



CITY OF GRAND RAPIDS

Meeting Agenda Full Detail City Council

Monday, November 19, 2012

4:30 PM

Conference Room 2A

Special Meeting

CALL TO ORDER: Pursuant to due notice and call thereof a Special Meeting of the Grand Rapids City Council was held on Monday, November 19, 2012 4:30 p.m. in Conference Room 2A, 420 North Pokegama Avenue, Grand Rapids, Minnesota.

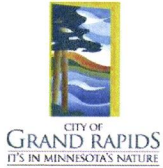
CALL OF ROLL

1. [12-0724](#) Discuss 2013 Capital Requests and Proposed 5-Year Infrastructure CIP.
Attachments: [2013 CIP recap equipment.pdf](#)
[Proposed 5-Year Infrastructure CIP.pdf](#)

ADJOURNMENT

Attest:

Shawn Gillen, City Administrator



CITY OF GRAND RAPIDS

Legislation Details (With Text)

File #: 12-0724 **Version:** 1 **Name:** 2013 Capital and 5-Year Infrastructure Plan
Type: Agenda Item **Status:** Finance
File created: 11/15/2012 **In control:** Finance
On agenda: 11/19/2012 **Final action:**
Title: Discuss 2013 Capital Requests and Proposed 5-Year Infrastructure CIP.
Sponsors:
Indexes:
Code sections:
Attachments: [2013 CIP recap equipment.pdf](#)
[Proposed 5-Year Infrastructure CIP.pdf](#)

Date	Ver.	Action By	Action	Result
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Title

Discuss 2013 Capital Requests and Proposed 5-Year Infrastructure CIP.

Body

Background Information:

Attached are the 2013 Capital Equipment Requests and the items currently funded.

Also attached is a memo from Tom Pagel and myself and several spreadsheets discussing the 2013 proposed infrastructure projects and the proposed 5-Year Infrastructure CIP.

Requested City Council Action

Discuss 2013 Capital Requests and Proposed 5-Year Infrastructure CIP.

**CITY OF GRAND RAPIDS
2013 CAPITAL EQUIPMENT REQUESTS**

Equipment Replacement Fund	<u>Requests</u>	<u>Council Commitments</u>
AIRPORT		
8 & 10 Unit T-hangar ramp-City portion	\$ 39,750	\$ 39,750
Tractor with Flail Mower	8,750	8,750
Crack Sealing-Taxiway A	2,250	-
BUILDING MAINTENANCE		
City Hall Bathroom Fixtures	10,000	-
CEMETERY		
Mower Replacement	4,500	-
FIRE		
Fire Hall roof replacement	40,000	-
Lockers	8,000	-
Information Technology		
Replace core network switches	9,000	-
PARK & RECREATION		
Playground revitalization	50,000	-
Dehumidification replacement	75,000	-
POLICE		
Vehicle replacement	70,000	35,000
Remote pole cameras	70,000	-
PUBLIC WORKS		
Pickup truck replacement	35,000	-
Turf lawnmower replacement	18,000	-
City Entrance Signs	15,000	-
Total requests - CIP Fund	<u><u>\$ 455,250</u></u>	<u><u>\$ 83,500</u></u>
Golf Course Funds		
4000 D Rough Mower	28,000	
Range Ball Picker	4,000	
Greens Reels	3,600	
On-course Restrooms	50,000	
Token Range Ball Dispenser	6,000	
Utility cart	5,500	
Total Golf Course	<u><u>\$ 97,100</u></u>	
Storm Water Utility Fund		
Street Sweeper	<u><u>\$ 180,000</u></u>	<u><u>\$ 180,000</u></u>



MEMORANDUM

Date: November 14, 2012

To: Mayor Adams and City Council

From: Shirley Miller, Finance Director and Tom Pagel, City Engineer

CC: Shawn Gillen, Administrator

Re: Proposed Five-Year Infrastructure CIP

The focus of the memorandum is on projects that will require General Obligation (GO) Bond Levies to assist in financing the projects. Please note that CP 2012-6, ICC Signal, and CP 2011-5, Golf Course Road Improvements, are not included in this memorandum because they will not require GO Bonding.

Attached are four information sheets. The first sheet titled "2013-2017 CIP" identifies projects prioritized by the Engineering Department. This spread sheet identifies how much GO Bonding would be added, how many miles of street would be improved, and the cost attributed to the Storm Water Utility (SWU) for each project. It also identifies the total cost of GO Bonding, Storm Water Utility, and improved miles, for each year.

The second sheet titled "City of Grand Rapids" identifies the existing GO Bond Levy requirements for the next ten years and the potential GO Bond Levy Requirements (identified in bold text) to fund the proposed projects on the first sheet attachment. The focus of this second sheet should be on the bottom row labeled "Total Debt Service Levies".

Sheet three is a graph representing "Total Debt Service Levies" from sheet 2. Through year 2016 there is a steep incline in GO Levy required to fund the proposed CIP. In 2017 the increase in GO Levy greatly decreases and then starts to reduce in 2018 and beyond because projects have not been programmed yet in the CIP and bonds issued earlier are starting to be paid off. One could anticipate a marginal annual increase in GO Levy beyond 2018 due to inflation assuming that the CIP continues to maintain the existing street infrastructure.

The fourth spreadsheet is a SWU rate review summary. All GO Bonding/Levy projections on Sheets one through three assume that there will be a SWU rate increase to cover the storm water project costs. The City Council has not increase SWU rates since the creation of the utility in 2004. The SWU was established to eliminate special assessments related to storm water reconstruction, fund the on-going administrative requirements of the MPCA MS4 Permit, and Operations and Maintenance related to the SWU. The City is no longer able to fund storm water

reconstruction costs from the utility. To fund the SWU debt service as proposed on Sheet 1, the City would need to increase the Single-Family rate from \$5.35/month to \$6.00/month. This equates to an increase of \$7.80/year. The other land use type rate increases are identified on Sheet 4, under the "Average" column.

2015-2017 CP

GO Amortisation Sheet

Project Number/Name	Miles	Type	GO Band	3%, 15 yrs. GO Levy	Storm Water Utility	GO Added 2013	Total Mileage 2013	Storm Water 2013	GO Added 2014	Total Mileage 2014	Storm Water 2014	GO Added 2015	Total Mileage 2015	Storm Water 2015	GO Added 2016	Total Mileage 2016	Storm Water 2016	GO Added 2017	Total Mileage 2017	Storm Water 2017
CP 2012-3, 4th Avenue NE	0.21	Recon	666,851	55,860	43,695	55,860	0.21	43,695												
CP 2013-1, 7th Avenue NW	0.14	Recon	374,528	31,371	45,211	31,371	0.14	45,211												
CP 2010-2, CWO - Urban	1.50	Overlay	467,986	39,702	30,000	39,702	1.50	30,000												
CP 2012-4A, Reimer-Deschelpper	1.00	Overlay	749,735	62,761	43,875	62,761	1.00	43,875												
CP 2013-2, CWO Rural	0.80	Overlay	130,000	10,890	25,000				30,890	0.80	25,000									
CP 2011-2, Crystal Lake Boulevard	0.42	Recon	1,174,526	98,385	154,989	98,386	0.42	154,989												
CP 2011-14, 14th St. to Ridgewood	0.17	Recon	871,446	72,998	48,666	72,998	0.17	48,666												
CP 2011-4A, CWO Urban	1.48	Overlay	490,000	33,507	30,000	33,507	1.40	30,000												
CP 2011-1, 10th Avenue NE	0.14	Recon	573,128	48,009	33,817				48,009	0.14	48,009									
CP 2011-3, 7th St. 11th Avenue NE	0.35	Recon	963,302	80,893	109,546				80,893	0.35	109,546									
CP 2009-18, 21st St. SW	0.00	New	663,333	55,565	0				55,565	0.00	0									
CP 2012-4, CWO - Urban	1.00	Overlay	468,560	39,333	137,390				39,333	1.00	137,390									
CP 2012-5, Elma Drive Extension	0.00	New	243,876	20,426	0				20,423	0.00	0									
CP 2013-26, CWO Urban	1.00	Overlay	283,503	23,748	25,000				23,748	1.00	25,000									
CP 2014-3, CWO Rural	1.35	Overlay	366,000	30,575	25,000				30,575	1.35	25,000									
CP 2014-26, CWO Urban	1.25	Overlay	351,000	29,402	25,000				29,402	1.25	25,000									
CP 2009-1, 4th Avenue NW	0.44	Recon	2,005,787	168,102	128,377				168,102	0.44	128,377									
CP 2012-1, 6th St. NE	0.22	Recon	1,231,395	103,150	70,548				103,150	0.22	70,548									
CP 2012-2, 8th St. NE	0.07	Recon	384,000	32,565	25,000				32,566	0.07	25,000									
CP 2014-2, 2nd Ave. NE (8th to 8th)	0.25	Recon	641,500	53,735	50,000				53,736	0.25	50,000									
CP 2007-5, 5th Ave. NE (7th-2 to 8th)	0.07	Recon	281,292	24,401	35,170				24,401	0.07	35,170									
CP 2016-1, NW Reconstruction	0.48	Recon	2,081,970	174,324	122,000													174,324	0.48	120,000
CP 2016-2, 3th St. North Overlay	1.67	Overlay	0	0	0													0	1.67	0
CP 2016-1, 3rd Ave. NE (5th to 8th)	0.23	Recon	574,500	48,124	98,208													48,124	0.23	98,208
Totals	14.16		15,957,811	1,396,791	1,363,982	1,691,184	2.85	-62,776	215,760	2.79	257,755	298,351	3.84	-205,345	410,957	2.30	394,095	222,448	2.38	218,208

CITY OF GRAND RAPIDS

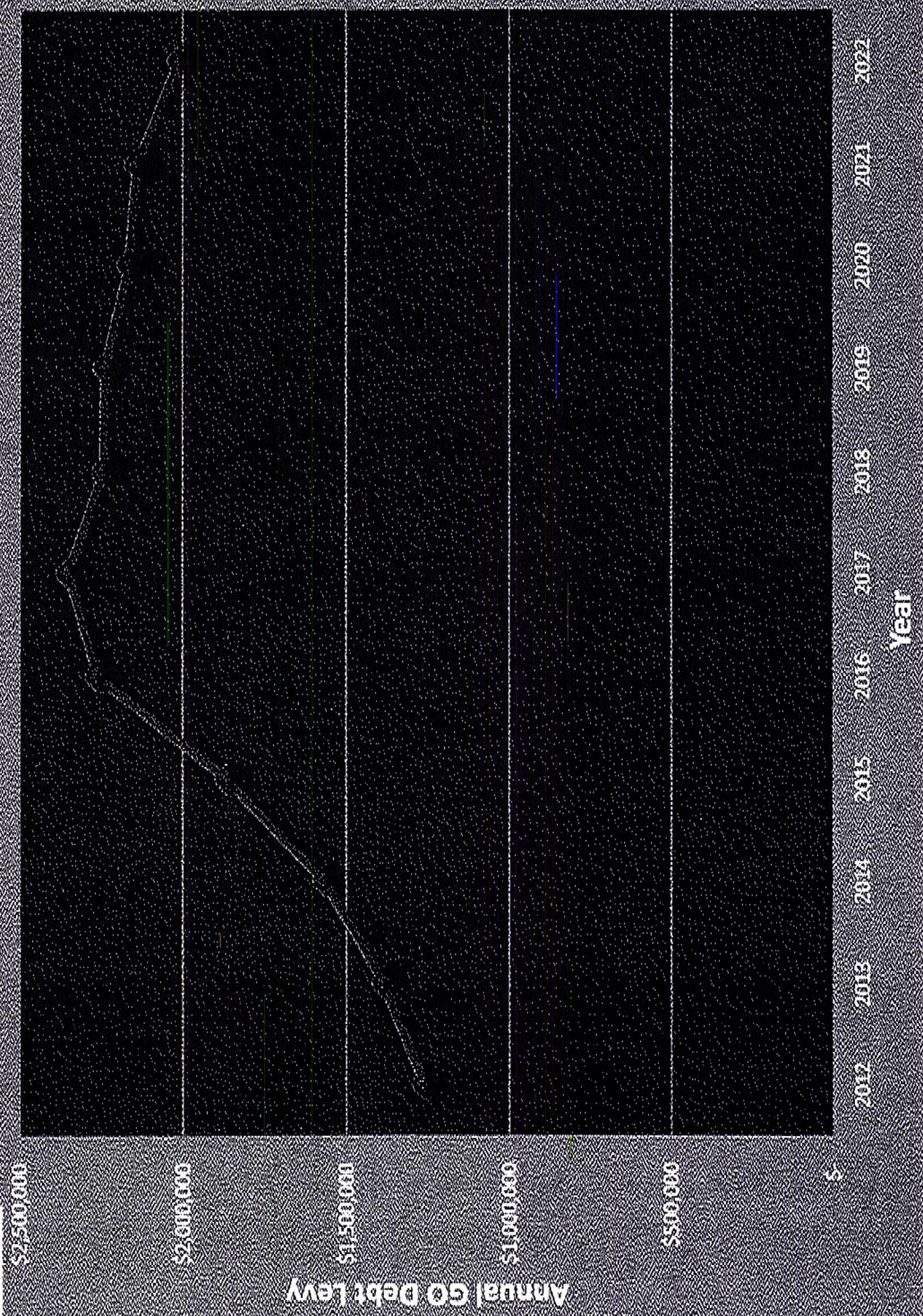
LEVY COMPARISONS FOR YEARS 2011- 2016

Based on 2012 -2016 CIP Requests

Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
	2012 Levy	2013 Levy	2014 Levy	2015 Levy	2016 Levy	2017 Levy	2018 Levy	2019 Levy	2020 Levy	2021 Levy	2022 Levy
	Payable 2013	Payable 2014	Payable 2015	Payable 2016	Payable 2017	Payable 2018	Payable 2019	Payable 2020	Payable 2021	Payable 2022	Payable 2023
	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount
Levies for Infrastructure:											
2001 Improvement Bonds	\$ 12,743	\$ 12,575	\$ 17,609	\$ 17,083	-	-	-	-	-	-	-
2004 Improvement Bonds	111,112	49,285	50,077	50,691	51,127	51,384	51,284	50,475	-	-	-
2005 Improvement Bonds	51,089	48,668	49,056	49,475	42,064	37,621	38,542	36,654	-	-	-
2007 Improvement Bonds	117,311	119,923	122,325	119,268	116,210	118,271	114,867	116,713	118,274	119,636	-
2006C Prj 2004-1B Sp Levy	26,776	25,700	24,645	23,549	22,473	21,397	20,330	19,245	18,170	17,094	-
2002/2006 Prj 2001-8 Sp Levy	31,908	30,600	29,291	27,983	26,674	25,366	24,057	22,749	21,440	-	-
2008 Improvement Bonds	150,866	152,983	149,644	146,012	147,630	148,880	144,659	145,374	140,608	140,766	151,183
2008 Prj 2007-7 Sp Levy	2,645	2,749	2,645	2,540	2,436	2,332	2,228	2,124	2,020	1,915	1,811
2009 Improvement Bonds	314,207	309,507	309,277	303,278	307,321	305,114	302,266	299,187	311,836	301,787	302,370
2009B Refunding Bonds	25,681	35,791	9,266	-	-	-	-	-	-	-	-
2009 Equipment Certificates	141,067	138,117	140,268	141,967	143,319	144,286	-	-	-	-	-
2010 Improvement Bonds	150,489	145,941	140,973	135,610	140,381	8,073	54,608	58,648	57,129	55,611	53,935
Adjustment for Debt Study	(62,500)	(62,500)	(70,929)	(44,730)	(34,500)	(34,500)	(34,500)	(34,500)	(27,500)	(19,670)	(17,593)
2011 Improvement Bonds	54,378	54,647	54,746	54,675	54,467	54,054	58,755	57,848	56,943	55,779	54,615
2012 Improvement Bonds	134,854	134,120	133,236	132,081	130,516	133,867	131,572	128,985	131,341	133,284	129,704
2013 Improvement Bonds	-	189,194	189,194	189,194	189,194	189,194	189,194	189,194	189,194	189,194	189,194
2014 Improvement Bonds	-	-	215,780	215,780	215,780	215,780	215,780	215,780	215,780	215,780	215,780
2015 Improvement Bonds	-	-	-	298,351	298,351	298,351	298,351	298,351	298,351	298,351	298,351
2016 Improvement Bonds	-	-	-	-	410,957	410,957	410,957	410,957	410,957	410,957	410,957
2017 Improvement Bonds	-	-	-	-	-	222,448	222,448	222,448	222,448	222,448	222,448
Total Debt Service Levies	\$ 1,262,626	\$ 1,387,301	\$ 1,567,104	\$ 1,862,788	\$ 2,264,403	\$ 2,352,866	\$ 2,245,399	\$ 2,240,233	\$ 2,166,992	\$ 2,142,913	\$ 2,012,756



GO Debt Levy Projection



Storm Sewer
 Capital Improvement Review
 2012 Rate Review

Item	2013	2014	2015	2016	2017
Storm Water CIP	162,770	257,755	405,345	334,095	218,208
SWU Revenues Available	0	0	0	0	0
Additional Revenue Required	162,770	257,755	405,345	334,095	218,208
Annual PMT @ 15 yrs, 3% int.	13,635	21,591	33,954	27,986	18,279
Cumulative Annual PMT	13,635	35,226	69,180	97,166	115,445

Proposed Five Year Increase

Existing Rate Revenue Projection	496,412	496,412	496,412	496,412	496,412
CIP Cumulative Annual Payment	13,635	35,226	69,180	97,166	115,445
Total Revenue	\$510,047	\$531,638	\$565,592	\$593,578	\$611,857

Land Use	2013 Rate	2014 Rate	2015	2016	2017	Existing Rate	Average
Single-Family	5.45	5.65	6.00	6.35	6.50	5.35	\$5.99
Multi-Family	19.92	20.65	21.93	23.21	23.76	19.55	\$21.89
Commercial	30.51	31.63	33.59	35.55	36.39	29.95	\$33.53
Industrial	30.51	31.63	33.59	35.55	36.39	29.95	\$33.53
Institutional	27.06	28.05	29.79	31.53	32.27	26.56	\$29.74