

## METROPOLITAN COUNCIL

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**DATE:** March 1, 2012

**TO:** Metropolitan Parks and Open Space Commission

**FROM:** Arne Stefferud, Planning Analyst—Parks (651) 602-1360

**SUBJECT:** (2012-xxx) Reimbursement consideration of City of Bloomington funding for trail redevelopment/development at Hyland-Bush-Anderson Lakes Park Reserve  
Metropolitan Parks & Open Space Commission District C: Emily Johnson Piper

### INTRODUCTION

The City of Bloomington originally planned to reconstruct existing trails and build new trails in sections of Hyland-Bush-Anderson Lakes Park Reserve the City owns. The work would be done in two phases with funds for Phase 1 already granted, and funds for Phase 2 proposed to be granted through the 2012-13 Metropolitan Regional Parks CIP. Due to a favorable bid on the first phase, it is more cost effective to do both phases at one time. Therefore, the City requests that up to \$207,000 of the costs financed with City money be eligible for reimbursement as part of the City's portion of the 2012-13 Parks CIP. Since this amount is less than the City's share in the CIP (\$436,000) the City also asks that any amount that is funded in the 2012 bonding bill and applicable Metro Council match above this amount be granted for the City's next priority project—reconstruct parking lots, improve lighting and improve storm water management at Bush Lake. (See **Attachment 1, Letter from Randy Quale, City of Bloomington**)

The Metropolitan Council must consider and approve the proposed change in scope of the grant. This staff report contains a review of this request under applicable terms of the *2030 Parks Policy Plan* and recommends approving the reimbursement request because it is consistent with the Council's parks policy on reimbursement.

### AUTHORITY TO REVIEW

Minnesota Statute Section 473.315 authorizes the "Metropolitan Council with the advice of the Metropolitan Parks and Open Space Commission to make grants from any funds available to it for recreation open space purposes to any municipality, park district or county located wholly or partially within the metropolitan area to cover the cost, or any portion of the cost, of acquiring or developing regional recreation open space in accordance with the [*Regional Recreation Open Space*] Policy Plan".

## ANALYSIS

Finance Strategy 6 of the *Updated 2030 Regional Parks Policy Plan* states:

### Finance Strategy 6: Reimbursement

"...Reimbursement will be considered for development provided the project in question is consistent in timing, scale, type and cost with an approved master plan, that all information required for a development grant is submitted to the Council prior to the regional park implementing agency undertaking the project and that the Council approves the project..."

This request is consistent with the terms of Finance Strategy 6 for the following reasons:

1. The timing, scale and cost of the trail construction in the Normandale Lake portion of Hyland-Bush-Anderson Lakes Park Reserve are consistent with the Council-approved development master plan for the park. As noted in the City's letter, it is cost effective to construct the trail in one phase instead of two phases. All but \$207,000 of the costs are being financed with four grants previously approved by the Metropolitan Council that total \$ 901,764..
2. Enough information has been submitted in this request regarding what would be financed with a Council grant to meet the requirements of Finance Strategy 6. In this case, that information is contained in the City's letter **Attachment 1**.
3. The City of Bloomington is requesting Metropolitan Council approval for City financed expenditures spending on this project prior to undertaking them.

The City has requested that it use any funds it receives from its share of the 2012-13 Parks CIP financed with the 2012 State bonding appropriation and Metro Council bond match to finance the reimbursement of the \$207,000 for the trail project. If any funds are still available after financing the reimbursement for the trail project, the City would like to use them to finance the City's next priority project in the 2014-15 Parks CIP— reconstruction of parking lots, improve lighting and make associated storm water management improvements at the West Bush Lake Park unit of Hyland-Bush-Anderson Lakes Park Reserve. Since the Metropolitan Council has approved this project as part of its adopted 2012-17 Parks CIP, it is appropriate to finance a portion of this project too.

## CONCLUSIONS

1. The *Updated 2030 Regional Parks Policy Plan* requires that requests for CIP reimbursement consideration are consistent with the terms of Finance Strategy 6. This review concludes that the City of Bloomington's request for reimbursement consideration of up to \$207,000 for city financing of trail construction at the Normandale Park Unit of Hyland-Bush-Anderson Lakes Park Reserve is consistent with the terms of Finance Strategy 6. The timing of when the City of Bloomington is reimbursed for any portion of the \$207,000 is dependent on when funds are provided in future regional parks capital improvement programs. However, the Council does not under any circumstances represent or guarantee that a reimbursement will be granted, and expenditure of local funds never entitles a park agency to reimbursement.

2. If the City is reimbursed for its actual costs of the trail project through its share of the 2012-13 Metro Regional Parks CIP financed with 2012 State bonds and Metropolitan Council bonds, it is reasonable to allow the City to use any funds in its 2012-13 Parks CIP share beyond the trail reimbursement to finance a portion of reconstruction of parking lots, improve lighting and make associated storm water management improvements at the West Bush Lake Park unit of Hyland-Bush-Anderson Lakes Park Reserve because the Metropolitan Council has approved that project as the City's next priority project in the 2012-17 Metropolitan Regional Parks CIP.

## **RECOMMENDATIONS**

That the Metropolitan Council:

1. Consider reimbursing the City of Bloomington up to \$207,000 from its share of the 2012-13 Metropolitan Regional Parks CIP for city financing of trail construction at the Normandale Park Unit of Hyland-Bush-Anderson Lakes Park Reserve. However, the Council does not under any circumstances represent or guarantee that reimbursement will be granted, and expenditure of local funds never entitles a park agency to reimbursement.
2. Allow the City of Bloomington to use any funds in its 2012-13 Metropolitan Regional Parks CIP share beyond the trail reimbursement to finance a portion of reconstruction of parking lots, improve lighting and make associated storm water management improvements at the West Bush Lake Park unit of Hyland-Bush-Anderson Lakes Park Reserve.

**Attachment 1: Letter from Randy Quale, City of Bloomington**



February 29, 2012

Mr. Arne Stefferud  
Planning Analyst - Parks  
Metropolitan Council  
390 Robert Street North  
St. Paul, MN 55101-1634

RE: FY2012-13 Metropolitan Regional Parks CIP Allocation

Dear Mr. Stefferud:

As we recently discussed, the City of Bloomington would like to request that a portion of its allocation from the 2012-13 Metropolitan Regional Parks CIP be eligible for reimbursement for work associated with the reconstruction and construction of bituminous trails at the Normandale Lake Park Unit in the Hyland-Bush-Anderson Lakes Regional Park Reserve.

The City of Bloomington had originally planned to undertake this project in two phases at a total estimated cost of \$1,381,000. The first phase would occur in 2012 at an estimated cost of \$900,000, and the second phase in 2013-14 at an estimated cost of \$481,000 (when additional grant funds become available). However, updated estimates place the construction cost at \$1,108,764.46, so the City would like to proceed with undertaking the entire project now. The project is currently out for bid and the Bloomington City Council is slated to award the bid on April 9. Construction would then start in late April and should be completed by July, 2012.

Since the trail construction project would begin prior to the passing of the FY2012-13 State bonding bill - and prior to the execution of the requisite grant agreement - the City requests that costs associated with the project be eligible for reimbursement. Below is the current construction cost estimate as well as the grant funding for the trail construction project.

Normandale Lake Trail Expenses

Construction cost estimate including 18% for Engineering and 15% contingency	<b>\$1,108,764.46</b>
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Normandale Lake Trail Revenues

SG-2010-069 (deadline 6/30/2012)	\$43,764.46
SG-2010-031 (deadline 12/31/2015)	399,000.00
SG-2011-105 (deadline 6/30/2014)	252,000.00
SG-2011-117 (deadline 12/31/2015)	<u>207,000.00</u>

<b>Funding Currently Available</b>	<b>\$901,764.46</b>
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<b>Current Funding Shortfall</b>	<b>\$207,000.00</b>
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**PARKS AND RECREATION DIVISION**  
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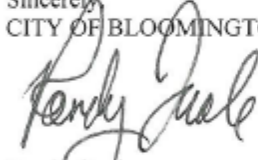
AN AFFIRMATIVE ACTION/EQUAL  
OPPORTUNITIES EMPLOYER

The City proposes fronting the project costs beyond those currently funded through the above grants (\$207,000.00), and then pending approval of our reimbursement request, the Metropolitan Council would reimburse the City for these expenses as part of the City's 2012-13 Metropolitan Regional Parks CIP allocation. In the event that the State Legislature and Governor fail to pass a bonding bill in 2012, the City requests that the projects costs be eligible for reimbursement in a future Metropolitan Regional Parks CIP.

In the event that the City's 2012-13 Metropolitan Regional Parks CIP allocation exceeds \$207,000.00, or if the Normandale Lake Park trail project costs come in lower than our estimates, the City requests that the remaining 2012-13 allocation be approved for use towards the City's next highest priority project; the reconstruction of the parking lots, improve lighting and make associated storm water management improvements at the West Bush Lake Park Unit. This project is currently listed in the City's 2014-15 CIP funding request, but pending Metropolitan Council approval, the project would be partially funded in the 2012-13 CIP.

Please contact me at 952-563-8876 or at [rquale@ci.bloomington.mn.us](mailto:rquale@ci.bloomington.mn.us) if you have any questions or require additional information.

Sincerely,  
CITY OF BLOOMINGTON



Randy Quale  
Parks and Recreation Manager

*RQ/rq*  
*Enclosures*  
METCOUNCIL/GRANTS/FY2012-13 CIP REIMBURSEMENT REQUEST 2-29-12