

# 2022 STREET & UTILITY IMPROVEMENTS

VERNON CENTER, MINNESOTA



Building a Better World for All of Us®

## SEH PROJECT TEAM

- Chris Knutson, Project Manager
- Chris Cavett, City Engineer
- Doug Scott, Lead Project Engineer
- Dominic Metzger, Design Tech
- Dalton Kosek, Design Engineer



# PURPOSE OF TONIGHT'S MEETING

- Further review the street and utility improvements proposed for 2022 and 2023.
- Start dialogue with residents on the project and discuss what is proposed and how it may affect them.
- Discuss why the improvements are needed and how the city plans to pay for them.
- Discuss the assessment process and how properties on the project will be affected.

# PROJECT HISTORY

- Historically, flows through the sanitary sewer system have exceeded both capacity of both the collection and treatment system.
- Water breaks have regularly occurred water pressure is low in different parts of town.
- In 2008, a study determining the amount of I&I (Inflow and Infiltration) in the sanitary sewer system was completed.
- In 2014, a Capital Improvements Plan (CIP) was created to review existing streets and utilities and the determine the costs to improve them.

# PROJECT HISTORY

- In 2015, the first street and utility project was completed. A new water tower was also installed.
- While improvements to I/I and water systems have improved, there is still a long way to go.
- In February of 2017, the city hired SEH to complete a Preliminary Engineering Report (PER). Due to volatility in the USDA-RD at that time, it was put on hold.
- Work resumed on the PER and the first Public Hearing was held on August 16, 2018.

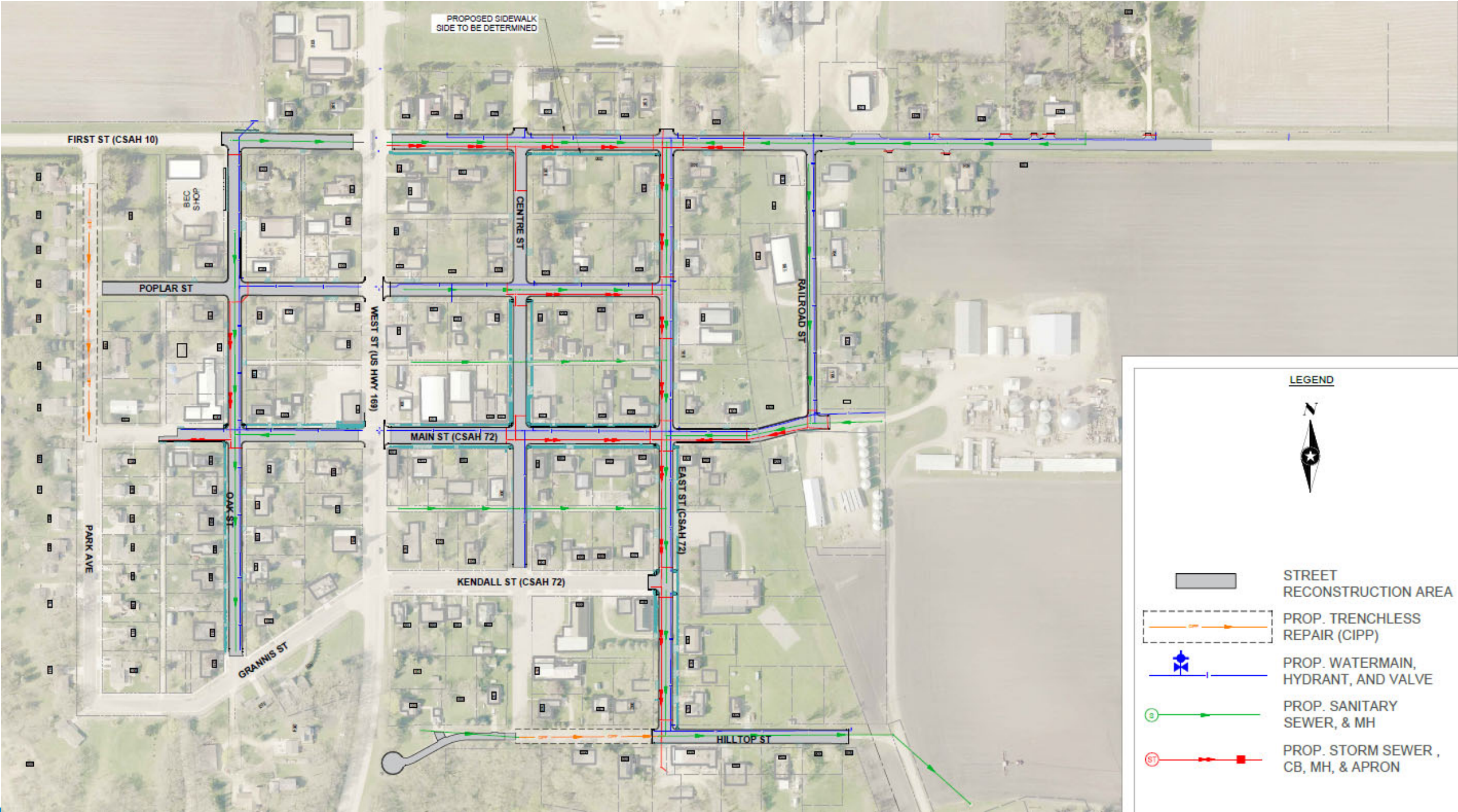


# PROJECT HISTORY

- The PER document was completed and an application for funding through USDA-RD was submitted in March of 2019.
- Once approved, the funding review showed a significant need for outside funding to offset loan amounts.
- Bonding bill money through the State Legislature was awarded in late 2020.
- Blue Earth County will participate in costs with State Aid.
- Remaining funding secured in early 2021 through USDA-RD
- Final Design started in March 2021



# PROJECT MAP



# Infrastructure Conditions





# PROPOSED IMPROVEMENTS

- Water Main and Services
- Sewer Main and Services
- Storm Sewer
- Sump Pump Drain Connections
- Street Reconstruction, new blacktop and aggregates
- Curb and Gutter
- Driveways and Sidewalks
- General Restoration
- Other Project: New WTP and WWTF upgrades



# STREET IMPROVEMENTS

- Most city streets to be primarily reconstructed at their current location, with minimal changes. Usually around 36 feet.
- Gravel streets including Oak Avenue N and Railroad Street currently proposed to be reconstructed with bituminous surfacing and curb and gutter
- CSAH 10 (First Street) proposed to have curb and gutter extended to Railroad Street. Rural section east of that.
- CSAH 72 (Main Street between US169 and East Street) proposed for narrowing. Width to be determined.

## PROPOSED COSTS AND FUNDING (DRAFT)

- Total Construction Cost Estimated at \$6,176,500
- Total Project Cost Estimated at \$7,679,100

Estimated Project Costs include Interim Interest (\$241,800) and Legal (\$168,000) to meet USDA-RD requirements. Actual costs expected to be substantially less.

Street and Utility Improvements expected to be paid through State Bonding Bill, Blue Earth County State Aid, and USDA-RD Loans.



# PROPOSED COSTS AND FUNDING (DRAFT)

## Street & Utility Improvements Cost Estimates

	Wastewater Collection	Water Distribution	Storm Drainage	Ineligible Street	Total
Utility Restoration	\$ 835,000	\$ 809,000	\$ 817,000		\$ 2,461,000
Street Restoration	\$ 644,000	\$ 517,000	\$ 304,000	\$ 1,689,000	\$ 3,154,000
Contingency (10%)	\$ 147,900	\$ 132,600	\$ 112,100	\$ 168,900	\$ 561,500
<b>Estimated Total Construction</b>	<b>\$ 1,626,900</b>	<b>\$ 1,458,600</b>	<b>\$ 1,233,100</b>	<b>\$ 1,857,900</b>	<b>\$ 6,176,500</b>
Engineering (18.75%)	\$ 277,400	\$ 248,700	\$ 210,200	\$ 316,700	\$ 1,053,000
Legal and Admin Fees (3%)	\$ 44,400	\$ 39,800	\$ 33,700	\$ 50,600	\$ 168,500
Testing (0.70%)	\$ 10,400	\$ 9,300	\$ 7,800	\$ 11,800	\$ 39,300
<b>Subtotal SUIP Project Cost</b>	<b>\$ 1,959,100</b>	<b>\$ 1,756,400</b>	<b>\$ 1,484,800</b>	<b>\$ 2,237,000</b>	<b>\$ 7,437,300</b>
Interim Interest (3.25%)	\$ 63,700	\$ 57,100	\$ 48,300	\$ 72,700	\$ 241,800
<b>Total SUIP Project Cost</b>	<b>\$ 2,022,800</b>	<b>\$ 1,813,500</b>	<b>\$ 1,533,100</b>	<b>\$ 2,309,700</b>	<b>\$ 7,679,100</b>



# ASSESSMENT POLICY FOR RECONSTRUCTION

- Storm Sewer – No Assessment
- Sanitary Sewer Main – No Assessment
- Sanitary Sewer Service within Right of Way – 100% of cost for pipe and fittings
- Sanitary Sewer Service outside Right of way – 100% of cost for pipe, fittings, and restoration
- Water Main – No Assessment
- Water Service within Right of Way – No Assessment
- Sanitary Sewer Service outside Right of way – 100% of cost for pipe, fittings, and restoration



# ASSESSMENT POLICY FOR RECONSTRUCTION

- Streets – 30% assessed to benefitting property base on assessable footage
- For interior lots, assessable footage includes footage abutting the project
- For corner lots, assessable footage includes 100% of the footage for the addressed side of the house and 1/3 of the footage for the other side(s) of the property abutting the improvements.
- Measurements are taken at the property line.

# ASSESSMENT POLICY FOR RECONSTRUCTION

- Assessment rates are yet to be determined, to be based on actual bid cost
- 2015 rates were
  - \$81.00 per LF for reconstructed streets,
  - \$1,315.90 per sanitary service within the right of way
  - Sanitary Services outside the right of way were based on actual cost, varied from \$500 to \$3,700
- Rates for this project expected to be higher with, at a minimum, inflationary increases.

# ASSESSMENT POLICY

- Assessment Hearing Date To Be Determined. Likely in either late summer 2022 or 2023.
- Assessments Payable interest free from night of adoption until end of October the year of the hearing)
- Unpaid assessments levied to County and payable with property taxes over 15 years with first payment due the year after adoption.
- Interest rate on assessments to be determined.
- Options for deferred assessments for Senior Citizens per city assessment policy.



# PROJECT SCHEDULE

June 23, 2021	Neighborhood Meeting #1
July, 2021	Neighborhood Walkthrough
Aug, 2021	Present Feasibility Report
Sept, 2021	Public Hearing, Order Project
Oct 2021	Submit Project to USDA and State Aid
Jan 2022	Approve plans and Advertise to Bid
Jan 2022	Bid Opening
Feb 2022	Award of Bids
April 2022-Oct 2022	Construction (Year 1)
April 2023-Aug 2023	Construction (Year 2)
Aug 2023	Likely Assessment Hearing



# Questions?



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