

Item 7b.**Sunfish Lake Engineer's Report for September 7, 2021**

By: Jeff Sandberg, PE
City Engineer

Date: August 31, 2021

1. Engineering Activities Undertaken in the Month of August

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

- A. 2021 Capital Improvement Projects – Construction on Sunnyside Lane and Angell Road started the week of August 23rd. That work is generally complete, and work on Grieve Glen and Zehnder Road started the week of August 30th and will be completed by September 15th.
- B. Salem Church Road and Delaware Intersection Improvements – Dakota County is planning to initiate pavement and striping improvements on September 9th. The work is anticipated to be completed by September 13th.
- C. 2021 Pavement Condition Report – The updated report was completed in July. This report was used to assist in preparation of the City's pavement management budget for 2022. A copy of this report is in ATTACHMENT 1D.
- D. 2022 – 2026 Capital Improvements Plan (FINAL) – The final draft of the 2022-2026 Capital Improvements Plan is outlined in ATTACHMENT 1D.
- E. City Lake Pumping – Water was not flowing from any of the City lakes in August; therefore, no lake pumping was permitted in August.

2. Building and Site Reviews in the Month of August

- A. Staff conducted reviews for the following properties in August:
 - 100 Windy Hill Road: Site erosion controls were inspected and confirmed to be in place prior to the start of construction. The applicant also provided their proof of NPDES permit.
 - 2154 Charlton: Site erosion controls were inspected and confirmed to be in place prior to the start of construction.
 - 2 Acorn Drive: Staff has been communicating process with the applicant, and a formal application is expected soon.

3. Public Works Activities Undertaken in the Month of August

- A. No Public Works activities were performed in August.

4. Anticipated Engineering/Public Works Activities for the Month of September

- A. The 2021 Capital Improvement Projects began construction the week of August 23rd and are expected to be completed by September 15th. WSB will provide inspections for the work through the duration of the projects.

The above constitutes the Engineering Report for the City of Sunfish Lake for September 7, 2021.

Respectfully submitted,

A handwritten signature in black ink, reading "Jeffrey S. Sandberg". The signature is written in a cursive, flowing style.

Jeffrey S. Sandberg, PE
City Engineer

Memorandum

To: **Mayor, City Council
City of Sunfish Lake**

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

Date: **August 31, 2021**

Re: **2022 - 2026 Proposed Capital Improvements Plan**

Staff has prepared a final draft of the 2022 – 2026 Capital Improvements Plan (CIP) for the City of Sunfish Lake.

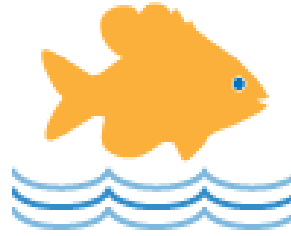
A big part of the city's CIP is the maintenance of roads. This summer, WSB completed inspections for an update to the city's Pavement Condition Report that was last updated in 2018. This report produced an updated Pavement Condition Index (PCI) rating for all of the city's public roadways. The results show that the overall roadway conditions have improved since 2018 due to maintenance and reconstruction improvements that the city has undertaken. To continue to stay ahead of maintenance and prolong the life of the city's roadways to the extent practicable, staff has proposed that three roads get a Crack Seal and Fog and Seal Coat in 2022. These roads include Acorn Dr., Roanoke, Salem Church (west) and Angel Rd. (west).

Two city roads not being considered for annual maintenance are Upper 55th Street W, and 60th Street W. Only two properties are served by Upper 55th Street, and discussions are underway to turn this road back to the property owners.

Staff has had discussions with Inver Grove Heights regarding their future plans for 60th Street. IGH does not have funds programmed for any improvements to 60th Street for the foreseeable future. MnDOT is considering a future interchange at Argenta and 494, and concepts show 60th street potentially being connected and serving as a frontage road. Our understanding is that the timeline for all of this is at least 7 to 10 years out. In the meantime, staff recommends working with IGH on patching 60th Street as necessary.

The improvements for the 3 roads identified for crack seal and fog and seal coat in 2022 noted in the CIP are NOT assessable per the city's adopted Assessment Policy. Funding is proposed to come from the city's general fund for 2022.

Finally, 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 2021 Pavement Condition rating. This maintenance schedule outlines timing for crack seal and fog and seal coating for the city's roadways to optimize and extend each roadway's life to the extent practical. It is recommended that a Pavement Condition Report be completed next in 2024 (every 3 years).



2022 – 2026 CAPITAL IMPROVEMENTS PLAN

AUGUST 31, 2021

Prepared for:
City of Sunfish Lake
Dakota County, MN

WSB PROJECT NO. R-01011-99



**2022 to 2026
CAPITAL IMPROVEMENT PLAN**

CITY OF SUNFISH LAKE, MN

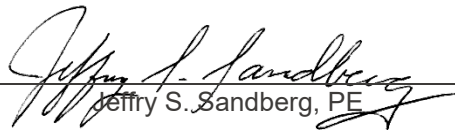
AUGUST 31, 2021

Prepared By:



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.


Jeffrey S. Sandberg, PE

Date: August 31, 2021

Lic. No. 25393

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CERTIFICATION SHEET
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APPENDIX A

Exhibits:

- Exhibit A – Pavement History
- Exhibit B – City Map – Maintenance History
- Exhibit C – Proposed 2022 to 2026 CIP Schedule

APPENDIX B

2021 Pavement Condition Report

APPENDIX C

Capital Improvement Plan Summary

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Assessment Policy

2022 to 2026 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 productive longevity. 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 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 on a 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 2021 Pavement Condition Report which discusses pavement life cycle, maintenance strategies, and how pavements are evaluated. Copies of this 2021 report are included in **Appendix B**.

Appendix B is the 2021 Pavement Condition Report that indicates the currently evaluated pavement conditions. This Capital Improvement Plan identifies pavement and infrastructure management strategies based upon the City streets conditions which were evaluated in June of 2021. 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 2024.

The maintenance items indicated in the Capital Improvement Plan are:

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

Seal Coat – 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.

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

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

Reconstruction – 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.

Drainage System – 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
- 2019 Charlton Road and Sunfish Lake Outlet Improvement Project, funded under bonds through 2030
- 2021 Street Improvement Projects, proposed to be funded under bonds through 2032

2.3 2022 to 2026 Capital Improvements

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

- ***Appendix A, Exhibits C*** - Proposed 2022 to 2026 Capital Improvements
- ***Appendix C*** - Proposed 2027 to 2031 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.

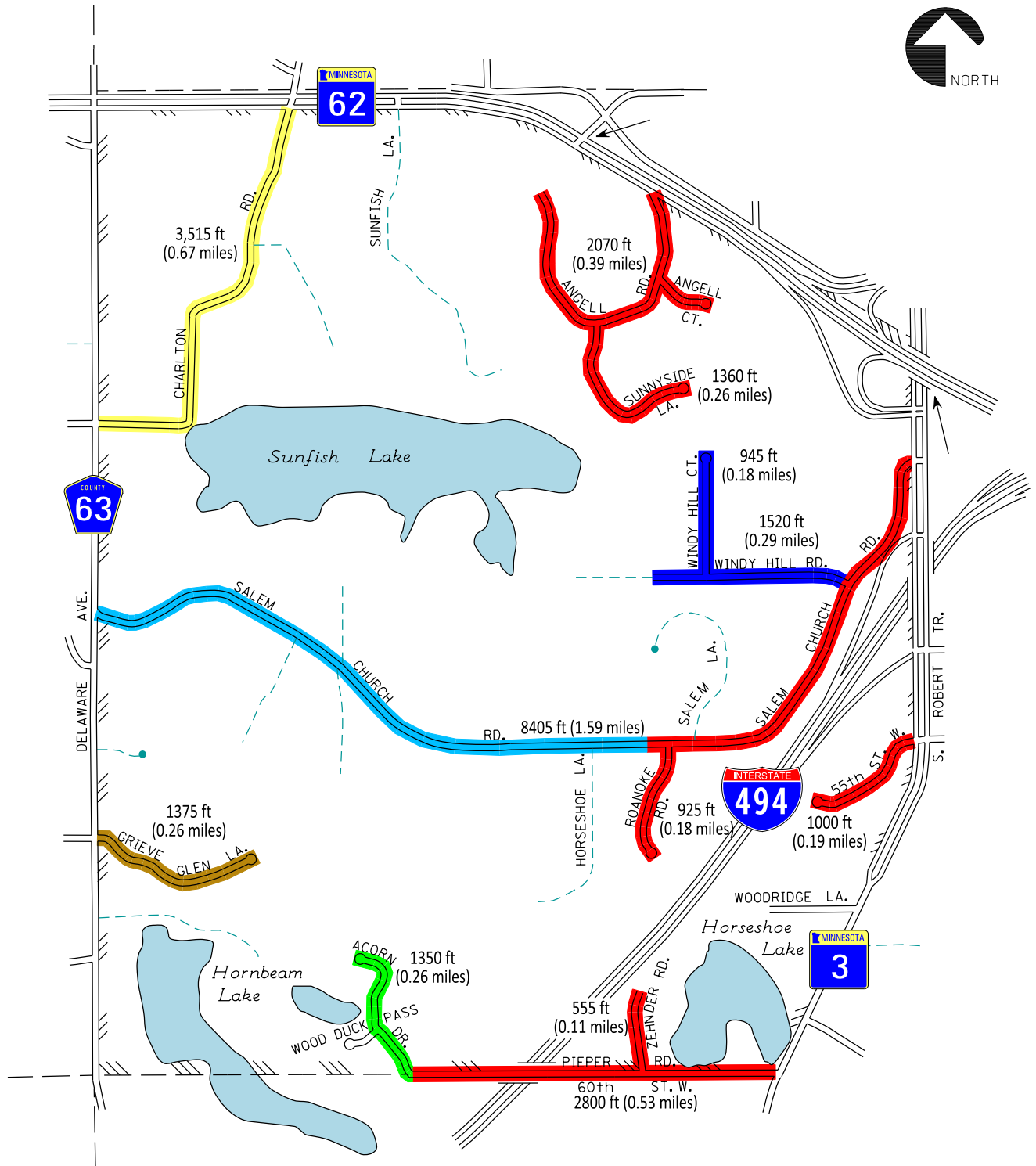
Appendix C includes the Capital Improvement Plan Project Summary of the currently identified capital improvements. It is important to note that the costs identified do not include legal, engineering, administration, and financing cost. The City's Special Assessment Policy is included in Appendix D for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

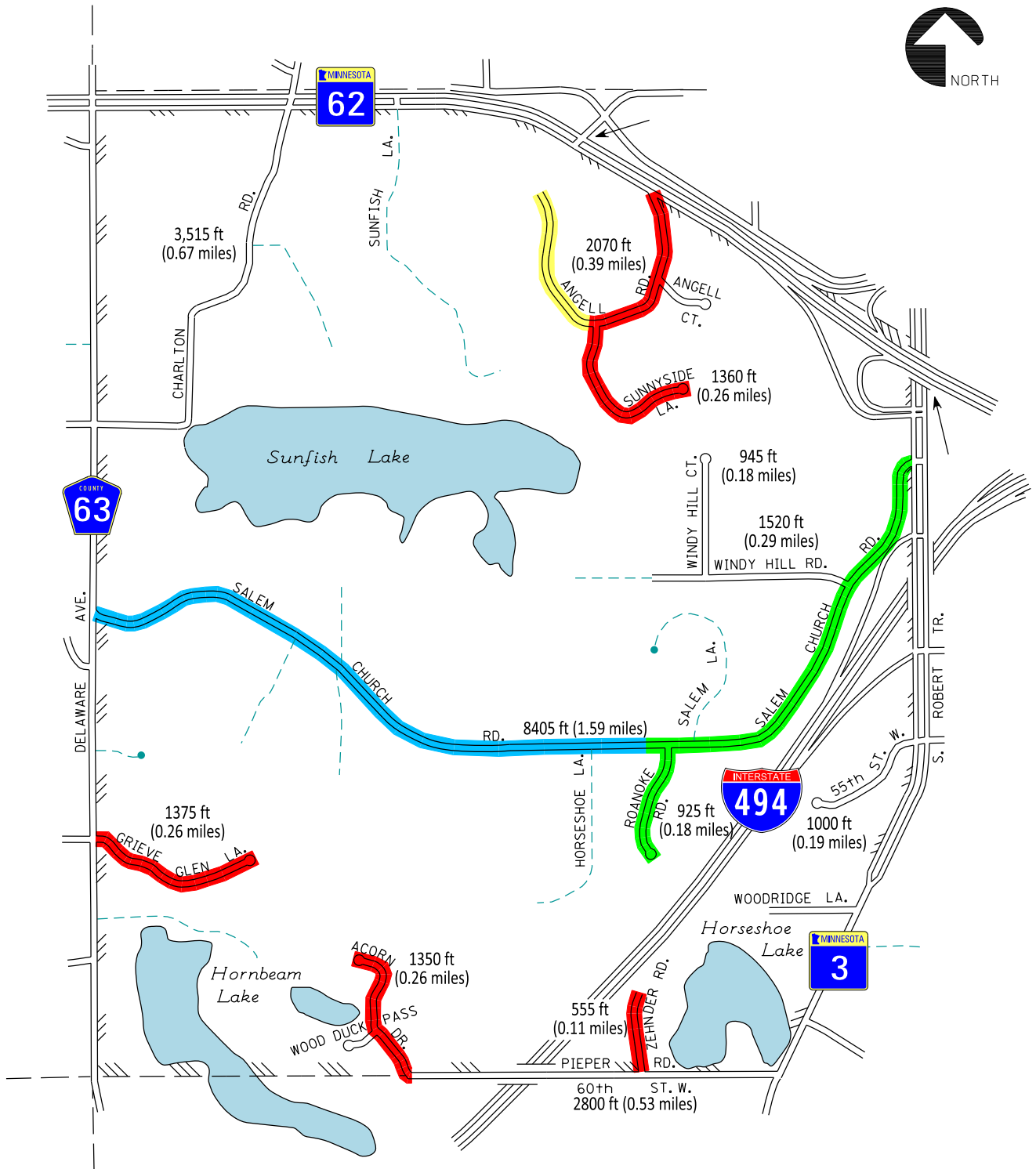
Exhibits



Year of Street Construction 1989 1996 2006 2009 2014 2019

City Street Lengths: 4.91 miles of Paved Streets

Date: Printed: 7/27/2020
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Year of Street Maintenance

■ 2013 Seal Coat
 ■ 2014 Overlay
 ■ 2016 Seal Coat
 ■ 2017 Overlay

City Street Lengths: 4.91 miles of Paved Streets

Date: Printed: 7/27/2020
 WSB Filename: G:\MAPS\Sunfish Lake\2020 CIP Maps\Exhibit B - 2020 City Street Map - Maintenance History.dgn

Exhibit C - 2022 CIP - Sunfish Lake Road Reconstruction / Maintenance Schedule

Updated August 31, 2021

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)	2021 PCI
Charlton Road	2019	3,515				2023, 2029	N/A
Salem Church Road (west)	2009	5,405				2016, 2022 , 2028	82
Salem Church Road (east)	1989	3,000	2017			2023, 2029	93
Grieve Glen Road	1996	1,375	2021			2013, 2027	100
Acorn Drive	2006	1,350				2013, 2022 , 2028	92
Roanoke Road	1989	925	2017			2022 , 2028	81
Zehnder Road	1989	555	2021			2013, 2027	100
60th Street W	1999	2,800					53
Angell Road (west)	1989	900	2014			2022 , 2028	92
Angell Road (east)	1989	1,170	2021			2013, 2027	100
Sunny Side Lane	1989	1,360	2021			2013, 2027	100
Windy Hill Court	2014	945				2023, 2029	90
Windy Hill Road	2014	1,520				2023, 2029	94
Upper 55th St W	1989	1,000					N/A

Estimated Construction Costs includes 10% contingency and 35% admin (2021 Dollars)

	Cost/ Lin Ft.
Crack Seal, Fog and Seal Coat	\$ 17.00
2" Mill and Overlay	\$ 72.00
Full Depth Reclamation	\$ 160.00

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>
Length of Crack Seal and Fog Seal Coat (ft)	8,580	5,980				4,460	8,580	8,980		
Length of 2" Mill and Overlay (ft)										
Length of Full Depth Reconstruction (ft)										

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>
Cost of Crack Seal and Fog Seal Coat	\$ 145,860	\$ 101,660	\$ -	\$ -	\$ -	\$ 75,820	\$ 145,860	\$ 152,660	\$ -	\$ -
Cost of 2" Mill and Overlay	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Cost of Full Depth Reconstruction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Assessable Cost *	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
General Maintenance Fund	\$ 145,860	\$ 101,660	\$ -	\$ -	\$ -	\$ 75,820	\$ 145,860	\$ 152,660	\$ -	\$ -
City Cost-Share of Assessable Projects										

* Refer to Adopted City Assessment Policy

APPENDIX B

2021 Pavement Condition Report

Memorandum

To: Jeff Sandberg, PE, City Engineer

From: Matthew Indihar, PE

Date: July 22, 2021

Re: Pavement Condition Report
WSB Project No. 018467

WSB is pleased to submit this pavement condition report summarizing the results of the pavement inspection on the City streets in Sunfish Lake performed June 28 through July 13, 2021. The distresses observed on the surface of evaluated roadways were analyzed using our pavement management software, PAVER, to calculate the Pavement Condition Index (PCI) of each street. The PCI is based on a 0 to 100 scale, with 100 being a new roadway with no distresses present.

Bituminous roadways were evaluated, but gravel and private roads were not rated. There were several roads that were exempt as well, due to construction planned for this year. A map showing the condition rating can be found in **Appendix A** of this report. The condition rating for each street is included in a table in **Appendix B**. Any type of road maintenance (i.e. patching or crack sealing) done prior to inspections is accounted for in each PCI value. The weighted average was computed by averaging the PCI values based on the area of each segment, which was calculated to be 87. The average PCI has increased from 78 in 2018 to 87 currently due to programmed roadway improvements and proper maintenance since the last report (2018).

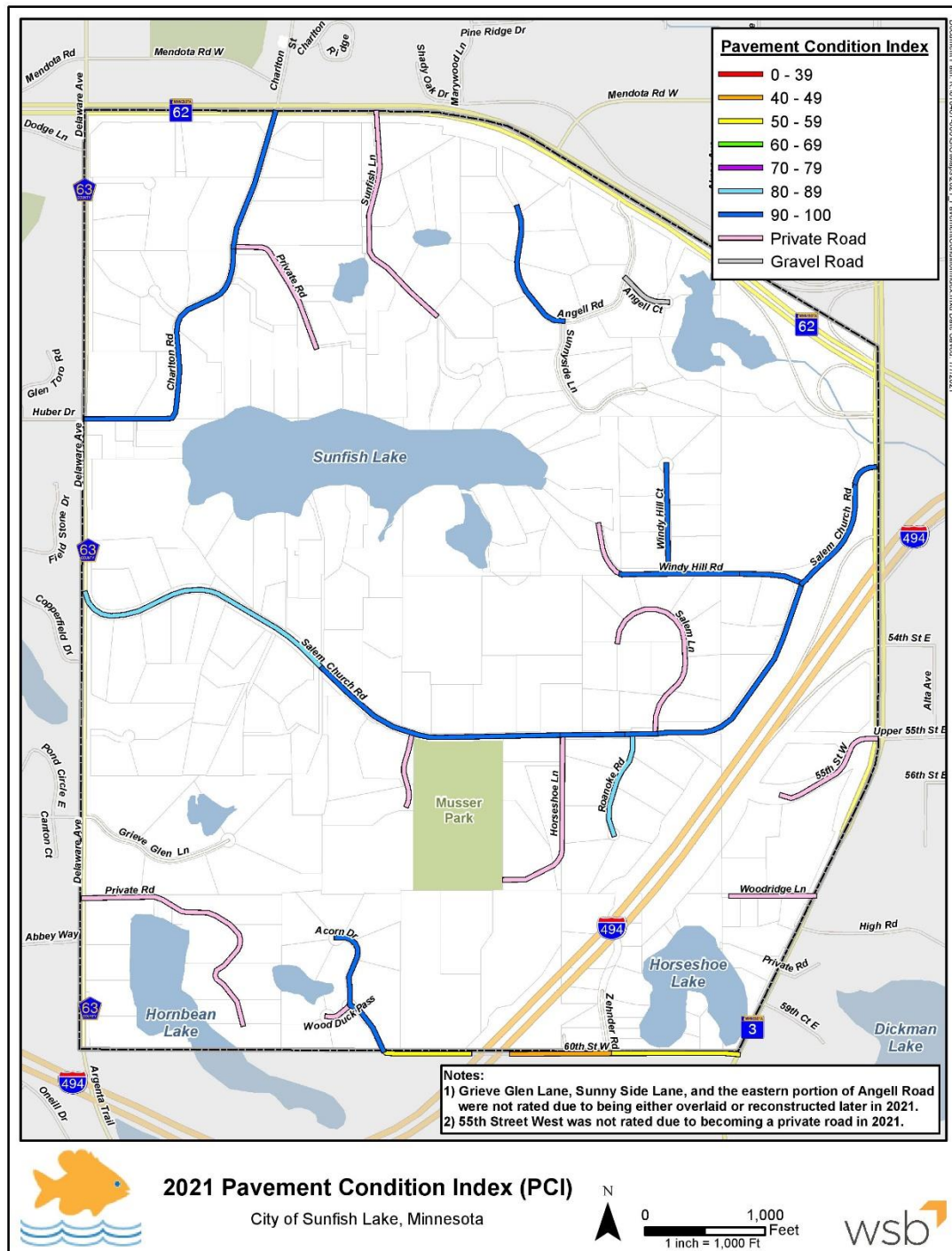
On roads in good condition with high PCI values, which are in the range from 80 to 100, we recommend performing preventative maintenance such as a chip sealing or a fog seal over a chip seal to protect the road surface from infiltration of water and incompressible materials as well as oxidation. Good candidates for preventative maintenance upon field inspection are Acorn Drive, Angell Road, Charlton Road, Roanoke Road, Salem Church Road, Windy Hill Road and Windy Hill Court. It would be our recommendation to apply a fog sealed chip seal to these road segments in 2022 or 2023. The priority would be to get Roanoke Road, Angell Road (west), Acorn Drive and Salem Church Road (west) done in 2022. The rest of the roads between 80 and 100 should have a fog sealed chip seal performed in 2022 or 2023 depending on the budget, other than new construction. This preventative maintenance is shown to extend the life of the road and save cost long term by extending the life of the pavement before major repairs are needed. The fog seal over a chip seal provides a long lasting, more aesthetically pleasing product with better chip retention when compared to a traditional chip seal. A fog sealed chip seal should be planned for on a 5- to 7-year cycle to achieve the most value and maintain PCI numbers in roads currently above 80, as well as the pavements constructed in 2021.

The PCI values of the pavement on 60th Street West dropped significantly since the last inspection in 2018. We were informed that it is a shared maintenance responsibility with Inver Grove Heights (IGH). IGH has stated that they are not planning to put money aside for maintenance because there are potential future road improvements/alignments by MnDOT/County. A study is underway to review growth and projected traffic counts in the area and make recommendations for roadway improvements/connections. We would recommend that maintenance not be programmed for this roadway until the future of the roadway is analyzed further in the referenced study.

Please contact Matthew Indihar at 218.341.3614 with any questions or to request further analysis. Thank you.

Appendix A

Sunfish Lake 2021 PCI Map



Appendix B

Sunfish Lake 2021 Street PCI

Name	Section ID	True Area (Sq Ft)	2021 PCI
60TH ST W	2	16,196.58	48
60TH ST W	3	14,522.64	57
60TH ST W	4	21,408.53	55
ACORN DR *	27	28,382.19	92
ANGELL RD *	5	22,713.12	92
CHARLTON RD	25A	23,394.01	99
CHARLTON RD	25B	47,527.36	96
ROANOKE RD *	9	20,254.49	81
SALEM CHURCH	10	46,776.85	92
SALEM CHURCH	11	24,025.33	94
SALEM CHURCH *	13	55,513.03	82
SALEM CHURCH	14	52,514.32	93
SALEM CHURCH	15	12,889.53	92
SALEM CHURCH	29	5,692.29	91
WINDY HILL CT	21	18,119.06	90
WINDY HILL RD	22	26,171.05	94
WINDY HILL RD	23	9,199.03	93

*Priority for fog sealed chip seal maintenance in 2022

APPENDIX C

Capital Improvement Plan Summary

2022 - 2031 CAPITAL IMPROVEMENT PLAN

SUMMARY
APPENDIX B

	Notes	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	TOTALS
<u>Improvement Project Costs</u>												
<u>A.) General Street Maintenance/ Water Quality (100% City Tax Levy)</u>												
1.) Street Sweeping	2	\$0	\$0	\$1,750	\$1,750	\$1,800	\$1,800	\$1,800	\$1,800	\$1,800	\$1,800	
2.) Sign Replacement and maintenance	1	\$1,200	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	
3.) Striping maintenance		\$3,300	\$3,300	\$3,300	\$4,700	\$4,700	\$4,700	\$4,700	\$4,700	\$4,700	\$4,700	
4.) Bituminous Maintenance		\$5,000	\$4,500	\$4,500	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	
5) Shoulder Maintenance		\$1,100	\$1,200	\$1,200	\$1,200	\$1,300	\$1,300	\$1,300	\$1,400	\$1,400	\$1,400	
6.) Annual Lake Water Quality Monitoring	6	\$1,140	\$1,300	\$1,300	\$1,300	\$1,400	\$1,400	\$1,400	\$1,400	\$1,400	\$1,400	
Subtotal General Street Maintenance		\$11,740	\$11,800	\$13,550	\$15,450	\$15,700	\$15,700	\$15,700	\$15,800	\$15,800	\$15,800	
<u>Capital Improvement Plan</u>												
<u>B.) 100% City Levy Improvements</u>												
1.) Infrastructure Management Update (Pavement and Culvert Management Plan Updates)				\$8,500			\$8,800					
2.) Crack Seal		\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0	
3.) Crack Fill, Fog & Seal Coat	7	\$146,000	\$101,660			\$75,820	\$145,860	\$152,660		\$0	\$0	
4.) Culvert Cleaning & End Section Repair						\$0						
5.) Sunfish Lake TMDL Improvements	4		\$0	\$0								
6.) Miscellaneous Storm Water Improvements	4											
7.) SWPPP Program and Implementation	5	\$3,200	\$2,800	\$2,800	\$3,100	\$3,100	\$3,300	\$3,300	\$3,500	\$3,500	\$3,700	
Sub Total CIP Projects		\$149,200	\$104,460	\$11,300	\$3,100	\$78,920	\$157,960	\$155,960	\$3,500	\$3,500	\$3,700	
<u>C.) Assessed City Improvements (Bonding Requirements)</u>												
1.) 2009 Salem Church Road Project (Final Payment 2/1/2020)												\$0
2.) 2014 Street Improvement Project		\$40,682	\$39,837	\$38,808	\$37,779							\$157,106
3.) 2017 Street Improvement Project		\$48,725	\$47,759	\$46,794	\$51,077	\$49,802	\$48,526	\$48,526				\$341,209
4.) 2019 Charlton Road Improvements		\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$800,000
5.) 2021 Street Improvement Projects	3, 8	\$63,500	\$63,500	\$63,500	\$63,500	\$63,500	\$63,500	\$63,500	\$63,500	\$63,500	\$63,500	\$635,000
Sub Total Assessed City Projects		\$232,907	\$231,096	\$229,102	\$232,356	\$193,302	\$192,026	\$192,026	\$143,500	\$143,500	\$143,500	\$1,933,315
<u>D.) Assessed City Improvements (Collected from Special Assessments)</u>												
1.) 2009 Salem Church Road Levy												\$0
2.) 2014 Street Improvement Levy		\$21,592	\$20,832	\$20,071	\$19,311							\$81,806
3.) 2017 Street Improvement Levy		\$15,363	\$14,852	\$14,342	\$13,831	\$13,321	\$12,810	\$12,810				\$97,329
4.) 2019 Charlton Road Improvements Levy		\$32,000	\$32,000	\$32,000	\$32,000	\$32,000	\$32,000	\$32,000	\$32,000	\$32,000	\$32,000	\$320,000
5.) 2021 Street Improvements Levy	3, 8	\$50,800	\$50,800	\$50,800	\$50,800	\$50,800	\$50,800	\$50,800	\$50,800	\$50,800	\$50,800	\$508,000
Subtotal Special Assessment Funding		\$119,755	\$118,484	\$117,213	\$115,942	\$96,121	\$95,610	\$95,610	\$82,800	\$82,800	\$82,800	\$1,007,135
<u>General Fund Expenditures</u>												
<u>City Tax Levy (Collected from General Tax Levy)</u>												
GENERAL TAX LEVY (A+B)		\$160,940	\$116,260	\$24,850	\$18,550	\$94,620	\$173,660	\$171,660	\$19,300	\$19,300	\$19,500	
ASSESSED PROJECTS LEVY (C-D)		\$113,152	\$112,612	\$111,889	\$116,414	\$97,181	\$96,416	\$96,416	\$60,700	\$60,700	\$60,700	
Subtotal City Tax Levy Funding Requirements		\$274,092	\$228,872	\$136,739	\$134,964	\$191,801	\$270,076	\$268,076	\$80,000	\$80,000	\$80,200	

Notes

- 1.) Replace Regulatory Signs
- 2.) Street Sweeping Included in Snowplowing Contract through 2023
- 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.) Acorn Drive, Roanoke, and Angell Road (West)
- 8.) Zehnder, Angell (East), and Sunnyside Lane, Grieve Glen

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**

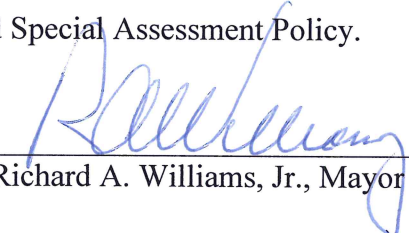
WHEREAS, Chapter 429 of the Minnesota Statutes authorizes the City to levy special assessments for certain public improvements.

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:

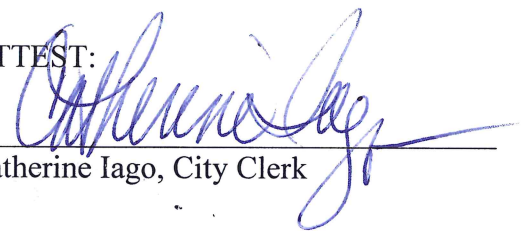
1. The Council hereby approves the attached Special Assessment Policy.

Passed this 5th day of July, 2011.



Richard A. Williams, Jr., Mayor

ATTEST:



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 uniformly 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.

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; and
- Angell Road (west of 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. Storm Water Improvements. 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. Lateral Storm Water Management Improvements. 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. Trunk Storm Water Management Improvements. 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.