



## Memorandum

**To:** Charter Commission of Lino Lakes  
**From:** Gordon Heitke  
**Date:** October 1, 2004  
**Re:** Response to Charter Chairman's Questions

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***1) Five Year Plan. Has anything changed since your July 8 memo? Is this still on track for late 2004?***

It is possible that a draft of the 5-year plan could be prepared late 2004 with Council approval in early 2005. The major component of the Five Year Financial Plan is the capital improvement program, which identifies needed capital improvements, schedules expenditures for these improvements, and identifies the intended funding sources. Therefore, the timing of completion of an effective Five Year Financial Plan is dependent upon the timing of completion of the draft Pavement Management Plan, the public review and comment process, and Council approval. From my perspective, having a complete and supported plan that has a real use and purpose should be the primary concern that will determine the actual completion date. (A more detailed description of the Pavement Management Plan preparation, review and approval process and schedule follows, below.)

***2) Pavement Management Report. What is the status of this? Is it completed? Your July 8 memo stated that this, which will include recommended maintenance and reconstruction schedules, is anticipated to be reviewed by the Charter Commission at the October meeting.***

As you recall, there was significant discussion of developing and instituting a pavement management plan at the April 8, 2004 Charter Commission meeting. This plan will identify the current condition of streets, recommend a maintenance schedule, and identify streets, which will require reconstruction. The purpose of the pavement management program is to extend the useful life of paved streets within the city, thereby saving the taxpayers and property owner's money over the long term.

In December of 2003 the City's Engineer, TKDA, began preparing a Pavement Management Plan to evaluate the condition of the city streets. This process involved inspecting and assigning a pavement condition rating to every city street on a block-by-block basis. This process was completed in the Spring of 2004. Additionally, city records were investigated to obtain information regarding the age of the street and history of the maintenance that had occurred. City staff has been working with TKDA to refine the information collected, including but not limited to, verifying and adjusting street segment lengths and widths, verifying municipal state aid system mileage, and well as evaluating the possible pavement management categories.

It is anticipated that the draft Pavement Management Plan will be completed and presented to the City Council for their initial review in November. However, in order to assist the Council with budgetary decisions related to street maintenance, TKDA was able to provide some preliminary information from the study to aid in discussions regarding street maintenance funding.

In general, subject to further refinement, the City's street system falls within the following categories:

1. 65% of the City's street mileage falls within a generally good condition requiring seal coating.
2. 22% of the City's street mileage falls within a marginal category requiring overlays.
3. 13% of the City's street mileage falls within a problem category requiring complete reconstruction.

For 2005 budgeting purposes, TKDA was able to provide a general estimate for annual street maintenance consisting of seal coating and overlaying. Based on the percentage of mileage within each category, TKDA estimated that approximately \$320,000 to \$330,000 is needed on an annual basis to preserve the existing street condition ratings. This estimate is based on the total mileage of streets within the "good" and "marginal" categories, as well as typical construction estimates for seal coating and overlays (in 2005 dollars). This estimate does not include funds for needed reconstruction projects or maintenance (seal coating, overlays) for streets in the "poor" condition category. Continued maintenance of streets in this category is not cost-effective in the long term as it does not significantly extend the useful life of the street and depletes limited maintenance funds which could more effectively extend the life of the streets currently in the "good" or "marginal" categories.

As previously mentioned, staff is still working with TKDA to refine the available information. Therefore, staff has not yet developed a schedule for the maintenance or reconstruction of specific city streets. It is anticipated that the Pavement Management Plan, when completed in greater detail, will provide a general schedule for improvement of streets within each category. This general schedule will be further refined when incorporated into the Five Year Financial Plan update. The final project implementation

schedule will not only be based on the condition rating, but will be influenced by other factors, including but not limited to available funding, sanitary sewer and water improvements, traffic volumes, drainage issues, etc. This schedule will be continually updated on a yearly basis as conditions and factors usually change over time. The information contained in the pavement management Plan will make apparent the eventual cost of continuing to defer the appropriate and timely maintenance of the street system.

***3) Communication to the Residents. As per the memo to you and the City Council, the Charter Commission believes that the city should inform the residents in order to implement a road reconstruction/maintenance plan (that would involve monies from the general fund). What is your response to this? What is the City Council's response? What actions are being planned?***

The draft Pavement Management Plan will be presented to the City Council upon completion. Staff will be recommending that upon the City Council determining that the proposed program is in a form suitable for public review, that various means of informing the public be considered and carried out. The obvious means of communication includes a detailed presentation at a televised regular Council meeting, articles in the city newsletter, special informational meeting(s), public hearing(s), information posted on the City's web site, detailed articles in the local newspapers, special mailings, etc.

As mentioned in the response to question number 2, the preliminary estimates from TKDA for maintaining roads indicate a need of \$320,000 to \$330,000 per year to preserve the existing conditions. As such, the City Council has approved a preliminary 2005 general fund budget and levy, which maintains a level tax rate for the 2005 budget, with an additional \$130,000 budgeted for road maintenance (overlays and seal coating). This amounts to a total of \$230,000 for this purpose, still \$100,000 shy of the estimated needs. This increased commitment to addressing street condition problems was initially communicated at the City Council meeting of September 13, 2004 and will be further communicated by the means suggested above prior to the Truth-in-Taxation public hearing in December.

Any street improvement project subject to Chapter VIII of the City Charter would be subject to all of the provisions included therein, including public notices, public hearings, elections, etc., in addition to the suggested various means of informing the public listed above.

Staff will be discussing the various means of informing the public on both the proposed Pavement Management Plan and proposed 2005 general fund budget and levy with the City Council. At that time the Council will direct staff as to how to proceed with a public information effort. The Charter Commission's memo of July 8, 2004 has been provided to the City Council and will be provided again, along with any additional comments you may provide, during this discussion.

Cc: Lino Lakes City Council

--- Original Message ---

**From:** MICHAEL TREHUS

**Sent:** Sunday, September 26, 2004 2:08 PM

**To:** gheitke@ci.lino-lakes.mn.us

**Cc:** Ann Blair

**Subject:** Upcoming Charter Commission Meeting

Greetings Mr. Heitke,

This is to inform you that there will be a meeting of the Charter Commission on October 14 2004 at 7:00 at City Hall. Although you are welcome to attend, I am not asking you to do so. I would simply like to point out that there are some issues to be addressed, and should you choose to do so in writing the timeframe for that would be this week, to allow ample time for the copying collating of the commission packets to be ready for distribution by Friday, Oct 1.

1) Five Year Plan. Has anything changed since your July 8 memo? Is this still on track for late 2004?

2) Pavement Management Report. What is the status of this? Is it completed? Your July 8 memo stated that this, which will include recommended maintenance and reconstruction schedules, is anticipated to be reviewed by the Charter Commission at the October meeting.

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I look forward to hearing from you in the very near future.

Sincerely,

Mike Trehus

Chair, Lino Lakes Charter Commission

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Mike Trehus

Chair, Lino Lakes Charter Commission



## **Memorandum**

**To: Charter Commission**

**From: Gordon Heitke**

**Date: July 8, 2004**

**Re: Charter Commission Information**

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I am providing the following information, which may be of interest to the Charter Commission.

### **No Street Project Referendum in 2004**

After considerable discussion at its April 21, 2004 work session meeting, the City Council decided not to propose a street improvement project to be voted on in November, 2004. The charter prohibits a defeated project to be proposed again within a year, therefore the West Shadow Lake Drive improvement project could not be proposed again in 2004. When considering other streets needing reconstruction, many of the areas presently do not have sanitary sewer or water services. This situation poses the question as to whether these utilities should be included in the engineering study along with the street reconstruction. The construction of utilities would require a comprehensive plan amendment in many cases.

Also, the preparation of the engineering feasibility studies are costly, therefore they should be prepared for those projects which have a strong chance of being passed in an election. It might be beneficial to have the pavement management plan (rating of existing street conditions and recommended maintenance and reconstruction schedules) completed and an established standard assessment policy in place prior to attempting another street reconstruction project referendum. A city survey might also provide some helpful information to the city in selecting a potential project. The council decided that there would not be adequate time to select a new project, prepare the necessary

engineering studies and undertake an intensive public information program prior to the general election in November, 2004.

### **Pavement Management Report**

City staff provided a preliminary overview of the pavement management study presently being undertaken for the streets of Lino Lakes to the Charter Commission in April. When completed, this report will identify the conditions of all streets within the City of Lino Lakes and recommend appropriate maintenance to extend the life of the streets, or the reconstruction of the street when its condition has deteriorated to the extent that maintenance is no longer cost-effective.

It is planned to have the street condition ratings, recommended maintenance and reconstruction schedules established by September. A financing plan for the needed maintenance and reconstruction will then be developed. It is anticipated that the plan will be reviewed with the Charter Commission at its October meeting.

### **Five Year Financial Plan**

As explained at the last Charter Commission meeting, the purpose of the Five year Financial Plan, which is prepared by the City Council and provided to the Charter Commission, should include among other things, a schedule of planned improvements and a plan for financing the improvements. Until such time that the Pavement Management Report is completed and approved by the Council, and a viable financing strategy is identified, it is not possible to complete a Five Year Financial Plan that has much usefulness. It is anticipated that the Five Year financial Plan will be prepared in late 2004 and will address the years 2005 – 2009, following the approval of the Pavement Management Report.

### **Road Reconstruction Goal**

The City Council recently engaged in a formal goals setting process in which seven goals were determined to be the 2004-2005 goals of the Council. One of these goals is related to the City's ability to reconstruct roads under the financing requirements of the charter. The approved goal, objectives and actions are as follows:

#### **GOAL:**

**Resolve the Charter Road Reconstruction Limitation provision with the City's Charter Commission.**

a. **Calendar Year 2004:**

- (1) Objective: Define a public improvement construction and financing process that establishes a sound, fiscally responsible method of maintaining the City's infrastructure while minimizing impacts to Lino Lakes residents and businesses.
- (2) Key Action Steps:
  - Prepare Pavement Management Program
  - Review and Approval by Council and Charter Commission
  - Identify implementation issues and determine need for any Charter modifications
- (3) Lead party and Key Contributors:
 

Lead party:	City Staff
Key Contributors:	TKDA Springsted Inc. City Council Charter Commission
- (4) Budget Guidelines: City staff time. Engineering included in 2004 General Engineering Budget. Will need to identify costs for Springsted involvement

b. **Calendar Year 2005:**

- (1) Objective: Implement Pavement Management Program
- (2) Key Action Steps:
  - Resolve any potential conflicts with Charter
  - Prepare Phase I improvement projects
- (3) Lead party and Key Contributors:
 

Lead party:	City staff
Key Contributors:	City Council Charter Commission
- (4) Budget Guidelines: Dependent on scope of program.

**Charter Commission Law**

The 2004 Legislature passed legislation which was signed into law by the Governor which amended existing law related to charter commissions. The law was changed to address two issues:



- 1.) allowing the charter to prohibit members of the governing body of the city from serving on the charter commission; and
- 2.) removing the term limitation for commission members.

### **Stern Letter**

There was some uncertainty at the last meeting as to whether there had been any follow-up to the letter from Jamie and Sherry Stern regarding the failure of the street referendum. These types of items are usually handled by staff. Staff informed me that they were in communication with the Stern's on this issue.