



CITY OF MARSHALL AGENDA ITEM REPORT

Meeting Date:	Tuesday, September 10, 2019												
Category:	NEW BUSINESS												
Type:	ACTION												
Subject:	Project Z70-2: South High Street/South Whitney Street (100 & 200 Block) Alley Improvement Project – 1) Consider Resolution Declaring Cost to be Assessed and Ordering Preparation of Proposed Assessment.												
Background Information:	<p>The project consists of the installation of new storm sewer main and requested private storm sewer services within and adjacent to the alley lying between the west side of South Whitney Street and the east side of South High Street, between the north line of East Marshall Street and the south line of East College Drive.</p> <p style="padding-left: 40px;">1) Attached please find a “Resolution Declaring Cost to be Assessed and Ordering the Preparation of the Proposed Assessment” for the project.</p> <p>Property owners are responsible for the costs of installation of private storm sewer services to their property. At the informational meeting on September 9, 2019, the individual costs were explained to the property owners in attendance. The property owners were given a week to decide whether or not they wanted to go ahead with the contract costs for the installation of the private storm sewer services. Two property owners have already decided to not proceed with their storm sewer services. Actual installations will be revised prior to the final assessment recommendation as per the property owners’ requests. Because of these adjustments, the project award with contingencies and engineering is slightly different than the total amount of the assessment roll.</p>												
Fiscal Impact:	<p>The following is a breakdown of the revised proposed project funding. The costs shown below include 5% for contingencies and 16% for engineering and administrative costs, for a total revised project cost of \$44,302.31. The following is a proposed breakdown of the project funding:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Wastewater Fund</td> <td style="text-align: right;">\$ 0</td> </tr> <tr> <td>MMU</td> <td style="text-align: right;">\$ 0</td> </tr> <tr> <td>Surface Water Management Utility</td> <td style="text-align: right;">\$ 0</td> </tr> <tr> <td>City Participation (Ad Valorem)</td> <td style="text-align: right;">\$ 3,584</td> </tr> <tr> <td>Assessed to Property Owners</td> <td style="text-align: right;"><u>\$40,718</u></td> </tr> <tr> <td>Total Project Amount</td> <td style="text-align: right;">\$44,302</td> </tr> </table> <p>Per the Finance Department, the interest rate on the assessments for this project is 2.5%.</p>	Wastewater Fund	\$ 0	MMU	\$ 0	Surface Water Management Utility	\$ 0	City Participation (Ad Valorem)	\$ 3,584	Assessed to Property Owners	<u>\$40,718</u>	Total Project Amount	\$44,302
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City Participation (Ad Valorem)	\$ 3,584												
Assessed to Property Owners	<u>\$40,718</u>												
Total Project Amount	\$44,302												
Alternative/ Variations:	No alternative actions recommended.												
Recommendations:	1) that the Council adopt RESOLUTION NUMBER XXXX, which provides for the “Resolution Declaring Cost to be Assessed and Ordering the Preparation of the Proposed Assessment” for Project Z70-2: South High Street/South Whitney Street (100 & 200 Block) Alley Improvement Project.												

RESOLUTION NUMBER _____, SECOND SERIES

RESOLUTION DECLARING COST TO BE ASSESSED,
AND ORDERING PREPARATION OF PROPOSED ASSESSMENT

WHEREAS, costs have been determined for the following project:

Project Z70-2: South High Street/South Whitney Street (100 & 200 Block) Alley Improvement Project – The project consists of the installation of new storm sewer main and requested private storm sewer services within and adjacent to the alley lying between the west side of South Whitney Street and the east side of South High Street, between the north line of East Marshall Street and the south line of East College Drive.

AND WHEREAS, the revised price for such improvement is \$36,373, and the estimated expenses incurred in the making of such improvement amount to \$7,929, so that the revised total estimated cost of the improvement will be \$44,302.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF MARSHALL,
MINNESOTA:

1. The portion of the cost to be assessed against benefited property owners is declared to be approximately \$40,717. The portion of the cost to be paid by the Wastewater Fund is hereby declared to be approximately \$0. The portion of the cost of the project to be paid by MMU is hereby declared to be approximately \$0. The portion of the cost to be paid by the Surface Water Management Utility is hereby declared to be approximately \$0. The portion of the cost to be paid by the City (Ad Valorem) is hereby declared to be approximately \$3,584.
2. Assessments shall be payable in equal annual principal installments extending over a period of eight (8) years, the first of the installments to be payable on or before the first Monday in January, 2020, and shall bear interest at the rate of 2.5% per annum from the date of the adoption of the assessment resolution.
3. The City Clerk, with the assistance of the City Engineer, shall forthwith calculate the proper amount to be specially assessed for such improvement against every assessable lot, piece or parcel of land within the district affected, without regard to cash valuation, as provided by law, and he shall file a copy of such proposed assessment in his office for public inspection.
4. The City Clerk shall upon the completion of such proposed assessment, notify the City Council thereof.

Passed and adopted by the City Council this 10th day of September, 2019.

Mayor

ATTEST:

City Clerk

This Instrument Drafted by:
Glenn J. Olson, P.E.
Director of Public Works/City Engineer