

TOWN HALL MEETING

Neighborhood Connector Street Projects

February 7, 2016

Neighborhood Connector Street Projects Overview

April 17 2014	May 17 2014	November 20 2014	January 29 2015	March 5 2015	March 19 2015	June 18 2015	July 23 2015	October 15 2015	December 17 2015
City Council Workshop	City Council Special Meeting	City Council Meeting	City Council Meeting	City Council Meeting	City Council Meeting	House Bill 1378	Town Hall Meeting	City Council Meeting	City Council Workshop
Collector Street Project	Identifying Collector Streets/ Roadway Priorities	Collector Street Presentation	Collector Street Update	Further Discussions	Issue Certificates of Obligation for Safety Enhancements			Connector Street Update	Neighborhood Connector Priorities/ Funding

Issues and Concerns:

- Bridge & roadway flooding results in high maintenance costs to remove debris after floods
- No base to support roadway results in pavement failures and high maintenance costs
- Hazards due to edge drop-offs, slopes, culvert headwalls and roadside obstacles
- Traffic avoiding FM 1378 is using Winningkoff Road and Snider Lane
- Drainage too close to pavement and erosion near pavement edge
- Rough, uneven pavement impedes emergency vehicles
- Traffic conflicts due to narrow pavement on bridges and at curves such as Winningkoff Road reverse curves

Goals and Benefits:

- Eliminate flooding at the bridges and reduce maintenance costs for debris removal
- Provide for a substantial roadway foundation to support traffic for the next 20 years
- Install safety enhancements along roadside slopes and obstacles
- Reduce cut through/non-Lucas traffic
- Improve drainage and reduce erosion
- Protect tree canopy and maintain country/rural attractiveness
- Improve access for emergency vehicles
- Reduce potential traffic conflicts due to narrow pavement
- Establish utility corridors

Blondy Jhune East & West Bridge Replacement

Major Improvements:

- Two 60' x 40' Bridges
- 1,260 Feet of 28-Foot Concrete Roadway
- Three-Foot Grade Change, West
- Eight-Foot Grade Change, East
- Probable Construction Cost \$1,800,000⁽¹⁾

(1) Based on staff recommendations to eliminate retaining walls, trail elements, and remove adjacent trees; to narrow roadway and bridges (includes contingency).

Probable Construction Cost in December 2015 was \$2,040,000. The low bid was \$3,000,000.

Blondy Jhune Road West Bridge



Blondy Jhune Road West Bridge



Blondy Jhune Road West Bridge



Blondy Jhune Road West Bridge



Blondy Jhune Road East Bridge



Blondy Jhune Road

Major Improvements:

- West of the Western Bridge To Winningkoff Road
- 4,100 Feet of 24-Foot Concrete and 28-Foot Asphalt Roadways
- Probable Construction Cost \$3,900,000

Blondy Jhune Road



Blondy Jhune Road



Winningkoff Road

Major Improvements:

- From East Lucas Road to Orr Road
- 10,300 Feet of 24-Foot Concrete Roadway
- Improve Reverse Curve
 - From North of Forestview Road to North of Christian Lane
 - 1,800 Feet of 28-Foot Concrete Roadway
- Probable Construction Cost \$4,300,000

Winningkoff Road Reverse Curve



Other Issues



Edge and Base Failure

Raveling and Oxidation



Alligator Cracking



Tinted Concrete Pavement



Snider Lane Bridge/Floodway Crossing

Major Improvements:

- One 100' x 40' Bridge
- 2,000 Feet of 28-Foot Concrete Roadway
- 11-Foot Grade Change
- Probable Construction Cost \$2,800,000

Snider Lane Bridge



Snider Lane Bridge



Looking east on
Snider Lane Bridge
(May 29, 2015).
Sherriff's vehicle is
on Snider Lane at
Shady Lane.



Stinson Road Bridge/Floodway Crossing

Major Improvements:

- One 100' x 40' Bridge
- 850 Feet of 28-Foot Concrete Roadway
- 6-Foot Grade Change
- Probable Construction Cost \$2,000,000

Probable Construction Cost

• Blondy Jhune East & West Bridge Replacement	\$1,800,000
• Blondy Jhune Road	\$3,900,000
• Winningkoff Road	\$4,300,000
• Snider Lane Bridge/Floodway Crossing	\$2,800,000
• Stinson Road Bridge/Floodway Crossing	<u>\$2,000,000</u>
 Total	 \$14,800,000

⁽¹⁾ Does not include right-of-way, easements, engineering, surveying, tree mitigation and utilities.

Funding Goals

- ✓ Projects are needs vs wants
 - Safety vs Aesthetics
 - Infrastructure vs Amenities
- ✓ Fund projects as required and ability to pay
- ✓ Minimize impact on tax rate
 - Debt capacity is a function of:
 - Current tax base and appreciation
 - Increase in tax base (residential and commercial)
- ✓ Consider other funding sources

Source of Funds

Funding Required - Probable Construction Cost⁽¹⁾ \$14,800,000

Source of Funds:

Certificates of Obligation (issued in 2015) ⁽²⁾	\$ 2,000,000
Impact Fees	\$ 600,000
General Fund Reserves ⁽³⁾	\$ 2,400,000
Additional Debt Financing	
2016	\$ 6,000,000
2019	\$ 2,000,000
2021	<u>\$ 2,000,000</u>
	<u>\$15,000,000</u>

⁽¹⁾ Does not include right-of-way, easements,, engineering, surveying, tree mitigation, and utilities.

⁽²⁾ \$154,396 has been spent for Engineering

⁽³⁾ Excess General Fund Reserves:

General Fund Balance (unrestricted)	\$ 4,700,000
Less: 6 month reserve	<u>(\$2,300,000)</u>
Excess General Fund Reserves	<u>\$2,400,000</u>

Historical Taxable Values

<i>Historical Valuations</i>				
Tax Year	Fiscal Year Ending Sept 30	Taxable Values	Growth Rate	Residential Bldg Permits
2010	2011	551,500,014		91
2011	2012	567,043,409	2.82%	90
2012	2013	589,607,007	3.98%	96
2013	2014	663,672,428	12.56%	101
2014	2015	768,920,713	15.86%	126
2015	2016	847,504,395	10.22%	37 (4 mths)
Average Growth Rate			9.09%	

Historical Tax Rates

	<u>2010/2011</u>	<u>2011/2012</u>	<u>2012/2013</u>	<u>2013/2014</u>	<u>2014/2015</u>	<u>2015/2016</u>
M&O	\$ 0.2472	\$ 0.2577	\$ 0.2612	\$ 0.2540	\$ 0.2331	\$ 0.2156
I&S	0.1269	0.1165	0.1130	0.1016	0.0876	0.1051
Total	<u>\$ 0.3742</u>	<u>\$ 0.3742</u>	<u>\$ 0.3742</u>	<u>\$ 0.3556</u>	<u>\$ 0.3207</u>	<u>\$ 0.3207</u>

Taxable Value Growth Rate Assumptions

2017	10%
2018	5%
2019	5%
2020	2%
2021-2038	0%

Tax Rate Impact

1	2	5	6	7	8	9	10	11	12
Fiscal Year Ending Sept 30	Projected Net Taxable Values	Net Debt Service	Debt Service for Proposed Funding			Debt Service w/ additional funding	I&S (debt service) Tax Rate ⁽⁴⁾		
			\$6,000,000 Series 2016 ⁽²⁾	\$2,000,000 Series 2019 ⁽³⁾	\$2,000,000 Series 2021 ⁽³⁾		For the fiscal year	Increase (Decrease)	Cumulative Change
2016	764,664,187	747,142				747,142	\$0.1051	(1)	
2017	841,130,606	703,351	303,700			1,007,051	\$0.1197	\$0.0146	\$0.0146
2018	883,187,136	705,662	350,100			1,055,762	\$0.1195	-\$0.0002	\$0.0144
2019	927,346,493	702,066	404,300			1,106,366	\$0.1193	-\$0.0002	\$0.0142
2020	945,893,423	702,294	431,600	158,500		1,292,394	\$0.1366	\$0.0173	\$0.0315
2021	945,893,423	696,346	433,000	155,500		1,284,846	\$0.1358	-\$0.0008	\$0.0307
2022	945,893,423	699,722	434,000	157,375	158,500	1,449,597	\$0.1533	\$0.0174	\$0.0481
2023	945,893,423	456,478	464,000	159,000	155,500	1,234,978	\$0.1306	-\$0.0227	\$0.0254
2024	945,893,423	451,378	463,000	155,500	157,375	1,227,253	\$0.1297	-\$0.0008	\$0.0246
2025	945,893,423	450,353	466,500	156,875	159,000	1,232,728	\$0.1303	\$0.0006	\$0.0252
2026	945,893,423	443,878	464,500	158,000	155,500	1,221,878	\$0.1292	-\$0.0011	\$0.0240
2027	945,893,423	441,953	462,100	158,875	156,875	1,219,803	\$0.1290	-\$0.0002	\$0.0238
2028	945,893,423	341,603	464,200	159,500	158,000	1,123,303	\$0.1188	-\$0.0102	\$0.0136
2029	945,893,423	342,828	465,700	159,875	158,875	1,127,278	\$0.1192	\$0.0004	\$0.0140
2030	945,893,423	343,503	466,600	160,000	159,500	1,129,603	\$0.1194	\$0.0002	\$0.0143

(1) I&S established tax rate for 2016 is slightly higher than calculated rate due to change in Taxable Value for 2016.

(2) Series 2016 CO interest rate calculated at 4%. Current interest rates indicate +/- 3%.

(3) Series 2019 & 2021 CO interest rate calculated at 5%.

(4) Based on questions from Town Hall meeting columns 11 and 12 have been revised from original presentation to clarify the impact on the I&S rate.

Debt Alternatives

- General Obligation Bonds
 - Requires Election
 - Requires Bond Council
 - Subject to H.B. 1378
- Certificates of Obligation
 - Authorized by City Council
 - Subject to Public Hearing
 - Prior to sale Subject to Petition by Citizens

Legislative Constraints

House Bill 1378 (effective on January 1, 2016)

- Section 140.008 - Its purpose is to increase financial transparency via reporting
- Section 271.047(d) - restricts the City's ability to issue debt for related projects for 3 years if the voters do not support a general obligation proposal.

Failure of bond election would push all work out at least 3 – 4 years

Summary and Council Recommendation

- ✓ Projects are needs vs wants
 - Safety vs Aesthetics
 - Infrastructure vs Amenities

- ✓ Funding will have little impact on tax rate
 - Debt issued as tax base increases

- ✓ Council recommendation
 - Proceed with Certificates of Obligations
 - Supplement funding with excess General Fund reserves and Impact Fees

Public Comment & Feedback

