701 Xenia Avenue South | Suite 300 | Minneapolis, MN 55416 | (763) 541-4800

Item 7b.

Sunfish Lake Engineer's Report for October 2, 2018

By: ***Jeff Sandberg, PE***
City Engineer

Date: ***September 26, 2018***

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1. Engineering Activities Undertaken in the Month of September.

The following Engineer's Report reflects the activities undertaken this past month.

A. **2019-2023 CIP Approval –** Staff will present for final review and approval the 2019-2023 CIP. SEE ATTACHMENTS.
B. **Upper 55th Barricade Options** – Staff will present options for barricading Upper 55th Street to help prevent debris disposal. SEE ATTACHMENT.

2. Building and Site Reviews in the Month of September.

No building or site reviews were conducted in September.

3. Engineering/ Public Works Activities Undertaken in the Month of September.

1. Staff has been in contact with the contractor requesting that Charlton Road be leveled off. The contractor has not been able to complete that due to the weather over the last month.

2. Staff has solicited quotes for snow plowing services for the public roads in the City. Quotes were requested from 5 local contractors and are due on September 28, 2018. Staff will evaluate the quotes and the respective firms and make a recommendation for awarding a contract.

No other Engineering/ Public Works activities were undertaken in the month of September.

4. Anticipated Engineering/ Public Works Activities for the Month of October.
1. We will ask a contractor to do a Fall grading of Charlton Road to prepare the road surface for winter.

No other Engineering/ Public Works activities are anticipated for October.

The above constitutes the Engineering Report for the City of Sunfish Lake for October 2, 2018.

Respectfully submitted,

WSB & Associates, Inc.

Jeffry S. Sandberg, PE
City Engineer

701 Xenia Avenue South | Suite 300 | Minneapolis, MN 55416 | (763) 541-4800

Memorandum

To:	***Mayor, City Council*** ***City of Sunfish Lake***
From:	***Jeff Sandberg, PE*** ***City Engineer***
Date:	***September 27, 2018***
Re:	***2019 -2023 FINAL CIP***

Following discussions at the city council budget worksession, discussions with the city finance director, and discussions with Ehlers & Associates, the city's financial advisors, I have generated a final draft of the 2019 – 2023 Capital Improvements Plan (CIP) for the City of Sunfish Lake.

A big part of the city's CIP is the maintenance of roads. In 2018 we completed a Pavement Condition Report that resulted in a Pavement Condition Index (PCI) rating for all of the city's public roadways. The results indicate several roads that are in need of more immediate attention, and several roads that need maintenance to extend their lifespan. Three roads that we recommend consideration to get a 2" overlay in 2019 are Zehnder Road, Angell Road, and Sunny Side Lane. Three roads that we recommend consideration for Full Depth Reclamation (FDR) in 2021 are Grieve Glen Lane, Upper 55th Street W, and 60th Street W. The improvements to these 6 roads are assessable per the city's adopted Assessment Policy. Staff has been working with Ehler's and Associates to determine financing options for these roadways and their analysis is attached for your review.

The attached spreadsheet provides a snapshot of the public roadways within the city and their history of maintenance and proposed maintenance for the next 10 years, along with their 2018 Pavement Condition rating. This maintenance schedule outlines timing for crack seal and seal coating for the city's roadways to optimize and extend each roadway's life to the extent practical.

I look forward to discussion with the city council and will be prepared to answer any questions you may have.

Sincerely,

WSB & Associates, Inc.

Jeffry S. Sandberg, PE
City Engineer

2019 – 2023 CAPITAL IMPROVEMENTS PLAN

October 2, 2018

Prepared for:
City of Sunfish Lake
Dakota County, MN

WSB PROJECT NO. 011698

WSB

2019 to 2023
CAPITAL IMPROVEMENT PLAN

CITY OF SUNFISH LAKE, MN

October 2, 2018

Prepared By:

WSB & Associates, Inc.

CERTIFICATION

I hereby certify that this plan, specification or report was prepared by me or under my direct supervision and that I am a duly Licensed Professional Engineer under the laws of the State of Minnesota.

Jeffry S. Sandberg, PE

Date: October 2, 2018 Lic. No. 25393

TABLE OF CONTENTS

2019 to 2023 CAPITAL IMPROVEMENT PLAN

1. INTRODUCTION

The Capital Improvement Plan (CIP) is a multi-year planning tool utilized by City officials to plan, finance, and maintain City infrastructure, usually based on a five to ten-year period. The City's Capital Improvement Plan identifies street and drainage improvements and major street maintenance items to sustain and maintain the City's infrastructure to obtain the most useful life. The CIP process allows for a systematic evaluation of all potential projects at the same time.

As with all plans, the Capital Improvement Plan is not a legally binding document and is subject to change due to unforeseen pavement deterioration or failures, available funding, and scheduling. The plan is intended to be updated on an annual basis as part of the City's budgeting process.

2. CAPITAL IMPROVEMENT PLAN

The Capital Improvement Plan is based on the condition of the City's existing infrastructure and anticipated Capital Improvements and the typical maintenance requirements for the stated condition. What is defined as a capital project is a tangible improvement that has a life expectancy greater than one year. Improvements are then identified to maintain or reconstruct streets, drainage systems, and other infrastructure facilities. The CIP identifies an estimated project cost and determines a schedule utilizing anticipated budget availability and maintenance priority. The CIP should be reviewed annually every spring to reassess the City's infrastructure needs prior to establishing the next year's City budget. The identified costs are our early assessment of anticipated costs that will be refined along with funding options prior to authorization by the City Council.

2.1 Scheduled Maintenance

A majority of the City's current infrastructure, with the exception of Charlton Road, was constructed between 1989 to present. ***Appendix A, Exhibit A*** shows a map of the City streets and what year they were constructed. Bituminous roadway maintenance should include crack sealing and sealcoat every seven to ten-year cycle with an overlay around 10 to 20 years followed by a seal coating cycle to extend the life cycle of the City's paved roadways. The methodology of the City's pavement management is outlined in the 2018 Pavement Management Report which discusses pavement life cycle, maintenance strategies, and how pavements are evaluated. Copies of this 2018 report are available upon request.

Appendix B is the 2018 Pavement Condition Index Map that indicates the currently evaluated pavement conditions. This Capital Improvement Plan identifies pavement and infrastructure management strategies and the City's street condition evaluated in April of this year. The City should re-evaluate its infrastructure on a three-year cycle to track pavement, culvert, and street-sign conditions to better manage our infrastructure maintenance. The next pavement evaluation year is recommended in 2021.

The maintenance items indicated in the Capital Improvement Plan are:

<u>Crack Sealing</u> – The repair of longitudinal and transverse cracks to impede moisture from penetrating the streets aggregate base and subgrade.

<u>Seal Coat</u> – The surface application of bituminous oil and aggregate to provide a new traveling surface and impede the rate of oxidation of the existing bituminous pavement.

<u>Overlay</u> – Crack sealing the existing bituminous pavement and placing additional bituminous surfacing over the entire roadway surface.

<u>Mill and Overlay</u> – The milling (removal) of the existing deteriorated bituminous surface and placement of a bituminous surfacing across the entire roadway surface.

<u>Reconstruction</u> – The reconstruction of an existing roadway due to bituminous surface, aggregate base, or subgrade failure resulting in severe bituminous cracking and fracture. The process constructs a new street section including subgrade corrections, aggregate base construction, and bituminous surfacing.

<u>Drainage System</u> – The cleaning, inspection, repair and/or replacement of drainage ways and culverts.

2.2 Recent/Current Capital Improvements

Recent Capital Improvements in which City financing included bonding are:

- Salem Church Road Reconstruction, Roanoke Road to Delaware Avenue Constructed in 2009, bond payment through 2020
- 2012 Crack Seal Project, funded through City general funds
- 2013 Seal Coat Project, funded through City general funds
- 2014 Street Improvements Project, funded under bonds through 2025
- 2016 Seal Coat Project, funded through City general funds
- 2017 Street Improvement Project, funded under bonds through 2028

2.3 2019 to 2023 Capital Improvements

The proposed CIP identifies the major improvements scheduled shown in the following exhibits:

- ***Appendix A, Exhibits C and D*** - Proposed 2019 to 2023 Capital Improvements
- ***Appendix A, Exhibit E*** - Proposed 2024 to 2028 Capital Improvements

2.4 Capital Improvements Funding

The Capital Improvements identified in the plan are improvements that are funded by the City general funds (collected from the City general tax levy), bonding and financing through assessment to benefiting properties.

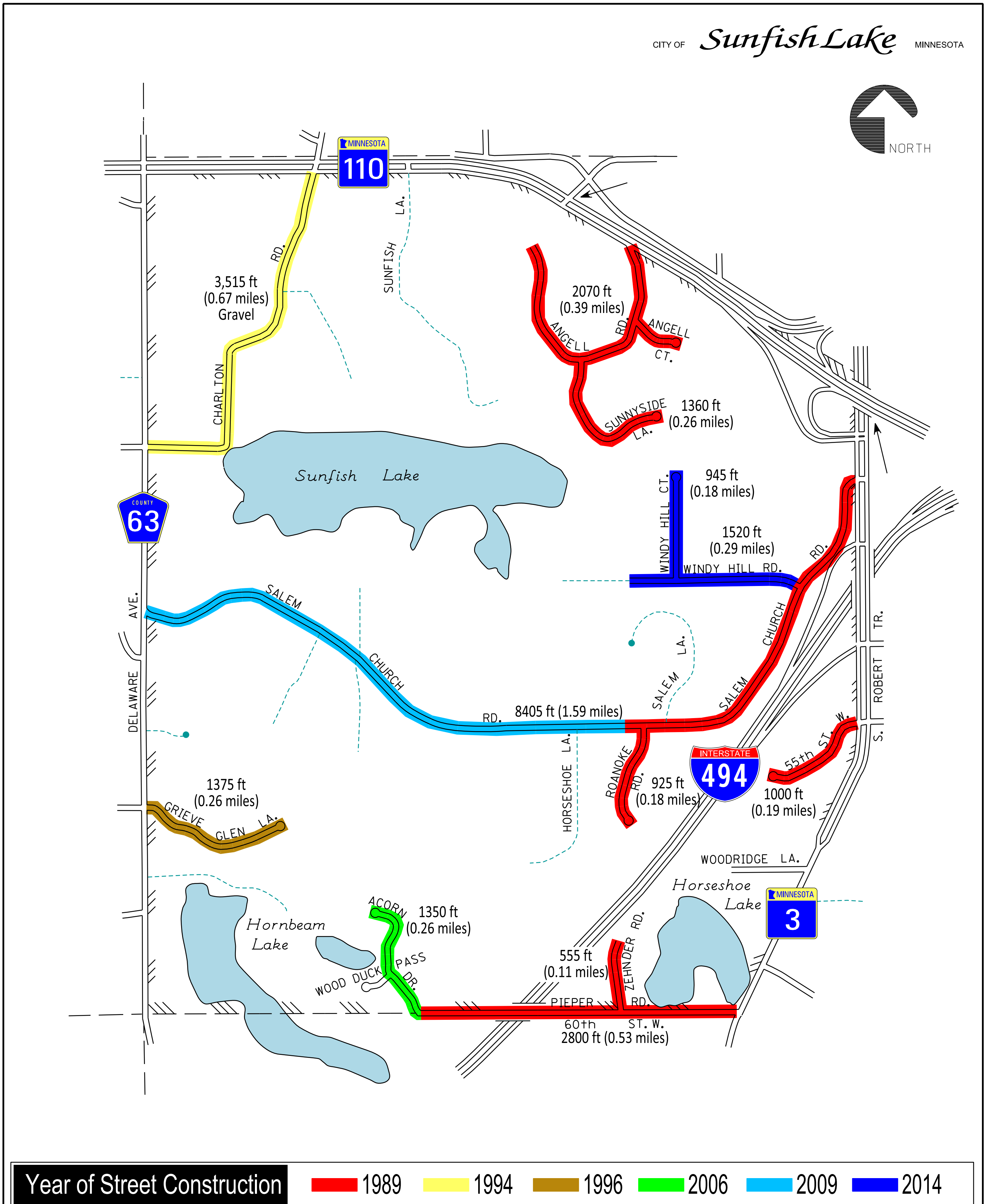
Appendix C includes the Capital Improvement Plan Project Summary of the currently identified capital improvements. It is important to note that the costs identified do not include legal, engineering, administration, and financing cost. The City's Special Assessment Policy is included in Appendix D for reference.

3. RECOMMENDATION

It is recommended the City updates its CIP every year in the spring to evaluate City infrastructure needs and assist in establishing the City budgets for road maintenance and capital improvements. It is recommended the CIP budget be separated from the routine road maintenance activities such as street sweeping, pavement patching, and sign maintenance from the capital improvement projects. We recommend that a Capital Improvement Fund be established to fund Capital Improvements accumulating funds, as needed, to complete Capital Improvement projects.

APPENDIX A

Exhibits



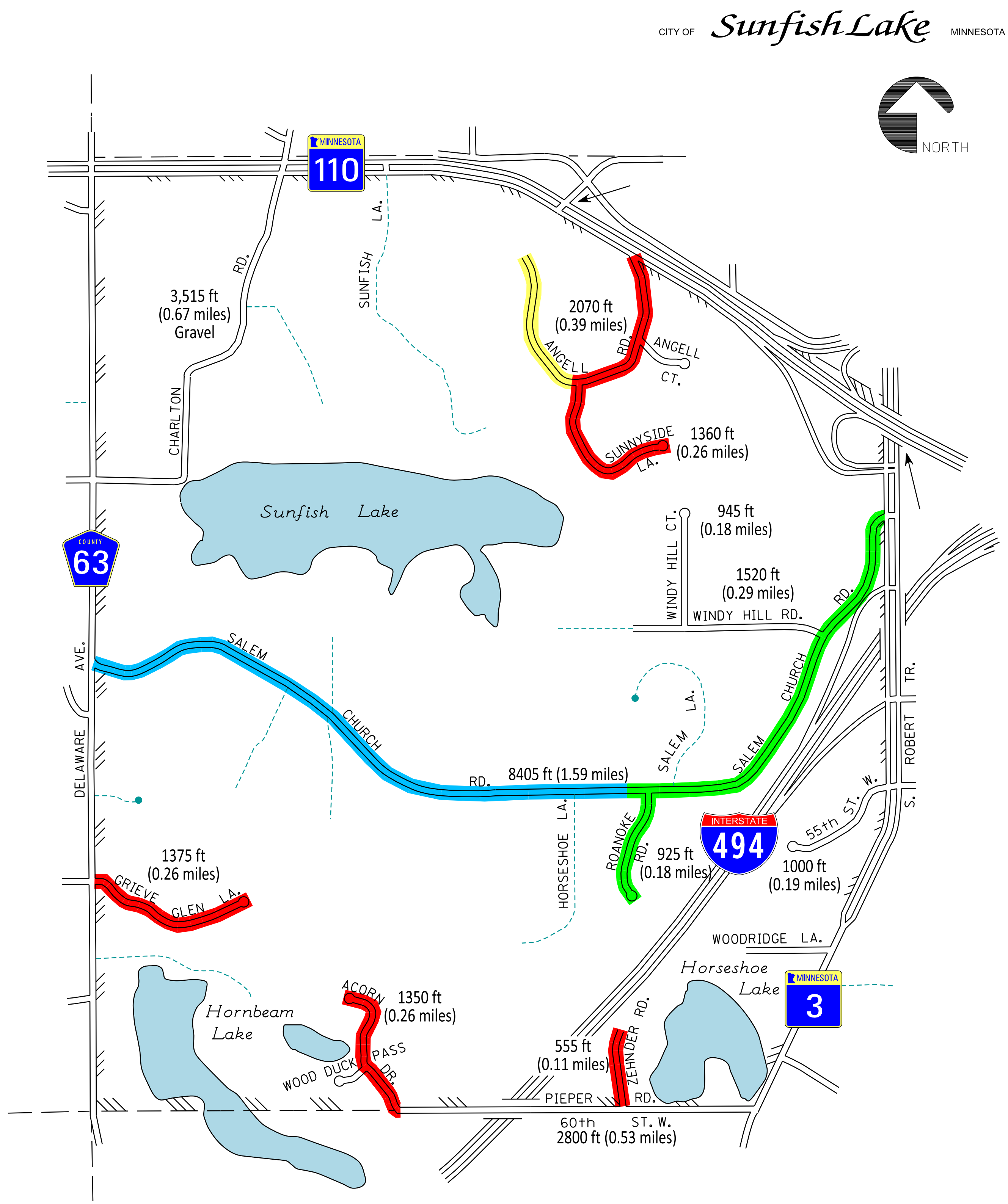
City Street Lengths: 4.24 miles of Paved Streets & 0.67 miles of Gravel Streets

Date: Printed: 8/2/2018
WSB Filename: K:\01011-990\Cad\2018 CIP MAP\Exhibit A - 2018 City Street Map - Pavement History.dgn

Exhibit A

City Street Map

Pavement History



Year of Street Maintenance	2013 Seal Coat	2014 Overlay	2016 Seal Coat	2017 Overlay

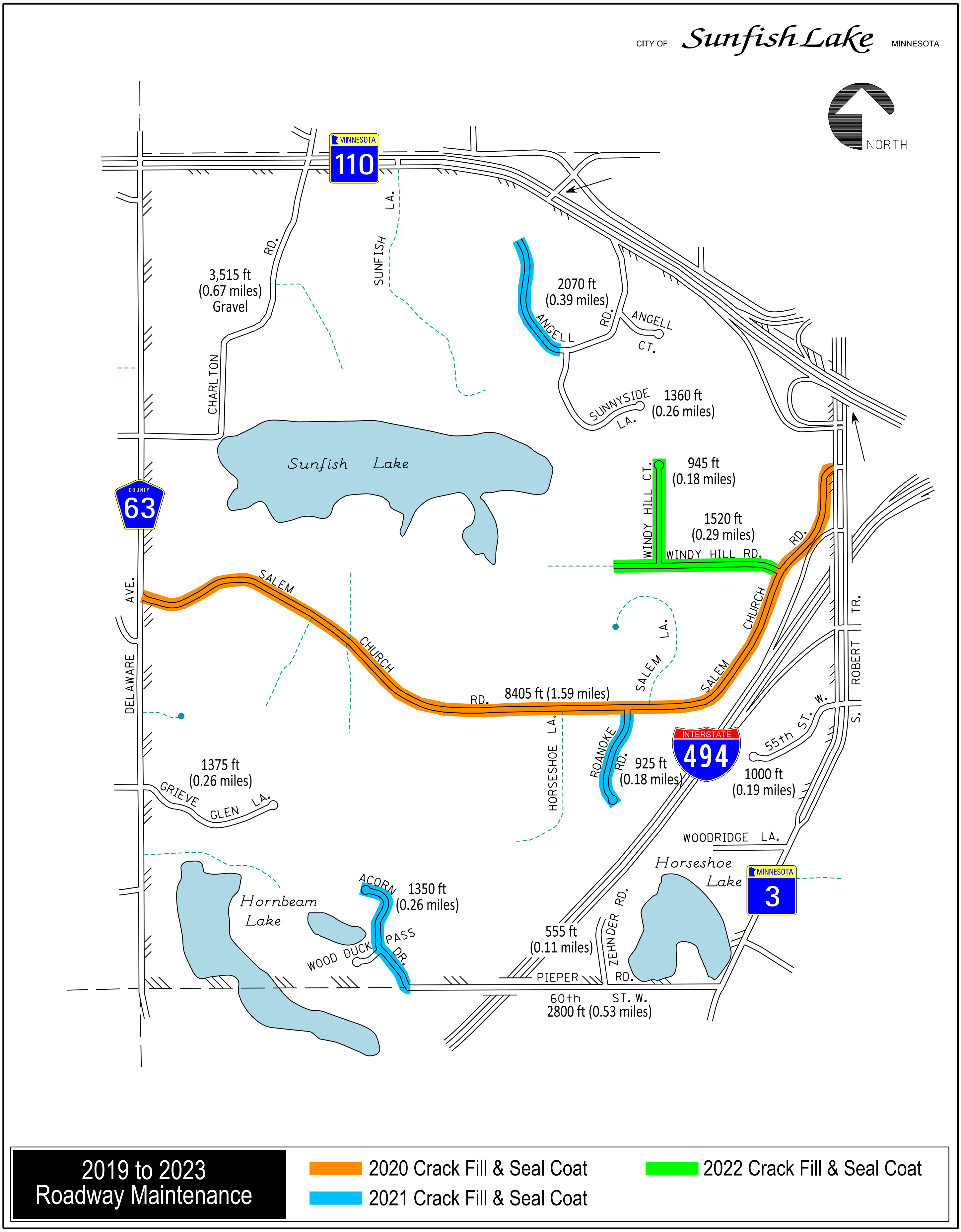
City Street Lengths: 4.24 miles of Paved Streets & 0.67 miles of Gravel Streets

Date Printed: 8/2/2018
WSB Filename: K:\01011-990\Cad\2018 CIP MAP\Exhibit B - 2018 City Street Map - Maintenance History.dgn

Exhibit B

City Street Map

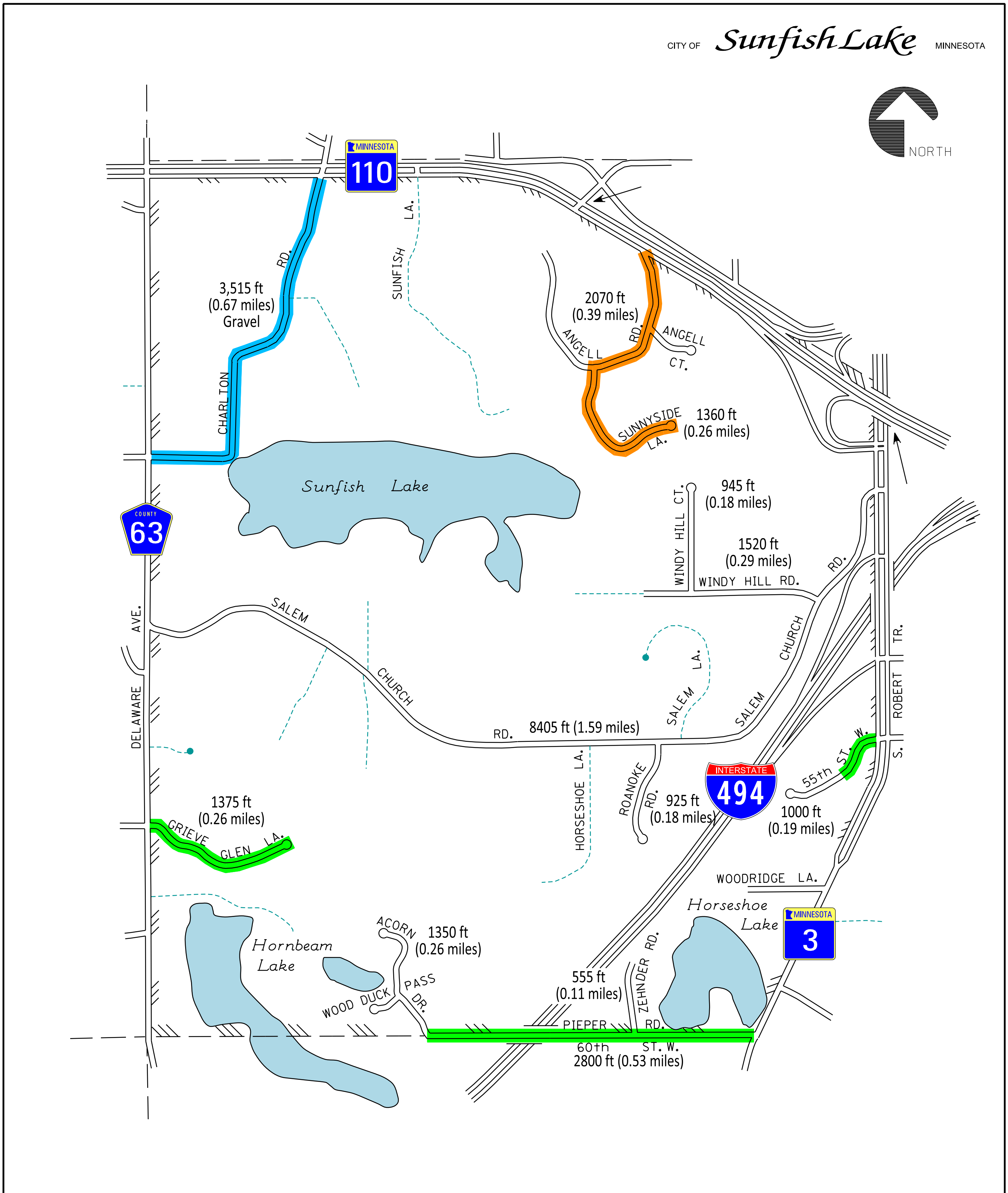
Maintenance History



Date Printed: 8/2/2018
WSB Filename: K:\01011-990\Cad\2018 CIP MAP\Exhibit C - 2019 to 2023 Maintenance.dgn

Exhibit C

2019 to 2023 CIP



2019 to 2023 Improvements (Pavement Rehabilitation)

2019 Reconstruction

2021 Reconstruction

2019 Overlay

Exhibit D

2019 to 2023 CIP

Date:Printed: 8/2/2018
WSB Filename: K:\01011-990\Cad\2018 CIP MAP\Exhibit D - 2019 to 2023 Pavement Rehab.dgn

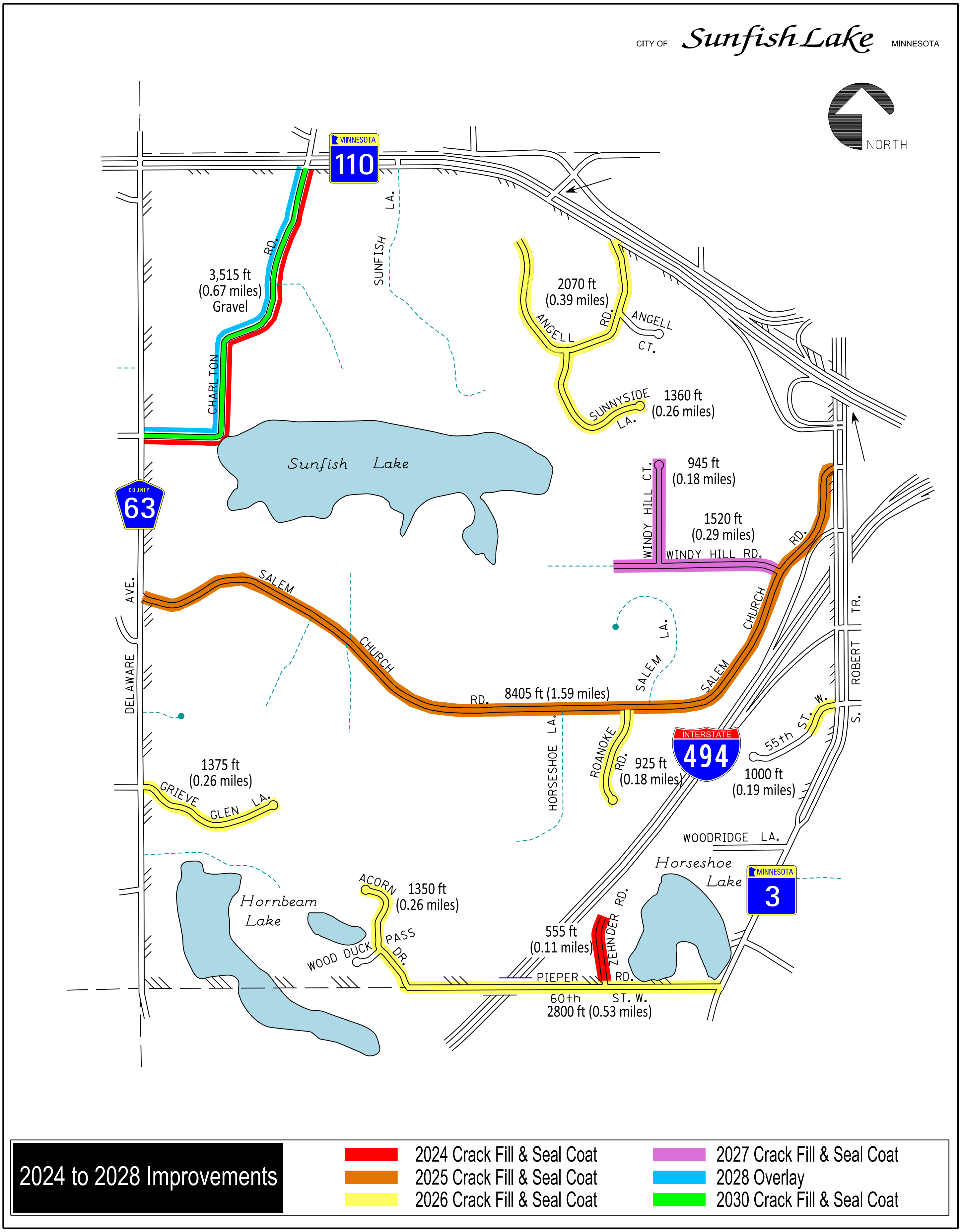


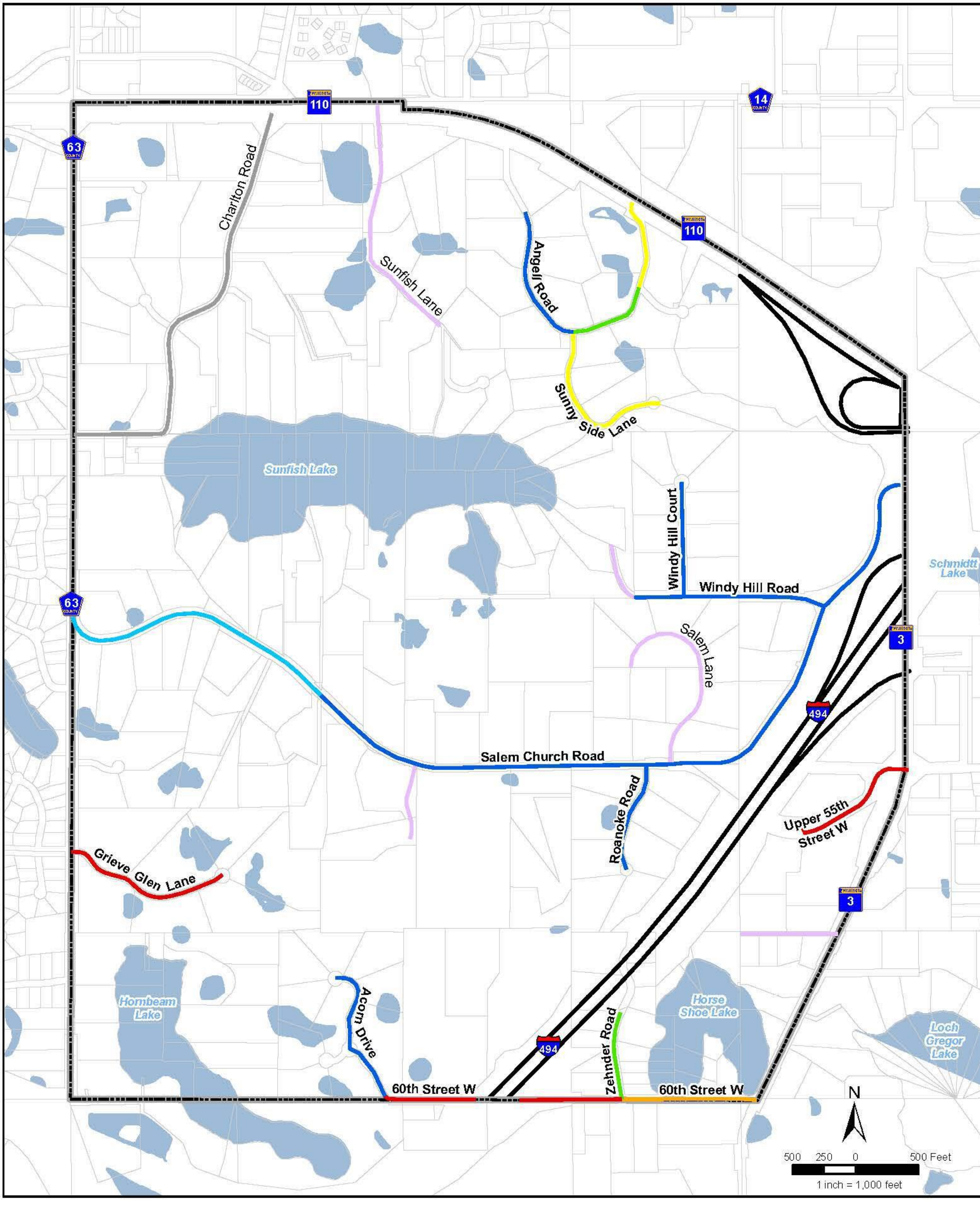
Exhibit E

2024 to 2028 CIP

Date:Printed: 8/2/2018
WSB Filename: K:\01011-990\Cad\2018 CIP MAP\Exhibit E - 2024 to 2028 CIP.dgn

APPENDIX B

2018 Pavement Condition Index



2018 Pavement Condition Index

City of Sunfish Lake, Minnesota

Pavement Condition Index

- 0 - 39
- 40 - 49
- 50 - 59
- 60 - 69
- 70 - 79
- 80 - 89
- 90 - 100
- Gravel Roads
- Private Roads

WSB

APPENDIX C

Capital Improvement Plan Summary

Memo

To:	Mayor and City Council of Sunfish Lake, MN
From:	Steve Apfelbacher and Jessica Cook
Cc:	Tim Kuntz and Ann Lanoue
Date:	July 5, 2018
Subject:	Financial Analysis of Road Reconstruction Projects

We understand that the City is considering whether to proceed in the near future with road reconstruction projects in addition to Charlton Road. The City has requested Ehlers to complete an analysis of the financial impact these additional projects would have on the City's debt levy and property taxes.

Project Background

In June, the City Council decided to proceed with the Charlton Road project and determined that the City would commence the project in the spring of 2019 and finance it with ten-year bonds. Since that time, WSB Engineering has refined the City's street capital improvement plan and identified a number of additional streets that require reconstruction over the next three years. Specifically, these roads are:

- Angell Road (east) in 2019
- Sunny Side Lane in 2019
- Zehnder Road in 2019
- Grieve Glen Road in 2021
- 60th Street West in 2021
- Upper 55th Street West in 2021

For purposes of this analysis, we assumed all of these projects would be financed with one bond issue in the spring of 2019. Preliminary analysis indicates that there is no cost saving in financing the projects together in 2019 as compared to waiting and financing the 2021 projects with a small issue in 2021. The decision about when to finance the projects can be made after the City has determined which streets it will complete and when.

Existing Debt Levies

The Charlton Road and potential future debt levies will be added to debt levies already in place from three prior bond issuances: the Series 2009A, Series 2014A, and Series 2017A. In modeling the proposed bond issue for Charlton Road and the additional projects, we mapped out the prior debt levies to ensure that the proposed new debt will be evaluated in the larger context of all outstanding debt, as shown in Appendices A and C.

Estimated Tax Impacts for Charlton Road

The proposed 2019A bond issue to finance the Charlton Road project is expected to be approximately $950,000. We have updated the levy and tax impacts for this project as shown in Appendices A and B. The estimated tax impact decreased slightly from the June projection because we are delaying the issuance of bonds until the spring of 2019 and will have less capitalized interest. We estimated the average interest rate on the bonds at current rates plus .5%.

Estimated Tax Impacts of Additional Street Projects

Appendices B and C show the estimated levy and tax impacts of financing all of the proposed street 2019-2021 street reconstruction projects (including Charlton Road) in 2019. It is assumed that the City will assess a portion of each project in accordance with its assessment policy. It is also assumed, consistent with past practice, that the City will pay for Sealcoating and Crack Sealing with cash on hand and those costs are not included in the estimated tax impacts below.

The "Difference" column in the chart below shows the incremental tax increase in Pay 2020 that would result from adding the additional street projects to the 2019 financing for Charlton Road.

Pay 2020 TAX IMPACT ANALYSIS*				
		Charlton Road	All Projects	
Type of Property	Estimated Market Value	Annual Tax Increase	Annual Tax Increase	Difference
Residential Homestead	250,000	$ 45.37	$ 62.93	**$ 17.56**
	500,000	$ 96.43	$ 133.75	**$ 37.32**
	750,000	$ 156.70	$ 217.35	**$ 60.64**
	1,000,000	$ 216.97	$ 300.94	**$ 83.97**

The purpose of providing this levy and tax impact analysis is to give the Council financial information that can inform the decision of whether to proceed with the additional street reconstruction projects at this time.

Sunfish Lake, Minnesota

Outstanding & Projected Debt Levies

Option 1: Ten-year Bonds (Level) - Issued for Charlton Road and Drainage Project

		2009 Bonds				2014 Bonds					2017A Bonds			Total	Charlton Road 2019A Bonds - Estimated			Total
Collect Year	Bond Year	105% P&I	Less Projected Assessments	Less Cash On-Hand	Debt Levy	105% P&I	Less Projected Assessments	Less Projected Assessments	Less Cash On-Hand	Debt Levy	105% P&I	Less Projected Assessments	Debt Levy	Current Debt Levy	105% P&I	Less Projected Assessments	Debt Levy	Projected Debt Levy
2015	**2016**	45,977	4,423	13,754	27,800	38,363	13,920		12,236	12,207	-	-	-	**40,007**	-	-	-	**40,007**
2016	**2017**	45,281	4,217	13,064	28,000	38,755	13,488	1,039	10,868	13,361	-	-	-	**41,361**	-	-	-	**41,361**
2017	**2018**	44,536	4,012	12,424	28,100	38,362	13,056	913	10,665	13,727	-	-	-	**41,827**	-	-	-	**41,827**
2018	**2019**	43,740	3,806	11,834	28,100	43,218	12,624	884	10,366	19,344	51,917	17,405	34,513	**81,957**			-	**81,957**
2019	**2020**	42,895	3,601	11,194	28,100	42,373	12,192	855	10,067	19,259	51,119	16,894	34,225	**81,585**	-	-	-	**81,585**
2020	**2021**					41,527	11,760	826	9,767	19,175	50,321	16,384	33,938	**53,112**	127,152	57,176	69,976	**123,089**
2021	**2022**					40,682	11,328	796	9,468	19,090	49,523	15,873	33,650	**52,740**	124,554	55,233	69,321	**122,061**
2022	**2023**					39,837	10,896	767	9,169	19,005	48,725	15,363	33,363	**52,368**	121,813	53,289	68,524	**120,892**
2023	**2024**					38,808	10,464	738	8,869	18,737	47,759	14,852	32,907	**51,644**	124,228	51,345	72,883	**124,527**
2024	**2025**					37,779	10,032	709	8,570	18,468	46,793	14,342	32,451	**50,920**	121,086	49,402	71,684	**122,604**
2025	**2026**							679			51,077	13,831	37,246	**37,246**	117,844	47,458	70,386	**107,632**
2026	**2027**										49,802	13,321	36,481	**36,481**	114,503	45,514	68,988	**105,469**
2027	**2028**										48,526	12,810	35,715	**35,715**	111,061	43,571	67,490	**103,206**
2028	**2029**											-	-	**-**	112,770	41,627	71,143	**71,143**
2029	**2030**											-	-	**-**	108,938	39,684	69,254	**69,254**
2030	**2031**											-	-	**-**	-	-	-	**-**
2031	**2032**											-	-	**-**	-	-	-	**-**
2032	**2033**											-	-	**-**		-	-	**-**
2033	**2034**											-	-	**-**		-	-	**-**
2034	**2035**											-	-	**-**		-	-	**-**
2035	**2036**											-	-	**-**		-	-	**-**
2036	**2037**											-	-	**-**		-	-	**-**
2037	**2038**											-	-	**-**		-	-	**-**
2038	**2039**											-	-	**-**		-	-	**-**
2039	**2040**											-	-	**-**		-	-	**-**
Total	Total	222,429	20,060	62,270	140,100	399,704	119,760	8,205	100,045	172,374	495,563	151,075	344,488	**656,963**	1,183,949	484,299	699,650	**1,356,613**
		Bonds callable 2/1/2015				**Bonds callable 2/1/2022**					**Bonds callable 2/1/2022**							

Appendix B

City of Sunfish Lake, Minnesota

Estimated Tax Impact

July 5, 2018

Charlton Road Project

BOND ISSUANCE INFORMATION	
Bond Issue Amount	**$950,000**
Number of Years	**10**
Average Interest Rate	**3.43%**
Estimated Bond Rating	
PROPERTY TAX INFORMATION	
Actual Net Tax Capacity - Payable 2018	**$2,151,967**
Net Increase in Debt Levy @ 105% - Max	**41,504**
Estimated Tax Capacity Rate:	
Payable - 2018 Without Proposed Bonds	**26.168%**
Payable - 2020 With Proposed Bonds	**28.097%**
Estimated Tax Rate Increase	**1.929%**

PAY 2020 TAX IMPACT ANALYSIS*							
Type of Property	**Estimated Market Value**	**Market Value Exclusion**	**Taxable Market Value**	**Net Tax Capacity**	**Current City Tax**	**Proposed Tax Increase***	**Proposed City Tax**
	$ 250,000	$ 14,740	$ 235,260	$ 2,353	$ 615.63	**$ 45.37**	$ 661.00
Residential	500,000	-	500,000	5,000	1,308.40	**96.43**	1,404.83
Homestead	750,000	-	750,000	8,125	2,126.15	**156.70**	2,282.85
	1,000,000	-	1,000,000	11,250	2,943.90	**216.97**	3,160.87

Tax Increase is for Debt Service Only*		
Annual	**Monthly**	**Daily**
$45.37	$3.78	$0.12
96.43	8.04	0.26
156.70	13.06	0.43
216.97	18.08	0.59

** The figures in the table are based on net increase in the Pay 2020 debt levy for road improvement bonds, and do not include tax levies for other purposes. Tax increases shown above are gross increases, not including the impact of the state Property Tax Refund ("Circuit Breaker") program. Many owners of homestead property will qualify for a refund, based on their income and total property taxes. This will decrease the net tax effect of the bond issue for many property owners.*

Sunfish Lake, Minnesota

Outstanding & Projected Debt Levies

Option 2: Ten-year Bonds (Level) - Issued in 2019 for all 2019-2021 Street Reconstruction Projects

		2009 Bonds				2014 Bonds					2017A Bonds			Total	Charlton Road 2019A Bonds - Estimated			Total
Collect Year	Bond Year	105% P&I	Less Projected Assessments	Less Cash On-Hand	Debt Levy	105% P&I	Less Projected Assessments	Less Projected Assessments	Less Cash On-Hand	Debt Levy	105% P&I	Less Projected Assessments	Debt Levy	Current Debt Levy	105% P&I	Less Projected Assessments	Debt Levy	Projected Debt Levy
2015	**2016**	45,977	4,423	13,754	27,800	38,363	13,920		12,236	12,207	-	-	-	**40,007**	-	-	-	**40,007**
2016	**2017**	45,281	4,217	13,064	28,000	38,755	13,488	1,039	10,868	13,361	-	-	-	**41,361**	-	-	-	**41,361**
2017	**2018**	44,536	4,012	12,424	28,100	38,362	13,056	913	10,665	13,727	-	-	-	**41,827**	-	-	-	**41,827**
2018	**2019**	43,740	3,806	11,834	28,100	43,218	12,624	884	10,366	19,344	51,917	17,405	34,513	**81,957**			-	**81,957**
2019	**2020**	42,895	3,601	11,194	28,100	42,373	12,192	855	10,067	19,259	51,119	16,894	34,225	**81,585**	-	-	-	**81,585**
2020	**2021**					41,527	11,760	826	9,767	19,175	50,321	16,384	33,938	**53,112**	157,348	71,310	86,038	**139,150**
2021	**2022**					40,682	11,328	796	9,468	19,090	49,523	15,873	33,650	**52,740**	154,316	68,889	85,427	**138,167**
2022	**2023**					39,837	10,896	767	9,169	19,005	48,725	15,363	33,363	**52,368**	182,619	93,305	89,314	**141,682**
2023	**2024**					38,808	10,464	738	8,869	18,737	47,759	14,852	32,907	**51,644**	183,616	89,962	93,654	**145,298**
2024	**2025**					37,779	10,032	709	8,570	18,468	46,793	14,342	32,451	**50,920**	178,986	86,619	92,366	**143,286**
2025	**2026**							679			51,077	13,831	37,246	**37,246**	168,958	83,277	85,681	**122,927**
2026	**2027**										49,802	13,321	36,481	**36,481**	164,210	79,934	84,275	**120,756**
2027	**2028**										48,526	12,810	35,715	**35,715**	159,319	76,591	82,728	**118,443**
2028	**2029**											-	-	**-**	154,287	73,249	81,038	**81,038**
2029	**2030**											-	-	**-**	149,113	69,906	79,207	**79,207**
2030	**2031**											-	-	**-**	28,298	19,463	8,834	**8,834**
2031	**2032**											-	-	**-**	27,287	18,542	8,745	**8,745**
2032	**2033**											-	-	**-**		-	-	**-**
2033	**2034**											-	-	**-**		-	-	**-**
2034	**2035**											-	-	**-**		-	-	**-**
2035	**2036**											-	-	**-**		-	-	**-**
2036	**2037**											-	-	**-**		-	-	**-**
2037	**2038**											-	-	**-**		-	-	**-**
2038	**2039**											-	-	**-**		-	-	**-**
2039	**2040**											-	-	**-**		-	-	**-**
Total	Total	222,429	20,060	62,270	140,100	399,704	119,760	8,205	100,045	172,374	495,563	151,075	344,488	**656,963**	1,708,355	831,047	877,308	**1,534,271**
		Bonds callable 2/1/2015				**Bonds callable 2/1/2022**					**Bonds callable 2/1/2022**							

City of Sunfish Lake, Minnesota

Option 2: Estimated Tax Impact

July 5, 2018

All 2109-2021 Road Reconstruction Projects

BOND ISSUANCE INFORMATION	
Bond Issue Amount	**$1,350,000**
Number of Years	**10**
Average Interest Rate	**3.46%**
Estimated Bond Rating	

PROPERTY TAX INFORMATION	
Actual Net Tax Capacity - Payable 2018	**$2,151,967**
Net Increase in Debt Levy @ 105% - Max	**57,566**
Estimated Tax Capacity Rate:	
Payable - 2018 Without Proposed Bonds	**26.168%**
Payable - 2020 With Proposed Bonds	**28.843%**
Estimated Tax Rate Increase	**2.675%**

Pay 2020 TAX IMPACT ANALYSIS*								Tax Increase is for Debt Service Only*		
Type of Property	Estimated Market Value	Market Value Exclusion	Taxable Market Value	Net Tax Capacity	Current City Tax	Proposed Tax Increase*	Proposed City Tax	Annual	Monthly	Daily
	$ 250,000	$ 14,740	$ 235,260	$ 2,353	$ 615.63	**$ 62.93**	$ 678.56	$62.93	$5.24	$0.17
Residential	500,000	-	500,000	5,000	1,308.40	**133.75**	1,442.15	133.75	11.15	0.37
Homestead	750,000	-	750,000	8,125	2,126.15	**217.35**	2,343.50	217.35	18.11	0.60
	1,000,000	-	1,000,000	11,250	2,943.90	**300.94**	3,244.84	300.94	25.08	0.82

** The figures in the table are based on net increase in the Pay 2020 debt levy for road improvement bonds, and do not include tax levies for other purposes. Tax increases shown above are gross increases, not including the impact of the state Property Tax Refund ("Circuit Breaker") program. Many owners of homestead property will qualify for a refund, based on their income and total property taxes. This will decrease the net tax effect of the bond issue for many property owners.*

2019 - 2023 CAPITAL IMPROVEMENT PLAN W/ CHARLTON ROAD, GRIEVE GLEN, 60TH ST W, UPPER 55TH ST W IMPROVEMENTS

SUMMARY

APPENDIX B

	Notes	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	TOTALS
Improvement Project Costs												
A.) Charlton Road Maintenance (100% City Tax Levy)												
1.) Street Grading		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
2.) Dust Control		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
3.) Repair and Ditch Cleaning		$0	$0		$0		$0			$0	$0	
Subtotal Annual Road Maintenance		***$0***	***$0***	***$0***	***$0***	***$0***	***$0***	***$0***	***$0***	***$0***	***$0***	
B.) General Street Maintenance/ Water Quality (100% City Tax Levy)												
1.) Street Sweeping		$1,700	$1,700	$1,700	$1,700	$1,750	$1,750	$1,800	$1,800	$1,800	$1,800	
2.) Sign Replacement and maintenance	1	$1,200	$0	$0	$1,500	$0	$0	$0	$1,500	$0	$0	
3.) Striping maintenance	1	$4,600					$4,700			$4,700		
4.) Bituminous Maintenance		$3,500	$3,500	$4,500	$4,500	$4,500	$5,000	$5,000	$5,000	$5,000	$5,000	
5) Shoulder Maintenance		$1,100	$1,100	$1,100	$1,200	$1,200	$1,200	$1,300	$1,300	$1,300	$1,400	
6.) Annual Lake Water Quality Monitoring	6	$1,140	$1,140	$1,140	$1,300	$1,300	$1,300	$1,400	$1,400	$1,400	$1,400	
Subtotal General Street Maintenance		***$13,240***	***$7,440***	***$8,440***	***$10,200***	***$8,750***	***$13,950***	***$9,500***	***$11,000***	***$14,200***	***$9,600***	
Capital Improvement Plan												
C.) 100% City Levy Improvements												
1.) Infrastructure Management Update				$8,000			$8,000		$0	$8,500		
2.) Crack Seal		$0		$0	$0	$0		$0	$0	$0	$0	
3.) Crack Fill & Seal Coat	7	$0		$34,000	$0	$65,000		$75,000	$0	$91,000	$0	
4.) Culvert Cleaning & End Section Repair	2	$5,000						$0				
5.) Sunfish Lake TMDL Improvements	4				$0	$0						
6.) Miscellaneous Storm Water Improvements	4											
7.) SWPPP Program and Implementation	5	$3,500	$3,500	$3,500	$8,000	$3,500	$3,500	$3,500	$3,500	$3,500	$3,500	
8.) Fire Marker Replacement Initiative		$8,000										
Sub Total CIP Projects		***$16,500***	***$3,500***	***$45,500***	***$8,000***	***$68,500***	***$11,500***	***$78,500***	***$3,500***	***$103,000***	***$3,500***	
D.) Assessed City Improvements (Bonding Requirements)												
1.) 2009 Salem Church Road Project (Final Payment 2/1/2020)		*$43,740*	*$42,896*									***$86,636***
2.) 2014 Street Improvement Project		*$43,218*	*$42,375*	*$41,528*	*$40,682*	*$39,837*	*$38,808*	*$37,779*				***$284,227***
3.) 2017 Street Improvement Project	3	*$51,119*	*$50,321*	*$49,523*	*$48,725*	*$47,759*	*$46,794*	*$51,077*	*$49,802*	*$48,526*	*$48,526*	***$492,172***
4.) 2018/ 2019 Charlton Road Improvements	3	*$70,000*	*$70,000*	*$70,000*	*$70,000*	*$70,000*	*$70,000*	*$70,000*	*$70,000*	*$70,000*	*$70,000*	***$700,000***
5.) 2018 Grieve Glen Road Improvements	3	*$11,500*	*$11,500*	*$11,500*	*$11,500*	*$11,500*	*$11,500*	*$11,500*	*$11,500*	*$11,500*	*$11,500*	***$115,000***
6.) 2018 60th St. W Improvements	3	*$6,500*	*$6,500*	*$6,500*	*$6,500*	*$6,500*	*$6,500*	*$6,500*	*$6,500*	*$6,500*	*$6,500*	***$65,000***
7.) 2018 Street Improvement Project (55th Street W.)	3	*$8,000*	*$8,000*	*$8,000*	*$8,000*	*$8,000*	*$8,000*	*$8,000*	*$8,000*	*$8,000*	*$8,000*	***$80,000***
8.) 2020 Street Improvement Project, 2" Overlays	3			*$13,500*	*$13,500*	*$13,500*	*$13,500*	*$13,500*	*$13,500*	*$13,500*	*$13,500*	***$108,000***
Sub Total Assessed City Projects		***$222,477***	***$210,792***	***$179,751***	***$178,107***	***$176,296***	***$174,302***	***$177,556***	***$138,502***	***$137,226***	***$137,226***	***$1,732,235***
E.) Assessed City Improvements (Collected from Special Assessments)												
1.) Salem Church Road Levy		*$15,680*	*$14,840*									**$30,520**
2.) 2014 Street Improvement Levy		*$23,874*	*$23,113*	*$22,353*	*$21,592*	*$20,832*	*$20,071*	*$19,311*				**$151,146**
3.) 2017 Street Improvement Levy		*$16,894*	*$16,384*	*$15,873*	*$15,363*	*$14,852*	*$14,342*	*$13,831*	*$13,321*	*$12,810*	*$12,810*	**$146,480**
4.) 2018/ 2019 Charlton Road Improvements	3	*$31,000*	*$31,000*	*$31,000*	*$31,000*	*$31,000*	*$31,000*	*$31,000*	*$31,000*	*$31,000*	*$31,000*	**$310,000**
5.) 2018 Grieve Glen Road Improvements	3	*$9,200*	*$9,200*	*$9,200*	*$9,200*	*$9,200*	*$9,200*	*$9,200*	*$9,200*	*$9,200*	*$9,200*	**$92,000**
6.) 2018 60th St. W Improvements	3	*$5,200*	*$5,200*	*$5,200*	*$5,200*	*$5,200*	*$5,200*	*$5,200*	*$5,200*	*$5,200*	*$5,200*	**$52,000**
7.) 2018 Street Improvement Levy	3	*$6,400*	*$6,400*	*$6,400*	*$6,400*	*$6,400*	*$6,400*	*$6,400*	*$6,400*	*$6,400*	*$6,400*	**$64,000**
8.) 2020 Street Improvement Levy				*$10,500*	*$10,500*	*$10,500*	*$10,500*	*$10,500*	*$10,500*	*$10,500*	*$10,500*	**$84,000**
Subtotal Special Assessment Funding		***$108,248***	***$106,137***	***$100,526***	***$99,255***	***$97,984***	***$96,713***	***$95,442***	***$75,621***	***$75,110***	***$75,110***	**$930,146**
General Fund Expenditures												
City Tax Levy (Collected from General Tax Levy)												
GENERAL TAX LEVY (A+B+C)		*$29,740*	*$10,940*	*$53,940*	*$18,200*	*$77,250*	*$25,450*	*$88,000*	*$14,500*	*$117,200*	*$13,100*	
ASSESSED PROJECTS LEVY (D-E)		*$114,229*	*$104,655*	*$79,225*	*$78,852*	*$78,312*	*$77,589*	*$82,114*	*$62,881*	*$62,116*	*$62,116*	
Subtotal City Tax Levy Funding Requirements		***$134,629***	***$115,755***	***$133,325***	***$97,052***	***$155,562***	***$103,039***	***$95,114***	***$77,381***	***$88,316***	***$75,216***	

Notes

1.) Replace Regulatory Signs
2.) Charlton Road, Grieve Glen Lane, Sunny Side Lane and Windy Hill Court Culverts
3.) Overlay, Mill and Overlay and / or Reconstruct; assumes project to be assessed
4.) Storm Water Improvements Required by MS4 Permit
5.) Water Quality Improvements per MPCA requirements
6.) Watershed typically reimburses City $400 per lake for CAMP monitoring
7.) West Portion of Angell Rd, Windy Hill Rd. and Windy Hill Ct., and Acorn Drive

10/2/2018

Sunfish Lake Road Reconstruction / Maintenance Schedule

Roadway	Year Constructed	Segment Length (ft)	Year of Past Overlay	Year of Future 2" Overlay	Year of Future Reconstruction	5 - YR Maintenance (Crack seal and seal coat)	2018 PCI (current)
Charlton Road	1994	3,515		2028	2019	2024, 2030	N/A
Salem Church Road (west)	2009	5,405				2016, 2020, 2025	87
Salem Church Road (east)	1989	3,000	2017			2020, 2025	100
Grieve Glen Road	1996	1,375			2021	2013, 2026	36
Acorn Drive	2006	1,350				2013, 2021, 2026	95
Roanoke Road	1989	925	2017			2021, 2026	92
Zehnder Road	1989	555		2019		2013, 2024	69
60th Street W *	1999	2,800			2021	2026	31
Angell Road (west)	1989	900	2014			2021, 2026	95
Angell Road (east)	1989	1,170		2019		2013, 2026	60
Sunny Side Lane	1989	1,360		2019		2013, 2026	58
Windy Hill Court	2014	945				2022, 2027	100
Windy Hill Road	2014	1,520				2022, 2027	100
Upper 55th St W **	1989	1,000			2021	2026	36

Estimated Construction Costs (2018 Dollars)

	Cost/ Lin Ft.
Crack Seal and Seal Coat	$ 10.00
2" Overlay	$ 38.00
Full Depth Reclamation	$ 85.00

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Length of Crack Seal and Seal Coat (ft)		8,405	3,175	2,465		4,070	8,405	8,813.33	2,465	
Length of 2" Overlay (ft)	3,085									3,515
Length of Full Depth Reclamation (ft)			3,108							

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Cost of Crack Seal and Seal Coat	$ -	$ 84,050	$ 31,750	$ 24,650	$ -	$ 40,700	$ 84,050	$ 88,133	$ 24,650	$ -
*Cost of 2" Overlay ****	$ 117,230	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 133,570
*Cost of Full Depth Reconstruction ****	$ -	$ -	$ 264,208	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Assessable Cost ***	**$ 117,230**	**$ -**	**$ 264,208**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 133,570**
General Maintenance Fund	**$ -**	**$ 84,050**	**$ 31,750**	**$ 24,650**	**$ -**	**$ 40,700**	**$ 84,050**	**$ 88,133**	**$ 24,650**	**$ -**

* Figures assume 50% cost participation from IGH
** Assumes only portion east of church driveway
*** Refer to Adopted City Assessment Policy

APPENDIX D

Assessment Policy

CITY OF SUNFISH LAKE
DAKOTA COUNTY, MINNESOTA

RESOLUTION NO. 11-12

RESOLUTION APPROVING ASSESSMENT POLICY FOR THE CITY OF SUNFISH LAKE

WHEREAS, Chapter 429 of the Minnesota Statutes authorizes the City to levy special assessments for certain public improvements.

WHEREAS, the City desires to adopt a formal written policy with respect to the methodology of allocating project costs between the City and special assessments and a methodology for dividing the special assessment amount among the specially benefitted properties.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SUNFISH LAKE:

1. The Council hereby approves the attached Special Assessment Policy.

Passed this 5th day of July, 2011.

R A Williams

Richard A. Williams, Jr., Mayor

ATTEST:

Catherine Iago

Catherine Iago, City Clerk

CITY OF SUNFISH LAKE
DAKOTA COUNTY, MINNESOTA

SPECIAL ASSESSMENT POLICY

Section 1. Background. Chapter 429 of the Minnesota Statutes authorizes the City to levy special assessments for certain public improvements. The two most common types of public improvements within the City are street improvements and storm water improvements.

The City acknowledges that the validity of any special assessment to a particular lot depends on whether the amount of the assessment is equal to or less than the benefit conferred upon the lot by reason of the public improvement. Under state law, the benefit is determined by the increase in fair market value of the lot caused by reason of the improvement. The benefit rule controls all special assessments and supersedes any City formulas and calculations relating to how project costs are allocated. The City also acknowledges that assessments have to be uniformally imposed on similarly situated properties within a class of properties.

The first step in determining an assessment is to determine which portion of project costs will be paid by the City and which portion will be specially assessed. The second step is to spread or divide the total assessment amount among the various lots that have received a special benefit. This policy addresses both steps. The policy is a guideline and the Council has the authority to alter the policy from time to time based on facts and circumstances that the Council believes justify such changes.

[redacted]

Section 2. Street Improvements. The typical types of street improvements in the City are:

a. Sealcoating;
b. Mill and overlay; and
c. Street reconstruction, including new pavement where none existed before.

If only sealcoating is being performed, the policy is not to assess the cost of the sealcoating. Rather, the City will pay the cost of sealcoating out of the general fund as a maintenance item.

Projects involving mill and overlay and street reconstruction will be specially assessed. The percentage of costs that will be specially assessed depends on the type of street.

Within the City, there are three (3) types of streets. They are:

a. Collector Street. – A collector street is a City street that provides access to local streets, private streets, direct driveway access and is utilized by the surrounding area for trips originating outside of the City and terminating outside of the City limits. The number of through trips exceed the number of local trips. The City streets that meet this criteria are:

- Salem Church Road; and
- Charlton Road.

The assessment policy for a Collector Street is to assess 40% of street improvement cost to the specially benefitted properties.

b. Neighborhood Collector Street - a neighborhood collector street is a City street that provides direct access to local streets, private streets, direct driveway access and has fewer trips that originate outside of the area and terminate outside the area than local trips. A local trip is considered a trip that remains within the City limits. The City streets that meet this criteria are:

- 60th Street North;
- Windy Hill Road; and
- Angell Road (east of Sunnyside Lane).

The assessment policy for a Neighborhood Collector Street is to assess 60% of street improvement cost to the specially benefitted properties.

c. Local Street - a local street is a City Street that only provides direct access to private driveways which has trips that originate on the street and or terminate on the street. A local street includes a public street that provides access to shared driveways. The City Streets that meet this criteria are:

- Acorn Drive;
- Zehnder Road;
- 55th Street West;
- Roanoke Road;
- Grieve Glen Lane;
- Windy Hill Court;
- Angell Road (west of Sunnyside Lane); and
- Sunnyside Lane.

The assessment policy for a Local Street is to assess 80% of street improvement cost to the specially benefitted properties.

The special assessments for mill and overlay and for street reconstruction will be spread or divided on a per buildable lot basis with each such lot receiving an equal amount of assessment.

A special assessment for mill and overlay and for street reconstruction will be amortized over a period of time not less than five years and not more than ten years. The interest rate payable by the landowners on the remaining balance of the special assessments will not be more than 2% above the bond interest rate charged the City. If the City has not issued bonds, the interest rate charged the landowners will not be more than 2% above the estimated interest rate that the City would have incurred if bonds were issued to finance the project. Interest will begin to accrue from the date the assessments are levied.

To the extent storm water improvements are constructed with the street improvements and are incident and ancillary to the street improvement and do not otherwise confer significant benefit to properties outside of the lots that would typically be assessed for the street improvements and do not constitute more than 50% of the project costs, the storm water improvements will be considered as part of the street assessments and will be levied on the same basis as the street assessments.

In general, in determining the specially benefitted properties for a street assessment, the following lots will be included:

a. The lots that adjoin a public street or have indirect driveway access to the public street.
b. The lots that adjoin or have indirect driveway access to a private street where the private street has access to the public street that is being improved.

Section 3. <u>Storm Water Improvements</u>. Storm water improvements include such items as culvert repair or reconstruction, holding ponds, erosion control, drainage ditch reconstruction, surface drainage improvements, trunk lines, and lateral lines.

Storm water improvements can generally be placed into two (2) categories:

a. <u>Lateral Storm Water Management Improvements</u>. Lateral storm water management improvements benefit the immediate adjacent area. Lateral storm water management improvements are storm water infrastructure facilities that receive runoff from adjacent public right of way or from some or all adjacent parcels but do not include significant runoff from locations that are off site of the improvements.

b. <u>Trunk Storm Water Management Improvements</u>. Trunk storm water management improvements benefit an area that extends beyond the immediate property (i.e. beyond the lateral benefit). Trunk storm water management improvements manage runoff from areas of the City that are not immediately adjacent to the improvement. The trunk portion of an improvement is the size or cost of the improvement that exceeds the lateral storm water needs. Trunk storm water management improvements usually have a design and capacity to receive storm water runoff from lots that adjoin the improvement as well as non-adjoining lots.

Lateral storm water management improvements will be assessed to the adjacent specially benefitted properties on the same basis as a street assessment, taking into account the different classes of streets and allocating the assessable portion of the project on a per buildable lot basis.

With respect to trunk storm water management improvements, 50% of the project costs will be assessed and the assessable amount will be spread or divided among the specially benefitted properties on a per buildable lot basis with each such lot receiving an equal amount of assessment.

Special assessments for lateral storm water management improvements and trunk storm water management improvements will be amortized over a period of time not less than five years and not more than ten years. The interest rate payable by the landowners on the remaining balance of the special assessments will not be more than 2% above the bond interest rate charged the City. If the City has not issued bonds, the interest rate charged the landowners will not be more than 2% above the estimated interest rate that the City would have incurred if bonds were issued to finance the project. Interest will begin to accrue from the date the assessments are levied.

701 Xenia Avenue South | Suite 300 | Minneapolis, MN 55416 | (763) 541-4800

Memorandum

To: ***Honorable Mayor and City Council***
City of Sunfish Lake

From: ***Jeff Sandberg, PE, City Engineer***
John Perkins, PE, Project Engineer
WSB & Associates, Inc.

Date: ***September 25, 2018***

Re: ***Upper 55th Street Barricade Options***
City of Sunfish Lake, MN
WSB Project No. 011698-000

The following options to deter illegal dumping on Upper 55th Street were examined:

1. Type III Barricade
2. Chain Barrier
3. Jersey Barrier

The cost of each option was considered along with the accessibility for emergency vehicles, maintenance vehicles, and nearby property owners. The permanence of each alternative was evaluated as well to determine if any of these options could be reused in other parts of Sunfish Lake that experience illegal dumping. Figures and cost estimates of each option have been attached to this memo.

1. **Type III Barricade**. This option has an estimated cost of $850 for two barricades. This type of barricade is typically held in place with bags of sand placed across the “feet” of the barricade. This option will allow for the easiest access for emergency vehicles, nearby property owners, and maintenance vehicles. However, this ease of access could also apply to potential illegal dumpers. Finally, it is a very temporary and nonpermanent option. These barricades could be moved to another part of the city that experiences dumping problems if/when the property at the end of Upper 55th Street is sold.

2. **Chain Barrier**. The chain barrier will cost around $1,800. This option would require a padlock that would use a key or code to be unlocked. The police and fire departments are against needing any kind of key or code to gain access to the road. They have indicated that they would likely cut the padlock or break through the barricade. Additionally, it is doubtful that snow plow drivers would agree to get out and open and close the lock to keep the street maintained. This option would allow easy access for nearby property owners and is the most permanent of the three considered. It is unlikely that any elements could be reused in other parts of the city.

3. **Jersey Barrier**. The cost for this option ranges from $650 (plastic) to $2,700 (concrete) for two barriers. Either plastic or precast concrete barriers could be used. The plastic barriers are light weight when they are empty and can be moved by hand. They can be filled with water or sand to ballast them and weigh 700 to 1,200 pounds when full. Concrete jersey barriers would require special equipment to move. Emergency vehicles could potentially push the plastic jersey barriers out of the way if they needed access to Upper 55th Street, but nearby property owners or maintenance vehicles would not be able to do this. Finally, these jersey barriers could be moved to another part of the city that experiences dumping problems if/when the property at the end of Upper 55th Street is sold.

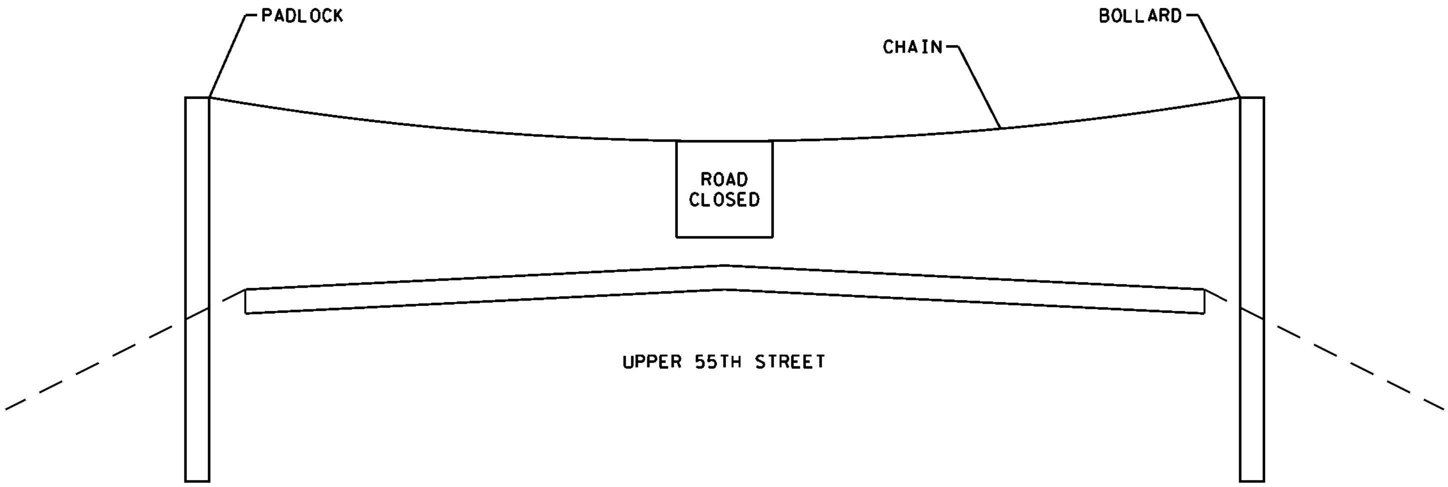
Recommendation:
Staff recommends that the City invest in two (2) Type III Barricades. The investment is minimal, they are easy to erect and remove, and they would effectively impede the access to the road beyond the barricades. The City will also have the flexibility to reuse the barricades for other applications.

Attachments:
Option Figures
Cost Estimates

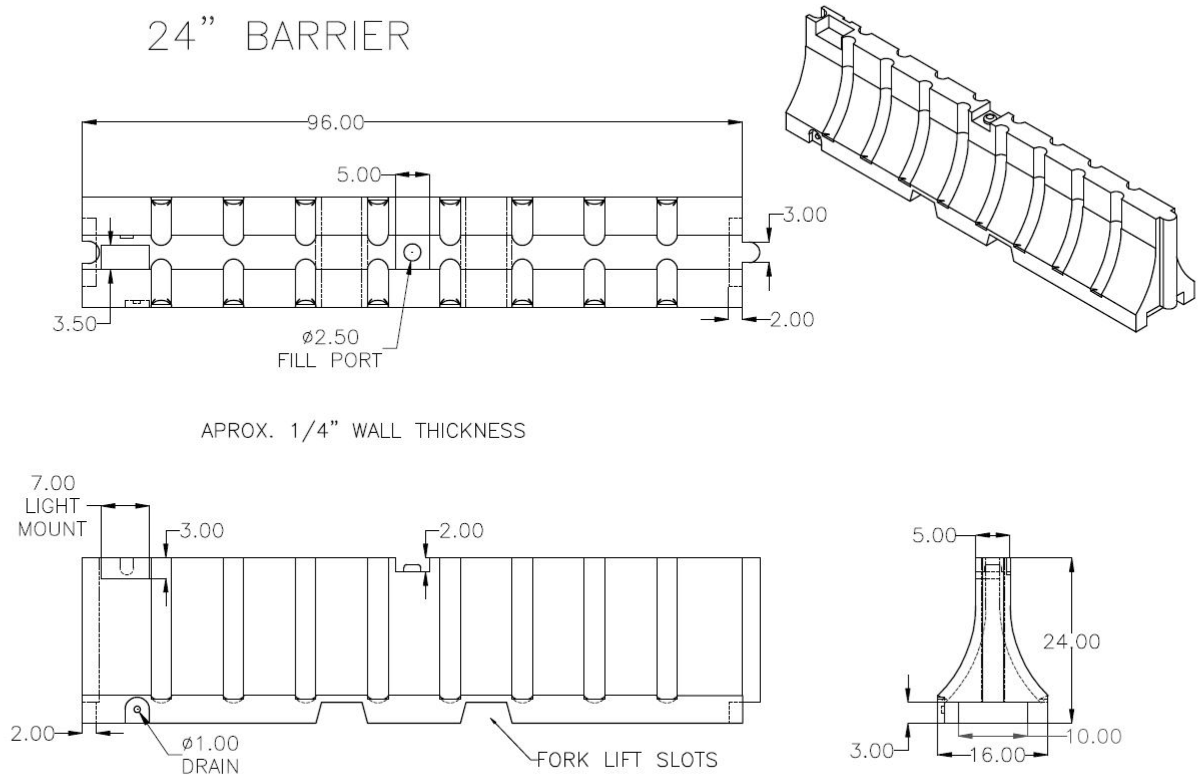
Option Figures

Angle Iron Type III Barricade Kits w/10' Boards

CHAIN BARRIER

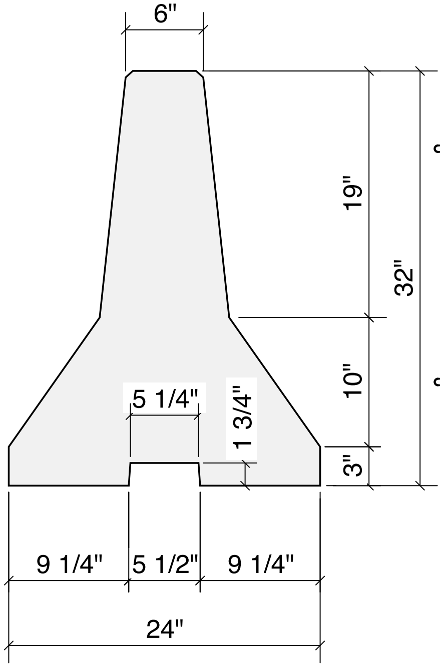


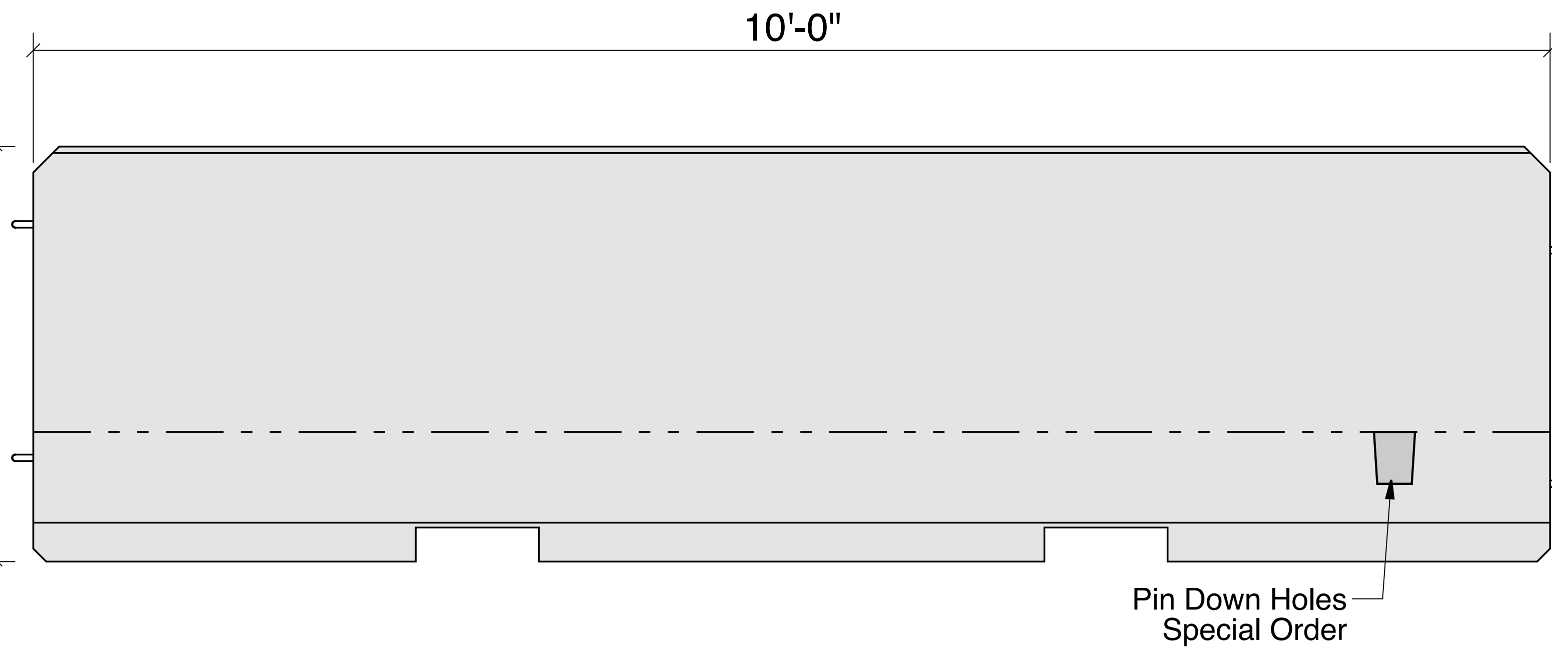
Plastic Jersey Barrier



CB

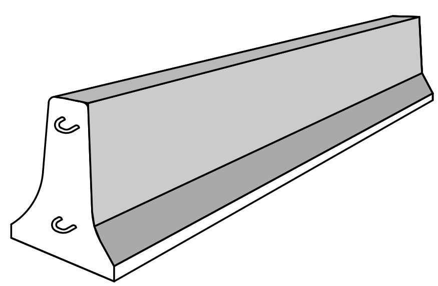
"C" Jersey Barrier





"C" Jersey Barrier

24" x 32" x 120"



Notes:
° Concrete - 4500 PSI W/ Air
° Approx. Weight - 3,800 Lbs
° 12 Units - 120 Lin. Feet Per Load
° Connections - 1"Ø Drop Pins
° Reinforcement - W.W.F
° Steel Form Finish
° Optional Fence Post Sleeves On Top
° Optional Pin Down Holes
° Optional Color & or Stone Finish

Crest Precast, Inc. 800-658-9045
LaCrescent, MN & Barneveld, WI

"C" Jersey Barrier - 24" x 32" x 120"

Type III Barricade Cost Estimate

Item	Number	Unit Cost	Total Cost
Chain	2	$275.00	$550.00
Delivery	2	$50.00	$100.00
Subtotal			$650.00
Contingency (30%)			$195.00
Total			**$845.00**

Chain Barrier Cost Estimate

Item	Length	Number	Unit Cost	Total Cost
Chain	25		$5.00	$125.00
Knox Box	N/A	1	$150.00	$150.00
Bollards	N/A	2	$500.00	$1,000.00
Signage	N/A	1	$60.00	$60.00
Subtotal				$1,335.00
Contingency (30%)				$400.50
Total				**$1,735.50**

Jersey Barrier Cost Estimate

Item	Number	Unit Cost	Cost
Precast Concrete Jersey Barrier			
Belson Outdoors Barrier	2	$930.00	$1,860.00
Crest Precast, Inc. Barrier	2	$480.00	$960.00
Plastic Jersey Barrier			
Traffic Safety Warehouse Barrier	2	$195.00	$390.00
Barriers Unlimited Barrier	2	$145.00	$290.00
Signage	1	$60.00	$60.00
Low end cost			$350.00
High end cost			$1,920.00
Contingency - low (30%)			$105.00
Contingency - high (30%)			$576.00
Delivery & taxes			$200.00
Total	**$655.00**	**to**	**$2,696.00**