

## **Infrastructure Improvement Project**

### **Frequently Asked Questions**

**1. What is the schedule for the proposed project?**

The City is currently completing the Preliminary Engineering Report (PER) and Environmental Review (ER) work that initiates the process through USDA-Rural Development (RD). From this work a proposed project scope and funding plan is developed and approved. This work is expected to be completed in late 2020. Once that is reviewed and a detailed plan determined, plans and specification for the proposed projects would proceed. This is proposed to start later this year and be completed and approved in 2021. After additional public engagement and approvals, the construction would likely occur in 2022.

**2. Will there be assessments involved with the Infrastructure Improvement Project?**

Yes. Assessments for new infrastructure improvements will be implemented per City policy for properties that directly benefit from new sanitary sewer, water main, storm sewer and street improvements. Additional public hearings will be held as part of this process. This is part of the complete funding package that will be developed for the project

**3. Will utility rates increase to fund the project? If so, how much?**

Some additional adjustments are likely, although they are not expected to be substantial. The proposed utility rates are determined as part of the PER process based on affordability guidelines and an analysis of the complete funding package. The City has proactively adjusted rates to near levels of other communities that have completed RD projects in order to address current project funding needs, so future increases are expected to be incremental.

**4. Will property taxes increase?**

Yes. A portion of the project costs will be covered by long-term loans from USDA-Rural Development as well as shorter terms bonds for non-RD eligible costs. Some of the payments for these debts will be paid through the noted assessments and utility rates, while some of the costs will be covered through property taxes. Past city improvements projects have utilized General Obligation bonds and other forms of debt that are paid through property taxes. This is part of the complete funding package that will be developed for the project

**5. What is the probability of getting grant money from Rural Development?**

It is expected that a significant portion of the sanitary sewer/wastewater and drinking water related construction costs (25 – 45%) will be eligible for USDA-Rural Development grants. This is one of the primary reasons that the City is utilizing the USDA-Rural Development process. This funding has been utilized by many communities in Minnesota, and has been a reliable source of funding to help meet a community's infrastructure needs.

6. If we do not get grant money or not enough to help fund the entire project, what is the next step?

The PER is being completed to determine what are the community's most significant infrastructure needs, as well as how much the City can afford to complete as part of the initial project. The size and scope of the actual project will be determined based on the availability of grants and loans, and the overall affordability of the project. It is not likely that all of the identified community infrastructure needs can be addressed at one time. The completed PER will provide recommended infrastructure improvements based on funding, community priorities, and other factors.

7. Will there be service lines replaced going to the homes?

Yes. Infiltration and inflow (I/I) coming through clay and concrete sanitary sewer services on private property has been identified as a significant contributor to high flows in the sanitary sewer system. This includes foundation and roof drain connections, sump pump discharges, and leaky and cracked joints. The capacity issues in the system cannot be fully addressed without replacing the services. In addition, many of the older service lines have been identified as concrete field tile or other material that are in very poor condition, which could lead to pipe failure and/or blockages that could cause sewer back-ups into homes. By including this work within the RD project, there is also the potential to receive additional grant funding.

8. How will sump pump discharges be addressed?

Most homes in Silver Lake have groundwater protection systems with sump pumps to protect their basements. When the leaky sanitary sewer system is addressed as part of the project there is the potential that groundwater could rise in the area, creating additional issues and concerns. The project is proposed to improve storm sewer systems, as well as provide sump connections/baskets in the boulevard where discharge hoses can be connected. In addition, it is recommended that property owners review the condition of their private sewer and waterproofing systems.