

Meeting date: August 24, 2010

For the Metropolitan Council meeting of September 8, 2010

ADVISORY INFORMATION

Date: August 4, 2010
Subject: Authorization to Negotiate and Execute Construction Cooperation and Cost Sharing Agreement with City of East Bethel
District(s), Member(s): 9, Natalie Steffen
Policy/Legal Reference: MN Statutes 473.504 and 471.59 and Cost Sharing Policy
Staff Prepared/Presented: Bryce Pickart 651-602-1091
Division/Department: MCES c/o William G. Moore 651-602-1162

Proposed Action

That the Metropolitan Council authorize its Regional Administrator to negotiate and execute a construction cooperation and cost sharing agreement with the City of East Bethel for construction of wastewater interceptor and treated water pipelines and for interceptor cost sharing by City of East Bethel.

Background

The Council has approved East Bethel's 2030 Comprehensive Plan, designated East Bethel as a Rural Growth Center, and committed to provide wastewater treatment facilities to serve sewered development in the City of East Bethel. The Council has also approved the regional wastewater system plan, including future wastewater service to southeast Oak Grove to the proposed East Bethel wastewater treatment facilities.

The East Bethel project, i.e. MCES facilities as well as City facilities, is progressing well through the environmental permitting process. The Environmental Assessment Worksheet will be placed on public notice by MPCA shortly.

Preliminary engineering has been completed. The gravity wastewater interceptor to serve Oak Grove in the future is proposed to be constructed now, because it can also serve as part of the City's trunk sewer system. The interceptor includes 4,200 LF of 24-inch sewer and 3,500 LF of 42-inch sewer along Viking Blvd. and STH 65, plus 1,200 LF of 60-inch sewer from STH 65 to the treatment facility.

The latter facility will serve both as a conveyance facility and storage for the treatment facility, which will be constructed in phases (0.41 mgd initially; 1.22 mgd for 2030 design conditions). The storage cost portion of the interceptor will be included with treatment facility costs, from which the Rural Growth Center SAC will be determined.

Treated water will be pumped to two groundwater recharge basins located north of Viking Blvd. (Sites have been acquired.) Treated water pipelines are proposed to be constructed parallel to the interceptor from the treatment plant east to STH 65 and north to Viking Blvd.

The City will be constructing water lines and other local utilities in the same area. Thus, design and construction of MCES facilities are proposed to be handled jointly with City facilities, with the City acting as MCES' agent through a construction cooperation agreement.

The City will receive local trunk sewer benefit from the MCES interceptor. Per the Council's cost sharing policy, the City shall reimburse the Council (30-year agreement proposed) for the incremental cost to increase the MCES interceptor size to accommodate East Bethel's capacity needs, as well as the acceleration cost to address the cost of building the interceptor earlier than planned for service to Oak Grove.

Preliminary cost estimates for the Viking Blvd./STH 65 interceptor:

Total Capital Cost = \$5,100,000
Incremental Cost = \$1,200,000
Acceleration Cost = \$1,000,000
City Cost Share = \$2,200,000

Total estimated project costs to be included in the construction cooperation agreement:

Viking Blvd./STH 65 = \$5,100,000
Interceptor/Storage Facility = \$1,600,000
Treated Water Pipeline = \$1,400,000
Total = \$8,100,000

Rationale

The construction cooperation approach is efficient and minimizes community disruption. The cost sharing proposal is consistent with Council policy.

Funding

Funding is provided in the MCES 2010 Capital Program.

BUDGET INFORMATION					
Annual or Capital	Project No	Estimated Project Cost	Current Authorization	Unencumbered Funds	Requested Amount
Capital	801620	\$28,000,000	\$28,000,000	\$24,500,000	\$8,100,000

Known Support/Opposition

City strongly supports the construction cooperation agreement. No known opposition.