



City Council Agenda Item Report

FROM: Scott Herbert – Public Works Superintendent

MEETING DATE: March 23, 2026

SUBJECT: Adoption of the Capital Improvements Plan (CIP) for 2026

DESCRIPTION:

Council reviewed the Capital Improvements Plan (CIP) during the February 18th, 2026, City Council workshop meeting. The CIP outlines planned infrastructure and capital improvement projects for the upcoming construction season and future years, supporting the City's ongoing efforts to maintain and improve essential public infrastructure for residents, businesses, and visitors. Following Council discussion and feedback at the workshop meeting, the CIP is being presented for formal adoption.

After receiving Council's feedback at the workshop meeting and internal discussions between City staff and City Engineer, the following updates have been added to the CIP and Water & Wastewater CIP:

- Since the fiscal year falls near the middle of the construction year, a column was added to list the construction year.
- Road restoration costs were added separately to the Water & Wastewater CIP.
- Addresses short-term needs identified in the Water Reliability Study and Wastewater AMP.
- Old records found reduced the scope of work needed to address water utility needs.
- Water Street water service separations are planned to be added to the Butler Street project.
- Asphalt repairs on Culver Street between Water and Griffith could be done independently of any potential sanitary sewer lining that could be needed.
- Updated amounts for sidewalk replacements that Public Works have been working on.
- Updated costs of Park Street.
- Added row for "As Needed Asphalt Repairs" for asphalt resurfacing, slurry sealing, and more extensive patching.

What are the inputs used to guide the prioritization process?

- Asphalt condition PASER rating
- Utility needs (both sewer and water)
- Traffic volume
- Traffic type (residential vs. commercial vehicles)
- Non-motorized improvements or needs

- Drainage and storm water
- Maintenance needs
- Outside funding availability and opportunities
- Resident feedback
- Council input
- City staff input

BUDGET ACTION REQUIRED:

N/A

COMMITTEE/COMMISSION REVIEW:

N/A

LEGAL REVIEW:

N/A

SAMPLE MOTION:

Motion to adopt the Capital Improvements Plan as presented for the 2026 construction season.

City of Saugatuck
Capital Improvements Plan 2026-2031
February 24, 2026

Project	Estimated Const. Year	Anticipated Funding Source(s)	Anticipated Project Cost By Year							Total	Notes
			FY2025-26	FY2026-27	FY2027-28	FY2028-29	FY2029-30	FY2030-31	FY2031-32		
Roadways (Streets, Sidewalks, Streetscapes, Storm Sewer & Bridges)											
Gravel Road Maintenance	Ongoing	Local	\$ 5,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 65,000	Grading, dust control, millings by DPW
Update PASER Ratings/Study	Ongoing	Local		\$ 8,000				\$ 10,000		\$ 18,000	Last updated in 2022
Sidewalk Repairs	Ongoing	Local	\$ 10,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 160,000	By DPW
Annual Pavement Markings	Ongoing	Local	\$ 36,000	\$ 38,000	\$ 40,000	\$ 42,000	\$ 44,000	\$ 46,000	\$ 48,000	\$ 294,000	Annual restriping.
As-Needed Asphalt Repairs/Improvements	Ongoing	Local		\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 300,000	Mill & fill, slurry seal, chip seal, etc.
Culvert & Storm Sewer Outfall Inspections	Ongoing	Local		\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 30,000	Combination of diving, rover, CCTV and simple visual anticipated.
Maple Street Improvements, Blue Star Hwy to S of North Street	2026	Local/Township/MDOT Category B	\$ 330,000	\$ 800,000						\$ 1,130,000	2026 construction season
Maple Street Drainage Improvements	2026	Local	\$ 60,000	\$ 65,000						\$ 125,000	Underground detention and related improvements, 2026 construction
Maple Street Sidewalk Improvements	2026	Local	\$ 100,000	\$ 900,000						\$ 1,000,000	2026 construction season
Mary Street Resurfacing, Water to Butler	2026	Local	\$ 45,000							\$ 45,000	2026 construction season, coordinated with Maple Street.
Elizabeth Street Improvements, Allegan St to Francis St	2027	Local	\$ 27,000	\$ 400,000	\$ 350,000					\$ 777,000	2026 planning & design, 2027 construction.
Blue Star Highway - West Side Valley Gutter & Shoulder Repairs	2027?	Local, Potentially MDOT/MDNR		\$ 10,000						\$ 10,000	DPW is coordinating the work with the Blue Star Trail project.
Grant Street (Holland to Elizabeth) and Elizabeth Street (Grant to North)	2028	Local		\$ 50,000	\$ 300,000	\$ 250,000				\$ 600,000	2027 design, 2028 construction.
Park Street, Campbell Rd to Mt. Baldhead Park	2029	Local/EGLE MCMP grant	\$ 20,000	\$ 100,000	\$ 300,000	\$ 1,000,000	\$ 1,000,000			\$ 2,420,000	2026 planning, 2027-2028 design, 2029 construction.
Lucy Street Resurfacing - Water to Holland, with sidewalk	2030	Local			\$ 30,000	\$ 100,000	\$ 150,000	\$ 150,000		\$ 430,000	2028 planning, 2029 design, 2030 construction.
Newnham Street Improvements	2030	Local			\$ 10,000	\$ 30,000	\$ 120,000	\$ 120,000		\$ 280,000	2028 planning, 2029 design, 2030 construction.
Butler Street Improvements - Culver to Lucy	2031	Local + TBD (pot. MDOT)				\$ 50,000	\$ 250,000	\$ 800,000	\$ 800,000	\$ 1,900,000	2028-2029 planning, 2030 design, 2031 construction.
Hoffman Street Improvements - Griffith to Grand	2032-2033	Local					\$ 40,000	\$ 150,000	\$ 150,000	\$ 340,000	2030 planning, 2031 design, 2032-2033 construction.
Grand Street Improvements - Francis to Spear	2032-2033	Local					\$ 40,000	\$ 125,000	\$ 125,000	\$ 290,000	2030 planning, 2031 design, 2032-2033 construction.
Mason Street Improvements - Grand to Elizabeth	2032-2033	Local					\$ 25,000	\$ 125,000	\$ 125,000	\$ 275,000	2030 planning, 2031 design, 2032-2033 construction.
Spear Street Resurfacing - East and West of Grand	2032-2033	Local					\$ 25,000	\$ 100,000	\$ 100,000	\$ 225,000	2030 planning, 2031 design, 2032-2033 construction.
Mill Street Improvements	2034	Local							\$ 20,000	\$ 20,000	2032 planning, 2033 design, 2034 construction.
Lakeview, Brooks & Interlaken Street Improvements	2034	Local							\$ 10,000	\$ 10,000	2032 planning, 2033 design, 2034 construction.
Subtotal Roadways			\$ 633,000	\$ 2,461,000	\$ 1,120,000	\$ 1,562,000	\$ 1,784,000	\$ 1,716,000	\$ 1,468,000	\$ 10,744,000	
Water System											
Lead Service Line Replacement - Systemwide	2026-2038	Local, Potentially State/Federal	\$ 50,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 1,850,000	Annually addressing services prior to road work plus others.
Maple Street Water Main Replacement - Blue Star to S of North Street	2026	Local/Township	\$ 450,000	\$ 400,000						\$ 850,000	2026 construction season
Water Street Gate Valve Installation	2026	Local	\$ 85,000							\$ 85,000	2026 construction season, coordinated with Maple Street.
Elizabeth Street Water Main Replacement - Hoffman to Main	2027	Local		\$ 150,000	\$ 150,000					\$ 300,000	Coordinated with road improvements.
Park Street Water Main Improvements	2029	Local			\$ 10,000	\$ 50,000	\$ 50,000			\$ 110,000	Non-traffic hydrant replacement & misc. improvements.
Lucy Street Water Main Replacement - Water to Butler	2030	Local				\$ 30,000	\$ 80,000	\$ 80,000		\$ 190,000	Coordinated with road improvements.
Newnham Street Water Main Extension	2030	Local				\$ 10,000	\$ 60,000	\$ 60,000		\$ 130,000	Coordinated with road improvements.
400 Block Water Street Water Service Separation	2031	Local					\$ 5,000	\$ 30,000	\$ 30,000	\$ 65,000	Shared water service from Main St under existing buildings
Butler Street Water Main Replacement - Culver to Lucy	2031	Local					\$ 175,000	\$ 750,000	\$ 750,000	\$ 1,675,000	Coordinated with road improvements.
Non-Traffic Hydrant Replacement	2031-2032	Local							\$ 100,000	\$ 100,000	Those not replaced as part of other projects.
Hoffman Street Water Main Replacement - Griffith to Grand	2032-2033	Local					\$ 20,000	\$ 100,000	\$ 100,000	\$ 220,000	Coordinated with road improvements.
Grand Street Water Main Replacement - Francis to Spear	2032-2033	Local					\$ 20,000	\$ 75,000	\$ 75,000	\$ 170,000	Coordinated with road improvements.
Subtotal Water System			\$ 585,000	\$ 850,000	\$ 460,000	\$ 390,000	\$ 710,000	\$ 1,395,000	\$ 1,355,000	\$ 5,745,000	
Wastewater System											
Maple Street Sanitary Sewer Improvements	2026	Local/Township		\$ 5,000						\$ 5,000	Addressed with road improvements.
Elizabeth Street Sanitary Sewer Improvements	2027	Local	\$ 5,000	\$ 45,000	\$ 35,000					\$ 85,000	Coordinated with road improvements, scope TBD.
Park Street Sanitary Sewer Improvements	2029	Local			\$ 20,000	\$ 85,000	\$ 75,000			\$ 180,000	Coordinated with road improvements, scope TBD.
Newnham Sanitary Sewer Replacement	2030	Local				\$ 10,000	\$ 75,000	\$ 75,000		\$ 160,000	Coordinated with road improvements, scope TBD.
Sanitary Sewer Lining - Systemwide	2030	Local					\$ 25,000	\$ 250,000		\$ 275,000	Portions of Butler, Culver, Mary & Grand (per SAW).
Sanitary Manhole Rehabilitation - Systemwide	2030	Local					\$ 25,000	\$ 250,000		\$ 275,000	Locations as identified in wastewater AMP (SAW).
Mason Street Sanitary Sewer Replacement - Grand to Elizabeth	2032-2033	Local					\$ 10,000	\$ 150,000	\$ 150,000	\$ 310,000	Coordinated with road improvements.
Subtotal Wastewater System			\$ 5,000	\$ 50,000	\$ 55,000	\$ 95,000	\$ 210,000	\$ 725,000	\$ 150,000	\$ 1,290,000	
Other											
Mt. Baldhead Restroom Building Replacement	2025-2026	Local	\$ 75,000							\$ 75,000	Spring 2026 completion.
DPW Resurfacing	2026	Local	\$ 40,000	\$ 120,000						\$ 160,000	2026 construction season, coordinated with Maple Street.
Sea Wall and Misc. Structure Repairs	2026	Local	\$ 170,000							\$ 170,000	2026 construction season, coordinated with Maple Street.
Chain Ferry Ramp Repairs	2026	Local	\$ 50,000							\$ 50,000	Spring 2026 project.
Mt. Baldhead Parking Lot Maintenance and Improvements	2026	Local	\$ 5,000	\$ 10,000						\$ 15,000	Work anticipated to be performed by DPW - millings, etc.
Village Square Restroom Building Siding Replacement	2026	Local	\$ 10,000	\$ 25,000						\$ 35,000	Placeholder for scope and timeframe TBD.
Village Square Court Improvements	2026-2027	Local, Donor, MDNR	\$ 30,000	\$ 240,000						\$ 270,000	2026 design, fall 2026 or spring 2027 construction.
Mt. Baldhead Observation Platform Replacement	2026-2027	Local + TBD	\$ 20,000	\$ 300,000						\$ 320,000	2026 design, fall 2026 or spring 2027 construction.
Village Square & Wicks Park Restroom Interior Renovation	2027	Local	\$ 10,000	\$ 50,000	\$ 50,000	\$ 50,000				\$ 160,000	2026 planning, design and construction TBD
City Hall Interior Renovation	2027?	Local	\$ 5,000	\$ 35,000	\$ 150,000	\$ 100,000				\$ 290,000	Planning ongoing, design and construction TBD
Mt. Baldhead Stairs & River Deck Improvements	2028	Local + TBD		\$ 50,000	\$ 500,000	\$ 450,000				\$ 1,000,000	Planning/design in 2027, construction in 2028.
Blue Star Trail Development	TBD	Local, Township, FOBST, MDOT, MDNR									Final budget and timeframe TBD.
Lake Street & Blue Star Highway Traffic Signal	TBD	Local, MDOT									Final budget and timeframe TBD.
Shoreline Master Planning	TBD	Local + TBD									Final budget and timeframe TBD.
Subtotal Other			\$ 415,000	\$ 830,000	\$ 700,000	\$ 600,000	\$ -	\$ -	\$ -	\$ 2,545,000	

Note: Project costs shown are budgetary in nature (in current dollars) for comparison only to be refined during project planning & design.

City of Saugatuck
Water and Wastewater Capital Improvements Plan
2026-2038
February 24, 2026

Ongoing projects anticipated to be completed prior to full authority

Project	Est. Const. Year	Est. Total Project Cost	Estimated Water Cost	Estimated Sewer Cost	Estimated Road Rest. Cost	Anticipated Project Cost By City Fiscal Year													Comments
						FY2025-2026	FY2026-2027	FY2027-2028	FY2028-2029	FY2029-2030	FY2030-2031	FY2031-2032	FY2032-2033	FY2033-2034	FY2034-2035	FY2035-2036	FY2036-2037	FY2037-2038	
Maple Street Water Main Replacement (Maple to S of North)	2026	\$ 1,980,000	\$ 850,000	\$ -	\$ 1,130,000	\$ 780,000	\$ 1,200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	City/Township project.
Water Street Gate Valve Installation	2026	\$ 85,000	\$ 70,000	\$ -	\$ 15,000	\$ 85,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	City project being completed with Maple Street contract.
Elizabeth Street Water Main Replacement (Hoffman to Main)	2027	\$ 500,000	\$ 300,000	\$ -	\$ 200,000	\$ -	\$ 250,000	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	City project, planning/design in 2026, construction in 2027.
Total		\$ 2,565,000	\$ 1,220,000	\$ -	\$ 1,345,000	\$ 865,000	\$ 1,450,000	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

Future projects anticipated to be completed as part of full authority

Project	Est. Const. Year	Est. Total Project Cost	Estimated Water Cost	Estimated Sewer Cost	Estimated Road Rest. Cost	Anticipated Project Cost By City Fiscal Year													Comments
						FY2025-2026	FY2026-2027	FY2027-2028	FY2028-2029	FY2029-2030	FY2030-2031	FY2031-2032	FY2032-2033	FY2033-2034	FY2034-2035	FY2035-2036	FY2036-2037	FY2037-2038	
Remaining Lead Service Line Replacement	2028-2038	\$ 3,840,000	\$ 3,200,000	\$ -	\$ 640,000	\$ -	\$ -	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 340,000	Approx. 480 services x \$8,000 average (incl. engineering)
Park Street Utility Improvements	2029	\$ 290,000	\$ 100,000	\$ 180,000	\$ 10,000	\$ -	\$ -	\$ 30,000	\$ 135,000	\$ 125,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Non-traffic hydrant replacement & misc. improvements w/ City road project.
Lucy Street Water Main Replacement (Water to Butler)	2030	\$ 430,000	\$ 180,000	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ 50,000	\$ 190,000	\$ 190,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Water main replacement and road resurfacing (City would also do sidewalk ext.)
Newnham Street Water & Sanitary Sewer Replacement	2030	\$ 290,000	\$ 130,000	\$ 160,000	\$ -	\$ -	\$ -	\$ -	\$ 20,000	\$ 135,000	\$ 135,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Gravel road - address shared water service and poor condition sewer with road imp's by City.
Systemwide Sanitary Sewer Lining	2030	\$ 275,000	\$ -	\$ 275,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,000	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Per SAW (items not addressed with other projects)
Systemwide Sanitary Manhole Rehabilitation	2030	\$ 275,000	\$ -	\$ 200,000	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 25,000	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Per SAW (items not addressed with other projects)
400 Block Water Street Water Service Separation	2031	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ 30,000	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Shared water service from Main St under existing buildings
Butler Street Water Main Replacement (Culver to Lucy)	2031	\$ 2,400,000	\$ 1,675,000	\$ -	\$ 725,000	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ 1,100,000	\$ 1,100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Sewer lining with systemwide project.
Non-Traffic Hydrant Replacement	2031-2032	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Remaining public hydrants not replaced with other projects per STFD list.
Hoffman Street Water Main Replacement (Griffith to Grand)	2032-2033	\$ 560,000	\$ 220,000	\$ -	\$ 340,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,000	\$ 200,000	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	
Grand Street Water Main Replacement (Francis to Spear)	2032-2033	\$ 290,000	\$ 170,000	\$ -	\$ 120,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,000	\$ 150,000	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ -	
Mason Street Sanitary Sewer Replacement (Grand to Elizabeth)	2032-2033	\$ 400,000	\$ -	\$ 250,000	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,000	\$ 170,000	\$ 170,000	\$ -	\$ -	\$ -	\$ -	\$ -	
Total		\$ 9,150,000	\$ 5,775,000	\$ 1,065,000	\$ 2,310,000	\$ -	\$ -	\$ 380,000	\$ 555,000	\$ 1,055,000	\$ 2,445,000	\$ 2,100,000	\$ 870,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 340,000	

Note: Project costs shown are budgetary in nature (2026 dollars) for comparison only to be refined during project planning & design.