



NORTH BRANCH CITY COUNCIL WORK SESSION AGENDA

PLACE: CITY HALL, 6408 ELM STREET

DATE: APRIL 2, 2015

TIME: 6:30 PM

	<u>Presenter</u>	<u>Time Allocation</u>
1. Call to Order		
2. Pledge of Allegiance		
3. Roll Call		
4. Joint Meeting w/EDA – Transportation Study	Hill	1 hr
5. How Utility Rates Are Set	Hill	50 min
6. Truck Legislation	Konrad	10 min
7. Adjourn		



City of North Branch

Staff Report

Prepared By: Richard Hill

Date: March 26, 2015

Subject: EDA/Council Joint Work Session

Background Information: Phase 1 of the ESSBY Industrial Park Transportation Study has been completed and the initial proposal for phase 2 has been outlined by WSB for the EDA's review. At the March 5th meeting WSB presented a breakdown of phase 2 along with the costs associated with each section (phase). The general consensus was that the plan schedule timeline outlined on page 4 would need to be extended and that some public input sessions could be held later this year. In addition several members felt that several plausible bypass routes could be identified and public comment on those alternatives would be helpful.

During the joint session the EDA would like to review Phase 2 of the plan with Council to receive their input and reach a consensus on which phases could be accomplished in 2015.

Attachments:

WSB ESSBY Industrial Park Phase 2 Detailed Transportation Study Proposal

ESSBY Industrial Park
Phase 2 – Detailed Transportation Study Proposal
City of North Branch, MN

The City adopted the North Branch Development Final Alternative Urban Areawide Review (AUAR) in June 2004, updated it in March 2009 (renamed ESSBY) and updated it again in February 2014. The ESSBY study area is approximately 393 acres located south of 410th Street, east of Interstate 35 (I-35), west of CSAH 30, and north of Aztec Trail near the north central portion of the City.

The original AUAR identified a number of transportation system improvements in the area. Some of these improvements have been completed. 400th Street has been constructed and future right-of-way has been set aside at 400th Street and its termini at I-35 in anticipation of a future overpass. The realignment of Flink Avenue outside of the study area north of TH95 and west of I-35 also has been completed; however, the improvements for the remaining length of Flink Avenue have not yet been completed. No improvements to CSAH 30 have been undertaken to date as the development has not demanded the need for these improvements.

With recent development activity and interests in the area, the City is interested in re-examining the options for interchange access to I-35 north of TH 95. To this end, a two phased study approach was initiated:

Phase 1 - Initial Study was authorized by the City and has been completed which included collecting available background data (previous studies) and having initial meetings /discussions with MnDOT, FHWA and Chisago County to determine if further study would be feasible. A report was presented to the City Economic Development Authority on February 5, 2015.

The Initial Study concluded that based on discussions with MnDOT and FHWA and review of the MnDOT interchange access criteria an access or combination of access and overpass north of TH 95 could possibly be considered and that a Detailed Transportation Study (Phase2) should be completed.

Phase 2 – Detailed Transportation Study will now take the study to the next level. This process requires a Study be completed that contains sufficient information to allow MnDOT, FHWA and Metropolitan Council to independently determine that all pertinent factors and alternatives have been appropriately considered. The Study will include documenting the purpose and need of an access, review alternatives and identifying any potential environmental impacts of an interchange with I-35.

The following scope of work outlines the anticipated tasks for completing Phase 2 of the Study:

Scope of Work – Phase 2 Detailed Transportation Study

This phase of the study will use the data collected as part of Phase 1 – Initial Study. If additional data is required it will be collected as part of each specific task. It is also assumed that the documentation and analysis completed with this phase could be ultimately used to apply for and secure possible Federal or State funding for improvements.

Task 1 - Traffic Forecasts / Roadway Deficiencies and Needs

As part of the City's Comprehensive Plan, the ESSBY AUAR, and the County's Transportation Plan, 2030 projected traffic volumes have been developed. This task will review the land use and traffic generation assumptions in those documents and updated the traffic projections to 2035 conditions. These forecasts will be used to identify deficiencies and needs on the existing roadway network. They will also be used to evaluate the area roadway system to identify where interstate access could or should be provided.

Task 2 – Project Purpose and Need

This task will document the purpose and need for the proposed project as well as define the area transportation vision. Goals and objectives needed to accomplish that vision will be documented. Input from the Economic Development Authority, Planning Commission and City Council will be key in the development of purpose and need for a potential access to I-35.

Task 3 – Regional Network Analysis

This section will include analysis and review of how the proposed interchange access fits into the overall plans for the area. This task will document that an access point is required for regional traffic needs and not only to solve local system needs or problems. The City and County's Transportation Plans will be reviewed and a roadway functional class network will be identified that would support a potential access to I-35.

Task 4 – Preliminary Design/Alternative Analysis

The alternative development and screening process will focus on the purpose and need for the project and identified roadway deficiencies and needs. It will identify any fatal flaws that should be avoided. Alternatives that have fatal flaws or do not meet the purpose and need will not be considered reasonable alternatives. This task will also document the range of alternatives considered, development of the screening criteria, and describe the screening process. Documentation will be provided for alternatives that were rejected and are not recommended for consideration.

Conceptual alignment layouts and typical sections will be prepared for up to three alternatives selected for detailed study. Alternatives will be developed to meet State Aid requirements. WSB proposes to use County aerial photography, two foot contour mapping, and parcel map as a base to complete the conceptual alternatives and typical sections. A field review of the area will also be completed to determine if additional survey information should be collected to develop accurate layouts. Cost estimates will be prepared for the alternatives and will include construction, right of way, and any anticipated mitigation costs. The accuracy and level of detail in the estimates will be enhanced as the alternatives are refined through the process.

Task 5 - Traffic Operations Analysis

A traffic operations and level of service analysis will be conducted for each selected alternative at the primary intersections and for the freeway section impacts using Synchro/Simtraffic and VISSIM, software packages that simulates each individual vehicle's characteristics and driver behavior in response to traffic volumes, intersection/lane configuration, and signal operations by implementing the Highway Capacity Manual (HCM) methodologies.

The analysis will document the impacted corridor and freeway level of service, intersection level of service, any operational deficiencies and recommendation for improvements necessary for each of the selected conceptual alternatives.

Task 6 – Environmental Review

This task will identify any environmental issues that need to be considered during the review process, including potential resource impacts and potential mitigation requirements for each selected alternative. The ESSBY AUAR will be the initial source for reviewing environmental issues.

Task 7 – Coordination and Meetings

Agency Meetings - Coordination will occur throughout the project to involve the local, state, and federal agencies. This early and ongoing coordination will assist in developing support and identifying critical issues for the project alternatives. It is anticipated that up to four meetings will be held throughout the project.

Staff Meetings/Correspondence – WSB will have ongoing correspondence with the City of North Branch staff throughout the project via phone and email. Meetings with the City will be held throughout the project to discuss any issues, project progress, and next steps. It is anticipated that up to four staff meetings will be held during the project.

Public Meeting – Two public information workshops will be held. The goal of the first public information workshop will be to gather input from the public on their issues, ideas, and concerns and also to publicly present the purpose and need and identified transportation deficiencies of the project. Because alternatives will not be determined at this stage, the meeting will build trust with the public that an open decision-making process is taking place and that the solution is not predetermined. The second public information workshop will present the alternatives under consideration, their impacts and issues, as well as the transportation performance expectation of each alternative. Another goal of this workshop is to provide feedback to the public from information gathered at the first public meeting and WSB's data collection. The public will also be informed that their input will aid in the selection of the preferred alternative.

EDA Meetings – The EDA will provide overall direction for the development and review of the Phase 2 Study. It is assumed that up to Three (3) meeting will be held with the EDA. The first meeting will be a working meeting reviewing the background data, identifying the purpose and need and identifying the supporting roadway functional classification system. The second meeting be prior to the first public meeting to receive input on the preliminary findings, alternatives and analysis. The third meeting will be to present the final Study and documents.

Planning Commission / City Council Meetings – Two presentations will be made to the North Branch City Council and/or Planning Commission. The first meeting is proposed to be a joint meeting with the Planning Commission and City Council to provide an update on the project and receive input on the preliminary findings, alternatives and analysis. The second meeting will be with the City Council to present the final Study and documents and request approval.

Task 8 – Documentation / Report Preparation

WSB will prepare a report documenting the study methodologies and analysis including alternative layouts and analysis as outlined in the above tasks. The documentation will also include a recommendation for a preferred alternative and for any other area roadway network improvements.

ESTIMATED COST

The estimated cost to prepare the Detailed Transportation Studies is based on the above Scope of Work and is as follows:

<u>Task</u>	<u>Amount</u>
Phase 2 – Detailed Transportation Study	
Task 1 – Traffic Forecasts/Deficiency and Needs	\$4,400
Task 2 – Project Purpose and Need	\$2,800
Task 3 – Regional Network Analysis	\$4,200
Task 4 – Preliminary Design/Alternative Analysis	\$13,000
Task 5 – Traffic Operations Analysis	\$6,900
Task 6 – Environmental Review	\$3,500
Task 7 – Coordination and Meetings	\$9,100
Task 8 – Documentation/Report	\$4,500
Total Phase 2 – Detailed Transportation Study	\$48,400

WSB & Associates, Inc. will bill for the actual hours worked at each employee classification times the current WSB hourly rates for that employee classification up to the maximum of **\$48,400** following City Council authorization Phase 2 – Detailed Transportation Study.

SCHEDULE

Notice to Proceed (City Council).....	March 24, 2015
City Staff Kickoff Meeting.....	Week of March 30, 2015
Traffic Forecasts/Roadway Deficiencies and Needs	April 2015
EDA Meeting #1.....	May 6, 2015
Document Purpose and Need.....	May 2015
Public Meeting #1.....	Week of May 18, 2015
Regional Network Analysis.....	May / June 2015
Preliminary Design / Alternative Analysis.....	June / July 2015
Traffic Operations Analysis.....	July / August 2015
Environmental Review.....	July / August 2015
EDA Meeting #2.....	September 2, 2015
Public Meeting #2.....	Week of September 7, 2015
Planning Commission / City Council Work Session.....	September 17, 2015
Documentation Report.....	September / October 2015
EDA Meeting #3.....	November 4, 2015
City Council Meeting.....	November 24, 2015

City of North Branch

Sewer Rate Process

The City has historically set a base minimum charge that each service pays. This includes the 3,000 gallon base charge (presently 3 time \$10.08) plus a small fee (presently \$3.41) for a total base minimum fee of \$33.65.

The City's revenue and expense projections are reviewed three times per year. We look at past performance and project out three to four years with various assumptions on both the revenue and expense sides. The sewer debt schedule for 2015 is 66.5% of the total expense forecast. This debt expense will increase in 2016 to 68.5%.

Revenues are impacted by the usage and number of services within the service area. These can vary month to month as well as year to year. The cash balance must be at a level that will be able to absorb any swings in unusual revenues and/or expenses. This would include major maintenance items that come along periodically. The MN PFA loan requires that revenue levels from new services hit specific targets by year.

Current Sewer Rate

Base Fee (includes 1st 3,000 gal)	33.65
Usage Fee per 1,000 gal	10.08

Average Monthly Cost

Monthly Minimum User (less than 3,000)	33.65
Average User at 6,500 per Month	68.93

Example of Sewer Bills by Type of Customer

			<u>Residence</u>	<u>Apartment</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Trailer Crt</u>
		<u>Usage(000)</u>					
Residential	3,000 gal or less	2.1	33.65				
	6,500 gal usage	6.5	68.93				
Apartment	Example "A" (8 Units)	24.0		245.33			
	Example "B" (32 Units)	108.4		1,096.28			
Comm/Indust	Example "A"	7.5/17.0			79.01	174.77	
	Example "B"	34.1/31.0			347.14	315.89	
Trailer Court	Example "A" (29 Units)	42.0					426.77
	Example "B" (101 Units)	598.0					6,031.25

ESTIMATED CASH FLOW FOR WASTEWATER FUND 2015-2018

Updated MAR 2015
Draft 3/16/2015

	2010	2011	Actual 2012	2013	2014	EST 2015	EST 2016	EST 2017	EST 2018
REVENUES									
Refund/reimbursements	0	0	4,236	508	773	0	0	0	0
Interest	3,856	28	776			600	625	700	700
Assessments	886								
Sewer Sales	909,015	1,058,143	1,238,526	1,272,386	1,404,304	1,377,101	1,467,026	1,562,823	1,633,150
Delinquent	47,506	31,324	31,954	30,343	41,574	35,500	37,000	36,500	36,000
Other	500	2,773	2,340	5,100	4,380	3,000	3,000	3,000	3,000
Levy and/or SAC/Trunk			58,346	42,570	51,973	50,579	50,579	50,579	75,449
TOTAL	961,763	1,092,258	1,336,178	1,350,907	1,503,004	1,466,780	1,558,230	1,653,602	1,748,299
EXPENDITURES									
Personnel	174,034	149,088	154,400	175,849	183,820	199,498	205,483	211,647	217,997
Supplies	35,247	41,097	42,504	37,728	38,702	45,600	46,512	47,442	48,391
Services	215,508	215,744	209,175	209,537	263,105	268,367	273,734	279,209	284,793
Capital	0	0	0	0	35,114	0	0	0	0
Debt									
Debt(see Sch)	700,226	801,874	767,452	815,791	951,965	1,017,256	1,142,500	1,151,967	1,163,322
TOTAL	1,125,015	1,207,803	1,173,531	1,238,905	1,472,706	1,530,721	1,668,229	1,690,266	1,714,503
NET INCOME or (LOSS)	\$ (163,252)	\$ (115,535)	\$ 162,647	\$ 112,002	\$ 30,298	\$ (63,941)	\$ (109,999)	\$ (36,664)	\$ 33,796

NOTE: Should the SAC /Trunk revenues not meet this forecast agreement with PFA requires levy to tax.

FUND BALANCE	520,326	439,486	570,291	687,672	816,719	752,778	842,779	606,175	639,910
Note: Rescheduled Debt with PFA restructure for Bond Jun 2011									
Revenue less Operating Exp	536,974	686,339	930,099	927,793	1,017,377	953,315	1,032,501	1,115,303	1,197,118
Debt Coverage Percent	76.69%	85.59%	121.19%	113.73%	106.87%	93.71%	90.37%	96.82%	102.91%
Cash Balance on Jan 1st to be 60% of Debt Service plus 4 to 6 months Operating expenses as requested by PFA Loan Modification: Range \$ 725,000 to \$925,000									

AVERAGE RESIDENTIAL RATE	
Rate Increase per 1,000 gal	0.96
Rate Increase %	16%
Monthly Min Charge	20.92
Rate/per 1,000 gallons after 1st 3,000gal	6.97
Estimated average usage for a 3-4 person household is 6,500 gallons per month.	45.33
MONTHLY INCREASE (Avg Household)	6.25
ANNUAL INCREASE	75.03

Monthly MINIMUM Charge (1st 3,000 gallons included in Minimum)	20.92	26.80	29.78	31.05	32.05	33.65	35.67	37.81	39.51
MONTHLY INCREASE (Avg Household)	2.89	5.88	2.98	1.27	1.00	1.60	2.02	2.14	1.70
ANNUAL INCREASE	34.63	46.95	35.78	15.21	12.00	19.23	24.23	25.68	20.42



City of North Branch

Memo

Prepared By: Bridgitte Konrad

Date: March 27, 2015

Subject: Truck Legislation

After the Council meeting on Tuesday I received additional information regarding the truck legislation. There are bills being considered by the State this session. Attached are HF 620 and SF 309. I would like direction from the Council if you would like the resolution opposing the legislation proposed by Councilmember Furman put back on the agenda for the April 14 meeting.

1.1 moves to amend H.F. No. 620 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. Minnesota Statutes 2014, section 169.865, subdivision 1, is amended to read:

1.4 Subdivision 1. **Six-axle vehicles.** (a) A road authority may issue an annual permit
1.5 authorizing a vehicle or combination of vehicles with a total of six or more axles to haul
1.6 ~~raw or unprocessed agricultural~~ qualifying products and be operated with a gross vehicle
1.7 weight of up to:

- 1.8 (1) 90,000 pounds; and
- 1.9 (2) 99,000 pounds during the period set by the commissioner under section 169.826,
- 1.10 subdivision 1.

1.11 (b) Notwithstanding subdivision 3, paragraph (a), clause (4), a vehicle or
1.12 combination of vehicles operated under this subdivision and transporting only sealed
1.13 intermodal containers may be operated on an interstate highway if allowed by the United
1.14 States Department of Transportation.

1.15 (c) Any combination of qualifying products may be transported under a single
1.16 permit issued under this subdivision.

1.17 (d) The fee for a permit issued under this subdivision is \$300, or a proportional
1.18 amount as provided in section 169.86, subdivision 5.

1.19 Sec. 2. Minnesota Statutes 2014, section 169.865, subdivision 2, is amended to read:

1.20 Subd. 2. **Seven-axle vehicles.** (a) A road authority may issue an annual permit
1.21 authorizing a vehicle or combination of vehicles with a total of seven or more axles to
1.22 haul ~~raw or unprocessed agricultural~~ qualifying products and be operated with a gross
1.23 weight of up to:

- 1.24 (1) 97,000 pounds; and
- 1.25 (2) 99,000 pounds during the period set by the commissioner under section 169.826,
- 1.26 subdivision 1.

2.1 (b) Drivers of vehicles operating under this subdivision must comply with driver
2.2 qualification requirements adopted under section 221.0314, subdivisions 2 to 5, and Code
2.3 of Federal Regulations, title 49, parts 40 and 382, unless exempt under section 221.031,
2.4 subdivision 2c.

2.5 (c) Any combination of qualifying products may be transported under a single
2.6 permit issued under this subdivision.

2.7 (d) The fee for a permit issued under this subdivision is \$500, or a proportional
2.8 amount as provided in section 169.86, subdivision 5.

2.9 Sec. 3. Minnesota Statutes 2014, section 169.865, is amended by adding a subdivision
2.10 to read:

2.11 Subd. 6. Qualifying products. For purposes of this section, "qualifying products"
2.12 consists of:

2.13 (1) raw or unprocessed agricultural products;

2.14 (2) livestock and poultry feed, seed, fertilizer, potash, and agricultural lime; and

2.15 (3) highway and building construction materials, including but not limited to
2.16 aggregate material within the meaning of section 298.75, subdivision 1, paragraph (a), hot
2.17 mix asphalt, plastic concrete, cementitious materials, concrete admixtures, asphalt cement,
2.18 construction demolition materials, and recycled road materials."

2.19 Amend the title accordingly

**SENATE
STATE OF MINNESOTA
EIGHTY-NINTH SESSION**

S.F. No. 309

(SENATE AUTHORS: JENSEN, Pederson, J., Senjem, Skoe and Dahms)

DATE	D-PG	OFFICIAL STATUS
01/26/2015	129	Introduction and first reading Referred to Transportation and Public Safety

1.1 A bill for an act
1.2 relating to transportation; establishing annual permits for overweight vehicles;
1.3 amending Minnesota Statutes 2014, section 169.865, subdivisions 1, 2.
1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5 Section 1. Minnesota Statutes 2014, section 169.865, subdivision 1, is amended to read:

1.6 Subdivision 1. **Six-axle vehicles.** (a) A road authority may issue an annual permit
1.7 authorizing a vehicle or combination of vehicles with a total of six or more axles to haul
1.8 ~~raw or unprocessed agricultural products~~ freight and be operated with a gross vehicle
1.9 weight of up to:

1.10 (1) 90,000 pounds; and

1.11 (2) 99,000 pounds during the period set by the commissioner under section 169.826,
1.12 subdivision 1.

1.13 (b) Notwithstanding subdivision 3, paragraph (a), clause (4), a vehicle or
1.14 combination of vehicles operated under this subdivision and, as part of an international
1.15 movement, transporting only sealed intermodal containers may be operated on an
1.16 interstate highway if allowed by the United States Department of Transportation.

1.17 (c) The fee for a permit issued under this subdivision is \$300, or a proportional
1.18 amount as provided in section 169.86, subdivision 5.

1.19 Sec. 2. Minnesota Statutes 2014, section 169.865, subdivision 2, is amended to read:

1.20 Subd. 2. **Seven-axle vehicles.** (a) A road authority may issue an annual permit
1.21 authorizing a vehicle or combination of vehicles with a total of seven or more axles to
1.22 haul ~~raw or unprocessed agricultural products~~ freight and be operated with a gross weight
1.23 of up to:

- 2.1 (1) 97,000 pounds; and
- 2.2 (2) 99,000 pounds during the period set by the commissioner under section 169.826,
- 2.3 subdivision 1.
- 2.4 (b) Drivers of vehicles operating under this subdivision must comply with driver
- 2.5 qualification requirements adopted under section 221.0314, subdivisions 2 to 5, and Code
- 2.6 of Federal Regulations, title 49, parts 40 ~~and~~, 382, and 391, unless exempt under section
- 2.7 221.031, subdivision 2c.
- 2.8 (c) The fee for a permit issued under this subdivision is \$500, or a proportional
- 2.9 amount as provided in section 169.86, subdivision 5.