



Real People. Real Solutions.

City of Norwood Young America Railroad Street Improvements Improvement Hearing



more than a place. it's home.

December 11, 2023

Presentation Format

- General Project Timeline
- Project Scope & Cost Information
- Project Financing & Funding
- City Assessment Policy & Assessment Area Map
- Project Cost Summary & Next Steps
- Questions / Comments / Discussion



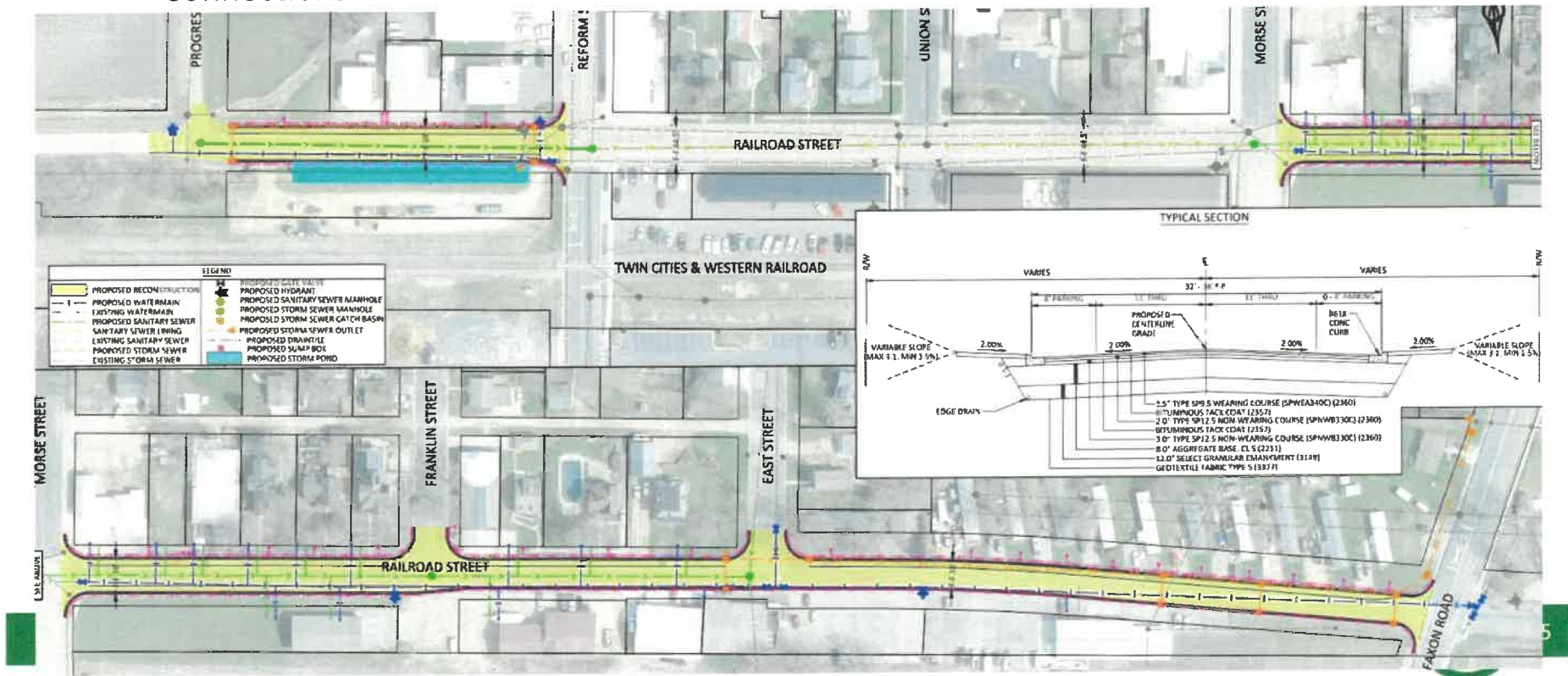
General Project Timeline

- To Date the Following Items Have Been Completed:
 - City Council Authorized the Preliminary Project Items
 - Completed Topographic Survey Work
 - Completed Soil Borings and Geotechnical Work
 - Completed the Feasibility Study
 - Approved the Feasibility Study & Called for a Public Hearing
 - LRIP Funding Application
- Items Remaining in Process:
 - Conduct Public Hearing (Tonight)
 - Authorize Final Design & Order Improvements (Tonight)
 - Complete an Assessment Benefit Evaluation
 - Receive Plans and Specs / Authorize Advertising for Bids
 - Open Bids and Award Contract
 - Conduct a Neighborhood Meeting
 - Construct Project
 - Hold a Final Assessment Public Hearing
 - Close Out Project



Proposed Improvements – Sewer / Water / Storm

- **Sanitary Sewer (\$470,643)**
 - Replace Manholes & Mainline Pipe
- **Storm Sewer (\$494,018)**
 - Replace & Expand Existing Storm Sewer System
 - Add Draintile & Sump Pump Service Connections
- **Water System (\$838,110)**
 - Replace 4 and 6-Inch Cast Iron Main with 12-Inch PVC Main
 - Replace/Add Hydrants & Gate Valves
 - Replace Services from Main to Curb Stop
 - Add 12-Inch Loop From East St. to Faxon Rd.



Project Financing & Funding

- Project Financing Through the Sale of a Bond
- Likely a Combined Bond Including, but not Limited to, the Following Options:
 - MN Statute Chapter 429 General Obligation Bond for Street, Storm Sewer, and Utility Items
 - MN Statute Chapter 115 Sanitary Sewer Revenue Bond for Sanitary Sewer Items
 - MN Statute Chapter 444 Water Revenue Bond for Water System and Drainage Items
- Recommend the City Discuss Financing/Bonding Options in More Detail with Your Financial Consultant after a Final Project Scope has been Determined
- Proposed Project Funding Sources
 - Special Assessments
 - Sewer Fund
 - Water Fund
 - Stormwater Fund
 - Property Tax Revenue
 - Potential Grant Funds



Assessment Policy Review

- The City's Assessment Policy Provides a Uniform and Equitable Policy for All Property Owners
- Assessments for the Project were Calculated per City Policy:
 - 50% of Project Costs Assessed for Standard Residential Street Improvements on a Unit Basis (Non-Residential Properties Counted as 1 Unit per 75 Feet of Frontage)
 - 50% of Watermain and Sanitary Sewer Assessed on a Unit Basis (Non-Residential Properties Counted as 1 Unit per 275 Gallons of Water Usage)
 - Storm Sewer Work, Watermain Oversizing, and Extra Depth/Width of Street not Assessed



Assessment Area Map

- 22 Properties Located in the Project Area
- Estimated Street Reconstruction Cost Per Unit = \$19,264
- Estimated Watermain Cost Per Unit = \$14,481
- Estimated Sanitary Sewer Cost Per Unit = \$13,842
- Assessment Benefit Evaluation Process Recommended & Will Likely Reduce Assessments



Project Cost Summary

- Total Estimated Project Cost = \$3,705,695
- Total Estimated Assessed Amount (Per Policy) = \$1,132,285
- Total Estimated City Cost = \$2,573,410
 - Amount Likely To Increase Based On Assessment Benefit Evaluation
- Estimated Bond Rate = 5.5% at a 10-Year Term
- Due to the Unique Project Area/Scope and the High Preliminary Assessments, an Assessment Benefit Evaluation will be completed



Next Steps

- Conduct Improvement Hearing (Tonight)
- Order Improvements (Requires 4/5 Vote)
- Complete Assessment Benefit Evaluation
- Final Design / Preparation of Plans and Specifications
- Advertise Project, Open Bids, and Award Project
- Conduct Neighborhood Meeting
- Substantially Construct Project
- Conduct Assessment Hearing
- Certify Assessment Roll
- Complete Construction and Close Out Project



Questions / Comments / Discussion



