

**Carver County Leaders Meeting  
January 24, 2017 – 7:30 a.m.  
EOC Training Room  
Justice Center Lower Level**



Carver County Board of Commissioners  
January 24, 2017  
Work Session  
County Board Room  
Carver County Government Center  
Human Services Building  
Chaska, Minnesota

PAGE

**WORK SESSION**

9:00 a.m.	<b>A. GROWTH: Manage the challenges and opportunities resulting from growth and development</b>	
	1. Funding Options for High Priority Road & Bridge Projects.....	1-9
	2. CSAH 10 Construction- Waconia School Phase Project Update .....	10
10:30 a.m.	<b>B. Communities: Create and maintain safe, healthy and livable communities</b>	
	1. 2017 AIS Program Update.....	11
11:15 a.m.	<b>BOARD REPORTS</b>	

David Hemze  
County Administrator

**UPCOMING MEETINGS**

January 31, 2017	No Meeting
February 7, 2017	9:00 a.m. Board Meeting
February 14, 2017	No Meeting
February 21, 2017	4:00 p.m. Board Meeting
February 28, 2017	9:00 a.m. Board Work Session

# Carver County Board of Commissioners Request for Board Action



**Agenda Item:**

**Funding Options for High Priority Road & Bridge Projects**

Primary Originating Division/Dept: Administration (County)

Meeting Date: 1/24/2017

Contact: Dave Hemze Title:

Item Type:  
Work Session

Amount of Time Requested: 60 minutes

Attachments:  Yes  No

Presenter: Lyndon Robjent Title: Public Works Director/County En

**Strategic Initiative:**

Growth: Manage the challenges and opportunities resulting from growth and development

**BACKGROUND/JUSTIFICATION:**

Staff presented an overview of the transportation sales tax and wheelage tax at a December 20, 2016 County Board Work Session. Information related to these taxes is contained on the attached document.

During this Work Session staff will present additional information on the project list and revenue information and outline options and timelines for stakeholder engagement and potential implementation of the tax(es).

**ACTION REQUESTED:**

Board direction on potential sales tax and/or wheelage tax implementation

**FISCAL IMPACT:** Other

*If "Other", specify:* See attached document for fiscal info.

**FUNDING**

County Dollars =

**FTE IMPACT:** None

**Total**  \$0.00

Insert additional funding source

Related Financial/FTE Comments:

*Office use only:*

RBA 2017 - 4503



# Carver County Transportation Tax

## Carver County Leaders Meeting January 24, 2017

### Potential Revenue

1/2 percent Sales Tax  
= \$3.5 million per  
year

- 20 Years = \$83 million
- **50 cents on \$100 Purchase**

\$10 Wheelage Tax =  
\$880,000 per year

- 20 Years = \$21 million

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### Sales Tax

State Statute 297A.993 authorizes County Boards, after a public hearing, to implement a sales tax of ½ percent by resolution for transportation purposes and a \$20 excise tax on vehicle purchases. (Vehicle purchases are exempt from the transportation sales tax)

Proceeds may only be used for:

- Specific transportation, transit or safe routes to school capital improvement projects.
- Transit operating costs.

The County Board must terminate the tax when the revenues raised are sufficient to finance the projects.

In Carver County a ½ percent sales tax and excise tax is projected to generate approximately \$3.5 million annually. Implementation can only begin on the first day of a calendar quarter and end on the last day of a calendar quarter with a 90 day notice to the commissioner of revenue. Proceeds are distributed to the County quarterly.

### Wheelage Tax

State Statute 163.051 authorizes County Boards to levy by resolution a wheelage tax of \$10 per registered vehicle (motorcycles, scooters and motorized bicycles are exempt) per year from January 1, 2014 to December 31, 2017; and on and after January 1, 2018, up to \$20 per year, in any increment of a whole dollar.

Carver County currently levies a \$10 wheelage tax which generates approximately \$800,000 per year. A \$20 wheelage tax is projected to generate approximately \$1.75 million in 2018. Changes to the levy amount must be certified by the County by August 1 in the year before the calendar year for which the tax is levied. Proceeds are distributed to the County monthly.



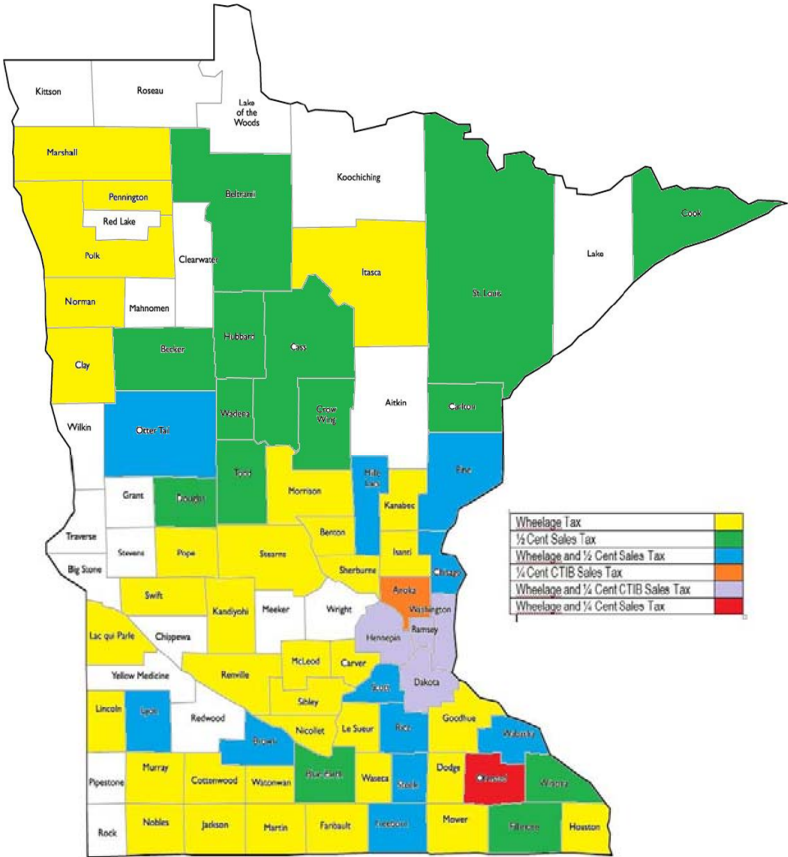
**Highway 101 River Bridge.  
(Former TH 101)**

**County finances \$18 million, pays additional \$7 million for Highway 61 (Former TH 212)**



**TH 41 North of TH 212.  
County is lead agency on State highway improvement project.**

# Carver County Transportation Tax



Updated in November 2016 based on information available from MN Dept of Vehicle Service and MN Dept of Revenue

## Counties with Sales and /or Wheelage Tax

26 Counties have implemented the Local Option Sales Tax. (blue, green & red)

39 Counties levy the \$10 Wheelage Tax. (yellow, blue, grey & red)

5 Counties have implemented 1/4 percent Sales Tax for Transitways through CTIB (grey&orange)

### The Need for More Transportation Funding

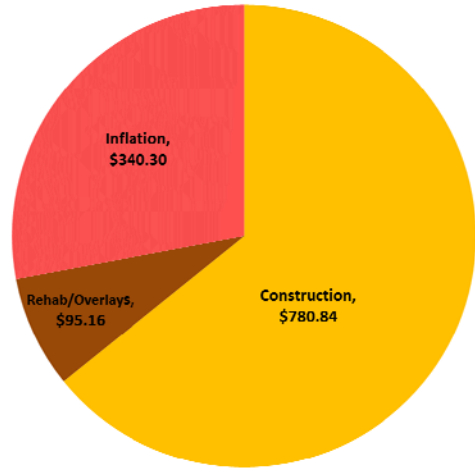
The Carver County long term Roadway System Plan (RSP) identifies the long term road and bridge improvements needed to meet the projected growth in the County and preserve the transportation system. This includes investment on the County highway system (County State Aid Highways and County Roads) as well as on critical portions of the State highway system (Trunk Highways).

This chart shows the estimated cost to build the transportation system identified in the long range plan.

With current revenue projections this can not happen in the next 40 years. As explained in the following section, State and Federal revenue sources are unlikely to help the situation.

The County must prioritize the RSP and utilize new revenue sources to fund the highest priority projects in reasonable time.

Long Range Roadway System Plan Costs



## State and Regional Plans

The Metropolitan Council 2040 Transportation Policy Plan (Part of THRIVE 2040) and the MnDOT State Highway Investment Plan (MnSHIP) identifies proposed transportation projects on the regional highway system in the 7-County metropolitan area. **Neither plan includes any expansion projects on the State highway system in Carver County in the next 20 years.**

Federal grants – Approximately \$200 million is distributed to the 7-County metropolitan area every two years through the Regional Solicitation process for transportation, transit and trail projects. THRIVE 2040 goals have changed this competitive process to focus more on preservation, non-motorized and transit investment and less on expansion/mobility needs. **This has virtually eliminated Carver County from competing for the grants, particularly for highway projects.**

The lack of regional and State investment in Carver County’s transportation system will require the County and its partners to take the lead in providing the highest priority transportation improvements.

The County cannot rely on State or Federal investment to address the most important transportation needs. The County does not levy the 1/4 percent sales tax for transit through the Counties Transit Improvement Board (CTIB) as there is no guarantee that any of the funding would be used in Carver County. **The County must rely on locally controlled revenue options to construct the transportation system.**

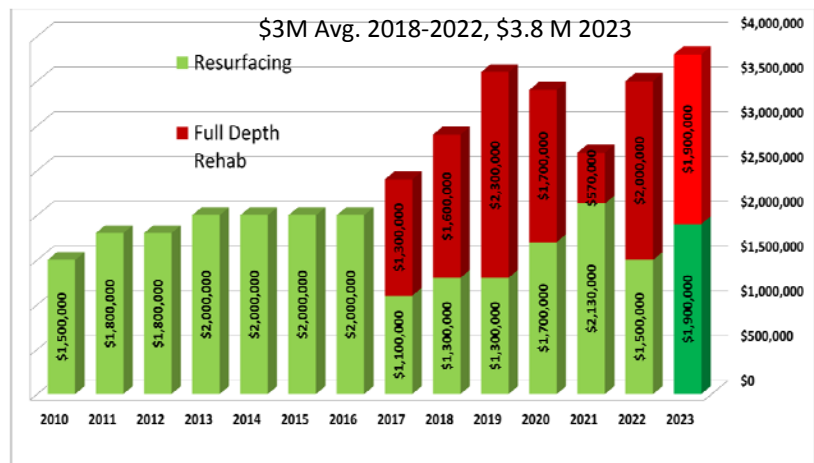


**State and Regional planning shows zero highway mobility investment on Highways 5, 41 and 212 in Carver County. The County will need to utilize local funding options to address the highest priority transportation needs in the County.**

## Project Prioritization

The County utilizes the following goals to determine the most effective transportation investments:

1. Preserve the existing system, replace deficient bridges, and mitigate known safety issues.
2. Perform major rehabilitation instead of full reconstruction where possible for highways that have met their useful life.
3. Address mobility and safety needs on the highest priority corridors regardless of jurisdiction.
4. Construct new County highways that are needed for growth and development and provide relief to the existing highway system.
5. Construct projects that improve multimodal connections.
6. Leverage outside funding sources as much as possible.



Resurfacing and Major Rehabilitation Costs

## Unfunded High Priority Projects - 20 Years

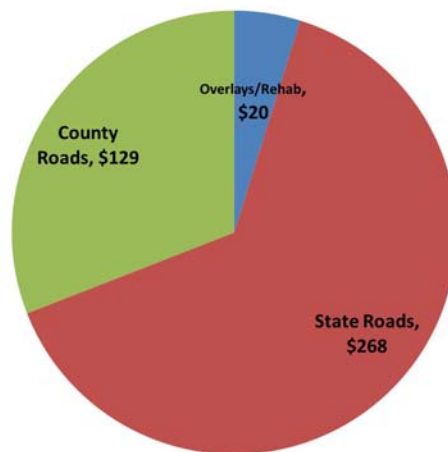
From the entire Roadway System Plan, the County has identified a list of **22 projects** that are considered a high priority for the **next 20 years**. These are either partially funded in the short term Capital Improvement Plan (CIP) or have no identified funding source and can be constructed with new revenue from the sales tax and wheelage tax. The projects are categorized as follows:

1. **County Wide Resurfacing/Rehabilitation:** Utilizing pavement management data the County has determined that an additional \$20 million is needed beyond current budgeting targets to adequately maintain the road system. This is based on a target of resurfacing each County highway every 20 years and performing full depth reclamation when the highway is 60-years old.
2. **Trunk Highway Improvements:** The County has identified 13 trunk highway intersection or corridor improvement projects with an estimated total cost of \$268 million.
3. **County Highway Improvements:** The County has identified 9 County highway improvement projects with an estimated total cost of \$129 million.

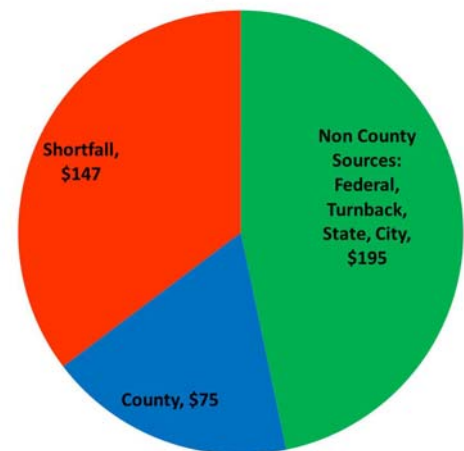
**The total estimated cost of the high priority projects is \$417 million. \$195 million is assumed to be provided from non county sources, leaving \$222 million that needs to come from current County funding sources and new revenue. It is expected that \$75 million in future County funds should be available leaving a gap of \$147 million that needs to be filled from new revenue sources.**

The majority of the unfunded high priority projects are on the State highway system. Carver County and its partners will need to continue to take the lead to improve these highways.

20 Year High Priority Project Costs  
Total \$417 Million



20 Year Projected Revenue  
for High Priority Projects  
\$417 Million Total, \$147 Million Shortfall



**Current and County Controlled Revenue Options**

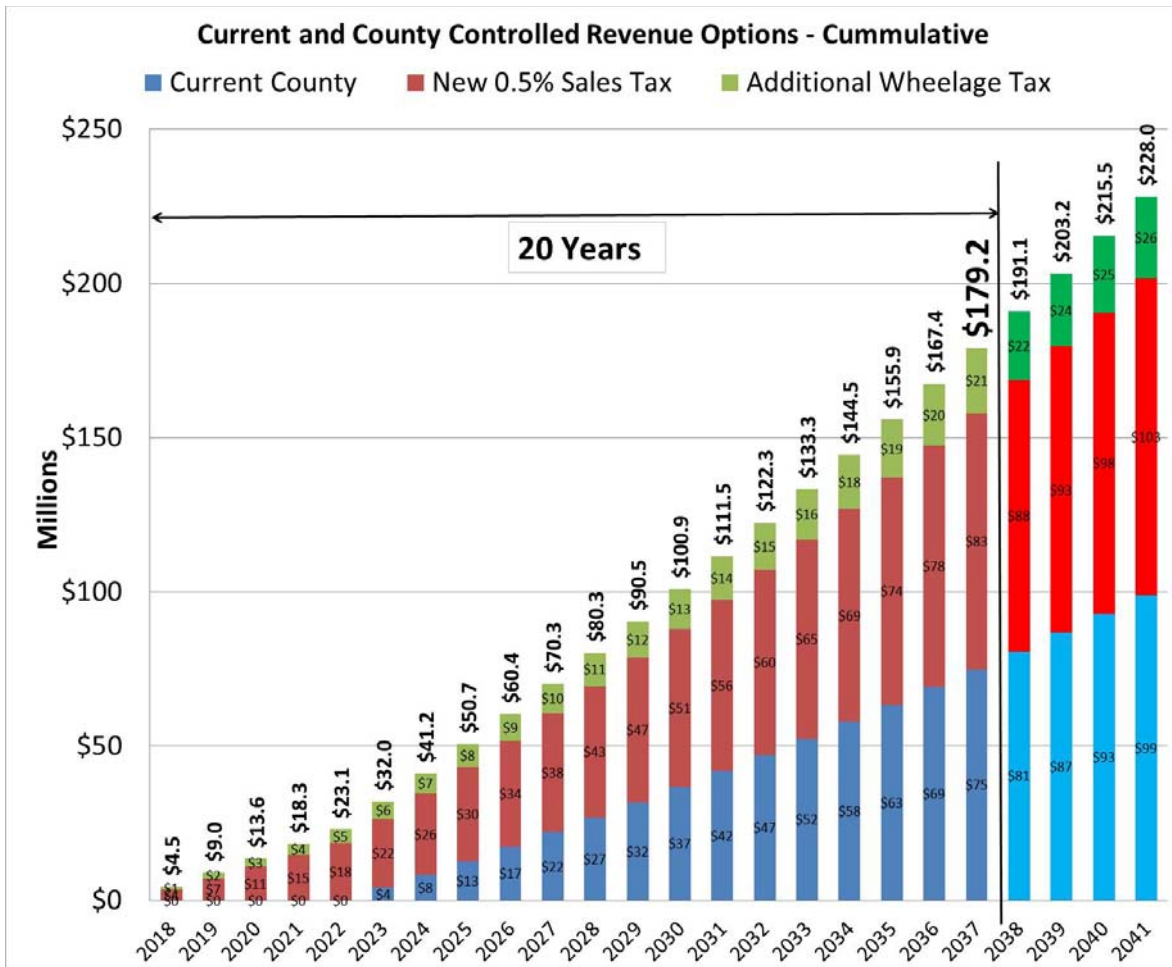
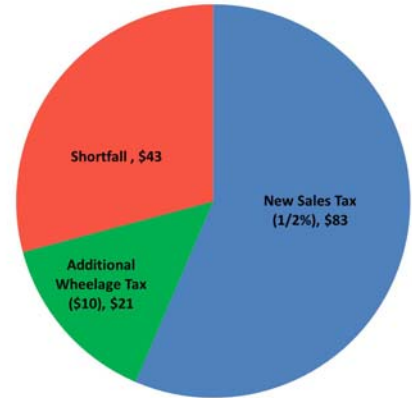
**Current County Funding Sources:** Projected available revenue from current sources including County Levy, County Program Aid, County State Aid Highway Funding, Sales Tax on Leased Vehicles, and existing Wheelage Tax (\$10) is estimated to be \$75 million by 2037.

**Sales Tax Implementation:** a 1/2 percent increase in sales tax and \$20 cent excise tax will raise approximately \$3.5 million per year in Carver County. **Projecting this over 20 years provides \$83 million.**

**Wheelage Tax Increase:** Increasing the wheelage tax by \$10 to a total of \$20 will provide an additional \$880,000 in 2018 to Carver County. **Projecting this over 20 years provides \$21 million.**

**20-years of Sales Tax and Wheelage Tax revenue will generate approximately \$104 million in new revenue. This, combined with \$75 million in County revenue provides \$179 million. Approximately \$43 million more is required to fund all the projects. As indicated below this will take an additional 4 years.**

Potential 20 Year New Funding Sources for High Priority Projects  
\$104 Million Total, \$43 Million Shortfall

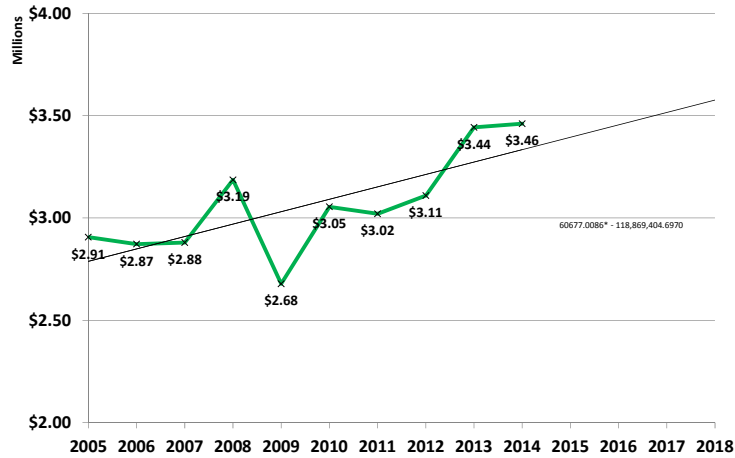




The majority of new revenue generated from the sales tax is recommended to be invested on the State Trunk Highway System as these roads have no other identified funding source.



## CARVER COUNTY 0.5% Sales Tax Projection



Linear Regression from Actual Data Used to Project Sales Tax Revenue

### Potential Funding Allocation Plan

1. If the sales tax is implemented and/or wheelage tax is increased, it is recommended that the new revenue be used on mobility and safety improvements on the State roadways given their regional and local importance and the limited funding available from the State.
2. Traditional County funding is recommended to be used for additional resurfacing and rehabilitation projects and high priority County road improvements. Portions of the new revenue from the sales and wheelage tax should be used to fully fund the County projects.

### Project Programming

Transportation improvement projects are programmed in the annual budget and 5-year Capital Improvement Plan (CIP). The 2018-2022 CIP identifies projects that are fully funded or can expect to be from short term revenue projections. It also shows planned County contributions to projects lead by other jurisdictions.

The timing of the new projects will be prioritized through the CIP process which is updated annually in the County's Long Term Financial Plan and approved by the County Board each December. The projects identified will take around 20 years to complete depending on the ability of other funding partners to participate. As projects scopes are refined and partnerships established, projects will be programmed for transportation tax funding. Priorities will be determined during the scoping process and approved by the County Board.

Project cost are planning level estimates and will be refined as the projects develop. For the purpose of this document it is assumed that the MnDOT Cost Participation Policy will be followed for the trunk highway projects with the County acting as the State. The current funding plan does assume some participation in these projects from MnDOT and the Cities. Actual cost shares will be established during the project development process. The funding assumption for the County projects follows the County Cost Participation Policy.




## High Priority Projects (Not in Priority Order)

## Potential Sales Tax and/or Wheelage Tax Projects

**AS OF JANUARY 2017 (Subject to Change). Not in Priority Order**

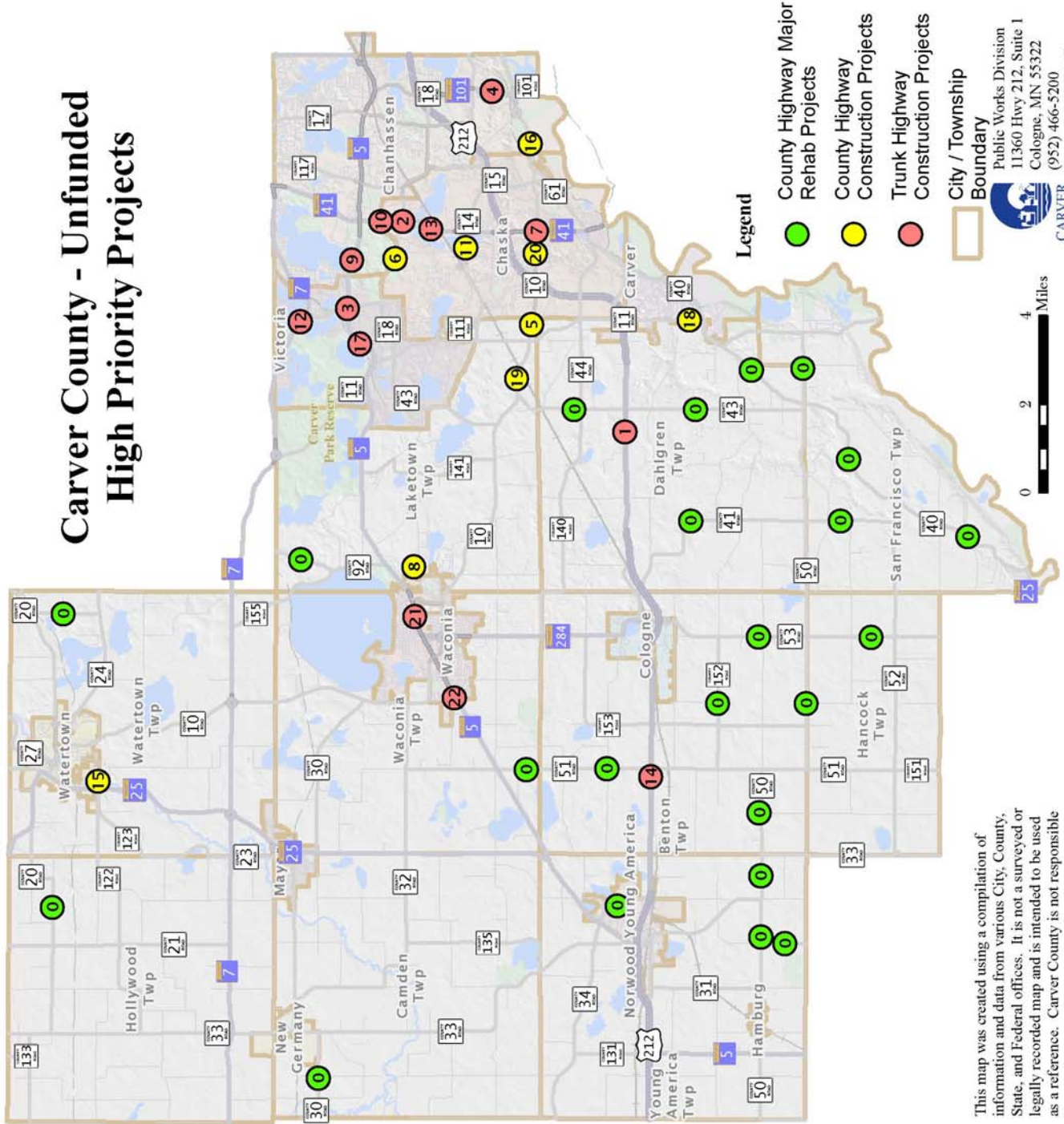
Map Ref.	Project Description	2016 Cost	Inflated Cost
0	<b>County Wide Major Pavement Rehabilitation</b>		\$20,000,000
1	<b>TH 212 from CSAH 11 to CSAH 36</b> <i>Assumes 60% Federal FASTLANE or TIGER funds</i>	\$39,000,000	\$42,616,353
2	<b>TH 41 and Lyman Blvd. Intersection</b> Chaska (Lyman between TH 41 and Galpin is funded in CIP)	\$5,000,000	\$5,463,635
3	<b>TH 5 and Rolling Acres Rd. Intersection</b> Victoria (Rolling Acres Rd. between TH 5 and TH 7 is funded in CIP)	\$4,000,000	\$4,370,908
4	<b>TH 101 Bluff from CSAH 61 to Pioneer Trail</b> Chanhassen ( <i>Shortfall only. Partially fund in CIP</i> )	\$24,877,637	\$28,000,000
5	<b>CSAH 10 from CSAH 11 to West Chaska Creek</b> Chaska ( <i>Shortfall only. Partially funded in CIP</i> )	\$4,442,435	\$5,150,000
6	<b>CSAH 18 Extension from Bavaria to TH 41</b> Victoria, Chaska, Chanhassen ( <i>tied to TH 5 construction</i> )	\$12,300,000	\$14,259,071
7	<b>TH 41 and CSAH 10 Intersection</b> Chaska	\$5,000,000	\$5,970,261
8	<b>CSAH 92 (future) from CSAH 10 to TH5</b> Waconia	\$12,350,000	\$14,746,546
9	<b>TH 5 from TH 41 to Rolling Acres Rd.</b> Chanhassen, Victoria. ( <i>leverage federal RS funds</i> )	\$20,000,000	\$24,597,477
10	<b>TH 41 from Lyman Blvd. to TH 5</b> Chaska, Chanhassen (includes TH 5 intersection)	\$10,500,000	\$12,913,676
11	<b>CSAH 14 from TH 41 to Bavaria</b> Chaska.	\$6,000,000	\$7,379,243
12	<b>TH 7 and Rolling Acres Intersection</b> Victoria (Rolling Acres Road is funded in CIP)	\$3,000,000	\$3,800,310
13	<b>TH 41 from Pioneer Tr. to Lyman Blvd.</b> Chaska	\$15,600,000	\$19,761,613
14	<b>TH 212 from NYA to Cologne</b> <i>Assumes 60% Federal FASTLANE or TIGER funds</i>	\$59,000,000	\$76,981,618
15	<b>Watertown S. River Crossing (CR 122 Extension. TH 25 to CSAH 10)</b>	\$8,500,000	\$11,090,572
16	<b>CSAH 61 from CSAH 10 to Bluff Creek Drive</b> Chaska, Chanhassen	\$22,500,000	\$29,357,397
17	<b>TH 5 from Rolling Acres Rd. to CSAH 11 W.</b> Victoria. ( <i>leverage federal RS funds</i> )	\$17,000,000	\$22,181,144
18	<b>CSAH 11 from CSAH 40 to 6th Street</b> Carver	\$7,100,000	\$9,541,806
19	<b>CSAH 10 from CSAH 43 (W) to CSAH 11</b> Laketown Township	\$17,000,000	\$24,237,935
20	<b>CSAH 10 from TH 212 to TH 41</b> Chaska	\$9,000,000	\$13,216,803
21	<b>TH 5 from CSAH 59 (Main Street) to TH 284</b> Waconia	\$6,900,000	\$10,436,869
22	<b>TH 5 from Oak Ave to Orchard (New CSAH 10)</b> Waconia	\$6,900,000	\$10,749,975
	Totals	\$315,970,072	\$416,823,214

 State Roads  
 County Roads

**Projected Available Funds = 270,000,000**

**New Revenue Needed = \$147,000,000**

# Carver County - Unfunded High Priority Projects



This map was created using a compilation of information and data from various City, County, State, and Federal offices. It is not a surveyed or legally recorded map and is intended to be used as a reference. Carver County is not responsible for any inaccuracies contained herein.

Map Ref.	Project Description
0	County-wide Major Pavement Rehabilitation (Partially Funded)
1	TH 212 from CSAH 11 to CSAH 36 Assumes 60% Federal FASTLANE or TIGER funds
2	TH 41 and Lyman Blvd Intersection Chaska (Lyman between TH 41 and Galphils funded in CIP)
3	TH 5 and Rolling Acres Rd Intersection Victoria (Rolling Acres Rd between TH 5 and TH 7 is funded in CIP)
4	TH 101 Bluff from CSAH 61 to Pioneer Tr Chanhassen (Partially fund in CIP)
5	CSAH 10 from CSAH 11 to West Chaska Creek Chaska (Partially fund in CIP)
6	CSAH 18 Extension from Bavaria to TH 41 Victoria, Chaska, Chanhassen (led to TH 5 construction)
7	TH 41 and CSAH 10 Intersection Chaska
8	CSAH 92 (future) from CSAH 10 to TH 5 Waconia
9	TH 5 from TH 41 to Rolling Acres Rd Chanhassen, Victoria. (leverage federal RS funds)
10	TH 41 from Lyman Blvd to TH 5 Chaska, Chanhassen (includes TH 5 intersection)
11	CSAH 14 from TH 41 to Bavaria Rd Chaska
12	TH 7 and Rolling Acres Rd Intersection Victoria (Rolling Acres Road is funded in CIP)
13	TH 41 from Pioneer Tr to Lyman Blvd Chaska
14	TH 212 from NYA to Cologne Assumes 60% Federal FASTLANE or TIGER funds
15	Watertown S. River Crossing (CR 12 Extension, TH 25 to CSAH 10)
16	CSAH 61 from CSAH 10 to Bluff Creek Dr. Chaska, Chanhassen
17	TH 5 from Rolling Acres Rd to CSAH 11 W Victoria (leverage federal RS funds)
18	CSAH 11 from CSAH 40 to 6th St Carver
19	CSAH 10 from CSAH 43 (W) to CSAH 11 Laketown Township
20	CSAH 10 from TH 212 to TH 41 Chaska
21	TH 5 from CSAH 58 (Main Street) to TH 284 Waconia
22	TH 5 from Oak Ave to Orchard Waconia

# Carver County Board of Commissioners Request for Board Action



**Agenda Item:**

**CSAH 10 Construction- Waconia School Phase Project Update**

Primary Originating Division/Dept:

Meeting Date:

Contact:  Title:

Item Type:

Amount of Time Requested:  minutes

Attachments:  Yes  No

Presenter:  Title:

**Strategic Initiative:**

**BACKGROUND/JUSTIFICATION:**

The CSAH 10 corridor in the City of Waconia is a critical regional highway running through the city. The County and City comprehensive plans include the realignment of CSAH 10 west of the City. The realigned CSAH 10 as outlined in planning documents was aligned just west of the Waconia High School and Middle School campus. The school district (ISD 110) is currently expanding their campus and purchased land that crosses the planned highway alignment. The campus expansion also needs a new access to State Highway 5 to avoid additional congestion issues. A joint benefit exists to all of the agencies if the Carver County highway is constructed earlier than may have been planned for access coordination, cost sharing potential, right-of-way preservation, and development coordination.

Carver County and the City of Waconia are undertaking a joint project to construct CSAH 10 between State Highway 5 and existing CSAH 10 on the west side of the City of Waconia. The project will involving grading, aggregate base, surfacing, curb and gutter, trail, pedestrian underpass, storm sewer, and other incidentals. Carver County is the lead agency for this project.

The project has two segments: Segment 1 is from TH 5 to Community Drive and Segment 2 is from Community Drive north to a new connection to existing CSAH 10. Segment 1 will be an urban divided roadway with curbing and trail. Segment 2 will be a more rural roadway also incorporating curbing and trail.

Public Works staff plan to present information on the the current status of the project and the upcoming scheduled activities in order to complete the project.

**ACTION REQUESTED:**

Public Works staff will present information on the current status of the CSAH 10 Construction – Waconia School Phase Project

**FISCAL IMPACT:**

**FUNDING**

*If "Other", specify:*

County Dollars =

**FTE IMPACT:**

**Total**

Insert additional funding source

Related Financial/FTE Comments:

Office use only:

RBA 2017 - 4482

# Carver County Board of Commissioners Request for Board Action



**Agenda Item:**  
**2017 AIS Program Update**

Primary Originating Division/Dept:  ▼

Meeting Date:

Contact:  Title:

Item Type:  
 ▼

Amount of Time Requested:  minutes

Attachments:  Yes  No

Presenter: Paul Moline/Andrew Dickhart Title:

Strategic Initiative:  
 ▼

**BACKGROUND/JUSTIFICATION:**

The staff will present an overview of the 2017 AIS program, including potential changes to the budget, local agreements, watercraft inspection services, decontamination services, trailer tagging services, and educational programming. The staff will also provide an update on the stakeholder involvement process.

**ACTION REQUESTED:**

Guidance on the 2017 AIS program.

**FISCAL IMPACT:**  ▼

*If "Other", specify:*

**FUNDING**

County Dollars =

**FTE IMPACT:**  ▼

**Total**

Insert additional funding source

Related Financial/FTE Comments:

*Office use only:*

RBA 2017 - 4485