

## Public Works Facility

There's been some discussion about the development of the new Public Works facility. Here is some background information that I hope you find helpful.

### General Background:

Currently, Public Works (PW) is housed in the Historic Village. The current building and shop which was the old Fire Department, built in 1985, doesn't meet current building and safety codes and is substandard due to its size and capabilities. Because it's bordered by a wetland, there is no way to expand. Since 2016 our Public Works Director has recognized a need for a new facility that will be better equipped and capable of supporting the current 20+ employees and future employees.

This new facility will support expanded office space, a fueling point for City vehicles and emergency storage, a wash rack for cleaning large equipment such as dump trucks, an equipment mechanic bay for first level maintenance, expanded tool rooms and storage, expanded supply storage for streets, parks and facilities supplies, water quality lab and benches, plans/drawings room, expanded utilities supply storage, space for make anti-ice brine and storage, a classroom which can be used as a secondary EOC, separate back up power, and an expanded locker room with adjoining showers so that staff can clean up before departing for home.

The purpose of the rate studies for water and stormwater ensure that we can adequately support the capital utilities investments and facilities. These are done approximately every 5 years. The rates that were established for 2015-2020 needed to be updated in 2018. Since all major water and stormwater capital improvements projects were completed in that time with one still in the process of being completed. In looking at 2019-2023 there are three major goals: a new PW Facility, Hoffman Hill Reservoir Corrosion Protection, and Automatic Meter Reading System. After the completion and reviewing the rate studies it was determined that there is no reason to change the rate for 2021 - 2023.

The proposed \$10 million Revenue Bond executes capital improvements projects. By financing these projects we accelerate their completion in lieu of waiting for the reserves to build up and pay with cash. The PW Facility is estimated to cost \$6 million. The Hoffman Hill Reservoir Corrosion Protection and Automatic Meter Reading System are estimated to cost \$2 million each.

These facilities WILL NOT raise taxes and or raise the water or stormwater fees for 2021 - 2023. Funding will come from...

- 1/4 - General Fund/REET

- REET – (Real Estate Exercise Tax). REET, as required by State law, is limited to certain types of municipal spending. Updating and constructing of local capital facilities is the primary allowed use.
- 3/4 - Water Rates & Stormwater Rates

The funding fraction for the PW Facility is derived from the State Auditor's formula.

#### The Historical Timeline:

- In 2015, all major capital improvement projects for water and stormwater were included in the 2015-2020 rates
- Since 2016, the Public Works Director discussed the need for a PW facility
- January 12, 2018 - Initial discussions began to use a revenue bond to fund a new Public Works facility and two water capital improvement projects
- August 8, 2018 – An updated Water and Stormwater Rate Study started with Gray & Osborne
- November 8, 2018 – The updated Water and Stormwater Rate Study finalized with Gray & Osborne
- November 13, 2018 – City Council approved resolution to support a future Revenue Bond for financing 3 capital projects: PW Operational Facility, Hoffman Hill Reservoir Corrosion Protection, and Automatic Meter Reading System
- November 20, 2018 – City Council approved ordinance for Water and Stormwater rates for 2019-2023
- February 12, 2019 – City Council approved Design and Construction Management Fees for the PW Facility and water & stormwater. To maintain transparency and an open government, we hosted a Hearing on the new facility.
- March 12, 2019 – It's anticipated that the City Council is to receive the second reading on the revenue bond

#### Facts about the Building:

- Housing for Water & Stormwater equipment, parts and staff. We are a small department so all staff works utilities (water and stormwater) as well as streets, parks, greenways, and facilities. Streets, parks, greenways, and facilities are General Funded budgets
- A small portion of the Public Works Facility and Yard will be supported by the General Fund due to the streets, parks, greenways, and facilities work the staff provides
- The majority of the Public Works Facility will be funded with utilities (water and stormwater) as based on the State Auditor's formula
- Located behind the Public Safety Building to create a centralized Civic Center

- It'll include a hardstand space for 30 pieces of existing trucks and motorized equipment as well as space for a future vactor truck
- There will be a paved hardstand with a stormwater collection system for motorized equipment

If you are interested and would like a tour of the current Public Works building, staff would be happy to show you. Call City Hall at 253-964-8121.