

EAST BETHEL ROAD COMMISSION MEETING

October 13, 2015

The East Bethel Road Commission met on October 13th, 2015 at 6:30 P.M at the East Bethel City Hall for their monthly meeting.

MEMBERS PRESENT: Al Thunberg Kathy Paavola Lori Pierson-Kolodzienski
 Jeff Jensen Roger Virta

MEMBERS EXCUSED: Dennis Murphy
 Daniel Nowack

ALSO PRESENT: Nate Ayshford, Public Works Manager
 Tom Ronning, City Council Member
 Tim Harrington, City Council Member

Adopt Agenda **Mr Jensen motioned to adopt the agenda as submitted. Ms Paavola seconded; all in favor, motion carried unanimously.**

**Approve
September 8,
2015 Meeting
Minutes** **Ms Pierson-Kolodzienski motioned to approve the minutes. Ms Paavola seconded the motion; all in favor, motion carried unanimously.**

**Roads
Financial
Information &
Roads Capital
Funds
Summary** Members reviewed the financial statements for Fiscal Year 2015. (Attachment 4.1)

Mr Ayshford reported that the current Lincoln-Laurel-Longfellow project will be funded from the MSA Capital budget and the street overlays will be funded by the Street Capital budget, both of which were close to completion.

Members discussed items from the Operations budget and noted that the financials looked to be on track for the year.

**Update on
Service Road
Projects** The City of East Bethel was not selected for a grant as part of the MnDOT Cooperative Agreement solicitation for the Phase I service road from 187th Lane to Viking Boulevard. The total estimated cost of this project is \$2.4 million. This project has been identified as a priority in our service road plan, would relieve congestion at the intersection of 187th Ln and Hwy. 65, and enhance economic development opportunities along the alignment of the proposed road.

MnDOT has a program that allows Cities to advance money from their Municipal State Aid (MSA) account to cover project costs. To advance MSA funds the Council must pass two resolutions, one resolution requesting the funds and one resolution requesting that the funds be secured for the year 2016.

At the end of this year our MSA fund balance will be approximately \$300,000. In January of 2016 the City will receive their 2016 construction allotment of approximately \$600,000 which will put the fund balance at \$900,000. That would leave a funding shortage for the service road of \$1.5 million. To close the funding gap staff is recommending the City request advancement of funds into the MSA account. The advancement would be for 2.5 times the construction allotment. MnDOT allows

advancements up to 5 times the construction allotment. Approval of the advance funding would encumber our MSA funds through 2018. There are no interest payments that are involved with this means of project financing.

The City has applied for Transportation Economic Development (TED) Grant in the amount of \$1,200,000. Applicants will be notified in December 2015 as to the approval and an award amount. Should the City receive this funding it can be applied to reduce the amount of advance funding requested from our MSA account.

The Road Commission discussed the issue at length weighing both the positive and negative attributes of the project. All of the members agreed that something was needed in that area to improve safety at the intersection of 187th Ave and open up another means of access to the Classic Commercial Park. Concerns were raised about investing three years of the City's MSA allotment on this project and possibly having a shortfall if another priority project were to arise in that time. All of the members felt that increasing development and connections to the municipal services was also a top priority and if a developer were to indicate a commitment to a project in the area, they would feel more confident about proceeding with a service road project.

Mr Jensen motioned to recommend the City Council postpone the project for 1 year and research the possibility of incorporating a "Michigan J turn" at the intersection of 187th Ave with MnDOT Cooperative agreement grants. Motion failed for lack of a second.

Mr. Jensen felt that although the proposed project did provide a safer alternative access to the Classic Commercial Park, it does not address the safety issue at 187th Ave and vehicles would still continue to have the same exposure to possible traffic stacking in the intersection and possible right-angle crashes. Ms Pierson-Kolodzienski stated that she felt something was needed sooner. The Commission discussed the possibility of postponing the project and the possible increase in construction costs and possibility of accidents.

The Commission discussed seeking other possible funding sources or how MnDOT Cooperative agreement grants could be used for future portions of the service road plan in the area.

Staff explained that the City has researched and applied for all available grants. They are waiting to hear the status of the TED grant and could apply for more MnDOT Cooperative Agreement Grants on future phases of the service road plan, but that they would require changing or closing access to TH 65. Staff explained that by seeking advance funding at this time, the City is not fully committed to the project until bids are received and awarded. If priorities changed or another project presented itself in the interim, the project could be postponed.

Mr Virta motioned to recommend the City Council seek advance funding of the City's MSA account to fund Phase 1 of the Service Road Plan, with the recommendation to continue to monitor changing development needs in the area and other possible funding options. Ms Paavola seconded the motion; Virta, Paavola, Thunberg, Pierson-Kolodzienski –Aye, Jensen-Nay; motion carries 4-1.

**Council
Report**

Staff and the Roads Commission will discuss current issues facing the City Council with the City Council liaison, Tom Ronning.

Mr Ronning discussed the agreement the City was able to work out with Met Council to lower the expectations and payment requirements for the sewer and water project.

He also discussed the City's proposed budget and levy for 2016 stating that the City's overall budget only increased slightly with most line items remaining unchanged from 2015. The City has until the December City Council meeting to reduce any portion of the budget.

A Town Hall Meeting will take place on November 19th at City Hall with local, state, and congressional representatives available for questions.

Adjourn

Ms Pierson-Kolodzienski motioned for adjournment. Ms Paavola seconded; all in favor, motion carried. Meeting was adjourned at 8:50 p.m.

Respectfully submitted,

Nate Ayshford
Public Works Manager