

**CITY OF PINE ISLAND
250 SOUTH MAIN STREET
PINE ISLAND, MN 55963**

SPECIAL CITY COUNCIL MEETING

Wednesday, August 7, 2013

Second Floor – City Hall

7:00 PM

- I. Call to Order
- II. Pledge of Allegiance
- III. Discuss changes to the MnDot Agreement on the Elk Run Interchange and Frontage Roads
- IV. Resolution 13-016-Identifying Amendments to the Cooperative Agreement between the City and MnDot.
- V. Adjourn

All Council Meetings are audio tape-recorded.

Pine Island City Council Agenda is available on line:

City Council agendas and support documents available in electronic form and are posted on the Pine Island City Web Site www.pineislandmn.com under **GOVERNMENT TAB** in .pdf file format.

* ITEMS LISTED ON THE CONSENT AGENDA ARE CONSIDERED ROUTINE. THERE WILL BE NO SEPARATE DISCUSSION ON THESE ITEMS UNLESS A COUNCIL MEMBER, CITY STAFF, OR CITIZEN REQUESTS, IN WHICH CASE, THE ITEM WILL BE CONSIDERED IN ITS NORMAL SEQUENCE ON THE AGENDA. If you need special accommodation to participate in the meeting, please contact City Hall at 507-35-4591 at least five (5) business days before the meeting.



Minnesota Department of Transportation

District 6, Rochester/Owatonna
2900 48th Street NW
Rochester, MN 55901-5848

July 6, 2013

Mayor Rod Steele
City of Pine Island
250 South Main
P.O. Box 1000
Pine Island, MN 55963

emailed to expedite delivery

RE: City of Pine Island
Resolution No. 13-014

Dear Mayor Steele:

As you know, during the June 10, 2013 Pine Island city council meeting, Resolution NO. 13-014, was unanimously passed and forwarded to our attention for review and response. This resolution seeks certain amendments to existing Cooperative Agreement No. 96226 related to the Elk Run Interchange project.

Each of the council's wishes, as per the resolution, is listed below with a formal response to each from MnDOT in italics.

1. Removal of the North Main median crossover on TH 52 will be at MnDOT's sole expense. The City will participate in and assist with completion of the municipal consent process including all required public hearings.

MnDOT agrees that removal of the North Main median crossover and any other costs associated with the proposed safety improvements in the proximity of the Trunk Highway 52 and North Main intersection area will be at MnDOT's sole expense.

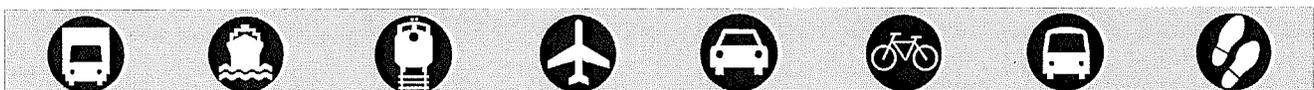
MnDOT does not agree that municipal consent is required to implement said safety improvements on the Trunk Highway system. See Minnesota Statute 161.163 HIGHWAY PROJECT REVIEW.

Subd. 2. Traffic safety measures. Nothing contained in sections 161.162 to 161.167 limits the power of the commissioner to regulate traffic or install traffic-control devices or other safety measures on trunk highways located within municipalities regardless of their impact on access or traffic capacity or on the need for additional right-of-way.

If the City of Pine Island desires formal public meetings associated with the proposed safety improvements, MnDOT will participate and assist as directed by the city.

2. In the event MnDOT obtains an appraisal indicating that the value of right-of-way donated by the City for the interchange is less than \$3,650,000, MnDOT waives and fully releases any right to demand the City's payment of such shortage.

An Equal Opportunity Employer



MnDOT agrees.

3. The southbound off-ramp at North Main Street and TH 52 will remain open.

MnDOT agrees, however, the location of the ramp could change as a part of a future northern Pine Island interchange project.

4. The southbound on-ramp at North Main Street and TH 52, with an acceleration lane, will remain open until a northern Pine Island interchange is constructed.

Except for the southbound off-ramp at North Main Street and TH 52 as noted in item #3 above, all other movements will be closed. If desired by the City of Pine Island, the pavement for the southbound on-ramp at North Main Street and TH 52 can be left in-place with a physical gate installed to control its usage. The gate could be opened by Pine Island emergency responders during incidents and flooding events, as they deemed necessary. A southbound acceleration lane will not be constructed.

5. The City will construct a roundabout at Goodhue County 11 and TH 52 providing a connection for the east frontage road back to frontage road.

MnDOT agrees and will continue to work cooperatively with the city in this regard.

6. MnDOT waives and fully releases any right to impose penalties in relation to the job goals requirement. Notwithstanding, the City will continue to hold the Elk Run developer(s) responsible and accountable for meeting and fully satisfying such job goals and specifically will not waive any rights under any applicable development agreements, tax increment financing agreements, or other agreements with such developer(s).

MnDOT proposes to modify this portion of Cooperative Agreement No. 96226 as follows:

- *The job goal requirements of 182 jobs in 9 years will remain in effect.*
- *The job creation requirements are expanded to include any employment sector within the entire Elk Run Development and/or along the new east frontage road constructed by the City of Pine Island.*
- *The timeline is modified to start on December 31, 2013.*
- *The \$3.65 million monetary penalty and any interim monetary penalties are deleted.*
- *The City of Pine Island shall propose a mechanism for MnDOT approval, as a means to ensure a minimum of 182 jobs are created in the 9 years as noted above.*

7. The interchange at TH 52 and Goodhue County 11 will remain open even if a northern Pine Island interchange is constructed.

MnDOT agrees that the northbound off-ramp from Trunk Highway 52 to Goodhue County 11 can remain open, even if a northern Pine Island interchange is constructed. All other ramps will remain subject to closing as a part of a future northern Pine Island interchange project, as planned.



8. MnDOT will maintain a right-in from TH 52 at 520th Street until the connection of the east frontage road to Goodhue County 11 is complete (estimated as Fall, 2014). The City will be responsible for removal of the right-in access at its cost.

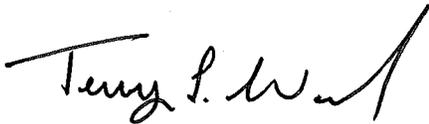
All access to Trunk Highway 52 at 520th Street will be removed as planned under the Elk Run Interchange project. If the City of Pine Island wishes to pursue other options, MnDOT will consider an interim right-off from northbound Trunk Highway 52 at 210th Street or the northerly limits of our new frontage road. All costs for an interim right-off will be the responsibility of the City of Pine Island and any such interim measures will be removed by the City of Pine Island by November 1, 2014, or until Pine Island's East Frontage Road project is completed, whichever comes sooner.

MnDOT's overall goal is to upgrade Trunk Highway 52 to a freeway facility, thereby improving the safety and mobility of the highway. We feel this proposal continues our efforts in this regard, while also fulfilling the obligations for job creation that all partners committed to in securing the funding for the Elk Run Interchange project.

Please respond in writing at your earliest opportunity as to your review of this proposal.

Thank you.

Sincerely,



Terry L. Ward, P.E., MSISE
Elk Run Interchange Project Manager
Mn/DOT – District 6

cc: Bernie Arseneau, Deputy Commissioner
Jeff Vlainck, District Engineer
Greg Paulson, Assistant District Engineer
Tory Thompson



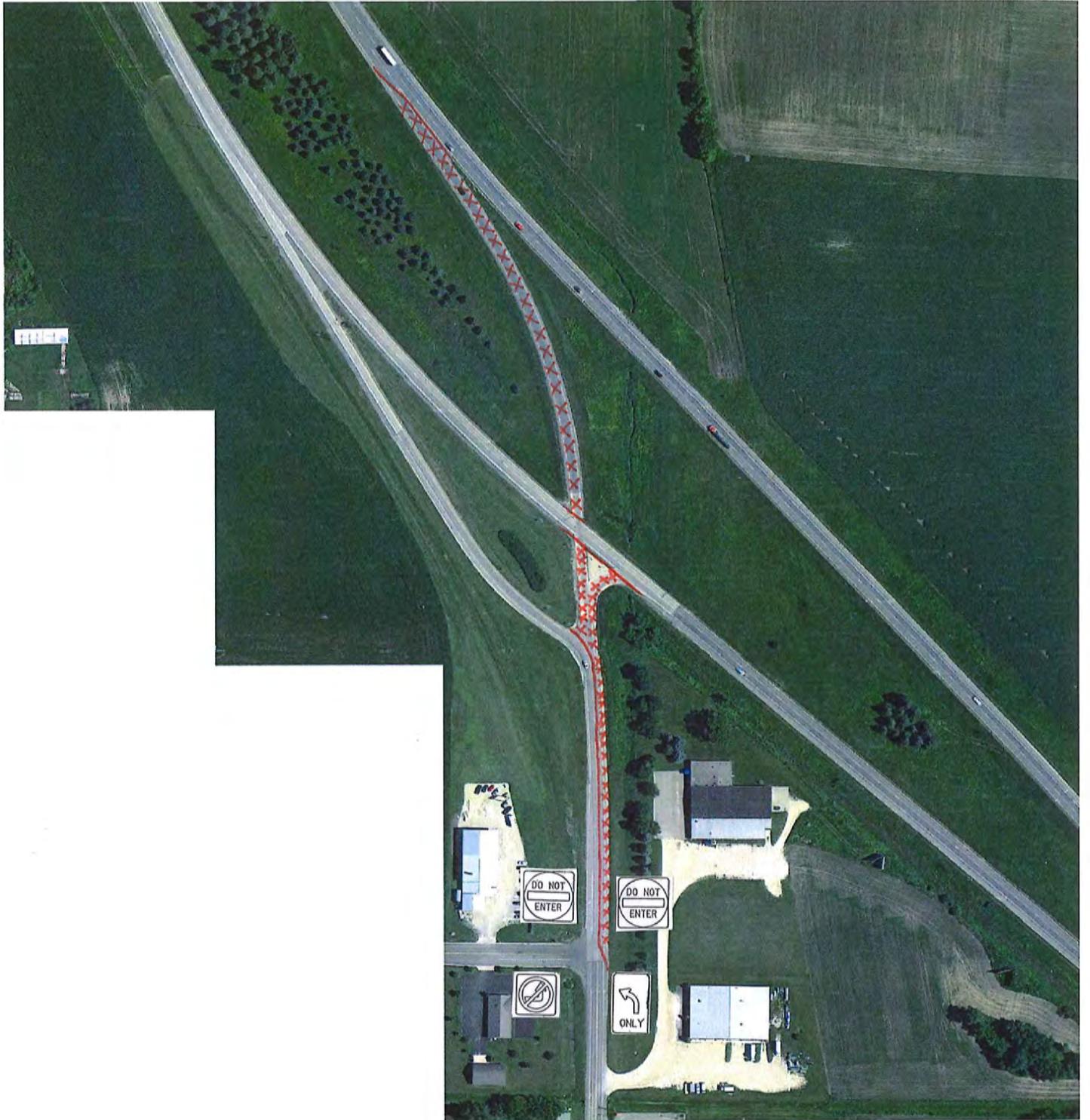
Jon Eickhoff

From: Ward, Terry (DOT) [terry.ward@state.mn.us]
Sent: Monday, July 15, 2013 2:24 PM
To: John Eickhoff
Cc: Ward, Terry (DOT); Thompson, Tory (DOT)
Subject: RE: City of Pine island Resolution Response

Jon:

Here are some of the reasons that the Trunk Highway 52 access at 520th Street needs to be closed:

- The roadway design for the East Frontage Road has a curve in the roadway alignment at the location where the intersection of the existing Highway 52 access for 520th Street is located. An intersection of the access from a right off with the East Frontage Road would have safety concerns let alone not meeting design requirements.
- The drainage design for the East Frontage Road utilizes the existing 520th Roadway area for the proposed drainage ditch to allow drainage from the new Frontage Road to reach the Existing Highway 52 ditches, leading to potential extensive drainage changes in this area.
- Additionally due to the drainage design the right-of-way available may not be adequate to provide a right off at this location due to the ditch size requirements and slope requirements for the roadway.
- Changes in the construction of the East Frontage Road to accomodate a right off could lead to a significant claim from Shafer due to significant design changes including drainage design as noted.
- The 520th Street existing at-grade-access is in the section of Highway 52 that, after the Rlk Run Interchange project is completed, will be classified as Freeway. Due to funding from the Federal Highway Administration (FHWA), leaving an acces at this location could put funding / agreements from the FHWA at risk.



**CITY OF PINE ISLAND
RESOLUTION NO. 13-016**

**AMENDMENT TO THE COOPERATIVE AGREEMENT BETWEEN THE CITY
AND MINNESOTA DEPARTMENT OF TRANSPORTATION**

WHEREAS, in 2010 the City of Pine Island (“City”) and Minnesota Department of Transportation (“MnDOT”) entered into a Cooperative Agreement for the Elk Run Interchange Design-Build Project, MnDOT Contract No. 96226 (“Coop Agreement”), and;

WHEREAS, the Coop Agreement establishes terms under which the interchange is being constructed, and;

WHEREAS, under the Coop Agreement, the City acquired 260 acres for right-of-way to dedicate for MnDOT’s construction of the interchange and associated service roads, and;

WHEREAS, under the Coop Agreement, such right-of-way dedication was to fully offset the City’s cost-share for the interchange totaling \$3,650,000, and;

WHEREAS, under the Coop Agreement, MnDOT is required to obtain an appraisal of the value of the right-of-way, but MnDOT has not yet provided such appraisal to the City, and;

WHEREAS, the Coop Agreement also requires the City to cause a 40,000 square foot building to be constructed, and cause the creation of 182 qualifying full time jobs within 9 years in the Elk Run development, and

WHEREAS, the Coop Agreement provides that in the event the job creation requirements are not satisfied the City may be obligated to pay up to \$3,650,000 in penalties over and above its cost-share, and;

WHEREAS, after entering the Coop Agreement, the City and MnDOT reached understandings regarding extension of the east frontage road associated with the interchange, and;

WHEREAS, based on these understandings, MnDOT has undertaken the extension of the east frontage road beyond its originally planned terminus and the City has begun design and planning work associated with construction of a roundabout to connect the frontage road at the Goodhue County 11 overpass of TH 52, and;

WHEREAS, MnDOT recently notified the City that it seeks to close the median cross over on TH 52 providing north-bound access to the highway from Main Street in Pine Island, and;

WHEREAS, Minnesota Statutes, Sections 161.162-.167 requires municipal consent for a project that will “alter access” to or from a Trunk Highway, and;

WHEREAS, the City Council passed Resolution 13-014 and forwarded the resolution to MnDOT for review and response, and;

WHEREAS, MnDOT responded to Resolution 13-014 in a letter dated July 6, 2013, and commenting on each item of the resolution.

NOW THEREFORE, BE IT RESOLVED, the City Council agrees to amend the Coop Agreement as detailed in MnDOT's response letter of July 6, 2013. This Resolution shall take effect immediately and shall be provided by City staff to MnDOT. The Mayor and Deputy Clerk are hereby authorized to sign an Amendment to the Coop Agreement consistent with the terms of the July 6, 2013 letter.

BE IT RESOLVED FURTHER, that the City desires to continue discussions regarding: the southbound on-ramp at north Main Street and TH 52, and a northbound right-off of TH 52 at 210th Street or another viable location.

Adopted by the City Council of the City of Pine Island this 7th day of August, 2013.

Mayor

ATTEST:

Deputy Clerk

MOTION:

SECOND:

AYE:

NAY: