs shall be assessed against the owners of parcels adjacent to the improved street, roadway, or alley.
- (2) For new developments, one hundred (100) percent of the project costs shall be assessed to all parcels within the development.

B. Sanitary Sewer and Water Mains

- (1) For improvements to existing sanitary sewer and water main laterals, fifty (50) percent of the project costs shall be assessed against the owners of parcels adjacent to the improved street, roadway, or alley.
- (2) For new developments, and areas not previously served, one hundred (100) percent of the project costs for sanitary sewer and water utilities shall be assessed to all parcels within the development. However, this policy may be modified when the assessable costs far exceed normal and accepted cost, based on prior city history, as well as the metropolitan-wide average.
- (3) Sewer and water services shall be assessed on a per service basis at one hundred (100) percent of the city's expenses for such services.

C. Sanitary Sewer and Water Main Trunks

The assessment for trunk uses is based on area. The full cost of the trunk system shall be assessed equally over the benefited area, at a determined rate per unit.

D. Storm Sewer

- (1) The assessment for storm sewer is based on area with fifty (50) percent of storm sewers assessed directly to the properties in the area. Any area which contributes water to the system, whether over ground or by piping, is assessed the current rate per unit.
- (2) For new developments, one hundred (100) percent of the storm sewer costs shall be assessed to all parcels within the development.

E. Sidewalks

- (1) For improvements to existing sidewalks, fifty (50) percent of the project costs shall be assessed against the parcel through which the sidewalk runs.



MILLER EXCAVATING, INC.

3741 Stagecoach Trail North

Stillwater, MN 55082

Estimator: Jared Richert

Phone / Fax: 651-439-1637 / 651-351-7210

Email: office@millerexc.com

Quote To: Fedorowski

Job Name: 3rd Ave S Sewer & Water

Job Address:

Job Location: Bayport, MN

Attn: Rick

Phone: 612-490-9222

Email: rpfed@msn.com

Date: Aug 14, 2023

Estimate #: 2230XX (PSM)

ITEM	DESCRIPTION	QUANTITY	UNIT		AMOUNT
100	MOBILIZATION	1.00	LS		
105	UNDERGROUND UTILITY LOCATES	1.00	LS		
110	PERMITS (MEI SCOPE ONLY)	1.00	LS		
120	TRAFFIC CONTROL	1.00	LS		
125	CLEAR & GRUB	1.00	LS		
130	SAWCUT & REMOVE ASPHALT IN WORK AREA ON 3RD AVE	1.00	LS		
140	INSTALL NEW SANITARY MANHOLE OVER EXISTING MAIN	1.00	LS		
150	NEW 6" SANITARY MAIN W/SERVICES (APPROX 200 FT)	1.00	LS		
160	CONNECT TO EXISTING WATER MAIN	1.00	LS		
170	NEW 6" WATER MAIN W/SERVICES AND HYDRANT	1.00	LS		
	UTILITIES				\$106,071.30
180	INSTALL NEW PAVED ROAD PER CITY SPEC. 20'X200'X4"	1.00	LS		
	ROAD IMPROVMENTS				\$21,760.39
GRAND TOTAL					\$127,831.69

NOTES:

Quote valid for 10 days.

Due to current global supply chain issues, PVC pipe, geotextile fabric, and HDPE Pipe pricing is subject to change based on the current price at the time of shipment, and availability is not guaranteed.

Proposal based on ONE (1) mobilization(s) to complete the work. Additional mobilizations to be charged at \$600.00 each.

Retainage as withheld by Owner. Retainage not to exceed 5% of contract amount and must be reduced/released as Miller Exc. work is approved.

Sales taxes included (if applicable)

No bond included. If required, cannot deduct for one without prior approval of MEI.

Payment due within 30 days of initial invoice. Past due accounts will accrue 1.5% per month, 18% per year service charge.