



# VILLAGE OF WINNEBAGO

## MEMORANDUM

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**Prepared By:** Joseph Dienberg, Village Administrator  
**To:** Committee of the Whole  
**Date:** December 3, 2025  
**Subject:** Highland's Development Plan

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### Background

One of the Village's Long-Term Complex goals in the Strategic Plan is to Support growth and development for the current and future businesses. Through the 2021 Mantle Settlement, the Village became the owner of the remaining parcels within the Highlands Development Area after the previous developer did not complete the required public improvements. One of the key unfinished components is Kasch Drive, which was platted and partially constructed but never completed.

Because the Village is a non-home-rule municipality, all property must be sold for at least 80 percent of the appraised value. In the absence of a completed roadway and basic utility access, interested buyers have been unable to justify the additional cost of constructing these improvements privately, resulting in limited development activity despite prior marketing efforts.

To position the Highlands Development Area for build-ready conditions and meet the intent of the recorded plat, staff recommends completing Kasch Drive and the associated water main extension running with that roadway segment.

### Critical Importance of Completing the Water Main Loop (North End)

The water main loop in the Highlands Development Area is a critical north-end system improvement, not simply a localized project. Findings from the Comprehensive Water Report emphasize the following:

1. Looping dramatically stabilizes pressure and improves redundancy. Model results show that looping nearly eliminates substandard nodes under normal and emergency conditions, improving overall north-end reliability.

2. The Highlands Development Area is an identified future growth zone requiring looping. The water model explicitly states that growth areas must be looped to avoid system-wide pressure and flow problems. The Highlands area is one of those locations.
  
3. Future modeling shows north-end vulnerability without this improvement. Under projected demand conditions, the north side is among the first areas to develop widespread substandard fire flows if planned mains are not connected. The Highlands loop directly addresses that risk.

This loop is essential for system performance, fire protection, and long-term capacity on the north end of the Village.

### **Budget Direction for CY2026 (Revised With Kasch EOPC)**

Staff requests Board direction to incorporate the Kasch Drive Extension into the CY2026 Budget as a standalone capital item. Fehr Graham's updated Engineer's Opinion of Probable Cost (EOPC), dated April 3, 2025, estimates the total project cost at \$1,197,991.80, which includes construction, a 15% contingency, and both design and construction engineering fees.

The proposed scope includes only the improvements located within the Kasch corridor, specifically:

#### **1. Roadway Construction – Kasch Drive Completion:** Funded through the General Fund

- Final grading and roadway excavation
- Aggregate base courses (9", 7", 5", and 3" as designed)
- HMA binder and surface courses
- Curb and gutter installation
- Storm sewer installation and curb inlets
- One flared end section
- Site restoration

#### **2. Water Main Installation Along Kasch:** Funded through the Water O&M Fund

- 1,300 LF of 12-inch PVC water main (C909)
- Two 12-inch gate valves with boxes
- Two fire hydrants with auxiliary valves
- One connection to the existing 10-inch main
- One connection to the existing 12-inch main

These utility components are part of the planned water main loop serving the north-end system and are included solely because they fall within the Kasch Drive alignment.

No additional infrastructure in the Highlands Development Area—including all improvements associated with the multifamily parcels—is included in this proposal or in the EOPC.

Incorporating these costs into the CY2026 budget will allow the Village to complete the roadway as platted, establish the north-end loop connection, and begin to position the Highlands Development Area for realistic market activity.

If the Board provides direction to proceed, staff will explore the feasibility of constructing the water main portion of the project in-house using Public Works crews. Similar to recent projects, including the Goodling Street loop and the Clayton Court loop, self-performed installation has proven to significantly reduce overall project costs by avoiding contractor mobilization premiums and overhead, eliminating markup on labor, and allowing tighter control over sequencing and restoration. Based on these prior results, in-house construction is expected to materially reduce the Engineer's Opinion of Probable Cost for the Kasch water main installation. Pursuing this option would also require timely procurement of materials to prevent anticipated tariff-driven price increases in 2026. Staff would target the December 17 Board agenda for approval of material purchases, enabling the Village to lock in pricing ahead of expected market escalations and preserve the cost savings associated with an in-house approach.

### **Next Steps**

If the Board concurs:

1. Staff will incorporate these items in upcoming CY2026 budget drafts.
2. Fehr Graham will update engineering cost estimates for accuracy.
3. Following budget adoption, staff will bring a construction authorization and bid package to the Board.
4. A coordinated marketing and updated appraisal plan will be prepared as infrastructure advances.