



REQUEST FOR ACTION

Reconstruction of Center Street E from the Zumbro River Bridge to 11th Ave NE/SE - Project No. J7348

MEETING DATE:

November 3, 2025

ORIGINATING DEPT:

Public Works

AGENDA SECTION:

Public Hearings

PRESENTER:

Amy Kreofsky

Action Requested:

Authorizing Council Action for the following:

Public Improvement Hearing

1. Adopting a Resolution ordering the improvements and preparation of plans for the Reconstruction of Center Street E from the Zumbro River Bridge to 11th Ave NE/SE - Project No. J7348

Assessment Hearing

2. Adopting a Resolution levying the proposed assessments related to the Reconstruction of Center Street E from the Zumbro River Bridge to 11th Ave NE/SE - Project No. J7348

Report Narrative:

Center St E pavement and public utilities are nearing the end of their useful life. This project will address the aging infrastructure and include full reconstruction of the two-lane urban concrete roadway, sanitary sewer, storm sewer, and water main. The reconstruction will modify the roadway geometry and align it with the City's Complete Street Policy. Pedestrian ramps will be reconstructed to meet current Americans with Disabilities Act (ADA) standards. A mini-roundabout will be installed at the intersection of 11th Ave and E Center St. Additionally, maintenance of the Center St Bridge over the Zumbro River will be completed.

A portion of this project will be funded through special assessments. The use of special assessments requires the City to follow MN Statutes Chapter 429. On September 8, 2025, the Common Council initiated Chapter 429 proceedings by ordering the feasibility report, accepting the feasibility report, calling for a public improvement hearing, and an assessment hearing. The hearing dates were set for November 3, 2025.

Notice for both hearings has been mailed to affected property owners and published in the City's official newspaper, as required by state statute.

Project Cost to be Assessed

The estimated project cost to be assessed is \$574,841.79.

If the City Engineer subsequently determines that the assessments to be collected for the project exceed the actual costs, they may direct the City Clerk to modify the assessment rolls appropriately, thereby reducing the amounts on each parcel for which assessments are to be collected.

Project Cost Distribution

An assessment role was prepared in accordance with the City Assessment Policy adopted in 2022. A portion (25%) of the qualifying street reconstruction items would be paid from assessment charges to abutting property owners, and water service line replacement will be charged at the rate established in the fee schedule.

Assessment Period

All assessments are proposed for payment over ten years, with interest charged at a rate of 5% annually on the unpaid balance. This hearing is adopting the assessments. However, billings and certification will not be sent until the project is substantially completed. If work is completed in 2026, property owners will see the assessment on their 2027 tax statements.

The total estimated construction cost for this project, including 10% construction contingencies, is \$6,553,998.99. The total project cost, including engineering, administrative, and other indirect costs, is \$7,445,226.

Public Works recommends that the Council:

1. Conduct the Improvement Hearing
2. Adopt a Resolution Ordering the Project and Preparation of Plans
3. Conduct the Assessment Hearing
4. Adopt a Resolution Levying Special Assessments

Priorities & Foundational Principles:

Fiscal Responsibility & Sustainability

Public Safety

Policy Considerations & DEI Impact:

The project aligns with the recently completed Active Transportation Plan. Active transportation includes walking and rolling, biking, other forms of non-motorized transportation, and micro-mobility as part of the broader vision of a well-planned transportation network supporting a variety of walkable, mixed-use, and mixed-income development patterns that improve economic opportunity and the quality of life for residents and visitors. This project will improve our bicycle network connectivity, equity, and safety, which are guiding principles of the City's Active Transportation Plan. This project also supports the City's Complete Streets Policy to consider all modes of transportation in our community when making infrastructure improvements.

The Council adopted an updated Assessment Policy in 2022, and this project is being prepared in accordance with that policy. Eligible costs to be assessed include all of the work to reconstruct the street, excluding the utility replacements. A portion (25%) of the street reconstruction costs is shared proportionately amongst the neighboring properties (based on estimated market value), and the remaining street items (75%) are funded with other City sources. Water services that are being replaced will be accessed to the property owner at the rate established in the City Fee Schedule.

Prior Legislative Actions & Community Engagement:

February 27, 2013: Council Meeting - ADA Transition Plan adopted

November 2, 2022: Council Meeting - Active Transportation Plan adopted

April 8, 2024: Council Meeting - Contract with Short Elliot Hendrickson Inc. for Professional Engineering Design Services for Reconstruction of Center St E - Project No. J7348

September 9, 2024: PBAC Meeting - Presentation of Concepts

September 11, 2024: Public Open House 1

November 18, 2024: Council Meeting - Layout Approval and Support for Utilization of Grant Funds from the State Active Transportation Infrastructure Program for Center St East from Zumbro River Bridge to

11th Ave NE/SE - Project No. J7348

February 12, 2025: Public Open House 2

July 7, 2025: Council Meeting - Contract Amendment with Short Elliot Hendrickson Inc. for Professional Engineering Design Services for Reconstruction of Center St E - Project No. J7348

September 8, 2025: Council Meeting - Feasibility Report, Ordering of Project Hearing and Assessment Hearing

September 15, 2025: Project Hearing and Assessment Hearing Notice were mailed to the affected property owners

October 4, 2025: Project Hearing and Assessment Hearing posted in Post Bulletin

October 18, 2025: Project Hearing and Assessment Hearing posted in Post Bulletin

Fiscal & Resource Impact:

The total estimated project cost is \$7,445,226.13 including 25% Engineering, Interest, and Contingences (EICs), with an estimated \$574,841.79 being assessed to abutting parcels. The following are the estimated funding sources/amounts for this project including engineering and contingencies:

Funding Sources	Amount
Assessments	\$574,842
Municipal State Aid	\$4,498,891
Water Utility	\$1,387,269
Sewer Utility	\$946,223
City Reserves (J2200)*	\$13,000
Estimated Total Project Funding	\$7,445,226

*For temporary easement required to construct the project.

Alternative Action(s):

No alternative actions are suggested at this time.

Prepared By:

Amy Kreofsky

Attachments:

[Assessment Roll - Reconstruction of Center St E - Project No. J7348](#)

[Public Improvement and Assessment Hearing Notice - Reconstruction of Center St E - Project No. J7348](#)

[Assessment Map - Reconstruction of Center St E - Project No. J7348](#)

[Resolution - Adopting Assessments - Reconstruction of Center St E - Project No. J7348](#)

[Resolution - Approving Plans and Specs and Ordering Ad for Bid - Reconstruction of Center St E - Project No. J7348](#)