

PUBLIC WORKS & UTILITIES COMMITTEE

14-0197R

RESOLUTION ORDERING THE CONSTRUCTION OF APPROXIMATELY 280 FEET OF SANITARY SEWER IN 43RD AVENUE WEST BEGINNING AT SEVENTH STREET AND EXTENDING NORTHERLY, AT AN ESTIMATED COST OF \$76,650, AND TO ASSESS THE COSTS THEREOF.

CITY PROPOSAL:

RESOLVED, that by Resolution of Intent 14-0128R the council did request the administration to prepare plans and specifications for the construction of approximately 280 feet of sanitary sewer in 43rd Avenue West beginning at Seventh Street and extending northerly.

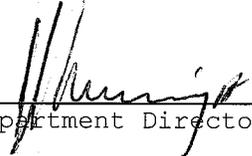
FURTHER RESOLVED, that said work be done by contract and that the estimated total cost of said improvement as estimated by the city engineer is \$76,650, payable from Sanitary Sewer Fund 530, Department 500 (Public Works & Utilities), Division 1905 (Capital) Object 5535 (Non-Capital Improvements), and of these costs \$76,650 will be assessed to benefitting properties.

FURTHER RESOLVED, that assessments shall be levied upon lands benefitting per the preliminary assessment roll and may be paid in 15 annual installments at the municipal bond index fund rate plus 1.50 percent.

FURTHER RESOLVED, that the council order in subject project in accordance with the provisions of Section 61 of the City Charter and that said improvement

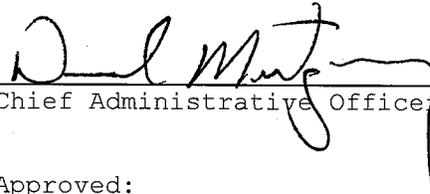
be hereby ordered.

Approved:



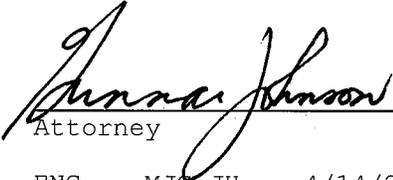
Department Director

Approved for presentation to council:



Chief Administrative Officer

Approved as to form:



Attorney

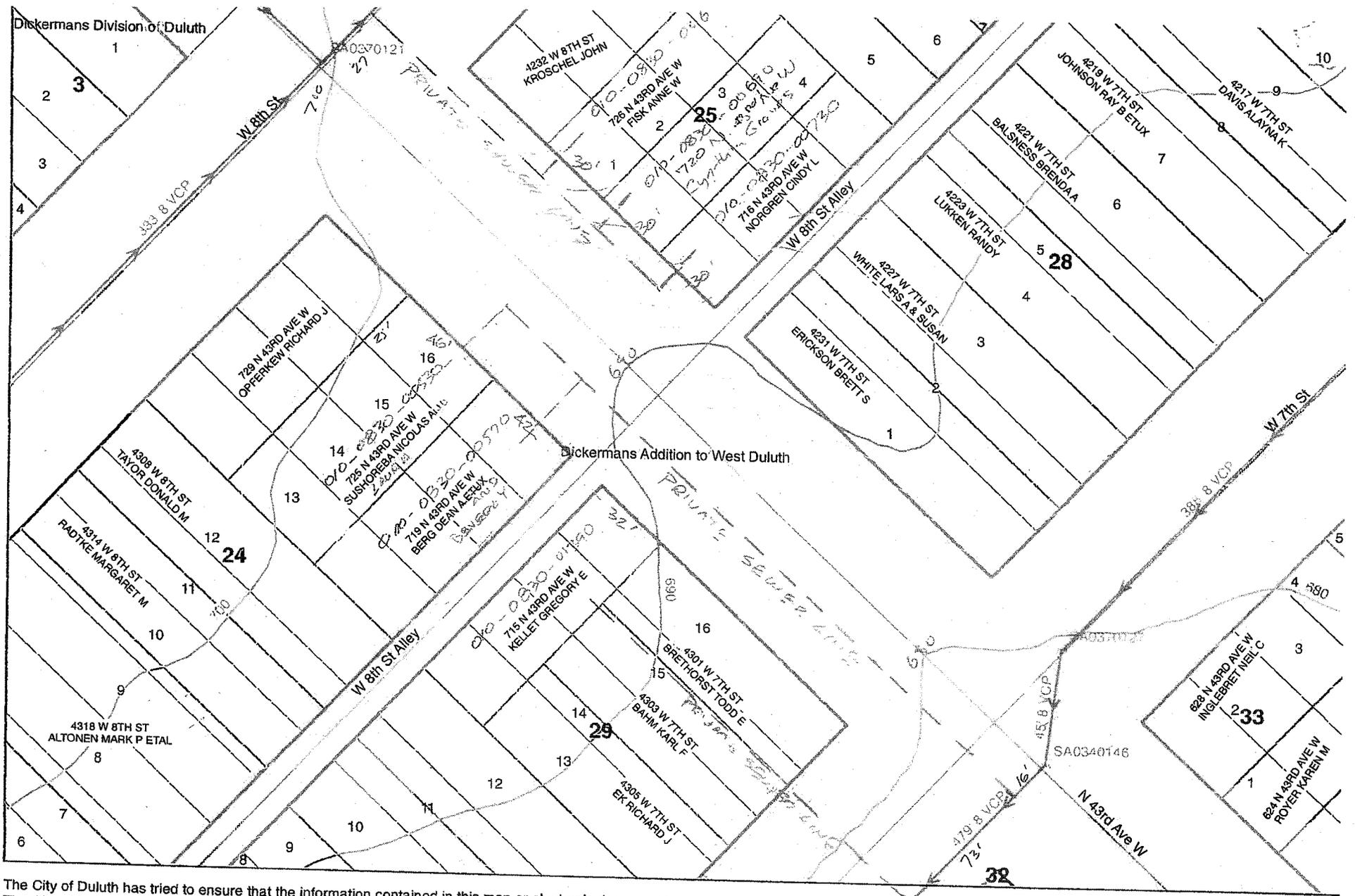
Approved:



Auditor

ENG MJS:JH 4/14/2014

STATEMENT OF PURPOSE: This resolution orders the construction of sanitary sewer to serve 726, 720, 716, 725, 719 and 715 North 43rd Avenue West. Subject project was initiated by action of the city council due to a failed common private sewer line and to common private lines that have been identified as contributing to inflow and infiltration (Resolution of Intent No. 14-0128R). City project no. 1331.



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City of Duluth Util



MEMORANDUM

TO: City Council Members

CC: Special Assessment Board

FROM: Mark Guisfredi, Project Engineer
730-5076

DATE: April 18, 2014

RE: **43rd Avenue West Sanitary Sewer Extension Public Hearing
City Project No. 1331**

Pursuant to Section 61 of the Duluth City Charter, upon completion of the public hearing, the SAB "shall transmit to the council the plans, specifications and estimates filed with it and shall report to the council its findings as to the necessity of the proposed public improvement and its recommendation therefore, and its recommendations as to the assessment, if any, of the cost thereof."

Plans and specifications will be available for review at the office of the City Engineer.

A public hearing was held in Room 106A on April 8, 2014 with the Special Assessment Board. Minutes of the hearing are attached. Comments were heard by the public and there was discussion of the construction process and assessment process. The Special Assessment Board then recommended that an ordering-in resolution for the 43rd Avenue West Sanitary Sewer Extension be on the agenda for the April 28, 2014 council meeting.

**MINUTES OF THE SPECIAL ASSESSMENT BOARD
PUBLIC HEARING
April 8, 2014, 2:00 PM, Room 106A**

MEMBERS PRESENT: David Montgomery, Chief Administrative Officer; Peg Spehar, Chief Financial Officer; Keith Hamre, Community Development Manager; Cindy Voigt, City Engineer.

ALSO PRESENT: Mark Guisfredi, Engineering; Leah Blevins, City Assessor's Office; Bob Asleson, City Attorney's Office.

PERSONS PRESENT FOR AGENDA ITEMS: Anne Fisk, 726 N. 43rd Ave. W.; Cynthia Graves, 720 N. 42nd Ave. W.; Cindy and Kurt Norgren, 716 N. 43rd Ave. W.; Nicolas and Laura Sushoreba, 725 N. 43rd Ave. W.; and Gregory Kellet, 715 N. 43rd Avenue W.

David Montgomery called the hearing to order at 2:05 PM.

TABLED ITEMS:

None.

OLD BUSINESS:

None.

NEW BUSINESS

1. Public Hearing for the 43rd Avenue West Sanitary Sewer Extension project, city project no. 1331

Mark Guisfredi explained that 726, 720 and 716 N. 43rd Ave. W. are on a private shared sanitary sewer line that runs up to the public sewer in W. 8th St. This line has failed and thus the property owners are required to install separate sewer services and connect to the public sewer. 719 and 725 N. 43rd Ave. W. are on a private shared line that has not yet failed but has had a great deal of inflow and infiltration. 715 N. 43rd Ave. W. is on a private shared line with 4301, 4303 and 4305 W. 7th St. The city has initiated construction of a public sewer in 43rd Ave. W. that would benefit all six properties. Mark said that dye tests done by the city back in the 1970s have confirmed that these properties are on shared services.

The new 280-foot sewer main has an estimated cost of \$76,650, which includes all of the extra fees, interest, etc. The SAB decided to assess on a per-lot basis since the lots in question are close in size and the benefits to the properties are equal. The property owners will also be responsible for the costs of connecting to the new public sewer, but will be eligible for grants of up to \$4,000, and also for \$1,750 grants for sump pump installation if needed. He informed the attending property owners that if they still have the opportunity to speak to the city council about this project at the April 28 meeting.

Kurt Norgren asked about the project timeline. Mark replied that if all goes as planned, he will advertise the project on May 8, open bids on May 29, award the project on June 9, and construction would take place between

June 23 and August 15. Homeowners would have until November to have the private work done. He added that he could request that the work be done by mid-July, but that such a tight window could affect bid prices. Mr. Norgren stated that he would rather see the job done the right way with no rush.

Anne Fisk asked about parking while construction is taking place, and Mark answered that it would be limited during the daytime hours. Ms. Fisk then asked if there would be periods where the houses would be without water. Mark said water service will not be interrupted, and that the period without sewer service during connection to the new sewer should be minimal, one or two days. Ms. Fisk said that the sewer situation on the east side of 43rd is critical, with frequent sewer backups. She said that she is not against this project, but this is not an affluent neighborhood and the residents can't afford to keep having their sewers repaired. She then inquired if the period for paying the assessment could be extended past 15 years. Mark said 15 years is the maximum allowed by the City Charter.

Gregory Kellet stated that he has not had any problems with his sewer so wonders why he is being required to connect to the new public sewer. Mark answered that the new sewer will benefit his property, that eventually his private shared line will fail, and that there is no guarantee that down the road the grant money will still be available.

David Montgomery said the board does not have the authority to waive or change the interest rate on the assessments, but that city staff could look into whether there are other programs to provide the homeowners with additional assistance. Ms. Fisk said someone had mentioned to her that Park State Bank had made low-interest loans available for new public sewer connections during other projects.

Mr. Norgren asked why the shared private line was constructed to run uphill to W. 8th St., and Mark said that line was constructed nearly 100 years ago, and probably was done so because the only public sewer at the time was the one in W. 8th St.

Laura Sushoreba inquired if the grant money is guaranteed. Mark said yes, that Sandy Mass had mentioned to him that there is a verbal approval, and that a written guarantee could be acquired upon request.

David added that because of the limited number of homes involved in this project it would make a great deal of sense for the owners to pool together and hire one contractor to perform all of the sewer connections. Several owners mentioned that they have already agreed to hire Shelton Excavating to do this work. Ms. Sushoreba asked if the street will need to be dug up and repaved, and Mark said there will be some disturbance but that he will try to minimize the amount, and that the project will include full restoration, including sidewalks. Ms. Sushoreba then asked if the location of the existing laterals will be known. Mark replied that the contractor will locate them by sonde method, which will require entry into the houses involved, and that once he has the contractor's schedule he can mail notices to the homeowners.

Cynthia Graves asked if the fact that her house is a Land Trust house will have any bearing upon the work or the assessment. She said that while she owns the house and can do basically anything she wants, she leases the land that the house sits on from the Land Trust. Keith Hamre replied that as long as she pays all of the taxes, the assessment would be the same. He added that HRA may have grants and deferred loans available to assist with the costs for those who are income-qualified.

Cindy Norgren asked how the special assessment is billed, and Keith told her that it is a separate annual bill. Ms. Norgren then inquired if she could pay ahead on the assessment. Leah Blevins said yes, she can. David clarified that she would need to pay the first annual installment right away, and then start paying in monthly installments beginning the following month.

Nick Sushoreba asked about parking during the construction, explaining that his house has no alley access and no off-street parking. Mark replied that the residents would be welcome to attend the preconstruction meeting to discuss this. Ms. Fisk then asked about rain delays, since springs are generally very rainy. Mark said the contractors will work during rainy weather unless there is lightning. Ms. Sushoreba asked if the \$12,775 assessment is the maximum, and Keith said that yes, once the project is ordered in that amount is locked in. If project costs exceed that amount the city picks up the difference, and if the project costs less than the estimate, the assessment amount would decrease accordingly.

Ms. Graves asked what happens if an owner cannot pay the special assessment. Peg Spehar said it then goes to the county and is certified onto the semiannual property tax bill.

Ms. Sushoreba expressed some frustration with the timing of how the homeowners were notified, and David Montgomery apologized for the confusion and lack of communication. Cindy Voigt added that in emergency projects such as this one it is difficult to plan until it is known for certain what work needs to be done.

Mr. Norgren asked if alternate side parking and residential permit parking would be enforced during construction. Mark said that generally they will do something like order overnight parking on one side of the street only for the duration of construction.

Hearing no further comments, David Montgomery closed the hearing at 3:00 PM. Keith Hamre then moved to recommend the project and Peg Spehar seconded. The motion passed unanimously.

INFORMATION ONLY:

None.

Next regular meeting: Tuesday, May 16 in Room 106A at 2:00 PM.

Respectfully submitted,

David Montgomery
Chair, Special Assessment Board

Jeanne Horn
SAB Secretary