



## **Resolution 2023-112**

### **RESOLUTION GRANTING AN AMENDMENT TO TEMPORARY CONSTRUCTION EASEMENTS TO CITY OF MINNEAPOLIS FOR STORM SEWER PROJECT AT MILL RUINS PARK LOCATED WITHIN THE CENTRAL MISSISSIPPI RIVERFRONT REGIONAL PARK**

Whereas, The Minneapolis Park and Recreation Board (MPRB) was created by the Minnesota Legislature in April 1883 and has the authority to manage and operate park facilities;

Whereas, The MPRB owns and operates Mill Ruins Park within the Central Mississippi Riverfront Regional Park in Minneapolis, Minnesota;

Whereas, The City of Minneapolis (City) operates multiple utilities and public works, including storm sewers within Minneapolis, Minnesota;

Whereas, The City owns and operates a storm sewer that outfalls at the Mississippi River in Mill Ruins Park;

Whereas, The City requires access and legal rights to renovate, maintain, use, and operate the storm sewer and outfall, a portion of both of which are located in Mill Ruins Park;

Whereas, The MPRB adopted Resolution 2021-286, granting temporary construction easements to City of Minneapolis for the storm sewer project at Mill Ruins Park located within the Central Mississippi Riverfront Regional Park;

Whereas, The City is requesting of the MPRB a one-year extension of a temporary construction easement;

Whereas, MPRB staff has requested compensation for the proposed extended temporary easements given the impact to regional parkland, and the City intends to provide the requested compensation; and

Whereas, This resolution is supported in Parks for All, the MPRB Comprehensive Plan 2021-2036, under Goal 3: "Provide core services with care" and Goal 4: "Work from our strengths and determine our role in partnerships;"

**RESOLVED**, That the Board of Commissioners grants an amendment to temporary construction easements to City of Minneapolis for the storm sewer project at Mill Ruins Park located within the Central Mississippi Riverfront Regional Park; and



RESOLVED, That the President of the Board and Secretary to the Board are authorized to take all necessary administrative actions to implement this resolution.



TO: Minneapolis Park and Recreation Board

FROM: Michael Schroeder, Assistant Superintendent, Planning

DATE: 7 June 2023

SUBJECT: RESOLUTION GRANTING AN AMENDMENT TO TEMPORARY CONSTRUCTION EASEMENTS TO CITY OF MINNEAPOLIS FOR STORM SEWER PROJECT AT MILL RUINS PARK LOCATED WITHIN THE CENTRAL MISSISSIPPI RIVERFRONT REGIONAL PARK

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## BACKGROUND

This action considers the granting of an amendment to temporary easements previously granted to the City of Minneapolis for work related to a storm sewer and outfall at Mill Ruins Park within the Central Mississippi Riverfront Regional Park (*Attachment A*). The amendment is only to extend the dates/duration of the temporary easements. The remaining agreement language remains unchanged.

The City of Minneapolis Public Works Department (City) is constructing the Central City Storm Tunnel Replacement Project (Project). Portions of tunnel walls are failing with the brick and mortar breaking and being displaced in the tunnel outlet, both of which present conditions that require attention to limit the potential for collapse. Should a collapse occur, a more significant replacement project would be needed to allow stormwater to continue to be conveyed from the Central Business District of Minneapolis. Originally, the City expected the construction of the project to span two construction seasons with the following projected schedule and impact areas:

<u>Easement Period</u>	<u>Easement Type</u>	<u>Easement Area</u>
Aug 23, 2021 – May 1, 2022	Winter Temporary Easement	71,253 sq ft area
May 2, 2022 – Oct 31, 2022	Summer Temporary Easement	40,740 sq ft area
Nov 1, 2022 – May 1, 2023	Winter Temporary Easement	71,253 sq ft area
May 2, 2023 – June 15, 2023	Summer Temporary Easement	40,740 sq ft area

The *new extended* easement dates, as indicated by the City, are as follows:

<u>Easement Period</u>	<u>Easement Type</u>	<u>Easement Area</u>
June 16, 2023 – Oct 31, 2023	Summer Temporary Easement	40,740 sq ft area
Nov 1, 2023 – April 30, 2024	Winter Temporary Easement	71,253 sq ft area
May 1, 2024 – June 15, 2024	Summer Temporary Easement	40,740 sq ft area



The Project construction work includes the following:

- the building of temporary dams/weirs to empty the channel near the storm tunnel outlet;
- removal of debris and material in the channel;
- removal of the slope and sediment directly over the existing storm tunnel and outlet (extension of Chicago Avenue to the river); and
- removal of the existing brick outlet that is experiencing deformation of the arch, removal of the two older tunnels, reconstruction of a one larger tunnel, and a new outlet.

A portion of the City's Project will impact property owned by the Minneapolis Park and Recreation Board (MPRB) in Mill Ruins Park, located within Central Mississippi Riverfront Regional Park. As a result, the City is requesting use of MPRB park land in the form of temporary construction easements. The temporary easement areas will accommodate on-site materials, construction equipment and machinery, crew shacks and vehicles for the crews to conduct their work onsite.

Minneapolis Public Works, Surface Water and Sewers, is requesting of the Minneapolis Park Board a one-year extension of a temporary construction permit that was granted in August of 2021 for the construction of a deep storm tunnel called the Central City Parallel Tunnel Project.

Over the past 18 months the City's contractor for this project, PCiRoads, has encountered various construction obstacles primarily at the storm tunnel outlet located in Mill Ruins Park near the Stone Arch bridge. These issues included the unearthing of contaminated soils in Mill Ruins Park, as well as encountering a very large headrace canal for a former mill located on the Mill Ruins Park site, which was filled with old construction debris such as bricks and other materials. This discovery required working with the Minnesota State Historic Preservation Office (SHPO) to address the canal, as well as the historic railroad piers located on each side of the tunnel. In addition, significantly more soil was required to be removed from above the tunnel to safely demolish the existing tunnel.

These issues contributed to a significant time delay in the existing tunnel being excavated and demolished, as well as the ability to begin construction work on the new tunnel. Because work in an active-flow tunnel can only occur for approximately five months out of the year due to safety issues, these obstacles created delays which necessitate extending the construction timeline of the tunnel for one additional year. This means that work would need to continue until the new completion date of June 15, 2024. The project will continue to follow the same summer and winter work site requirements. The parking lot and trail in Mill Ruins Park will be open for public access from May 2, 2023 to October 31, 2023.



It is Public Works' goal to minimize the construction timeline and inconvenience to residents, businesses, and the public. The project thus far has received very few complaints concerning aboveground work sites, noise, equipment, snowplowing, road stripping, etc. The City has addressed concerns and issues in a timely manner and will continue to do so in the future. The Project is crucial to the City, as it services most of the downtown area. The new storm tunnel will be able to convey stormwater much more effectively from the downtown district to the river during high-intensity rain events.

The Project continues to have the water quality for the project monitored and permitted via the Minnesota Department of Natural Resources and the Minnesota Pollution Control Agency. The City has responded quickly to any concerns that have been brought to MPRB staff's and has expressed commitment to addressing and mitigating any future issues.

The value of the temporary easement is calculated using the area of parkland occupancy, an average land value based on similarly situated and nearby properties with values determined using information from Hennepin County, and the percentage of annual occupancy. Because this is a temporary easement, a factor based on MPRB practice (and the practice of other government agencies) is applied. The result for this temporary easement is a value of \$117,778.28 for the Winter Period and \$68,081.56 for the Summer Period. The following chart offers the key information for the calculations. More detail is offered in *Attachments B and C*.

<b>Value of Temporary Easement (Winter Period)</b>		
Area of temporary occupancy	71,253	square feet
Average land value per square foot	\$33.15	
Base value of permanent occupancy	\$2,362,036.95	
Occupancy proportion (based on annual occupancy)	0.499	
Temporary occupancy factor	0.10	
<b>Base value of temporary occupancy</b>	<b>\$117,778.28</b>	
<b>Value of Temporary Easement (Summer Period)</b>		
Area of temporary occupancy	40,740	square feet
Average land value per square foot	\$33.15	
Base value of permanent occupancy	\$1,350,531.00	
Occupancy proportion (based on annual occupancy)	0.504	
Temporary occupancy factor	0.10	
<b>Base value of temporary occupancy</b>	<b>\$68,081.56</b>	

MPRB staff has requested compensation for the proposed temporary easements given the impact to regional park land. The temporary (construction, staging and access) easement fees are \$117,778.28 for the winter term (Attachment B) plus \$68,081.56 for the summer terms (Attachment C), totaling \$185,859.84. The City will be invoiced for its temporary occupancy using the values as calculated above.



## PREVIOUS RELATED BOARD ACTIONS

August 18, 2021: Resolution 2012-286: Resolution Granting Temporary Construction Easements to City of Minneapolis for Storm Sewer Project at Mill Ruins Park Located Within the Central Mississippi Riverfront Regional Park

## LEGAL REVIEW

Legal counsel has reviewed and approved the AMENDED Temporary Construction Easement Agreement (*Attachment A*) as to form and legality.

## RECOMMENDATION

Staff recommends granting temporary construction easements to the City of Minneapolis for the storm sewer project at Mill Ruins Park located within the Central Mississippi Riverfront Regional Park.

This action is supported by the following goals and strategies in Parks for All, the MPRB Comprehensive Plan 2021-2036:

### Goal:

03. Provide core services with care

04. Work from our strengths and determine our role in partnerships

### Strategy:

16. Strive to achieve equitable levels of service across the system through data-driven analysis and alignment with MPRB values.

13. Collaborate with other agencies and organizations to share best practices in parks and recreation, governance, engagement and public service.

## Attachments:

1. ATTACHMENT A - Amended Temporary Construction Easements Agreement - City of Minneapolis - Storm Sewer Tunnel - Mill Ruins
2. ATTACHMENT B - Temporary Easement Fee calc sheet - City of Mpls - Storm Sewer Project AMENDED Winter Term
3. ATTACHMENT C - Temporary Easement Fee calc sheet - City of Mpls - Storm Sewer Project AMENDED Summer Term

*Jbr 6.7.2023.*