

# GOLF COURSE DRIVE

EXCELSIOR ROAD TO WOIDA ROAD

IMPROVEMENT HEARING

MAY 5, 2016



---

CITY OF BAXTER, MINNESOTA

# OVERVIEW

- Street Project Funding
- Public Improvement Process
- Existing Conditions
- Proposed Improvements
- Estimated Project Costs
- Assessment Procedure and Calculations
- Questions



# Street Project Funding

- City of Baxter commissioned a pavement management plan (PMP) study in 2013 to address ongoing maintenance and funding of the city's now 85 miles of streets.
- Study initiated due to aging of streets and associated need to increase maintenance.
- Purpose of the study:
  - Develop a PMP to preserve and/or improve quality of City's streets in a fiscally responsible manner
  - Develop and implement a plan considering immediate and long-term needs
  - Prepare systematic plan for routine evaluation with sustainable funding
  - Provide information for better communication and decision making

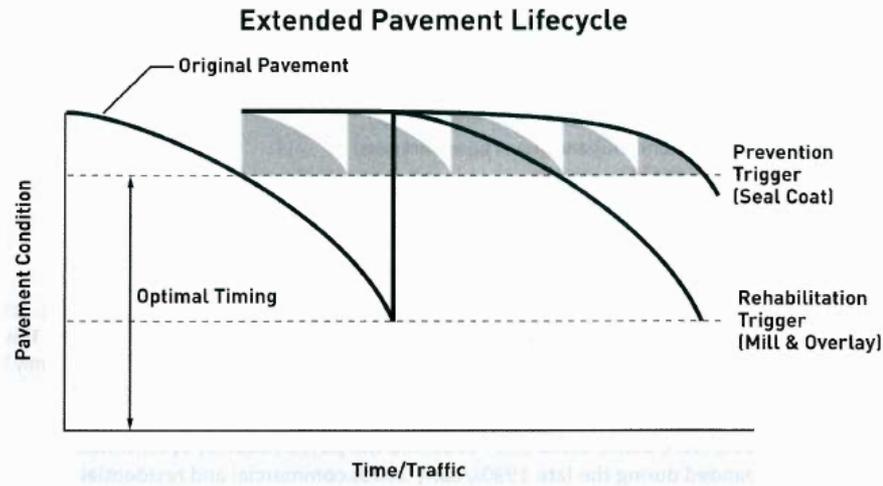


# Street Project Funding

- PMP study recommended dramatically increasing street maintenance budget to maintain all streets with a condition rating of 5 and above, targeting preservation improvements first with a sealcoating program.
- Ongoing preventative maintenance would save property owners the higher cost of more frequent reconstruction.
- PMP study recognized franchise fees and assessments as a potential funding source for ongoing maintenance not currently being performed.



# Street Project Funding



- The goal of the pavement management plan is to extend the life of existing pavements and lower future maintenance costs.
- Preventative maintenance through sealcoating during early stages of a pavement's lifecycle can be the most cost effective method for extending pavement life.

# Street Project Funding

|                           | 36-foot Urban Commercial Street | 26-foot Rural Residential Street |
|---------------------------|---------------------------------|----------------------------------|
| Sealcoat                  | \$9 per foot                    | \$7 per foot                     |
| 2" Mill & Overlay         | \$70 per foot                   | \$56 per foot                    |
| Full Depth Reconstruction | \$253 per foot                  | \$174 per foot                   |

- Preventative maintenance is significantly less costly than the reconstruction alternative.



# Street Project Funding

- Franchise Fees
  - Recently adopted by the City to fund routine maintenance, including sealcoating and street lighting projects.
  - City Council determined the establishment of utility franchise fees to be an equitable means of generating the necessary funding.
  - Fee to utility providers for use of the public right-of-way (typically passed through to utility customers).
  - Used by over 65 Minnesota cities to fund specific projects.
  - A common alternative to property taxes for funding street maintenance projects.



# Street Project Funding

Street maintenance and construction funding sources:

- Property Tax - crack sealing, snow plowing, pavement markings, shouldering, pothole repair and signs
- Franchise Fees – for routine pavement management, including sealcoating and street lights
- Special Assessments – used for mill & overlay, full depth reclamation, street reconstruction and new construction
- Local Option Sales Tax – only for traffic safety related capital projects, cannot be used for maintenance



# Public Improvement Process

- Feasibility Report
  - Original report prepared by WSN in June 2015
  - Supplement to report by Bolton & Menk in April 2016
- Improvement Hearing
  - Project generalities discussed
  - Estimated costs presented
  - Input from property owners obtained
- City Council authorizes or rejects project
- If project is authorized
  - Project will be bid
  - Final Assessment Hearing
  - Award
  - Project constructed





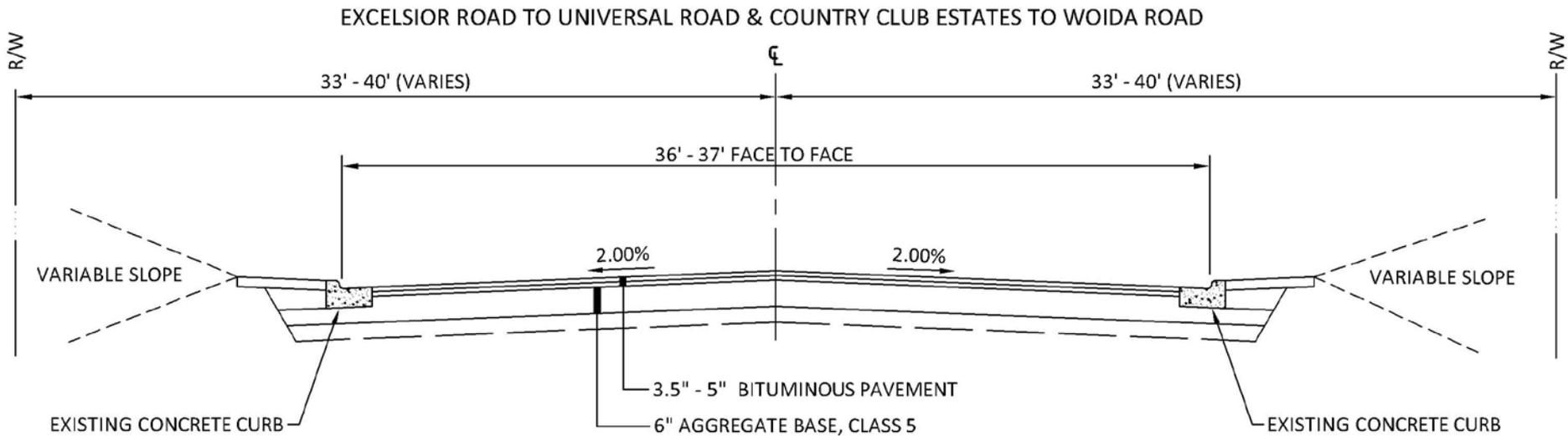
# Existing Conditions

- Excelsior Road to Universal Road
  - Urban Section Constructed in 1981 and Resurfaced in 2002
  - PMP Provides for Full Depth Reclamation rehabilitation
- Universal Road to Country Club Estates
  - Rural Section Constructed in 1993 & 1996
  - HDPE Storm Sewer Pipe
  - PMP Provides for reconstruction of this area
- Country Club Estates to Woida Road
  - Urban Section Constructed in 1995
  - PMP Provides for Full Depth Reclamation rehabilitation



# Existing Conditions – FDR Area

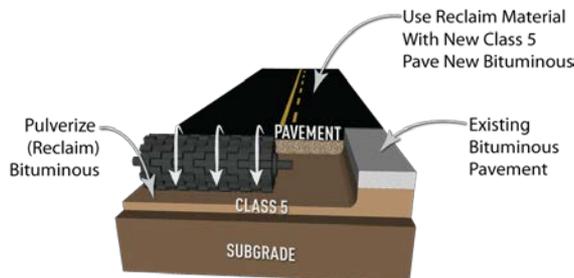
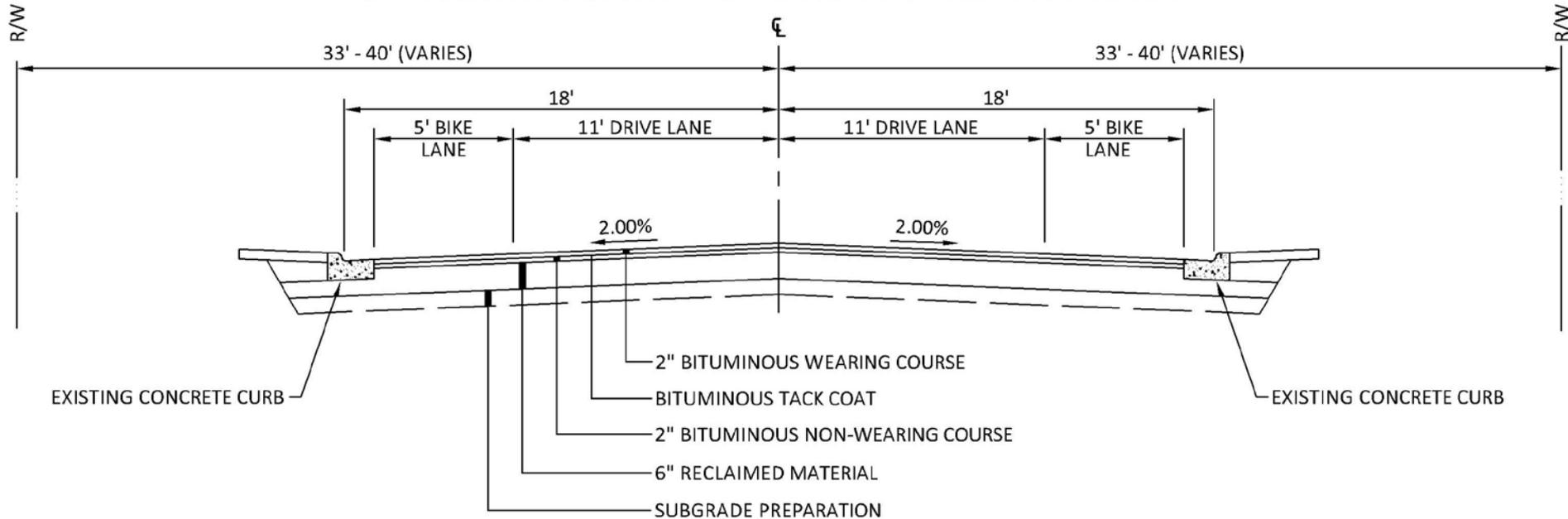
## EXISTING FULL DEPTH RECLAMATION SECTION



# Proposed Improvements – FDR Area

## TYPICAL FULL DEPTH RECLAMATION SECTION

EXCELSIOR ROAD TO UNIVERSAL ROAD & COUNTRY CLUB ESTATES TO WOIDA ROAD

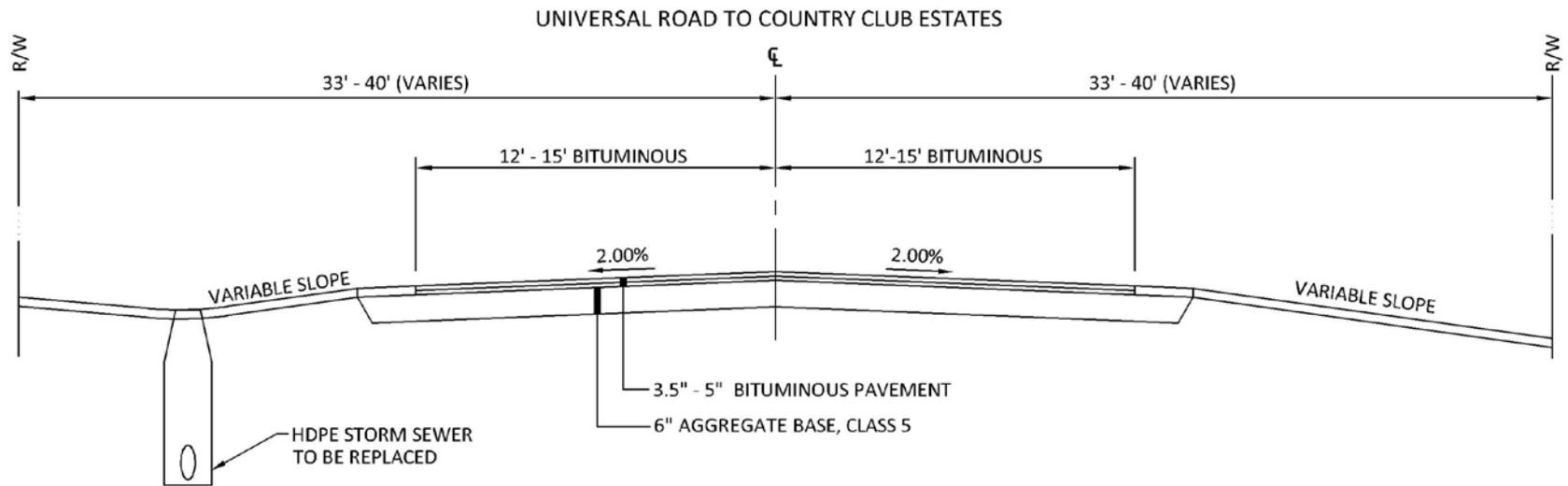


- Spot concrete curb replacement
- Replace catch basin grates
- Sign and stripe bike lane



# Existing Conditions – Reconstruction Area

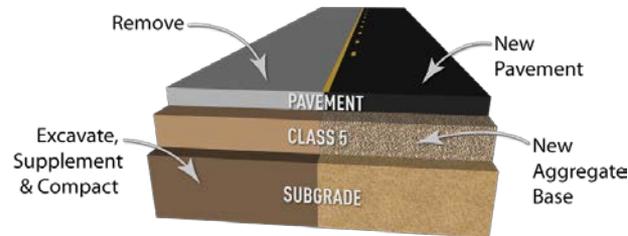
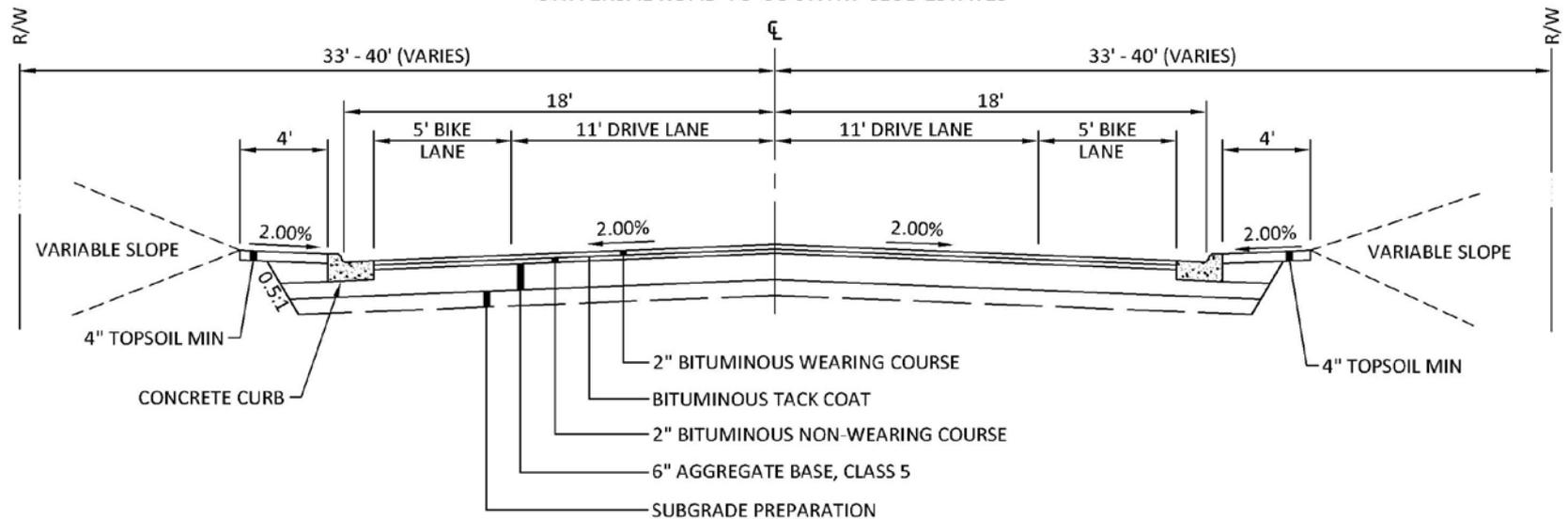
## EXISTING RECONSTRUCTION AREA TYPICAL SECTION



# Proposed Improvements – Reconstruction Area

## TYPICAL RECONSTRUCTION SECTION

UNIVERSAL ROAD TO COUNTRY CLUB ESTATES



# Estimated Project Costs

- Full Depth Reclamation = \$424,560
- Street Reconstruction = \$453,718
- Storm Sewer Replacement (City) = \$415,044
- New Storm Sewer = \$75,762
  
- Total Estimated Project Cost = \$1,369,084



# Assessment Procedure and Calculations

## Commercial Full Depth Reclamation (FDR)

- 100% of the FDR costs are assessed to the benefitting properties.
- Area is commercial on west side and mixed use class of office space, residential, and commercial on east side.
- Front footage assessment method is recommended.
  
- Total Estimated Project Cost: \$424,560
- Total Estimated Assessable Frontage: 6,255
- Estimated Cost per Foot: \$67.88



# Assessment Procedure and Calculations

## Street Reconstruction - Universal Road to Country Club Estates

- 100% of the costs are assessed to the benefitting properties.
- Area is commercial on west side and mixed use class of office space, residential, and commercial on east side.
- Front footage assessment method is recommended.
  
- Total Estimated Project Cost: \$453,178
- Total Estimated Assessable Frontage: 4,242
- Estimated Cost per Foot: \$106.96



# Assessment Procedure and Calculations

## Storm Sewer – Universal Road to Country Club Estates

- City cost to remove and replace existing storm sewer
  - 100% of the cost of new storm sewer to construct street to urban section are assessed to the benefitting properties.
  - Front footage assessment method is recommended.
- 
- Total Estimated City Cost: \$415,044
  - Total Estimated Assessable Cost: \$75,762
  - Total Estimated Assessable Frontage: 4,242
  - Estimated Cost per Foot: \$17.86



# Assessment Procedure and Calculations

## Country Club Estates

- Portion of the property in reconstruction area
  - Portion of the property in FDR area
  - Front footage assessment method is recommended to determine total assessable cost.
  - Total assessable cost to be divided evenly amongst 30 properties in the development.
- 
- Total Estimated Assessable Cost: \$67,048.79
  - Total Assessable Lots: 30
  - Estimated Cost per Lot: \$2,234.96





# Assessment Payment

- Pre-payments and partial payments are allowed up to 30-days following adoption of the assessment roll with no interest charged on the portion paid.
- Assessment balances will be certified to the County with payments to begin on the next year's county tax statement.
- Assessment balance will be amortized over a 12-year assessment term for this project.
- Interest rate estimated at 4.75%. The actual rate will be determined once the bonds are sold.
- Future payoff requirements after certification:
  - Interest will accrue from assessment adoption through the end of the calendar year
  - After 2016, payments in full must be made by November 15 to either the City of Baxter or Crow Wing County Auditor to avoid paying the following year's interest



# Assessment Deferments for Residential Homestead Parcels

- Hardship (Senior Citizen, Disability or Military Active Duty):
  - Individuals meeting age, disability and military active duty requirements based upon qualifying income may be eligible to request deferment of their special assessment.
  - Deferment criteria, application and documentation requirements and procedures are specified in the City of Baxter Assessment Policy for Public Initiated Improvements & Special Assessments of the City of Baxter Code.
  - The annual deadline to apply is August 31<sup>st</sup> of each year with the deadline for the first payment in 2017 being August 31, 2016.



# Project Cost Summary

- Estimated City Costs: \$415,044 (30%)
- Estimated Assessable Costs: \$954,040 (70%)
- Estimated Total Project Cost: \$1,369,084



# Project Schedule

- Schedule
  - Council adopts resolution ordering improvement, Council adopts resolution preparing plans and specifications (May 17<sup>th</sup>).
  - Council adopts resolution approving plans and specifications and authorizing advertisement for bids (June 7<sup>th</sup>)
  - Council adopts resolution ordering the assessment hearing (June 7<sup>th</sup>)
  - Bid opening (July 5<sup>th</sup>)
  - Assessment Hearing (July 7<sup>th</sup>)
  - Council passes resolution adopting the assessment roll (July 19<sup>th</sup>)
  - Council awards construction contract (July 19<sup>th</sup>)
  - Begin construction (August 2016)
  - Construction complete (October 2016)



# Questions?

## Thank You!

- Mike Rardin, P.E.  
Bolton & Menk – Senior Project Manager  
[michaelera@bolton-menk.com](mailto:michaelera@bolton-menk.com)  
218-825-0684
- Bryan Drown, P.E.  
Bolton & Menk - Project Engineer  
[bryandr@bolton-menk.com](mailto:bryandr@bolton-menk.com)  
218-825-0684

