

EXHIBIT 3

STREET MAINTENANCE COST

Attached is a chart showing the street maintenance costs that the Public Works Department forecasted for 2020, the actual spent, and the forecast for 2021. Also shown is the amount the Manors has spent to maintain the streets it is asking you to accept on average over a 10-year period. The City's numbers reported in the Annual Maintenance included many costs that are unrelated to street and sidewalk maintenance and some maintenance that is paid by the County Road Fund and not by the City. See the exclusions at the bottom of the chart. The actual numbers spent by the City and the Manors (measure as an average over a 10-year period) are about the same: \$8,332 per mile not the approximate amounts of \$23,365 or \$34,000 per mile shown in the City's reports.

The City's analysis also fails to capture how the City's maintenance and capital projects work year to year. There is a budget and the City decides what repairs, if any, are needed for certain streets and then it applies funds for a particular year to a project. The City cannot say that each year it will spend a specific amount on the Manors' road. For example, there is a difference of almost \$640,000 from 2020 to 2021 in the category of Capital projects-infrastructure roads and bridges which reflects the discretion of the City on the size and scope of its projects.

Further, the City's numbers do not take into account that the Applicant has offered to pay to put the streets in close to new condition at time of turnover. Nor does the City's analysis take into account the current condition of the Manor's roads or the history of maintenance on the roads. The streets have been well maintained. The Manors have taken care to replace damaged slabs and have had the slabs sealed every 3-4 years. The Manors had CBB Engineering perform a Paser analysis of the streets in 2020. The Paser scale is an industry accepted standard for assessing road pavement condition. The City also uses the Paser scale for analyzing its streets. Only 33, or 3.3%, of the slabs need to be replaced. Of the remaining 970 slabs, there are no notable visual imperfection requiring replacement. Considering the CBB Engineering Paser report and the City's current findings, the streets have deteriorated, little if at all, since the CMV Engineering Paser analysis in 2017 and they are in better condition than most of the City's other roads. Over 97% of the 1,003 pads scored 7-8's or better in this Paser analysis. In fact, over 92% of the pads are 9-10's, meaning excellent. Sunset Hills' Paser analysis report on the Public Works website notes that most of the City streets are 7-8's. So, the Manors' streets are comparable, if not better.

Interestingly, no repairs have ever been necessitated due to grade. Also, the title commitment provided by First American Title Insurance Company shows that the City actually owns the west side of Maple Lane which also includes grade in excess of 10%.

STREET MAINTENANCE COSTS

	2020 Annual Maintenance Cost Report Source ¹	2020 (Actual) Source: Sunshine Request ²	2021 Annual Maintenance Cost Report	2021 (Budget) Source: Sunshine Request	2020 Manors Maintenance Costs for all Streets	2011-2021 (all Manors Streets Costs)
Cost with no Exclusions ³	\$1,641,502 (About \$34,021 per mile)	\$1,127,491 (About \$23,365.68 per mile)	\$1,655,155 (About \$34,304 per mile)	\$1,642,630	-\$0	\$ 152,094 for repairs; maintenance and signage
Cost of line items for capital costs for roads, bridges and signs excluding through County Road Fund		\$242,711 (About \$5,050 per mile)		\$791,000 (About \$16,393 per mile)	-0-	
Total for 2.27 miles (original request)	\$77,180	\$13,635	\$77,257	\$37,212	-0-	\$15,209 per year average
Total for 1.65 miles (amended request)	\$56,135	\$8,332	\$56,601	\$26,229	-0-	\$9,295 per year on a prorated basis

¹ Annual Maintenance Report, attached.

² Line Item Expenditures received. Sunshine request attached.

³ Exclusions: County Road Fund, Seminars/Training, Water, Electric, and Telephone for various buildings owned by the City; Maintenance and Repairs of buildings owned by the City; Office Supplies; employee canteen supplies, uniforms, salaries, education, legal fees.

City of Sunset Hills

November 1, 2019

Application for Sunset Hills to Accept the Following Private Streets for Public Maintenance: **Manors at Tapawingo**

Caddyshack Circle, Pagada Parkway, Sunny Dawn Court, Kahlia Way, Marchem Circle and part of Maple Drive. (See attached Map).

Annual Maintenance Cost Report

On August 1, 2019, Mr. Bob Flynn, on behalf of the trustees for the Manors of Tapawingo, applied to the City of Sunset Hills requesting the City consider accepting their streets for maintenance by the City.

As stated in Ordinance No. 2000, this document will serve as the non-compliance report presented to the Public Works Committee and the applicant.

The annual maintenance costs to the City, if the private streets are accepted for public maintenance, is calculated based on the yearly costs required to perform maintenance to City of Sunset Hills streets.

The maintenance costs for the year 2020 were \$1,641,502. Based on a total miles of public streets of 48.25 miles, the average cost of maintenance per mile is approximately \$34,020.77.

The maintenance costs for the year 2021 were \$1,655,165. Based on a total miles of public streets of 48.25 miles, the average cost of maintenance per mile is approximately \$34,303.94.

The total number of miles of the streets in the application for City maintenance is 2.27 miles. The average yearly cost for maintenance to those streets is approximately is \$77,227.15 for 2019 and \$77,869.94 for 2020.

2021 Sunset Hills - Street Maintenance Costs - Tapawingo Request

Expense Object	Fund	Account #	Account Name	2020 (Actual)	2021 (Budget)
5003 Full Time Regular Salary	General Fund	01-5000-5003	FT Reg Salary_Public Works	\$ 654,466.10	\$ 654,466.10
5003 Full Time Regular Salary	County Road Fund	10-5000-5003	FT Reg Salary_Public Works		
5014 Education Bonus Salary	General Fund	01-5000-5014	Education Bonus_Public Works		
5255 MILEAGE REIMBURSEMENT	General Fund	01-5000-5255	PUBLIC WORKS - MILEAGE		
5500 MEMBERSHIPS/SUBSCRIPTIONS	General Fund	01-5000-5500	MEMBERSHIPS/SUBSCRIPTIONS		
5510 SEMINARS/TRAINING	General Fund	01-5000-5510	SEMINARS/TRAINING	\$ 1,941.46	\$ 2,000.00
6015 Legal Fees	General Fund	01-5000-6015	Legal Fees	\$ 4,085.25	\$ 3,000.00
6030 ENGINEERING/SURVEYING	General Fund	01-5000-6030	ENGINEERING/SURVEYING		
6030 ENGINEERING/SURVEYING	Capital Project Fund	05-5000-6030	ENGINEERING/SURVEYING		
6120 Prop & Liab Insurance	General Fund	01-5000-6120	Property & Liability Insurance	\$ 22,101.41	\$ 22,644.70
6122 Workers Comp Insurance	General Fund	01-5000-6122	Workers Comp Insurance	\$ 18,927.93	\$ 20,520.00
6135 Computer Subscriptions	General Fund	01-5000-6135	Computer Subscriptions_Public Works	\$ 750.00	\$ 750.00
6135 Computer Subscriptions	County Road Fund	10-5000-6135	Computer Subscriptions_Public Works	\$ 3,000.00	\$ 3,000.00
6162 MAPS/CODIFICATION	General Fund	01-5000-6162	MAPS		
6190 GENERAL PLANNING	General Fund	01-5000-6190	GENERAL PLANNING		
6410 EQUIPMENT RENTALS	General Fund	01-5000-6410	EQUIPMENT RENTALS	\$ 3,366.50	\$ 12,000.00
6675 TREE REMOVAL	General Fund	01-5000-6675	TREE REMOVAL	\$ 6,594.43	\$ 6,000.00
6680 ROAD SWEEP/CLEANING	General Fund	01-5000-6680	ROAD SWEEP/CLEANING	\$ 2,079.00	\$ 6,000.00
6681 WASTE COLLECTION	General Fund	01-5000-6681	WASTE COLLECTION		
6683 MOSQUITO CONTROL	General Fund	01-5000-6683	MOSQUITO CONTROL		
6689 CONDEMNATION-STRUCTURE REMOVAL	General Fund	01-5000-6689	NUISANCE PROPERTY		
6701 Utilities - Electric	General Fund	01-5001-6701	Utilities - Electric_PW Bldg	\$ 4,716.44	\$ 4,500.00
6701 Utilities - Electric	General Fund	01-5010-6701	Utilities - Electric_City Hall		
6701 Utilities - Electric	General Fund	01-5012-6701	Utilities - Electric_Off Campus City Owned		
6701 Utilities - Electric	General Fund	01-5015-6701	Utilities - Electric_Infrastructure_Street Lights	\$ 12,851.70	\$ 12,000.00
6702 Utilities - Natural Gas	General Fund	01-5001-6702	Utilities - Natural Gas_PW Bldg	\$ 5,018.08	\$ 7,000.00
6703 Utilities - Water	General Fund	01-5001-6703	Utilities - Water_PW Bldg	\$ 5,829.80	\$ 2,000.00
6703 Utilities - Water	General Fund	01-5010-6703	Utilities - Water_City Hall		
6704 Utilities - Sewer	General Fund	01-5001-6704	Utilities - Sewer_PW Bldg	\$ 2,245.67	\$ 750.00
6704 Utilities - Sewer	General Fund	01-5010-6704	Utilities - Sewer_City Hall		
6705 Utilities - Telephone	General Fund	01-5000-6705	Utilities - Telephone_PW General		
6705 Utilities - Telephone	General Fund	01-5001-6705	Utilities - Telephone_PW Bldg	\$ 1,014.34	\$ 1,500.00
6705 Utilities - Telephone	General Fund	01-5010-6705	Utilities - Telephone_City Hall		
6706 Utilities - Internet	General Fund	01-5001-6706	Utilities - Internet_PW Bldg	\$ 1,618.34	\$ 2,000.00
6706 Utilities - Internet	General Fund	01-5010-6706	Utilities - Internet_City Hall		
6732 Maint/Repair - Grounds	General Fund	01-5001-6732	Maint/Repair - Grounds_PW Bldg	\$ 6,170.16	\$ 8,000.00
6732 Maint/Repair - Grounds	General Fund	01-5010-6732	Maint/Repair - Grounds_City Hall		
6732 Maint/Repair - Grounds	General Fund	01-5012-6732	Maint/Repair - Grounds_Off Campus City Owned		
6733 Maint/Repair - Building	General Fund	01-5001-6733	Maint/Repair - Building_PW Bldg	\$ 12,801.96	\$ 15,000.00
6733 Maint/Repair - Building	General Fund	01-5010-6733	Maint/Repair - Building_City Hall		
6735 Maint/Repair - Equipment	General Fund	01-5000-6735	Maint/Repair - Equipment_PW General		
6737 Maint/Repair - Vehicle	General Fund	01-5000-6737	Maint/Repair - Vehicle_PW General		
6738 Maint/Repair - Infrastructure	General Fund	01-5015-6738	Maint/Repair - Infrastructure_Street Lights		\$ -
6738 Maint/Repair - Infrastructure	General Fund	01-5025-6738	Maint/Repair - Infrastructure_Storm Sewers	\$ 5,000.00	\$ 5,000.00
6738 Maint/Repair - Infrastructure	County Road Fund	10-5020-6738	Maint/Repair - Infrastructure_Roads & Bridges	\$ 49,377.26	\$ 110,000.00
6738 Maint/Repair - Infrastructure	County Road Fund	10-5025-6738	Maint/Repair - Infrastructure_Storm Sewers		
7030 OFFICE SUPPLIES	General Fund	01-5000-7030	Office Supplies_PW General	\$ 1,150.67	\$ 1,500.00
7030 OFFICE SUPPLIES	General Fund	01-5010-7030	Office Supplies_City Hall		
7033 Employee Canteen Supplies	General Fund	01-5000-7033	Employee Canteen Supplies_PW		
7035 First Aid Supplies	General Fund	01-5001-7035	First Aid Supplies_PW Building		\$ 400.00
7035 First Aid Supplies	General Fund	01-5010-7035	First Aid Supplies_City Hall Campus		
7037 GAS/OIL	General Fund	01-5000-7037	GAS/OIL	\$ 19,191.73	\$ 24,000.00
7039 MINOR TOOLS	Capital Project Fund	05-5000-7039	Minor Tools_PW General	\$ 1,814.94	\$ 5,100.00
7057 UNIFORMS	General Fund	01-5000-7057	UNIFORMS	\$ 11,749.32	\$ 12,000.00
7059 Shop Supplies	General Fund	01-5001-7059	Shop Supplies_PW Bldg	\$ 12,754.50	\$ 13,000.00
7068 MISCELLANEOUS	General Fund	01-5000-7068	MISCELLANEOUS		\$ 2,000.00
7101 Mobile Phones and Tablets	General Fund	01-5000-7101	Mobile Phones & Tablets_PW General	\$ 2,000.00	\$ 2,000.00
7103 Minor Electronics	General Fund	01-5000-7103	Minor Electronics - PW General	\$ 500.00	\$ 500.00
9203 Cap Project/Acq - Building	Capital Project Fund	05-5001-9203	Cap Project/Acq - Building_PW Bldg	\$ 11,662.00	\$ 15,000.00
9203 Cap Project/Acq - Building	Capital Project Fund	05-5010-9203	Cap Project/Acq - Building_City Hall		
9204 Cap Project/Acq - Facilities	Capital Project Fund	05-5010-9204	Cap Project/Acq - Facilities_City Hall		
9205 Cap Project/Acq - Equipment	Capital Project Fund	05-5000-9205	Cap Project/Acq - Equipment_PW General	\$ 222,554.52	\$ 9,000.00
9208 Cap Project/Acq - Infrastructure	Capital Project Fund	05-5020-9208	Cap Project/Acq - Infra_Roads & Bridges	\$ 20,157.28	\$ 650,000.00
9208 Cap Project/Acq - Infrastructure	Capital Project Fund	05-5030-9208	Cap Project/Acq - Infra_Sidewalks		
9208 Cap Project/Acq - Infrastructure	County Road Fund	10-5020-9208	Cap Project/Acq - Infra_Roads & Bridges		
Total				\$ 1,127,491.79	\$ 1,642,630.80