

AGENDA
City Council Work Session
March 5th, 2025
5:30 pm

Call to Order: 5:32 pm

Agenda Approval (motion required)

Council Member Janish motions to approve the agenda, seconded by Council Member Gilliland.

Ayes: Mayor Goenner, Council Members Gilliland, Miller, Nelson and Janish

Nays: None

Motion carried: 5 – 0

City Engineer Keith Yapp and Interim City Clerk Shirley Slater-Schulte were present to assist the council in updating the Capital Improvement Plan.

1. New Business
 - a. Capital Improvement Plan (CIP)

Shirley Slater-Schulte - The audit for 2024 audit has not been completed so the numbers presented will be from the 2023 audit which was completed the end of December 2024. We have everything the city spent to date in 2024 so we can reflect back and forth regarding the budget. In doing some research in what you have in CIP, how much do we have set aside in CIP and for what? Shirley can report these number up until the December of 2023. We haven't done a resolution doing a fund transfers for 2024. The auditors haven't sent us anything to do the journal entries to end 2024. It's a little complicated but it isn't anything that we can't get through.

Back in 2023, according to the audit, it is committed funds and it has the resolution that you did for the fire department. That's where we're going to start because the fire department is the one that has the largest cash fund set-aside. At the end of 2023 that amount, on this resolution, was \$823,873.00 and another amount of \$126,983.00. That money is all together in one pot and our total government funds were \$1,511,000.00 (and some odd dollars) so that's what's set aside for capital expenditures. The fire department should follow this resolution that Kari prepared for you. This resolution was adopted by the council at the first meeting putting that money aside for the fire department. Shirley is uncertain if anything was set aside and budgeted for in 2024. Part of the fire department set-aside was used to purchase the new fire truck but there may be some funds left after the purchase of that fire truck.

Other funds where the city has money set-aside are (from 2023 audit), Parks set-aside is \$75,072.00, the General Fund has some purchases assigned for infrastructure for \$50,000.00, Capital Streets was \$84,000.00, Fire Building was \$24,000.00 (approximates) so there is

approximately \$321,000.00 that is unassigned. Why? Because the council hasn't come up with those expenditures yet. There are additional funds in water and sewer and those funds would be in the checking and savings accounts it just hasn't been dedicated. There was nothing filled out for 2024 and we haven't done anything in 2025 as far as dedications go. Financially the city appears to be in good shape.

Keith Yapp – There are certain buckets of capital, water department, fire department, waste water funds but there isn't any capital improvement. Public works, which would include trucks and equipment, administration which would include improvements to the city hall and clerk's office and there is Parks which has a dedicated fund. A Capital Improvement Plan is needed for all of these areas. Water and sewer also needs to be separate.

Shirley Slater-Schulte - The funds in water (as of the end of 2023) is \$226,440.00 and sewer \$959,993.00 so the city has a reserve of \$1,186,433.00 within water and sewer combined. The auditor suggests the city could pay for the repair on Clark Street lift station and, should the city decide to bond for another project in two years, the repairs for the Clark Street lift station could be added to the bond if the city needed it. The water and sewer funds are very healthy. The city needs to use some of these funds. Does the state mandate a certain reserve in the water and sewer funds? We will check with the auditor to see what the actual reserve is.

Keith Yapp – Streets and Storm appears not to have much funding set-aside and this may need some attention. There is preventative maintenance that can and should be done. Do any of the streets need to be repaired, rehabilitated or replaced? Do we need to make adjustments on any of the streets? This is a decision point for the council. What do we want our city to look like when we redo things in the older parts of town? It is better to try to do things in "chunks" rather than redoing everything all at once. What are the projects that we need to look at and start designating funds to those projects. We also need to figure out where the funds will come from. IE: Can Streets and Storm come out of the waste water fund? With all the new building, trucks coming in and out will present wear and tear on the city streets and can deteriorate streets quickly. Could the city do an assessment every five or six years for areas that need street repairs? The city does not do that at this time. Is there an Assessment Policy and, if so, how old is it? It would likely need to be updated.

Start looking at projects that need to be done and start putting some costs together for these projects and then we look at when we could start scheduling these projects.

Evan Johnson - The first project needs to be the Clark Street lift station. The second thought is roads but we need to assess if and where there is any damage or where repairs need to be done. We are unsure of any of the infrastructure underground, again what and when has anything been done to ensure preventative action has been taken. Has there been any televising done? Has there been jetting done? Evan will do some checking on televising and jetting and how recent this has been done.

Do we know how many houses will be added to the Hunter Lakes project? Do we need to look at adding a water tower in the future? Looking at five to ten years down the line will the infrastructure keep up with the growth? For growth to the north you may need to look at this in

the future. Each year the water use for the city has been growing by approximately two million. Right now the city is permitted for twenty million per year so we will likely need to look at adjusting the city permit and Evan is uncertain if and what the cost increase will look like. We also need to look at the overage cost. Hunter Lake lift station will also need to be looked at as it is 25 years old. The city need to look at replacing pumps, motors and control panels. Long term would be the County Road 8 lift station. Down the road again, looking at a new plow truck and replacing the white plow truck.

Updating the controls at the lift stations. The city systems are not functioning as one unit. If we brought in a firm that could install one system where all of our systems are monitored together and talk to each other and can notify public works correctly when and if there is an alarm or a problem. It would be better to look at this sooner rather than later. We do check our systems everyday physically but if can update the system we wouldn't necessarily need to do a physical check every day. The cost could be in the ball-park of twenty thousand dollars but we would have to actually contact companies that offer this and get estimates.

Do we need to add a generator to Hunter Lake? Not immediately but looking at a 5 to 10 year plan. Well #1 is high in nitrates but could we put a hydrant out there for a back-up for the fire department. It may take too long to fill the fire truck but there are other options using this well. It could also be used for irrigation.

We need to clean and assess storm sewers and there's a lot of work that needs to be done to clean up Hunter Lake. It is a wetland that is not being taken care of.

We need to figure out what streets need to be repaired, how much it's going to cost and can we do the repairs or replacements in increments. If we get it into the CIP we can plan these things out. Evan and Keith will go out and review the streets and start putting a budget together. It may be a good idea to start looking at shifting some revenue sources to fund Streets and Storm. Possibly shift some funds from water and sewer.

As there are funds in the Parks fund we need to put the park back up in Hunter Lake. There is a Park Dedication fund and the developer puts money into that fund. Does the money in the Parks Fund need to be used for parks? Could we set up a community committee to help put the equipment back together in the park? As new houses go up in the area, the need for the park will grow. What is the short term solution and can we get the equipment back in even if it's only temporary? How much would a half court cost and would it be feasible this year? This also needs a short term and long term plan.

One of the projects the city needs to look at is remodeling city hall and install an A/V system. We can put this into a longer term plan, 5 to 10 years down the road.

Adding a security system to the lift stations.

Re-keying the doors in city hall and re-key the fire department at the same time.

Keith and Evan can start assessing and putting together some cost plans and dates to include:

- Public Works
- Streets and Storms
- Parks

Keith explained to council what types of costs would come out of the sewer fund and what costs would come out of the water fund. And what could be split between funds.

Council Member Nelson provided a "sample" spreadsheet that he feels would be helpful for the council to use moving forward with the CIP. This is where we're at, this is where we're going, this is where we need to get to - would be clearly defined.

Remodel the clerk's office. Add an office inside the office as we will be adding an additional staff. Getting the maps moved either to the conference room or digitalizing them so anyone that needs access, has access. We will start looking for a company that can digitalize our mapping system. This could possibly be a CIP project but it will depend on the costs.

When the new fire hall is built, what will we do with the old one? It doesn't seem to be in the best shape and would the insurance cost justify keeping it?

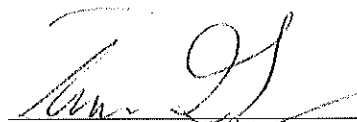
Council Member motions to adjourn, seconded by Council Member Janish.

Ayes: Mayor Goenner, Council Members Gilliland, Miller, Nelson and Janish

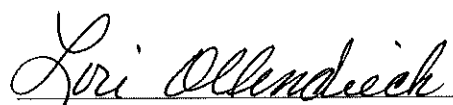
Nays: None

Motion carried 5 – 0

Adjourned at 7:02 pm



Mayor Tim Goenner



Lori Ollendieck
03/10/25