

PUBLIC HEARING –PROJECT SUMMARY
Phase 1A - Wastewater System and Associated Watermain Improvements
Oronoco, MN
February 2021

I. Proposed Improved Area: Areas to be served by the Phase 1A wastewater system and watermain improvements are summarized below. The attached Project Location Map illustrates the Phase 1A improvement area and identifies which parcels are proposed to receive sanitary sewer and / or municipal water service as part of the project.

- ***Downtown Oronoco (east of TH 52):*** Including properties adjacent to portions of 5th Street NW, 5th Street NE, 4th Street NW, 4th Street NE, 2nd Street NW, 2nd Street NE, 1st Street NE, 1st Street NW, West Center Street, East Center Street, 1st Street SW, 1st Street SE, River Street SW, 2nd Street SW, 2nd Street SE, 3rd Street SW, 3rd Street SE, 4th Street SW, 4th Street SE, 5th Street SW, 5th Street SE, 6th Street SE, 7th Street SE, 2nd Avenue NW, 1st Avenue NW, Minnesota Avenue North, Minnesota Avenue South, 1st Avenue NE, 1st Avenue SE, 1st Avenue SW, 1st Avenue NW, 2nd Avenue NE, 2nd Avenue SE and 2nd Avenue SW.
- ***River Park Subdivisions:*** Including properties adjacent to portions of 5th Street SE, 6th Street SE, River Park Place SE, Eagle View Lane SE, River Park Road SE, River Park Road, River Park Lane SE, Forest View Lane SE, and Timberline Drive SE.
- ***Cedar Woodlands I & II Subdivisions:*** Including properties adjacent to portions of Woodlands Lane SE, Cedar Drive SE, Cedar Point Road SE, Cedar Point Lane SE, Norman Lane SE.
- ***Oronoco Crossings Subdivision:*** Including properties adjacent to portions of Lake Shady Avenue South and Energy Lane SW
- ***Riverwood Hills 1-4 Subdivisions:*** Including properties adjacent to portions of Valley View Road SW, Valley View Lane SW, Valley View Drive SW, Sunny View Lane SW, Riverwood Drive SW, Shady Oak Lane SW, Riverwood Lane SW, Istas Lane SW, Chenoa Lane SW, Alona Lane SW, 12th Street SW, and 3rd Avenue SW.
- ***Woodsvew 3rd Subdivision:*** Including select properties adjacent to Forest Lane SW and Treetop Lane SW.
- ***Woodsvew Subdivision:*** Including select properties adjacent to portions of 7th Street SW between Lake Shady Avenue and 4th Avenue SW.
- ***Stolps Cove Subdivision:*** Including properties adjacent to 1st Place SW.
- ***NW Oronoco (west of TH 52):*** Including properties adjacent to portions of 1st Street NW, West Center Street between 12th Lane SW and Lake Shady Avenue North, and 9th Avenue NW.
- ***Oronoco Estate Mobile Home Community:*** Located at the northeast quadrant of the TH 52 / 85th Street NW intersection.

II. Proposed Wastewater System Improvements are intended to provide the Phase 1A project area with a municipal wastewater collection, conveyance, and treatment systems. The wastewater system is proposed to be expanded in the future to serve the remaining developed parcels in Oronoco City limits as part of Phase 1B which is tentatively planned for ~2030 and Phase 1C - future development anticipated over the next 20-years. Wastewater system improvements can be broken down into the following three categories.

- **Lateral Sanitary Sewer Facilities** include construction of lateral gravity sanitary sewer pipe (8" diameter and smaller) and low pressure sewers with individual grinder stations and small diameter forcemain pipe. These two types of lateral sewer systems (gravity and low pressure sewer) will each serve different parts of the City based upon the topography in a given area and work together to convey sewage from individual homes / businesses to the trunk sewer system.
- **Trunk Sanitary Sewer Facilities** include the construction of components of the sanitary sewer collection system that intercept and convey sewage collected by the lateral sewer. Components of the proposed trunk sewer system include a combination of gravity trunk sewer pipe and five pump stations & associated forcemain pipe that together will convey all of Oronoco's wastewater to a central pump station to be located in River Park. The River Park pump station will pump all wastewater to the proposed WWTF via a forcemain pipe along Minnesota Avenue S.
- **Wastewater Treatment Facility (WWTF)** is to be located approximately ¼ mile east of TH 52 and ½ mile north of 85th Street NW. The WWTF will have an average wet weather design flow of 0.638 MGD and will discharge effluent into the Middle Fork Zumbro River downstream of Oronoco. The WWTF will be a state of the art treatment facility producing high quality effluent and generally consists of the following treatment units: fine screen, grit removal, pre-equalization tank, activated sludge treatment with biological nutrient removal and backup chemical nutrient removal, post-equalization tank, effluent filters, ultraviolet disinfection, effluent pumping with outfall and other process equipment. Biosolids are proposed to be treated and managed in aerated digester / sludge holding tanks, followed by land application on permitted agricultural property during the spring and / or fall. The MPCA has issued an NPDES / SDS permit for the proposed Oronoco WWTF after review of extensive environmental documentation, analysis and preliminary design information.

III. Proposed Water Distribution Improvements are intended to provide water to parcels that are also being served by the proposed sanitary sewer system and parcels that are adjacent to the proposed watermain that is required to be constructed as part of the water system improvements. The proposed water distribution will provide potable water and fire protection to all properties served by the proposed Phase 1A improvements. The water distribution system is planned to be expanded in the future to serve the remaining developed parcels in Oronoco City limits as part of Phase 1B, which is tentatively planned for ~2030. Water distribution system improvements generally consist of trunk and lateral watermain improvements.

- **Lateral Water Improvements** includes construction of lateral watermains (6 & 8-inch diameter) that extend from the trunk watermains and distribute water within smaller developed areas; construction of water service pipes (1 to 2 inch diameter) that extend from the watermain to the property line of each parcel to be served; and construction of fire hydrants, valves and fittings associated with the lateral watermains.
- **Trunk Water Improvements** includes construction of trunk watermains (8, 10 & 12-inch diameter) that interconnect the existing municipal wells, storage reservoir, and larger population centers along with associated fire hydrants, valves and fittings.

IV. Proposed Restoration of Streets, Driveways and Boulevards impacted by sewer and water system construction: Proposed sewer and watermain improvements will be constructed within boulevard areas and installed using trenchless technology where practical; however, significant street reconstruction is anticipated in conjunction with

traditional pipe trench excavation and installation activities. All roadways and driveways disturbed by construction will be reconstructed to match pre-construction conditions. Lawns and boulevards will be reestablished using hydro-seed and hydro-mulch. All costs associated with restoration of streets, driveways and boulevards is included in the proposed utility project costs and associated fees to be assessed.

V. Estimated Project Costs by Element:

	Oronoco		Oronoco Utility/Street				Total (\$M)
	WWTF	Estates (OE)	Trunk Sewer	Lateral Sewer	Total Project (Wastewater)	Water	
	(\$M)	(\$M)			Est. Cost/ Funding		
Project Cost	20.766	3.006	7.898	7.302	38.973	2.481	41.454
Grant Funding	16.738	2.423	6.366	5.885	31.412	1.884	33.296
Total Local Share Cost	4.029	0.583	1.532	1.417	7.561	0.598	8.159

Note: Costs reported in millions of dollars (\$M)

The total estimated project cost is \$41.454M. Project costs include construction, engineering, property acquisition, legal services, engineering services and a 15% factor for inflation and contingencies. The local share represents the City of Oronoco cost share of the project which is approximately 20% of the total project costs. The local share will be financed via low interest loan through the Public Facility Authority (PFA) over a 20- or 30-year term at an interest rate typically between 1 and 3 percent. The City of Oronoco will assess fees for the proposed improvements to existing and future benefitting properties (including Oronoco Estates) to fund the repayment of the local share loan. Utility rates and tax revenue may also be used to fund the local share if needed.

Wastewater system fees to be assessed to benefitting properties are based upon the Equivalent Residential Units (ERU) calculated for a given parcel. The number of ERU assigned to different types of properties is summarized as follows; additional information is available within the project Feasibility Report that is available for review through the City’s website.

- All single-family residential property = 1.0 ERU
- Multi-family residential parcels = 0.8 ERU per unit. (For Example a Twin home will be 2 units x 0.8 = 1.6 ERU)
- All non-residential units are calculated based upon the ratio of an average winter month metered water use to a typical residential water use of 5,000 gallons per month. (For example, if the average water use is 7,000 gallons / 5,000 gallons = 1.4 ERU)
- Undeveloped lots will be considered 1.0 ERU. Fees will be reevaluated if more than one lot or unit is developed on a given parcel.
- Parcels with over 1.0 ERU will not be charged for lateral sewer beyond the initial 1.0 ERU fee.

VI. Summary of Wastewater System ERU for each Phase of the Project

Estimated Equivalent Residential Unit (ERU)	
Total Phase 1A	510 (494*)
Total Phase 1B	226
Total Phase 1C	1070
Total ERU	1806

*Lateral sewer ERU count includes only the first 1.0 ERU/Parcel.

Note: Table excludes an estimated 190 ERU from Oronoco Estates Mobile Home Community as their cost share is calculated separately.

VII. Fees to be Assessed to Benefiting Property Owners:

Proposed Wastewater System Fee Assessment

Sewer Fees to be Assessed	Est. Local Share of Project Costs (\$M)	Estimated Number of ERU to be charged	Calculated Assessment per ERU (\$)
WWTF - Plant Connection Fee = (PIF)	4.029	1806	\$2,240
Trunk Sewer - Sewer Availability Charge = (SAC)	1.532	1806	\$850
Lateral Sewer Connection Charge = (LCC)	1.417	494	\$2,870
Total Estimated Wastewater System Fee Assessment for 1 ERU			\$5,960
Monthly Cost for 1 ERU over 20-year term at 2% interest			\$30.34

Proposed Lateral Watermain Service Fee Assessment

Water Fees to be Assessed	Est. Local Share of Project Costs (\$M)	Estimated Number of ERU to be charged in 2019 Report	Calculated Assessment per ERU (\$)
Lateral Watermain Connection Charge = (WCC)	0.598	97.2	\$6,150
Total Estimated Wastewater System Fee Assessment for 1 ERU			\$6,150
Monthly Cost for 1 ERU over 20-year term at 2% interest			\$31.34

The fees to be assessed to benefiting property owners are estimates. Final fee assessments will be recalculated based upon actual construction costs but are typically within ~15% of the estimate. The City reserves the right, when actually levying assessments, to modify or depart from this methodology to the extent the City deems appropriate.

Notes regarding lateral Watermain Fees:

- (1) Estimated Water System project costs and ERU values are based upon the project cost estimate completed in August 2020 and ERU values calculated as part of the Water System Feasibility Report dated May 1, 2019.

- (2) Since the Water System project cost estimate and Feasibility Report were prepared, the City Council decided to add water service to undeveloped parcels that are likely developable to the proposed project. This change was made to be consistent with the policy developed for the wastewater system. As a result, the number of parcels to be served by the proposed watermain distribution improvements increased from 96 to 120 and the associated number of water system ERUs increased from 97.2 to 122.6.
- (3) The additional cost to construct lateral water service pipe and infrastructure to serve the undeveloped lots is essentially equal to the additional assessment revenue that will be generated. As a result, the estimated Lateral Water Connection Charge included above is still deemed to be accurate.

A reasonable estimate of the total amount of the proposed Phase 1A wastewater system and associated watermain improvement project costs to be assessed to benefiting Phase 1A property owners within the City of Oronoco is \$3.638M and \$0.583M for Oronoco Estates amounting to a total of \$4.221M. This represents approximately 10% of the \$41.454M project costs of the improvements.

Future Phases 1B and 1C are proposed to be charged \$4.005M in future PIF and SAC fees to fund the remaining Phase 1A project cost loan debit service. This represents approximately 10% of the project costs of the improvements. Phase 1B fees will be charged in the future in conjunction with future lateral sewer improvements. Phase 1C fees will be charged in conjunction with all future development.

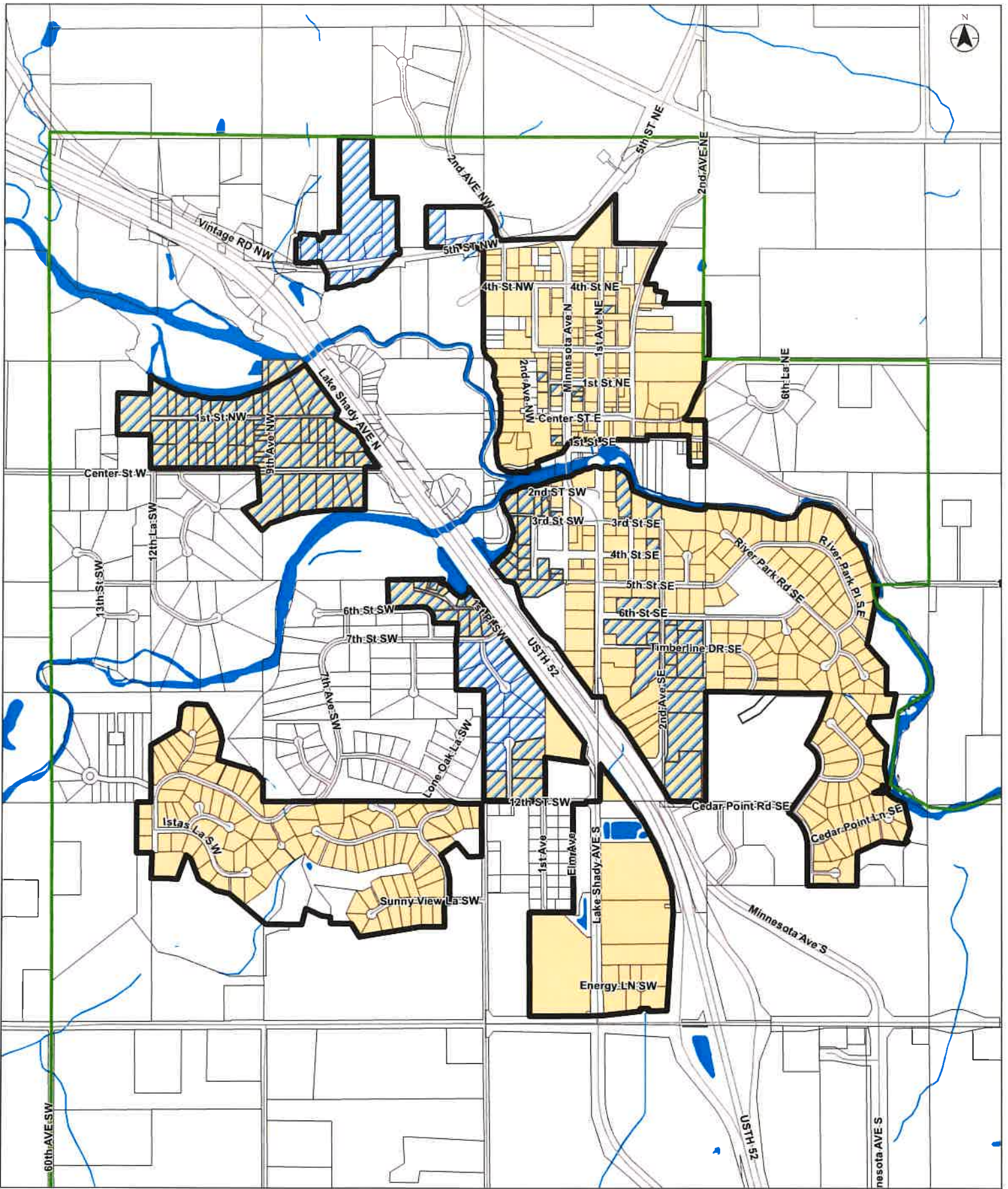
In total, \$8.159M in fee revenue will be generated to fund “The Local Share” of the project costs which will be financed through the low interest loan over a 20 or 30-year period. The \$8.159M local share represents approximately 20% of the \$41.454M project costs of the improvements.

VIII. Proposed Project Schedule:

Public Hearing on Project	March 22, 2021
Project Public Open House with City Engineer & Staff	March 23, 2021
Project Design, Permit & Easement Acquisition	March – July 2021
Project Construction Bid Opening	August 2021
Project Open House to Address Construction Questions	September 2021
Execute Construction Contracts and Begin Work	September 2021
Substantial Completion – System Operational	October 2023
Assessment Hearing (Date To be determined)	October 2022 or 2023
First Payment of Assessment Due in County Property Tax	6 months after Assessment Hearing

IX. Want Additional Information?

Please visit the City of Oronoco website under the “Community” heading – “Wastewater Project” or the following link: <https://www.oronoco.com/index.asp?SEC=9FF06188-BB72-456D-8865-7A0EE2DCC317> to find additional information regarding the project including a Frequently Asked Questions (FAQ) document with helpful questions and answers related to the project. You can also contact City Engineer Joe Palen directly at Stantec Phone (507) 529-6036; Email: joseph.palen@stantec.com with your questions and concerns.



- Sanitary Sewer Service
- Water Service
- Sanitary Sewer & Water Service
- Parcels

- Phase 1A (2021 - 2023 Construction)
- Oronoco Ultimate Service Areas

0 760 1,520 Feet



Figure No.
13a

January 2022

Parcels to Receive Sanitary Sewer and / or Water Service in Phase 1A