

Meeting #6 Minutes

Project: Sanitary Sewer and Watermain to serve Lenwood Heights & Brook Lane SW

Meeting Date: Tuesday, December 6, 2011

Meeting Time: 6:00 PM

Meeting Location: City of Rochester Public Works Department, City Government Center

<u>Follow-up action</u>	<u>Who</u>	<u>Date Assigned</u>	<u>Date Completed</u>
Identify concerns & issues	Committee members	8/2/11	8/23/11
Determine ownership of triangle piece of land at Lenwood Dr & Book Lane intersection	Jim Loehr	8/2/11	8/23/11
Prepare timeline to construction	Jim Loehr	8/2/11	8/23/11
Meet with Pat Cawley and Jerry Lobland	Jim Loehr	8/2/11	8/23/11
Meet with Carol Karnes' & residents of her area	Jim Loehr & WHKS	8/23/11	8/30/11
Meet with Bob Tremain on site	Jim Loehr & WHKS	8/23/11	8/26/11
Meet with residents of Bob Tremain's area with local contractor	Jim Loehr & WHKS	8/23/11	8/29/11
Examine Costs of Alternate sanitary sewer routes	WHKS	8/23/11	Cancelled
Update names on individual property sanitary service maps & distribute to committee members for delivery	WHKS	8/23/11	9/13/11
Invite Jacob Ryg & Doug Rovang to next meeting	Jim Loehr	8/23/11	9/13/11
Discuss abstract question with RPU	Jim Loehr	8/23/11	9/13/11
Post meeting 1 & 2 minutes to website	Jim Loehr	8/23/11	9/1/11
Send agreements to Water Board Attorney John Arnold	RPU	9/13/11	Completed
Schedule meeting with Water Board, John Arnold, Jim Loehr and Doug Rovang the week of Sept. 19	Jim Loehr	9/13/11	Postponed
Verify staked manhole locations in the field at Goodrich property	WHKS & Jim Loehr	9/13/11	9/16/11
Meet with Carol's Karnes group on Sept. 20 @ 6 p.m.	Jim Loehr & WHKS	9/13/11	9/20/11
Invite Jacob Ryg to next meeting	Jim Loehr	9/13/11	9/16/11
Review project with Jacob Ryg	Jim Loehr	9/13/11	9/16/11
Bring list of residents with special needs to next meeting	Committee members	9/13/11	9/27/11

Jacob Ryg, Jim Loehr and Daren Sikkink to meet on site with Jay Hansen, Herman Bleimeyer and Jerry Goodrich regarding trees	Jim Loehr Jacob Ryg Daren Sikkink	9/27/11	Met @ Jay Hansen's 10/4/11
Pat Cawley and Jim Loehr will schedule a meeting with the Lenwood Water Board	Jim Loehr Pat Cawley	9/27/11	Postponed
Jim Loehr to check into a reduced interest rate	Jim Loehr	9/27/11	10/11/11
Committee members should discuss issues and the water agreement with members of their group	Committee members	9/27/11	10/11/11
Distribute water agreements to all residents	Pat Cawley	9/27/11	Mailed by City 10/10/11
Jacob Ryg, and Jim Loehr to meet on site with Herman Bleimeyer, Jerry Goodrich, Judy Pucci, Elaine Bromelkamp, and James Tilbury regarding trees	Jacob Ryg Jim Loehr	10/11/11	ongoing
Reschedule meeting with Water Board (if necessary)	Jim Loehr	10/11/11	
What happens if someone does not sign the termination agreement?	Water Board Attorney –John Arnold	10/11/11	N.A.
Jim Loehr to contact RPU to find out how water charges will be applied before water meters are installed	Jim Loehr	10/11/11	Completed
Jim Loehr and Jerry Goodrich to meet and view Riverview Heights project	Jim Loehr	10/11/11	Completed
Jim Loehr to update preliminary timeline Jim Loehr to revise timeline	Jim Loehr	9/27/11 12/6/11	10/11/11 1/10/12

1. Update on Water Service Agreements

- Doug Rovang and Jim Loehr discussed status of the private Well Transfer and Well Termination Agreement and Agreements for Municipal Water Service.
- On November 29, 2011 the Rochester Public Utility Board approved Action to purchase the Lenwood Heights Water System
- On December 19, 2011 the City Council will be requested to consider and approve the following:

RPU Board Action to purchase the Lenwood Heights Water System
Agreements for Municipal Water Service
Final Design Services with WHKS
- RPU is scheduled to take over Lenwood Heights Water System the week of 12/19/2011

2. Discussion of Concerns

- Doug Rovang will contact Pat Cawley to schedule a meeting to review the Lenwood Heights well house and water system
- Council member Ed Hruska explained that the Lenwood Heights agreements were pulled from last Council agenda because he wanted to make sure everyone completely understood status of project.

3. Documents to be Posted on Public Works Hot Topics Web-Site

- Minutes of the meeting
- Water System Transfer Documents sign by Water Board President, Barry Gilbert
- RCA for Agreements for Municipal Water Service
- RCA for Final Design Services
- Revised Project schedule

4. Next Meeting

- The next Neighborhood Design Advisory Committee meeting is scheduled for Tuesday, January 10, 2012, at 6:00 PM
- Discuss: Project design status.

Contact Daren Sikkink (WHKS & Co., 507-288-3923, dsikkink@whks.com) with additions or corrections to these minutes.



RESOLUTION

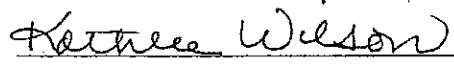
BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve a Purchase Agreement and supplemental Letter of Understanding with the Lenwood Heights Association, Inc., subject to amending Paragraph 8 of the Purchase Agreement to reflect a closing date on or about December 15, 2011, and request that the Mayor and City Clerk execute the Purchase Agreement for

Purchase of Lenwood Heights Water System

The amount of the Purchase Agreement to be ONE DOLLAR (\$1) and other valuable consideration, including those obligations set forth separately by contract or agreement.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 29th day of November, 2011.


President


Secretary



October 4, 2011

Lenwood Heights Association, Inc.
C/O Mr. John Arnold, Attorney
Dunlap & Seeger
206 S. Broadway, Suite 505
Rochester, MN 55904

RE: Letter of Understanding

Lenwood Heights Association, Inc. / Rochester Public Utilities (RPU)
(Conditions for Purchase of Lenwood Heights Association Water System by Rochester Public Utilities)

TO WHOM IT MAY CONCERN:

As a followup to related discussions between representatives of the Lenwood Heights Association, Inc. (Association, hereafter), the City of Rochester (City, hereafter), and Rochester Public Utilities (RPU, hereafter), the following paragraphs express our joint understanding of the above-referenced conditions:

1. Water Rates The Lenwood Heights Subdivision is scheduled to be connected to the municipal water system during 2012. For that reason, after RPU purchase of the Lenwood Heights water system, Lenwood Heights water system users will be billed monthly in accordance with RPU Rate Schedule WTR (the same as other municipal water customers). In addition, Lenwood customers will be billed monthly for the standard Fire Hydrant Facilities Charge in accordance with RPU Rate Schedule FHFC, and for the State-mandated Water Testing Fee currently at \$0.53 per month. (A copy of the current Rate Schedules WTR and FHFC are attached.) These rate Schedules and State-mandated fees may be revised from time to time in accordance with established RPU ratemaking procedures and State legislation. (A sheet showing a typical water customer monthly billing breakdown is also attached.)
2. Water Meter Installation and Initiation of RPU Billing New remote radio read water meters will be furnished at no cost to Lenwood customers for installation at the time of water system purchase. RPU will provide each property owner a credit for the actual cost not to exceed \$200 for installation of the RPU furnished water meter. RPU monthly water billing will begin when RPU begins operating the water system.
3. Access to Well Site Parcel The Well Site property will remain the property of the Association. The Association will provide City a utility easement allowing access, operation and maintenance of the water system assets located on the Well Site. After City water is available to all Lenwood Heights property owners from the newly constructed City watermain, RPU will abandon and seal the well in accordance with Minnesota Department of Health regulations (removing the sealed well casing to 48" below grade), will demolish the well house to 24" below grade, and will release the easement.
4. City Failure to Extend Municipal Water to Lenwood Heights Subdivision by January 1, 2014 In the event City fails to extend City water to the Subdivision by January 1, 2014, City agrees to release the Well Site easement and return Lenwood Heights water system assets at no cost to the Association.



Lenwood Heights Association, Inc.
October 4, 2011
Page 2

5. Costs of Property Transfer The City will process water system property transfer related documents at no cost to the Association. The Association will process the Transfer of Well and Termination of Well Agreement at no cost to the City.

This letter of understanding is subject to and contingent upon the successful execution, implementation and completion of the purchase agreement between Lenwood Heights Association, Inc., and the City of Rochester. This letter of understanding incorporates herein all terms and conditions of the purchase agreement not otherwise completed upon closing. If you concur, please return a copy of this letter signed by the appropriate Lenwood Heights Association, Inc., officer, and we will take this matter to the Public Utility Board and City Council for their consideration.

Very truly yours,



Larry J. Kospiere
RPU General Manager

 10/26/2011

Lenwood Heights Association, Inc. (Date)
Barry K. Gilbert, Its President

**ROCHESTER PUBLIC UTILITIES
(RPU)
WATER SERVICE**

**RATE SCHEDULE WTR-C
SHEET 1 OF 1**

AVAILABILITY: At all locations within the Rochester City limits and at locations external to the City limits, that have been authorized by the Rochester Common Council.

MONTHLY RATE:

<u>Customer Charge:</u>	<u>Size of Meter</u>	<u>Rate</u>
	5/8"	\$ 5.26
	3/4"	\$ 7.48
	1"	\$ 12.02
	1-1/2"	\$ 23.21
	2"	\$ 36.63
	3"	\$ 68.15
	4"	\$ 113.06
	6"	\$ 225.36
	8"	\$ 405.03

<u>Commodity Charge:</u>	<u>Rate/CCF</u>
Residential	
0 - 7 CCF	69.2¢
7.01 - 12 CCF	76.1¢
12.01 and over CCF	87.5¢
Commercial:	69.2¢
Industrial:	69.2¢
Interdepartmental:	69.2¢
Irrigation Meter (All Classes):	87.5¢

NOTE: Customers whose service is taken outside the Rochester city limits with individual water systems not connected to the City water system shall have a rate of 2.0 times the customer and commodity charges.

MINIMUM BILL: Applicable monthly customer charge according to size of meter provided.

PAYMENT: Payments are due on or before the due date.

CONDITIONS OF DELIVERY:

1. Service furnished under this rate schedule is subject to connection policies of the Rochester City Council.
2. Service furnished under this rate schedule is subject to provisions of RPU's Water Service Rules and Regulations.
3. RPU shall not be liable for damage or loss sustained by customer in conjunction with taking service under this rate.
4. Water furnished under this rate shall not be resold.

Approved by Rochester Public Utility Board:
Effective Date:

February 23, 2010
April 1, 2010

**ROCHESTER PUBLIC UTILITIES
(RPU)**

**RATE SCHEDULE FHFC
SHEET 1 OF 1**

FIRE HYDRANT FACILITIES CHARGE

APPLICABILITY:

To all residential and commercial and industrial water utility customers.

MONTHLY RATE:

<u>Customer Class</u>	<u>Rate</u>
Residential	\$1.16
Commercial/Industrial	\$2.32

BILLINGS:

Billings will be on a monthly basis.

PAYMENT: Payments are due on or before the due date.

CONDITIONS OF DELIVERY:

1. RPU shall not be liable for any damage or loss sustained by customer resulting from interruptions, deficiencies, or imperfections of service provided under this rate.
2. The rate will not be applied to water service meters that are used exclusively for irrigation purposes.
3. The rate will not be applied to water service meters that are not connected to the City's central water system.
4. The rate will be applied regardless of the property's water service status (active or non-active).

Approved by Rochester Public Utility Board:
Effective Date:

December 14, 2006
January 1, 2007



TYPICAL RPU MONTHLY RESIDENTIAL WATER BILLING AMOUNT

Customer Charge (5/8" Meter) -	\$ 5.26
Commodity Charge - 6 billing Units (600 cu ft*) x \$0.692/100 cu ft *600 cu ft equals 4,500 gallons	\$ 4.15
Fire Hydrant Facilities Charge -	\$ 1.15
State-mandated Water Testing Fee -	<u>\$ 0.53</u>
Total -	\$11.09

Effective Date: April 1, 2010

PURCHASE AGREEMENT

This AGREEMENT, entered into this _____ day of _____, 2011, by and among **Lenwood Heights Association, Inc.**, a Minnesota non-profit corporation (hereinafter "Seller") and the **City of Rochester**, a Minnesota municipal corporation, acting by and through its Public Utilities Board, (hereinafter "Rochester").

WITNESSETH:

WHEREAS, Seller operates a water supply and distribution system and is engaged in the non-profit distribution of water from a well located within Lenwood Heights Subdivision, Olmsted County, Minnesota (the "Water System") to users within the Lenwood Heights water system; and,

WHEREAS, Seller desires to sell said water system; and,

WHEREAS, Rochester desires to purchase the water system of Seller and provide those services previously provided by Seller.

NOW, THEREFORE, the parties hereby agree as follows:

1. Description of Property to be Sold and Easements to be Granted. On the terms and subject to the conditions set forth in this Agreement, Seller agrees to sell and convey to Rochester and Rochester agrees to purchase, on the closing date, the following easement and personal property:
 - a. Utility easement providing temporary access to the Well Site (Easement Form shown in Attachment 1);
 - b. All wells, pumps, tanks, mains, pipes, lines, valves, and other property owned by Seller, and presently used in the distribution of water located within the Water System and attached to it - with the exception of individual water service lines extending from the

water mains to individual properties, said service lines to remain the property of individual property owners (Bill of Sale Form shown in Attachment 2);

- c. Any interest in real property in the nature of an easement, permit, or license presently held by Seller for the purpose of maintaining and operating said Water System;
 - d. Any contracts held by Seller to serve users of the Water System in the Water System's service area;
2. Purchase Price. The purchase price for the property shall be One Dollar (\$1) and other valuable consideration, including those obligations set forth separately by contract or agreement between the parties.
 3. Terms of Payment. The total purchase price shall be paid by Rochester in cash on the purchase closing date, as defined herein paragraph 8, (the "Closing Date").
 4. Warranties of Seller. Rochester has been afforded an opportunity to inspect the property to be purchased by it hereunder, and Seller makes no representation or warranties whatsoever with respect thereto except that:
 - a. Seller will have at the date of closing and will convey to Rochester good and marketable title to all property agreed to be sold to Rochester hereunder, free and clear of any lien, encumbrance, or claim whatsoever.
 - b. Seller has identified and will not be in default on the closing date with respect to the performance of its obligations under any contract or agreement assigned to Rochester hereunder.
 - c. Seller is a corporation duly organized, validly existing, and in good standing under the laws of the State of Minnesota and has full power and authority to carry on its business as it is presently conducted and all corporate action necessary by Seller to execute, deliver, and perform this Agreement has been taken.
 - d. Seller is not a party to or bound by any written or oral contract to convey to any other person any of the assets to be purchased by Rochester hereunder.
 - e. The execution, delivery, and performance of this Agreement by Seller will not violate the Articles of Incorporation or By-Laws of Seller, or any indenture, agreement, commitment, or order of any tribunal or administrative agency to which Seller is a party or by which it is bound.
 - f. Seller is not a party to any pending, and has no knowledge of any threatened litigation or government action, with regard to the property being sold hereunder.
 5. "As-Is, Where-Is". Seller is selling the Assets in its present condition and state of repair, "As-

Is”, Where-Is” with all faults and conditions thereon, with all defects and liabilities, latent or apparent.

6. Indemnification. Seller agrees to indemnify Rochester with respect to loss or damages (including reasonable attorneys' fees and court costs) incurred by Rochester as the direct result of the breach by Seller of the representations, warranties, or covenants contained above in paragraph 4 a – f.
7. Representation and Warranties by Rochester. Rochester represents and warrants that it will have the requisite power and authority to enter into this Agreement and Rochester's closing documents signed by it; such documents will be duly authorized by all necessary corporate action on part of Rochester and have been duly executed and delivered; That the execution, the delivery and performance by Rochester of such documents do not conflict with or result in violation of Rochester's charter of any judgment, order, or decree of obligations of Rochester, and are enforceable in accordance with their terms. Rochester will indemnify Seller, its successors and assigns, against, and will hold Seller, its successors and assigns, harmless from any expense or damage, including attorney's fees, the Seller incurs because of the breach of the above representations and warranties, whether such breach is discovered before or after closing.
8. Closing. The closing date shall be on or about November 15, 2011 at 9:00 a.m. and shall be held at the office of Rochester Public Utilities, 4000 East River Road NE, or at such other place as may be mutually agreed upon by the parties.
9. Binding on Successors. This Agreement shall inure to the benefit of and be binding on the successors and assigns of each of the parties.
10. Interpretation. This Agreement shall be interpreted under the laws of the State of Minnesota.
11. Steps to be taken at the Closing.
 - a. General Procedure. At the closing, each party shall deliver or execute such documents, instruments, and materials as may be reasonably required in order to effectuate the intent and provisions of this Agreement, and all such documents, instruments, and materials shall be satisfactory in form and substance in all material respects to counsel for the other party. The listing of specific deliveries or executions to be made in the following Subsections of this Section shall not be deemed to limit the provisions of this subsection.
 - b. Items to be Delivered by Seller at the Purchase Closing. [Seller shall have no obligations to deliver these items until Rochester supplies the items required under the terms of Subsection (c)]:
 - i. evidence that the appropriate corporate officers of Seller have authorized the sale of the Water System to Rochester;
 - ii. bill of sale for all personal property being purchased hereunder;

- iii. utility easement providing access to the Well Site;
 - iv. Assignments or other documents necessary to convey any easements, permits, or licenses held by Seller for the operation of the water system.
- c. Items to be Delivered to Seller at Purchase Closing. [Rochester shall not be required to deliver the following items until such time as Seller has available for delivery the documents set out in Subsection (b)]:
- i. A cash payment of One Dollar (\$1) made payable to Seller for the purchase price.
12. Cooperation. At the closing and at anytime or from time to time thereafter, each of the parties agrees to cooperate in carrying out the terms of this Agreement and the agreements and documents executed in connection herewith, including the execution and delivery of such further instruments and documents as may reasonably be requested in order to more effectively carry out the terms and conditions hereof. Those items not completed by date of closing shall be deemed to survive closing and shall be a continuing obligation of the respective party.
13. Expenses. Each party hereto shall pay its own expenses in connection with this Agreement and the transactions contemplated hereby whether or not the transactions contemplated hereby are consummated. In the event of any controversy, claim, or dispute among the parties to this Agreement, arising out of or relating to this Agreement or breach thereof, the prevailing party shall be entitled to recover from the losing party reasonable expenses and attorney's fees.
14. Entire Agreement. This Agreement, and the exhibits, including the schedules and letter of understanding attached hereto, contain the entire agreement among the parties superseding in all respects any and all prior oral or written agreements or understandings pertaining to the subject matter hereof and transactions contemplated hereby, and shall be amended or modified only by written instruments signed by all of the parties hereto.
15. Notices. Any notice or other communication required or permitted to be given or served upon any of the parties under this Agreement shall be sufficiently delivered, given, or served if delivered personally to such party or sent to such party by registered or certified mail, postage prepaid, addressed to such party as set forth below or such other address as such party shall designate by giving written notice to the other parties as follows:
- | | |
|--|--|
| <p>In case of notice to Sellers:
 Barry K. Gilbert, President
 Lenwood Heights Association, Inc.
 2227 Lenwood Court SW
 Rochester, MN 55902</p> | <p>In case of notice to Rochester:
 General Manager
 Rochester Public Utility Department
 4000 East River Road, NE
 Rochester, MN 55906-2813</p> |
|--|--|
16. General. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same instrument. The paragraph headings contained herein are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement. The invalidity or unenforceability of any

provisions hereof and this Agreement shall be construed in all respects as if such invalid or unenforceable provision were omitted.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

City of Rochester, a Minnesota municipal corporation

By: _____

Print Name: _____

Its: Mayor

[MUNICIPAL SEAL]

Attest: _____

Print Name: _____

Its: City Clerk

Approved as to Form: _____

Print Name: _____

Its: City Attorney

By: _____

Print Name: _____

Its: General Manager, Rochester Public Utilities

Address: City of Rochester
c/o Rochester Public Utilities
4000 East River Road NE
Rochester, MN 55905
Phone: (507) 280-1510

Federal Tax ID No.: _____

Lenwood Heights Association, Inc., a Minnesota Non-Profit Corporation

By: Barry K. Gilbert

Barry K. Gilbert, President

STATE OF _____)
) SS
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2011,
by _____,
and _____, the Mayor, City Clerk, and City Attorney and Rochester Public Utilities
General Manager, respectively, of the City of Rochester, a Minnesota municipal corporation, on behalf of the
corporation.

[seal]

Notary Public
My commission expires _____

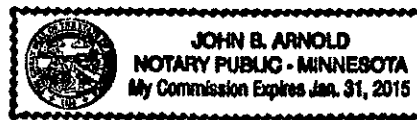
STATE OF MINNESOTA)
) SS
COUNTY OF OLMSTED)

The foregoing instrument was acknowledged before me on the 26th day of October, 2011, by
Barry K. Gilbert, the President of Lenwood Heights Association, a Minnesota non-profit corporation,
on behalf of the corporation.

[seal]



Notary Public
My commission expires _____



This document drafted by
Rochester Public Utilities
4000 East River Road NE
Rochester, MN 55906-2813

ATTACHMENT 1

PUBLIC UTILITY EASEMENT FORM – LENWOOD HEIGHTS WELL SITE

(See Attached Document)

PUBLIC UTILITY EASEMENT

THIS INDENTURE, made this ____ day of _____, 2011, by and between **Lenwood Heights Association, Inc.**, a Minnesota Non-Profit Corporation (hereinafter "Grantor"), and the **City of Rochester**, a Minnesota municipal corporation (hereinafter "Grantee");

WITNESSETH:

In consideration of the payment of ONE DOLLAR and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Grantor hereby grants, bargains, sells and conveys to Grantee an easement to operate and maintain Lenwood Heights water system infrastructure over, above and below the following described land in the County of Olmsted, State of Minnesota, to-wit:

Well Site, Lenwood Heights Subdivision, Olmsted County, Minnesota

Grantee, by acceptance of the rights herein granted, covenants and agrees that it will at all times be responsible for the maintenance and repair of any water system infrastructure located in the easement area at its cost and expense and that it will at all times maintain said infrastructure in a good useable condition. Grantee also agrees to release said Utility Easement when each property currently served by the Lenwood Heights Association water system is connected to the new City watermain and

ATTACHMENT "2"

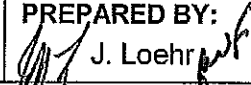
BILL OF SALE FORM - LENWOOD HEIGHTS ASSOCIATION WATER SYSTEM

(See Attached Document)

REQUEST FOR COUNCIL ACTION

MEETING

DATE: 12/5/11

AGENDA SECTION: CONSENT AGENDA	ORIGINATING DEPT: Public Works	ITEM NO.
ITEM DESCRIPTION: Agreements for Municipal Water Service: Lenwood Heights J7777		PREPARED BY:  J. Loehr

On June 20, 2011 the City Council adopted the findings of a Feasibility Report for the extension of city sanitary sewer and watermain in a project described as follows:

Project No. M8-17, J7777

"Extension of Sanitary Sewer and Watermain to Serve Lenwood Heights."

The Lenwood Heights Subdivision is currently served by a private water system. The Feasibility Report states, in part:

"...prior to the City undertaking the project ownership of the private water system must be transferred to the City by the Neighborhood Water Association without cost. In addition, each owner of property currently receiving water service from the private water system must enter into an Agreement for Municipal Water Service prior to the City assuming ownership of the private water system."

100% of the Lenwood Heights private water system owners have signed a private "Transfer of Well and Termination of Well Agreement". This Agreement authorizes the private Water Board President to sign the documents required to transfer ownership of the private water system to the City.

On November 29, 2011 the Rochester Public Utility Board approved a Purchase Agreement and a Letter of Understanding with the Lenwood Heights Association, Inc. to purchase the private water system. City Council consideration of the RPU Board action is on the December 5, 2011 City Council Agenda.

Public Works has received signed and notarized Agreements for Municipal Water Service from each and every owner of property that is currently served by the private water system.

The transfer of the Lenwood Heights private water system to the City can be finalized after the City Council approves RPU Board action and authorizes the Mayor and City Clerk to enter into the Agreements for Municipal Water Service.

COUNCIL ACTION REQUESTED:

- 1. Authorize the Mayor and City Clerk to enter into the Agreements for Municipal Water Service.**

Attachment: List of Property Owners

COUNCIL ACTION: Motion by: _____ Second by: _____ to: _____

Owners of Property that are Currently Connected to Lenwood Heights Private Water System

PIN	FEE OWNER		DELIVERY ADDRESS	PLAT NAME	LEGAL DESC
4.15.21.062824	Ryan J. Lambeau	Kellen V. Lambeau	1908 Maywood Rd SW	Lenwood Heights	Lot 1 Blk 1
4.15.21.062823	Donna M. Suk		1810 Maywood Rd SW	Lenwood Heights	Lot 2 Blk 1
4.15.21.062822	S. Wendell Obetz	Elizabeth J. Obetz	2015 Lenwood Dr SW	Lenwood Heights	Lot 3 Blk 1
4.15.21.062821	Andrew G. Engel	Nancy B. Engel	2027 Lenwood Dr SW	Lenwood Heights	Lot 4 Blk 1
4.15.21.062820	Lawrence F. Flicek	Gloria A. Flicek	2035 Lenwood Dr SW	Lenwood Heights	Lot 5 Blk 1
4.15.21.062819	Louis Letendre	Marie France Letendre	2043 Lenwood Dr SW	Lenwood Heights	Lot 6 Blk 1
4.15.21.062818	Gregory A. Kastner	Tamara A. Kastner	2051 Lenwood Dr SW	Lenwood Heights	Lot 7 Blk 1
4.15.21.062817	Jack H. Hurst	Virginia R. Hurst	2059 Lenwood Dr SW	Lenwood Heights	Lot 8 Blk 1
4.15.21.062816	Robert B. Tremain	Amy L. Tremain	2067 Lenwood Dr SW	Lenwood Heights	Lot 9 Blk 1
4.15.21.062815	William M. Damarel	Theresa H. Damarel	2075 Lenwood Dr SW	Lenwood Heights	Lot 10 Blk 1
4.15.21.062814	Walter E. Scudamore	Julie A. Scudamore	2079 Lenwood Dr SW	Lenwood Heights	Lot 11 Blk 1
4.15.21.062813	Paul D. Bauch	Adele R. Bauch	2109 Lenwood Dr SW	Lenwood Heights	Lot 12 Blk 1
4.15.21.062812	Mark D. Wodrich	Jessica J. Wodrich	2117 Lenwood Dr SW	Lenwood Heights	Lot 13 Blk 1
4.15.21.062811	Robert L. Phylky	Julia A. Phylky	2125 Lenwood Dr SW	Lenwood Heights	Lot 14 Blk 1
4.15.21.062810	Steven L. Pittelko	Rebecca L. Pittelko	2135 Lenwood Dr SW	Lenwood Heights	Lot 15 Blk 1
4.15.21.062809	Jeffrey T. Jones, Trustee		2203 Lenwood Dr SW	Lenwood Heights	Lot 16 Blk 1
4.15.21.062808	Gerald E. Lobland	Betty J. Lobland	2211 Lenwood Dr SW	Lenwood Heights	Lot 17 Blk 1
4.15.21.062807	Gregory Storey	Lisa Storey	2221 Lenwood Dr SW	Lenwood Heights	Lot 18 Blk 1
4.15.21.062806	Barry K. Gilbert	Judith A. Gilbert	2227 Lenwood Ct SW	Lenwood Heights	Lot 19 Blk 1
4.15.21.062805	James L. Tilbury	Deborah K. Tilbury	2034 Lenwood Dr SW	Lenwood Heights	Lot 1 Blk 2
4.15.21.062804	Walter A. Benscoter, Trustee Benscoter Trust U/A Dtd. 07/08/11	Kathryn A. Benscoter	2050 Lenwood Dr SW	Lenwood Heights	Lot 2 Blk 2
4.15.21.062803	William H. Cochran	Marcia L. Cochran	2064 Lenwood Dr SW	Lenwood Heights	Lot 3 Blk 2
4.15.21.062802	Judith A. Pucci		2112 Lenwood Dr SW	Lenwood Heights	Lot 4 Blk 2
4.15.21.062801	Robert J. Mesarchik	Marie C. Mesarchik	2120 Lenwood Dr SW	Lenwood Heights	Lot 5 Blk 2
4.15.21.062800	María A. Doty	Damon D. Doty	2132 Lenwood Dr SW	Lenwood Heights	Lot 6 Blk 2
4.15.21.062799	Jay R. Hansen	Nicole O. Hansen	2220 Lenwood Dr SW	Lenwood Heights	Lot 7 Blk 2
4.15.21.062798	Steven E. Overton	Darla R. Overton	2234 Lenwood Dr SW	Lenwood Heights	Lot 8 Blk 2
4.15.21.062797	Eilaine T. Bromelkamp		2304 Lenwood Dr SW	Lenwood Heights	Lot 9 Blk 2
4.15.21.062796	Travis W. Mueller	Jennifer Lee Mueller	2312 Lenwood Dr SW	Lenwood Heights	Lot 10 Blk 2
4.15.21.062795	Herman Bleimeyer	Raynelle F. Bleimeyer	2324 Lenwood Dr SW	Lenwood Heights	Lot 11 Blk 2
4.15.21.062794	Kevin D. Sikkink	Lisa L. Sikkink	2333 Lenwood Dr SW	Lenwood Heights	Lot 1 Blk 3
4.15.21.062793	Terence A. Gresser		2325 Lenwood Dr SW	Lenwood Heights	Lot 2 Blk 3
4.15.21.062792	Dana M. Puffer	Paula J. Zollman	2317 Lenwood Dr SW	Lenwood Heights	Lot 3 Blk 3
4.15.21.062791	Paul D. Pederson, Jr.		2309 Lenwood Dr SW	Lenwood Heights	Lot 4 Blk 3
4.15.21.062790	George S. Young	Malinda S. Young	2301 Lenwood Dr SW	Lenwood Heights	Lot 5 Blk 3
4.15.21.062789	Michael L. Polito	Carol L. Kames	2251 Lenwood Dr SW	Lenwood Heights	Lot 6 Blk 3
4.15.21.062788	Mary F. Callier		2242 Lenwood Ct SW	Lenwood Heights	Lot 7 Blk 3
4.15.21.062787	Mary J. Halverson		2252 Lenwood Ct SW	Lenwood Heights	Lot 8 Blk 3
4.15.21.062786	David J. Engstler	Lori A. Engstler	2225 Brook Ln SW	Lenwood Heights	Lot 9 Blk 3
4.15.21.062785	Bonn Harold Clayton, Jr.		2217 Brook Ln SW	Lenwood Heights	Lot 10 Blk 3
4.15.21.062784	Patrick L. Cawley	Bonnie M. Cawley	2209 Brook Ln SW	Lenwood Heights	Lot 11 Blk 3
4.15.21.062783	Gerald L. Melke	Karen J. Melke	2201 Brook Ln SW	Lenwood Heights	Lot 12 Blk 3
4.15.21.062782	Otto W. Salzwedel	Janice A. Salzwedel	2135 Brook Ln SW	Lenwood Heights	Lot 13 Blk 3
4.15.21.062871	James L. LeDant	Kathy A. LeDant	2127 Brook Ln SW	Lenwood Heights	Lot 14 Blk 3
4.15.12.062780	James W. Seiver	Janet A. Seiver	2119 Brook Ln SW	Lenwood Heights	Lot 15 Blk 3
4.15.12.062779	Leroy A. McCullough	Lols E. McCullough	2111 Brook Ln SW	Lenwood Heights	Lot 16 Blk 3
4.15.12.062778	Jerry Lee Goodrich	Lucy Marina Reiland	2103 Brook Ln SW	Lenwood Heights	Lot 17 Blk 3
4.15.12.062773	Gregory J. Trachsel		2212 Brook Ln SW	Lenwood Heights	Lot 5 Blk 4

FOR BOARD ACTION

Agenda Item #

Meeting Date:

SUBJECT:

Purchase of Lenwood Heights Water System

PREPARED BY:

Doug Rovang, Senior Civil Engineer

ITEM DESCRIPTION:

RPU staff and representatives of the Lenwood Heights Association, Inc., have agreed to terms under which the City would acquire the Lenwood Heights water system, a subdivision water system with 49 customers located within the City between Bamber Valley School and Highway 63 in southwest Rochester. (The water system customers are RPU electric customers.) The proposed Purchase Agreement and a separate Letter of Understanding are attached for Utility Board review. The Agreement specifies a total purchase price of one dollar (\$1) and other considerations. The anticipated closing date is mid-December, 2011. If approved by the Utility Board, the City Administrator will be asked to present the Board's resolution to the City Council at its first meeting in December, 2011. (The City Attorney's office has reviewed the purchase documents.)

Because the Lenwood Heights water system is scheduled to be connected directly to the municipal water system in 2012, staff proposes that the Lenwood Heights customers pay regular municipal water customer and commodity charges in accordance with RPU Rate Schedule WTR. Lenwood Heights customers will also pay the regular Fire Hydrant Facilities Charge in accordance with RPU Rate Schedule FHFC and the State-mandated Water Testing Fee.

Customers of the Lenwood Heights water system are all members of the Lenwood Heights Association, Inc., which owns the water system. Therefore, one of the conditions for City purchase of the water system is that each property owner signs an individual Agreement for Municipal Water Service. This Agreement, prepared by the City Public Works Department and City Attorney's office, contains terms and conditions required by the City Council prior to extension of City water and/or sewer service to the area, e.g., acceptance of future water and sewer related charges. At the time this Board agenda item was prepared, 47 of the 49 Lenwood Heights water system property owners had signed the Agreement.

UTILITY BOARD ACTION REQUESTED:

Staff recommends the Utility Board approve the Purchase Agreement for the Lenwood Heights water system and the separate Letter of Understanding dated October 12, 2011, and request the Common Council to authorize the Mayor and the City Clerk to execute the Purchase Agreement with the Lenwood Heights Association, Inc., for the purchase of the Lenwood Heights water system, and the individual Agreements for Municipal Water Service with each of the 49 Lenwood Heights water System owners.

General Manager

Date

ROCHESTER PUBLIC UTILITIES

REQUEST FOR COUNCIL ACTION

MEETING

DATE: 12/5/11

AGENDA SECTION: CONSENT AGENDA	ORIGINATING DEPT: Public Works	ITEM NO.
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ITEM DESCRIPTION: Final Design: Extension of Sanitary Sewer and Watermain to Serve Lenwood Heights, J7777	PREPARED BY: <i>J. Loehr</i>
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This is a proposal from WHKS & Company to provide Final Design Engineering Services for the following local improvement project:

Project No. M8-17, J7777

“Extension of Sanitary Sewer and Watermain to Serve Lenwood Heights.”

WHKS performed the Preliminary Design Analysis for Lenwood Heights. As such, WHKS is very familiar with Lenwood Heights. WHKS knows what needs to be included in the final design plan and specification for the Lenwood Heights project.

WHKS & Company is capable of providing the desired level of Final Design Engineering Services necessary to design a successful sanitary sewer and watermain extension plan to serve Lenwood Heights.

The Department of Public Works recommends that WHKS be retained to provide Final Design Engineering Services for the project. Compensation is proposed at the actual cost and expense fee structure with a not to exceed amount of \$25,818 to be funded by Sales Tax from the Water Quality Protection Program.

COUNCIL ACTION REQUESTED:

1. Adopt a resolution authorizing the execution of an Engineering Service Agreement with WHKS & Company to provide Final Design Services for project J7777 based on the actual cost and expense fee structure with a not to exceed amount of \$25,818.

Attachments: Engineering Service Agreement
Project Location Map

COUNCIL ACTION: Motion by: _____ Second by: _____ to: _____

Engineering Services for Sanitary Sewer and Watermain Extension Design for Lenwood Heights

A. Overview

The project includes preparation of final plans and specifications for a sanitary sewer and watermain extension to serve Lenwood Heights and Brook Lane SW. The design will incorporate previous preliminary work completed in the feasibility study. The sanitary sewer and watermain extensions are located on Lenwood Drive SW, Lenwood Court SW, Brook Lane SW and Woodcrest Lane SW. The design considerations will include comments received from the design advisory committee. The plans will be in a format to be incorporated into the City's bidding documents.

Items included in the preliminary analysis are not included in final design. Additional preliminary work will be billed separately at actual cost and expense.

B. Scope of Services:

1. Hold a Neighborhood design meeting with City Project Manager and WHKS team. Conduct meeting with team members and neighborhood to discuss the project scope and resident questions regarding the project.
2. Attend Design Advisory Committee meetings with City Project Manager and committee members to review the progress of design concepts and review final design. A total of three meetings are included.
3. Prepare final plans and specifications to show the character and scope of work to be performed by contractors for the sanitary sewer and watermain extension, to be incorporated into the City's bid documents.
4. Prepare opinion of probable construction cost on completed plans and specifications.
5. Prepare construction permit applications for the MPCA, MDH and Olmsted County.
6. Furnish copies of the plans, special provisions and other contract documents as required by the Client. Each deliverable will include a hard copy and an electronic copy. The electronic copy will be in MS Word, PDF or ACAD format as applicable for each deliverable.
7. Advise the Client of the necessity of obtaining Special Engineering Service, and act as the Client's representative in connection with any such services not actually performed by WHKS.
8. Answer contractor's questions during the public bidding phase.

The following services are excluded from the scope and may be completed under a future agreement.

1. Construction services, including, administration, staking, and observation.
2. Shop drawing review.
3. Additional geotechnical testing.
4. Easement acquisition assistance.

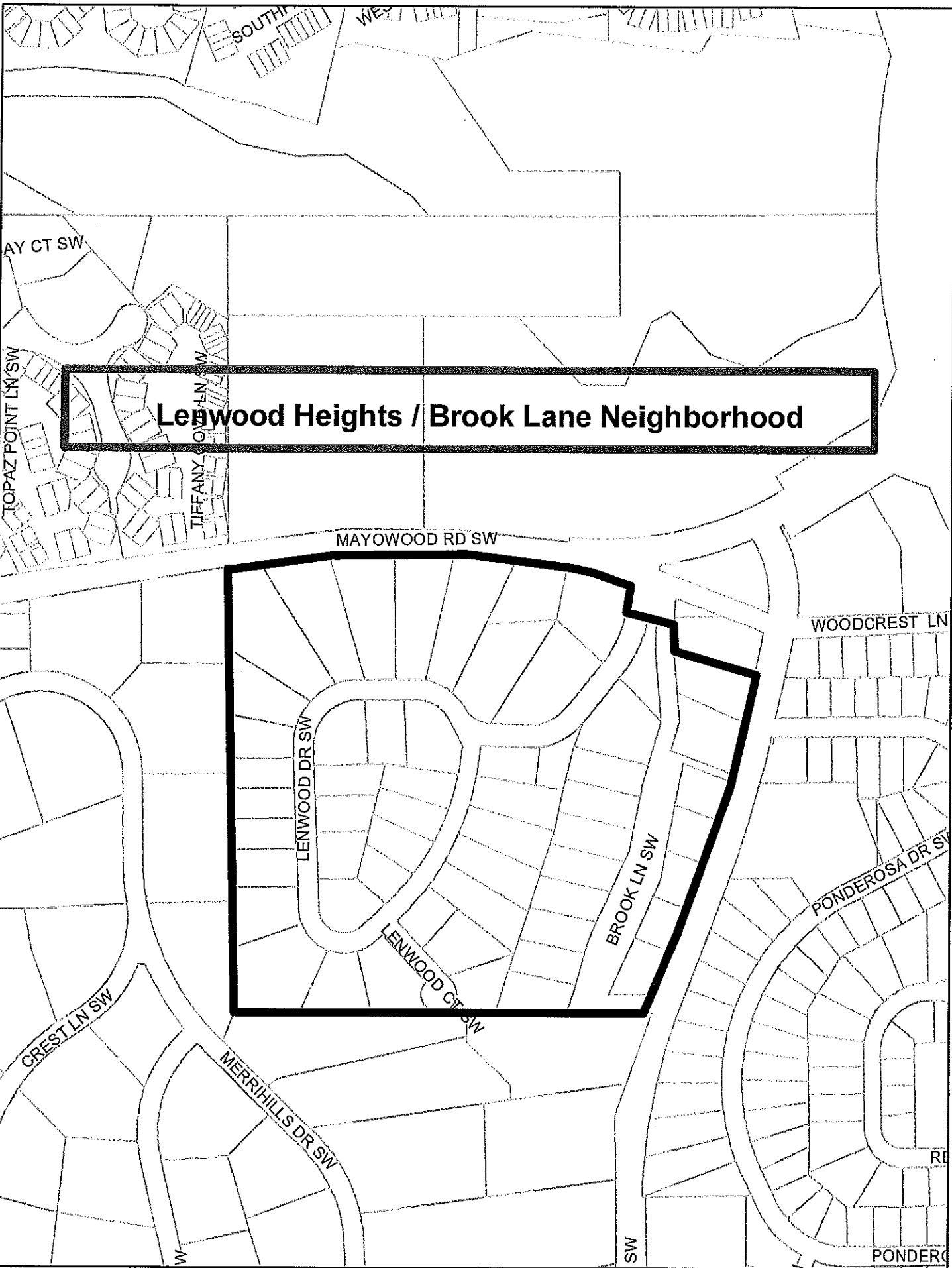
Work Plan Outline

PROJECT TITLE: Lenwood Heights Sanitary Sewer & Watermain Ext.

DATE: 11/8/11

DESCRIPTION OF PROFESSIONAL SERVICES OR TASKS	WHKS						TOTALS
	Angerman	Engstrom	Sikkink	Hruska	Moyer	Otomo	
	Project Manager	Senior Technician	Project Engineer	Project Surveyor	Eng. Tech 1	Eng. Tech 1	
Staff Assignment by Hours							
Task 1 Project Management and General Meetings							
1.1 Project Administration	10		16				26
1.2 Project Meetings & General Support	16		16				32
1.3 Meet with Residents		8					8
Subtotal Hours	26	8	32	0	0	0	66
Subtotal Fee	\$4,004.00	\$1,016.00	\$3,232.00	\$0.00	\$0.00	\$0.00	\$8,252.00
Task 2 Final Design							
2.1 Final Sanitary Sewer, Watermain, Culvert and Street Design	8		24			80	112
2.2 Opinion of Construction Costs			4			4	8
2.3 Specification General Preparation and Review			20				20
2.4 Construction Permit Preparation			8				8
2.5 Plan Sheet Layout and Revisions			6			8	14
2.6 Wetland Exemption Coordination	2		2				4
Subtotal Hours	10	0	64	0	0	92	166
Subtotal Fee	\$1,540.00	\$0.00	\$6,464.00	\$0.00	\$0.00	\$8,096.00	\$16,100.00
Task 3 Bidding							
3.1 Answer Contractor questions	2		8				10
Subtotal Hours	2	0	8	0	0	0	10
Subtotal Fee	\$308	\$0	\$808	\$0	\$0	\$0	\$1,116
TOTAL HOURS	38	8	104	0	0	92	242
HOURLY RATES	\$154	\$127	\$101	\$101	\$78	\$88	
SUBTOTAL ESTIMATED FEE	\$ 5,852	\$ 1,016	\$ 10,504	\$ -	\$ -	\$ 8,096	\$25,468
ESTIMATED EXPENSES							\$350
SUBCONTRACTORS							\$0
TOTAL ESTIMATED FEE + EXPENSES							\$25,818

Estimated Expenses - WHKS
Mileage \$50
Postage and Printing \$300
Other \$0
Subtotal Fee \$350



Lenwood Heights / Brook Lane Neighborhood

MAYWOOD RD SW

WOODCREST LN

LENWOOD DR SW

BROOK LN SW

LENWOOD CT SW

CREST LN SW

MERRIHILLS DR SW

PONDEROSA DR SW

PONDEROSA DR SW

RE

PONDERC

Lenwood Sanitary Sewer and Watermain Project
Tentative Schedule

Completed

Design Advisory Committee Meeting	August 2, 2011
Design Advisory Committee Meeting	August 23, 2011
Design Advisory Committee Meeting	September 13, 2011
Design Advisory Committee Meeting	September 27, 2011
Design Advisory Committee Meeting	October 11, 2011
Design Advisory Committee Meeting	December 6, 2011

Scheduled

City Council Approval of Water System Transfer, Agreements for Municipal Water Service, and Final Design Services	December 19, 2011
Transfer of Water System Finalized	December 20, 2011
Design Advisory Committee Meeting	January 10, 2012
Design Advisory Committee Meeting	January 31, 2012
Neighborhood Design Meeting	February 14, 2012
Design Advisory Committee Meeting	February 28, 2012
Final Design Completed	March 2, 2012
Advertise for Bids	March 5, 2012
Award of Contract	April 16, 2012
Construction Information to Property Owners	Week of May 1, 2012
Commence Construction	May 7, 2012
Weekly Construction Meetings & Updates	May - October 2012
Complete Construction	October 19, 2012