

Greg Minikel

From: Greg Minikel
Sent: Wednesday, March 19, 2014 1:37 PM
To: David Soeldner
Cc: Dan Koski; Sonja Birr; Karen Dorow
Subject: RE: Seal Coating Assessments

Hi Dave,

I do not think you need to call a special meeting. We will find a way to make the letters work. I was trying to avoid sending out 2 letters, but we may not be able to avoid it this time. I have not heard yet when Vinton plans to start, but I would guess it would be May or June for the prep. work and then July or August for the seal coating work.

We could always send out a letter about the project and tell them that another letter will follow with the assessment rate, since we are in the process of reviewing our assessment policies or something to that effect.

Sonja,

Please add this item to the April 14th PI Comm. agenda. Thanks.

-----Original Message-----

From: David Soeldner
Sent: Wednesday, March 19, 2014 11:53 AM
To: Greg Minikel
Cc: Dan Koski; Sonja Birr; Karen Dorow
Subject: RE: Seal Coating Assessments

Hi Greg,

Thanks much for looking into this. This is a tricky one. I have never been completely comfortable with including the prep costs with the special assessments, and the numbers that you have provided give me even more reason for pause. I do think that we should have some criteria that we apply to all special assessments--the 120% rule comes to mind.

I definitely think that the PI Committee should discuss this before the letters go out this year. The problem is going to be timing. PI is not scheduled to meet again until April 14, and if an ordinance change is required, that would push Council action back probably to April 21. Would that give you enough time to get the letters out? I'm probably OK calling a special meeting to discuss this, but would prefer to do that as a last resort, just because of all of the extra meetings that have already been called due to the wage study.

Thanks,

Dave Soeldner | Alderman, District 8 | City of Manitowoc | 920-629-6444 | www.manitowoc.org

From: Greg Minikel
Sent: Tuesday, March 18, 2014 5:01 PM
To: David Soeldner
Cc: Dan Koski; Sonja Birr; Karen Dorow
Subject: Seal Coating Assessments

Hi Dave,

After receiving the seal coating bids last week, I completed the proposed assessment calculation worksheet. Normally, after the bids we prepare another resolution for the assessment rates. However, I was a little surprised at the assessment rates for 2014 and did not want to forward the assessment resolution to Council without having a discussion with you first.

The bids seemed to be reasonable and were within the budgeted amount of \$80,000. The seal coating unit price was about \$0.20/SY higher than the 2013 slurry sealing bid. That may be due to the fact that the seal coating area was reduced since the budget was reduced from \$100,000 to \$80,000. The area sealed in 2013 was 21,339 SY. The proposed area for 2014 seal coating is 12,614 SY.

The proposed 2014 assessment rate for a 36 foot street is \$11.74/LF. The 2013 assessment rate for a 36 foot street was \$3.68/LF, but this did not include any of the costs for the prep. work.

Back in 2012, when we were planning to assess the prep. work, the proposed assessment rate for a 36 foot street was \$7.88/LF.

The proposed 2014 rate is almost 50% higher than the proposed 2012 rate.

Our dilemma is that we will need to send out letters to the property owners in April since the prep. work may start by the end of April or in May. Normally, this letter includes the assessment rate.

Here is a brief history on assessment rates for the seal coating/slurry sealing:

1998 – 2000: \$0.85/LF

2001 – 2003: \$1.25/LF

2004 – 2009: \$1.50/LF

2010: \$3.30/LF – We started calculating based on actual cost and width of each street.

2011: \$3.38/LF (36' street)

2012: \$3.78/LF (36' street)

2013: \$3.68/LF (36' street)

One issue with the Seal Coating Assessments is that there are no policies or ordinance language in place like there is for concrete and asphalt.

The City does not participate in the cost of the seal coating like we do for asphalt (90/10) and concrete projects (80/20 for new & 60/40 for reconstruction).

There are no width reductions or corner lot reductions either. Concrete and asphalt have a max. assessment width of 37 feet between the backs of the curb.

There is also the 120% rule, which states that the current year assessment rate cannot be more than 20% higher than the previous year for a similar street.

I am not sure that it is an option for this year, but should we revisit the assessment policy for the prep. work?? For 2014, the anticipated revenue from the prep. work was included in the budget and the Committee already discussed this issue in Nov. and voted to include the prep. work in the assessment rate. We wanted to inform you of the assessment rates prior to the letters being mailed out.

Should we put this item on the next PI Committee agenda?? Let us know how you want to proceed with this?? Thanks.