

May 2, 2026

STREET RECONSTRUCTION & OVERLAY PLAN IN
CONNECTION WITH FINANCING: 2026 Sidewalk and Budd
Avenue Removal and Mill/Overlay at Spring, Marsh, and
Industrial Street Reconstruction Project

City of Maple Plain, MN

2026-2030



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I. INTRODUCTION

In 2002, the Minnesota State Legislature passed into law a bill that generally exempts city bonds issued under a street reconstruction plan from the referendum requirements usually required for bonding expenditures. In 2013 the Legislature amended the law to allow bituminous overlays to be included in the street reconstruction plan. The authorization is contained in Minnesota Statutes, Section 475.58, subdivision 3b (the “Act”).

II. PURPOSE

A street reconstruction plan represents a major expenditure of city funds for the reconstruction or bituminous overlay of public streets. As defined in the Act, street reconstruction and bituminous overlay projects include but are not limited to: utility replacement and relocation and other activities incidental to the street reconstruction; the addition or reconstruction of turn lanes, bicycle lanes, sidewalks, paths, and other improvements having a substantial public safety function; realignments and other modifications to intersect with state and county roads; and the local share of state and county road projects. Except in the case of turn lanes, bicycle lanes, sidewalks, paths, and other safety improvements; realignments; intersection modifications; and the local share of state and county road projects, street reconstruction and bituminous overlays do *not* include the portion of project costs allocable to widening a street or adding curbs and gutters where none previously existed.

The Street Reconstruction and Overlay Plan (the “SROP”) is a document designed to anticipate street reconstruction and overlay expenditures and schedule them over a five-year period so that they may be purchased in the most efficient and cost-effective method. It allows the matching of expenditures with anticipated income. As potential expenditures are reviewed, the city considers the benefits, costs, alternatives, and impact on operating expenditures.

The City of Maple Plain, Minnesota (the “City”) believes the street reconstruction and overlay process is an important element of responsible fiscal management. Major capital expenditures can be anticipated and coordinated to minimize potentially adverse financial impacts caused by the timing and magnitude of capital outlays. This coordination of capital expenditures is important to the City in achieving its goals of adequate physical assets and sound fiscal management. Good planning is essential for the wise use of limited financial resources. The SROP is designed to be updated on an as needed basis.

III. PLANNING PROCESS

The City Council annually reviews its capital expenditures according to their priority, fiscal impact, and available funding as part of its Capital Improvement Plan (CIP) process. The City assembles the specific capital expenditures to be undertaken within the next five years. The City Council prepares a plan based on the available funding sources. From this information, a preliminary CIP is prepared for public discussion from citizens and other governmental units. Changes are made based on that input, and a final plan is established.

Over the life of the CIP, once the funding becomes available the individual capital expenditures can be made as part of individual project approvals. In subsequent years, the process is repeated as expenditures are completed and new needs arise.

If bonding is necessary, the City collaborates with its municipal advisor to prepare a bond sale and repayment schedule. Street reconstruction and overlay planning occurs separately from the CIP process focusing specifically on those projects to be financed with general obligation street reconstruction bonds under provisions of the Act. The SROP is to describe the identified street reconstruction and overlay projects to be financed, their estimated costs, and any planned reconstruction or overlay of other streets in the City over the next five years.

For the City to use its authority under the Act to finance street reconstruction and bituminous overlay expenditures with general obligation bonds, it must meet the requirements provided therein.

Specifically, the City must hold a public hearing for public input on the proposed SROP. Notice of such hearing must be published in the official newspaper at least ten, but not more than 28 days prior to the date of the public hearing. In addition, the City Council must approve the SROP and issuance of bonds by a two-thirds majority vote of its membership present at the meeting following a public hearing.

Although a referendum is not required, a reverse referendum is allowable. If a petition requesting a vote on the issuance of bonds bearing the signatures of at least 5 percent of the votes cast in the last municipal general election is filed with the municipal clerk within 30 days after the public hearing, a referendum vote on the issuance of the bonds shall be required to authorize the issuance. If a municipality elects not to submit the question to the voters, the municipality shall not propose the issuance of bonds under the Act for the same purpose for a period of 365 days from the date of receipt of the petition.

IV. PROJECT SUMMARY

The expenditures to be undertaken with this 2026 to 2030 SROP are limited to those listed in Appendix A and further discussed in the following section. All other foreseeable capital expenditures within the City will come through other means or through an amendment to this SROP.

V. FINANCING

The project expenditures under this SROP are estimated at up to \$547,075.31. If these expenditures are to be funded, that amount of money is anticipated to be generated through tax levy and sale of general obligation street reconstruction plan bonds over the five-year period. The anticipated bond size of \$590,000 is based upon the estimated hard and soft costs for the projects, plus estimated issuance costs, any capitalized interest, and contingency. However, for the purpose of the SROP, the not to exceed amount for the bonds, including hard and soft costs for the projects, plus estimated issuance costs, any capitalized interest, and contingency, will be \$625,000.

In the financing of the SROP, one statutory limitation applies to the City. Under Minnesota Statutes, Chapter 475, with few exceptions, a local government cannot incur debt greater than 3% of the estimated market value (EMV) for its jurisdiction. In the City, the EMV for property tax payable in 2026 is \$306,920,400. As noted in the table below, the City’s debt subject to this requirement, including the proposed bond issue, is within the required threshold:

Net Debt Limit, Taxes Payable in 2026	
Estimated Market Value	306,920,400
Statutory Debt Limit Factor	3.0%
Statutory Debt Limit	9,207,612
Less: Debt Paid Solely from Taxes	(690,000)
Less: Proposed Bond Issue(s)	(590,000)
Unused Debt Limit	\$7,927,612

Under the SROP, the City plans to issue up to \$625,000 in general obligation bonds in the years 2026 through 2030 to finance the projects listed in Appendix A and further described below.

Year	Description	Street
2026	Sidewalk and Budd Avenue Removal and the Mill/Overlay at Spring, Marsh, and Industrial Street to a supported local standard.	Budd Avenue, Spring, Marsh, and Industrial Street
2027	None Anticipated	
2028	None Anticipated	
2029	None Anticipated	
2030	None Anticipated	

VI. PLAN CONTINUATION

This SROP should be reviewed annually as needed by the City Council using the process outlined in this document. It should review proposed expenditures, make priority decisions, and seek funding for those expenditures it deems necessary for the City. If deemed appropriate, the Council should prepare an update to this SROP.

APPENDIX A

Plan Project Costs

Project Costs by Year		
Year	Project	Amount
2026	2026 Sidewalk and Budd Avenue Removal and Mill/Overlay at Spring, Marsh, and Industrial Street Reconstruction Project	\$547,075.31
2027	None Planned	-
2028	None Planned	-
2029	None Planned	-
2030	None Planned	-
Total		\$547,075.31

Proposed Street Reconstruction and Overlay Plan Bond Issue(s)

Street Reconstruction and Overlay Bond Issues by Year	
Year	Amount
2026	\$590,000
2027	-
2028	-
2029	-
2030	-
Total	\$590,000

APPENDIX B

Proposed SROP Bond Issue(s)

City of Maple Plain, Minnesota

\$1,365,000 General Obligation Bonds, Series 2026B

Issue Summary

Assuming Current GO BQ "AA" Market Rates plus 50bps

Total Issue Sources And Uses

Dated 07/01/2026 | Delivered 07/01/2026

	Street Reconstruction	Tax Abatement	Issue Summary
Sources Of Funds			
Par Amount of Bonds	\$590,000.00	\$775,000.00	\$1,365,000.00
Total Sources	\$590,000.00	\$775,000.00	\$1,365,000.00
Uses Of Funds			
Total Underwriter's Discount (1.300%)	7,670.00	10,075.00	17,745.00
Costs of Issuance	19,882.78	26,117.22	46,000.00
Deposit to Capitalized Interest (CIF) Fund	12,916.46	16,972.08	29,888.54
Deposit to Project Construction Fund	547,075.31	723,065.38	1,270,140.69
Rounding Amount	2,455.45	(1,229.68)	1,225.77
Total Uses	\$590,000.00	\$775,000.00	\$1,365,000.00

City of Maple Plain, Minnesota

\$590,000 General Obligation Bonds, Series 2026B

Street Reconstruction

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	CIF	Net New D/S	Fiscal Total
07/01/2026	-	-	-	-	-	-	-
02/01/2027	-	-	12,916.46	12,916.46	(12,916.46)	-	-
08/01/2027	-	-	11,071.25	11,071.25	-	11,071.25	-
02/01/2028	20,000.00	3.150%	11,071.25	31,071.25	-	31,071.25	42,142.50
08/01/2028	-	-	10,756.25	10,756.25	-	10,756.25	-
02/01/2029	20,000.00	3.100%	10,756.25	30,756.25	-	30,756.25	41,512.50
08/01/2029	-	-	10,446.25	10,446.25	-	10,446.25	-
02/01/2030	25,000.00	3.100%	10,446.25	35,446.25	-	35,446.25	45,892.50
08/01/2030	-	-	10,058.75	10,058.75	-	10,058.75	-
02/01/2031	25,000.00	3.050%	10,058.75	35,058.75	-	35,058.75	45,117.50
08/01/2031	-	-	9,677.50	9,677.50	-	9,677.50	-
02/01/2032	25,000.00	3.100%	9,677.50	34,677.50	-	34,677.50	44,355.00
08/01/2032	-	-	9,290.00	9,290.00	-	9,290.00	-
02/01/2033	25,000.00	3.150%	9,290.00	34,290.00	-	34,290.00	43,580.00
08/01/2033	-	-	8,896.25	8,896.25	-	8,896.25	-
02/01/2034	25,000.00	3.250%	8,896.25	33,896.25	-	33,896.25	42,792.50
08/01/2034	-	-	8,490.00	8,490.00	-	8,490.00	-
02/01/2035	25,000.00	3.250%	8,490.00	33,490.00	-	33,490.00	41,980.00
08/01/2035	-	-	8,083.75	8,083.75	-	8,083.75	-
02/01/2036	25,000.00	3.400%	8,083.75	33,083.75	-	33,083.75	41,167.50
08/01/2036	-	-	7,658.75	7,658.75	-	7,658.75	-
02/01/2037	30,000.00	3.450%	7,658.75	37,658.75	-	37,658.75	45,317.50
08/01/2037	-	-	7,141.25	7,141.25	-	7,141.25	-
02/01/2038	30,000.00	3.600%	7,141.25	37,141.25	-	37,141.25	44,282.50
08/01/2038	-	-	6,601.25	6,601.25	-	6,601.25	-
02/01/2039	30,000.00	3.700%	6,601.25	36,601.25	-	36,601.25	43,202.50
08/01/2039	-	-	6,046.25	6,046.25	-	6,046.25	-
02/01/2040	30,000.00	3.800%	6,046.25	36,046.25	-	36,046.25	42,092.50
08/01/2040	-	-	5,476.25	5,476.25	-	5,476.25	-
02/01/2041	30,000.00	3.950%	5,476.25	35,476.25	-	35,476.25	40,952.50
08/01/2041	-	-	4,883.75	4,883.75	-	4,883.75	-
02/01/2042	35,000.00	4.150%	4,883.75	39,883.75	-	39,883.75	44,767.50
08/01/2042	-	-	4,157.50	4,157.50	-	4,157.50	-
02/01/2043	35,000.00	4.200%	4,157.50	39,157.50	-	39,157.50	43,315.00
08/01/2043	-	-	3,422.50	3,422.50	-	3,422.50	-
02/01/2044	35,000.00	4.300%	3,422.50	38,422.50	-	38,422.50	41,845.00
08/01/2044	-	-	2,670.00	2,670.00	-	2,670.00	-
02/01/2045	40,000.00	4.400%	2,670.00	42,670.00	-	42,670.00	45,340.00
08/01/2045	-	-	1,790.00	1,790.00	-	1,790.00	-
02/01/2046	40,000.00	4.450%	1,790.00	41,790.00	-	41,790.00	43,580.00
08/01/2046	-	-	900.00	900.00	-	900.00	-
02/01/2047	40,000.00	4.500%	900.00	40,900.00	-	40,900.00	41,800.00
Total	\$590,000.00	-	\$287,951.46	\$877,951.46	(12,916.46)	\$865,035.00	-