



ENGINEERING DEPARTMENT

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MEMORANDUM

TO: Gary T. Barczak
Vince Vitale
Thomas G. Lajsic
Cathleen M. Probst
Rosalie L. Reincke

FROM: Peter C. Daniels, Principal Engineer *PCD*

DATE: September 6, 2016

RE: **Communication from Principal Engineer regarding 2017 Special Assessment Rates**

The Engineering Department is recommending a 5% across the board increase in the 2017 special assessment rates. While the special assessment rates have been keeping up with inflation in recent years, the rates have not erased the losses from previous decades of inflation. Over the last 20 years the fluctuations in cost to the City have alternated between steep increases of as much as 18% in a single year to small decreases in other years like last year where costs declined by 1% for a new concrete road. As a result, the special assessments charged to the property owners still only recoup 20% to 40% of the total paving cost for a standard 30' wide street.

The special assessment rates used by the City of West Allis for 70 years between the 1900's and 1970's had been based on the premise that the property owner would pay the full cost (**100%**) of the pavement in front of their property. And in turn everyone else would also pay 100% of the cost for the street in front of their own property. This is how the City funded the rapid growth of new homes and roads between 1926 and 1929. The paving boom reached a climax in 1928 when over 6.1 miles of road were paved in a single year compared to this year's mileage of only 2.7 miles being paved in 2016. The City did not use any tax dollars to build these roads in 1928 since the residents paid the full cost, including the engineering costs. Ironically these are the very same roads from 1928 that are now 88 years old and falling apart faster in 2016 than the City can replace them due to a lack of paving funds.

As my memorandum to the Council stated exactly one year ago on September 1, 2015, the City of West Allis is no longer keeping up with a sustainable program to repave the streets needing repair under our

jurisdiction. This can be attributed to inflation and a loss of buying power as well as a dramatic increase in underground utility work now that the City's underground infrastructure is also over 100 years old.

The City has not raised our bonding limit for street improvements since 2007 when it was raised from \$2,500,000 to **\$2,750,000** (Charter Ordinance No. 19 passed on April 17, 2007). The previous increase in bonding occurred in 2004 when it was raised from \$2,000,000 to \$2,500,000 (Charter Ordinance No. 18 passed on September 7, 2004). But the City is now spending less in real dollars on street repairs in 2016 than they did in 2003 when the bonding limit was only \$2,000,000. This is because the current bonding limit of \$2,750,000 only purchases **\$1,881,400 of real work in 2003 dollars**.

In 1999 the City was repaving over 3.5 miles of street per year on average, which translated into a sustainable 50 year paving cycle. But by the year 2020 the average miles of street repaved each year is projected to drop to under 2.5 miles per year. This translates into a 70 year paving cycle for our roads. It is not practically possible to build a road that will last much beyond 50 years without performing some sort of repair such as a resurfacing or patching. So paving less than 3.5 miles per year is not sustainable and will leave a glut of work for the next generation.

Therefore we would like to recommend that the special assessment rates increase 5% for 2017 in order to counteract the loss of buying power due to inflation in the construction industry.

City of West Allis
2017 STANDARD ASSESSMENT RATES- 5% increase

<u>Type of Improvement</u>	<u>Standard</u> (100%)	<u>Comm.</u> (125%)	<u>Mfg.</u> (150%)
Street Paving:			
New Construction.....	96.81	121.01	145.22
Reconstruction (60% of new rate).....	58.09	72.61	87.13
Major Asphalt Resurface/Rural Section Asphalt (50% of new rate).....	48.41	60.51	72.61
Minor Asphalt Resurface (40% of new street).....	38.72	48.41	58.09
Interim Asphalt Resurface (20% of new construct).....	19.36	24.20	29.04
Concrete Pavement Repair (12% of new construct).....	11.62	14.52	17.43
Service Drive New (2/3 of new construct).....	64.54	80.68	96.81
Service Drive - Resurface (2/3 of minor street resurf).....	25.82	32.27	38.72
Alleys (Concrete)			
..... 20' Wide.....	51.08	63.85	76.62
..... 18' Wide.....	48.20	60.24	72.29
..... 16' Wide.....	45.29	56.61	67.93
..... 15' Wide.....	43.85	54.81	65.77
..... 14' Wide.....	42.39	52.99	63.58
..... 13' Wide.....	40.96	51.33	61.60
..... 12' Wide.....	39.54	49.43	59.31
..... 10' Wide.....	36.65	45.81	54.97
Alleys (Reconstruct)			
..... 20' Wide.....	35.75	44.69	53.63
..... 18' Wide.....	33.74	42.17	50.60
..... 17' Wide.....	32.72	40.90	49.08
..... 16' Wide.....	31.70	39.62	47.55
..... 15' Wide.....	30.71	38.39	46.07
..... 14' Wide.....	29.72	37.14	44.57
..... 13' Wide.....	28.68	34.14	40.97
..... 12' Wide.....	27.65	34.56	41.47
..... 10' Wide.....	25.67	32.09	38.51
Alleys (Resurfacing):			
..... 20' Wide.....	17.88	22.35	26.82
..... 18' Wide.....	16.85	21.07	25.28
..... 16' Wide.....	15.84	19.81	23.77
..... 15' Wide.....	15.34	19.18	23.01
..... 14' Wide.....	14.84	18.55	22.25
..... 13' Wide.....	14.35	17.94	21.53
..... 12' Wide.....	13.86	17.33	20.79
..... 10' Wide.....	12.80	16.00	19.20
Sidewalk:			
5" Concrete (per lin. ft.).....	31.56	31.56	31.56
5" Concrete (per sq. ft.).....	6.33	6.33	6.33
7" Concrete (per lin. ft.).....	36.17	36.17	36.17
7" Concrete (per sq. ft.).....	7.25	7.25	7.25
5" Concrete (per lin. ft.)(sidewalk program only).....	31.56 x50%*	31.56 x62.5%*	31.56 x75%*
7" Concrete (per lin. ft.)(sidewalk program only).....	36.17 x50%*	36.17 x62.5%*	36.17 x75%*
9" Concrete (per lin. ft.)(sidewalk program only).....	45.22 x50%*	45.22 x62.5%*	45.22 x75%*
Mudjacking (per lin. ft.)(sidewalk program only).....	16.15 x50%*	16.15 x62.5%*	16.15 x75%*
Mudjacking (per sq. ft.)(sidewalk program only).....	3.23 x50%*	3.23 x62.5%*	3.23 x75%*
Carriage walk (per sq. ft.)(sidewalk program only).....	6.33 x50%*	6.33 x62.5%*	6.33 x75%*
Service Walk (per sq. ft.).....	6.33 x100%*	6.33 x100%*	6.33 x100%*
*Based on typical shortside of property			
Driveway Approach:			
7" Concrete (per sq. ft.).....	7.25	7.25	7.25
9" Concrete (per sq. ft.).....	9.04	9.04	9.04
Driveway approach grinding, each.....	50.00	50.00	50.00
Misc. Asphalt: (per sq. ft.)			
Includes Walks, Driveways, etc.....	3.87	3.87	3.87
Steps: (per lin. ft. of riser)			
.....	56.78	56.78	56.78
Modular Block or Timber Walls: (per sq. ft.)			
.....	24.30	24.30	24.30
Brick/Stamped Concrete (per sq. ft.)			
.....	9.51	9.51	9.51
Water main: (per lin. ft.)			
.....	56.62	70.77	84.92
Sanitary Sewer Main: (per lin. ft.)			
.....	80.41	100.51	120.61
Storm Sewer Laterals, Each			
.....	649.00	1499.00	full cost
Storm Sewer Lateral w/ extension, Each			
.....	1170.00	full cost	full cost
Sanitary Sewer Laterals, Each			
.....	full cost	full cost	full cost
Water Lateral, Each			
.....	full cost	full cost	full cost