



Request for City Council Committee Action From the Department of Public Works

Date: June 8, 2004
To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee
Referral to: Honorable Barb Johnson, Chair Ways & Means Committee and Board of Estimate & Taxation
Subject: **Richfield Road Reconstruction Project, S.P. 141-201-02**

Recommendation:

1. Closeout the 2002 Street Renovation Program (T03) from Resolution 2001R-507 and the related unused bonding requests in 2001R-510 & 2001R-512 except as indicated below. Paving Construction capital appropriation in 4100-937-9372 project (02REN) should be decreased by \$1,132,337.75. Field Operation capital appropriation in 4100-943-9440 project (B1682) should be decreased by \$29,423.87 and Sewer Construction capital appropriation in 7300-932-9322 project (02REN) should be decreased by \$617,831.62.
2. Amend the 2001 Board of Estimate and Taxation Resolution 2001R-510 by redesignating bond allocations in the amount of \$550,000 from the 2002 Renovation Program to Richfield Road – Sheridan Ave S to W 36th St paving project PV016. Capital appropriation increases and revenue budget increases would be as follows:
 - \$400,000 increase to Fund/Agy/Org: 4100-937-9372-PV016 and revenue source Fund/Agy/Org: 4100-937-9372-3910.
 - \$150,000 increase to Fund/Agy/Org: 4100-943-9440-PV016 and revenue source Fund/Agy/Org: 4100-943-9440-3910.
3. Amend the 2001 Board of Estimate and Taxation Resolution to redesignate bond proceeds in the amount of \$29,423.87 from the 2002 Renovation Program to Richfield Road – Sheridan Ave S to W 36th St field operations PV016. The appropriation and revenue budget increases (3910) would be applied to Fund/Agy/Org: 4100-943-9440-PV016.

Previous Directives:

- Resolution 2003R-612 adopting the 2004 – 2008 Five Year Capital Program (December 15, 2003)
- Resolution 2001R-507 adopting the 2002 – 2006 Five Year Capital Program (December 13, 2001)
- Resolution 2001R-510 & 2001R-512 requesting the Board of Estimate and Taxation to sell bonds (December 13, 2001)

Prepared by: Lisa Cerney, P.E., Project Manager, 673-3061

Approved by:

Klara A. Fabry, P.E., City Engineer, Director of Public Works

Presenters: Lisa Cerney, P.E., Project Manager, Public Works

Financial Impact (Check those that apply)

No financial impact - or - Action is within current department budget.
(If checked, go directly to Background/Supporting Information)

Action requires an appropriation increase to the Capital Budget

Action requires an appropriation increase to the Operating Budget

Action provides increased revenue for appropriation increase

Action requires use of contingency or reserves

Other financial impact (Explain):

Request provided to the Budget Office when provided to the Committee Coordinator

Background/Supporting Information:

Richfield Road is a Municipal State Aid (MSA 201) Route. The segment to be reconstructed is located between Sheridan Ave S and W 36th St. It is in poor condition and has received many requests from citizens to repair the roadway. Richfield Road was last constructed in 1962. The curb and gutter is either broken or non-existing. The roadway itself has many potholes and cracks and the storm drain is undersized or not present. It is essential to construct this roadway because it is a highly traveled commuter route and an important link from the Chain of Lakes to downtown Minneapolis.

The Richfield Road reconstruction project is programmed in the City Council approved Five-Year Capital Improvement Program for construction in 2004. The anticipated start date is July 12th, 2004. At this time the project is estimated to be short Net Debt Bond (NDB Paving & Traffic) funds by \$550,000 and Net Debt Bond (NDB Traffic) funds by \$29,423.87. The funding shortfall is due to items that have been added to the scope of the project that were not included in the original engineer's estimate. These items include extra engineering costs to pursue a variance, project coordination, additional signal upgrades and street lighting.

Additional funding request: \$550,000 NDB Paving & Traffic
\$29,423.87 NDB Traffic

To cover the shortage, Public Works has identified available Net Debt Bond (NDB) funds in the 2002 Street Renovation Program (T03). The request is to redesignate \$550,000 of bonds that have not been sold. \$400,000 of the \$550,000 will be redesignated to the Richfield Road – Sheridan Ave S to W 36th St Fund 4100-937-9372-PV016. \$150,000 of the \$550,000 will be redesignated to the Richfield Road – Sheridan Ave S to W 36th St Fund 4100-943-9440-PV016. Resolution 2001R-510 requested bonds to be sold for T03 2002 Street Renovation Program. This program included the 35th and 36th Street Renovation projects as well as the Fulton Street Renovation Project. Additionally the request is to redesignate \$29,423.87 of bonds that have been sold. These bonds will be redesignated to the Richfield Road – Sheridan Ave S to W 36th St Fund 4100-943-9440-PV016.

T03 Street Renovation Program	Council Appropriation (1)	Construction Proceed Estimate (2)	Actual (3)	Unspent Amount (4)
Construction and Engineering	\$5,199,159.00	\$4,424,227.00	\$3,419,565.76	\$1,779,593.24

(1) Council Appropriation is the funding appropriated to T03 Street Renovation Program based on the Capital Budget Request Estimate that was completed prior to neighborhood meetings, design and construction coordination.

- (2) The Construction Proceed Estimate was put together after neighborhood meetings and design with plan quantities were completed.
- (3) Actual reflects the costs incurred to complete the projects.
- (4) This amount represents the difference between Council Appropriated funds and the Actual dollar amounts spent.

cc: Council Member Barret Lane
Council Member Dan Niziolek
Rhonda Rae
Don Elwood
Pat Wrase
Bernie Maciej

T&PW & W&M/Budget - Your Committee recommends passage of the attached resolutions that closeout the 2002 Street Renovation Program and reallocate portions of the unused funding to the Richfield Road – Sheridan Ave S to W 36th St Project and adjust the appropriations to reflect the actions.

Your Committee further recommends passage of the accompanying resolutions requesting that the Board of Estimate and Taxation redesignate bonding requests and bond proceeds from the 2002 Street Renovation Program to Richfield Road – Sheridan Ave S to W 36th St Project in the amount of \$550,000 and \$29,423.87 respectively.

Colvin Roy & Johnson

Amending the 2004 Capital Improvement Appropriation Resolution (2003R-612).

Resolved by The City Council of The City of Minneapolis:

That the 2002 Street Renovation Program be closed out by reducing the following capital appropriations: Public Works Paving Construction Capital (4100-937-9372 project 02REN) decreased by \$1,132,337.75, Public Works Traffic Field Operations Capital (4100-943-9440 project B1682) decreased by \$29,423.87 and Public Works Sewer Construction Capital (7300-932-9322 project 02REN) decreased by \$617,831.62.

Be it further resolved that the above-entitled resolution, as amended, be further amended by increasing the appropriations for the Richfield Road Project by the following amounts and funding sources:

- a) Public Works Paving Construction (4100-937-9372-PV016) by \$400,000 with a corresponding increase to the net debt bonds revenue source (4100-937-9372-3910) by \$400,000 to reflect redesignated bond requests from the 2002 Street Renovation Program.
- b) Public Works Traffic Field Operations Capital (4100-943-9440-PV016) by \$150,000 with a corresponding increase to the net debt bonds revenue source (4100-943-9440-3910) by \$150,000 to reflect redesignated bond requests from the 2002 Street Renovation Program.
- c) Public Works Traffic Field Operations Capital (4100-943-9440-PV016) by \$29,423.87 with a corresponding increase to the net debt bonds revenue source (4100-943-9440-3910) by \$29,423.87 to reflect redesignated bond proceeds from the 2002 Street Renovation Program.

Colvin Roy & Johnson

Requesting that the Board Of Estimate and Taxation redesignate a portion of the bonds authorized for the 2002 Street Renovation Program (T03) to the Richfield Road – Sheridan Ave S to W 36th St. Project.

Resolved by The City Council of The City of Minneapolis:

That the Engineering Services Division of the City of Minneapolis hereby requests that net debt bond allocations in the amount of \$550,000 be redesignated from the 2002 Street Renovation Program to the Richfield Road – Sheridan Ave S to W 36th St Project and that the balance of the 2002 Street Renovation bonding requests of \$950,000 be formally abandoned.

Be it further resolved:

That the Engineering Services Division of the City of Minneapolis hereby requests that unused net debt bond proceeds in the amount of \$29,423.87 be redesignated from the 2002 Street Renovation Program (Traffic portion B1682) to the Richfield Road – Sheridan Ave S to W 36th St Project. (Traffic portion PV016).