



## Engineering Memorandum

December 10, 2025

RE: December 16th Commission Meeting

### **2026 UTILITY & STREET IMPROVEMENT PROJECT SID CREATION – 202605-2**

For your consideration is a Preliminary Engineering Report (PER) for the 2026 Utility and Street Improvement project (City Project Number 202605) Special Improvement District (SID) number 202605-2. The SID, watermain replacement, and paving portion of the project will be paid for with several different funds which are included in the 2026 capital improvement project budget. The interest rate is proposed to be 4.1% which was the average daily 10-year Treasury Yield interest rate for the month of September 2025.

The 2026 Utility and Street Improvement Project is planned to be constructed to replace concrete curb and gutter, sidewalk and accessibility ramp construction, watermain main and service lines replacement, some sanitary sewer main replacements, asphalt patching in areas of need, pavement removal and replacement, and an asphalt mill and overlay. The proposed SID will also replace deteriorating driveway approaches and sidewalks as well as correct deficiencies on pedestrian facilities where practical within the right-of-way.

The project benefits are listed below:

- The streets, curb and gutter, and sidewalks need repairs. Several of the sidewalks are not ADA compliant. These improvements will ensure safe pedestrian walkability and access throughout the neighborhood. The street improvements will extend the life expectancy of the roadways and will reduce maintenance costs for the City of Dickinson. Further explanation of the benefits of the project are noted in the PER.
- Approximately 11 blocks of watermains are 6-inch cast iron and one block is 6-inch asbestos concrete watermain. These mains are the most frequent material to break. The mains are often corroded, filled with mineral deposits, cause water color issues, and lack sufficient flow to meet fire flow requirements.
- There are multiple lead services lines that will be replaced from the watermain all the way to the meter in the building and will be paid for 100% by the City of Dickinson. The lead service lines replacements will ensure safe drinking water.

Construction for this project is scheduled for the summer of 2026, with the bid opening anticipated for February 2026. The preliminary opinion of construction cost for the street improvement portion of the project that will be included in the Special Improvement District is \$261,141.00 as specified in the PER vs. the total project cost estimate for this scope of work being \$9.11 million. The assessment amount for each property will be included in property taxes and paid back over 10 years at an interest rate of 4.1%. Those who pay their assessments in full by October 1, 2027, will not be charged interest or penalties.

The City Engineering staff recommends approval.

