City of Blaine
City Council Workshop

July 13, 2026 | 5:30 PM
Blaine City Hall
10801 Town Square Drive NE
Blaine, MN 55449

AGENDA

NOTICE OF WORKSHOP MEETING
In accordance with the provisions of Section 3.01 of the Blaine City Charter, a Council Workshop meeting is scheduled for the following purpose:

1. Call to Order

2. Roll Call

3. New Business

3.1. 2026-142 2025 Annual Comprehensive Financial Report (ACFR) and Audit Review (30 Minutes)
Sponsors: Jason Zimmerman, Finance Director

3.2. 2026-143 2027-2031 Parks and Open Space Capital Improvement Plan
Sponsors: Jerome Krieger, Park and Recreation Director

3.3. 2026-144 2027-2031 Pavement Management Capital Improvement Plan
Sponsors: Daniel Schluender, Director of Engineering

3.4. 2026-145 2027-2031 Capital Equipment Plan
Sponsors: Nick Fleischhacker, Public Works Director, Joe Gerhard, Deputy Chief, Jason Zimmerman, Finance Director

4. Other Business

5. Adjournment

City of Blaine
Staff Report

File Number: 2026-142

Agenda Date	Status
July 13, 2026	
In Control	**File Type**
City Council	Workshop Item

New Business - Jason Zimmerman, Finance Director, Kyle Stasica, Assistant Finance Director

Agenda Item # 3.1

2025 Annual Comprehensive Financial Report (ACFR) and Audit Review (30 Minutes)

Background

Minnesota Statutes require that cities issue an Annual Comprehensive Financial Report (ACFR) prepared in accordance with Generally Accepted Accounting Principles (GAAP) and audited in accordance with those principles by a firm of licensed certified public accountants or the Office of the State Auditor. This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all financial information presented in this report.

The City of Blaine's financial statements have been audited by Redpath and Company, Ltd. (Redpath), a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended December 31, 2025, are free of material misstatement. The independent audit examined, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessed the accounting principles used; and significant estimates made by management; and evaluated the overall financial statement presentation. The independent audit has issued an unmodified ("clean") opinion on the City of Blaine's financial statements for the year ended December 31, 2025.

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Annual Comprehensive Financial Report for the year ended December 31, 2024. This was the 43rd consecutive year that the City has achieved this prestigious award. To be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized report. Staff believes this year's report will satisfy the requirements as well and will submit the finished Annual Comprehensive Financial Report to the GFOA for consideration.

Andy Hering, Partner, from Redpath will present an overview of the audit process and results.

The Annual Comprehensive Financial Report for the fiscal year ending December 31, 2025, is published under the "Annual Comprehensive Financial Reports" section on the City's Finance Department web page.

Staff Recommendation

There is no action required of the City Council as this review is informational only.

Questions for Council

Attachment List

None

City of Blaine
Staff Report
File Number: 2026-143

Agenda Date	Status
July 13, 2026	
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City Council	Workshop Item

New Business - Jerome Krieger, Park and Recreation Director

Agenda Item # 3.2

2027-2031 Parks and Open Space Capital Improvement Plan

Background

The Park and Open Space Capital Improvement Plan (CIP) serves to establish an outline of the significant investments proposed in the city's park and recreation infrastructure. The intent is to provide a blueprint for the management, maintenance, and future enhancements of public park amenities to ensure they meet the expectations of residents and visitors. Projects are proposed based on staff assessment of facilities and infrastructure, the Parks Master Plan, and input from the community, City Council, Park Board, and Natural Resources Conservation Board. There are three categories and funds under which park projects can be classified:

- Neighborhood Park Improvements Fund – park and trail improvements
- Parks Development Fund – development of new parks and improvements to existing regional/community parks
- Open Space Fund – improvement and maintenance of the City's open spaces and trail system

Revenues

Revenue for the various parks capital funds comes from four major funding sources: park dedication fees, general tax levies, billboard rental income, and wetland credit sales.

The Park dedication process is outlined in Section 74-132 of the City Code: “The city requires an applicant for a new subdivision where new lots or units are created to dedicate to the public a reasonable portion of the land or preserve for public use as parks, recreational facilities, playgrounds, trails, wetlands, open space or to contribute an equivalent amount of cash in accordance with this section. The city shall, in its sole discretion, determine whether a cash payment in lieu of land is appropriate…” as well as the fee schedule which is established annually by the City Council.

- New residential ($4,984–5,800 per unit, depending on structure type) - 65% allocated to the Parks Development Fund and 35% allocated to the Open Space Fund
- New commercial and industrial ($4,806–13,102 per acre, depending on zoning district) - 100% allocated to the Parks Development Fund

When a city sets and collects park dedication fees, it must comply with the procedural and constitutional requirements established under Minnesota Statutes § 462.358, subdivisions 2b and 2c. These provisions govern both land dedication and fee-in-lieu processes and require cities to demonstrate nexus, rough proportionality, and proper use of the revenue.

- *Nexus and Proportionality* - Under Minn. Stat. § 462.358, subd. 2c, a park dedication fee is lawful only when there is an “essential nexus” or a logical connection between the new development and the municipal purpose served by the fee. In addition, the city must make an individualized determination showing “rough proportionality” between the fee amount and the development’s actual impact on parkland needs. Courts have affirmed that cities may apply formulas, but only when supported by these individualized findings.

- *Restricted Use of Funds* - State law and local ordinances further restrict how park dedication funds may be spent. Park dedication fees may be used only for capital expenditures, including land acquisition, new park construction, or major facility improvements, in alignment with an adopted park or open space plan. They cannot be used for ongoing operations or maintenance, such as landscaping, trash service, or staffing.

Park dedication revenues have fluctuated significantly over the past several years, with a peak in 2021 followed by a gradual decline through 2025, which is directly correlated to the slowing of private investment and construction activity. Year-to-date revenues for 2026 show a modest improvement, with collections already exceeding the 2025 total; however, current levels remain well below historical norms. This continued volatility creates uncertainty around the amount of funding available for park capital investments.

Park Dedication revenue trends directly affect the city’s CIP and its ability to deliver park projects at previously expected levels. Lower dedication revenues reduce the funding available for land acquisition, park development, and major amenity improvements. As a result, several adjustments are necessary:

- Project size and scope must be scaled to align with more limited revenue streams.
- Larger projects may require phasing or extended timelines to remain financially feasible.
- The volume of annual improvements will need to be reduced, concentrating available funds on priority maintenance, safety enhancements, and core infrastructure.
- Long-term planning assumptions must shift toward more conservative revenue projections, emphasizing strategic prioritization and flexibility.

Park Dedication Revenues								
Fund	2019	2020	2021	2022	2023	2024	2025	2026 (YTD June)

Park Dev	$1,435,135	$1,013,073	$2,816,730	$2,607,569	$821,870	$482,620	$123,944	$233,637
Open Space	$625,961	$538,424	$1,233,068	$762,220	$267,212	$250,210	$-	$85,832
Total	**$2,061,096**	**$1,551,497**	**$4,049,798**	**$3,369,789**	**$1,089,082**	**$732,830**	**$123,944**	**$319,469**

A general tax levy is assessed annually by the Neighborhood Park Improvement Fund. A levy can also be assessed at the Council's discretion to fund specific projects, such as the Aquatore Band Shell in 2022. The Council increased the levy for the Neighborhood Park Improvement Fund from $350,000 to $500,000 for 2023 to help address increased maintenance needs in the fund, specifically trails. For 2024, the tax levy was removed and supplemented with a one-time $500,000 transfer from the Strategic Priorities Fund. The 2025 levy restored this funding back to $500,000 and the 2026 budget maintained the same levy funding model.

As development slows and park dedication funds reduce over time, this fund will be the primary funding source for parks capital projects. As such, it's critical to continue to allocating general fund dollars to this fund. Earlier this year, the council was shown an increase of $25,000 (total $525,000 in 2027), funded by the levy, to this fund. Incremental increases would occur through the five-year CIP. At a recent workshop, a council member proposed reducing the levy allocation to this fund and utilizing park dedication fees for projects that would otherwise be funded through the Neighborhood Park Improvement Fund. Additionally, there was discussion about allocating the shift in dollars towards parks maintenance, specifically restoring the mowing of parks which has been reduced in 2025 and 2026. Staff reviewed the various funds and is proposing the following:

1. Reducing the levy allocation in the Neighborhood Improvement Fund from $525,000 to $450,000 for 2027. Though there is a reduction, there are still sufficient dollars available to complete various parks and trail maintenance projects identified in the CIP. The proposed levy identified in the CIP for years 2028-2031 show incremental increases. Again, this ensures proper funding for parks in the future as park dedication fee collection dwindles when development slows.

2. Utilize the $75,000 levy reduction in this fund and reallocate those levy dollars to contract mowing services for parks. The $75,000 would be placed in the parks division of the general fund budget. Public Works Director Fleischacker analyzed the impact of these dollars and determined that a significant portion of the current no-mow areas could be mowed through a mowing contract. Utilizing contract mowing services removes the need to add additional, full-time, employees to maintain parks. Council was shown an increase of $85,000 to the levy for the potential restoring of mowing services. The shift of $75,000 would supplant this line item and allow it to be removed from the preliminary budget.

These shifts create several positive impacts, including reducing the proposed levy by $85,000, restoring mowing in parks through a contract and providing sufficient funding for projects identified in the CIP.

Revenues generated from billboard rentals are recorded in the Neighborhood Park Improvement fund. The city currently leases three electronic signs to Clear Channel Communications. Two of the agreements are scheduled to expire by March 31, 2031, while one agreement expires on December 31, 2030.

Wetland credit sales are allocated for open space and trail improvement projects. Sale proceeds are based on current staff projections of when credits may become available. On December 2, 2024, Council authorized a contract with ISG for montioring, maintenance planning, and review of the Wetland Sanctuary as further restoration efforts are needed before any additional credits can be released for sale. Current estimates indicate a potential for approximately 38–40 additional wetland credits, pending the level of success of future restoration efforts. At the January 21, 2026, City Council Workshop staff provided a brief overview of the 2025 monitoring report and 2026 planned maintenance and restoration activities within the Blaine Wetland Sanctuary Site 7. An update on restoration efforts was provided at the May 19, 2026, Natural Resources Conversation Board Meeting.

Other revenue sources may include donations from outside sources and interest earned on accumulated fund balances. These funding sources are generally inconsistent and are committed to specific purposes.

Neighborhood Park Improvements Fund

The Neighborhood Park Improvements Fund serves to maintain and replace existing infrastructure in city parks. The majority of improvements occur in neighborhood parks, which are generally smaller parks located in or near residential areas. These parks typically include a playground structure, a form of sport court area (e.g. basketball, tennis, pickleball courts), an area of green space, and a picnic pavilion or shelter. As development and growth within the city slows, this fund is facing increased pressure to preserve assets across the city. Under the current trail maintenance budget, the city is able to rehabilitate approximately one to two miles of trail per year. With over 100 miles of trail in the city, additional funding could be considered to develop a more aggressive, long-term schedule. Projects requested in 2027 include various improvements to the trail system, improvements to Little Leage playground, and a court replacement at Westwood Park. The five-year plan includes playground replacements at Sanctuary North, Trees Edge, Ostmans, Fillmore, Lakeside Commons, and Deacons Parks, as well as shelter replacements at Happy Acres, Lochness, Jefferson, Aurelia, and Quincy Parks.

Parks Development Fund

The Parks Development Fund was established for the development of new parks and new improvements to city parks. This fund is primarily funded by park dedication fees, which have statutory and city code spending restrictions. Park dedication fees must be used to acquire, develop, or improve parks based on the approved park systems plan per state statute. Per City Ordinance, park dedication fees must be used for the purchase or improvement of parks, playgrounds, community centers, or other recreational facilities in accordance with the park and recreation segment of the City's Comprehensive Plan. The city has used park dedication funds in the past for improvements to The Blaine Baseball Complex (BBC), Jim Peterson Park, Lexington Athletic Complex, Happy Acres Park, and Aquatore Park. The 2027 plan calls for funding to complete the Lakeside Park bridge replacement. The five-year plan also calls for the construction of a new community park west of Lexington Avenue and north of Main Street, although the timing is recommended to coincide with the construction of additional residential property in the direct vicinity.

Open Space Fund

The Open Space Fund supports the preservation and enhancement of designated natural areas, including the Blaine Wetland Sanctuary (BWS) and Pioneer Park. The Natural Resources Conservation Board (NRCB) provides guidance and recommendations on expenditures within this fund. In addition to projects within the BWS, the fund is used for invasive species removal, habitat restoration, and reestablishment of native grasses, flowers, and other vegetation across open-space areas. The requested projects for 2027 include reoccurring annual funding for trail development in the open space and general wetland maintenance. Funding for the construction of the first three trail phases within the Blaine Wetland Sanctuary has been placed in the final year of the plan due to insufficient current resources to support the project. Council discussions on April 14, 2025, September 3, 2025, and September 15, 2025, resulted in a consensus to postpone the project until the overall CIP is in a more stable financial position. Although the project is not financially viable at this time, it remains programmed in the 2031 CIP for tracking and transparency purposes. Should adequate park dedication revenues or wetland bank credit proceeds become available, the timeline for completing the BWS trail may be accelerated.

Levy Impact

A copy of the presentation will be attached before noon on the day of the meeting.

Attachments:

- *Fund Summaries – include 2025 actuals, the 2026 budget, and the proposed 2027-2031 CIP; with detailed revenue sources, project expenses/budgets, and projected cash balances*
- *Detailed Project Listing – summary of each project for the proposed CIP, with descriptions of work to be completed and staff recommendations*

Staff Recommendation

Questions for Council

Does the Council support the plan as proposed?

- While the CIP lays out a long-term plan, expenditures specifically planned for the next fiscal year become the approved capital budget. Projects identified in future fiscal periods are for planning purposes only and are not an authorization to incur contractual commitments.
- If Council would like any changes to the plan, this is the best opportunity to communicate those recommendations and determine if there is a consensus.

Attachment List

1. 2027 Presentation - Parks CIP

2. Park Fund Summaries
3. Parks Project Listing with Descriptions

2027-2031 Capital Improvement Plan

Parks and Open Space

07/13/2026

Statistics

Current Parks Assets Maintained

- 755 acres of parks
- 43 park shelters
- 14 park buildings
- 54 playgrounds
- 826 acres of open space
- 71 miles of trails
- 104 fields and courts

Work Completed Since 2019

- 2 acres of park land added
- 10 shelters built or refurbished
- 24 playgrounds replaced
- 14.5 acres of open space deeded
- 2.87 miles of trails refreshed*
- 19 courts painted and refurbished
- 8 basketball hoops/backboards replaced

Parks & Open Space CIP

- The Park and Open Space CIP serves to establish an outline of the significant investments proposed in the city's park and recreation infrastructure
- The intent is to provide a blueprint for the management, maintenance, and future enhancements of public park amenities to ensure they meet the expectations of residents and visitors
- Projects are proposed based on staff assessment of facilities and infrastructure, the Parks Master Plan, and input from the community, City Council, Park Board, and Natural Resources Conservation Board

Parks & Open Space CIP Structure

There are three categories and funds under which park projects can be classified:

- Neighborhood Park Improvements Fund – park and trail improvements
- Parks Development Fund – development of new parks and improvements to existing regional/community parks
- Open Space Fund – improvement and maintenance of the City's open spaces and trail system

2025 Featured Projects

$400,000

Blaine Baseball Complex
(In Progress)

$100,000

Olympia Park
(Complete)

$100,000

Austin Park
(Complete)

2026 Featured Projects

Ostmans Park Building

$35,000

Original building from 1970

Repair walls and roof

Jefferson Park Playground

$115,000

Original playground is 20 years old

Replace playground and play curb

Trail Rehabilitation

$450,000

Annual Program

Maintenance/rehabilitation of existing trails

2027 Project Spotlights

Little League Park Playground

$113,000

Original playground is 20 years old

Replace playground and install concrete

Westwood Park Courts

$315,000

Replace old tennis/basketball court

The original court was built in 1969

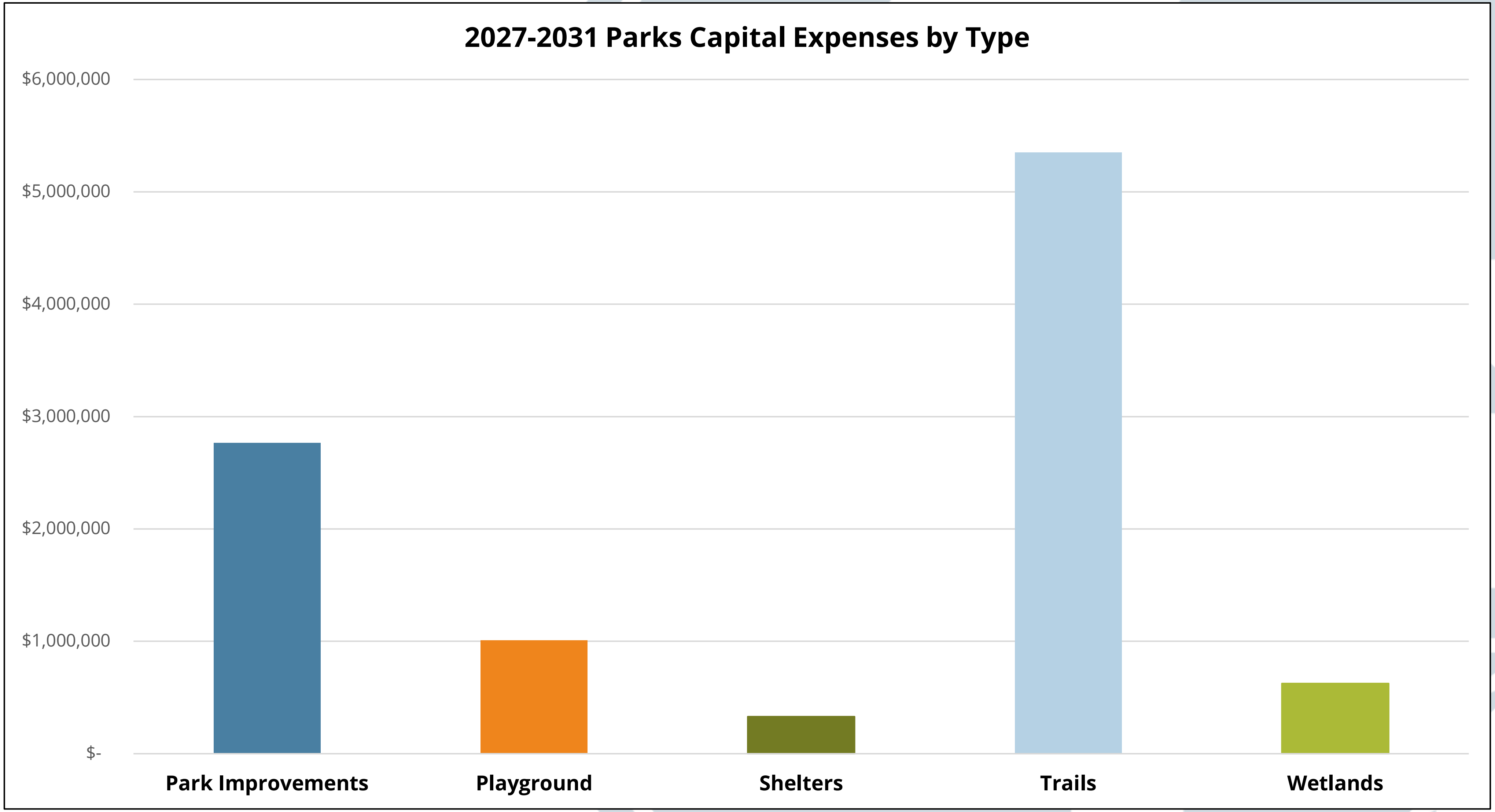
Trail Rehabilitation

$350,000

Annual Program

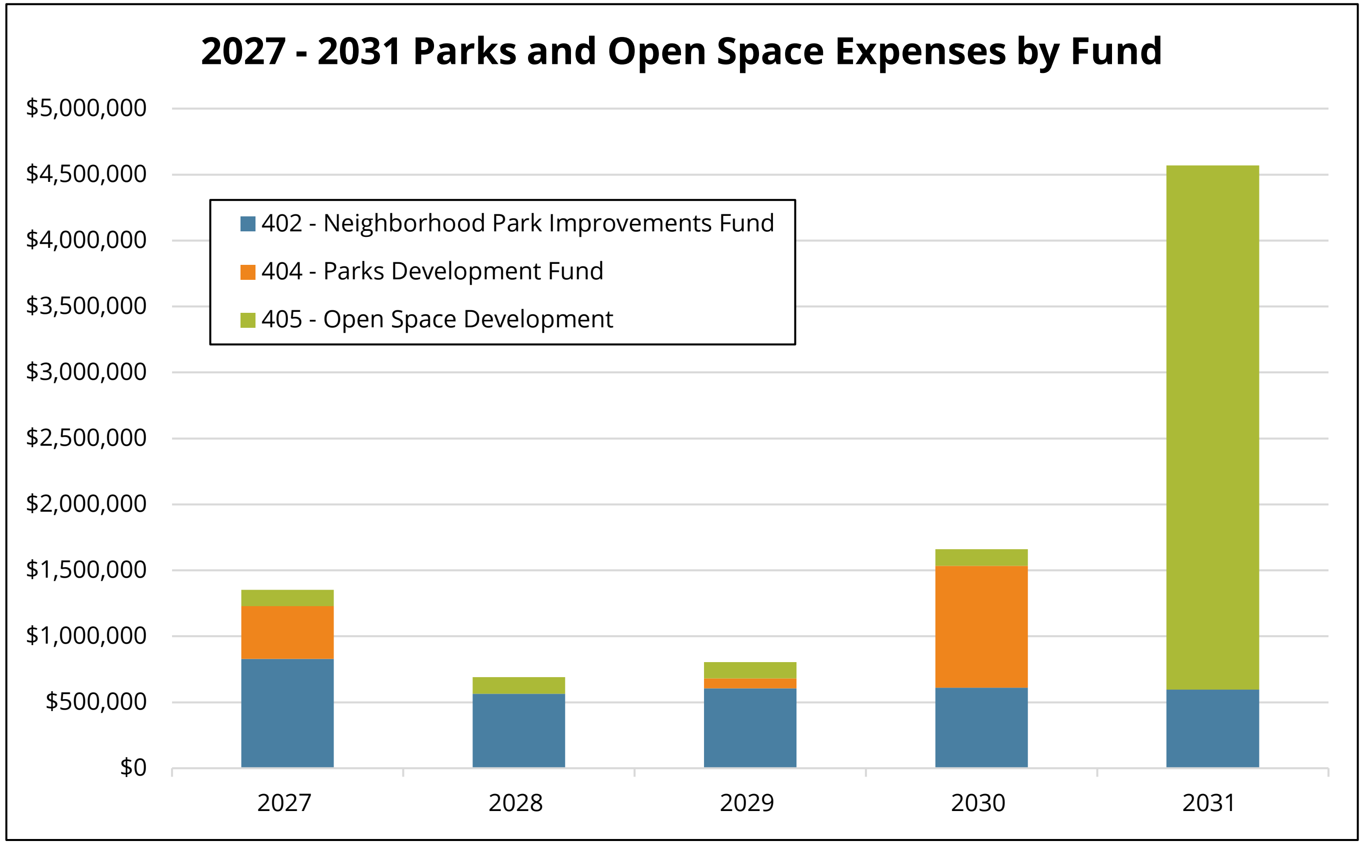
Maintenance/rehabilitation of existing trails

Parks and Open Space Capital Comparison



CIP Future Highlights

- Lakeside Park Bridge Replacement
  - Proposed in 2027; $400,000
- Sanctuary North Park Playground
  - Proposed in 2028; $125,000
- New park west of Lexington & north of Main Street
  - Proposed in 2029/2030; $1,000,000
- Blaine Wetland Sanctuary (BWS) Trail Development
  - 2026 direction was to postpone
  - Additional funding in 2031 to complete first 3 phases; $3,850,000
  - Timing subject to change pending LCCMR grant approval



Funding Sources – Property Tax Levy

- Neighborhood Parks levy was increased from $350,000 in 2022 to $500,000 in 2023
  - Currently replacing park structures every 20-25 years
    - Replacement of one park structures per year on average
    - Significant progress in recent years
  - Increase in funding was targeted for trails
    - With 71 miles of trail, additional investment would be focused here
    - Trail network continues to expand with additional development
- Proposal to reduce levy to $450,000 for 2027
  - This represents a $75,000 reduction from levy proposal presented in June

Tax Levy Reduction/Allocation

- Proposed Tax Levy for Parks Capital
  - $450,000 down from $525,000 proposed

- Proposed Tax Levy for General Fund Parks
  - $85k reduction from 2027 proposal (June)
  - $75k increase from 2027 proposal (June)
    - To be allocated towards contract mowing.

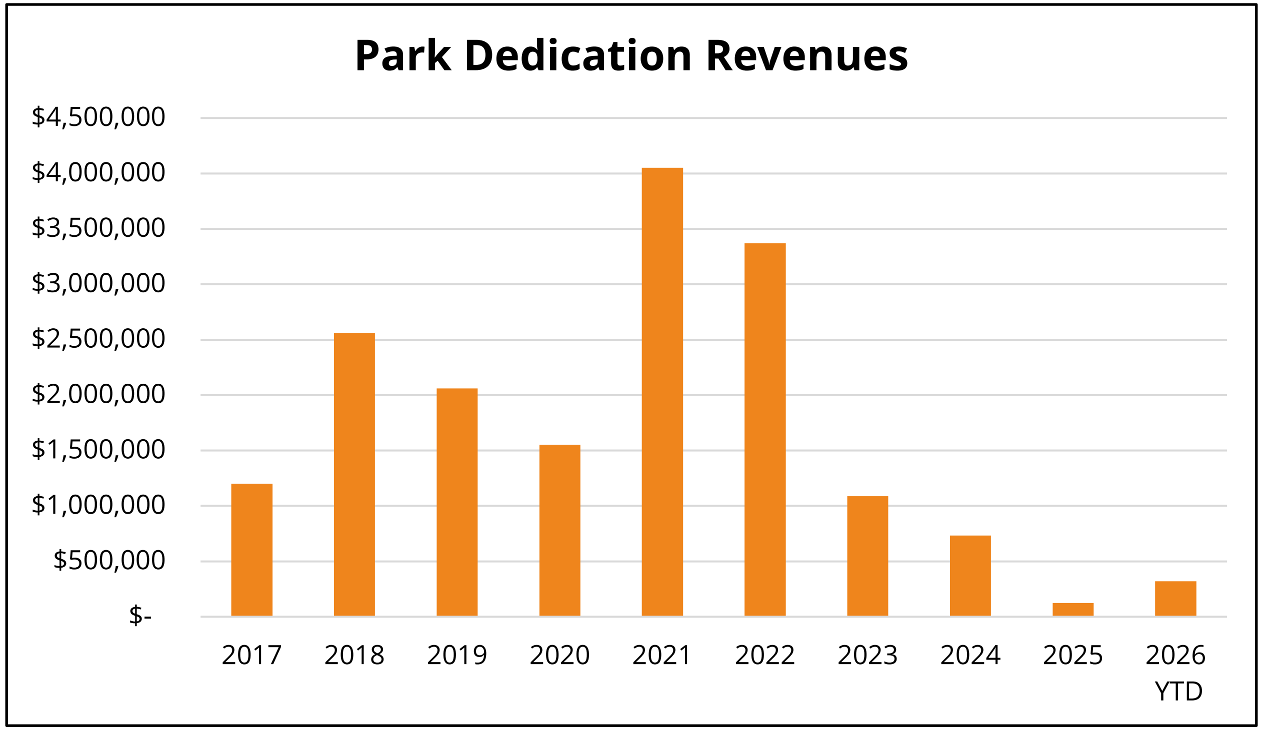
- **Net $85k reduction to 2027 tax levy**
- **Reintroduction of parks mowing via contract services**
- **Sufficient capital dollars for Parks CIP projects**

Funding Sources – Park Dedication

- Park Dedication Fee Structure:
  - Commercial & Industrial ($4,806 - $13,102 /acre) 100% allocated to the Park Development Fund
  - Residential ($4,984 - $5,800/unit) split 65%/35% between Park Development & Open Space Funds

- Collected when lots are platted – not tied to permitting

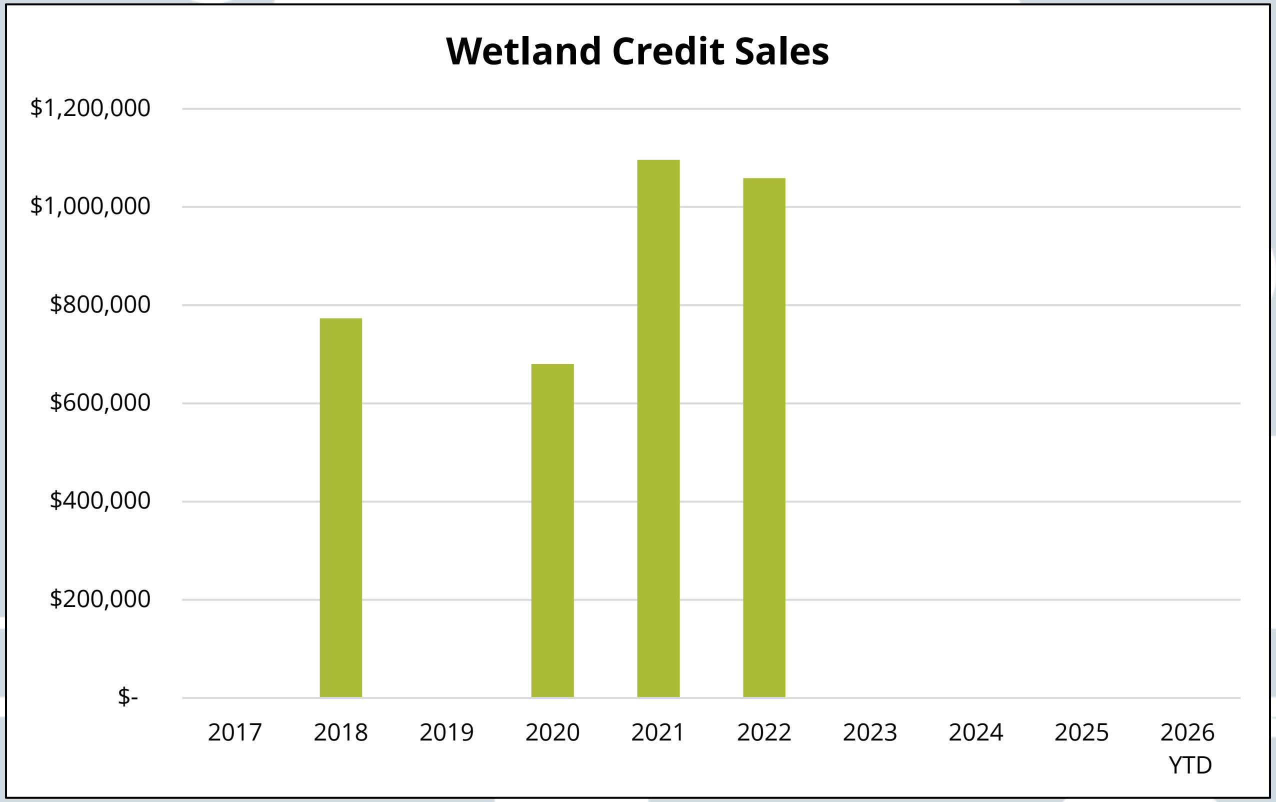
- Can only be used for capital improvements



Funding Sources – Other

- Wetland Credit Sales
  - Dependent on the release of wetland credits by the Board of Water and Soil Resources (BWSR)
  - Current model assumes no sales through 2031
- Billboard Revenue
  - Four active leases with Clear Channel
- Donations

  Received from the Blaine Festival and other organizations or individuals



Questions for Council

- Does the Council support the plan as proposed?
  - While the CIP lays out a long-term plan, expenditures specifically planned for the next fiscal year become the approved capital budget.
  - Projects identified in future fiscal periods are for planning purposes only and are not an authorization to incur contractual commitments.
  - <u>If Council would like any changes to the plan, this is the best opportunity to communicate those recommendations and determine if there is a consensus.</u>

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City of Blaine, Minnesota
Neighborhood Park Improvement Fund - 402
Summary of Revenues, Expenditures, and Change in Fund Balance
2027-2031 Capital Improvement Plan - As of July 1, 2026

	2025 Adopted Budget	2026 Adopted Budget	2026 Amended Budget	2027 Budget	2028 Projection	2029 Projection	2030 Projection	2031 Projection
Revenues								
Property Tax Levy	$ 500,000	$ 500,000	$ 500,000	$ 450,000	$ 475,000	$ 500,000	$ 550,000	$ 600,000
Billboard Revenue	193,000	193,000	193,000	200,000	205,000	210,000	215,000	215,000
Investment Earnings	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Total Revenues	**698,000**	**698,000**	**698,000**	**655,000**	**685,000**	**715,000**	**770,000**	**820,000**
Capital Outlay								
Ivy Hills Park Playground	115,000	-	-	-	-	-	-	-
Austin Park Playground	100,000	-	-	-	-	-	-	-
Olympia Park Playground	100,000	-	-	-	-	-	-	-
Trail Maintenance	353,644	750,193	750,193	350,000	340,000	275,000	260,000	275,000
Jefferson Park Playground	-	115,000	115,000	-	-	-	-	-
Ostmans Park Shelter Replacement	-	50,000	50,000	-	-	-	-	-
Ostmans Park Building Repair	-	35,000	35,000	-	-	-	-	-
Westwood Park Court Replacement	-	-	-	315,000	-	-	-	-
Little League Playground	-	-	-	113,000	-	-	-	-
Jim Peterson Court Improvements	-	-	-	50,000	-	-	-	-
Sanctuary North Park Playground	-	-	-	-	125,000	-	-	-
Trees Edge Park Playground	-	-	-	-	100,000	-	-	-
Ostmans Park Playground	-	-	-	-	-	120,000	-	-
Fillmore Playground	-	-	-	-	-	100,000	-	-
Happy Acres Park Shelter	-	-	-	-	-	60,000	-	-
Jefferson Park Shelter Replacement	-	-	-	-	-	50,000	-	-
Lakeside Commons Park Playground	-	-	-	-	-	-	175,000	-
Deacons Park Playground	-	-	-	-	-	-	175,000	-
South Lake Playground	-	-	-	-	-	-	-	100,000
Lochness Park Shelter	-	-	-	-	-	-	-	100,000
Aurelia Park Shelter	-	-	-	-	-	-	-	60,000
Quincy Park Shelter	-	-	-	-	-	-	-	60,000
Total Capital Outlay	**668,644**	**950,193**	**950,193**	**828,000**	**565,000**	**605,000**	**610,000**	**595,000**
Revenues Over (Under) Expenditures	**29,356**	**(252,193)**	**(252,193)**	**(173,000)**	**120,000**	**110,000**	**160,000**	**225,000**
Other Financing Sources (Uses)								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net Change in Fund Balance	29,356	(252,193)	(252,193)	(173,000)	120,000	110,000	160,000	225,000
Beginning Fund Balance	288,401	317,757	317,757	407,628	234,628	354,628	464,628	624,628
Ending Fund Balance	**317,757**	**65,564**	**65,564**	**234,628**	**354,628**	**464,628**	**624,628**	**849,628**
Cash Reconciliation								
Beginning Cash	404,083	327,756	327,756	408,801	235,801	355,801	465,801	625,801
Change in Cash	29,356	(252,193)	(252,193)	(173,000)	120,000	110,000	160,000	225,000
Ending Cash	**$ 433,439**	**$ 75,563**	**$ 75,563**	**$ 235,801**	**$ 355,801**	**$ 465,801**	**$ 625,801**	**$ 850,801**

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City of Blaine, Minnesota
Park Development Fund - 404
Summary of Revenues, Expenditures, and Change in Fund Balance
2027-2031 Capital Improvement Plan - As of July 1, 2026

	2025 Adopted Budget	2026 Adopted Budget	2026 Amended Budget	2027 Budget	2028 Projection	2029 Projection	2030 Projection	2031 Projection
Revenues								
Park Dedication Fees	$ 750,000	$ 500,000	$ 500,000	$ 850,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000
Investment Earnings	35,000	20,000	20,000	20,000	18,000	18,000	15,000	15,000
Total Revenues	**785,000**	**520,000**	**520,000**	**870,000**	**518,000**	**518,000**	**515,000**	**515,000**
Capital Outlay								
Jim Peterson Site Improvements	716,928	632,826	-	-	-	-	-	-
Baseball Complex Site Improvements	401,407	257,122	257,122	-	-	-	-	-
Sunrise Ponds Park	278,943	210,969	210,969	-	-	-	-	-
Jim Peterson Parking Lot Expansion	-	174,950	807,776	-	-	-	-	-
Lakeside Park Bridge Replacement	-	-	-	400,000	-	-	-	-
New Park West of Lexington/North of Main	-	-	-	-	-	75,000	925,000	-
Total Capital Outlay	**1,397,278**	**1,275,867**	**1,275,867**	**400,000**	**-**	**75,000**	**925,000**	**-**
Revenues Over (Under) Expenditures	**(612,278)**	**(755,867)**	**(755,867)**	**470,000**	**518,000**	**443,000**	**(410,000)**	**515,000**
Other Financing Sources (Uses)								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net Change in Fund Balance	(612,278)	(755,867)	(755,867)	470,000	518,000	443,000	(410,000)	515,000
Beginning Fund Balance	2,560,824	1,948,546	1,948,546	1,570,471	2,040,471	2,558,471	3,001,471	2,591,471
Ending Fund Balance	**1,948,546**	**1,192,679**	**1,192,679**	**2,040,471**	**2,558,471**	**3,001,471**	**2,591,471**	**3,106,471**
Cash Reconciliation								
Beginning Cash	1,958,966	1,948,974	1,948,974	1,613,416	2,083,416	2,601,416	3,044,416	2,634,416
Change in Cash	(612,278)	(755,867)	(755,867)	470,000	518,000	443,000	(410,000)	515,000
Ending Cash	**$ 1,346,688**	**$ 1,193,107**	**$ 1,193,107**	**$ 2,083,416**	**$ 2,601,416**	**$ 3,044,416**	**$ 2,634,416**	**$ 3,149,416**

City of Blaine, Minnesota
Open Space Fund - 405
Summary of Revenues, Expenditures, and Change in Fund Balance
2027-2031 Capital Improvement Plan - As of July 1, 2026

	2025 Adopted Budget	2026 Adopted Budget	2026 Amended Budget	2027 Budget	2028 Projection	2029 Projection	2030 Projection	2031 Projection
Revenues								
Park Dedication Fees	$ 250,000	$ 250,000	$ 250,000	$ 440,000	$ 250,000	$ 250,000	$ 250,000	$ 250,000
Investment Earnings	35,000	35,000	35,000	25,000	20,000	20,000	20,000	1,000
Total Revenues	**285,000**	**285,000**	**285,000**	**465,000**	**270,000**	**270,000**	**270,000**	**251,000**
Operating Expenditures								
Contractual Services - Open Space Management	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Total Operating Expenditures	**5,000**	**5,000**	**5,000**	**5,000**	**5,000**	**5,000**	**5,000**	**5,000**
Capital Outlay								
Blaine Wetland Sanctuary Trail Development	1,000,000	885,714	885,714	-	-	-	-	3,850,000
Wetland Management - Site 7	100,000	156,101	156,101	100,000	100,000	100,000	100,000	100,000
Trails Development - Open Space	150,000	150,000	150,000	-	-	-	-	-
Wetland Management - BWS	25,000	50,000	50,000	25,000	25,000	25,000	25,000	25,000
105th Redevelopment Advance	-	-	-	1,000,000	(1,000,000)	-	-	-
Total Capital Outlay	**1,275,000**	**1,241,815**	**1,241,815**	**1,125,000**	**(875,000)**	**125,000**	**125,000**	**3,975,000**
Total Operating & Capital Expenditures	**1,280,000**	**1,246,815**	**1,246,815**	**1,130,000**	**(870,000)**	**130,000**	**130,000**	**3,980,000**
Revenues Over (Under) Expenditures	**(995,000)**	**(961,815)**	**(961,815)**	**(665,000)**	**1,140,000**	**140,000**	**140,000**	**(3,729,000)**
Other Financing Sources (Uses)								
Transfers In	-	-	-	-	-	-	-	-
Transfer Out	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net Change in Fund Balance	(995,000)	(961,815)	(961,815)	(665,000)	1,140,000	140,000	140,000	(3,729,000)
Beginning Fund Balance	4,550,608	3,555,608	3,555,608	3,576,998	2,911,998	4,051,998	4,191,998	4,331,998
Ending Fund Balance	**3,555,608**	**2,593,793**	**2,593,793**	**2,911,998**	**4,051,998**	**4,191,998**	**4,331,998**	**602,998**
Cash Reconciliation								
Beginning Cash	5,047,957	3,542,080	3,542,080	3,586,350	2,921,350	4,061,350	4,201,350	4,341,350
Change in Cash	(995,000)	(961,815)	(961,815)	(665,000)	1,140,000	140,000	140,000	(3,729,000)
Ending Cash	**$ 4,052,957**	**$ 2,580,265**	**$ 2,580,265**	**$ 2,921,350**	**$ 4,061,350**	**$ 4,201,350**	**$ 4,341,350**	**$ 612,350**

402 - Neighborhood Park Improvements Fund

Trail Improvements - Parks And Trails - Ongoing

• $350,000 – 2027; $340,000 – 2028; $275,000 – 2029; $260,000 – 2030; $275,000 – 2031

•Repair, patch, crack fill and sealcoat older trails that need attention.

•Data that is collected from the trail pavement assessment will be used to develop a comprehensive trail improvement plan. With nearly 100 miles of trail and segments nearly 40 years of age, further investment will improve the City's trail system and provide an improved user experience.

Westwood Park Court Replacement - 2027

• $315,000 – 2027

•The tennis/basketball court at Westwood Park was built in 1969 and is still the original court. There has been some crack sealing and repainting done to the court in the last 10 years, but there are so many cracks and weeds growing out of it, that it needs to be removed.

•The houses around the park that were built in the late 60's and early 70's are turning over with younger families moving in who can't afford the $500k plus house. They are using the park and in order to revitalize that neighborhood near Northtown, the park needs the new courts.

Jim Peterson Court Improvements - 2027

• $50,000 – 2027

•The tennis and basketball courts at Jim Peterson are going to need some crack sealing and some resurfacing work to maintain its proper condition.

•These courts are heavily used by the residents and the some of the children from Northpoint school. This park is heavily used and needs the necessary maintenance to prevent the courts from deteriorating.

Little League Playground - 2027

• $113,000 – 2027

•Remove the existing playground and replace it with a new one. Tear out the play curb and replace it with a concrete border.

•Little League Park playground is 19 years old and needs replacement. Staff generally plans to replace equipment every 18 to 20 years to ensure a well-maintained park system. We received some grant money to help with the replacement, but need some additional funds to replace the playground for the residents in the area.

Sanctuary North Park Playground - 2028

• $125,000 – 2028

•Remove the existing playground and replace it with a new one. Tear out the play curb and replace it with a concrete border.

•Sanctuary North Park playground is 21 years old and needs replacement. Staff generally plans to replace equipment every 18 to 20 years to ensure a well-maintained park system.

Trees Edge Park Playground - 2028

• $100,000 – 2028
•Remove the existing playground and replace it with a new one.
•Trees Edge Park playground is 24 years old and needs replacement. Staff generally plans to replace equipment every 18 to 20 years to ensure a well-maintained park system.

Ostmans Park Playground - 2029

• $120,000 – 2029
•Remove the existing playground and replace it with a new one.
•Ostmans Park playground is 19 years old and needs replacement. Staff generally plans to replace equipment every 18 to 20 years to ensure a well-maintained park system.

Fillmore Playground - 2029

• $100,000 – 2029
•Remove the existing playground and replace it with a new one. Tear out the play curb and replace it with a concrete border.
•Fillmore Park playground is 19 years old and needs replacement. Staff generally plans to replace equipment every 18 to 20 years to ensure a well-maintained park system.

Happy Acres Park Shelter - 2029

• $60,000 – 2029
•Construct a new shelter at Happy Acres Park for the users to have a place to gather.
•Happy Acres needs a new park shelter. The current shelter was constructed in the early 1990's. This is a very popular park and the shelter is used by visitors who use the park along with our summer programs.

Jefferson Park Shelter Replacement - 2029

• $50,000 – 2029
•The Jefferson Park Shelter had been built out of wood by an Eagle Scout about 13 years ago. A few years ago it was wiped out by the summer storm.
•Residents have been asking for a replacement since the other one was destroyed. See photos of the old shelter that was destroyed and the current aerial photo of just the slab.

Deacon's Park Playground (Possible Joint Project) - 2030

• $175,000 – 2030
•Tear out the old playground and replace it with a new one. Tear out the play curb and replace it with a concrete border. East Lake Park playground is 23 years old and is in need of replacement. The staff are trying to stay up to date with well-maintained playground equipment. The goal is to replace equipment every 18 to 20 years if it needs replacing.
•Deacon's Park playground is 23 years old and is in need of replacement. The staff are trying to stay up to date with well-maintained playground equipment. The goal is to replace equipment every 18 to 20 years if it needs replacing. Staff is trying to partner with another organization to help fund this park.

Lakeside Commons Park Playground - 2030

• $175,000 – 2030

•Remove the existing playground and replace it with a new one.

•Lakeside Commons Park playground is 18 years old and needs replacement. Staff generally plans to replace equipment every 18 to 20 years to ensure a well-maintained park system.

Lochness Park Shelter Replacement - 2031

• $100,000 – 2031

•Construct a new shelter at Lochness Park for the users to have a place to gather.

•Lochness Park needs a new park shelter. The current shelter was constructed in the early 1990's. This is a very popular park, and the shelter is used by visitors and employees of Infinite Campus.

South Lake Playground - 2031

• $100,000 – 2031

•Remove the existing playground and replace it with a new one. Tear out the play curb and replace it with a concrete border.

•South Lake Park playground is 21 years old and needs replacement. Staff generally plans to replace equipment every 18 to 20 years to ensure a well-maintained park system.

Aurelia Park Shelter Replacement - 2031

• $60,000 – 2031

•Construct a new shelter at Aurelia Park for the users to have a place to gather.

•Aurelia Park needs a new park shelter. The current shelter was constructed in the late 1970's.

Quincy Park Shelter Replacement - 2031

• $60,000 – 2031

•Construct a new shelter at Quincy Park for the users to have a place to gather.

•Quincy Park needs a new park shelter. The current shelter was constructed in the early 1970's.

404 - Parks Development Fund

Lakeside Park Bridge Replacement - 2027

• $400,000 – 2027

•One of the two bridges at Lakeside Park that connect the neighbors over the water is structurally starting to fail. The support system in the water is heaving, causing the bridge to push up.

•This bridge is used 365 days a year by the neighbors and is a bridge that city machinery uses to collect trash, cut the grass, complete repair work. There have been numerous complaints over the last three years about the condition of the bridge. The bridge is 21 years old and gets inspected yearly by our engineering staff and was purchased by the development back in the early 2000's. The company that designed and installed the bridge is York Bridge out of Florida.

New Park West Of Lexington Avenue/North Of Main Street - 2029, 2030

- $75,000 – 2029; $925,000 – 2030
- Construct a new community park west of Lexington Avenue and north of Main Street.
- This park is scheduled in the Master Plan to be the final community park in the City.

405 - Open Space Development

105th Redevelopment Park Advance - 2027

- $1,000,000 – 2027; ($1,000,000) – 2028
- In accordance with the Master Development Agreement for the 105th Avenue Redevelopment.
- The city is required to advance the $1,000,000 of park dedication for the construction of a park in the southwest portion of the project area.

Wetland Management - Site 7 - Ongoing

- $100,000 – 2027; $100,000 – 2028; $100,000 – 2029; $100,000 – 2030; $100,000 – 2031
- Monitoring and maintenance of the Site 7 area in the Blaine Wetland Sanctuary.
- Ongoing maintenance is included in both the Blaine Wetland Sanctuary Master Plan and agreements with the Board of Water and Soil Resources (BWSR) and the Army Corps of Engineers. To operate a wetland bank, it is required to maintain the site per state regulatory agency requirements. This project maintains current service levels and ensures compliance with requirements.

Wetland Management - Blaine Wetland Sanctuary - Ongoing

- $25,000 – 2027; $25,000 – 2028; $25,000 – 2029; $25,000 – 2030; $25,000 – 2031
- Monitoring and maintenance of the Blaine Wetland Sanctuary other than Site 7.
- Ongoing maintenance of the Blaine Wetland Sanctuary is a grant requirement. This maintains current service levels.

Blaine Wetland Sanctuary Trail Development - 2031

- $3,850,000 – 2031
- Design and construction of new trails in the Blaine Wetland Sanctuary.
- Trails to connect the surrounding neighborhoods to the BWS. Identified in the Blaine Wetland Sanctuary Master Plan. The future year requests are dependent on wetland credit sales.

City of Blaine
Staff Report

File Number: 2026-144

Agenda Date	Status
July 13, 2026	
In Control	**File Type**
City Council	Workshop Item

New Business - Daniel Schluender, Director of Engineering

Agenda Item # 3.3

2027-2031 Pavement Management Capital Improvement Plan

Background

The City of Blaine has a commitment to its residents and the traveling public to maintain the over 270 miles of city streets in a condition that provides for functional, safe and efficient travel in a cost-efficient manner.

Proactive pavement management is crucial for extending roadway service life and minimizing costs. As pavement deteriorates, the required maintenance treatments become more extensive and expensive. While routine activities like crack sealing and pothole patching are common and visible, periodic, more intensive pavement maintenance is also necessary to maximize a street's lifespan. Without consistent maintenance, a street may require full reconstruction in under 25 years. Numerous factors, including underlying soil conditions, initial street construction, traffic loads, and stormwater drainage, significantly influence the deterioration rate of any given pavement section.

By applying the right treatment to the right pavement at the right time, and using the correct materials, cities can prevent roads from degrading to a point where more costly interventions are necessary. This means implementing periodic pavement improvements, such as seal coats and bituminous overlays, when roads are at a critical point in their deterioration curve. Such proactive measures are not only more effective in preserving infrastructure, but they are also significantly less expensive for taxpayers as opposed to neglecting maintenance and being forced into expensive full reconstructions. Ultimately, prioritizing preventative treatments over reactive, corrective measures is the most fiscally responsible and effective approach to maintaining a city's roadways.

The city's most recent pavement condition index, which was completed in 2022, showed the overall roadway score was 79, which is considered very good and an improvement from the 2019 report, which provided a score of 74 - demonstrating the positive impact of the city's commitment to pavement projects and funding provided to increase project size between measurement dates. On May 18, 2026 the City Council awarded a contract to GoodPointe Technology to complete the 2026 PCI survey. With industry standards calling for PCI updates every three years, the results of this analysis will be an important resource for engineering staff in the development of future PMP plans.

The Pavement Condition Index (PCI) was developed by the United States Army Corps of Engineers during World War II to assess a pavement's condition and assign a numerical value that represents overall condition. The PCI is a composite numerical rating between 0 and 100 that describes the pavement condition based on the type, extent and severity of distress. A PCI of 100 represents a pavement in excellent condition, and a PCI below 10 represents a pavement that has failed or reached the end of its service life. The following table provides a breakdown of conditions:

PCI Score	Pavement Condition
0-10	Failed
11-25	Very Poor
26-40	Poor
41-55	Fair
56-70	Good
71-85	Very Good
86-100	Excellent

The city maintains three separate funds to account for investments in its transportation infrastructure, focused on roadway reconstruction, rehabilitation, and repair in addition to other related infrastructure, including traffic management devices, street lighting, and drainage improvements. The MSA fund, PMP Fund, and Crack Sealing Fund were established to account for Municipal State Aid, Pavement Management Program, and crack sealing projects respectively.

On October 7, 2010, the City Council adopted a Pavement Management Policy to serve as the framework for implementing a comprehensive Pavement Management Program (PMP) focused on non-Municipal State Aid roads. Early in the program, annual spending on city-initiated projects ranged from approximately $2-$4 million. In the fall of 2018, as pavement scores of existing streets deteriorated (excluding roadways conveyed through development), staff presented the Council with a proposal to increase the size and cost of the program. Since 2018, the total annual spending has generally ranged between $8-$14 million, including MSA, special assessments, and levy support debt.

The program is reevaluated annually and projects are programmed based on staff expertise, data including current pavement conditions, and Council guidance. Projects in future years (2028-2031) may be delayed, accelerated, or moved forward in priority based on regular budget and program discussions and other factors, including economic pressures.

Revenues

Revenue for the Transportation CIP comes from four major funding sources: general obligation (GO) bonds, special assessment (SA) bonds, municipal state aid construction funds (MSA), and the property tax levy.

General obligation bonds have historically been the primary funding source for the city's annual Pavement Management Program, with repayment made through the property tax levy. The amount issued each year is typically based on total project costs, reduced by proposed assessments and Municipal State Aid. Since the program does not have a dedicated revenue source, the City issues GO bonds annually to align with approved PMP projects. These bonds generally require semiannual interest payments in February and August, with principal payments each February, and are amortized to match the assessment period established in city policy.

Special Assessment bonds are generally structured similarly to the aforementioned GO bonds, except for that the charge is imposed on properties for particular improvements that benefit the owners of those selected properties. The authority to use special assessments originates in the state constitution, which allows the state legislature to give cities and other governmental units the authority "*to levy and collect assessments for local improvements upon property benefited thereby*." The legislature confers that authority to cities in Minnesota Statutes Chapter 429. All assessments are subject to the city's Public Improvement Special Assessment Policy, which prescribes that street improvement projects shall be assessed over a fifteen-year period, except for bituminous overlays and replacements which shall be assessed over a five-year period.

As a city with a population of greater than 5,000 residents, Blaine is allowed to designate up 20% of its own local street system to the MSA street system per guidelines and eligibility requirements established by state aid standards. By designating local streets to the MSA system, the City is able to collect funding from MnDOT for maintenance and construction on designated roadways. These streets generally act as collectors or are minor arterial streets carrying higher volumes of traffic. The city receives state gasoline revenues to be used to upgrade and maintain these streets to Municipal State Aid standards. According to Minnesota State Statutes 162.11, nine percent of the net highway user tax distribution fund shall be paid into the municipal state-aid street fund.

Blaine has also leveraged a property tax levy to provide for crack filling (previously seal coating) activities within the city. While the levy for this activity remained at $100,000 from 2020 through 2024, it increased to $200,000 in 2025, then to $250,000 for the 2026 budget, and is proposed at $265,000 for 2027. These incremental adjustments are intended to prevent large, infrequent funding jumps and instead provide a steady, predictable increase that maintains service levels and supports the evolving economics of this work. Although technically more of a maintenance task, the city has traditionally included this function under the Capital Improvement umbrella. The proposed level of funding will enable staff to cycle through the entire city once every seven years, which will further address maintenance concerns.

The Council has held five public workshops since January 2025 (January 13, 2025, September 8, 2025, November 17, 2025, January 23, 2026, and May 18, 2026) to discuss the viability of establishing gas and electric franchise fees. City staff has also met with all local gas and electric providers, including CenterPoint Energy, Xcel Energy, Connexus, and Centennial Utilities to inform providers of the Councils intent, discuss the formal process for renegotiating expired agreements, and collect the necessary data for fiscal modeling. Under Minnesota Statute 216B.36, the City maintains broad authority to negotiate these franchise ordinances for the use of public rights-of-way. Staff explored a flat-fee model based on the City of Lakeville's structure, which is estimated to generate approximately $5.5 million in annual revenue. This benchmark was selected because it reflects current market conditions in a comparable community and aligns closely with the debt/levy portion of Blaine's PMP as outlined in the 2026-2030 CIP. Unlike property taxes, which rely on fluctuating valuations, a flat-rate franchise fee provides a stable, predictable revenue stream that includes contributions from tax-exempt properties such as educational institutions and public property

2027-2031 Capital Improvement Plan (CIP)

The 2027-2031 Transportation CIP includes approximately $43.1 million in capital improvements, including preservation activities, safety improvements, and major roadway reconstruction. Staff is recommending seven projects for funding in 2026 with total appropriations of approximately $8.7 million; three of these projects are multi-year projects with recommendations for future appropriations.

The figures presented include utility infrastructure improvements that are coordinated with the PMP projects, which will be reviewed separately as part of the overall utilities budget setting process scheduled for the October 12 workshop.

Fund	Select Proposed 2027 Activities	Amount
503 - PMP	Meadowbrook Area Street Reconstructions (Phase II)	$750,000
503 - PMP	Laddie Lake Area Street Reconstructions	$4,478,000
503 - PMP	2027 Street Reconstructions	$1,366,000
503 - PMP	Sunset Avenue - ACHD	$680,000
531 - CSP	2027 Crack Sealing Program	$265,000

With the development and expansion of the City's Pavement Management Program over the last six years, the primary funding source has been the issuance of GO bonds, which are repaid through the annual property tax levy. For the 2027-2031 CIP as currently presented, levy-supported financing is anticipated to require approximately $5.5 annually to support the program. For comparison, approximately $9.2 million of levy-supported bonds were issued for 2024 transportation projects. The proposed reduction in spending is a byproduct of recent discussion and policy direction by the City Council to scale back the PMP program.

A copy of the presentation will be attached before noon on the day of the meeting.

Attachments:

- *Fund Summaries – include 2025 actuals, 2026 budget, and the proposed 2027-2031 CIP; with detailed revenue sources, project expenses/budgets, and projected cash balances*
- *Detailed Project Listing – summary of each project for the proposed CIP, with descriptions of work to be completed and staff recommendations*
- *2027 Project Map - location of the proposed CIP projects*
- *2027-2031 Project Map - location of the proposed CIP projects*
- *Pavement Management Policy*

- *Special Assessment Policy*

Staff Recommendation

Questions for Council

Does the Council support the plan as proposed?

- While the CIP lays out a long-term plan, expenditures specifically planned for the next fiscal year become the approved capital budget. Projects identified in future fiscal periods are for planning purposes only and are not an authorization to incur contractual commitments.
- If Council would like any changes to the plan, this is the best opportunity to communicate those recommendations and determine if there is a consensus.

Direction is needed as Engineering would like to initiate 2027 projects in July 2026.

Attachment List

1. 2027 Presentation - Transportation CIP
2. Transportation Fund Summaries
3. Transportation Project Listing with Descriptions
4. 2027 PMP CIP Map
5. 2027-2031 CIP PMP Map
6. Pavement Management Policy
7. Special Assessment Policy

2027-2031 Capital Improvement Plan

Transportation

07/13/2026

Statistics

Current Assets Maintained

- 270 miles of roadway
- Reconstruct approx. 4-6miles/year
- Residential Reconstruction costs ~$2M/mile
- Crack sealing 1/7 of city streets each year

Work Completed Since 2010

- 93 miles of Roadway Rehabilitation
- 80 miles of Seal Coating
- 50 miles of Crack Sealing

Pavement Management

- Proactive pavement management is crucial for extending roadway service life and minimizing costs
- As pavement deteriorates, the required maintenance treatments become more extensive and expensive
- While routine activities like crack sealing and pothole patching are common and visible, periodic, more intensive pavement maintenance is also necessary to maximize a street's lifespan
- Without consistent maintenance, a street may require full reconstruction in under 25 years

Proactive Improvements

- Applying the right treatment to the right pavement at the right time, and using the correct materials, can extend pavements lifespan
- Implementing periodic pavement improvements
  - Bituminous overlays
  - Less expensive for taxpayers as opposed to neglecting maintenance and being forced into expensive full reconstructions
- Prioritizing preventative treatments over reactive, corrective measures is the most fiscally responsible and effective approach to maintaining a city's roadways

History of Pavement Program

- In October 2010, the City Council adopted a Pavement Management Policy to serve as the framework for implementing a comprehensive Pavement Management Program (PMP)
  - Early in the program, annual spending on city-initiated projects ranged from approximately $2-$4 million
  - In the fall of 2018, as pavement scores of existing streets deteriorated, staff presented the Council with a proposal to increase the size and investment
  - From 2018 to 2026, the total annual spending has generally ranged between $8-$14 million, including MSA, special assessments, and levy support debt
  - During the 2026 capital planning process consensus from Council was to reduce the scope/debt/tax levy requirements of future program years

Pavement Condition Index

- The Pavement Condition Index (PCI) was developed by the United States Army Corps of Engineers during World War II to assess a pavement's condition and assign a numerical value that represents overall condition
- The PCI is a composite numerical rating between 0 and 100 that describes the pavement condition based on the type, extent and severity of distress
- A PCI of 100 represents a pavement in excellent condition, and a PCI below 10 represents a pavement that has failed or reached the end of its service life

PCI Rating

2022 PCI Score = 79

2019 PCI Score = 74

5

The increased score demonstrates the positive impact of the city's commitment to pavement projects

PCI Score	Pavement Condition
0-10	Failed
11-39	Very Poor
26-40	Poor
41-55	Fair
56-70	Good
71-85	*Very Good*
86-100	Excellent

Transportation CIP Structure

There are three categories and funds under which transportation projects can be classified

- Municipal State Aid Fund- projects lead by other agencies that are eligible to be funded by MSA construction funds
- Pavement Management Fund – primary fund used to account for city initiated reconstruction and maintenance roadway activities
- Crack Sealing Fund – used to account for the annual sealcoating program

2027 Project Spotlights

W. Lake Blvd and Woodland Pkwy

$1,321,000

Mill & Overlay with Underseal

Laddie Lake Area

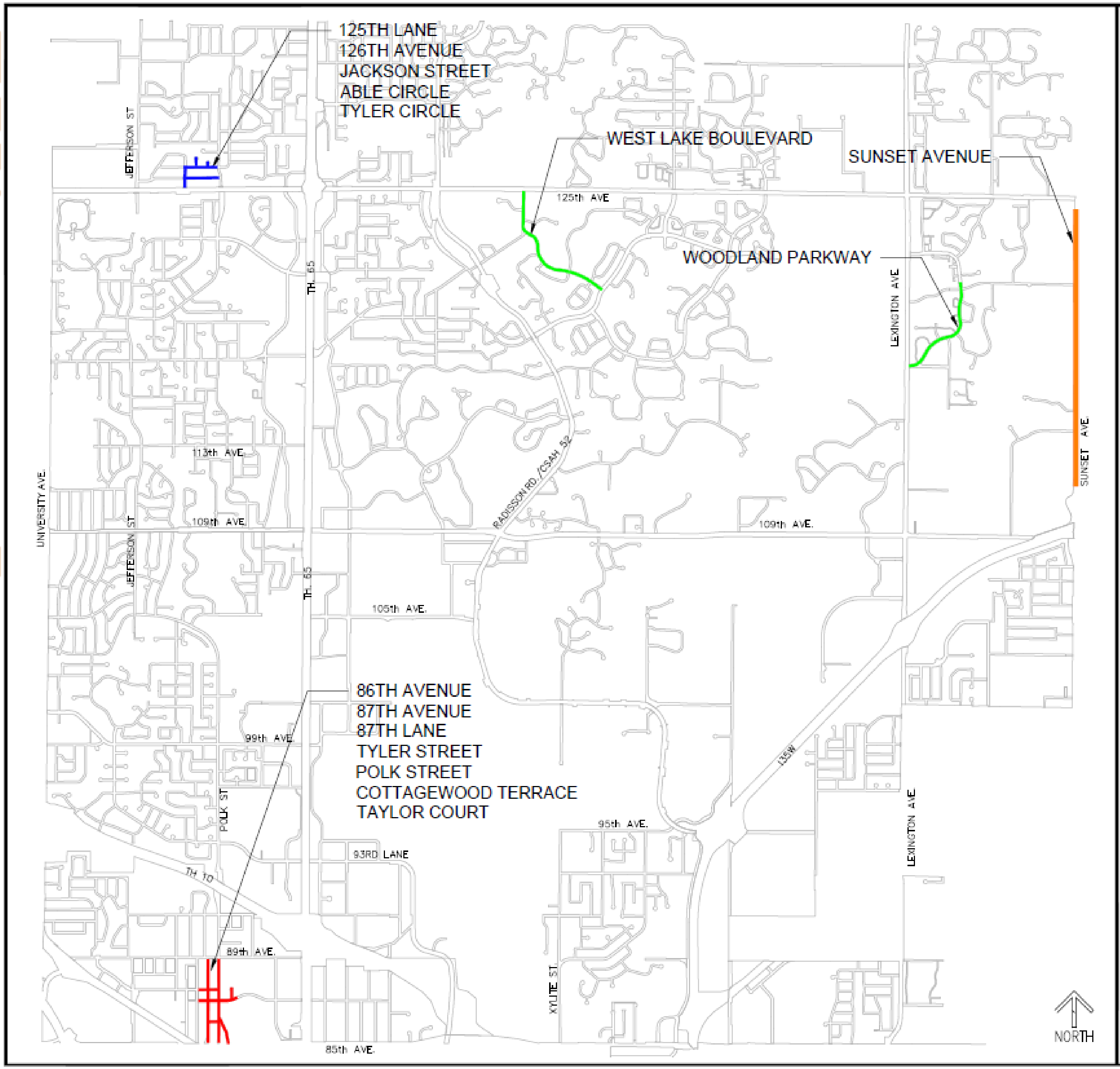
$2,926,000

Full Reconstruction

Meadowbrook Area

$750,000

Full Reconstruction



2027 C.I.P.

CITY OF BLAINE
PAVEMENT MANAGEMENT PROGRAM

CITY OF BLAINE PROJECTS

- 2027 LADDIE LAKE AREA
- 2027 STREET REHABILITATION
- 2027 MEADOWBROOK AREA - PHASE 2

ANOKA COUNTY PROJECTS

- RECONSTRUCTION

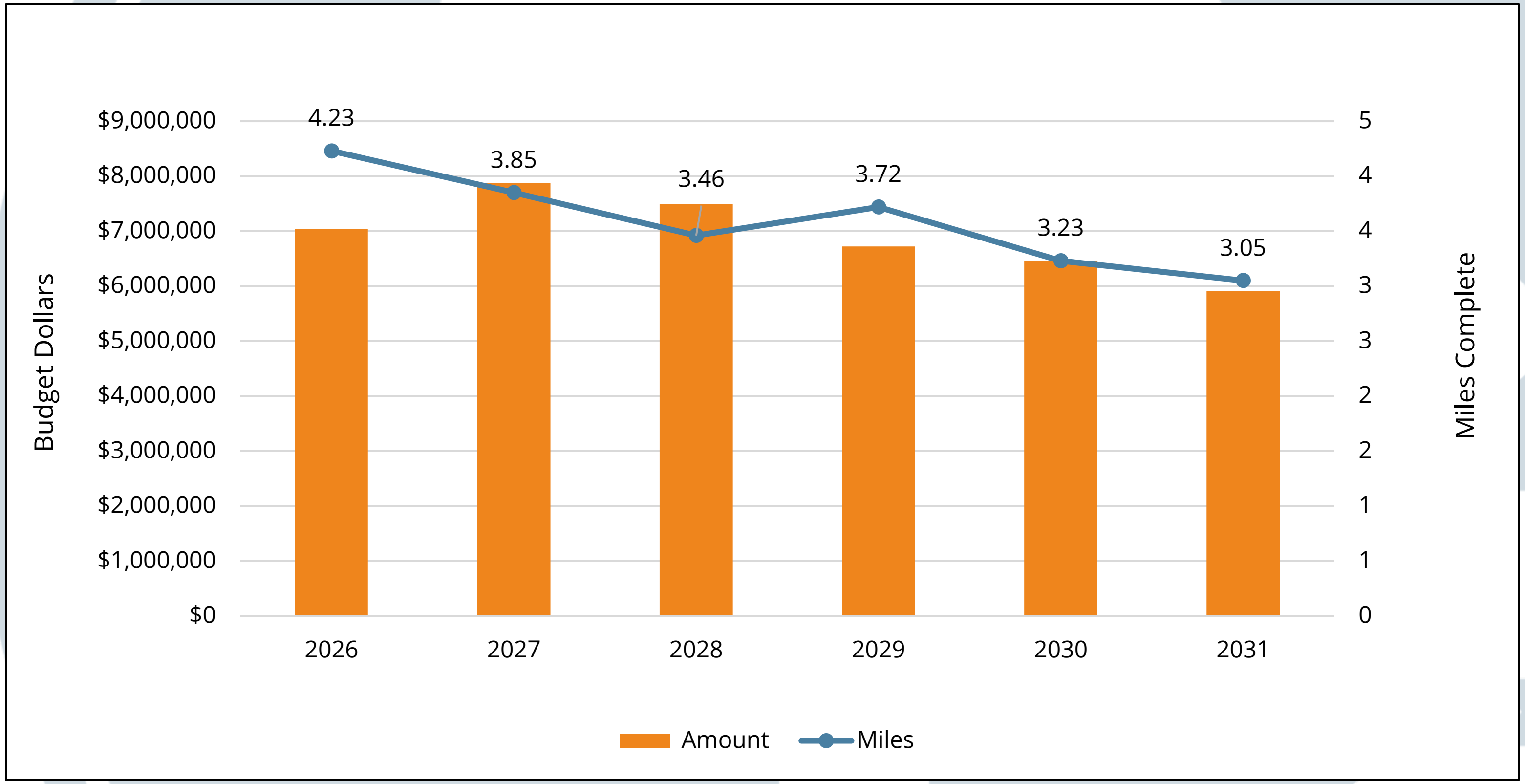
STREET PROJECTS SHOWN ARE SUBJECT TO CHANGE BASED ON YEARLY EVALUATION OF STREET CONDITIONS.

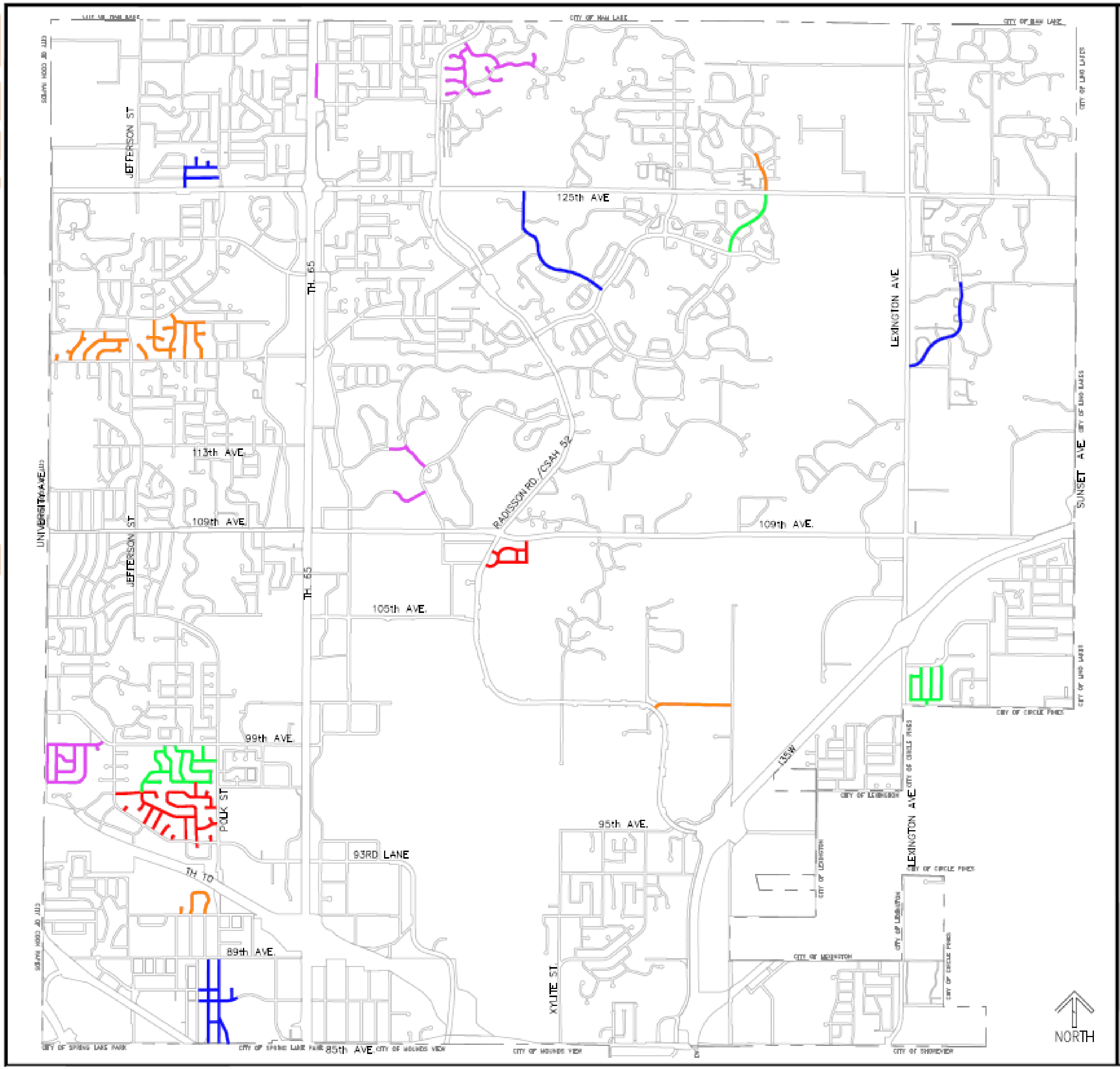
PRINT DATE: 6/29/2026

ENGINEERING DEPARTMENT
10801 Town Square Drive, Blaine, Minnesota 55449
Phone (763) 785-6172

CIP Highlights Beyond 2027

- Green Ridge Area Street Reconstructions
  - Proposed 2027-2028; $3,968,000
- Swan Park Area Street Reconstructions
  - Proposed 2028-2029; $3,119,000
- Clover Leaf Area Street Reconstructions
  - Proposed 2029-2030; $3,324,000
- Van Buren Area Street Reconstructions
  - Proposed 2030-2031; $4,514,000
- Crack Sealing
  - Proposed Annual; $250,0000





5 YEAR C.I.P.

CITY OF BLAINE
PAVEMENT MANAGEMENT PROGRAM

LEGEND

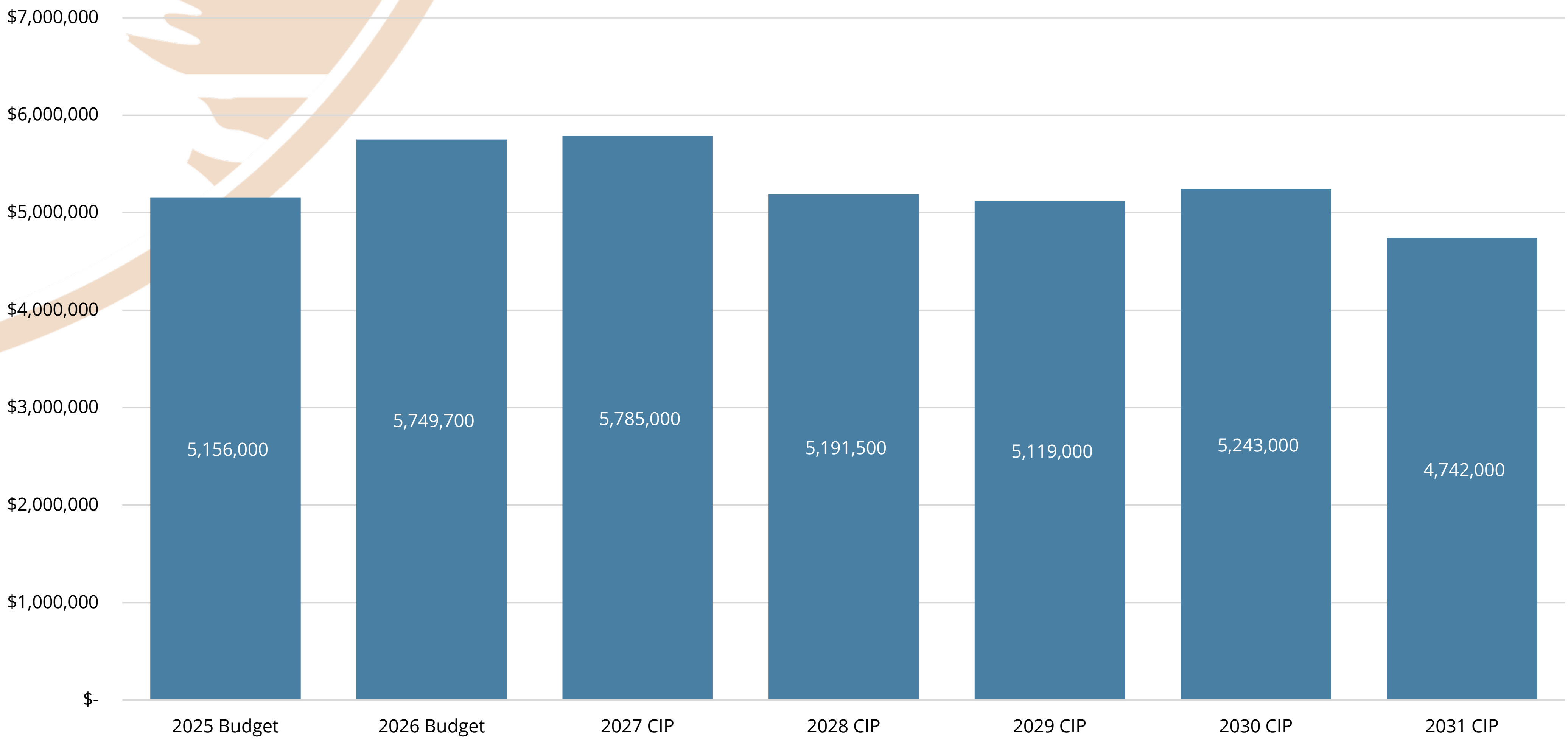
- 2027 PROJECTS
- 2028 PROJECTS
- 2029 PROJECTS
- 2030 PROJECTS
- 2031 PROJECTS

STREET PROJECTS SHOWN ARE SUBJECT TO CHANGE BASED ON YEARLY EVALUATION OF STREET CONDITIONS.

PRINT DATE: 6/11/2026

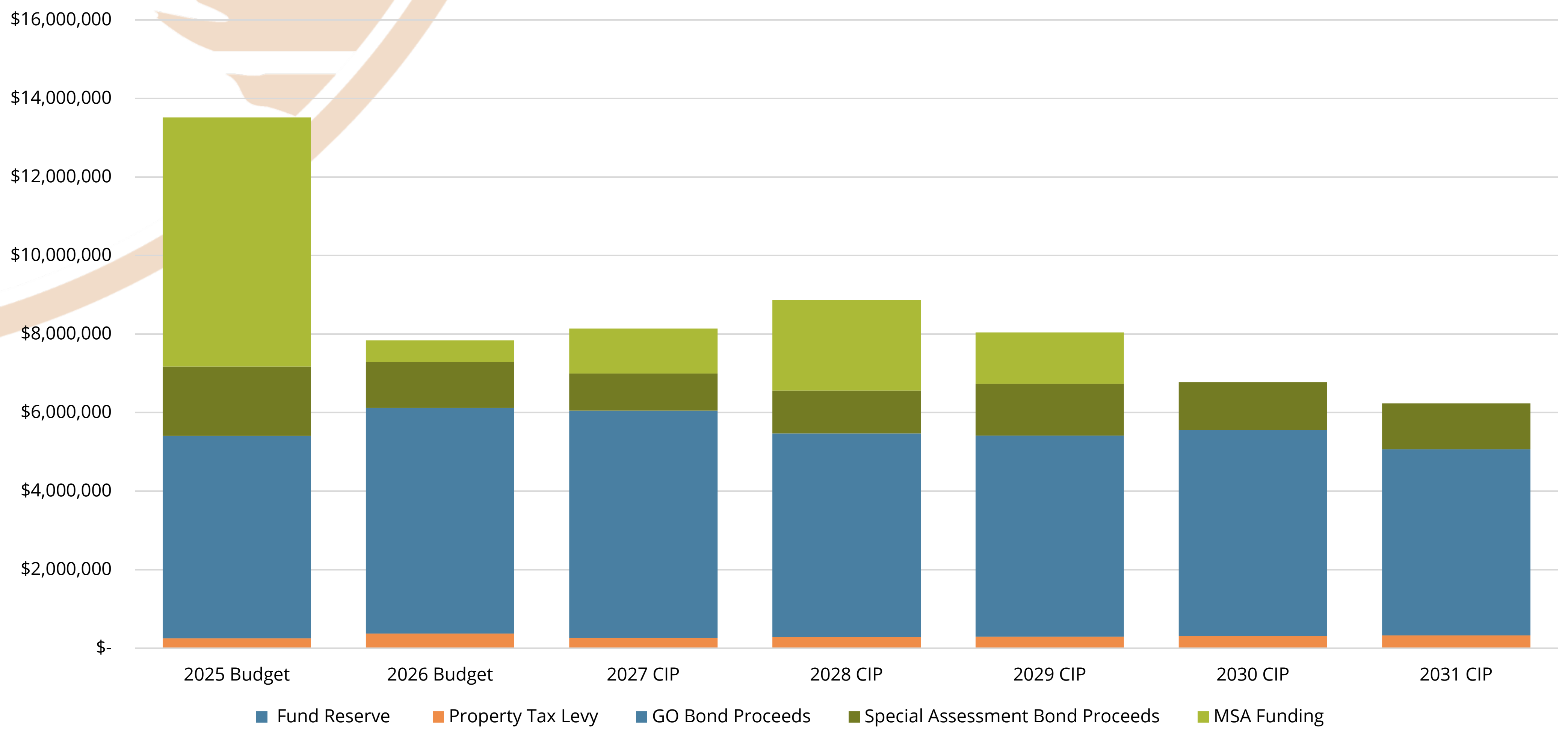
ENGINEERING DEPARTMENT
10801 Town Square Drive, Blaine, Minnesota 55449
Phone (763) 785-6172

2027-2031 Transportation CIP Property Tax Support Requirements



*Does not include associated utility improvements or bond issuance costs

Transportation CIP Funding Sources



*Does not include associated utility improvements or bond issuance costs

Assessment Policy Considerations

- Assessments for street improvement projects shall be assessed for a fifteen-year period except for bituminous overlays and bituminous replacements which shall be assessed for a five-year period
  - The Assessment Cost shall be thirty five percent (35%) of the total cost of the improvement project for projects identified as complete reconstruction and partial reconstruction
  - Bituminous overlay projects will be assessed a flat rate of $500 per residential lot unit for parcels zoned single family residential*
  - Bituminous Replacement projects will be assessed a flat rate of $1,400 per residential lot unit for parcels zoned single family residential*
- Bond financing = assessment period

*The rates are based on 2019 construction costs and will be indexed for inflation as computed by the "Engineering News Record"

Funding Sources – Municipal State Aid

- Program components
  - City population over 5,000 to be eligible
  - Intended to identify & fund backbone system of collector & arterial streets
  - Cities must designate specific streets as part of the network (20% of total street miles)
  - Connections to MSAS streets, county roads or highways, and trunk highways
- Funding
  - Varies year over year, based on project locations
  - Used for City, County, and State managed projects
  - 2026 construction allotment = $3,184,985

Funding Sources – Other

- Debt
  - Historically how majority of pavement project has been funded
    - General Obligation – General Property Tax Levy
    - Special Assessment – Benefiting property owners

- Property Tax Levy
  - Proposed increase of $50,000 for 2027 budget
    - Crack Sealing Program
      - Cover 1/7 of city annually
    - Pavement Management
      - Reduce further debt
      - Maintain scope/offset inflation
      - Level out peaks and valleys in program activities
      - Flexibility to navigate economic changes

Utility Franchise Fees

- The city has held five public workshops to discuss the potential for implementing gas and electric franchise fees
  - Public hearings on franchise agreements set to close on July 20
  - Separate public hearings and ordinances would be required before any fees are implemented
- Prior conversations have focused the use of funds to support the city's pavement management program
  - Mill & overlays and full reconstructions
  - Could be used to supplant existing city pavement bonding
- Council would maintain full control of these funds and can annually elect their usage as part of the city's budgeting process

Questions for Council

- Does the Council support the plan as proposed?
  - While the CIP lays out a long-term plan, specific focus should be placed on the 2027 projects
  - Projects identified in future fiscal periods are for planning purposes only and are not an authorization to incur contractual commitments
  - <u>If Council would like any changes to the plan, this is the best opportunity to communicate those recommendations and determine if there is a consensus</u>
  - *Direction is needed as Engineering would like to initiate 2027 projects in July/August 2026*

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City of Blaine, Minnesota
Pavement Management Plan Fund - 503
Summary of Revenues and Expenditures
2027-2031 Capital Improvement Plan - As of July 1, 2026

	2025 Adopted Budget	2026 Adopted Budget	2026 Amended Budget	2027 Budget	2028 Projection	2029 Projection	2030 Projection	2031 Projection
Revenues								
Property Tax Levy	$ -	$ 400,000	$ 400,000	$ 435,000	$ 470,000	$ 505,000	$ 940,000	$ 1,175,000
Municipal State Aid - Construction	2,200,000	-	-	1,146,000	1,212,000	280,000	-	-
Investment Earnings	-	-	-	100,000	105,000	110,000	115,000	120,000
Total Revenues	**2,200,000**	**400,000**	**400,000**	**1,681,000**	**1,787,000**	**895,000**	**1,055,000**	**1,295,000**
Capital Outlay								
2024 SW Area Street Reconstructions	5,681,775	1,366,241	1,366,241	-	-	-	-	-
Southwest Area Street Rehabilitation	3,650,500	638,101	638,101	-	-	-	-	-
2025 Street Rehabilitations - Lakes Parkway From Radisson Rd To Rendova	2,115,000	286,091	286,091	-	-	-	-	-
Quincy Street Area Street Reconstructions	980,000	4,077,714	3,807,214	-	-	-	-	-
2026 Street Rehabilitations - South Lake Blvd	555,000	1,657,223	952,223	-	-	-	-	-
Austin Street Construction	960,000	960,000	960,000	-	-	-	-	-
Street PCI Update	-	125,000	125,000	-	-	-	-	-
Meadowbrook Area Street Reconstructions	510,000	2,857,495	2,801,495	750,000	-	-	-	-
Laddie Lake Area Street Reconstructions	-	785,200	785,200	4,478,000	-	-	-	-
2027 Street Rehabilitations - West Lake Blvd & Woodland Pkwy	-	140,000	140,000	1,366,000	-	-	-	-
CR 53 (Sunset Ave) Reconstruction	-	-	-	680,000	-	-	-	-
Green Ridge Area Street Reconstructions	-	466,000	-	625,000	3,698,000	-	-	-
2028 Street Rehabilitations	-	-	-	340,000	2,103,500	-	-	-
Oak Park Area Street Reconstructions	-	-	-	235,000	1,882,000	-	-	-
Swan Park Area Street Reconstructions	-	-	-	-	468,000	3,111,000	-	-
Quail Creek Area Street Reconstructions	-	-	-	-	379,000	2,619,000	-	-
2029 Street Rehabilitations	-	-	-	-	164,000	1,002,000	-	-
Clover Leaf Area Street Reconstructions	-	-	-	-	-	499,000	3,634,000	-
Belmont Acres Area Street Reconstructions	-	-	-	-	-	423,000	2,806,000	-
2030 Street Rehabilitations	-	-	-	-	-	75,000	385,000	-
Van Buren Area Street Reconstructions	-	-	-	-	-	-	677,000	4,977,000
2031 Street Rehabilitations	-	-	-	-	-	-	202,000	1,183,000
2032 Northwest Area Street Reconstructions	-	-	-	-	-	-	-	435,000
Kane Meadows Area Street Reconstructions	-	-	-	-	-	-	-	395,000
2032 Street Rehabilitations	-	-	-	-	-	-	-	100,000
Total Capital Outlay	**14,452,275**	**13,359,065**	**11,861,565**	**8,474,000**	**8,694,500**	**7,729,000**	**7,704,000**	**7,090,000**
Revenues Over (Under) Expenditures	**(12,252,275)**	**(12,959,065)**	**(11,461,565)**	**(6,793,000)**	**(6,907,500)**	**(6,834,000)**	**(6,649,000)**	**(5,795,000)**
Other Financing Sources (Uses)								
GO Bond Proceeds	5,156,000	5,749,700	4,351,000	5,785,000	5,191,500	5,119,000	5,243,000	4,742,000
Special Assessment Bond Proceeds	829,500	1,164,500	914,500	946,000	1,087,000	1,324,000	1,224,000	1,170,000
Utility Transfers In	585,000	1,848,500	1,104,500	597,000	1,204,000	1,006,000	1,237,000	1,178,000
Transfers In	-	125,000	125,000	-	-	-	-	-
Transfer Out	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	**6,570,500**	**8,887,700**	**6,495,000**	**7,328,000**	**7,482,500**	**7,449,000**	**7,704,000**	**7,090,000**
Net Change in Fund Balance	(5,681,775)	(4,071,365)	(4,071,365)	535,000	575,000	615,000	1,055,000	1,295,000
Beginning Fund Balance	14,665,443	8,983,668	8,983,668	9,469,786	10,004,786	10,579,786	11,194,786	12,249,786
Ending Fund Balance	**8,983,668**	**4,912,303**	**4,912,303**	**10,004,786**	**10,579,786**	**11,194,786**	**12,249,786**	**13,544,786**
Cash Reconciliation								
Beginning Cash	13,516,644	10,493,427	10,493,427	10,107,516	10,642,516	11,217,516	11,832,516	12,887,516
Change in Cash	(5,681,775)	(4,071,365)	(4,071,365)	535,000	575,000	615,000	1,055,000	1,295,000
Ending Cash	**$ 7,834,869**	**$ 6,422,062**	**$ 6,422,062**	**$ 10,642,516**	**$ 11,217,516**	**$ 11,832,516**	**$ 12,887,516**	**$ 14,182,516**

City of Blaine, Minnesota
Pavement Maintenance - Seal Coating Fund - 531
Summary of Revenues, Expenditures, and Change in Fund Balance
2027-2031 Capital Improvement Plan - As of July 1, 2026

	2025 Adopted Budget	2026 Adopted Budget	2026 Amended Budget	2027 Budget	2028 Projection	2029 Projection	2030 Projection	2031 Projection
Revenues								
Property Tax Levy	$ 200,000	$ 250,000	$ 250,000	$ 265,000	$ 280,000	$ 295,000	$ 310,000	$ 325,000
Investment Earnings	-	-	-	500	500	500	500	500
Total Revenues	**200,000**	**250,000**	**250,000**	**265,500**	**280,500**	**295,500**	**310,500**	**325,500**
Capital Outlay								
Crack Seal Program	200,000	258,333	258,333	265,000	280,000	295,000	310,000	325,000
Total Capital Outlay	**200,000**	**258,333**	**258,333**	**265,000**	**280,000**	**295,000**	**310,000**	**325,000**
Revenues Over (Under) Expenditures	**-**	**(8,333)**	**(8,333)**	**500**	**500**	**500**	**500**	**500**
Other Financing Sources (Uses)								
Transfers In	-	-	-	-	-	-	-	-
Transfer Out	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net Change in Fund Balance	-	(8,333)	(8,333)	500	500	500	500	500
Beginning Fund Balance	381,686	279,724	279,724	293,843	294,343	294,843	295,343	295,843
Ending Fund Balance	**381,686**	**271,391**	**271,391**	**294,343**	**294,843**	**295,343**	**295,843**	**296,343**
Cash Reconciliation								
Beginning Cash	446,247	494,968	494,968	292,868	292,868	292,868	292,868	292,868
Change in Cash	-	(8,333)	(8,333)	-	-	-	-	-
Ending Cash	**$ 446,247**	**$ 486,635**	**$ 486,635**	**$ 292,868**	**$ 292,868**	**$ 292,868**	**$ 292,868**	**$ 292,868**

406 - MSA Street Improvements

TH 65 & Bunker Lake Blvd Interchange - 2028

• $1,100,000 – 2028

•Anoka County will be constructing an interchange at Bunker Lake Blvd (CSAH 116) and TH 65. A city-owned frontage road from 131st Avenue to 133rd Avenue will be constructed as a part of the project

• The city will be responsible for our portion of the project based on the county's cost share policy.

Polk Street/99th Avenue Signal - 2029

• $750,000 – 2029

•Install traffic signals at the intersection of Polk Street and 99th Avenue to provide a safer intersection for the driving public.

•The City had an Intersection Control Evaluation completed in 2019. Based on the results, Council asked for this to be placed on the 2025 construction program. This project aligns with the City's strategic plan goal of safe and well maintained infrastructure.

CR 49 (North Road) Reconstruction From CSAH 17 (Lexington Ave) To Lakeview Dr - 2029

• $275,000 – 2029

•Anoka County will be reconstructing North Road from Lexington Avenue to Lakeview Drive.

•The City will be responsible for our portion of the project based on the County's cost share policy.

503 - Pavement Management Plan

2027 Laddie Lake Area Street Reconstructions

• $4,478,000 – 2027

•Full recon (no ex. curb) of:86th Ave from Tyler St to Polk St 87th Ln from Able St to Polk St 87th Ave from Able St to Taylor Ct Tyler St from CH 10 front road to 89th Ave Polk St from south dead end to 89th Ave Cottagewood Terrace from CH 10 to Polk St M&O (w/o underseal)Taylor Ct from 87th Ave to north cul-de-sac Partial Recon w/ spot C&G replacement of: Tyler St from 91st Ave to 92nd Ave Jackson Cir from 91st Ave to N cul-de-sac Van Buren St from 91st Ave to 92nd Ave92nd Ave from Van Buren St to Tyler St. Watermain will also be added between Able and Tyler St to better loop the watermain in this project area.

•To provide for a well maintained infrastructure, the streets are identified in the 2022 street condition ratings as poor. Streets are identified in the Pavement Management Program for reconstruction based on pavement ratings in 2022.

2027 Street Rehabilitation - West Lake Blvd & Woodland Pkwy

• $1,366,000 – 2027

•Mill and Overlay w/ Underseal of: West Lake Blvd from Lakes Pkwy to 125th Ave / Woodland Parkway from Lexington Ave to 200' N of 121st Ave

•To provide for a well maintained infrastructure, the streets are identified in the 2022 street condition ratings as poor. Streets are identified in the Pavement Management Program for reconstruction based on pavement ratings in 2022.

Meadowbrook Area Street Reconstructions - Phase 2 - 2027

• $750,000 – 2027

•Meadowbrook Phase 2 - tied with T2606

Full reconstruction (R&R ex curb) of:125th Ln from Jackson St to Polk St,. 126th Ave from Jackson St to Polk St, Jackson St from 130' N of 125th Ave to 126th Ave, Able Cir from 126th Ave to N cul-de-sac, Tyler Cir from 126th Ave to N cul-de-sac

•To provide for a well maintained infrastructure, the streets are identified in the 2022 street condition ratings as poor. Streets are identified in the Pavement Management Program for reconstruction based on pavement ratings in 2022.

CR 53 (Sunset Ave) Reconstruction

• $680,000 – 2027

•Anoka County will be reconstructing CR 53 (Sunset Ave) from 109th Avenue to 125th Avenue.

•The City will be responsible for our portion of the project based on the County's cost share policy.

2028 Green Ridge Area Street Reconstructions

• $625,000 – 2027; $3,698,000 – 2028

•Full Reconstruction (R&R ex. curb) of:117th Cir from 117th Ave to N cul-de-sac 118th Ave from W cul-de-sac to Madison St 118th Ave from E cul-de-sac to Madison St 118th Ave from Able St to E cul-de-sac 118th Ln from Monroe St to 119th Ave Monroe St from 117th Ave to Oak Park Blvd Madison St from Monroe St to 119th Ave Madison St from Monroe St to E cul-de-sac Monroe Cir from W cul-de-sac to Monroe St Able St from 117th Ave to 118th Ln Van Buren St from 117th Ave to 118th Ln

•To provide for a well maintained infrastructure, the streets are identified in the 2022 street condition ratings as poor. Streets are identified in the Pavement Management Program for reconstruction based on pavement ratings in 2022.

2028 Street Rehabilitations

• $340,000 – 2027; $2,103,500 – 2028

•Partial reconstruction (spot curb) of Legacy Creek Parkway from 125th Ave to 127th Ave Full reconstruction (no ex. curb) of 101st Ave from Radisson Rd to Naples St. Partial reconstruction (spot curb) of Jackson Cir from 91st Ave to N cul de sac, Van Buren St from 91st Ave to 92nd Ave, Tyler St from 91st Ave to 92nd Ave, 92nd Ave from Van Buren St to Tyler St.

2028 Oak Park Area Street Reconstructions

• $235,000 – 2027; $1,882,000 – 2028

•Partial reconstruction (spot curb) of:3rd St from 117th Ave to north cul-de-sac 4th St from 117th Ave to 118th Ave 4th St from W cul-de-sac to 4th St 4th St from 4th St to east cul-de-sac Oak Park Dr from 117th Ave to Jefferson St 117th Ln from 117th Ave to Oak Park Dr 117th Ln from south cul-de-sac to 117th Ln Terrace Dr from Oak Park Dr to 118th Ave

•To provide for a well maintained infrastructure, the streets are identified in the 2022 street condition ratings as poor. Streets are identified in the Pavement Management Program for reconstruction based on pavement ratings in 2022.

2029 Swan Park Area Street Reconstructions

• $468,000 – 2028; $3,111,000 – 2029

•Partial Reconstruction (spot curb replacement) of: 97th Ave from University Ave to 6th St, 97th Ln from 3rd St to 5th St, 98th Ave from 3rd St to 5th St, 99th Ave from University Ave to 101st Ave, University Ave Frontage Rd from 97th Ave to 99th Ave, 3rd St from 97th Ave to 99th Ave, 5th St from 97th Ln to 99th Ave, 6th St from 97th Ave to 99th Ave, 7th St from S cul-de-sac to 99th Ave

•To provide for a well maintained infrastructure, the streets are identified in the 2022 street condition ratings as poor. Streets are identified in the Pavement Management Program for reconstruction based on pavement ratings in 2022.

2029 Quail Creek Area Street Reconstructions

• $379,000 – 2028; $2,619,000 – 2029

•Partial reconstruction (spot curb) of:129th Ct from west cul-de-sac to Quail Creek Pkwy Owatona St from Quail Creek Pkwy to Quail Creek Dr130th Ct from W cul-de-sac to Owatonna St131st Ct from W cul-de-sac to Owatonna St132nd Ct from W cul-de-sac to Owatonna St Quail Creek Dr from Quail Creek Pkwy to Radisson Rd Palisade Ct from Quail Creek Pkwy to north cul-de-sac130th Ct from Quail Creek Pkwy to E cul-de-sac129th Ct from Quail Creek Pkwy to E cul-de-sac129th Ct from S cul-de-sac to 129th Ct Quail Creek Pkwy from 120' west of Quail Creek Dr to 60' east of Taconite Ct Taconite Ct from Quail Creek Pkwy to north cul-de-sac Partial Recon (no ex. curb) of : Central Ave Frontage Rd from 370' north of 129th Ave to 131st Ave

•To provide for a well maintained infrastructure, the streets are identified in the 2022 street condition ratings as poor. Streets are identified in the Pavement Management Program for reconstruction based on pavement ratings in 2022.

2029 Street Rehabilitations

• $164,000 – 2028; $1,002,000 – 2029

•Partial reconstruction (spot curb) of 111th Ave from 1150' W of Arnold Palmer Dr to Arnold Palmer Dr, 113th Ave from 395' W of Arnold Palmer Dr to Arnold Palmer Dr, Arnold Palmer Dr from 40' N of 113th Ave to Tournament Players Pkwy
Partial Reconstruction (no Ex. Curb) of Central Ave Frontage Rd from 370' N of 129th Ave to 131st Ave

2030 Clover Leaf Area Street Reconstructions

• $499,000 – 2029; $3,634,000 – 2030

•Partial Recon (spot curb) of:Madison St from 96th Ln to 97th Ln97th Ave from Madison St to east cul-de-sac97th Ln from Madison St to Quincy StMonroe St from 97th Ln to 98th LnQuincy St from 97th Ave to 99th AveJackson St from 97th Ave to 98th LnAble St from 97th Ln to 98th Ln98th Ave from Able St to Polk St97th Ln from Able St to Tyler StTyler St from 97th Ave to 97th Ln98th Ln from Monroe St to Quincy St97th Ave from Quincy St to Tyler StJackson St from 98th Ln to 99th Ave98th Ln from Jackson St to Able StTyler St from 98th Ave to 99th Ave

•To provide for a well maintained infrastructure, the streets are identified in the 2022 street condition ratings as poor. Streets are identified in the Pavement Management Program for reconstruction based on pavement ratings in 2022.

2030 Belmont Acres Area Street Reconstructions

• $423,000 – 2029; $2,806,000 – 2030

•Full reconstruction (R&R ex. curb) of: Erskin St from 101st Ln to Frazier St Fraizer St from 101st Ln to Ball Rd Ghia St from 101st Ln to Ball Rd Hupp St from 101st Ln to 60' S of N cul-de-sac101st Ln from Erskin St to Hupp St Twilite Terr from North Road to 101st Ln

•To provide for a well maintained infrastructure, the streets are identified in the 2022 street condition ratings as poor. Streets are identified in the Pavement Management Program for reconstruction based on pavement ratings in 2022.

2030 Street Rehabilitations

• $75,000 – 2029; $385,000 – 2030

•Mill & overlay w/ underseal - North Lake Blvd from Lakes Pkwy to 125th Ave

•To provide for a well maintained infrastructure, the streets are identified in the 2022 street condition ratings as poor. Streets are identified in the Pavement Management Program for reconstruction based on pavement ratings in 2022.

2031 Van Buren Area Street Reconstructions

• $677,000 – 2030; $4,977,000 – 2031

•Partial recon (spot C&G) of :95th Ave from Able St to Polk St 95th Ln from Madison St to Able St Tyler St from 96th Ave to 96th Ln Tyler St from Clover Leaf Pkwy to north cul-de-sac Tyler St from 95th Ave to north cul-de-sac Able St from 96th Ln to 97th Ave Van Buren St from Clover Leaf Pkwy to 95th Ln Jackson St from Clover Leaf Pkwy to north cul-de-sac Quincy St from Clover Leaf Pkwy to 95th Ln Monroe St from Clover Leaf Pkwy to 95th Ln Madison St from 95th Ln to 96th Ln Madison St from south cul-de-sac to 95th Ln96th Ln from Quincy St to Tyler St Quincy St from 96th Ave to 96th Ln Able St from south cul-de-sac to Clover Leaf Pkwy Able St from Clover Leaf Pkwy to 96th Ave96th Ave from Quincy St to Able St96th Ave from west cul-de-sac to Polk St96th Ln from 96th Ln to north cul-de-sac96th Ln from Clover Leaf Pkwy to east cul-de-sac Clover Leaf Pkwy from Clover Leaf Pkwy to north cul-de-sac Clover Leaf Pkwy from Clover Leaf Pkwy to north cul-de-sac

•To provide for a well maintained infrastructure, the streets are identified in the 2022 street condition ratings as poor. Streets are identified in the Pavement Management Program for reconstruction based on pavement ratings in 2022.

2031 Street Rehabilitations

• $202,000 – 2030; $1,183,000 – 2031

•Partial reconstruction (spot curb) of Town Square Dr, Park Dr, 108th Ln

•To provide for a well maintained infrastructure, the streets are identified in the 2022 street condition ratings as poor. Streets are identified in the Pavement Management Program for reconstruction based on pavement ratings in 2022.

2032 Northwest Area Street Reconstructions

• $435,000 – 2031

•Full reconstruction (R&R ex curb) of:Jackson St from 131st Ave to 132nd AveVanBuren St from 131st Ave to 132nd LnAble St from 131st Ave to 132nd LnTyler St from 131st Ave to 132nd Ln132nd Ln from Jackson St to Tyler St132nd Ave from 160' W of Jackson St to Jackson St

•To provide for a well maintained infrastructure, the streets are identified in the 2022 street condition ratings as poor. Streets are identified in the Pavement Management Program for reconstruction based on pavement ratings in 2022.

2032 Kane Meadows Area Street Reconstructions

• $395,000 – 2031

•Partial Reconstruction (spot curb) of: Alamo Cir from north cul-de-sac to 88th Ave Coral Sea Ct from south cul-de-sac to 88th Ave 88th Ave from Rice Creek Pkwy to Dunkirk Ct Dunkirk Ct from 88th Ln to south cul-de-sac Alamo Ct from south cul-de-sac to Alamo Cir

•To provide for a well maintained infrastructure, the streets are identified in the 2022 street condition ratings as poor. Streets are identified in the Pavement Management Program for reconstruction based on pavement ratings in 2022.

2032 Street Rehabilitations

• $100,000 – 2031

•Mill and overlay (w/ underseal) on 85th Ct from west dead end to Coral Sea St, Coral Sea St from 85th Ave to N cul de sac, Dunkirk Ct from Coral Sea St to N cul de sac

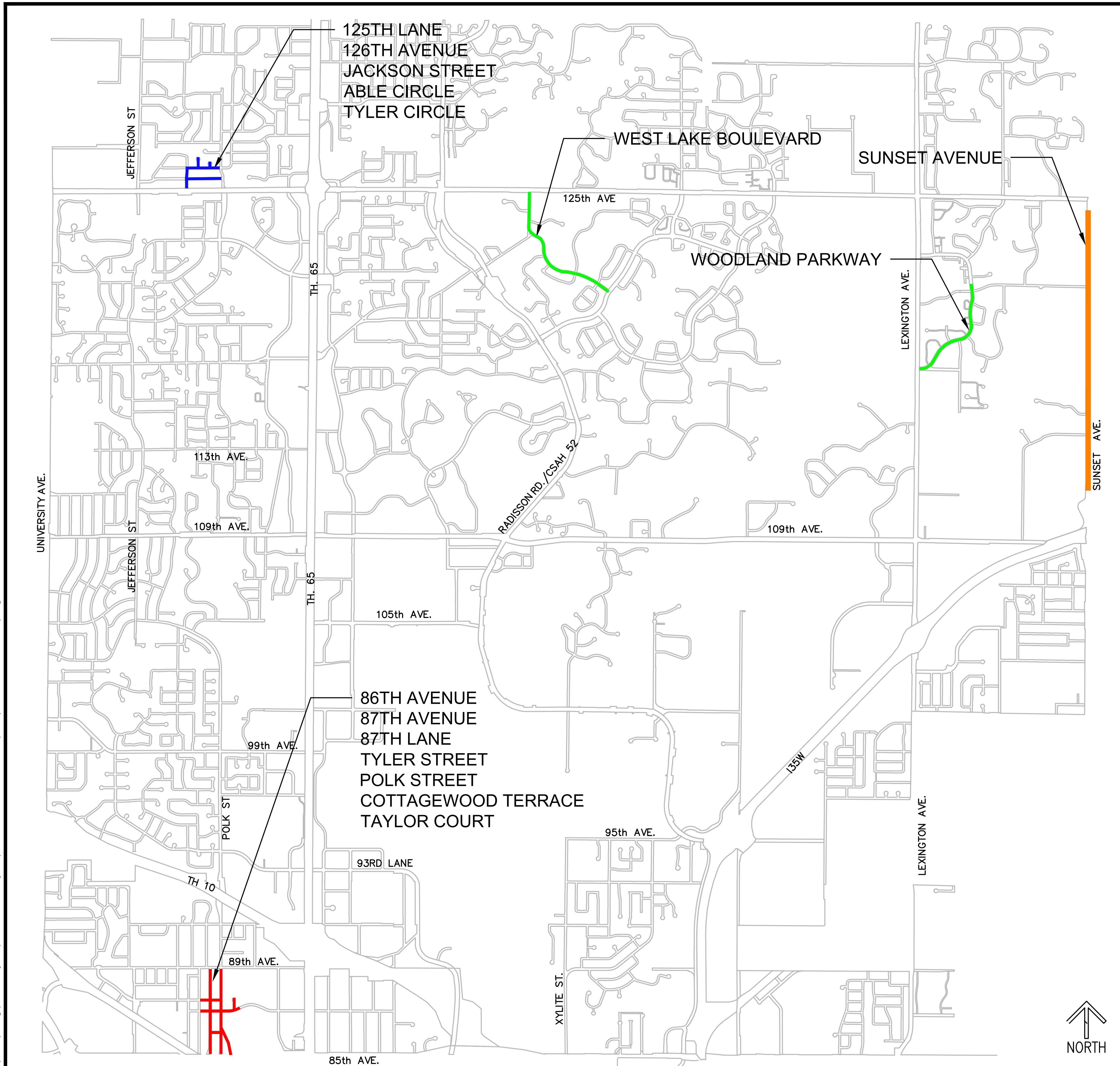
531 - Pvmnt Maint - Seal Coating

Crack Seal Program - Ongoing

• $265,000 – 2027; $280,000 – 2028; $295,000 – 2029; $310,000 – 2030; $325,000 – 2031

•Crack sealing is a preventative maintenance that places a rubberized material in the thermal cracking of the bituminous pavement to prevent moisture from penetrating into the base of the roadway structure causing deterioration of the pavement and creating potholes.

•To provide for a well maintained infrastructure by helping to maintain street pavement conditions.



2027 C.I.P.

CITY OF BLAINE
PAVEMENT MANAGEMENT PROGRAM

CITY OF BLAINE PROJECTS

- 2027 LADDIE LAKE AREA
- 2027 STREET REHABILITATION
- 2027 MEADOWBROOK AREA - PHASE 2

ANOKA COUNTY PROJECTS

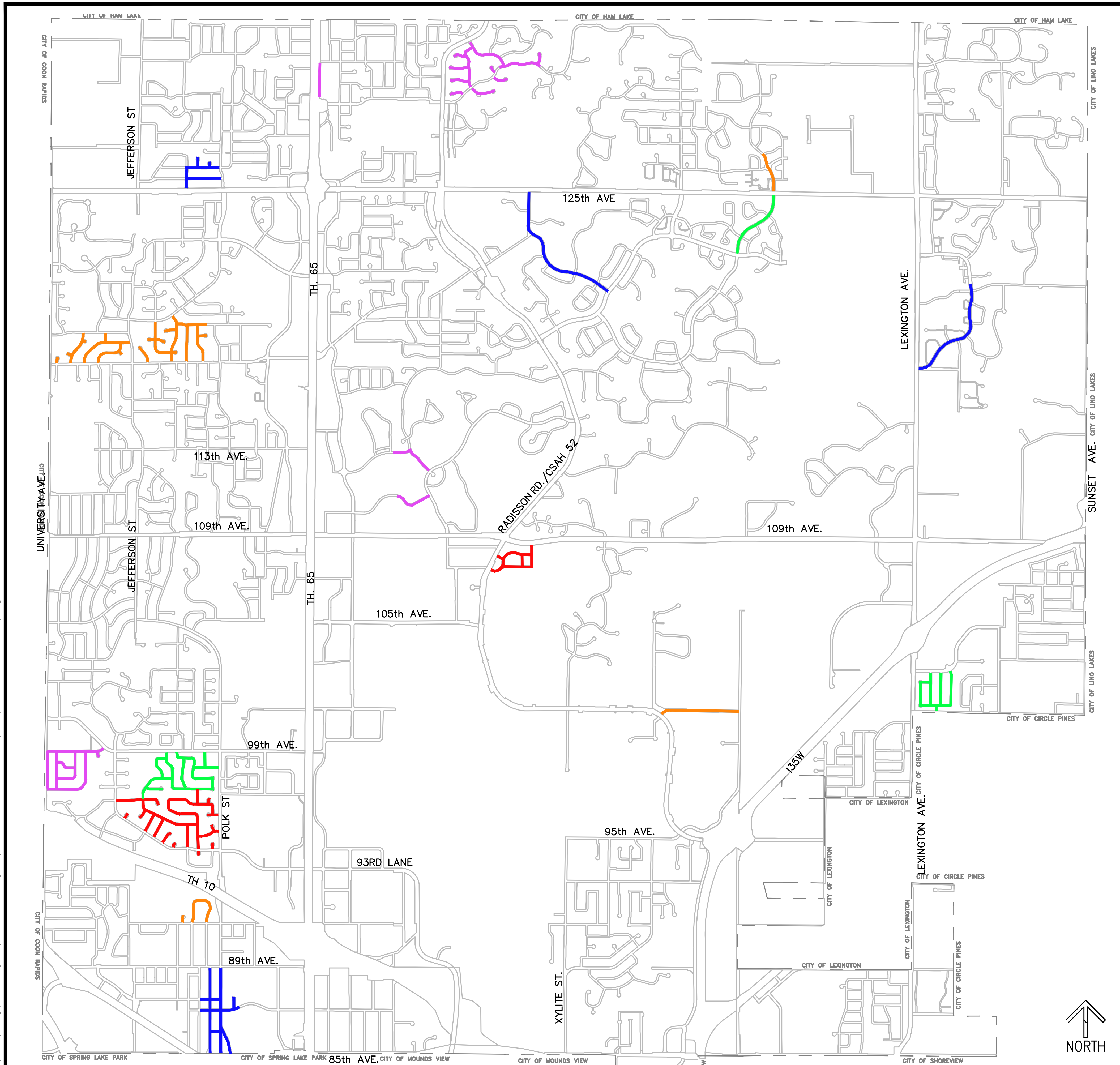
- RECONSTRUCTION

STREET PROJECTS SHOWN ARE SUBJECT TO CHANGE BASED ON YEARLY EVALUATION OF STREET CONDITIONS.

PRINT DATE: 6/29/2026

ENGINEERING DEPARTMENT
10801 Town Square Drive, Blaine, Minnesota 55449
Phone (763) 785-6172

Jun 29, 2026 – 12:06pm
H:\Team\GISEng\Public Projects\Future Street Projects\5-Year CIP & Historical Data\2027\2027-2031 CIP PMP Map.dwg



5 YEAR C.I.P.

CITY OF BLAINE
PAVEMENT MANAGEMENT PROGRAM

LEGEND

- 2027 PROJECTS
- 2028 PROJECTS
- 2029 PROJECTS
- 2030 PROJECTS
- 2031 PROJECTS

STREET PROJECTS SHOWN ARE SUBJECT TO CHANGE BASED ON YEARLY EVALUATION OF STREET CONDITIONS.

PRINT DATE: 6/11/2026

ENGINEERING DEPARTMENT
10801 Town Square Drive, Blaine, Minnesota 55449
Phone (763) 785-6172

Jun 11, 2026 – 2:03pm
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City of Blaine

PAVEMENT MANAGEMENT POLICY

Adopted October 7, 2010, by Blaine City Council

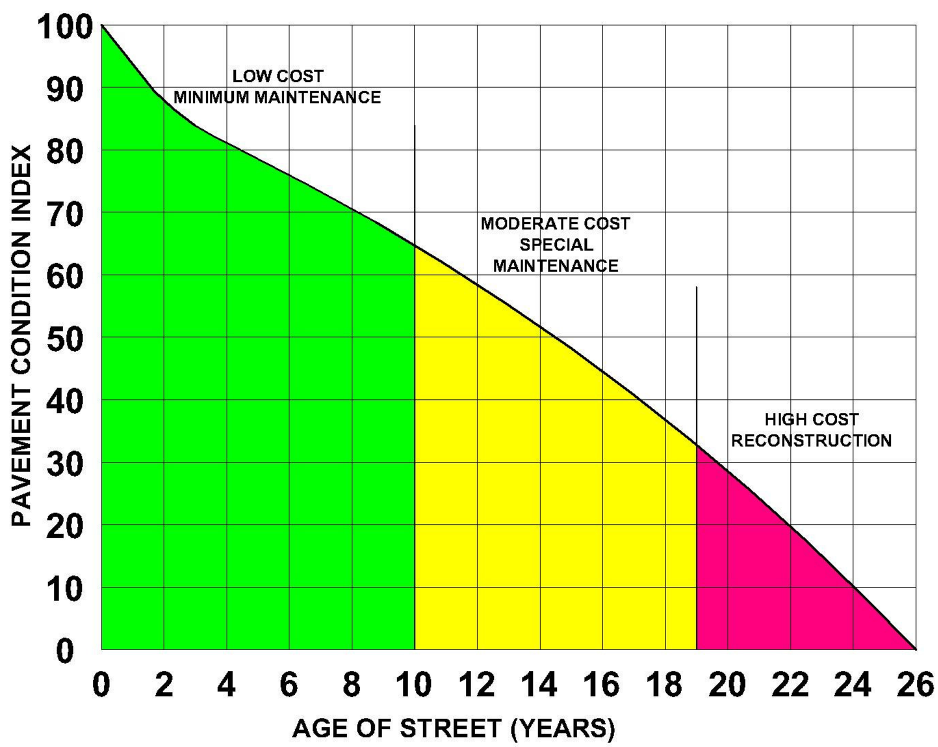
TABLE OF CONTENTS

I. PURPOSE

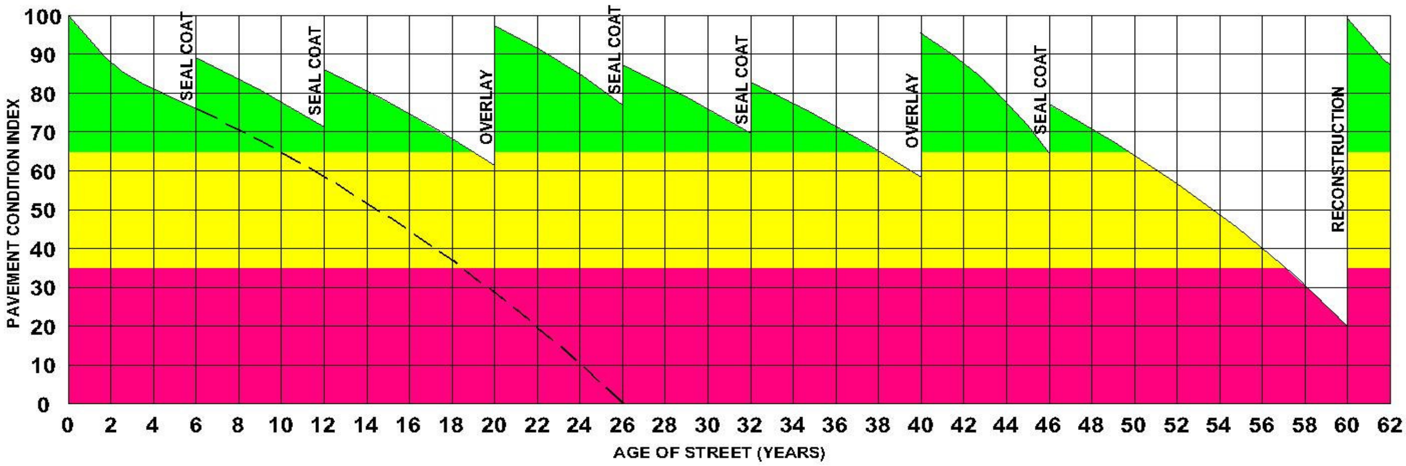
The City of Blaine has a commitment to its residents and the traveling public to maintain the over 230 miles of City streets in a condition that provides for functional, safe and efficient travel in a cost efficient manner.

All streets have a limited life span which can be lengthened by proper care and maintenance. Routine street maintenance activities such as crack sealing and pothole patching are the most visible and common activities. Streets also require more intensive periodic pavement maintenance throughout their life cycles in an effort to extend the overall expected life span of the street.

A street with little or no maintenance will typically last less than 25 years before it needs to be completely reconstructed. Many variables such as underlying soil conditions, street construction, traffic loads and storm water drainage can have dramatic effects on the overall life. By performing periodic pavement maintenance such as seal coats and bituminous overlays at the proper time a street's lifespan can be greatly increased. This periodic pavement maintenance is less costly to the residents and the City when compared to neglecting periodic pavement maintenance and simply reconstructing the street once it degrades to an unacceptable condition. Below are two charts which show life of a typical street with and without pavement maintenance.



NORMAL ROAD LIFE WITHOUT MAINTENANCE



NORMAL ROAD LIFE WITH MAINTENANCE

The City of Blaine created a Pavement Management Program for the purpose of maintaining and rehabilitating the City streets to maximize the lifespan in a cost efficient manner. The program tracks street conditions, plans a schedule of pavement maintenance and rehabilitation and indentifies funding sources. Funding for the Pavement Management Program is typically some combination of City funds, Municipal State Aid funds and assessments to benefitting properties as defined in the Public Improvement Special Assessment Policy.

This Pavement Management Policy is the blueprint for how the City will utilize the proper methods and techniques to address the periodic pavement maintenance needs in the most economical and efficient manner within the overall framework of the Pavement Management Program.

II. RATING AND RANKING OF STREETS

The City of Blaine Engineering Department monitors and evaluates the conditions of City streets yearly for defects such as fatigue, raveling or cracking of the pavement, potholes, soft spots, curb failure and storm water drainage issues. This monitoring is then coupled with the age of the streets, pavement thickness, traffic volume and previous maintenance history for use in developing a pavement condition rating system for the streets.

This rating system is used to determine when and what type of structural maintenance strategy would be most effective in extending a particular street's life expectancy while maximizing the City's return on the required capital investment.

III. PAVEMENT MAINTENANCE METHODS

1. Seal Coat

Seal coating is a preventative maintenance activity which involves spraying bituminous adhesive on the surface of existing pavement followed by the application of a cover of finely crushed aggregate. Seal coats do not provide any structural support to existing pavement surfaces, nor will they repair pavement that has reached a point of structural failure.

The primary reason to sealcoat a pavement is to protect the pavement from the deteriorating effects of sun and water. When an asphalt pavement is exposed to sun, wind and water, the asphalt hardens, or oxidizes. This causes the pavement to become more brittle. As a result, the pavement will crack easier when exposed to traffic and temperature changes. Cracking allows water to migrate below the pavement and into the gravel base which in turn can form potholes or soft spots in the road, further deteriorating the pavement.

A seal coat combats this situation by providing a waterproof membrane which not only slows down the oxidation process but also helps the pavement to shed water. A secondary benefit to seal coating is the increase in surface friction it provides. This is accomplished by the additional texture the cover of aggregate adds to the pavement.

Seal coats are paid for with City funds and are not assessed.

2. Bituminous Overlay

A bituminous overlay is a cost effective method to renew the structural integrity and extend the life a street by grinding off a portion of the existing pavement surface and constructing a new top layer of pavement. This method can be utilized on roadways where the existing bituminous surface is still generally structurally sound and no major deterioration of the gravel base under the bituminous has occurred.

If a roadway has been allowed to deteriorate to a point where the structural integrity of the existing bituminous surface is no longer viable or the gravel base has become degraded and compromised, a bituminous overlay will quickly fail. In these cases, more costly measures such as bituminous replacement or reconstruction are needed.

A bituminous overlay consists of:

- Milling of existing bituminous surface – a thin layer (1 to 1-1/2 inch) of the existing bituminous surface is ground off to create an even surface to ensure proper drainage and a smooth ride once new bituminous pavement is installed.

- Localized minor pothole and base layer repair – there may be some small areas where pavement and the underlying gravel base has failed and needs to be removed and replaced.

- Minor curb and gutter repair/replacement – localized areas where small sections of unacceptable curb and gutter have been damaged or failed and need to be removed and replaced.

- Installation of new bituminous surface – a new 1-1/2 to 2 inch mat of bituminous is paved across the entire roadway.

Bituminous overlays are paid for with a combination of City funds and assessments to benefitting properties as defined in the Special Assessment Policy.

3. Bituminous Replacement

A bituminous replacement involves the removal of the entire bituminous pavement surface. This method is typically used when the existing pavement has exceeded its lifespan and has become too damaged for a bituminous overlay but the gravel base, majority of curb and gutter and drainage systems are still in good to excellent condition.

A bituminous replacement consists of:

- Removal of existing bituminous pavement – the pavement is either removed or ground up and recycled for use as a gravel base for the new layer of bituminous pavement.

- Minor base layer repair - there may be some areas where the underlying gravel base has failed and needs to be removed and replaced.

- Replacement of curb and gutter – all unacceptable curb and gutter will be removed and replaced.

- Minor storm sewer system repair – minor repairs to catch basins or storm sewer manholes.

Bituminous replacements are paid for with a combination of City funds and assessments to benefitting properties as defined in the Special Assessment Policy.

4. Partial Reconstruction

A partial reconstruction involves significant reconstruction of an existing road. This method is typically used when the existing pavement has failed and the gravel base has damage or structural deficiencies which makes it unsuitable for a bituminous replacement. Partial reconstructions also typically occur when significant storm sewer system repairs and/or significant curb replacement is required.

A partial reconstruction consists of:

- Removal of existing bituminous pavement – the pavement is either removed or ground up for use as a gravel base for the new layer of bituminous pavement.

- Base layer repair – repair or replace gravel base where necessary, also includes minor subgrade correction if needed.

- Replacement of unacceptable curb and gutter – all unacceptable curb and gutter will be removed and replaced.

- Minor storm sewer system repair – minor repairs or replacements to catch basins or storm sewer manholes and storm sewer pipe.

Partial reconstructions are paid for with a combination of City funds and assessments to benefitting properties as defined in the Special Assessment Policy.

5. Complete Reconstruction

A complete reconstruction involves full reconstruction of an existing road. This method is typically used when the existing pavement has failed and the gravel base has significant damage or structural deficiencies and, if present, the existing storm sewer system and/or curb and gutter has failed or is in poor condition. This method is also used when significant changes to the existing road type, profile or width are required. For example, the reconstruction of a rural section road with no curb and gutter or storm sewer into an urban section road with curb and gutter and storm sewer.

A complete reconstruction consists of:

- Removal of existing bituminous pavement – the pavement is either removed or ground up and recycled for use as a gravel base for the new layer of bituminous pavement.
- Base and subgrade – grade changes, repair and replacement of subgrade and base layer.
- Installation of curb and gutter – installation of new curb and gutter on entire road.
- Storm sewer – Upgrade or replace existing storm sewer system as required or installation of new storm sewer system if none present.

Complete reconstructions are paid for with a combination of City funds and assessments to benefitting properties as defined in the Special Assessment Policy.

IV. PROCEDURES AND TIMELINE FOR STREET PROJECTS

As a part of the Street Improvement Program, the Engineering Department determines which streets will be a part of that year's street improvement project and what maintenance methods will be utilized on each street. Some factors which are considered in determining candidates for the yearly street improvement project are, but not limited to, the following:

- Pavement structural condition and rating
- Yearly routine maintenance costs (such as pothole patching and crack sealing)
- Traffic volumes
- Condition/effectiveness of existing storm water drainage system
- Elimination of hazardous conditions or potential for adding safety improvements
- Available funding sources and efficient use of said funds

The physical condition of the pavement on a street is not always the determining factor as to when it will be included in a yearly street improvement project. For example, it may be a better use of limited funds and resources to select a road that is in need of a bituminous overlay over one that needs a partial reconstruction. A street needing a bituminous overlay can quickly degrade over one or two winters to a point where it requires a much more expensive partial reconstruction whereas waiting an additional year or two to reconstruct a street needing a partial reconstruction will not increase costs to a significant degree.

The condition and age or lack of the underground utilities such as sanitary sewer and water main that lie below the street is also taken into account when determining when or what course of action to take with a particular street.

Below is an outline of the typical pavement management project timeline:

- June - July
    - Engineering Dept. selects streets for following year's street project.
    - Hold open house meeting to present proposed project to affected property owners.
    - City Council initiates preparation of a Feasibility Report.
- August - September
    - Preparation of Feasibility Report and street survey work (if needed).
    - Present Feasibility Report to City Council for acceptance.
    - City Council accepts Feasibility Report, holds Improvement Hearing and orders the improvements.
- October - February
    - Engineering Dept. prepares plans and specifications and presents to City Council.
    - City Council authorizes project for bidding.
- February – March
    - Project bidding and award of project.
- Spring to Fall (construction season is weather dependent but typically runs late April to end of October)
    - Construct street improvement project.

City of Blaine

PUBLIC IMPROVEMENT SPECIAL ASSESSMENT POLICY

Adopted May 2, 1991, by Blaine City Council

Amended as follows:

09/05/91	-	Paragraph III.6.C, Page 6
02/02/95	-	Resolution No. 95-28, Exhibit V
04/01/99	-	Paragraph IV.6.B, Page 9
10/07/10	-	Added methods and rules for assessing street improvement projects initiated under the Pavement Management Policy. Miscellaneous language changes and clarifications.
05/03/12	-	Paragraph II.5.d, page 4, Remove paragraph III.9.b, Miscellaneous language changes and clarifications.
08/16/12	-	Amended Resolution No. 78-28 – A Resolution Authorizing Deferrals Of Special Assessments for Certain Senior Citizens.
01/24/19	-	Changed residential street assessment rate, established flat rate for bituminous replacement, miscellaneous language changes and clarifications.
08/05/19	-	Amended Resolution No. 78-28 – A Resolution Authorizing Derferrals of Special Assessments

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EXHIBITS

I. GENERAL

Minnesota State Law, Chapter 429 provides a municipality the authority "to levy and collect assessments for local improvements upon property benefited thereby" for public improvements such as sanitary sewer; storm drainage; water source, storage, and distribution facilities; street improvements including grading, curb and gutter, and surfacing; sidewalks; trails; sound barriers; street lighting; recreational facilities; etc. To ensure full protection for property owners, state law and courts applying the law insist on following a strict set of procedural requirements when assessing a local improvement project. This policy statement summarizes Chapter 429 special assessment procedures and also details project cost apportionment procedures.

1. The Theory of Special Assessments

Special assessments are a compulsory charge for a particular improvement or service which benefits the owners of certain properties and which are also undertaken in the interest of the public. Special assessments have three distinct characteristics:

a) They are a compulsory levy used to finance or partially finance a particular public improvement program.

b) The levy is charged only against those particular parcels of property deemed to receive a special benefit from the program.

c) The amount of the charge bears a direct relationship to the value of the benefits the property receives.

Special assessments are imposed only on real estate. They are never levied against personal or movable property. In theory, special assessments are frequently regarded as more equitable than property taxes because those who pay them obtain direct benefits from the improvements undertaken and because they are not a function of the relative value of homes or buildings.

2. Special Assessment Uses

Special assessments have three important applications:

a) The first and most popular use is for financing new public improvements, particularly when new tracts of land are being converted to urban use. In this application, they are frequently used to pay for sanitary sewer, storm drainage, water source, storage, and distribution facilities, street improvements including grading, curb and gutter, and surfacing, sidewalks, trails, street lighting, recreational facilities, etc.

b) Special assessments may also be used to finance the cost of major public reconstruction programs. Large-scale repairs and maintenance operations on streets, sidewalks, trails, water mains, sanitary sewers, storm drainage, and similar facilities can and often should be financed with special assessments.

c) Special assessments can also be utilized in the redevelopment of existing neighborhoods when areas are confronted with progressive deterioration, or even when presently sound, neighborhoods can be made more desirable through the development of parks, playgrounds, tree plantings, and new street patterns, the City can utilize special assessments to good advantage.

3. Summary of Steps in Special Assessment Proceedings

a) ***Initiation of Proceedings:*** This may be done either by the Council on its own initiative or by the Council accepting a petition submitted by affected property owners. If the petition is used, it must be signed by the owners representing at least 35% in frontage of the property bordering on the proposed improvements. If the Council acts originally on its own initiative, a simple majority is needed to initiate the proceedings. In initiating proceedings, or in accepting a petition requesting such proceedings, the Council may simultaneously order a Feasibility Report on the proposed improvement.

b) ***Preparation of a Report:*** The law requires a report on the feasibility of the proposal be prepared by the City Engineer or by some other competent person selected by the Council. It must cover such factors as the need for the project, an estimate of cost, and any other information thought pertinent and necessary for complete Council consideration.

c) ***Public Hearing:*** A hearing is held (see exception below) after notice of the hearing is published in the official newspaper and mailed to each property owner proposed to be assessed. The notice states the time and place of the hearing, the general nature of the improvement, the estimated cost, and the area proposed to be assessed. All interested persons should have a chance to be heard at the hearing. This public hearing step may be omitted when a petition requesting the improvement has been signed by 100% of the affected landowners.

d) ***Ordering the Improvement and Preparation of Plans:*** The resolution ordering the improvement may be passed by a simple majority of the Council if proceedings were originally initiated by petition. If not, the resolution must be adopted by an affirmative vote by at least four-fifths (6 of 7) of the Council.

e) ***Preparation of Plans, Awarding Bids:*** Upon completion, the plans and specifications must be approved by the Council prior to ordering advertisement for bids. Upon taking bids, the Council then awards a contract and construction proceeds.

f) ***Preparation of Proposed Assessment Rolls:*** Assessment rolls are lists of benefited properties prepared for each assessment project. They should contain an identification of each parcel of property, and the amount of the proposed assessment apportioned to each parcel.

g) ***Public Hearing on the Proposed Assessment:*** The purpose of this hearing, normally conducted after an improvement project is substantially completed, is to give affected property owners an opportunity to be heard on the matter of the actual assessments proposed to be levied. Notice must be published in the official newspaper and mailed to each property owner prior to the hearing date. This assessment hearing may also be held prior to awarding the contract, with the understanding that the adopted assessment roll may not be varied to reflect higher than estimated actual project costs.

h) ***Approval and Certification of Assessment Rolls:*** After the assessment hearing, the roll must be officially adopted by a Council resolution and then certified to the County Auditor for levy and collection.

i) ***Financing the Improvement:*** Most special assessments may be paid over a period of several years. Consequently, necessary funds are generally obtained through bonds issued at the time the improvement is made. The bonds are then paid as funds become available through collection of the assessments and any taxes levied for the purpose of paying the bonded debt. The bonds are guaranteed by the pledge of a property tax levy to cover any shortfall in funding.

II. POLICY STATEMENT

It is the overriding policy that development shall occur, whenever practical and reasonable, in a planned and contiguous fashion. "Leap frogging" development leading to community sprawl and associated higher infrastructure and operation costs is to be avoided.

It is further the policy that all properties shall pay a fair share of the cost of local improvements as those properties benefit. It is intended that no property shall be provided the benefits of improvements without paying for them.

III. POLICIES RELATING TO SPECIAL ASSESSMENTS

1. Assessment Limitations

The total of assessments cannot exceed the project cost and must be apportioned equally within properties having the same general land use (residential and institutional, multiple family, and commercial, or industrial), based on benefit. Total assessment against any particular property may not exceed benefit to that property with benefit being defined as the increase in market value of the property because of the improvement. Project cost may include part or all of the cost of previously installed projects not previously assessed.

2. Assessment Period

Improvements installed to serve a new residential subdivision and petitioned for by the Developer shall be assessed for a period up to five years. Improvements to serve new commercial and industrial subdivisions petitioned for by the Developer shall be assessed for a period up to ten years. Assessments for improvements not included as part of a Developer's development shall be assessed for a ten-year period. Assessments for street improvement projects shall be assessed for a fifteen-year period except for bituminous overlays and bituminous replacements which shall be assessed for a five-year period.

3. Interest Rate

The interest rate will be calculated annually by the Blaine Finance Department.

4. Indexes

A construction cost index may be used in the special assessment process. The construction cost index is a number computed by "Engineering News Record" (ENR index) derived from prices of construction materials, labor, and equipment for the Minneapolis area.

5. Properties Not Assessed

Special assessments will not be levied against properties described as follows:

a) Lands deemed unbuildable by virtue of laws, lawful regulations, or economic analysis relating to soil characteristics and/or lying within the flood plain of major drainage channels and/or wetlands.

b) Drainage basins (defined by public easements) and major drainage ditch easements such as Sand Creek, Coon Creek, Pleasure Creek, Spring Brook, and Rice Creek.

c) All right-of-way of U.S. and State highways, County roads, and City streets.

d) All City owned property that is maintained and operated out of the City's General Fund Budget.

e) Railroad right-of-ways and other major transportation right-of-ways (i.e., rapid transit).

6. Methods of Assessment

Past practice in Blaine reflects use of three methods of assessments. Any of the three methods or combination of methods may be used for a particular project.

The special assessment method and policies summarized herein cannot be considered as all-inclusive; unusual circumstances may at times justify special considerations. Also, any fixed cost data and rates may be adjusted from year to year by the ENR Construction Index. Decisions to assess costs will be evaluated against costs to administer.

a) ***Area Method:*** The area to be assessed is the total land area, including easements, in acres of a property lying within a utility service district or project area, and including rights-of-way within a plat, but otherwise excluding those areas as described under "Properties Not Assessed". The types of improvements generally assessed on this basis are:

- Sanitary Sewer Trunk/Subtrunk:
  - Residential: Sanitary Sewer 10" and larger or 12' depth or greater.
  - Commercial/Industrial: Sanitary Sewer 12" and larger or 12' depth and greater.
- Sewer Lift Stations and Forcemains
- Storm Drainage

If the City Council elects to assess a particular improvement on the basis of acreage, the acreage assessment shall be calculated as follows:

i. The Assessment Cost of the improvement shall be divided by the total assessable acreage for the improvement, as determined under this policy. The quotient of this shall be the Calculated Assessment Rate.

ii. The Calculated Assessment Rate shall then be multiplied by each parcel's total assessable acreage and the product will be each parcel's assessment for the improvement.

b) ***Unit Method (Lot, Building Site):*** Unit is a building site or lot in a residential, commercial, or industrial zone that cannot be further subdivided, i.e., in single family, zoned R-1, the minimum lot is 80' x 125'. The types of improvements generally assessed on this basis are lateral water, lateral sanitary sewer, street and storm drainage improvements for individual subdivisions of residential, industrial, and commercial properties.

Equivalent Unit/Lot: Parcels larger than the minimum allowable unit/lot will be assessed a cost equivalent to the whole number of minimum allowable lots they would yield if subdivided. The location of principal buildings on parcels shall be factored into the determination of equivalent units.

If the City Council elects to assess a particular improvement on the basis of the unit method, the unit/lot assessment shall be calculated as follows:

i. The Assessment Cost of the improvement shall be divided by the total front footage for the improvement, as determined under this policy. The quotient of this shall be the Calculated Assessment Rate.

ii. The Calculated Assessment Rate shall be multiplied by the total assessable footage for the improvement and the resulting product will be the Total Assessment.

iii. The Total Assessment will then be divided by the number of assessable lots/units and the quotient will be the lot/unit assessment for each lot/unit.

iv. All properties of a similar nature on an improvement project will be grouped together for purposes of calculating assessments using the Unit Method. As such there may be differing unit assessments on an improvement project based on the different property types present.

c) ***Front Footage Method:*** Lateral water, lateral sanitary sewer, street, and storm drainage improvements for subdivision of residential, industrial, and commercial properties may be assessed on the front footage (width) of the parcel. In addition, corner Industrial and Commercial properties, multi-family residential properties of 5 units/acre or greater density (i.e. apartments), and manufactured home parks will be assessed for any improvement on each side abutting the property. A 150 foot corner lot credit will be given on the long side of the property. This method would generally be utilized when the lot unit basis is determined to be inappropriate.

i. Generally the front footage of the parcel is considered the lot width at the right of way line with the exception of irregularly shaped lots. Irregularly shaped lots will be considered on an individual basis. Such lots will be measured and assessed on their average width, with the lot width at the set back line taken into consideration where appropriate.

ii. The Assessment Cost of the improvement shall be divided by the total front footage for the improvement, as determined under this policy. The quotient of this shall be the Calculated Assessment Rate.

iii. The Calculated Assessment Rate shall be multiplied by the assessable footage for each individual parcel and the resulting product will be the parcel's assessment.

7. Methods of Assessment for Street Improvement Projects

For the purposes of this policy, Street Improvement Projects are defined as improvement projects to repair, replace, or upgrade existing City streets and the associated infrastructure such as associated storm water treatment systems. Street Improvement Projects do not include construction of new streets, sanitary sewer, water main, or trunk utility projects. The four types of Street Improvements Projects and a general description of work involved are as follows:

Complete Reconstruction – includes installation of new storm sewer, grade changes, major subgrade and base corrections, installation of curb and gutter and installation of new bituminous pavement.

Partial Reconstruction – includes repair and minor upgrades to existing storm sewer, subgrade and base corrections, replacement of damaged curb and gutter and installation of new bituminous pavement.

Bituminous Replacement – includes removal or in place full depth recycling of existing pavement, minor base corrections, replacement of damaged curb and gutter (generally less than 15% of the total curb and gutter) and installation of new bituminous pavement.

Bituminous Overlay – includes milling of existing bituminous pavement surface, localized minor pothole and base layer repair and installation of new bituminous pavement.

Street Improvement Projects will be assessed based on the methods of assessment identified under **Section III.6 - Methods of Assessment** with the following exceptions:

a) The Assessment Cost shall be thirty five percent (35%) of the total cost of the improvement project for projects identified as Complete Reconstruction and Partial Reconstruction for all benefitting properties unless otherwise specified below.

    i. For multi-family residential properties with greater than 5 units/acre density, manufactured home parks and commercial/industrial properties the Assessment Cost shall be one half (50%) of the total cost of the improvement project for projects identified as Complete Reconstruction and Partial Reconstruction.

    ii. All single family residential properties along Municipal State Aid streets, collector streets and county roads will be assessed for thirty five percent (35%) of the total cost of the project minus oversizing costs. Oversizing costs are defined as costs incurred in excess of what would be required for a City standard 29-foot wide residential roadway.

    iii. Bituminous overlay projects will be assessed a flat rate of $500 per residential lot unit for parcels zoned single family residential. Parcels larger than the minimum allowable unit/lot will be assessed a cost equivalent to the whole number of minimum allowable lots they would yield if subdivided. The location of principal buildings on parcels shall be factored into the determination of equivalent units. An assessment rate of $10 per front foot will be used for all multi-family residential properties with greater than 5 units/acre density, manufactured home parks, commercial/industrial properties and properties not zoned single family residential. The rates are based on 2011 construction costs and will be indexed for inflation as identified in **Section III.4 – Indexes** and published yearly as an Exhibit to this Policy.

iv. Bituminous Replacement projects will be assessed a flat rate of $1,400 per residential lot unit for parcels zoned single family residential. Parcels larger than the minimum allowable unit/lot will be assessed a cost equivalent to the whole number of minimum allowable lots they would yield if subdivided. The location of principal buildings on parcels shall be factored into the determination of equivalent units. An assessment rate of $27 per front foot will be used for all multi-family residential properties with greater than 5 units/acre density, manufactured home parks, commercial/industrial properties and properties not zoned single family residential. The rates are based on 2019 construction costs and will be indexed for inflation as identified in **Section III.4 – Indexes** and published yearly as an Exhibit to this Policy.

8. Assessment Cost

The assessment cost is the total cost of the improvement project and includes the following:

a) ***Contract Cost:*** Amount paid to contractors for constructing the improvement.

b) ***Financing Costs:*** Amounts paid for bond counsel, bond sales costs, and interest, starting with payment to the contractor until the assessment roll is approved by the City Council. The interest rate will be set by the Finance Director.

c) ***Other Costs:*** Project costs such as advertising, administration, engineering, legal, and right-of-way acquisition.

9. Assessment Deferrals:

Minnesota State Law, Chapter 435 provides a municipality the authority to defer special assessments for homestead property under certain hardship criteria.

a) A determination by the Council allows a property owner who is a senior citizen, a person with permanent total disability or in active military service to defer special assessments if the property owners meet the criteria as established by Council resolution.

IV. PROCEDURES RELATING TO APPORTIONMENT

1. Sanitary Sewer Trunk

Sanitary sewer trunk costs are apportioned throughout the gross area that is served by the trunk facility (see Area Method in Section III.6). The costs are uniformly apportioned to each parcel in proportion to parcel area. In a residential plat, the gross area of the plat is multiplied by the assessment cost/acre and that amount divided by the number of unit/lots and equivalent unit/lots in the plat.

2. Sanitary Sewer Lateral

Sanitary sewer lateral costs are apportioned to the properties served by the lateral sanitary sewer by dividing the assessment cost by the front footage of the benefiting properties or by dividing the assessment cost by the number of benefiting unit/lots (including equivalent unit/lots).

Where lateral service is also provided by a trunk, the properties so served are assessed a "typical" lateral cost similar to other properties served by a lateral. Credit for such "typical" lateral assessments shall be deducted from the cost of the sanitary sewer trunk.

3. Water Main Trunk, Source, and Storage

Water main trunk, source, storage, and oversizing costs are paid from the Utility Fund. The Utility Fund receives moneys collected from connection charges called Water Access Charges (WAC) levied whenever a building is connected to the City water system. The rate of the WAC is established by the City Council.

4. Water Lateral

Water lateral costs are apportioned to the properties served by the lateral water main by dividing the assessment costs by the front footage of the benefiting properties or by dividing the assessment cost by the number of benefiting unit/lots (including equivalent unit/lots).

Where lateral service is provided by a trunk, the properties so served are assessed a "typical" lateral cost similar to other properties served by a lateral.

> NOTE: Reconstruction of sanitary sewer and water main utility systems is to be paid by the Utility Fund, however, should funds not be sufficient, the above procedures would be utilized.

5. Storm Drainage Area Improvements

New or reconstructed storm drainage area improvement costs are apportioned throughout the gross area that is served by the storm drainage improvement. The costs are uniformly apportioned to each parcel in proportion to parcel area. In a residential plat, the gross area of the plat is multiplied by the assessment cost/acre and that amount divided by the number of unit/lots and equivalent unit/lots in the plat.

6. Streets

a) New street costs are apportioned to the properties served by the street improvement by dividing the entire cost of the street improvement by the front footage of the benefiting properties (including equivalent unit/lots) or by dividing the cost of the street improvement by the number of benefiting unit/lots (including equivalent unit/lots).

b) Reconstructed street costs for projects are apportioned to the properties served by the street improvement as defined in **Section III.7.**

c) Residential zoned properties are considered to be served by a street, and thus eligible for being assessed for an improvement project based on the following qualifications:

- The property has a driveway connection to the street.

- If multiple driveways connect to multiple streets, the address of the property will determine which street serves the property for assessment eligibility purposes.

d) Commercial and Industrial zoned properties, multi-family residential properties with greater than 5 units/acre density and manufactured home parks are considered served by a street, and thus eligible for assessment based on the following qualifications:

- The property has frontage abutting the street.

- The property has a driveway connection to a street.

- Corner lots will be assessed for each street abutting the property. A 150 foot corner lot credit will be given on the long side of the property when assessed on the long side.

e) The life expectancies of various street pavement procedures differ. If an additional improvement is needed to a street that has had a previously assessed street improvement, the new assessments shall be prorated by the percentage of years the previous improvement has lasted when compared to the life expectancies shown below.

PAVEMENT PROCEDURE	EXPECTED LIFE (YEARS)
Complete Reconstruction	20
Partial Reconstruction	20
Bituminous Replacement	15
Bituminous Overlay	10

7. Sidewalks and Trails

The costs of sidewalks and trails constructed along Municipal State Aid streets, county highways, or state highways shall be paid from Municipal State Aid Funds or other funding source. The cost of all other sidewalks and trails may be assessed against the benefiting property on a unit/lot basis or front footage basis. Costs for repair or replacement of existing sidewalks or trails as a part of a street improvement project will be included as a part of the street improvement project assessment.

EXHIBIT I

SPECIAL ASSESSMENT PAYMENT OPTIONS

1. Payment in full to the City of Blaine within thirty (30) days from the date the assessment roll is approved.

2. Partial prepayment in the amount of at least ten percent (10%) of the total assessment made to the City of Blaine within thirty (30) days from the date the assessment roll is approved.

3. Payment with tax statement to the Anoka County Treasurer in annual installments extending over a period of years determined at the assessment hearing with interest on the unpaid balance at the rate adopted at the assessment hearing.

4. Payment prior to November 15 of any year to the City of Blaine of the remaining principal after payment of the current installment, with no further interest charged on the remaining principal.

EXHIBIT II

1990 TYPICAL ASSESSMENT RATES

1.	Residential Street	$1,834 / Lot
2.	Commercial/Industrial Street	$39.18 / Front Foot
3.	Sanitary Trunk	$1,500 / Acre
4.	Sanitary Lateral	$1,769 / Lot
5.	Sanitary Service 4 inch	$343 / Lot
	Sanitary Service 6 inch	$604 / Lot
6.	Water Lateral	$1,560 / Lot
7.	Water Service 1-inch	$422 / Lot
	Water Service 2-inch	$891 / Lot
	Water Service 6-inch	$1,316 / Lot
8.	Storm Sewer	$2,648 / Lot

EXHIBIT III

RESOLUTION NO. 78-28
Resolution Authorizing Deferrals of
Special Assessments for Certain Senior Citizens

EXHIBIT III

CITY OF BLAINE

RESOLUTION NO. 78-28

A RESOLUTION AUTHORIZING DEFERRALS OF SPECIAL ASSESSMENTS FOR CERTAIN SENIOR CITIZENS

WHEREAS, Minnesota Statutes authorize cities to defer special assessment payments for certain senior citizens, and

WHEREAS, said deferment of assessments may be permitted at the discretion of the City Council, and

WHEREAS, the City Council of the City of Blaine finds and determines that deferral of special assessments for certain senior citizens is in the public interest, and

WHEREAS, it is necessary and proper that the City Council set forth its general policies and guidelines for granting said deferrals of special assessments for senior citizens;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Blaine does endorse the principle of deferment of special assessments for senior citizens where the payment of said special assessments constitute a hardship.

BE IT FURTHER RESOLVED that the City Council's policy and procedures for granting said senior citizen special assessment deferments shall be based upon the following factors:

1. The property must be homestead property.
2. The owner must be at least 65 years of age or older and in the case of husband and wife, one member must meet this age requirement.
3. The owner will make application for deferred payments on forms prescribed by the Anoka County Auditor and will make application to the City of Blaine on forms provided by the City.
4. The application for said deferral should be made at the time the project is authorized and in all cases it must be made before the final assessment rolls are approved by the City Council.
5. The City Council will consider each application on an individual basis; however, the Council's general policy is to grant senior citizen hardship special assessment deferrals when the annual payment for the special assessment exceeds 2% of the adjusted gross income of the owner as determined by the most recent Federal income tax.

6. The deferral will be terminated when any of the following happen:

   a. The death of the owner, provided that the surviving spouse is not otherwise eligible for the benefits.

   b. The sale, transfer or subdivision of the property or any part thereof.

   c. Loss of homestead status.

   d. The City Council determines that the further deferments are not in the public interest.

7. The City Manager has the responsibility and authority to administer and interpret this Resolution within the guidelines set forth herein.

PASSED by the City Council of the City of Blaine this 2nd, day of March, 1978.

Leo Anderson

Leo Anderson
President Pro Tem

Attest:

Joyce Twistol

Joyce Twistol
City Clerk

EXHIBIT IV

RESOLUTION NO. 91-53
Resolution Approving Public Improvement
Special Assessment Policies

CITY OF BLAINE

RESOLUTION NO. 91-53

RESOLUTION APPROVING PUBLIC IMPROVEMENT
SPECIAL ASSESSMENT POLICIES

WHEREAS, the City Council is cognizant of the need for a written policy to determine special assessments of city improvements, and

WHEREAS, the City Council has directed a policy be written to provide for uniform and consistent assessments to properties, and

WHEREAS, it is the overriding policy of the City Council, to be more completely expressed through adoption of the Blaine 2010 Comprehensive Plan, that development and growth of the City shall occur in a logical, planned process managed by the City Council for the benefit of the entire community, rather than driven by the economic interests of a few, and

WHEREAS, the City Council, within such overriding policy, determines generally that non-contiguous development of land by developers, popularly known as "leapfrogging," shall be discouraged, subject to reasonable examination of any alleged extenuating circumstances.

NOW, THEREFORE, BE IT RESOLVED, in the context of the foregoing, that the Blaine City Council hereby adopts the Special Assessment Manual entitled "Public Improvement Special Assessment Policies" dated May 2, 1991.

PASSED by the Blaine City Council this 2nd day of May, 1991.

Elwyn Tinklenberg, Mayor

ATTEST:

Joyce Twistol, CMC, City Clerk

Council Action 91-175

EXHIBIT V

RESOLUTION NO. 95-28
Resolution Amending Special Assessment Policy

CITY OF BLAINE

RESOLUTION NO. 95-28

RESOLUTION AMENDING SPECIAL ASSESSMENT POLICY

WHEREAS, the City Council on May 2, 1991 adopted and on September 5, 1991 amended a special assessment policy in order to standardize procedures for determining special assessments for City Council authorized public improvement projects; and

WHEREAS, following considerable study the City Council throughout early 1994 determined to modify and amend the adopted special assessment policy for residentially zoned properties abutting certain existing streets referred to as the "street framework system" located in the area bounded by Interstate 35W on the east, 85th Avenue on the south, Metropolitan Airport property on the west, and 95th Avenue on the north; and

WHEREAS, the "street framework system" consists of the following existing and proposed streets:

a. 95th Avenue from Xylite Street to I-35W frontage road
b. 93rd Avenue from MAC property to I-35W frontage road
c. 91st Avenue from MAC property to Flanders Street
d. Xylite Street from 85th Avenue to 95th Avenue (except industrial property westerly of Xylite Street)
e. Bataan Street from 90th Lane to 95th Avenue
f. Flanders Street from 91st Avenue to 95th Avenue
g. Jamestown Street from 93rd Avenue to 95th Avenue
h. Coral Sea Street from 85th Avenue to Judicial Ditch 1
i. Edison Street form 85th Avenue to Judicial Ditch 1
j. 89th Avenue/Flanders Street from Xylite Street to 91st Avenue
k. Zumbrota Street from 90th Lane to 91st Avenue l.
90th Lane from Zumbrota Street to Bataan Street; and

WHEREAS, the Council has determined that it is in the public interest to subsidize the costs of sanitary sewer trunk and lateral and services, watermain lateral and services, storm sewer and drainage systems including requirements for storage and quality control, and street surface improvements for residential lot units abutting the "street framework system".

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Blaine to amend the adopted special assessment policy as follows:

1. The cost of public improvements for residential lot units abutting the "street framework system" shall be subsidized to the extent that the total assessment for public improvements serving each such lot unit shall be set at $11,000 in calendar year 1994 and indexed annually thereafter based on the Construction Price Index.

2. A non-subdividable property abutting the "street framework system" will be assessed no more than 1.3 lot units. lf, as a result of purchase of additional land, razing of structures, or other circumstance, an additional lot or lots are created, such newly created lots will be assessed at the indexed special assessment rate.

3. Residentially zoned properties abutting the "street framework system" having land in excess of that required for a minimum lot size per city ordinance (except such properties in the SE ¼ of the NW ¼ of Section 34 and the N ½ of the SW ¼ of Section 34) will not be assessed indexed trunk sanitary sewer charges or indexed storm sewer charges until such excess land is further subdivided.

4. Any previously assessed lot unit abutting the "street framework system" needed for public access to the interior of the "street framework system" shall be reimbursed at the indexed special assessment rate in effect at the time such lot unit is conveyed for public purposes.

PASSED by the City Council of the City of Blaine this 2nd day of February, 1995.

Elwyn Tinklenberg, Mayor

ATTEST:

Joyce Twistol, CMC, City Clerk

Council Action: 95-39

EXHIBIT VI

RESOLUTION NO. 10-88
Resolution Amending Special Assessment Policy

CITY OF BLAINE

RESOLUTION NO. 10-88

AMENDING PUBLIC IMPROVEMENT SPECIAL ASSESSMENT POLICY

WHEREAS, on May 2, 1991, City Council approved Resolution No. 91-53 adopting a Public Improvement Special Assessment Policy in order to standardize procedures for determining special assessments for City Council authorized public improvement projects; and

WHEREAS, subsequent amendments were adopted in September 1991, February 1995 and April 1999 which were incorporated into the adopted policy; and

WHEREAS, the City Council has determined that it is in the public interest to implement a Pavement Management Policy to maintain City streets in a cost-efficient manner and provide the public with functional, safe and efficient travel; and

WHEREAS, three public open house meetings were held to receive citizen feedback on the Pavement Management Program, Pavement Management Policy and revised Special Assessment Policy; and

WHEREAS, the implementation of a Pavement Management Policy will require changes and updates to the existing Public Improvement Special Assessment Policy.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Blaine to amend the adopted Public Improvement Special Assessment Policy as follows:

1. The Assessment Cost shall be one-fourth (25%) of the total cost of the improvement project for projects identified as Complete Reconstruction, Partial Reconstruction and Bituminous Replacement for all benefitting properties unless otherwise specified below.

    a. For Multi-family residential properties with greater than 5 units/acre density, manufactured home parks and commercial/industrial properties the Assessment Cost shall be one-half (50%) of the total cost of the improvement project for projects identified as Complete Reconstruction, Partial Reconstruction and Bituminous Replacement.

    b. All single family residential properties along Municipal State Aid streets, collector streets and county roads will be assessed for one-fourth (25%) of the total cost of the project minus oversizing costs. Oversizing costs, which are costs incurred in excess of what is required for a City standard 29-foot wide residential roadway, will not be assessed to single family residential properties.

c. Bituminous overlay projects will be assessed a flat rate of $500 per residential lot unit for parcels zoned residential and a rate of $10 per front foot for all properties not zoned residential. The rates are based on 2011 construction and will be indexed yearly for inflation as defined in the Special Assessment Policy.

PASSED by the City Council of the City of Blaine this 7th day October, 2010,

Tom Ryan

Tom Ryan, Mayor

ATTEST:

Jane M. Cross

Jane M. Cross, CMC, City Clerk
COUNCIL ACTION: 10-245

EXHIBIT VII

RESOLUTION NO. 12-057
Resolution Amending Special Assessment Policy

10801 Town Square Dr.
Blaine MN 55449

File Number: RES 12-057

AMENDING PUBLIC IMPROVEMENT SPECIAL ASSESSMENT POLICY

WHEREAS, on May 2, 1991, City Council approved Resolution No. 91-53 adopting a Public Improvement Special Assessment Policy in order to standardize procedures for determining special assessments for City Council authorized public improvement projects; and

WHEREAS, subsequent amendments were adopted in September 1991, February 1995, April 1999, and October 2010 which were incorporated into the adopted policy; and

WHEREAS, the City Council has determined that it is in the public interest to operate a Pavement Management Policy to maintain City streets in a cost-efficient manner and provide the public with functional, safe and efficient travel; and

WHEREAS, the continued operation of a Pavement Management Policy requires changes and updates to the existing Public Improvement Special Assessment Policy.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Blaine to amend the adopted Public Improvement Special Assessment Policy as follows:

1. Remove "Most State and County owned properties and Metropolitan Airports Commission Properties" from Section III.5 **-** Properties Not Assessed.

2. Add "All City owned property that is maintained and operated out of the City's General Fund Budget" to Section III.5 - Properties Not Assessed.

3. Delete Section III.9.b relating to assessment deferrals for Non-Petitioning Parcels Outside of the Development Area.

PASSED by the City Council of the City of Blaine this 3rd day of May, 2012.

Signed by Tom Ryan

Tom Ryan, Mayor

Date 5-3-12

Attest by Jane M. Cross

Jane M. Cross

Date 5-3-12

EXHIBIT VIII

RESOLUTION NO. 19-09
Resolution Amending Special Assessment Policy

WHEREAS, on May 2, 1991, City Council approved Resolution No. 91-53 adopting a Public Improvement Special Assessment Policy in order to standardize procedures for determining special assessments for City Council authorized public improvement projects; and

WHEREAS, subsequent amendments were adopted in September 1991, February 1995, April 1999, October 2010, May 2012 and August 2012 which were incorporated into the adopted policy; and

WHEREAS, the City Council has determined that it is in the public interest to operate a Pavement Management Policy to maintain City streets in a cost-efficient manner and provide the public with functional, safe and efficient travel; and

WHEREAS, the continued operation of a Pavement Management Policy requires changes and updates to the existing Public Improvement Special Assessment Policy.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Blaine to amend the adopted Public Improvement Special Assessment Policy as follows:

1. Adjust the assessment rate to 35% for single family residential properties on all reconstruction projects.
2. Adjust the term of the assessments for reconstruction projects to 15 years.
3. Establish a flat rate assessment of $1,400.00 per lot for single family residential and $27.00 per front foot for commercial/industrial/high density residential properties for bituminous replacement projects for the 2019 construction year and then index for inflation yearly.
4. Adopt the proposed language changes to the Special Assessment Policy.

PASSED by the City Council of the City of Blaine this 24th day of January, 2019.

EXHIBIT IX

RESOLUTION NO. 19-126
Resolution Amending Special Assessment Policy

Blaine City Hall
10801 Town Sq Dr NE
Blaine MN 55449

Resolution: RES 19-126

File Number: RES 19-126

AMENDING RESOLUTION 78-28 - A RESOLUTION AUTHORIZING DEFERRALS OF SPECIAL ASSESSMENTS

WHEREAS, Minnesota Statutes authorize cities to defer special assessment payments for certain persons retired by virtue of a permanent and total disability for whom it would be a hardship to make the payments; and

WHEREAS, Minnesota Statutes authorize cities to defer special assessment payments for certain persons who are a members of the Minnesota National Guard or other military reserves who are ordered into active military service, as defined in section 190.05, subdivision 5b or 5c, as stated in the person's military orders; and

WHEREAS, said deferment of assessments may be permitted at the discretion of the City Council; and

WHEREAS, the City Council of the City of Blaine finds and determines that deferral of special assessments for certain persons with permanent and total disabilities and certain persons ordered into active military service is in the public interest; and

WHEREAS, it is necessary and proper that the City Council set forth its general policies and guidelines for granting said defer-rals of special assessments; and

WHEREAS, a Resolution Authorizing Deferrals of Special Assessments for Certain Senior Citizens, Resolution No. 78-28 was adopted by the City Council on March 2, 1978 and amended by the City Council with Resolution 12-112 on August 16, 2012; and

WHEREAS, the City Council finds it necessary to amend the Resolution Authorizing Deferrals of Special Assessments for Certain Senior Citizens, Resolution No. 78-28, to add special assessment deferments for certain persons with permanent and total disabilities and certain persons ordered into active military service is in the public interest;

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Blaine does endorse the principle of deferment of special assessments for certain senior citizens, certain persons with permanent and total disabilities and certain persons ordered into active military service where the payment of said special assessments constitute a hardship.

BE IT FURTHER RESOLVED that the City Council's policy and procedures for granting said special assessment deferments shall be based upon the following factors:

1. The property must be homestead property.
2. The owner must be at least 65 years of age or older and in the case of husband and wife, one member must meet this age requirement.
3. The owner must be retired by a permanent and total disability at the time of levy. A permanent and total disability is defined as a condition which is permanent by nature and which totally incapacitates the person from working at an occupation that affords the person an income.
4. The owner must be a member of the Minnesota National Guard or other military reserves who is ordered into in active military service as defined in Minnesota Statutes section 190.05, subdivision 5b or 5c, as stated in the person's military orders, for whom it would be a hardship to make payments.
5. The owner will make application for deferred payments on forms prescribed by the Anoka County Auditor and will make application to the City of Blaine on forms provided by the City.
6. The application for said deferral should be made at the time the project is authorized and in all cases it must be made before the final assessment rolls are approved by the City Council.
7. The City Council will consider each application on an individual basis; however, the Council's general policy is to grant hardship special assessment deferrals when the annual payment for the special assessment exceeds 2% of the adjusted gross income of the owner as determined by the most recent Federal income tax or when an owner of unplatted property is 70 years of age or older.
8. The deferral will be terminated when any of the following happen:
   a. The death of the owner provided that the surviving spouse is not otherwise eligible for the benefits.
   b. The sale, transfer or subdivision of the property or any part thereof.
   c. Loss of homestead status.
   d. The City Council determines that the further deferments are not in the public interest.
9. The City Manager has the responsibility and authority to administer and interpret this Resolution within the guidelines set forth herein.

PASSED by the City Council of the City of Blaine this 5th day of August, 2019.

CITY OF BLAINE L'ETOILE DU NORD ANOKA CO., MINN.

Signed by ______________________ **Date** 8-5-19
Tom Ryan, Mayor

Attest by ______________________ **Date** 8-5-19
Catherine Sorensen, CMC, City Clerk

City of Blaine
Staff Report

File Number: 2026-145

Agenda Date	Status
July 13, 2026	
In Control	**File Type**
City Council	Workshop Item

New Business - Nick Fleischhacker, Public Works Director, Joe Gerhard, Deputy Chief, Jason Zimmerman, Finance Director

Agenda Item # 3.4

2027-2031 Capital Equipment Plan

Background

Capital Equipment and Projects Fund

The Capital Equipment and Projects Fund is used to account for the City's general capital equipment and projects. Capitalized equipment and projects are defined as items over $25,000 and with a useful life of more than one year. This includes most of the functions of the City, excluding facilities, utilities, and SBM Fire.

On May 6, departments were provided instructions for submitting capital requests which were to be completed by June 6. Finance subsequently worked with departments to discuss submissions and prioritize requests. Staff utilize the processes outlined below to guide request timing:

- Computers - replaced on a 4 to 5-year schedule, which is 1 to 2 years later than industry standards. As of 2023, computer replacement dollars were centralized within the information technology (IT) capital equipment budget to better track expenses.
- Software - as of 2023 first-year software implementation and annual fees were centralized within the IT capital equipment budget to better track expenses.
- Vehicles and Equipment - replaced on a varying schedule depending on the class and/or type of the vehicle or equipment. Vehicles and equipment are evaluated by staff annually. Factors taken into consideration are mileage, usage hours, idle hours, frequency of use, age, condition, reliability, and maintenance/repair costs.

The City employs a vehicle and equipment department that is charged with the maintenance, service, and recommending the replacement of existing assets, including over 600 units of rolling stock. This team is physically housed at Public Works and includes:

- 1 Fleet Manager
- 1 Lead Mechanic
- 4 Mechanics
- 1 Asset Management Coordinator

Revenues
Until 2023, capital equipment was predominantly funded using transfers of unrestricted General Fund reserves and the issuance of debt. With aging equipment, the growth of the city, and changing community priorities, Council provided direction to staff to develop a dedicated funding strategy to ensure timely replacement of these essential assets while phasing out the need for debt or reliance on General Fund reserves. Pre-funding capital equipment provides a greater benefit to taxpayers, as this removes interest and issuance costs associated with bonding while also insulating the city from unfavorable economic conditions in the municipal bond market.

Within the proposed 2027 property tax levy is an appropriation of $1,600,000 for capital equipment, which represents a $600,000 increase over the 2026 levy. The approved 2026-2030 CIP indicates an ability for the City to pre-fund its capital equipment by 2029, assuming an increasing dedicated tax levy to offset inflation. This incremental increase in funding will also assist in offsetting the anticipated annual issuance of capital equipment notes/certificate debt until the ability to fully pre-fund is realized. Capital equipment notes are typically issued with a five-year amortization (pay back) schedule. The ability to demonstrate a financial management plan around the replacement of capital has been scrutinized by the city's credit rating agent, thus magnifying the need to commit to and execute a sustainable funding strategy.

Historical Funding Sources of Capital Equipment:

- 2005-2009: Unrestricted GF Reserves
- 2010: Equipment Certificate
- 2011-2013: Unrestricted GF Reserves
- 2014: Equipment Certificate
- 2015: Unrestricted GF Reserves
- 2016: Reserves & Equipment Certificate
- 2017-2022: Unrestricted GF Reserves
- 2023-2024: Equipment Certificates
- 2025: Dedicated Property Tax Levy & Unrestricted GF Reserves
- 2026: Dedicated Property Tax Levy & Unrestricted GF Reserves *(Proposed; not yet approved)*

Expenditures
At the September 14, 2024, Workshop staff presented a preliminary 2025-2029 Capital Equipment Fund plan and general feedback from the Council to staff was to come back with an alternative proposal that ensured the city's equipment is replaced at reasonable intervals to maintain the existing service model; develop an annual expenditure model that is generally linear and based on historical price increases; and create a model to reduce the city's reliance on equipment certificates (debt) for the 2030 budget. Finance staff developed a revised model which was presented at the November 4, 2024, Workshop which was based on the existing capital equipment plan and increased it by 3% annually to account for inflation in creating new CIP targets. This structure was utilized in creating the 2025 and 2026 capital improvement plans that were ultimately approved by Council.

During the April 13, 2026, Workshop Council deliberation continued on the longstanding inconsistency between the city ordinance, requiring residents to clear adjacent sidewalks within 48 hours, and the city's decades-long practice of plowing all sidewalks. Three policy options were presented: maintain current practices and change the ordinance (Option 1); have the city plow only sidewalks adjacent to city property and trails while residents and businesses clear sidewalks by their properties (Option 2); or a similar model where the city also clears school zones and primary routes (Option 3). While some supported keeping the current service, the majority favored Option 2, viewing it as a reasonable balance between cost savings and responsibility. As a result of this direction, the 2027–2031 capital equipment schedule was updated to remove the replacement of three sidewalk snowplow machines, which lowered the total plan target by $720,000 for the upcoming cycle. As this Council's direction has not been formally acted upon, should the Council decide to have city staff continue to plow city sidewalks, these units would be placed back on the schedule for replacement.

The creation of the proposed 2027-2031 Capital Equipment Fund was done using established guidance, with a modification to the rate of annual increase to the plan. To better control the rate of increase and align the program with the city's overall fiscal profile, the City Manager has directed staff to accommodate a one percent rate of increase to the total plan in lieu of a three percent year-over-year increase. This directive resulted in significant effort from city staff to work together to evaluate the condition of equipment, manage risks, and scale back plans that would have previously provided for significantly more funding compared to the updated direction.

While the plan is not linear, it does demonstrate a practical implementation of Council direction and ensures that the first year of the new plan, or 2027 spending, does not exceed the target that was incorporated in last year's model. Council should anticipate some level of lumpiness in spending as staff attempt to maximize the life cycle of assets and replace them at the most responsible intervals. Total planned expenditures over the five-year plan outlined below are approximately $55k less than what the spending model would allow for. The table below shows a summary of capital equipment requests by department. As a reminder, this fund does not account for equipment related to the City's utility functions, facilities, or SBM Fire.

Summary of Requested 2027-2031 Capital Equipment Fund Expenditures by Department					
Department	**2027**	**2028**	**2029**	**2030**	**2031**
Finance & IT	$222,300	$195,400	$367,850	$540,450	$217,450
Police	$764,494	$831,000	$833,000	$872,000	$770,000
Community Standards	$-	$75,000	$75,000	75,000	$75,000
Public Works	$2,065,000	1,871,069	$1,828,119	$2,015,000	$2,525,000
Building Inspections	$51,500	$106,090	$54,636	$56,275	$-
2027-2031 Requested	$3,103,294	$3,078,559	$3,158,605	$3,558,725	$3,587,450
2026-2031 Target*	$3,106,144	$3,075,844	$3,165,319	$3,563,605	$3,631,523
'26-'27 Variance Postive/(Negative)	$2,850	($2,715)	$6,714	$9,880	$44,073

2027-2031 Capital Equipment Fund Target/Request	
2026-2030 Target	$17,091,520
Inflation/Growth Factor (1%)	$170,915
Removal of Sidealk Snowplow Machines	($720,000)
2027-2031 Target (Revised)	$16,542,435
2027-2031 Request	$16,486,633
2027-2031 Variance Postive/(Negative)	$55,802

As required by state statute, the majority of the city's rolling stock has historically been procured through the State of Minnesota's Cooperative Purchasing Venture, which allows entities to purchase goods and certain services at pre-negotiated prices. In recent years, many providers have withdrawn from the purchasing venture as it has become more profitable to distribute through other sales channels as prices have increased substantially and led to long lead times for product delivery. Anecdotally, it appears that the significant backlog of existing orders has begun to clear and timelines for the most specialized heavy machinery and equipment are shortening, although prices remain significantly higher than they were before the pandemic.

In order to accommodate the established targets based on the model outlined above, several actions were taken to make the plan financially feasible, including deferring and removing projects, as well as identifying alternative funding sources. One project that was removed was the proposal in 2027 to allocate $700,000 for the purchase and implementation of new financial ERP software to replace the city's legacy product, New World Systems, which was implemented 16 years ago. In 2015, Tyler Technologies acquired New World Systems and in the last several years, it has been communicated that the vendor will no longer provide enhancements or new features to the New World platform. With other similarly-sized ERP options already in Tyler Technologies' portfolio, it appears the software will be phased out or be sunset at some point in the next several years. This existing system has become outdated, with a cumbersome interface and lacking several industry-standard features/modules.

Benefits of a Consistant Process

Using a consistent methodology supports compliance with long-term fiscal policies, ensures program growth aligns with the city's broader financial framework, and reinforces staff's commitment to budgetary discipline and predictable capital planning. A well-defined capital process is essential for the city to deliver dependable services and manage its resources responsibly. Capital equipment supports nearly every aspect of daily operations, and departments rely on clear expectations to carry out their work effectively. When the process is stable and predictable, departments can plan for the future, coordinate with one another, and make decisions that support the overall mission of the city.

A stable program ensures that capital requests are evaluated using the same standards. This creates fairness and helps departments understand how decisions are made, which in turn strengthens trust across the organization. When staff understand the criteria that guide decisions, they can prepare their requests more thoroughly and focus on the needs that matter most to residents and Council. This helps leadership compare requests in a meaningful way and direct funding to the areas of greatest impact. Predictability in capital planning also supports long-range operational work. Departments can schedule maintenance, training, and procure equipment with confidence, because they understand the timing and structure of decisions. This reduces the amount of time spent reacting to unexpected changes and allows staff to focus on delivering essential services. Consistency also limits disruptions in equipment replacement schedules and vendor coordination. These elements are critical for maintaining reliability in the delivery of steadfast public works and public safety services, which depend on specialized, long lead-time equipment.

At the organizational level, a uniform process aligns individual department needs with broader city goals. It ensures that capital investments are evaluated in the context of citywide priorities, operational risk, and long-term service expectations. Without this alignment, decision-making becomes fragmented, and departments compete for resources in ways that do not necessarily serve the best interests of the community.

Ultimately, a consistent capital process enhances financial management practices, reduces internal conflict, and supports dependable service delivery. It allows the city to plan responsibly, manage risk effectively, and maintain the tools and equipment required to serve residents well today and in the future.

Police and Safety Services
Capital police vehicle requests are to help maintain service levels by ensuring vehicles are replaced on a regular schedule, which helps mitigate excessive maintenance costs. The purpose of the acquisition is to maintain the police department's fleet of squad cars and unmarked units in a reliable fashion while decommissioning squad cars when they reach the end of their usable life before maintenance and repair costs become excessive. Mileage and years of service dictate the need to replace squad cars at intervals not to exceed 100k miles and/or 5 years of service. Unmarked units are replaced on a more irregular schedule which is determined by the type of vehicle, age, mileage, and maintenance costs. These requests will maintain our fleet at current levels. The request links to the strategic plan initiative of focusing on the delivery of exceptional public services. Reliable patrol and unmarked squad cars with low maintenance and repair costs are critical to the cost-effective operations of the police department. Cost estimate is based on state contract pricing through Minnesota dealerships and vehicle upfitting vendors.

2030 Capital for handgun replacement. The current handguns were purchased in 2019. With regular use, parts such as the recoil springs, firing pin springs, trigger springs, magazines, and barrels need to be replaced. The individual cost of these items for all department issued guns can total the cost of purchasing a new gun. The red dot sights only provide a three-year warranty and, with regular use, they will need to be replaced. The old handguns will likely be traded in for a cost savings.

Public Safety Aid Fund
The Minnesota Legislature signed into law a Public Safety Aid in the 2023 Omnibus Tax Bill. This one-time bill provided $300 million to townships, cities, counties, and tribal governments for public safety purposes. The city received $3,106,062 in December 2023, with 30% or $931,819 allocated to the SBM Fire Department for future capital improvements, subject to City Council approval. The remaining funding, or $2,174,243, has been earmarked for purchases within the Police Department. At the September 25, 2023, Council Workshop, the Police Department provided an outline of requests to utilize the aid, with the consensus of the Council being that the funding should be allocated to one-time initiatives and not used to absorb ongoing operational expenditures. Since the funding was received by the city, Council has authorized several expenditures, including red dot sites, body armor in squads,

pursuit intervention tools and uniform updates. Additionally, funding for annual SWAT training and license plate reader cameras has been allocated to the Public Safety Aid Fund, with the intent of transitioning these costs to the General Fund over time.

In order to finance the 2027-2031 CIP as outlined, the Police Department has indicated a desire to utilize this funding as outlined to assist the city with transitioning from a debt model to a pre-funded model for the city's equipment. To accommodate the Capital Equipment Fund spending targets, $261,000 of radio replacements are included for 2026 and two patrol vehicles totaling approximately $150,000 are included within the 2028 Public Safety Aid Fund proposal.

SBM Fire Capital Equipment and Projects Fund

SBM Fire is a joint venture between Blaine, Mounds View, and Spring Lake Park. Each municipality contributes a percentage of funding for operations and capital as follows:

- Blaine – 76%
- Mounds View – 15.5%
- Spring Lake Park – 8.5%

Revenues

In 2021, SBM Fire capital management was shifted to Blaine. Member cities made a commitment to reallocate existing tax levies dedicated to servicing debt related to SBM projects to the capital fund as bonds were retired. The goals were to:

- Pre-fund the purchase of capital equipment, apart from significant facility projects
- Reduce the amount of debt each city was taking on related to the operation of SBM Fire
- Provide consistent year-to-year capital contributions

Blaine budgeted $400,000 in 2023 and $596,752 in 2024 for its contribution to the SBM Capital Fund. However, no specific funding source was identified for either year, and closed bond funds were used as a temporary bridge until the tax levy could be reinstated. Beginning in 2025, the budget again included the same contribution amount as 2024, but it was fully supported by the tax levy. With final debt service beginning in 2025 for the bonds used to construct Station #3, and consistent with the membership's approved funding model, those dollars were reallocated to the SBM Capital Fund. This adjustment increased the 2026 levy to $1,015,360. For 2027, the proposed funding remains unchanged, marking the third consecutive year in which total capital support for SBM, including both debt service and cash funded, has stayed level. This stable funding is essential for the timely replacement of critical fire vehicles and equipment. The cash-funded approach avoids interest and borrowing costs while providing flexibility in procurement, especially important given the long lead times that have become standard. Additional discussions on the broader capital funding strategy are expected as the Council evaluates the department's overall facility and space needs.

In addition to the annual contributions, each member city authorized 30% of the one-time Public Safety Aid, authorized during the 2023 legislative session, to be deposited into the SBM Capital Fund. This allocation was identified to help the fund transition from debt to cash funding.

City	30% Public Safety Aid Contribution
Blaine	$931,819
Mounds View	$172,411
Spring Lake Park	$99,038
Total	$1,203,268

Expenditures

The SBM Capital Fund is intended to be used to pre-fund the organization's purchase of rolling stock and minor building improvements. The fund was not established or funded to account for large facility projects, including the renovation or construction of new stations. General discussions have indicated the issuance of debt would be necessary for any major building project given the upfront financial resources required. As similarly noted for the city's capital equipment, the fire response industry is also experiencing pricing volatility and procurement delays. These cost increases and long delivery timelines are becoming the standard and no longer an exception. In an effort to procure equipment in coordination with the capital plan from both timing and cost perspectives, Council has previously authorized ordering equipment early, which may become a more commonplace practice into the future. While not shown in the five-year plan below, SBM plans on replacing a ladder truck in 2032 and another engine shortly thereafter, which together are estimated to cost around $4 million.

Summary of Requested SBM Expenditures by Type					
Type	2027	2028	2029	2030	2031
Engines	$1,080,000	$-	$-	$-	$-
Ladders	$-	$-	$-	$-	$-
Towers	$-	$-	$-	$-	$-
Recuses	$-	$500,000	$-	$-	$-
Utilties	$441,000	$-	$-	$-	-
Squad Vehicles	$-	$80,000	$160,000	$-	$85,000
Grass UTV's	$-	$-	$-	$80,000	$-
Buildings	$215,000	$67,250	$70,000	$72,500	$75,000
Equipment	$108,000	$255,000	$678,000	$142,000	$163,000
SCBA	$-	$-	$-	$-	$-
Total	$1,844,000	$902,250	$908,000	$294,000	$323,000

A copy of the presentation will be attached before noon on the day of the meeting.

Attachments:

- *Fund Summaries – include 2025 actuals, the 2026 budget, and the proposed 2027-2031 CIP; with detailed revenue sources, project expenses/budgets, and projected cash balances*

- *Detailed Project Listing – summary of each project for the proposed CIP, with descriptions of work to be completed and staff recommendations*
- *SBM Capital Presentation - supplemental information on the SBM capital requests, provided by Chief Retka*

Staff Recommendation

Questions for Council

Does the Council support the plan as proposed?

- While the CIP lays out a long-term plan, expenditures specifically planned for the next fiscal year become the approved capital budget. Projects identified in future fiscal periods are for planning purposes only and are not an authorization to incur contractual commitments.
- If Council would like any changes to the plan, this is the best opportunity to communicate those recommendations and determine if there is a consensus.

Attachment List

1. 2027 Presentation - Capital Equipment
2. Equipment Fund Summaries
3. Equipment Project Listing with Descriptions

2027-2031 Capital Improvement Plan

General Fund Capital Equipment

Council Workshop

07/13/2026

Capital Equipment Fund

Included

- Finance & IT
- Police & Community Standards
- Street Maintenance
- Park Maintenance
- Vehicle & Equipment Maintenance
- Building Inspections

Not Included

- Water Capital
- Sewer Capital
- Stormwater Capital
- SBM Capital

Status of Current Fleet

Equipment Type (Licensed Vehicles and All Other Equipment)	# of City Units
Law Enforcement Patrol	59
Sedans (including undercover units)	6
Light duty (class 1 though 3)	131
Medium Duty Trucks (class 4 through 6)	25
Heavy Duty Trucks (class 7 and 8)	36
Motor-Driven Const. Equip (e.g., Loaders, dozers, graders, pavers)	34
Misc. Equipment (e.g., trailers, compressors, landscape equip)	359
Total Fleet Units	**650**

Fleet Age (Licensed Vehicles Only)	# of units	Percent
5 years or less	139	46%
6 to 10 years	84	28%
11 to 15 years	17	6%
16 to 20 years	37	12%
More than 20 years	51	8%
Total	**328**	**100%**

Approximately 20% of the fleet is over 16 years old

Vehicle & Equipment Maintenance Division

The City employs a vehicle and equipment department that is charged with the maintenance, service, and recommendation on replacement of existing assets. The Division is comprised of:

Fleet Manager

- Responsible for all aspects of the management of capital equipment, budget, maintenance schedule and supervising all mechanics
- Position currently vacant

Asset Management Coordinator

- Provides condition assessments, asset valuations, and creates long-term maintenance strategies using EAMS
- Supervised mechanics before Fleet Manager roles was created

Lead Mechanic

- Manages maintenance and mechanical repairs; training staff, policy and procedure development/administration, maintains safety compliance requirements

Mechanics (4)

- Skilled work performing preventative maintenance and mechanical repair of heavy equipment; inspect equipment to determine appropriate maintenance, and operate applicable equipment and tools

Vehicle and Equipment Replacement Criteria

- Vehicles and Equipment are evaluated using the following criteria
  - Age, mileage, usage hours, idle hours, condition, reliability, downtime, maintenance costs, technological advances/obsolescence, changes in operational needs

- Strategic Planning & Prioritization
  - Departments identify requests
  - Fleet Department participation
  - Collective effort and comprehensive analysis

- Replacement planning intervals vs. the City's replacement intervals
  - Capital plan will change year to year
  - As equipment is closer to estimated replacement; more effort is spent evaluating condition
  - Equipment is not expected to be replaced by any specific metric

New Equipment Request Factors

New Employees

Office furniture and computers for administrative roles.

Specialized tools and vehicles for operational staff in public works and safety services.

New Infrastructure

A new water treatment plant will require specialized pumps, filtration systems, and monitoring equipment.

Road Maintenance demands pothole patchers, street sweepers, and hydro excavators.

Time Savings & Safety Enhancements

A new street sweeper with advanced navigation can clean larger areas more quickly.

Modern equipment often comes with enhanced safety features thereby minimizing the risk of injuries.

New Technology

Energy-efficient streetlights with remote management.

Mobile applications to promote citizen engagement.

GIS systems for monitoring city infrastructure.

New Regulations

Safety standards necessitating updated personal protective equipment.

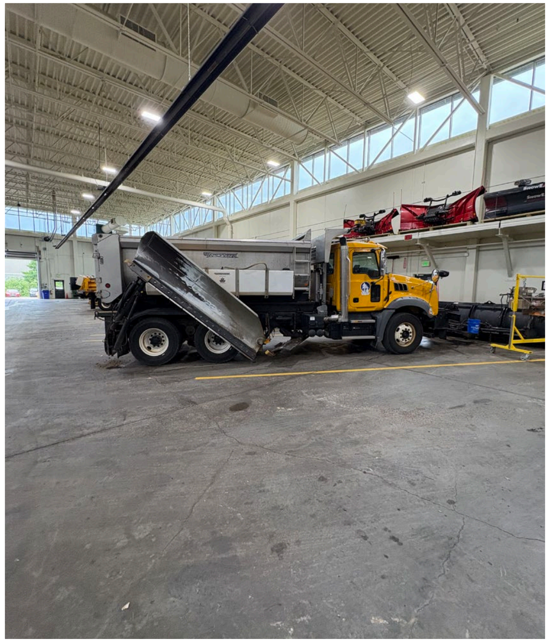
Accessibility laws demanding certain types of accessible vehicles.

Increased Services

Enhancing emergency response capabilities based on volume and call type.

Expanding, altering, and maintaining park system.

2025 Equipment Received



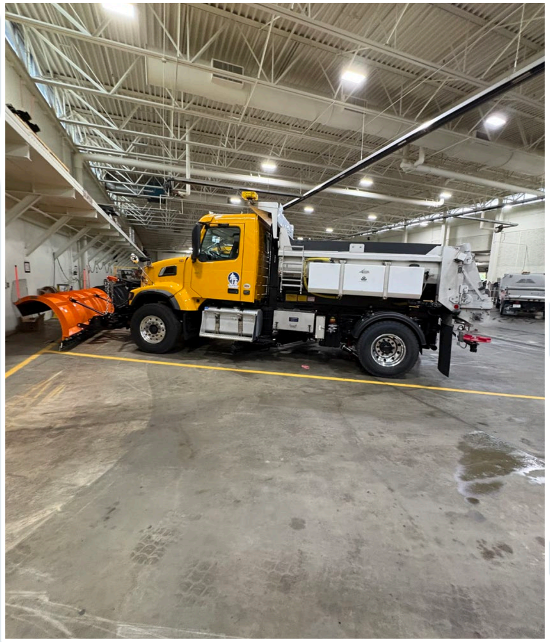
Tandem Axle Plow Truck

16’ Heavy Duty Commercial Mower

Medium Duty Truck F550

2026 Featured Equipment

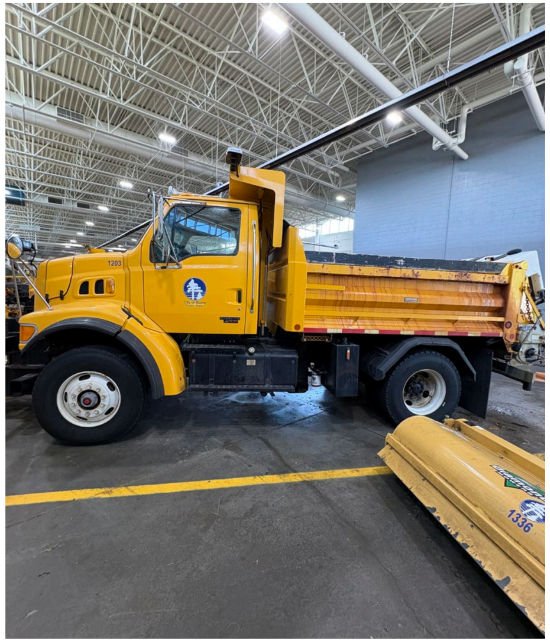
2026 Tandem Axle
(Received)



2026 Single Axle
(Received)

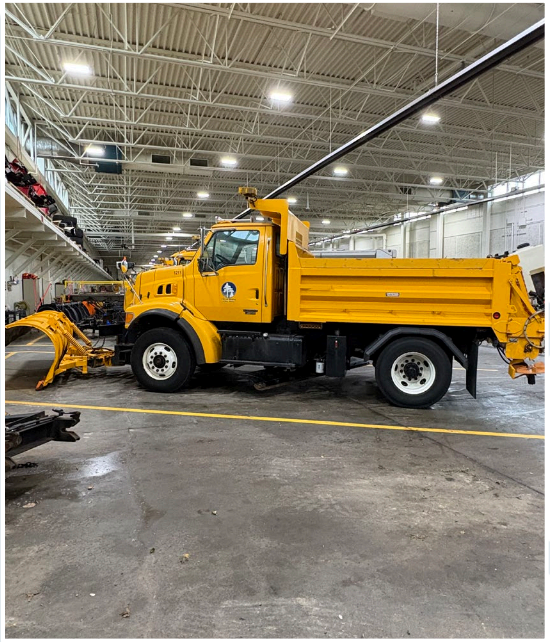
2026 Flail Mower Decks
(Received)

2027 Equipment Spotlight



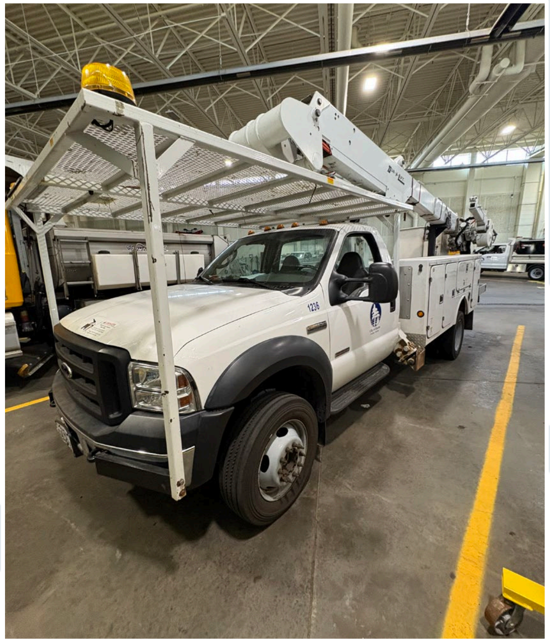
Single Axle Sterling 2001

$410,000



Single Axle Sterling 2002

$410,000



Medium Duty Bucket Truck

$260,000

2027 Equipment Spotlight

Heavy Duty Commercial Mower

$180,000

Light Duty Ball Field Groomer

$60,000

Light Duty Zero Turn Mower

$55,000

2027 Police Fleet Needs

- Maintain service levels by ensuring vehicles are replaced on a regular schedule
  - Allows for consistent annual budget prediction
  - Mitigates excessive maintenance costs due to aging emergency vehicles.
- Consistent acquisition will maintain the police department's fleet of squad cars at current levels in a reliable fashion while decommissioning squad cars when they reach the end of their usable life before maintenance and repair costs become excessive and not cost effective.
  - Mileage and years of service dictate the need to replace squad cars at intervals not to exceed 100k miles and/or 5 years of service.
    - Admin/Detective vehicles under non-patrol usage reflect a separate replacement timeline based on mileage/years.
  - Reliable squad cars with low maintenance and repair costs are critical to the cost-effective operations of the police department.
  - Utilization of regen program to maximize return on investment (vehicle/equipment)
  - Re-allocation of equipment in operable condition to be utilized by other city departments to reduce the need for additional vehicle purchasing.

Police Radio Replacement

- All police radios must be replaced by 2028
  - This is part of a 5-Year proposal to replace/upgrade all police radios (portable and mobile) to Bureau of Criminal Apprehension (BCA) required encryption levels with a total project budget of $488,000.
- FBI and BCA encryption standards will soon be implemented across the entire ARMER (Allied Radio Matrix for Emergency Response) system, when completed, our non-compliant radios will become unusable.
  - This multi-year replacement schedule also addresses an end-of-life issue for all our current radios.
  - A grant was applied for and received. The amount of the grant was $40,000.
- The additional funds necessary to complete the updating and replacement of our radios will be the responsibility of the Police Department. No other funding sources have been identified at this time.

Information Technology

- Help Desk Tickets = 2100/year
- Copiers and Printers = 29
- Computers = 350
- Users Supported = 270
- Desktop Phones = 182
- Cellular Devices = 404
  - Cell phones, cradlepoints, laptops, tablets

- Regular User PC Setup (5 yr)
  - Laptop = $1500
  - Docking Station = $300
  - Monitors = $350 (x2)

- Basic Squad Setup (4yr)
  - Toughbook = $3500
  - Thermal printer for citations = $300 (if needed)

Sidewalk Snowplowing

- At the April 13, 2026, City Council Workshop deliberation inconsistency between the city ordinance, requiring residents to clear adjacent sidewalks and the city’s decades-long practice of plowing all sidewalks.
- Three policy options were presented; the majority of Council supported having the city plow only sidewalks adjacent to city property and trails while residents and businesses clear sidewalks by their properties.
- The 2027–2031 capital equipment schedule has been updated to remove the replacement of three sidewalk snowplow machines at $720k total.
- As this Council's direction has not been formally acted upon, should the Council decide to have city staff continue to plow city sidewalks, these units would be placed back on the schedule for replacement.

Factors Impacting Municipal Equipment

Market Dynamics

- 2020-2021: Pandemic Boom
- 2022-2024: Bumper Years
- 2025: Demand Cooling

Procurement Process

- MN Cooperative Purchasing Venture
- Pricing elevated but stabilizing
- Increased availability

Financing Considerations

- Elevated Interest Rate Environment
- Direction to Pre-Fund by 2029
- Delaying replacement may impact operating budgets

Specifications & Features

- Specialized Equipment
- Additional Outfitting
- Increasing overall costs

Capital Equipment Program Development

- At the September 16, 2024 workshop council directed staff to develop a plan with the following considerations:
  - Ensure the city's equipment is replaced at reasonable intervals to maintain the existing service model
  - Reduce the 2025 equipment request from $4.3 million, as initially proposed
  - Develop an annual expenditure model that is generally linear and based on historical price increases
  - Create a model to reduce the City's reliance on equipment certificates (debt) by 2029

Capital Equipment Program Framework

- At the November 4, 2024 Workshop staff presented a revised plan to Council that included:
  - Participation from all requesting departments
  - Developed a model using 3% inflation year-over-year
  - Identified spending targets
  - Refined deferrals, removals, and alternate funding sources
  - Ensured equipment requests are consistent with strategic priorities
  - Thoroughly considered all equipment requests

- This model was ultimately used to create the 2025-2029 & 2026-2030 Council adopted CIPs

2027-2031 Capital Equipment Plan

- Generally, follows same concepts and principals outlined in two prior CIPs

- Annual spending limits remain unchanged for 2027-2030 (overlapping 2026-2030 plan)

Targets Remain Same*

Year	2026	2027	2028	2029	2030	2031
'26-'30 CIP	$	$	$	$	$	
'27-'31 CIP		$	$	$	$	$

- 2027-2031 target = 2026-2030 CIP increased by 1%
  - Reduction from 3% growth in prior CIPs
  - Target accounts for $720k reduction related to removal of sidewalk snowplow machines

- While the plan is not linear, it does demonstrate a practical implementation of Council direction

- The Council should anticipate some level of lumpiness in spending as staff attempt to maximize the life cycle of assets and replace them at the most responsible intervals

Targets held flat then reduced by removal of sidewalk snowplow machines in 2027, 2028, and 2029

2027-2031 Target Analysis

2027-2031 Capital Equipment Fund Target/Request	
2026-2030 Target	$17,091,520
Inflation/Growth Factor (1%)	$170,915
Removal of Sidewalk Snowplow Machines	($720,000)
2027-2031 Target (Revised)	$16,542,435
2027-2031 Request	$16,486,633
2027-2031 Variance Positive/(Negative)	***$55,802***

Capital Equipment Plan by Department

Summary of Requested 2027-2031 Capital Equipment Fund Expenditures by Department					
Department	**2027**	**2028**	**2029**	**2030**	**2031**
Finance & IT	$222,300	$195,400	$367,850	$540,450	$217,450
Police	$764,494	$831,000	$833,000	$872,000	$770,000
Community Standards	-	$75,000	$75,000	$75,000	$75,000
Public Works	$2,065,000	$1,871,069	$1,828,119	$2,015,000	$2,525,000
Building Inspections	$51,500	$106,090	$54,636	$56,275	-
2027-2031 Requested CIP	$3,103,294	$3,078,559	$3,158,605	$3,558,725	$3,587,450
2026-2031 Approved Target*	$3,106,144	$3,075,844	$3,165,319	$3,568,605	$3,631,523
'26-'27 CIP Variance Positive/(Negative)	**$2,850**	**($2,715)**	**$6,714**	**$9,880**	**$44,073**

Total plan expenditures ≈ $55K less than what the spending model allows for
+
Path to pre-fund equipment by 2029 remains

Targets account for removal of three sidewalk snowplow machines that were part of 2026-2030 plan

Historical Funding Sources of Capital Equipment

2014
Equipment Certificates

2015
Unrestricted General Fund reserves

2016
Reserves and Equipment Certificates

2017–2022
Unrestricted General Fund reserves

2023
Equipment Certificates

2024
Equipment Certificates

2025-2026*
Unrestricted Reserves

2027 +
Ease into Full Levy Funding

City goal to prefund Capital Equipment by 2029

**2026 use of unrestricted reserves subject to Council approval*

Public Safety Aid

- The Minnesota Legislature included a one-time Public Safety Aid within the 2023 Omnibus Tax Bill
  - Provided $300 million to townships, cities, counties, and tribal governments for public safety purposes
  - Total Blaine aid = $3,106,062
- Member cities contributed 30% of aid received into the SBM Capital Fund
  - Blaine – $931,819
  - Mounds View – $172,411
  - Spring Lake Park - $99,038
    - Was used to bridge the gap between debt and cash financing
- Staff created the “Public Safety Aid Fund” to account for the remaining proceeds

Public Safety Aid Fund

- Intended to fund new initiatives and equipment within the Police Department

- Previously authorized purchases include:
  - Red Site Dots (2024; $82,350)
  - Body Armor in Squads (2024; $73,000)
  - Branding (2024; $150,000)

- Future funding includes:
  - Two new squads to the PD fleet (2028; $78k/each)
  - License Plate Reading software (2027; $100k)

Questions for Council

- Does the Council support the plan as proposed?
  - While the CIP lays out a long-term plan, specific focus should be placed on 2027 requests
  - Equipment identified in future fiscal periods are for planning purposes only and are not an authorization to incur contractual commitments
  - If Council would like any changes to the plan, this is the best opportunity to communicate those recommendations and determine if there is a consensus

City of Blaine, Minnesota
Capital Equipment & Projects Fund - 410
Summary of Revenues, Expenditures, and Change in Fund Balance
2027-2031 Capital Improvement Plan - As of July 1, 2026

	2025 Adopted Budget	2026 Adopted Budget	2026 Amended Budget	2027 Budget	2028 Projection	2029 Projection	2030 Projection	2031 Projection
Revenues								
Reallocated Expired Equipment Debt Levy	$ -	$ -	$ -	$ -	$ -	$ 689,063	$ 1,383,638	$ 1,383,638
New Property Tax Levy	500,000	1,000,000	1,000,000	1,600,000	2,250,000	2,500,000	2,600,000	2,800,000
ARMER Grant	40,000	-	-	-	-	-	-	-
Investment Earnings	2,000	2,000	2,000	12,000	10,000	10,000	12,000	20,000
Total Revenues	**542,000**	**1,002,000**	**1,002,000**	**1,612,000**	**2,260,000**	**3,199,063**	**3,995,638**	**4,203,638**
Capital Outlay								
Finance & Information Technology	445,235	413,200	413,200	222,300	195,400	367,850	540,450	217,450
Police Administration	89,855	155,965	155,965	161,000	112,000	114,000	200,000	20,000
Police Patrol	554,170	426,000	426,000	603,494	613,000	719,000	617,000	695,000
Police Special Operations	6,675	102,000	102,000	-	106,000	-	55,000	55,000
Emergency Management	106,452	-	-	-	-	-	-	-
Community Standards (Fire Inspections)	27,072	16,804	16,804	-	75,000	75,000	75,000	75,000
Street Maintenance	2,110,853	1,435,480	1,195,480	1,475,000	1,173,069	1,574,619	1,315,000	1,900,000
Park Maintenance	476,674	700,000	700,000	550,000	428,000	205,000	510,000	625,000
Vehicle & Equip. Maintenance Dept.	219,500	105,000	105,000	40,000	270,000	48,500	190,000	-
Building Inspections	47,750	50,000	50,000	51,500	106,090	54,636	56,275	-
Total Capital Outlay	**4,084,236**	**3,404,449**	**3,164,449**	**3,103,294**	**3,078,559**	**3,158,605**	**3,558,725**	**3,587,450**
Revenues Over (Under) Expenditures	**(3,542,236)**	**(2,402,449)**	**(2,162,449)**	**(1,491,294)**	**(818,559)**	**40,458**	**436,913**	**616,188**
Other Financing Sources (Uses)								
Transfers In	-	-	-	-	-	-	-	-
Transfer Out	-	-	(240,000)	-	-	-	-	-
Sale of Fixed Assets	75,000	60,000	60,000	40,000	40,000	50,000	50,000	50,000
Certificate of Indebtedness Proceeds	2,548,501	2,342,449	2,342,449	1,800,000	-	-	-	-
Total Other Financing Sources (Uses)	**2,623,501**	**2,402,449**	**2,162,449**	**1,840,000**	**40,000**	**50,000**	**50,000**	**50,000**
Net Change in Fund Balance	(918,735)	-	-	348,706	(778,559)	90,458	486,913	666,188
Beginning Fund Balance	1,222,501	723,663	723,663	1,766,810	2,115,516	1,336,957	1,427,415	1,914,328
Ending Fund Balance	**303,766**	**723,663**	**723,663**	**2,115,516**	**1,336,957**	**1,427,415**	**1,914,328**	**2,580,516**
Cash Reconciliation								
Beginning Cash	4,311,433	746,616	746,616	1,962,242	2,310,948	1,532,389	1,622,847	2,109,760
Change in Cash	(918,735)	-	-	348,706	(778,559)	90,458	486,913	666,188
Ending Cash	**$ 3,392,698**	**$ 746,616**	**$ 746,616**	**$ 2,310,948**	**$ 1,532,389**	**$ 1,622,847**	**$ 2,109,760**	**$ 2,775,948**

City of Blaine, Minnesota
Public Safety Aid Fund - 417
Summary of Revenues, Expenditures, and Change in Fund Balance
2027-2031 Capital Improvement Plan - As of July 1, 2026

	2025 Adopted Budget	2026 Adopted Budget	2026 Amended Budget	2027 Budget	2028 Projection	2029 Projection	2030 Projection	2031 Projection
Revenues								
Investment Earnings	$ 40,000	$ 15,000	$ 15,000	$ 15,000	$ 5,000	$ 4,000	$ 3,000	$ 2,000
Total Revenues	**40,000**	**15,000**	**15,000**	**15,000**	**5,000**	**4,000**	**3,000**	**2,000**
Capital Outlay								
Traffic Safety Vehicle	14,465	-	-	-	-	-	-	-
Patrol Squads (2) - New to Fleet	141,400	-	-	-	-	-	-	-
License Plate Reader Cameras	110,000	110,000	110,000	-	-	-	-	-
Uniform Updates/Modifications	79,425	21,968	21,968	-	-	-	-	-
Radios	-	261,000	261,000	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Flock Cameras	-	-	-	100,000	-	-	-	-
Patrol Squads (2) - New to Fleet	-	-	-	-	156,000	-	-	-
Total Capital Outlay	**345,290**	**392,968**	**392,968**	**100,000**	**156,000**	**-**	**-**	**-**
Revenues Over (Under) Expenditures	**(305,290)**	**(377,968)**	**(377,968)**	**(85,000)**	**(151,000)**	**4,000**	**3,000**	**2,000**
Other Financing Sources (Uses)								
Transfers In	-	-	-	-	-	-	-	-
Transfer Out	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
			-					
Net Change in Fund Balance	(305,290)	(377,968)	(377,968)	(85,000)	(151,000)	4,000	3,000	2,000
Beginning Fund Balance	1,863,365	1,558,075	1,558,075	940,778	855,778	704,778	708,778	711,778
Ending Fund Balance	**1,558,075**	**1,180,107**	**1,180,107**	**855,778**	**704,778**	**708,778**	**711,778**	**713,778**
Cash Reconciliation								
Beginning Cash	1,670,910	1,571,849	1,571,849	1,085,654	1,000,654	849,654	853,654	856,654
Change in Cash	(305,290)	(377,968)	(377,968)	(85,000)	(151,000)	4,000	3,000	2,000
Ending Cash	**$ 1,365,620**	**$ 1,193,881**	**$ 1,193,881**	**$ 1,000,654**	**$ 849,654**	**$ 853,654**	**$ 856,654**	**$ 858,654**

BlaineMN.gov
Live | Work | Grow

City of Blaine, Minnesota
SBM Capital Equipment Fund - 411
Summary of Revenues, Expenditures, and Change in Fund Balance
2027-2031 Capital Improvement Plan - As of July 1, 2026

	2025 Adopted Budget	2026 Adopted Budget	2026 Amended Budget	2027 Budget	2028 Projection	2029 Projection	2030 Projection	2031 Projection
Revenues								
Property Tax Levy	$ 596,752	$ 1,015,360	$ 1,015,360	$ 1,015,360	$ 1,015,360	$ 1,015,360	$ 1,015,360	$ 1,015,360
Mounds View Contribution	121,706	207,080	207,080	207,080	207,080	207,080	207,080	207,080
Spring Lake Park Contribution	66,742	113,560	113,560	113,560	113,560	113,560	113,560	113,560
Investment Earnings	1,000	1,000	1,000	20,000	30,000	40,000	50,000	60,000
Total Revenues	**786,200**	**1,337,000**	**1,337,000**	**1,356,000**	**1,366,000**	**1,376,000**	**1,386,000**	**1,396,000**
Capital Outlay								
Engines	900,000	1,075,000	1,075,000	1,080,000	-	-	-	-
SCBA	-	900,000	900,000	-	-	-	-	-
Rescues	-	430,000	430,000	-	500,000	-	-	-
Buildings	90,000	225,961	225,961	215,000	67,250	70,000	72,500	75,000
Equipment	139,847	208,271	208,271	108,000	255,000	678,000	142,000	163,000
Utilities	-	-	-	441,000	-	-	-	-
Grass UTVs	-	-	-	-	-	-	80,000	-
Staff/Squad vehicles	-	-	-	-	80,000	160,000	-	85,000
Total Capital Outlay	**1,129,847**	**2,839,232**	**2,839,232**	**1,844,000**	**902,250**	**908,000**	**294,500**	**323,000**
			-					
Revenues Over (Under) Expenditures	**(343,647)**	**(1,502,232)**	**(1,502,232)**	**1,356,000**	**1,366,000**	**1,376,000**	**1,386,000**	**1,396,000**
Other Financing Sources (Uses)								
Transfers In	-	-	-	-	-	-	-	-
Transfer Out	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net Change in Fund Balance	(343,647)	(1,502,232)	(1,502,232)	1,356,000	1,366,000	1,376,000	1,386,000	1,396,000
Beginning Fund Balance	2,301,532	1,957,885	1,957,885	718,235	2,074,235	3,440,235	4,816,235	6,202,235
Ending Fund Balance	**1,957,885**	**455,653**	**455,653**	**2,074,235**	**3,440,235**	**4,816,235**	**6,202,235**	**7,598,235**
Cash Reconciliation								
Beginning Cash	2,165,908	1,953,047	1,953,047	714,312	2,070,312	3,436,312	4,812,312	6,198,312
Change in Cash	(343,647)	(1,502,232)	(1,502,232)	1,356,000	1,366,000	1,376,000	1,386,000	1,396,000
Ending Cash	**$ 1,822,261**	**$ 450,815**	**$ 450,815**	**$ 2,070,312**	**$ 3,436,312**	**$ 4,812,312**	**$ 6,198,312**	**$ 7,594,312**

Police Administration

800 MHz Police Radio Replacement Project - Ongoing

• $108,000 – 2027; $112,000 – 2028; $114,000 – 2029; $50,000 – 2030; $20,000 – 2031

•This is a 5-Year proposal to replace all police radios (portable and mobile) to Bureau of Criminal Apprehension (BCA) required encryption levels with a total project budget of $488,000.

•FBI and BCA encryption standards will soon be implemented across the entire ARMER (Allied Radio Matrix for Emergency Response) system, when completed, our non-compliant radios will become unusable. This multi-year replacement schedule also addresses an end-of-life issue for all our current radios. A grant was applied for and received. The amount of the grant was $40,000. The additional funds necessary to complete the updating and replacement of our radios will be the responsibility of the Police Department. No other funding sources have been identified at this time.

Admin Squad Replacement (replacing squad 5274) - 2027

• $53,000 – 2027

•Requesting replacement of admin squad 5274 which (2018 Dodge Durango with estimated 55,000 miles) This is currently the deputy chief's squad and has reached the end of its service life.

•For unmarked admin squads the recommendation of replacement at 5 years/100k miles, does not always apply. Some admin vehicles have very low mileage and are in good condition. Therefore, admin vehicles are replaced on a more irregular schedule which is determined by the type of vehicle, age, mileage, and maintenance costs. This vehicle is also showing signs of rust.

Handgun Replacement - 2030

• $150,000 – 2030

•Replacement of handguns, red dot sights and holsters for all Police Officers at the Department

•The current handguns were purchased in 2019. With regular use parts such as the recoil springs, firing pin springs, trigger springs, magazines, and barrels need to be replaced. The individual cost of these items for all department issued guns can total the cost of purchasing a new gun. The red dot sights only provide a three year warranty and with regular use they need to be replaced around 10 years. The handgun holster also begin to break and parts deteriorate after heavy use. Our current handguns can be traded in. Trade in value unknown.

Police Patrol

Patrol Vehicle (Replacement for 5313) - 2027

• $78,642 – 2027

•Replacement of squad 5313 (a 2021 fully marked police Chevy Tahoe which does/will exceed 80k miles) with a same or similar pursuit rated vehicle. This patrol vehicle has reached the end of its usable service life.

•This request helps to maintain service levels by ensuring vehicles are replaced on a regular schedule, which helps mitigate excessive maintenance costs. The purpose of the acquisition is to maintain the police department's fleet of squad cars in a reliable fashion while decommissioning squad cars when they reach the end of their usable life before maintenance and repair costs become excessive. Mileage and years of service dictate the need to replace squad cars at intervals not to exceed 100k miles and/or 5 years of service. This replacement vehicle will maintain our fleet at current levels. The request links to the strategic plan initiative of Focusing on the Delivery of Exceptional Public Services - Reliable squad cars with low maintenance and repair costs are critical to the cost effective operations of the police department. Cost estimate is based on state contract pricing through MN dealerships and vehicle upfitting vendors.

Patrol Vehicle (Replacement for 5331) - 2027

• $78,642 – 2027

•Replacement of squad 5331 (a 2023 fully marked police Chevy Tahoe which does/will exceed 80k miles) with a same or similar pursuit rated vehicle. This patrol vehicle has reached the end of its usable service life.

•This request helps to maintain service levels by ensuring vehicles are replaced on a regular schedule, which helps mitigate excessive maintenance costs. The purpose of the acquisition is to maintain the police department's fleet of squad cars in a reliable fashion while decommissioning squad cars when they reach the end of their usable life before maintenance and repair costs become excessive. Mileage and years of service dictate the need to replace squad cars at intervals not to exceed 100k miles and/or 5 years of service. This replacement vehicle will maintain our fleet at current levels. The request links to the strategic plan initiative of Focusing on the Delivery of Exceptional Public Services - Reliable squad cars with low maintenance and repair costs are critical to the cost effective operations of the police department. Cost estimate is based on state contract pricing through MN dealerships and vehicle upfitting vendors.

Patrol Vehicle (Replacement for 5333) - 2027

• $78,642 – 2027

•Replacement of squad 5333 (a 2024 fully marked police Ford Explorer which does/will exceed 80k miles) with a Chevy Tahoe pursuit rated vehicle. This patrol vehicle has reached the end of its usable service life.

•This request helps to maintain service levels by ensuring vehicles are replaced on a regular schedule, which helps mitigate excessive maintenance costs. The purpose of the acquisition is to maintain the police department's fleet of squad cars in a reliable fashion while decommissioning squad cars when they reach the end of their usable life before maintenance and repair costs become excessive. Mileage and years of service dictate the need to replace squad cars at intervals not to exceed 100k miles and/or 5 years of service. This replacement vehicle will maintain our fleet at current levels. The request links to the strategic plan initiative of Focusing on the Delivery of Exceptional Public Services - Reliable squad cars with low maintenance and repair costs are critical to the cost effective operations of the police department. Cost estimate is based on state contract pricing through MN dealerships and vehicle upfitting vendors.

Patrol Vehicle (Replacement for 5260) - 2027

• $78,642 – 2027

•Replacement of squad 5260 (a 2016 fully marked police Chevy Tahoe which does/will exceed 80k miles) with a same or similar pursuit rated vehicle. This patrol vehicle has reached the end of its usable service life.

•This request helps to maintain service levels by ensuring vehicles are replaced on a regular schedule, which helps mitigate excessive maintenance costs. The purpose of the acquisition is to maintain the police department's fleet of squad cars in a reliable fashion while decommissioning squad cars when they reach the end of their usable life before maintenance and repair costs become excessive. Mileage and years of service dictate the need to replace squad cars at intervals not to exceed 100k miles and/or 5 years of service. This replacement vehicle will maintain our fleet at current levels. The request links to the strategic plan initiative of Focusing on the Delivery of Exceptional Public Services - Reliable squad cars with low maintenance and repair costs are critical to the cost effective operations of the police department. Cost estimate is based on state contract pricing through MN dealerships and vehicle upfitting vendors.

Patrol Vehicle (Replacement for 5285) - 2027

• $78,642 – 2027

•Replacement of squad 5285 (a 2019 fully marked police Dodge Charger which does/will exceed 80k miles) with a Chevy Tahoe pursuit rated vehicle. This patrol vehicle has reached the end of its usable service life.

•This request helps to maintain service levels by ensuring vehicles are replaced on a regular schedule, which helps mitigate excessive maintenance costs. The purpose of the acquisition is to maintain the police department's fleet of squad cars in a reliable fashion while decommissioning squad cars when they reach the end of their usable life before maintenance and repair costs become excessive. Mileage and years of service dictate the need to replace squad cars at intervals not to exceed 100k miles and/or 5 years of service. This replacement vehicle will maintain our fleet at current levels. The request links to the strategic plan initiative of Focusing on the Delivery of Exceptional Public Services - Reliable squad cars with low maintenance and repair costs are critical to the cost effective operations of the police department. Cost estimate is based on state contract pricing through MN dealerships and vehicle upfitting vendors.

Patrol Vehicle (Replacement for 5288) - 2027

• $78,642 – 2027

•Replacement of squad 5288 (a 2019 fully marked police Chevy Tahoe which does/will exceed 80k miles) with a same or similar pursuit rated vehicle. This patrol vehicle has reached the end of its usable service life.

•This request helps to maintain service levels by ensuring vehicles are replaced on a regular schedule, which helps mitigate excessive maintenance costs. The purpose of the acquisition is to maintain the police department's fleet of squad cars in a reliable fashion while decommissioning squad cars when they reach the end of their usable life before maintenance and repair costs become excessive. Mileage and years of service dictate the need to replace squad cars at intervals not to exceed 100k miles and/or 5 years of service. This replacement vehicle will maintain our fleet at current levels. The request links to the strategic plan initiative of Focusing on the Delivery of Exceptional Public Services - Reliable squad cars with low maintenance and repair costs are critical to the cost effective operations of the police department. Cost estimate is based on state contract pricing through MN dealerships and vehicle upfitting vendors.

Patrol Vehicle (Replacement for 5299) - 2027

• $78,642 – 2027

•Replacement of squad 5288 (a 2020 fully marked police K9 Chevy Tahoe which does/will exceed 80k miles) with a same or similar pursuit rated vehicle. This patrol vehicle has reached the end of its usable service life.

•This request helps to maintain service levels by ensuring vehicles are replaced on a regular schedule, which helps mitigate excessive maintenance costs. The purpose of the acquisition is to maintain the police department's fleet of squad cars in a reliable fashion while decommissioning squad cars when they reach the end of their usable life before maintenance and repair costs become excessive. Mileage and years of service dictate the need to replace squad cars at intervals not to exceed 100k miles and/or 5 years of service. This replacement vehicle will maintain our fleet at current levels. The request links to the strategic plan initiative of Focusing on the Delivery of Exceptional Public Services - Reliable squad cars with low maintenance and repair costs are critical to the cost effective operations of the police department. Cost estimate is based on state contract pricing through MN dealerships and vehicle upfitting vendors.

Admin Unmarked Squad Replacements - Ongoing

• $53,000 – 2027; $53,000 – 2028; $53,000 – 2029; $55,000 – 2031

•Future admin squad replacements. These vehicles are issued to command staff and are on a similar replacement schedule as detectives. They have emergency response capabilities.

•For unmarked admin squads the recommendation of replacement at 5 years/100k miles, does not always apply. Some admin vehicles have very low mileage and are in good condition. Therefore, admin vehicles are replaced on a more irregular schedule which is determined by the type of vehicle, age, mileage, and maintenance costs.

Annual Patrol Squad Replacements - Ongoing

• $560,000 – 2028; $586,000 – 2029; $617,000 – 2030; $640,000 – 2031

•These replacements are on a regular rotation schedule of approximately 8 vehicles per year.

•This request helps to maintain service levels by ensuring vehicles are replaced on a regular schedule, which helps mitigate excessive maintenance costs. Mileage and years of service dictate the need to replace squad cars at intervals not to exceed 100k miles and/or 5 years of service.

Police Response UTV (New) - 2029

• $50,000 – 2029

•An additional UTV equipped with emergency lighting, siren, and computer docking station to respond to calls for service and conduct pro-active patrol.

•The Police Department already utilizes a UTV for NSC soccer tournaments, beach patrol, walking path patrol, and the 3M golf tournament. WIth most of these events occurring at the same time, the Police Department often has to borrow Anoka County Sheriffs' UTV or the Anoka County Emergency Management's UTV. With the amount of events occurring currently and expected future events with the development of 105th Ave, the Police Department is seeking an additional UTV.

Replacement UAS - 2029

• $30,000 – 2029

•Purchase a new replacement UAS (drone) for patrol use. The old UAS was purchased in 2023.

•This replacement will be for new technology to the UAS and controller and include enhanced cameras to maintain BPD's two UAS fleet.

Detective Vehicle Replacement (2 vehicles) - 2028

• $106,000 – 2028

•Replacement of detective vehicles as they age. The current fleet of detective vehicles is comprised of a wide variety of makes and models, ranging in age from 1-over 10 years old.

• For detective's vehicles, the recommendation of replacement at 5 years/100k miles, does not always apply. Some of the vehicles have very low mileage and are in good condition with all the police equipment installed after 8-10 years. Therefore, detective vehicles are replaced on a more irregular schedule which is determined by the type of vehicle, age, mileage, and maintenance costs.

Detective Vehicle Replacement - 2030, 2031

• $55,000 – 2030; $55,000 – 2031

•Replacement of detective vehicles as they age. The current fleet of detective vehicles is comprised of a wide variety of makes and models, ranging in age from 1-over 10 years old.

• For detective's vehicles, the recommendation of replacement at 5 years/100k miles, does not always apply. Some of the vehicles have very low mileage and are in good condition with all the police equipment installed after 8-10 years. Therefore, detective vehicles are replaced on a more irregular schedule which is determined by the type of vehicle, age, mileage, and maintenance costs.

Community Standards

Community Standards Squad (Replacement) - Ongoing

• $75,000 – 2028; $75,000 – 2029; $75,000 – 2030; $75,000 – 2031

•Replace a Community Standards squad reaching the end of its life cycle.

•Heavy Duty AWD Utility type vehicles are required because all inspectors are fire responders, must be able to drive on to unimproved job sites for inspections and be large enough to carry inspection equipment, firefighter turnout gear & water rescue equipment. Vehicles will be equipped with emergency lights and siren for fire response. The typical replacement schedule for a squad is every 10 years. The existing squads were all purchased around the same time and will need to be replaced in rapid succession.

417 - Public Safety Aid

Patrol Vehicle (2 New) - 2028

• $156,000 – 2028

•Our squad car fleet is already stretched very thin. Without additional squad cars being added to the fleet, even minor disruptions from mechanical issues, crashes or recalls could have a devastating impact on our ability to provide services. We respectfully request this modest addition to the fleet to maintain public safety service levels.

•This request helps to maintain service levels by ensuring that our fleet of Patrol Vehicles is increased proportionately with staffing increases.

The Patrol Division Staffing Study of 2020 provided the justification and authorization for 2 officers to be added to our overall strength each year for 5 years or until growth patterns diminish. Squad cars are generally shared between 2 to 3 officers, depending on the coordination of overlapping schedules. With 10 additional officers added over the course of 5 years, a total of 5 squad car additions are required to keep our officer's mobile. 3 additional squad cars were authorized in 2023 (only 2 have been received). The addition of 2 marked squad cars to our fleet will also help to extend the lifetime of our existing squad cars, allowing for less continuous run-time of each patrol vehicle. The request links to the strategic plan initiative of Focusing on the Delivery of Exceptional Public Services - Reliable squad cars with low maintenance and repair costs are critical to the cost effective operations of the police department. Cost estimate is based on state contract pricing through MN dealerships. 54 Patrol Officers (authorized) would be sharing 22 Marked Patrol Vehicles = 2.45 Officers assigned per Squad Car. Adding 2 Vehicles to the fleet: 54 Patrol Officers (authorized) would be sharing 24 Marked Patrol Vehicles = 2.25 Officers assigned per Squad Car.

Street Maintenance

Heavy Duty Single Axle Truck With Plow Package - 2027

• $410,000 – 2027

•Heavy duty single axle dump truck outfitted with all the required snow equipment. Includes front plow, wing plow, underbody plow, salt spreader, and brine system. Smart system included to be compliant with MPCA salting/stormwater requirements.

•Replacing a 2002 heavy duty dump truck, with 56,000 miles, unit #1203.

Heavy Duty Single Axle Truck With Plow Package - 2027

• $410,000 – 2027

•Heavy duty single axle dump truck outfitted with all the required snow equipment. Includes front plow, wing plow, underbody plow, salt spreader, and brine system. Smart system included to be compliant with MPCA salting/stormwater requirements.

•Replacing a 2002 heavy duty dump truck, with 54,000 miles, unit #1211.

Medium Duty Bucket Truck With Specialized Equipment - 2027

• $260,000 – 2027

•This bucket truck is a specialized piece of equipment used nearly on a daily basis, year-round, for tree trimming and tree removal, or anywhere that an extended reach is needed. It is relied upon to be used during emergency situations including storm damage, street clearing, and EAB and hazardous tree removals. It will replace unit #1236. Unit 1236 is a 2006 with 40,000 miles and very high engine running hours.

•This unit will replace an 20-year-old F-550 bucket truck. The repair costs on the current unit have risen significantly over the past 3 to 4 years. Additionally, during the last required annual bucket inspection by American Test Center, the truck and bucket failed due to structural cracks on the tower and boom. These repairs cannot be done in-house so the unit will need to be sent out for repairs at a significant cost. This unit is habitually in the shop due to needed repairs on one of the multiple different system components that this vehicle has. In 3 years, over $45,000 has been spent, not including routine maintenance, on keeping this unit operational. In 2024, public works needed to rent a bucket truck for 2 months at a total cost of $8,000 because the old bucket truck was being repaired.

Medium Duty Woodchipper - 2027

• $175,000 – 2027

•Large woodchipper that is pulled behind a medium duty truck. This is used for storm clean up and tree trimming throughout the City.

•The current machine is a 2006 with approximately 1,500 hours on it, unit #1238.

Medium Duty Dump Truck with Plow Package - 2027

• $140,000 – 2027

•Medium sized dump truck with plow package used to move snow and haul miscellaneous material.

•Replacing a 2000 Ford F-450 with 83,000 miles, unit #1202.

Medium Duty Air Compressor - 2027

• $80,000 – 2027

•Air compressor. It is pulled behind a medium duty truck for blowing debris during the crack sealing process and irrigation blowouts.

•Replacing a 1996 Leroi air compressor with 2,000 hours, unit #1135.

Heavy Duty Single Axle Hook with Plow Package - 2028

• $411,535 – 2028

•Heavy duty single axle hook truck outfitted with all the required snow equipment. Includes front plow, wing plow, underbody plow, salt spreader, and brine system. Smart system included to be compliant with MPCA salting/stormwater requirements.

•Replacing a 2006 heavy duty hook truck, with 80,000 miles, unit #1201.

Heavy Duty Single Axle Truck with Plow Package - 2028

• $411,534 – 2028

•Heavy duty single axle dump truck outfitted with all the required snow equipment. Includes front plow, wing plow, underbody plow, salt spreader, and brine system. Smart system included to be compliant with MPCA salting/stormwater requirements.

•Replacing a 2014 heavy duty hook truck, with 42,000 miles, unit #1269.

Medium Duty Dump Truck with Plow Package - 2028

• $140,000 – 2028

•Medium sized dump truck with plow package used to move snow and haul miscellaneous material.

•Replacing a 2002 Ford F-450 with 84,000 miles, unit #1204.

Medium Duty Tracked Skid Loader - 2028

• $120,000 – 2028

•Tracked skid loader used for stump grinding, yard restoration, snow plowing, mowing, loading material, grinding, milling, etc.

•Replace a 2019 A770 All Wheel Steer Skid Loader with 910 hours, unit #1253. This is part of a trade in program that public works utilizes to receive the best trade in value for the machine. The skid loaders are typically traded in at year 3 or 4.

Light Duty Multipurpose Utility Vehicle with V-Plow and Blower - 2028

• $90,000 – 2028

•Light duty utility vehicle used to plow snow on trails, dirt work, mow, sweeping, etc.

•This is not replacing a current machine; this would allow an increase in service levels.

Heavy Duty Road Grader - 2029

• $454,619 – 2029

•Heavy equipment used to maintain travel roads. Used grader.

•Replacing a 1991 Cat road grader with approximately 2,500 hours, unit #1119. Public Works have explored renting a similar machine or contracting the service out, but the options were not available.

Heavy Duty Single Axle Truck with Plow Package - 2029

• $410,000 – 2029

•Heavy duty single axle dump truck outfitted with all the required snow equipment. Includes front plow, wing plow, underbody plow, salt spreader, and brine system. Smart system included to be compliant with MPCA salting/stormwater requirements.

•Replacing a 2016 heavy duty dump truck, with 20,000 miles, unit #1278.

Heavy Duty Single Axle Truck with Plow Package - 2029

• $410,000 – 2029

•Heavy duty single axle dump truck outfitted with all the required snow equipment. Includes front plow, wing plow, underbody plow, salt spreader, and brine system. Smart system included to be compliant with MPCA salting/stormwater requirements.

•Replacing a 2015 heavy duty dump truck, with 22,000 miles, unit #1272.

Heavy Duty Front End Wheel Loader - 2029

• $300,000 – 2029

•Heavy duty end wheel loader used for clearing snow (specific snow route including City parking lots), loading materials, and storm damage clean up.

•Replacing 2017 Loader with 2,000 hours, unit #1282.

Heavy Duty Tandem Axle Dump truck With Plow Package - 2030

• $490,000 – 2030

•Heavy duty tandem axle dump truck outfitted with all the required snow equipment.

•Includes front plow, wing plow, underbody plow, salt spreader, and brine system. Smart system included to be compliant with MPCA salting/stormwater requirements. Replacement of unit #1279.

Heavy Duty Front End Wheel Loader - 2030

• $450,000 – 2030

•Heavy duty wheel end loader used for clearing snow (specific snow route including City parking lots), loading materials, and storm damage clean up.

•Replacing 2019 Loader with 2,000 hours, unit #1294.

Heavy Duty Tractor - 2030

• $240,000 – 2030

•Replacement tractor to be used for summer mowing and winter snow plowing operations.

•Frequently used equipment, aging rapidly. Replacing unit #1276.

Light Duty Multipurpose Utility Vehicle with V-Plow and Blower - 2030

• $135,000 – 2030

•Light duty utility vehicle used to plow snow on trails, dirt work, mow, sweeping, etc.

•Replacing aging unit #1312.

Heavy Duty Tandem Axle Dump truck With Plow Package - 2031

• $600,000 – 2031

•Heavy duty tandem axle dump truck outfitted with all the required snow equipment.

•Includes front plow, wing plow, underbody plow, salt spreader, and brine system. Smart system included to be compliant with MPCA salting/stormwater requirements. Replacement truck for unit #1281.

Heavy Duty Single Axle Truck with Plow Package - 2031

• $500,000 – 2031

•Heavy duty single axle dump truck outfitted with all the required snow equipment. Includes front plow, wing plow, underbody plow, salt spreader, and brine system. Smart system included to be compliant with MPCA salting/stormwater requirements.

•Replacement truck for unit #1286.

Heavy Duty Single Axle Truck with Plow Package - 2031

• $500,000 – 2031

•Heavy duty single axle dump truck outfitted with all the required snow equipment. Includes front plow, wing plow, underbody plow, salt spreader, and brine system. Smart system included to be compliant with MPCA salting/stormwater requirements.

•Replacement truck for unit #1287.

Foreperson's vehicle - 2031

• $80,000 – 2031

•Foreperson's vehicle replacement

•Replacing unit #1296.

Supervisor's vehicle - 2031

• $75,000 – 2031

•Supervisor's vehicle

•Replacement for unit #1295.

Hot Box Insert for Patching - 2031

• $65,000 – 2031

•Replacing a 15 year old unit.

•Replacing unit #1235.4

Light Duty Zero Turn Mower - 2031

• $40,000 – 2031

•Zero turn mower used for mowing routes in the streets division.

•Replacement of mower #2426.

Light Duty Zero Turn Mower - 2031

• $40,000 – 2031

•Zero turn mower used for mowing routes in the streets division.

•Replacement of mower #2427.

Park Maintenance

Heavy Duty Commercial Mower - 2027

• $180,000 – 2027

•Commercial mower used for mowing large parks and open spaces.

•Replacing a 2009 unit with 6,000 hours, unit #2348.

Medium Duty Dump Truck with Plow Package - 2027

• $140,000 – 2027

•Medium sized dump truck with plow package used to move snow and haul miscellaneous material.

•Replacing a 2002 Ford F-450 with 95,000 miles, unit #1205.

Medium Duty Tractor - 2027

• $90,000 – 2027

•Medium duty tractor used for mowing and ice rink maintenance.

•Replacing a 2012 unit with 3,000 hours, unit #2371.

Light Duty Ball Field Groomer - 2027

• $60,000 – 2027

•Ball field groomer.

•Replacing a SmithCo 2010 unit with 2,060 hours, unit #2356.

Light Duty Zero Turn Mower - 2027

• $55,000 – 2027

•Zero Turn Mower used for mowing parks throughout the City.

•General replacement of aging mowers. This will replace a 2015 mower with12,300 hours, unit #2384. The new unit will have a variable cutting width of 100 inches versus a 60 inch that it will replace.

Light Duty Multipurpose Utility Vehicle - 2027

• $25,000 – 2027

•Light duty multipurpose utility vehicle used for transporting supplies to ball fields for maintenance.

•Replacing a 2015 unit with 810 hours, unit #2385.

Medium Duty Tractor - 2028

• $100,000 – 2028

•Medium duty tractor used for mowing and ice rink maintenance.

•Replacing a 2002 unit with 2,400 hours, unit #2320.

Light Duty Multipurpose Utility Vehicle with V-Plow and Blower - 2028

• $80,000 – 2028

•Utility vehicle used to plow snow on trails, dirt work, mowing, sweeping, etc.

•Replacing the 2021 Multipurpose Utility Vehicle with 1,300 hours, unit #1309.

Light Duty Pickup Truck - 2028

• $75,000 – 2028

•Truck is used for transportation to and from parks. Hauling miscellaneous items. Seasonal vehicle.

•Replacing a 2005 truck with 107,000 miles, unit #2329.

Light Duty Pickup Truck - 2028

• $75,000 – 2028

•Seasonal vehicle used for transportation to and from parks and hauling miscellaneous items.

•Replacing a 2006 truck with 93,000 miles, unit #1239.

Light Duty Zero Turn Mower - 2028

• $40,000 – 2028

•Zero Turn Mower used for mowing parks throughout the City.

•General replacement of aging mowers. This will replace a 2016 mower with 2,300 hours, unit #2389.

Light Duty Zero Turn Mower - 2028

• $40,000 – 2028

•Zero Turn Mower used for mowing parks throughout the City.

•General replacement of aging mowers. This will replace a 2017 mower with 1,400 hours, unit #2392.

Light Duty Line Striper for Athletic Fields - 2028

• $18,000 – 2028

•Line striper for athletic fields.

•Replacing a 2009 unit with 1,100 miles, unit #2362.

Light Duty Pick Up Truck - 2029

• $75,000 – 2029

•Seasonal vehicle used for transportation to and from parks and hauling miscellaneous items.

•Replacing a 2007 with 60,000 miles, unit #2343.

Light Duty Lawn and Leaf Vacuum - 2029

• $50,000 – 2029

•Lawn vacuum that aids in the maintenance of turf and fall leaf clean up with tractor attachment. This tool lifts grass and leaves from the lawn surface that would otherwise kill the grass if left on it.

•New equipment needed to maintain service levels.

Light Duty Zero Turn Mower - 2029

• $40,000 – 2029

•Zero Turn Mower used for mowing parks throughout the City.

•General replacement of aging mowers. This will replace a 2017 mower with 1,700 hours, unit #2394.

Light Duty Zero Turn Mower - 2029

• $40,000 – 2029

•Zero Turn Mower used for mowing parks throughout the City.

•General replacement of aging mowers. This will replace a 2018 mower with 1,000 hours, unit #2366.

Heavy Duty Commerical Mower - 2029

• $180,000 – 2030

•Commercial mower used for mowing large parks and open spaces.

•Replacing a 2016 unit with 3,400 hours, unit #2390.

Medium Duty Tracked Skid Loader - 2030

• $130,000 – 2030

•Tracked skid loader used for stump grinding, yard restoration, snow plowing, mowing, loading material, grinding, milling, etc.

•Replacing a 2020 unit with 540 hours, unit #2305. This is part of a trade in program that public works utilizes to receive the best trade in value for the machine. The skid loaders are typically traded in at year 3 or 4.

Light Duty Pickup With Plow Package And Specialized Equipment - 2030

• $130,000 – 2030

•This truck will be used for parks maintenance and winter snow plowing operations.

•Replacement of aging equipment, unit #5141.

Light Duty Zero Turn Lawn Mower - 2030

• $50,000 – 2030

•Zero turn lawn mower used to mow parks and other city owned facilities.

•Replacement of aging equipment, unit #2400. Replacement unit undecided at this time.

Light Duty Line Striper for Athletic Fields - 2030

• $20,000 – 2030

•Line striper for athletic fields.

•Replacing a 2009 unit with 1,040 hours, unit #2363.

Heavy Duty Commercial Mower - 2031

• $200,000 – 2031

•Commercial mower used for mowing large parks and open spaces.

•Replacing a commercial mower, unit #2411, that mows large parks and open spaces.

Heavy Duty Woodchipper - 2030

• $120,000 – 2031

•Woodchipper is used for grinding brush and wood. Clean up from storm damage.

•Replacing a 2014 Brush Bandit with 3,000 hours, unit #2377. This is a piece we can't go without or have go down for long periods of time.

Light duty pickup - 2031

• $75,000 – 2031

•Light duty pickup to replace aging unit.

•Replace aging unit #2407.

Light Duty Zero Turn Mower - 2031

• $60,000 – 2031

•Zero Turn Mower used for mowing parks throughout the City.

•General replacement of aging mowers, unit #2408. The new unit will have a variable cutting width of 100 inches versus a 60 inch that it will replace.

Light Duty Zero Turn Mower - 2031

• $60,000 – 2031

•Zero Turn Mower used for mowing parks throughout the City.

•General replacement of aging mowers unit #2416. The new unit will have a variable cutting width of 100 inches versus a 60 inch that it will replace.

Light Duty Zero Turn Mower - 2031

• $60,000 – 2031

•Zero Turn Mower used for mowing parks throughout the City.

•General replacement of aging mowers. The new unit will have a variable cutting width of 100 inches versus a 60 inch that it will replace.

Light Duty Ball Field Groomer - 2031

• $50,000 – 2031

•Ball Field Groomer with GPS.

•Replacing unit #2259.

Vehicle & Equipment Maintenance

In-Floor Hoist - 2027

• $40,000 – 2027

•In-floor hoist used for lifting equipment that requires repair and/or maintenance.

•The old hoist is rated at 12,000 lb. lifting capacity. Due to the use and age of the hoist, it cannot lift that weight anymore and can cause safety issues. The average life of a hoist is 10 years. This hoist will be 20 years old in 2027, far exceeding the average life of this type of equipment.

Medium Duty Service Truck with Crane - 2028

• $245,000 – 2028

•Service truck with crane used any service call within the City. When equipment breaks down, this truck responds and is equipped with all the necessary tools to address the roadside issues.

•Replacing a 2018 with 15,000 miles, unit #1292. The current service truck which is not equipped in a manner that suites our needs will be passed down to streets.

High Voltage Outlets in Maintenance Shop - 2028

• $25,000 – 2028

•Addition of high voltage outlets in maintenance shop. Currently high voltage outlets are available in the fabrication shop only.

•When the shop was originally built, they neglected to install 220-volt outlets to run electrical equipment such as welders, drills, and saws. Currently, the only way to use such equipment is to go into the fabrication shop which is not always practical due to limited space.

Band Saw - 2029

• $35,000 – 2029

•Band saw used for all fabrication cutting of steel. The new one will have additional safety features to help protect the operator. Auto locking jaw, auto feed, and auto oiler are additional safety features.

•This band saw will replace an older model, unit #1189 that doesn't have added safety features.

Automotive Scanner - 2029

• $13,500 – 2029

•Automotive scanner used to communicate with squad vehicles and Public Works small equipment computer systems. It assists the shop with analyzing running issues.

•The current scanner will be phased out eventually. As software is developed the scanner requirements change.

Light Duty Pickup With Specialized Equipment - 2030

• $140,000 – 2030

•This truck is used to transport mechanics to job sites, pick up parts, etc. This will be replacing a old squad car that was repurposed.

•Replacement of aging equipment, unit #5280.

Portable hoists for maintenance shop - 2031

• $50,000 – 2030

•Purchase of a set of portable vehicle hoists (mobile column lifts) for the maintenance shop. These hoists are designed to safely lift heavy-duty vehicles, trucks, and fleet equipment for inspection, preventive maintenance, repairs, and component replacement. The portable, wireless design allows the hoists to be used anywhere within the maintenance facility, including both indoor and outdoor work areas, providing flexibility to perform maintenance where it is most efficient. The lifts can be configured to accommodate a wide range of vehicle sizes and wheelbases, maximizing shop versatility and operational capability.

•Purchase of portable vehicle hoists to safely lift heavy-duty fleet vehicles for maintenance and inspection. The hoists will improve technician safety, increase maintenance efficiency, reduce vehicle downtime, provide flexibility across multiple service bays, and support reliable fleet operations for current and future equipment needs.

Finance & Information Technology

Computers and Related Equipment - Ongoing

• $89,300 – 2027; $111,400 – 2028; $109,750 – 2029; $126,450 – 2030; $125,450 – 2031

• 5-year scheduled replacement for staff computers, related equipment and contingency funds for unforeseen staff technology needs.

• Older computers become slower and less efficient over time, leading to lost productivity. As computers age, they require more maintenance and repairs. As software and operating systems evolve, older hardware may struggle to run newer applications efficiently or at all. A 5-year replacement cycle helps ensure hardware remains compatible with critical business software. Providing staff with up-to-date technology can improve morale and job satisfaction. Employees are likely to be more productive and happier when using reliable, efficient equipment.

Squad Laptops - Ongoing

• $70,000 – 2027; $72,000 – 2028; $70,000 – 2029; $75,000 – 2030; $70,000 – 2031

•Scheduled 4-year replacement of the semi-rugged laptops used in our police squad cars.

•As technology evolves rapidly, newer laptop models offer improved performance, better processing power, and enhanced features that can help officers work more efficiently. Older laptops are more prone to hardware failures and performance issues, which could potentially impact critical police operations. Replacing them regularly helps ensure officers have reliable equipment. As laptops age, they often require more frequent repairs and maintenance. Replacing them on a regular cycle can help reduce overall maintenance expenses.

Multi-Function Printers - Ongoing

• $13,000 – 2027; $12,000 – 2028; $33,000 – 2029; $39,000 – 2030; $22,000 – 2031

•Scheduled 10-year replacement of our departmental multi-function printers/copiers.

•Newer models often offer enhanced features, improved efficiency, and better compatibility with modern office systems. As copiers age, maintenance and repair costs tend to increase. By year 10, these costs may outweigh the benefits of keeping the old machine. Older copiers may experience more frequent breakdowns, reduced print quality, and slower performance, which can impact office productivity. Manufacturers typically stop producing parts for copiers about 10 years after the production date. This can make repairs difficult or impossible for machines older than 10 years.

Fiber Optic Cable Run to Cold Storage and Police Training Buildings - 2029

• $155,100 – 2029

•Run fiber optic cable to the City's property at 9930 Xylite St NE. This includes the Cold Storage building and the Police Training building.

•This location currently uses an old Motorola Canopy system for network connectivity that is no longer supported and needs replacing. Network connectivity at these facilities is required for fire alarm systems and door and video security. It can also be used for staff to access the police network and the Internet. Some advantages having our own fiber network include:

1. Increased bandwidth and speed: Fiber optic cables offer significantly higher bandwidth and faster data transmission speeds compared to traditional copper cables, allowing for more efficient communication and data transfer between municipal buildings.
2. Improved reliability: Fiber optic networks are more reliable and less susceptible to interference from electromagnetic sources or weather conditions, ensuring consistent connectivity for critical municipal operations.
3. Futureproofing: Fiber optic infrastructure is highly scalable and can accommodate future increases in bandwidth demands, making it a long-term investment for the city.
4. Enhanced municipal services: High-speed fiber connectivity enables the implementation of advanced smart city applications, improved emergency services communication, and more efficient delivery of government services to citizens.
5. Cost savings: While initial installation costs may be higher, fiber optic networks can lead to long-term cost savings through reduced maintenance and increased operational efficiency.

6. Improved security: Fiber optic cables are more secure than traditional copper cables, making them ideal for transmitting sensitive government data and information.
7. Disaster recovery and business continuity: Fiber optic networks can provide redundant connectivity options, ensuring that critical municipal services remain operational during emergencies or network outages. By connecting remote municipal buildings to the city's fiber network, local governments can improve their operational efficiency, enhance service delivery, and position themselves for future technological advancements and smart city initiatives.

SAN and Server Upgrade - 2030

• $300,000 – 2030

•Upgrade to the Storage Area Network (SAN) and the servers that host our file storage systems and network applications.

•By the time of replacement, this equipment will be 8 years old and nearing end-of-life, increasing the risk of hardware failure and lack of support. The upgrade will deliver major improvements in performance, enhance data security, and ensure the stability and reliability of our core computing infrastructure.

Building Inspections

Building Inspector Vehicle - Ongoing

• $51,500 – 2027; $106,090 – 2028; $54,636 – 2029; $56,275 – 2030

•Purchase of vehicle for Building Inspections as recommended by Public Works.

•This purchase is to replace aging vehicles as recommended by Public Works. We intend to use the new ford explorers for inspectors, and shift the oldest explorers for intern use or as directed by Public Works.