

**UTILITIES COMMISSION**  
**January 6, 2016**

The regular meeting of the Baxter Utilities Commission was called to order at 5:30 p.m. by Chairman Rock Yliniemi.

MEMBERS PRESENT: Commissioners Jack Christofferson, Dave Franzen, Doug Wolf, Chairman Rock Yliniemi and Council Liaison Mark Cross.

MEMBERS ABSENT: Commissioner Shawn Crochet.

STAFF PRESENT: Public Works Director/City Engineer Trevor Walter and Administrative Assistant Mary Haugen.

OTHERS PRESENT: WSN Consulting Engineer Aric Welch, SEH Consulting Engineer Scott Hedlund, Bolton & Menk Consulting Engineer Mike Rardin, WSB Consulting Engineer Chuck Rickart and WSB Project Manager Shawn Tracy.

**APPROVAL OF MINUTES**

**MOTION** by Commissioner Wolf, seconded by Commissioner Franzen to approve the Utilities Commission minutes of December 2, 2015. Motion carried unanimously.

**BOLTON & MENK, INC. 2015 CHIP SEAL IMPROVEMENTS PROJECT REIMBURSEMENT REQUEST**

Bolton & Menk Consulting Engineer Mike Rardin reviewed the original contract for the 2015 Chip Seal Improvement Project. Crow Wing County was the primary project administrator for both bidding and contract administration services for the project.

Bolton & Menk original proposal for engineering services was broken down to the following hourly estimated costs:

- |                                     |            |
|-------------------------------------|------------|
| • Engineering Design Services       | \$7,950.00 |
| • Construction Observation Services | \$6,400.00 |

Mr. Rardin explained that time and cost to perform the services listed above exceeded what was estimated based on the following reasons:

1. Additional time was needed during project development to determine the actual streets and trails to be chipsealed
2. Pavement marking revisions and updates
3. Multiple revisions to streets and trails proposed to be chipsealed
4. Street and trails were re-evaluated and revised to maximize the streets to be chipsealed
5. Fairview Road, Brainerd section, was added to the project
6. Contractor performed the work slower than normal as well as exceeded the contract completion dates

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Based on the items listed, Bolton & Menk estimated the streets, trail and pavement markings added \$2,890.00 and the inefficient contractor operations added \$4,274.00 to their design and construction observation costs for the reimbursement request of \$7,164.00.

Commissioner Wolf inquired how the contractor inefficiency will play into future chip sealing projects. Public Works Director/City Engineer Walter explained that it can always play into future projects; however, two things the City cannot control, was the contract was with Crow Wing County Highway Department and the contractor that actually completed the work was not the prime contractor for the project. The city needs to look into altering the contract specifications to address subcontractors and most likely go to a working day contract instead of a start and final completion date contract.

The project had two crews which consisted of the prime contractor whose responsibility was the county roads and the subcontractor who did the urban areas. There are different operations between the county and city; the county sweeps the road but uses the chip seal product for shouldering whereas the city requires the roadway to be swept and the leftover product needs to be picked up and hauled away. There are a few other operations that also are different between rural County roads and City streets.

Commissioner Franzen expressed concern over the request, stating that construction observation is always a problem, additional funds are requested and the situation needs to be remedied for future projects. Public Works Director/City Engineer Walter stated the problem was not with the engineering firm's quality of work but the actual construction operations and the City may need to be in control of the actual contract in order to have more control of the project. Staff will look at making changes for 2016.

**MOTION** by Commissioner Wolf, seconded by Council Liaison Cross to recommend City Council approve the Bolton & Menk Reimbursement Request for the 2015 Chip Seal Improvements Project in the amount of \$7,164.00. Motion carried unanimously.

Commissioner Franzen reiterated his request that construction observation needs to be reviewed.

### **WSB WHISKEY CREEK TRIBUTARY PROJECT FUNDING OPTIONS**

WSB Project Manager Shawn Tracy gave a brief update on the project history for the Baxter Water Quality for the Whiskey Creek Tributary to the Mississippi River Project. The purpose of tonight's presentation was to review funding options for consideration, strategies and/or funding for land acquisition and a recommended course of action and timeline.

The area is a 70 acre parcel north of Excelsior Road and west of Cypress Drive and east of Golf Course Drive which is owned by Good Samaritan Society. The property owners plan to build on

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a large portion of the property which will provide senior care and services in a park like setting. The property has direct access to the Paul Bunyan State Trail.

Funding opportunities include:

1. Clean Water Fund – MN Board of Soil and Water Resources
2. Clean Water Partnership Loan Fund – Minnesota Pollution Control Agency
3. Clean Water State Revolving Funding – Minnesota Pollution Control Agency
4. Other Sources

Land Acquisition Funding Opportunities include:

1. Land and Water Conservation Fund and Outdoor Recreation Grant – Nation Park Services and Minnesota DNR
2. Clean Water Partnership Loan Program – Minnesota Pollution Control Agency
3. Community Development Block Grant (Small Cities Development Grant) – Minnesota Department of Employment and Economic Development and U.S. Department of Housing and Urban Development
4. Water & Waste Disposal Loan & Grant Program – USDA Rural Development

Mr. Tracy stated that discussion will need to be held soon with representatives from Good Samaritan regarding the 12 acres north of Excelsior Road that will be needed for stormwater infrastructure project.

Stormwater runoff discharges to Whiskey Creek in the vicinity of Fleet Farm and the Good Samaritan property on Golf Course Drive; Whiskey Creek makes its way through the Northland Arboretum and a major wetland before emptying into the Mississippi River.

The City of Baxter currently has the Whiskey Creek Tributary Project scheduled for 2017 in the 5-Year CIP. A grant application for construction and possible property acquisition would need to be submitted this year. Mr. Tracy felt that partnering with the Board of Soil and Water Resources would be the most beneficial to the city for all grant opportunities.

### **WSB MONTHLY REPORT ON THE 2015 ISLE DRIVE EXTENSION IMPROVEMENT PROJECT**

WSB Consulting Engineer Rickart gave a brief update on the 2015 Isle Drive Extension Improvement Project. The Isle Drive and CSAH 48 project has been under construction since mid-May 2015. RL Larson Excavating together with their subcontractors have completed all primary work on the project including all major issues identified in the final punch list.

RL Larson requested and was granted a contract extension to December 1, 2015 to complete four primary items including:

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1. Placing signs at the entrance to the bike and pedestrian path indicating “No Motorized Vehicles Permitted”.
2. Completing the two pedestrian flasher systems on the project.
3. Determining final volume and price of the remaining top soil to be purchased by the City.
4. Disposing of the debris pile of trees and stumps located behind the new lift station #23.

Each of these items was completed prior to the December 1, 2015 completion date. There are some warranty items that will need to be reviewed in the spring of 2016 including insuring the storm water ponds all drain and a few bituminous low areas adjacent to the curb and gutter.

### **2015 ISLE DRIVE EXTENSION IMPROVEMENT PROJECT CHANGE ORDER NO. 3**

WSB Consulting Engineer Rickart reviewed Change Order No. 3 for the 2015 Isle Drive Extension Improvement Project. WSB Consulting Engineer Rickart had no concerns with the Change Order No. 3 and recommends approval. The change order items are listed below:

- CSAH 48 Drainage Flume – The County requested that a drainage flume be constructed at the end of the curb and gutter on westbound CSAH 48 in the northwest quadrant of the intersection. This was installed to insure that erosion does not occur where the storm water is coming off the gutter into the ditch section and to minimize potential maintenance of the slope.
- Bike Symbol Pavement Markings – Six bike symbol pavement markings were added to the bike lanes on Isle Drive north of CSAH 48. These were included in the areas where the bike lane is between the right turn lane and the through lane of traffic. They were not included in the original plan.
- SE Quadrant Grading to 4:1 Slope – The original plan provided a 3:1 slope adjacent to CSAH 48 behind the path in the southeast quadrant of the intersection. After the path was installed it was determined that a 4:1 slope should be graded to insure the slope can be maintained and so that the shading of the roundabout area was minimized. This required: clearing and grubbing additional trees; re-grading the slope from the intersection east to the new right-in/right-out driveway to the Johnson property, and; lowering a fiber optic line.
- F&I GV and MH Posts – The contractor was requested to furnish and install posts for City installed signs at each Gate Valve and Manhole.

**MOTION** by Council Liaison Cross, seconded by Commissioner Franzen to recommend City Council approve the R. L. Larson Excavating Change Order No. 3 in the increased amount of \$22,740.00 for the 2015 Isle Drive Extension Improvements Project. Motion carried unanimously.

**2015 ISLE DRIVE EXTENSION IMPROVEMENT PROJECT CHANGE ORDER NO. 4**

WSB Consulting Engineer Rickart reviewed Change Order No. 4 for the 2015 Isle Drive Extension Improvement Project. WSB Consulting Engineer Rickart had no concerns with the Change Order No. 4 and recommends approval. The change order items are listed below:

- Screening Top Soil – As a result of several factors the contractor was required to provide screening of the salvaged top soil on the project. The contractor expended significant additional labor and equipment costs to insure the top soil was suitable for turf establishment and the ultimate mowing of the boulevard areas. These factors included:
  1. The site was a wooded undisturbed area with extension root systems from the mature trees in the area.
  2. A clearing contract was let previously to clear the 22 acre project area as required for mitigation of the Long Eared Bat habitat. This contract was not completed prior to the bidding of the current contract. The contractor did not assume the full extent of the impact the root and branch debris from the clearing was going to have on the salvable top soil. The contractor placed the top soil in two piles, one south of CSAH 48 and one north of CSAH 48. After review of these piles it was determined that the top soil would not be acceptable for placing in the boulevards areas. This required the screening of the top soil to remove this debris.
- The contractor's actual time and material costs spent screening the top soil was \$95,270.65. A spread sheet showing the costs is attached. It was agreed with the contractor that approximately 50% of these costs would be fair compensation for this work.
- Top Soil Excess – After the screening an excess pile of 1,280 CY's of top soil remains. This is currently the contractor's property. The contractor is requesting 220 CY's to complete their other projects in the Baxter area next spring. The remaining 1,060 CY's is available to be purchased by the City. Currently, the City purchases suitable top soil yearly for use in maintenance activities. Having this top soil stock piled and available will save time and cost for the City to purchase and haul next year.

**MOTION** by Council Liaison Cross, seconded by Commissioner Franzen to recommend City Council approve the R. L. Larson Excavating Change Order No. 4 in the increased amount of \$47,680.00 for the 2015 Isle Drive Extension Improvements Project. Motion carried unanimously.

**2015 ISLE DRIVE EXTENSION IMPROVEMENT PROJECT FINAL PAY ESTIMATE NO. 7**

WSB Consulting Engineer Rickart reviewed the Final Pay Estimate No. 7 for the 2015 Isle Drive Extension Improvements Project. WSB Consulting Engineer Rickart had no concerns with the Final Pay Estimate No. 7 and recommends approval.

**MOTION** by Council Liaison Cross, seconded by Commissioner Franzen to recommend City Council approve the R. L. Larson Excavating Final Pay Estimate No. 7 in the amount of \$339,827.37 for the 2015 Isle Drive Extension Improvement Project. Motion carried unanimously.

**SEH MONTHLY REPORT ON THE 2015 MILL AND OVERLAY IMPROVEMENTS PROJECT**

SEH Consulting Engineer Hedlund gave a brief update on the project. All work for 2015 ended the week of November 2, 2015. Reclaiming and paving operations for Edgewood Drive north of Clearwater Road and at the Glory Road/Isle Drive intersection are planned to resume and be completed in May 2016 depending on the weather in the spring of 2016.

**2015 MILL AND OVERLAY IMPROVEMENTS PROJECT TESTING FEE SERVICES**

SEH Consulting Engineer Hedlund explained the fee increase is for construction materials testing for concrete work by their subcontractor Braun Intertec. The original and amended testing budget did not include concrete testing and was primarily based on the original mill and overlay construction quantities.

Also note that the project's scope changed significantly when more full depth reclamation was required than originally anticipated. The original contract was for more mill and inlay which is significantly less testing requirements.

SEH Consulting Engineer Hedlund noted that the project is still under budget compared to the numbers presented at the final assessment hearing.

**MOTION** by Commissioner Franzen, seconded by Commissioner Wolf to recommend City Council approve the 2015 Mill and Overlay Improvements Project Testing Fee Services increase in the amount of \$25,137.00. Motion carried unanimously.

**SEH MONTHLY REPORT ON THE 2015 EXCELSIOR ROAD IMPROVEMENTS PROJECT**

SEH Consulting Engineer Hedlund gave a brief update on the project. The project is near final completion and they are waiting for submittal of the IC134's. SEH is working on as built drawings for the City.

**2015 EXCELSIOR ROAD IMPROVEMENTS PROJECT FINAL PAY ESTIMATE NO. 7**

SEH Consulting Engineer Hedlund submitted Final Pay Estimate No. 7 for the 2015 Excelsior Road Improvements Project to the commission. SEH Consulting Engineer Hedlund has no concerns with Final Pay Estimate No. 7 and recommends approval.

SEH Consulting Engineer Hedlund informed the commission the project is still under budget compared to the numbers presented at the final assessment hearing..

**MOTION** by Commissioner Franzen, seconded by Commissioner Christofferson to recommend City Council approve the Anderson Brothers Final Pay Estimate No. 7 in the amount of \$107,075.84 for the 2015 Excelsior Road Improvements Project. Motion carried unanimously.

**SEH MONTHLY REPORT ON THE 2016 FAIRVIEW ROAD AND TRAIL IMPROVEMENT PROJECT**

SEH Consulting Engineer Hedlund gave an update on the project. The 2016 Fairview Road project will proceed but the separated off-street trail component will not be part of the plan. City Council has removed all grade separated bike and pedestrian trails from the project in 2016.

**2016 FAIRVIEW ROAD AND TRAIL IMPROVEMENTS PROJECT FEASIBILITY REPORT**

The 2016 Fairview Road and Trail Improvements Project Feasibility Report was submitted to the commission as information only. City Council approved the feasibility report at the January 5, 2016 council meeting.

**WSN MONTHLY REPORT ON THE 2015 DELLWOOD DRIVE, NOVOTNY ROAD, INGLEWOOD DRIVE AND INDEPENDENCE ROAD IMPROVEMENTS PROJECT**

WSN Consulting Engineer Welch gave a brief update on the 2015 Dellwood Drive, Novotny Road, Independence Road and Inglewood Drive Improvements Project.

**Work Completed to Date**

Independence Road: Work is complete and ready for final payment.

Inglewood Drive: Work is substantially complete except for the bituminous trail between Fairview Road and Inglewood Drive. There are also several punch list items that will not be completed until next spring.

Dellwood Drive and Novotny Road: All underground work on Dellwood Drive and Novotny Road is complete and tested. Roadway work is complete through the bituminous base course. Grading and topsoil is complete and the project has been temporary seeded and mulched for the winter.

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The Contractor has been working on locating a leak in the Audubon Way watermain extension since early December. The location of the leak has been narrowed down to the section of directional drilled pipe between Hilltop Trailer Sales and Holiday Inn & Suites.

### Project Schedule

The Contractor has suspended operations and will begin work again next spring.

### Completion Dates

Per Change Order No. 2 Agreement, work will on Dellwood Drive and Novotny Road will be suspended for the winter as long as the conditions in the agreement have been satisfied. Work will commence in the spring with the revised substantial completion date of May 26, 2016 and final completion date of June 9, 2016.

### Easements

Dellwood Drive and Novotny Road right-of-way: One roadway easement remains to be signed on Dellwood Drive.

Audubon Way watermain extension: Hilltop Trailer Sales has agreed to the easement and has given the City written permission to proceed with the Audubon Way watermain extension; however, the easement is currently being held up by the bank financing the property.

### Engineering

Independence Road and Inglewood Drive record drawings are complete and will be sent to City staff for review. Dellwood Drive and Novotny Road record drawings will be completed next spring after the Contractor completes the project. The Contractor has not asked for a partial pay estimate this period. We will be meeting with the Contractor next month to discuss quantities and anticipate a partial pay estimate will submitted in February.

## **EXCELSIOR ROAD, FAIRVIEW ROAD AND EDGEWOOD DRIVE FEASIBILITY REPORT**

WSN Consulting Engineer Welch informed the commission this report was to study the feasibility of reconfiguring an existing transportation corridor configuration located northwest of the T.H. 210 / T.H. 371 intersection on Excelsior Road.

Recently two private developments in the project area have been under consideration, expediting the need for consideration of the proposed improvements. The recommendation is to construct a single lane roundabout at the intersection of Excelsior Road with Fairview Drive from the south and Edgewood Drive from the north.

After an extensive discussion on the road, water, sanitary sewer, and storm sewer layouts were covered the Commission consensus was that the remaining items that needed decisions were policy decisions that needed to be made directly by City Council.

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**MOTION** by Commissioner Wolf, seconded by Commissioner Christofferson to recommend City Council approve the Excelsior Road, Fairview Road and Edgewood Drive Feasibility Report. Motion carried unanimously.

**CROW WING COUNTY'S 2016 DELLWOOD DRIVE RECONSTRUCTION PROJECT LETTER**

The Crow Wing County 2016 Dellwood Drive Reconstruction project letter was submitted to the commission as information only. Crow Wing County will begin tree clearing of the right-of-way starting on Monday, January 4<sup>th</sup> weather permitting.

Mike's Tree Service has been contracted to complete the work and it is expected to be completed within a few days after they start.

**MILLS INDOOR SHOOTING RANGE PROJECT DEVELOPMENT AGREEMENT FINAL ACCEPTANCE**

Public Works Director /City Engineer Walter informed the commission that Mills Indoor Shooting Range Project Development Agreement can now be closed out since the project has been completed per the Development Agreement and City specifications.

**MOTION** by Commissioner Christofferson, seconded by Commissioner Franzen to recommend City Council approve the final acceptance of the Mills Indoor Shooting Range Project as per the Development Agreement. Motion carried unanimously.

**NORTHERN LAKES SENIOR LIVING PROJECT DEVELOPMENT AGREEMENT FINAL ACCEPTANCE**

Public Works Director /City Engineer Walter informed the commission that Northern Lakes Senior Living Project Development Agreement can now be closed out since the project has been completed per the Development Agreement and City specifications. Final acceptance of the project can be done by the City and the Irrevocable Letter of Credit No. 105887734 in the amount of \$89,510.44 can be released.

**MOTION** by Commissioner Wolf, seconded by Commissioner Christofferson to recommend City Council approve the final acceptance of the Northern Lakes Senior Living Project as per the Development Agreement and release the Irrevocable Letter of Credit No. 105887734 in the amount of \$89,510.44 to TM Excelsior, LLC. Motion carried unanimously.

**WATER METER AMI/AMR**

The Water Meter AMI/AMR was submitted to the commission as information only. The project is proceeding in 2016.

**WASTEWATER TREATMENT PLANT CHARGES FOR NOVEMBER 2015**

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The Brainerd Public Utilities Wastewater Plant Charges for November 2015 was submitted to the commission as information only.

**SPECIAL MEETING**

Public Works Director/City Engineer Walter requested the commission set a special meeting for January 20, 2016 to review the Bolton & Menk Pavement Management Program.

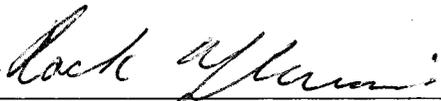
**MOTION** by Council Liaison Cross, seconded by Commissioner Christofferson to set a special meeting for January 21, 2016 at 5:00 p.m. to review the Bolton & Menk Pavement Management Program. Motion carried unanimously.

**ADJOURNMENT**

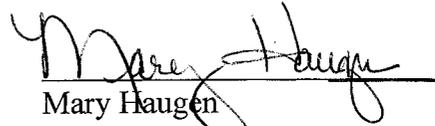
**MOTION** by Commissioner Wolf, seconded by Council Liaison Cross to adjourn the meeting at 8:30 p.m. Motion carried unanimously.

Approved by:

Submitted by,



Rock Yliniemi  
Chairman



Mary Haugen  
Administrative Assistant