

City of Montrose

Capital Improvements Program

Six-Year Capital Improvements Projects Listing

Fiscal Years:

July 1, 2020 - June 30, 2026

Prepared and Produced By:

City of Montrose Planning Board

Membership

Todd Pangle – Chairman

Frank Taylor Vice – Chairman

Sara Taylor, Secretary

Anthony Brown

Connor Pangle

Amanda Richard

William W. White

Mark Richard – Council Rep.

December 19, 2019

Capital Improvement Program Narrative Guidelines and Background Information

The State of Michigan statutory requirement for an annually updated six-year capital improvement program prepared by the municipal planning commission is found in the Michigan Planning Enabling Act (Public Act 33 of 2008, as amended) and was thereafter established by the Montrose City Council through enactment of Ordinance No. 402 on November 11, 2008, officially known as the City of Montrose Planning Commission Ordinance.

The City of Montrose Planning Commission Ordinance (No. 402) establishes the requirement that the Planning Commission shall annually prepare and recommend to the Montrose City Council a Capital Improvement Program of public structures and capital improvement projects no later than April 1 each year and for the succeeding six (6) fiscal years time period starting July 1. The Capital Improvement Program is based upon the requirements of the city for all types of public structures and physical infrastructure improvement projects. Commonly, the Capital Improvement Program list of scheduled capital improvement projects is referred to as the "CIP" for the City of Montrose.

Capital improvement program planning and budgeting contains two critical elements in relationship to identified projects and potential sources for funding. The first is that a capital improvements program plan of various projects determined to develop and/or maintain the municipality's general quality of civic life along with protecting the health, safety and welfare of citizens and properties within the municipal boundaries. The second is the integrated incorporation of the program plan systemically into the adopted annual fiscal year budget and future budget forecasts as the availability of financing means become known and public policy decisions for obligating fiscal resources are formally appropriated by the governing body as a means to acquire and construct each capital improvement project contained within the program plan by applying a comprehensive methodical and deliberative process in reaching decisions rendered on these items.

The Capital Improvement Program is a six-year schedule of all proposed major capital improvement projects, including their relative project priority, cost estimates, methods of financing, and estimated annual operating and maintenance costs for each of the proposed projects. Each year the Capital Improvement Program is revised for the succeeding fiscal year, with completed projects deleted and new priorities established for the identified and enumerated projects named within the program document.

Incorporating the annual six-year Capital Improvement Program project plans into the city council adopted annual fiscal year budget, and future budget forecasting methods as might be used, is primarily geared for the purposes of adjusting the multi-year program of the several projects to the ever-changing needs and circumstances of the City of Montrose. The process also ensures that projects proposed and planned are either completed or reasons are specifically listed explaining the difficulties preventing completion or progress on a given identified project.

At the end of each fiscal year the completed projects during that year are removed from the plan and an additional year of projects are added. As a consequence, the Capital Improvement Program is intentionally designed to be amended on an annual, fiscal year basis. Specific projects may be added or subtracted as the needs and resources of the City of Montrose are adjusted by outside and inside economic and political forces, and thus the Capital Improvement Program is sensitive to and reflects back these evolving variables as change naturally occurs to public circumstances and values at any given point in time. Planning skills coupled with existing conditions-not luck or fortuity-determine the effectiveness on how the Capital Improvement Program performs over a continuum of time over a set period of years.

In addition, it is important to note that the adopted fiscal year budget includes a summary fund balance forecast for all municipal funds, such as the General Fund, Major Streets Fund, Local Streets Fund, Water Fund Sanitary Sewer Fund, DDA Fund, et al, because an effective well-maintained ongoing adopted Capital Improvement Program plan produces an abundant of benefits derived by elected officials, staff, citizens, and other governmental entities including:

1. Coordinating the City's physical infrastructure conditions planning with its fiscal capabilities in a methodical process ensuring proper fiduciary and stewardship responsibilities by City officials entrusted to perform these important duties;
2. Ensuring that public improvement projects are undertaken in the most desirable order of priority according to prevailing civic values and financial conditions;
3. Assisting in stabilizing property tax and special assessment levies together with public utility rate charges and fees over a period of six (6) years or longer;
4. Producing savings in total capital improvement project costs by promoting better coordination in project professional engineering planning and enhancing a "pay-as-you-go" policy philosophy of capital financing, thereby otherwise sharply reducing the need to incur additional interest and other extra charges for construction projects;
5. Providing adequate time between planning and engaging professional engineering services in advancing construction projects from concepts to completion;
6. Ensuring that the maximum benefit and value of monies invested in public capital improvement projects are derived and thereby reducing financial burdens to taxpayers and rate payers for services to the maximum extent possible;
7. Examining the ongoing relationships to comprehensive fiscal policies and performance on an annual basis;

8. Viewing and permitting municipal construction activities to be better coordinated with other public agencies operating either within or in close geographical region proximity to the City by sharing specific project information in a participatory and democratic manner among responsible public entities; and
9. Applying the most reasonable and responsible equity and fairness when special assessments are levied or bond issues are sold in paying for capital improvement projects in order to produce corresponding and consistent additional value for affected privately owned parcels of property subjected to the additional financial burdens incumbent in construction projects.

Effective and excellently administered capital improvement planning and budgeting afford the governing body and citizens to set priorities for capital expenditures/investments and also ensure maximum physical and value added benefits by using a minimum of capital improvements money through a good, orderly process of project planning coordination, development, scheduling and construction implementation.

A sample of the wide range and variety of capital improvement projects incorporated into the annual fiscal year Capital improvement Program along with several potential criteria used in evaluating each proposed project priority are listed below to serve as a possible aid for the Planning Commission when reviewing several projects given the limited quantity of available money when setting project priorities:

1. Required to comply with promulgated federal or state laws/administrative regulations.
2. Relationship of project source to availability of funding.
3. Impact on annual operating and maintenance expenses.
4. Relationship to overall City fiscal policies and financial capabilities.
5. Project's readiness for construction implementation.
6. Relationship to overall municipal needs and community quality of life values.
7. Relationship to other projects competing for limited available fiscal resources.
8. Distribution balance of capital improvement projects to various sections of the City.
9. Relationship to adopted Master Plan.
10. Relationship to other adopted community plans (e.g., Parks & Recreation, DDA, neighboring jurisdictions, other community public entities, regional goals, etc.).

As used in the City of Montrose Capital Improvements Plan, a capital improvements project is defined as a major, nonrecurring expenditure that includes one or more of the following:

1. Any construction of a new facility (i.e., a public building, water/sanitary sewer mains, storm sewers, major/local roadways, recreational facilities), an addition to, or extension of, such a facility, provided the cost is \$5,000 or more and that the improvement will have a useful life of three years or more.
2. Any nonrecurring rehabilitation of all or part of a building, its grounds, a facility, or equipment, provided the cost is \$5,000 or more and the improvement will have a useful life of three years or more.
3. Any purchase or replacement of major equipment to support community programs provided the cost is \$5,000 or more and will be coded to a capital asset account.
4. Any planning, feasibility, engineering, or design study related to an individual capital improvements project or to a program that is implemented through individual capital improvements projects provided the cost is \$5,000 or more and will have a useful life of three years or more.
5. Any planning, feasibility, engineering, or design study costing \$10,000 or more that is not part of an individual capital improvements project or a program that is implemented through individual capital improvements projects.

All these factors are relevant and should be considered when performing the task of setting project priorities in order to ensure that the best quality of project service is delivered to citizens in the most fiscally prudent manner possible. Most importantly, the proposed list of capital improvement projects should reflect the primary goals, objectives and strategies of the prevailing values contained within the adopted Master Plan plus provide fiscal responsibility within the existing conditions and circumstances of the municipal treasury's capacities.

After all these relevant factors are carefully scrutinized and considered in a deliberative, judicious process the results are enhanced, ennobled and enriched to best provide guideposts to deliver the highest possible quality of decisions for our citizens and taxpayers in the most fiscally responsible manner.

In conclusion, the proposed priority listing of capital improvement projects should reflect the greatest general good possible in terms of community goals and fiscal capabilities while creating a living legacy from municipal public servants bequeathed to the many succeeding future generations of citizens that follow us in the City of Montrose, decades long after we have perished from our earthly lives.

**CITY OF MONTROSE
CAPITAL IMPROVEMENT PROJECTS
SIX-YEAR PROJECT SUMMARY
FISCAL YEAR 2020/2021-2025/2026**

1. Feher Drive–Saginaw Street to School Property \$830,000

Feher Drive is classified as a City Major Street and is on the National Highway System as a Rural Minor Collector, which means that this section of roadway is eligible for federal funding (from Saginaw Street to Park Street), for up to approximately 80% of the road reconstruction costs. Items which are eligible for federal funding include road improvements, storm sewer improvements and drainage facilities (concrete curb and gutter), and partial funding of concrete sidewalk; unfortunately water main is not eligible and would need to be funded locally. This section of roadway is heavily traveled due to its location directly off North Saginaw Street and connecting to the Montrose School District property and community public library facilities. This section of roadway is part of the City's priority listing because of undersized storm sewer and water main and failing pavement. This project would include:

- Placement of new concrete curb and gutter and enclosed storm sewer, including in-line retention for storm water run-off
- New sand sub base, aggregate base and HMA (asphalt) pavement for the roadway
- New concrete sidewalk as needed
- New asphalt or concrete approaches at each existing lot

2. Hickory Street-Saginaw Street to Nanita Drive \$1,220,000

Hickory Street is a City Local Street. This section of roadway is an existing paved collector street with no defined drainage courses. This project would include:

- Placement of new concrete curb and gutter and enclosed storm sewer, including in-line retention for storm water run-off
- New sand sub base, aggregate base and HMA (asphalt) pavement for the roadway
- New concrete sidewalk in select places
- New asphalt or concrete approaches at each existing lot

3. Leroy Street–Nanita Street to West End \$223,000

Leroy Street is classified as a City Local Street. This section of roadway has existing concrete curb and gutter and enclosed storm sewer, both of which are in relatively good condition. However, the existing water main is in need of replacement, based on the City's Water Distribution Master Plan. Therefore, this project is not proposed as a complete remove and replace, but is a selected disturbance. This project would include:

- Placement of new water main and water service leads
- Minimal disturbance of existing curb and gutter and roadway
- Milling of existing roadway asphalt
- Joint repair, as necessary
- Placement of new HMA (asphalt) surface

4. Clarke Street Reconstruction & Water Main Line \$200,000

Clarke Street water main project involves the placement of a new 8-inch ductile iron water line to connect the existing water main along Saginaw Street to Genesee Street. This will replace the existing 6-inch AC water line in place. This work would minimize disturbance to the roadway, therefore, no extended roadwork is proposed.

5 . Upgrade Water Reliability Reporting (Project details to be completed.)	\$10,000
6. Back Up Water Supply Source (Project details to be completed.)	\$400,000
7. Annual Sidewalk Replacement & Extension Program (Project details to be completed.)	\$10,000
8. Driveway Apron/Approaches Installation	\$140,000

The City has identified roughly 100 properties in Montrose that lack a driveway apron. These are required and specified in the City Ordinances. It also prevents material from washing into storm drains as well as damaging the curb, culvert, utilities and sidewalks. Work can be completed by either the city as a special assessment or by residents.

9. Washington Street–State to Maple Street	\$177,000
---	------------------

Washington Street is classified as a City Major Street. This section of roadway is heavily traveled due to its location directly off M-57 and servicing the residential areas in the southeast quadrant of the City. This section of roadway is part of the City’s priority listing because of undersized storm sewer and failing pavement. This project would include:

- Placement of new concrete curb and gutter and enclosed storm sewer, including in-line retention for storm water run-off, if necessary
- Placement of new water hydrants, which meet current standards
- New sand sub base, aggregate base and HMA (asphalt) pavement for the roadway
- New concrete sidewalk at select locations
- New asphalt or concrete approaches at each existing lot
- Creation of parallel parking along a portion of one side of the street

10. Latting & Russel Streets Construction	\$495,000
--	------------------

These streets are designated City Local Streets under Act 51. These sections of Street are gravel and are located in a single family residential district with open ditches and obsolete, undersized water lines. This project would include:

- Placement of new ductile iron water main, looped at the west end of these two parallel streets for more efficient water flows, pressure and supply
- Placement of new concrete curb and gutter and enclosed storm sewer, including in-line retention for storm water run-off, if required
- New sand sub base, aggregate base and HMA (asphalt) pavement for roadway
- New concrete sidewalk for both sides along the full length of the street
- New asphalt or concrete driveway approaches of each existing lot

11. Carlann Street Construction	\$320,000
Carlann Street is a City Local Street. This section of roadway is a gravel residential street with open ditches. This project would include:	
<ul style="list-style-type: none"> • Placement of new concrete curb and gutter and enclosed storm sewer, including in-line retention for storm water run-off • New sand sub base, aggregate base and HMA (asphalt) pavement for the roadway • New concrete sidewalk for both sides along the full length of the road • New asphalt or concrete approaches at each existing lot 	
12. Gold Street Construction-Maple to Oak (Project details to be completed.)	\$115,000
13. Blueberry Park Improvements	\$160,000
<ul style="list-style-type: none"> • Land Acquired in 2019 • Parking Lot to be installed in 2019 • Demolition non-operational well house in 2019 • Construction of new restrooms in 2020 • Installation of new playground equipment in 2020-2022. 	
14. City/Lions Park Improvements & Parking Lot (Project details to be completed.)	\$230,000
15. New DPW Facility Complex (Project details to be completed.)	\$1,100,000
16. Community Recreation Complex (Project details to be completed.)	\$250,000
17. Ray Street Reconstruction (Project details to be completed.)	\$600,000
18. Way Finding Signage (Project details to be completed.)	\$30,000
19. Oak Street Watermain Replacement (Project details to be completed.)	\$120,000
20. Maple Street Watermain Replacement (Project details to be completed.)	\$120,000
21. Cape Seal/Street Maintenance of S. Saginaw, Eastman, Erean, Helen and North Street (Project details to be completed.)	\$100,000

<u>priority</u>	<u>project</u>	<u>estimate</u>	<u>sources of funding</u>
1	Feher Drive Reconstruction	\$830,000	Act 51, TIP, Bonds, Assessment
2	Hickory Street.- Saginaw Street. to Nanita Drive	\$1,222,000	TIP, Act 51, Bonds, Assessment, Water/Sewer
3	Leroy Street.- Nanita Street to West End	\$223,000	TIP, Act 51, Bonds, Assessment, Water/Sewer
4	Clark Street Reconstruction & Water Main Line	\$200,000	TIP, Act 51, Bonds, Assessment, Water/Sewer
5	Water Reliability Upgrade	\$10,000	Water Fund
6	Backup Water Supply Source	\$400,000	Water fund, USDA Rural Development
7	Sidewalk Replacement and Extension Program	\$10,000	Local and Major Street, Assessment, TIP, Grants
8	Driveway Apron	\$140,000	Assessment
9	Washington Street- State to Maple	\$177,000	Act 51, TIP, Bonds, Assessment
10	Latting & Russel Streets Construction	\$495,000	Act 51, TIP, Bonds, Assessment
11	Carlann Street Construction	\$320,000	Act 51, TIP, Bonds, Assessment
12	Gold Street Construction - Maple to Oak Streets	\$115,000	Act 51, TIP, Bonds, Assessment
13	Blueberry Park Improvments	\$160,000	Grants, MDNR, CDBG
14	Lions Park Improvments & Parking Lot	\$230,000	Grants, MDNR, CDBG
15	New DPW Facility/Complex	\$1,100,000	Bonds/USDA Rural Development
16	Community Recreation	\$250,000	Bonds/USDA Rural Development
17	Ray Street Reconstruction	\$600,000	TIP, Act 51, Bonds, Assessment, Water/Sewer
18	Way Finding Signage	\$30,000	Grants
19	Oak Street Watermain Replacement	\$120,000	Water fund, USDA Rural Development
20	Maple Street Water Replacement	\$120,000	Water fund, USDA Rural Development

