

TO: Mayor and City Council  
FROM: Joe Zierden, Public Works Supervisor  
RE: Terminal Ln and Red Oak Ln Sewer Extensions  
DATE: May 21, 2024

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**Background:**

A feasibility study to extend sewer service from manhole 107 on Airport Road to Terminal Rd and Red Oak Ln was completed by Widseth. The intention of the study was to investigate providing trunk sewer service to Terminal Ln and possibly Red Oak Ln, while identifying the approximate number of commercial and residential lots on each road that could be served in the future. The impetus for the feasibility study is the possible construction of a new commercial structure off Red Oak Ln and Terminal Rd. Both roads identified in the 2010 comp plan as potential expansion areas. A major benefit of providing sewer service is percentage of impervious coverage increases from 25% to 50% on lots that are served with sewer. Of the approximate 58 remaining commercial zoned lots in Breezy Point that do not have city sewer service this project could facilitate future sewer service to 43 of those lots.

A trunk line is a sewer line that serves to collect sewer from broader areas. The trunk lines would terminate at the intersection. It would allow future sewer service to extend approximately 1395 feet down Terminal Lane and approximately 700 feet down Red Oak Lane if desired. Options 1 and 2 address a trunk line extension to Terminal Road, while options 1A and 2A extend the trunk line to Terminal Road and Red Oak Ln.

As a trunk line, city cost participation can help gain support for sewer line extension that may serve a greater area in the future. Looking at the cost splits by lot count is included in option 1 and 2. Splitting costs by ERU (equivalent residential units) is an alternative cost split that would be based on estimated water usage and is included in option 1A and 2A, this cost could vary based on proposed structure/ERU evaluation.

**Option 1:**

Trunk line with city cost participation with remaining cost split amongst lots that could be potentially served on the remainder of Terminal Road.

- Potential number of Terminal Road commercial lots that could be served in future = **22**

- Potential number of Terminal Road residential lots that could be served in future = **22**
- City Cost = **\$169,341.28**
- Developer Cost = **\$63,502.98**
- Total Cost = **\$232,844.26**

### **Option 1A:**

Trunk line with city cost participation with remaining cost split amongst lots that could be potentially served on the remainder of Terminal Road and Red Oak Lane.

- Potential number of Terminal Road commercial lots that could be served in future = **22**
- Potential number of Terminal Road residential lots that could be served in future = **22**
- Potential number of Red Oak Lane commercial lots that could be served in future = **21**
- Potential number of Red Oak Lane residential lots that could be served in future = **5**
- City Cost = **\$238,631.55**
- Developer Cost = **\$78,014.16**
- Total Cost = **\$316,645.71**

### **Option 2:**

Trunk line with city cost participation with remaining cost split by ERU that could be potentially served on the remainder of Terminal Road.

- Potential number of commercial lots that could be served in future =
- Potential number of residential lots that could be served in future =
- City Cost = **\$212,866.18**
- Developer Cost = **\$19,958.08**
- Total Cost = **\$232,844.26**

### **Option 2A:**

Trunk line with city cost participation with remaining cost split by ERU that could be potentially served on the remainder of Terminal Road and Red Oak Lane

- Potential number of Terminal Road commercial lots that could be served in future = **22**
- Potential number of Terminal Road residential lots that could be served in future = **22**
- Potential number of Red Oak Lane commercial lots that could be served in future = **21**
- Potential number of Red Oak Lane residential lots that could be served in future = **5**
- City Cost = **\$299,374.12**
- Developer Cost = **\$17,271.58**
- Total Cost = **\$316,645.71**

**Option 5:**

No action

**Option 6:**

Further negotiate with the developer to reach a cost share agreement acceptable to the developer and the city.

**Option 7:**

100% percent assessment to benefiting property owners.

**Requested Action:**

A motion to select one of the above options would be appreciated.