Village of Pentwater

ON PENTWATER LAKE AND LAKE MICHIGAN
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Street Improvement Plan Bond Proposal PUBLIC HEARING Meeting MINUTES September 14, 2016

Call to Order - President Juanita Pierman called the Public Hearing to order, that was held at the Pentwater Friendship Center, located at 310 Rush Street in Pentwater, at 6:03 p.m., with the Pledge of Allegiance.

President Pierman turned the meeting over to Councilman and the Chair of the Services Committee, Norm Shotwell.

Purpose: A public hearing to review the streets improvement plan that will be on the November ballot.

In attendance: Chair of the Services committee and Village Councilor, Norm Shotwell. Village Manager, Rob Allard. Clerk/Treasurer, Colleen Moser. Wade Trim Engineer, Chris Bosserd. PFM Investment bond consultant, Paul Stauder.

Shotwell thanked members of the workgroup to improve Village Streets: Councilor, Don Palmer, Councilor Jared Griffis, Rob Allard, and Colleen Moser. Community members, Ron Beeber, Mark Benner, Ted Cuchna, Kathleen Hamilton and Terry Valenzano. Professional services by Engineer, Chris Bosserd of Wade Trim, Bond Attorney, Steven Mann of Miller Canfield and Bond Advisor, Paul Stauder of PFM Investment group.

Shotwell stated that the Services subcommittee to improve village streets began in 2015 when the street assessment plan was completed by Wade Trim in 2015 Working group developed the smarts street plan. Worthy to be a proposal, on the November ballot.

Village Manager, Rob Allard stated that back in 2007 an engineering firm, Wade Trim had prepared street assessment of the Village, and a street assessment in 2014.

Presentation by Chris Bosserd, P.E. of Wade Trim.

The 2015 street plan was a process that included assessing current street conditions, to identify storm sewer needs and to include known water & sewer maintenance projects. There are over 15 miles of village streets, 1.5 miles of storm sewer, 11 miles of sanitary sewer and 10 miles of water main. The 5-year plan to improve streets includes a combination of road replacement, repairs and maintenance, to identify water or sewer projects, estimating costs and funding levels.

The streets were put into three categories; 'Good' streets need regular maintenance, 'Fair' streets have some cracked pavement and need rehabilitation and 'Poor' streets, those with potholes, and will need reconstruction. The plan includes a budget to reconstruct poor

streets, to repair/reconstruct to prolong the life of good streets and to rebuild the failing streets. One third of all Major and Local Pentwater streets are in each category, good, fair and poor.

Some road repairs need minor maintenance such as micro sealing or chip and seal. Intermediate repairs would be milling the top of existing payment and resurfacing or repaving the surface. Major measures would be reconstruction of road base and pavement. A map of major and local streets and a map of the street conditions. A graph displayed showed that 43% of Local streets are failing.

Pentwater has good sandy soil to help drain the water. Water that doesn't drain and penetrates the roads is what causes potholes. Pentwater started with gravel roads that were paved, the sandy soil helped with the drainage but no storm sewers were installed. Most storm sewers in the Village belong to the state and are under BR-31 (Hancock Street). Installing storm water drains are a priority in the 5-year street improvement plan.

Presentation by Shotwell of the Smart Street Plan.

Shotwell stated that the bond proposal is to finance the improvement village streets. The plan has set priorities based on, street condition, needed utility repairs and storm water drainage. If the proposed bond is passed, the Services committee will continue to work with the village manager in determining priorities of village streets.

The smart plan to repair village streets estimates \$3.2 million. If approved, the money can be strictly used for street and storm sewer repairs.

Annual street budget barely covers snow removal and some regular maintenance, causing a band-aid approach to street repairs. Without regular maintenance, the streets will continue to deteriorate and Village properties will lose value. When streets are repaired, the utilities will also be repaired at the same time to avoid digging up the street a second time.

The 2016 village tax bill is the last time that the VIP bond of 1.21 mills will appear and will not be on the 2017 tax bill. Current interest rates are the lowest in 20 years borrowing at an estimated 3.5% interest rate making it affordable to residents. A taxable value of \$150,000 would be an additional \$90 in annual tax. Selling \$3.2M in bonds, to fund the street improvements and would be two series. First would be \$1.5M and then then two years the additional \$1.7M to be repaid over 15 years. To borrow in series so that the Village does not pay for the additional interest because \$500,000 per year is about the most what Village can handle in torn up streets.

Shotwell asked for Questions from the public.

Question by Michele Angell. Have we found any money in the current budget to repair streets that could reduce cost to the taxpayer? And, would there be enough money to maintain the streets even after the improvements, to protect the investment in improvements?

Answered by Allard said the \$3.2 million includes enough keeping up with maintaining our streets and the improvements to the streets.

Question by Michele Angell. Has an increase in total taxable value been factored in to offset the amount of the millage?

Answered by Allard. Said yes, that a 2% increase per year in taxable value as a very conservative estimate.

Question by Paul O'Grady. How much per foot, who would do the work? Answered by Bosserd. The cost depends on the level of repair. A total tear out including storm sewer and rebuild the road would cost approximately \$100 to \$150 per foot.

Question by Paul O'Grady. What about water and sewer costs?

Answered by Allard. Some water and sewer projects will need to be done and considered as a factor of the priority of streets however, those repairs will be paid for by the water and sewer funds, not the bond money. The plan is to do all the infrastructure work at same time so that the street is only torn up one time.

Question by Kathy Davis. Asked which streets of the village are of the main concern? Answered by Councilor, Shotwell said the bad (poor/failing) streets were identified on the map. Utilities that need repaired and the storm sewers are the factors that were considered to do the street ratings. The bad roads are recognizable but not the underground utilities. Priority is set so that a street is only torn up one time.

Bill Maxwell, the Bond has to pass before there is an actual plan. The Village can't ask for bids for the actual costs until the work is going to be done, after the election if the Village gets the money from the bond proposal.

Question by unknown. What about the quality of construction?

Bosserd. The Village will make sure that the construction quality; the streets will be built to the required standards and the right contractor for oversite to protect the long-term investment.

Question by Claudia Ressel-Hodan. Has there been consideration of complete streets between Clymer and Lowell?

Answered by Shotwell. The committee looked at what was affordable to Village residents. A complete street, defined as sidewalk on one side, non-powered vehicles and powered vehicles are not in the project.

Question by unknown. Why 5th street has been severely neglected, including the berm of the road?

Answered by Allard. 5th Street is the worst street on the surface however the infrastructure is good. The problem is drainage.

Question by Ted Cuchna. Are grants possible to replace the 5th street culvert? Answered by Shotwell. The village plans to apply for a grant to replace the culvert. It became astronomically expensive because of environmental protection agencies having stringent rules to follow. Hope to repair and avoid replacing the culvert.

Question by unknown. Are there plans to improve storm drainage? Answered by Allard. Yes, the Village has no storm sewers available to the Village. The drainage has been left to settle in yards. Part of the plan is to have new trunk system for storm water so that as the Village makes repairs and improvements to the roads they can

then be tied into the storm water drains. Three trunks for storm water drainage are in the plan. Second Street and Wythe are two of the problem areas.

Question by Pam Burdick. How did they come up with the cost of 3.2 million? Answered by Allard. The road surface, storm water drainage and the utilities that need to be replaced in the next 5 years.

Answered by Shotwell. Some rough estimates were prepared by the engineers of Wade Trim who have in the knowledge of the village streets and their experience with street repairs in other towns. To keep cost down, there are no plans to widen any street or to add sidewalks.

Question by Sue Bainton. Stated that she knew of towns where the bonds were passed but the work was only half finished. How do the residents know the work will be done properly?

Answered by Bosserd. The streets will be completed to the industry standard.

Question by unknown. Was it factored in the amount of weight and amount of traffic? The condominiums built have caused more traffic and a blind turn. There are patches because of the poor drainage.

Answered by Bosserd. Yes, the traffic and weight were considered. It goes into the amount of gravel and thickness of pavement. Also, the subsurface of the street were all considered and then factored into the estimate into the street improvement plan.

Question by unknown. Will weight restrictions signs be put on the roads? Answered by Allard. Unlikely.

Answered by Shotwell. The streets are built to MDOT industry standards. Traffic was considered on streets. As an example, Wythe Street by Pentwater Wire has more traffic and heavier trucks.

Question by Gay Birchard. There is more RV and traffic using Clymer rather than straight up Lowell.

Burt Jeffries stated that traffic had increased on Hancock Street because it is closed for events such as like the car show. Wythe street has more RV traffic because people coming from the State Park, or times when the main street is not available. State Park visitors don't know of another way out of town when headed to Southbound 31.

Answered by Shotwell. Instructions to the State Park could be passed out to the visitors.

Question by Henry Overley. The overlay on Chester Street is already breaking. Any reason why gravel is not on the sides of the road on Chester Street? Do the people on Chester Street get a discount because there are no utilities underground?

Answered by Bosserd. The water fund and/or sewer fund pays for there respective repairs.

Question by Skip Barnes. Is there no schedule of which streets will be repaired? What are plans for dirt roads?

Answered by Shotwell. There is no schedule at this time. Repairs will be based on priority of road condition, water/sewer and storm sewer. Not planning to pave any currently unpaved streets, however the Village will continue to maintain gravel streets. Question by Skip Barnes. Why not pave Manchester street; a few years ago, they paved part of Manchester?

Answered by Shotwell. It would be up to those choosing to buy on a gravel road.

Question by Vicki Scott. Are there plans to remove an unused sidewalk on Sands street? Does the plan take into account the sidewalk repairs?

Answered by Shotwell. If a road is going to be repaired then the sidewalk will also be repaired.

Question by unknown. Was the drainage on Manchester, by Garrison Park considered because there is major flooding right after a rain?

Answered by Allard Currently only seepage basins.

Question by Jeff Hodges. 5 years to do the repairs, 15 years to pay it off and the reason the roads are in need of repair is because they were not maintained. How will the Village maintain the new roads? Is maintenance incorporated within the \$3.2 million? Answered by Shotwell. The bond includes maintenance on the roads after which the Village will be receiving additional money from the State. The additional money from the State is the gas tax money to be distributed to the Village and will be increasing over the next five years.

Question by Jeff Hodges. Is the increase in funding from the State reliable? Answered by Shotwell. Funding from the State is hoped to be reliable. It is expected to be a very sizable increase over the next 5 years. Where the increase goes beyond the 5 years is unknown. The end of the 5 years success of the project and improved streets will make a big difference in the streets and will improve property values.

Question by unknown. The handout states that local asphalt has a life of 20 years. Has quality improved to extend the life of streets?

Answered by Shotwell. Life of the streets will depend on the routine maintenance to the streets.

Answered by Bosserd. There have not been any significant improvements to street repairs. This area is a brutal climate for streets; salt on streets and the freeze thaw cycle, reduce the life of a street.

Question by Burt Jeffries. Can streets be extended to last 30 years with a new mix design; Hancock Street has lasted over 25 years?

Answered by Bosserd. There have been some improvements. The best that can be done is to keep water from getting underneath the surface and improve drainage will help maintain the life of the streets.

Question by Burt Jeffries. Has the mix improved to make the roads last longer? Answered by Bosserd. No, there has not.

Answered by Allard Hancock was built as a Class A state highway by MDOT and built to handle more traffic at a much higher cost. In addition, Hancock Street has its own storm sewer that has extended the life of the road.

Question by Michelle Angell. Is there extra money in the budget and there should be options to give residents two plans to improve the streets.

Answered by Shotwell. To have a second plan would have missed the November election. The working group worked hard to come up with one plan. The Village will miss a window of opportunity with the low rates.

Question by Michelle Angell. Asked to look for a few more dollars in the budget and why not come up with a plan 'B' to widen streets and more sidewalks. The widening of streets could allow more traffic in season. Is the plan a band-aid approach? Answered by Shotwell said that the workgroup worked very hard to get this one plan together. If this street plan doesn't pass, then the Village could lose its' window of opportunity. The plan is affordable, current low interest rate make it workable for the village. There was not enough time to come up with another plan.

Question by unknown. How does the public know that the work will be done right? Answered by Shotwell stated that the plan would have a good design, hire the right contractors and oversee the project.

Shotwell asked if there were any more questions from the public. There was none.

Positive Comments.

Ted Cuchna: The payoff is the 2% improvement in taxable growth that has been calculated into the bond. The table value after 16 years will be enough to cover the bond, if not then the millage rate would have to be recalculated. Wade Trim had done a lot of work that is not shown in the presentation. There are map overlays that show the infrastructure below the street, water, sewer and eventually storm sewers. The 850-820 users on village water and/or sewer will save substantial money as the water and sewer repairs will be paid by the two utility funds.

Gay Birchard: Cost of gallon of gas has gone from \$4 to \$2 and road repairs are petroleum based. There is a current window of opportunity to save almost half money to repair the streets. The time to do the repairs is now. Pentwater needs to do this now while the cost is down.

Bill Maxwell: Fifty-six years ago, his wife's grandparents who lived at Fourth and Rutledge Streets and the Village had the exact same discussion and they did nothing. So if the proposal doesn't pass the roads are bad now, but the roads are going to get a lot worse, if the Village does nothing.

Question by Maguire. Because the interest rates are low, the costs are low, then why wouldn't the village do more and widen the streets?

Answered by Shotwell. The work group looked at a wide range of possibilities but tried to keep the cost to the average homeowner around \$100 per year. Another plan to do more improvements such as, widening the streets and additional sidewalks, would cost the homeowners more. Based on the engineer's detailed estimates, the amount \$3.2M for the plan to put in storm drains, repair and maintain the current village streets is affordable. To borrow more would cause a lot more negative comments. The plan is sustainable. Some residents would not want their street widened.

Tom Pell: Lives on a gravel street, and stated that he has been bugging the Village to pave his street. He was aware that the plan will not pave his street but will vote for the proposal. Because every improvement, building of homes, repair of sidewalks and the repairs to the streets will enhance his investment of his home. If the proposal does not pass, the roads will crumble; his investment will lose value. Continuing, he hates to spend money, but likes his investment of his home in Pentwater. Now is the time to repair the roads because costs are down and interest rates are low. He urged residents to vote yes on the proposal, knowing that the repairs do not include the paving of his street, but will protect his home/investment in the Village of Pentwater.

Tom Osborn. The roadwork must be done. The ideas such as to widen streets, put in sidewalks or bike paths are good. But, it should be recognized, that a lot of work was done by the workgroup to come up with one plan. A plan that meets the current needs of the Village and what the residents can afford. It is not the time to come up another plan to include the ideas. He is confident that the committee is presenting a plan to as the voters to approve. He will be voting yes to the proposal.

Negative Comments

Shotwell asked for comments in the negative. No comments were made.

Adjournment. Norm Shotwell thanked everyone for coming	
The meeting adjourned at 7:15 p.m. Respectfully submitted,	
Colleen Moser, Clerk/Treasurer	Date