



OLSON LAKE TRAIL SANITARY SEWER EXTENSION

FEASIBILITY REPORT PRESENTATION

A JOINT PROJECT BETWEEN THE CITIES OF OAKDALE AND LAKE ELMO

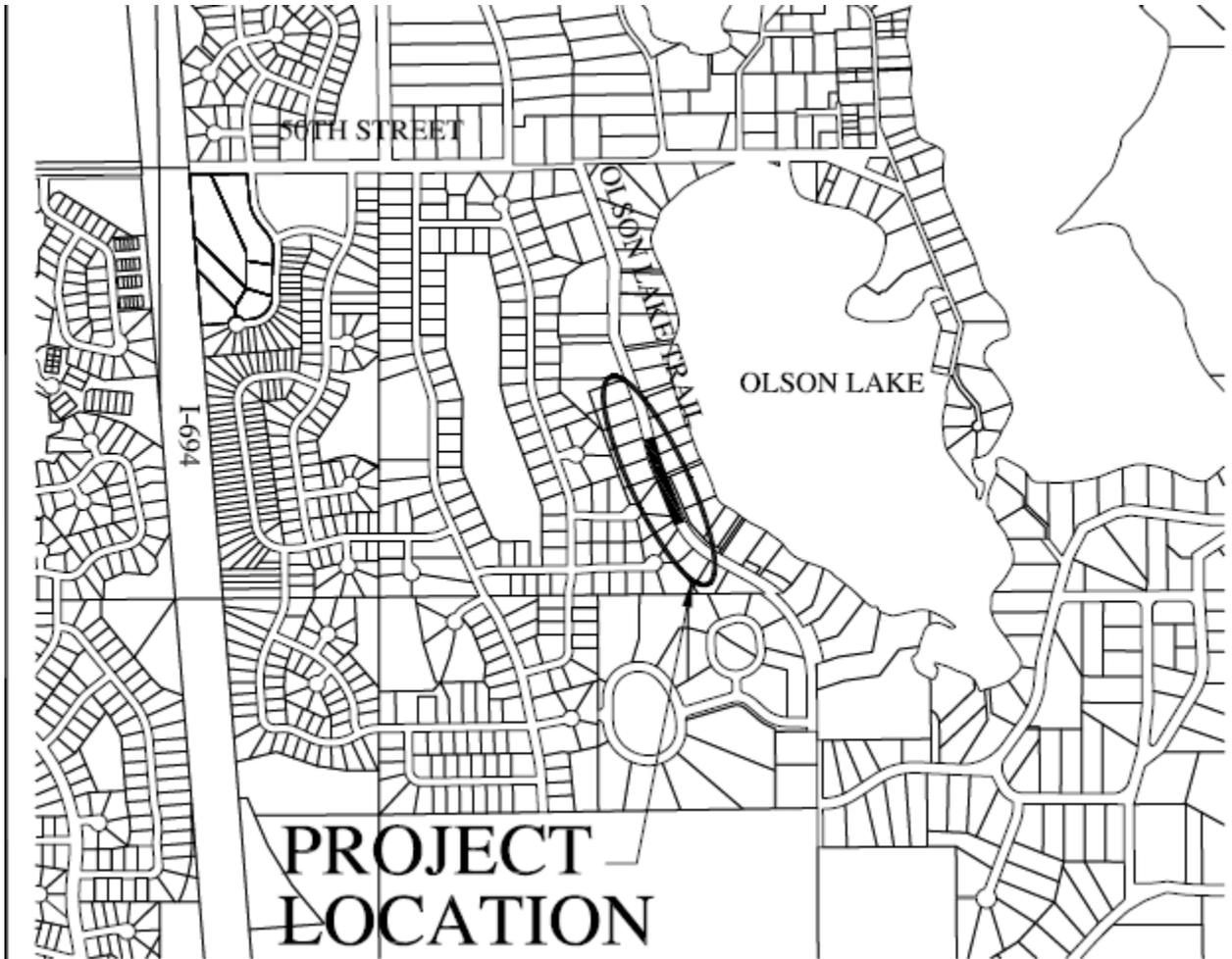
PURPOSE OF MEETING

- Council to receive staff's Report on the Findings and Recommendations of the Feasibility Report
- Accept the Report and Call for the Improvement Hearing; and in this case the Assessment Hearing
- If approved, the Improvement and Assessment Hearings will be held on March 19, 2013

KEY POINTS

- Public Improvement Project – MN Statute Chapter 429. (Process to follow to assess benefiting properties)
- Project has 3 unique characteristics that impact the recommendations being made
 - Jurisdiction: Benefiting properties reside in both Oakdale & Lake Elmo
 - Topography: Different properties more amendable to a different sewer system configuration (gravity pipe vs. low pressure sewer w/pumps)
 - Phasing/Timing: Defining how to Phase the Improvements; initially and in the future

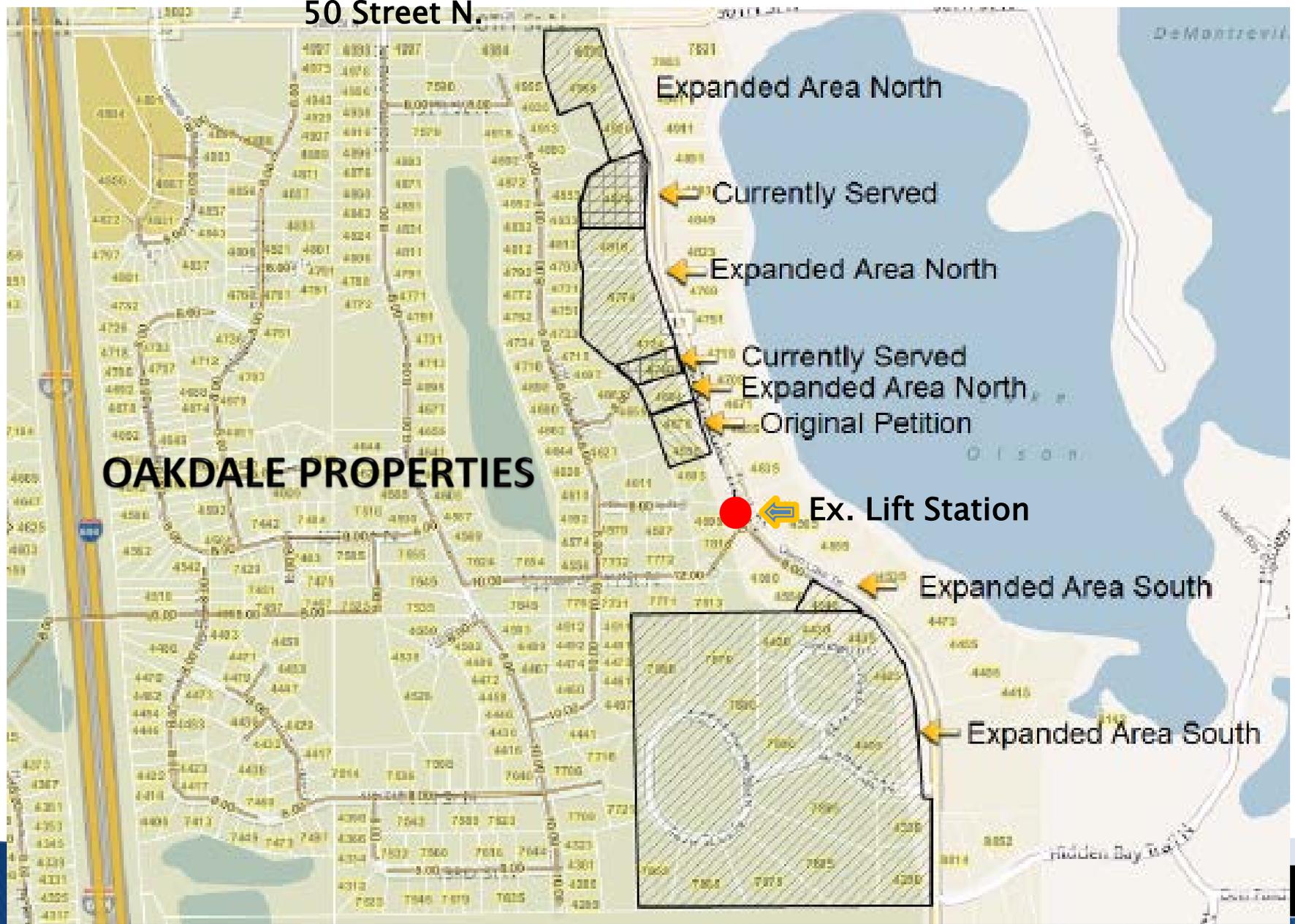
PROJECT LOCATION MAP



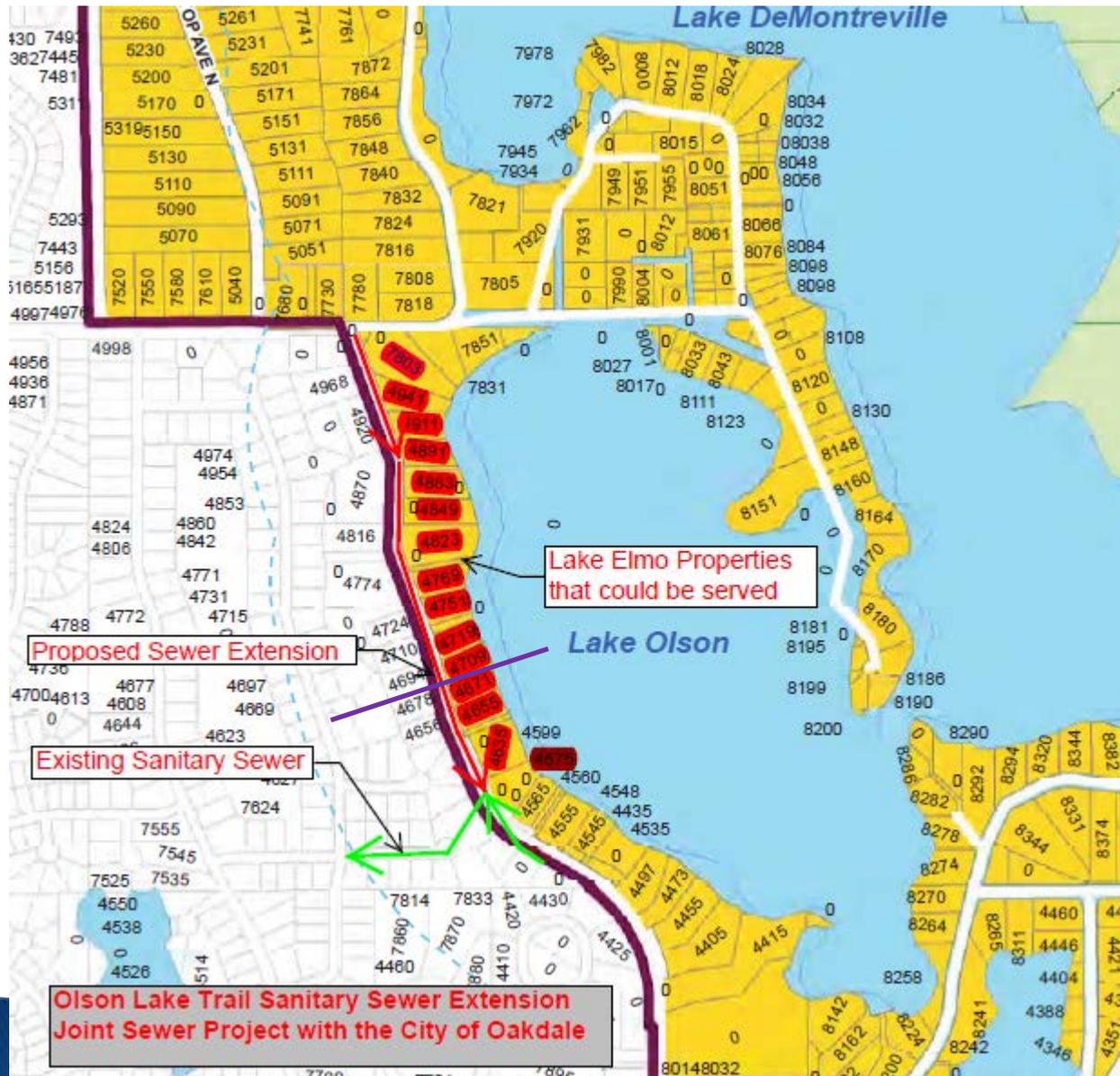
PROJECT INITIATED

- Petition received from 2 Oakdale property owners
- Oakdale and Lake Elmo met to explore benefits/interest of pursuing a joint project
- Both Cities solicit property owner input via survey (see property owner survey handout)
- Each Council authorizes preparation of a Joint Feasibility Report (Lake Elmo on April 3, 2012)

50 Street N.



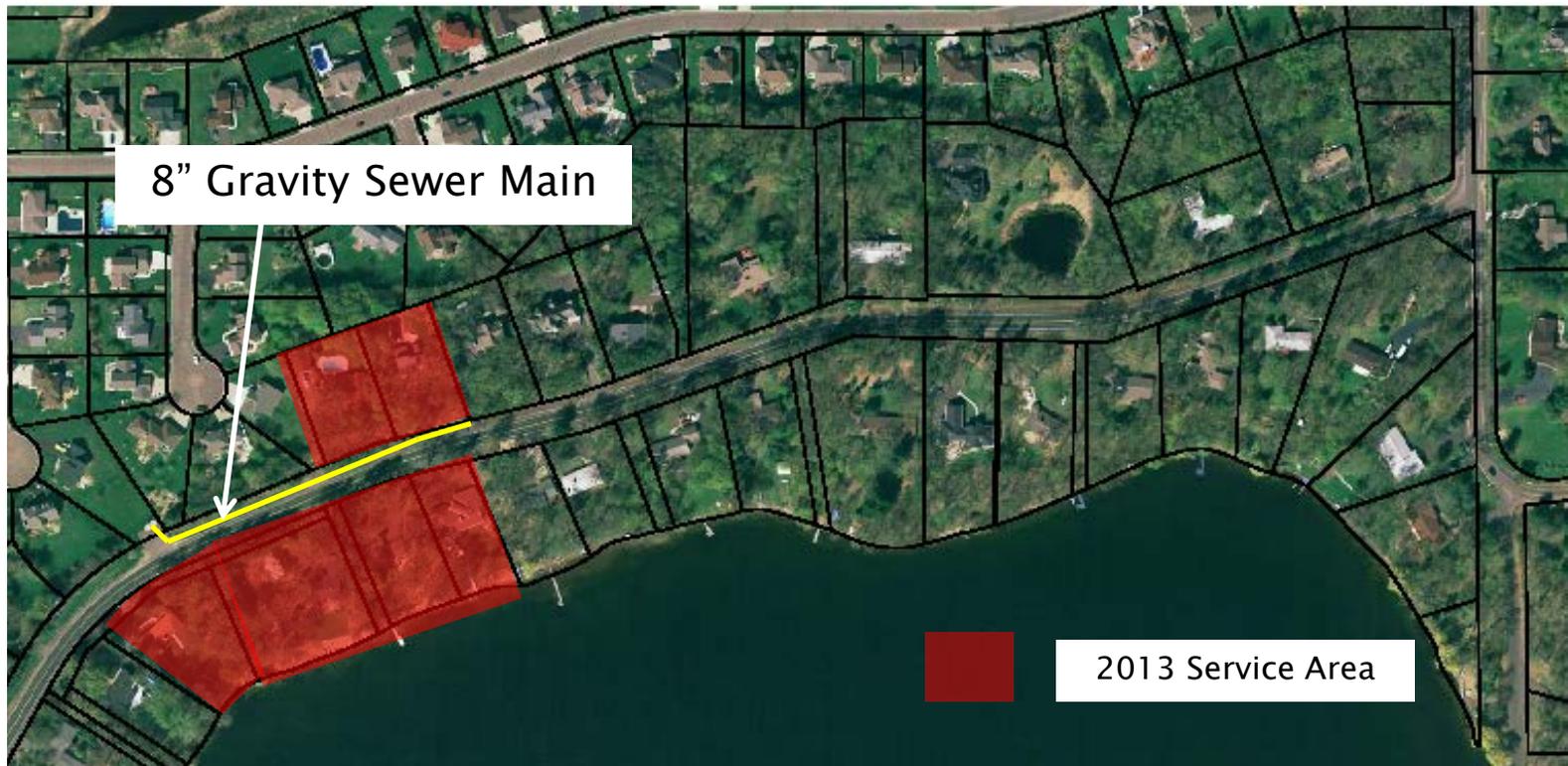
LAKE ELMO PROPERTIES



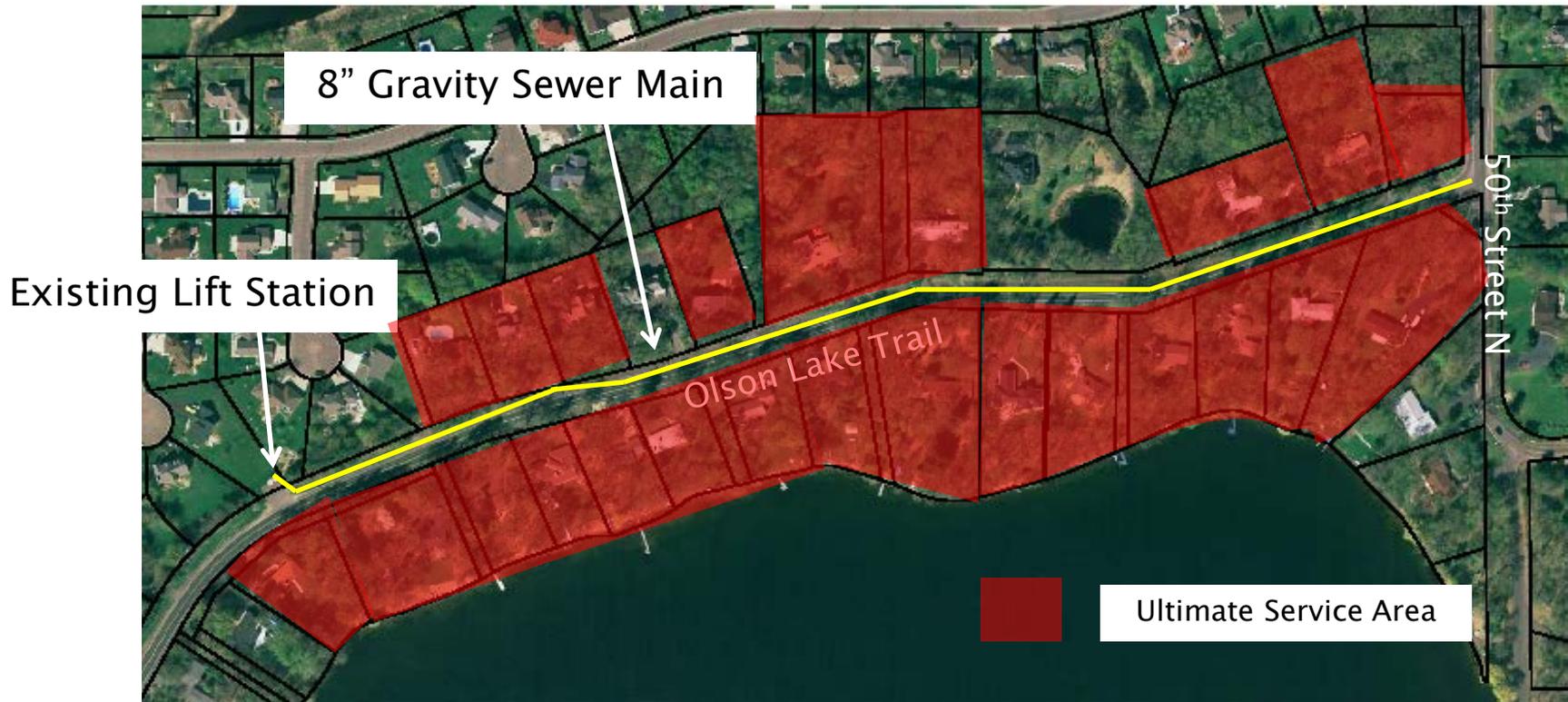
FEASIBILITY REPORT – PROJECT SCOPE

- Extend sewer service to petitioning properties at 4656 & 4678 Olson Lake Trail in Oakdale
- Explore feasibility, phasing, policies, and cost sharing benefits of pursuing sewer service jointly with Lake Elmo
- Evaluate initial project in context with future sewer extensions for Ultimate service area
- Estimated many alternative configurations and phases, determining potential assessment costs

INITIAL PROJECT - 2013



ULTIMATE SEWER ROUTE



PRELIMINARY FINDINGS

- There is a definite benefit to both Oakdale and Lake Elmo properties to proceed jointly (gain economies of scale). Working together resulted in the lowest cost to all properties.
- Washington County will be resurfacing Olson Lake Trail (CR-13) in the next 2-5 years. The County expressed a willingness to coordinate the work with Oakdale and Lake Elmo.
- Coordinating the sewer extension project with a County Road Improvement project results in shared street restoration costs.
- We found that the lowest project cost was to include all 24 potential properties from the Lift Station to 50th Street

SERVICE AREA MAP



SERVICE AREA MAP



PHASING RECOMMENDATIONS

- Complete initial project in 2013 to respond to immediate needs (and avoid road disturbance)
- Coordinate Phase 2 extension to 50th Street with County Resurfacing Project (2014–2016)
- Project costs include grinder lift stations installed at property (connection to home and main sewer not included)
- Treat TOTAL Project as one for Assessment purposes

PROJECT ASSESSMENT RECOMMENDATIONS

- One assessment for Ultimate Project
(requires each City to agree to finance early project costs)
- Preliminary Assessment between \$18,500
- Assessments may be financed over 15 years

CONNECTION COSTS/POLICIES

ADDITIONAL CHARGES/FEEES AT TIME OF CONNECTION & BEYOND

- Initial Costs
 - Connection required within 1 year after installation
 - Hire Contractor directly and pay all connection costs
 - City Sewer Availability Charge [2012 SAC] \$550
 - MCWW Sewer Availability Charge [2013 SAC] \$2,435
 - Permit Application Fee \$66
 - Water Meter Fee [2012 Fee] \$352
- Ongoing Costs
 - Water Meter must be installed on well to determine use
 - Winter quarter well readings determine sewer flows year round
 - The City of Oakdale will bill all residents connected to the sewer system
 - Based on current rates, average quarterly sewer bill of \$95
 - Oakdale and Lake Elmo will enter a Joint Powers Agreement

TOTAL PROJECT COSTS

OLSON LAKE TRAIL SANITARY SEWER EXTENSION LIFT STATION TO 50TH STREET

- Unit Assessment \$18,500 [2013]*
- Unit Assessment \$19,000 [2014]*
- Unit Assessment \$19,500 [2015]*

- 15-year levy on taxes \$1,700/year**
- Connection Charges \$3,500 [2013]
- Sewer Service Connection Property specific

*Unit Assessment will be increased by \$500 per year to account for project cost inflation. Costs include installation of grinder pump station, but does NOT include hookup to home or sewer main.

**Assumes 4% interest rate & \$18,500 Assessment. Actual rate will be 2% over City cost.

LAKE ELMO PROPERTIES TO BE ASSESSED BY 2013 IMPROVEMENT PROJECT

CITY OF OAKDALE AND LAKE ELMO, MN.
FEBRUARY 2013

OLSON LAKE TRAIL SANITARY SEWER EXTENSION
LAKE ELMO PRELIMINARY ASSESSMENT ROLL

NO.	NAME	ADDRESS					PID	UNITS
1	HAIDER ANTHONY J & DIANE M	4575	OLSON LAKE	TRAIL	LAKE ELMO	55042	08.029.21.14.0009	1
2	GRAHAM RICHARD C TRS	4635	OLSON LAKE	TRAIL	LAKE ELMO	55042	08.029.21.14.0005	1
3	KVAASE JOYCE	4655	OLSON LAKE	TRAIL	LAKE ELMO	55042	08.029.21.14.0055	1
4	TAYLOR REBECCA M	4671	OLSON LAKE	TRAIL	LAKE ELMO	55042	08.029.21.14.0050	1
							TOTAL	4

ASSESSMENT PAYMENT SCHEDULE

Interest Rate	4.00%	
Original Years	15	
Remaining Years	15	
Year Started	2013	
Beginning Balance		18,500.00

YEAR	BEGINNING PRINCIPAL	ANNUAL PRINCIPAL	ANNUAL INTEREST	ANNUAL TOTAL	ENDING PRINCIPAL
2014	\$ 18,500.00	\$ 1,233.33	\$ 896.11	\$ 2,129.44	\$ 17,266.67
2015	\$ 17,266.67	\$ 1,233.33	\$ 690.67	\$ 1,924.00	\$ 16,033.33
2016	\$ 16,033.33	\$ 1,233.33	\$ 641.33	\$ 1,874.67	\$ 14,800.00
2017	\$ 14,800.00	\$ 1,233.33	\$ 592.00	\$ 1,825.33	\$ 13,566.67
2018	\$ 13,566.67	\$ 1,233.33	\$ 542.67	\$ 1,776.00	\$ 12,333.33
2019	\$ 12,333.33	\$ 1,233.33	\$ 493.33	\$ 1,726.67	\$ 11,100.00
2020	\$ 11,100.00	\$ 1,233.33	\$ 444.00	\$ 1,677.33	\$ 9,866.67
2021	\$ 9,866.67	\$ 1,233.33	\$ 394.67	\$ 1,628.00	\$ 8,633.33
2022	\$ 8,633.33	\$ 1,233.33	\$ 345.33	\$ 1,578.67	\$ 7,400.00
2023	\$ 7,400.00	\$ 1,233.33	\$ 296.00	\$ 1,529.33	\$ 6,166.67
2024	\$ 6,166.67	\$ 1,233.33	\$ 246.67	\$ 1,480.00	\$ 4,933.33
2025	\$ 4,933.33	\$ 1,233.33	\$ 197.33	\$ 1,430.67	\$ 3,700.00
2026	\$ 3,700.00	\$ 1,233.33	\$ 148.00	\$ 1,381.33	\$ 2,466.67
2027	\$ 2,466.67	\$ 1,233.33	\$ 98.67	\$ 1,332.00	\$ 1,233.33
2028	\$ 1,233.33	\$ 1,233.33	\$ 49.33	\$ 1,282.67	\$ -

First year interest calculated from October 15, 2013 through December 31, 2014

NEXT STEPS: REQUESTED COUNCIL ACTION

- Accept the Report and Order the Improvement Hearing and Assessment Hearing for Initial Phase (6 properties only).
- Property Owners will receive individual notice of the Hearing with Published Notice in the newspaper.
- Following Hearing, Council decides whether to proceed with Initial Project. If YES, then order the preparation of Plans and Specification (start of Design for 2013 Project)
- Staff will meet with Washington County to schedule Olson Lake Trail roadway improvement project for future year
- Staff will work with Oakdale to create Joint Powers Agreement to implement project

- February 14, 2012 Petition received & accepted by Oakdale City Council
- March – May, 2012 Discussions between cities and survey of property owners in neighborhood
- Jun–Dec, 2012 Meetings with Washington County, and preparation of cost estimates
- January 17, 2013 Neighborhood Meeting
- February, 2013 Presentation of Feasibility Reports to respective City Councils. Councils call for hearings
- March, 2013 Public Improvement Hearings & Assessment Hearings
- April, 2013 30 Day appeal period expires, Councils order project & preparation of plans
- May, 2013 Councils approve plans and authorize advertisement for bids
- June, 2013 Receive and award contract
- July, 2013 Contractor begins work
- September, 2013 Substantial & Final Completion of Work
- October, 2013 Certify assessments to Washington County for inclusion in 2014–2028 property taxes