

AGENDA
CITY OF MINNETONKA
STUDY SESSION
MONDAY, MAY 11, 2009
6:30 P.M.
BOARDS AND COMMISSIONS

1. 2010-2014 Capital Improvements Program
2. Adjournment

Additional Information
Study Session summary April 13, 2009

The purpose of a study session is to allow the city council to discuss matters informally and in greater detail than permitted at formal council meetings. While all meetings of the council are open to the public, study session discussions are generally limited to the council, staff and consultants.

**City Council Study Session # 1
Meeting of May 11, 2009**

Brief Description: 2010-14 Capital Improvements Program

Requested Action: Provide feedback

Background

The Capital Improvements Program (CIP) is the city's plan to provide and maintain facilities for the citizens and businesses of Minnetonka within the constraints of limited resources. Similar to the annual operating budget, the CIP is a policy document. While it details capital expenditures in the city of Minnetonka over the next five years, changes in the city's priorities and available resources require that the plan be reevaluated on an annual basis.

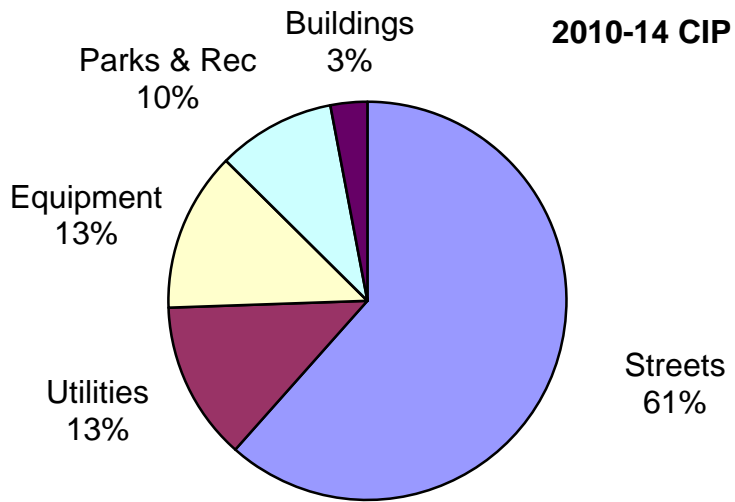
As in past years, the recommended CIP continues to reflect both ongoing capital needs for new construction, and also for maintenance of the city's substantial investments in streets, utilities, parks, buildings and equipment.

The recommended CIP also continues to be consistent with the city's capital improvement fiscal policy, which establishes funding priorities for projects that: (1) contribute to the public health and welfare, (2) maintain an existing system or make it more efficient, and (3) expand public services.

What the CIP funds

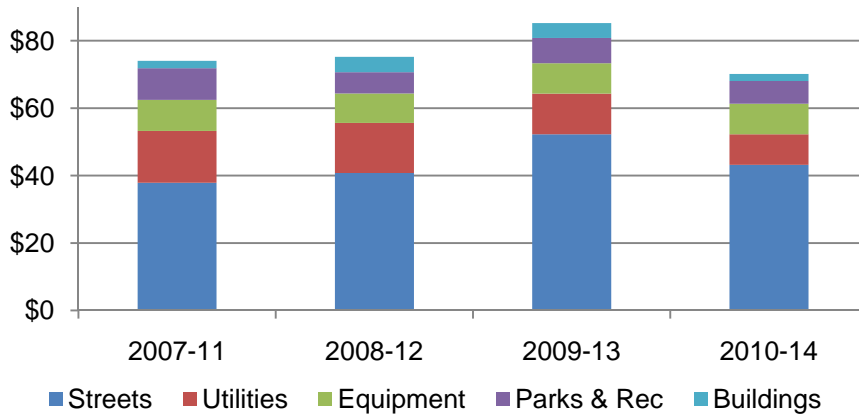
The recommended 2010-14 CIP funds \$70.2 million of projects over the next five years, and Hennepin County will spend another \$34.5 million on county road projects in Minnetonka. This is about 18 percent less than last year's CIP:

CIP (000's)	2007-11	2008-12	2009-13	2010-14
Street Improvements	\$37,896	\$40,768	\$52,262	\$43,189
Water, Sewer & Drainage	15,358	14,845	12,061	9,046
Parks & Recreation	9,378	6,288	7,496	6,731
Equipment	9,201	8,756	8,970	9,098
Buildings	2,190	4,544	4,455	2,095
Total CIP	\$74,023	\$75,201	\$85,244	\$70,159



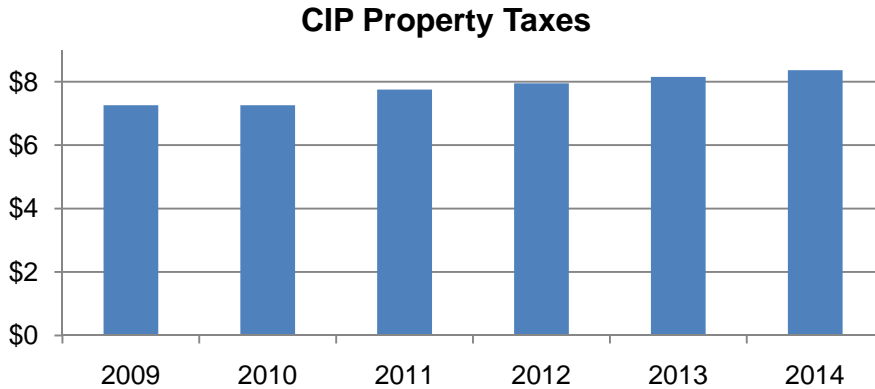
Street investments remain 61 percent of the total five-year CIP; annual street improvement funding varies with major project scheduling. As water meter replacement and I&I reduction programs near completion, water, sewer and storm drainage utilities now account for 13 percent of the total CIP.

Parks, trails and open space also account for a declining share of the total CIP as referendum-funded park renewal winds down. The \$525,000 in projects delayed in 2009 to accommodate state-aid cuts are reprogrammed, and federal stimulus funds allow energy-saving projects to be advanced into 2009. Municipal building projects are delayed and scaled back in the recommended CIP to those improvements considered necessary to maintain functionality.



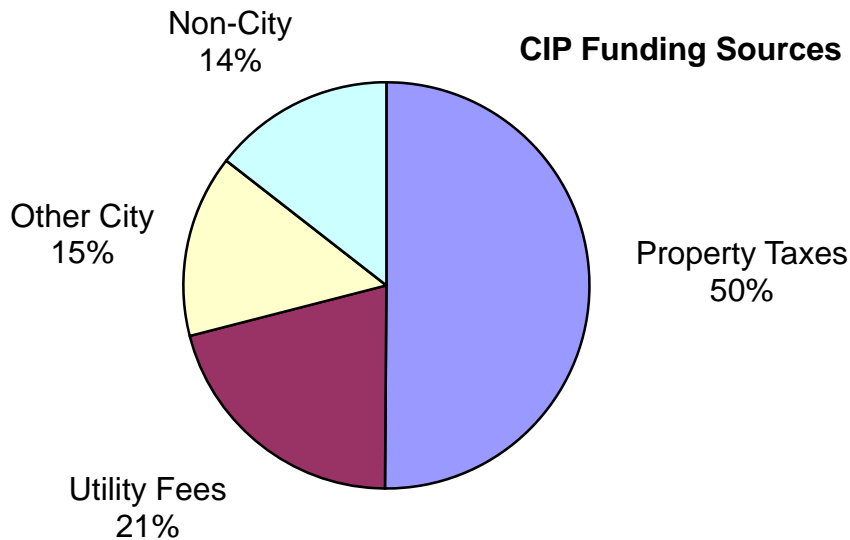
How the CIP is funded

One-half of the recommended CIP is financed with property taxes. Local taxes support investments in streets, parks and trails, public buildings and equipment. CIP property tax levies are held constant for 2010, with modest 3.6 percent average annual increases in future years.



The next largest share of the CIP is funded through user fees, which pay for all water, sewer and storm drainage utility projects. In addition, the franchise fees that appear on electric utility bills fund the city's program to bury utility lines along major roadways.

About one-half of the other city resources used for capital projects are from interest earnings in the Community Investment Fund (CIF). The majority of non-city revenue is municipal state aid (MSA) for roads, with the remainder from various state, county and school partnerships.



Public Safety

Council direction is requested on several issues this year, the most significant of which is a recommendation to expand permitted uses of the Community Investment Fund (CIF) to allow the funding of public safety capital projects.

Significant public safety capital needs. As council is aware, the cost of fire vehicles and equipment is straining the Capital Replacement Fund, which is funded by property taxes. Pumper trucks typically cost \$330,000 each, new ladder trucks are approaching \$1 million, and updated self-contained breathing apparatus will cost an estimated \$350,000. In addition to the scheduled replacement of fire and police vehicles and equipment, previous CIP's have also included projects to modify and correct design defects in the city's police station and five fire stations.

For the longer term, this CIP funds an assessment of future public safety building and equipment needs consistent with the city's 2030 Comprehensive Guide Plan, and the recent Public Safety Needs Assessment and Strategic Services Plan. The results will help guide future public safety capital needs in light of the recent transition to a duty crew fire services model, implications of expected development and demographic changes, and developing partnerships with other cities.

Given the already limited resources in the Capital Replacement Fund, staff considered alternative financing strategies that might meet these significant future capital needs. Various bonding and capital leasing options exist, but are not recommended due to added borrowing costs. As an alternative, staff recommends expanding traditional CIF uses to fund public safety capital facilities and equipment needs. Tapping this existing resource would help reduce pressures for higher property taxes to fund rising capital costs and operating expenses.

Use of the Community Investment Fund. The CIF was originally established several decades ago based on the recommendation of a citizens committee that was convened to discuss alternative uses for special assessment bond early repayments. As a trust fund, the \$20 million principal of the CIF is protected, and only the interest earnings are used for projects with community-wide benefits.

Over the years, CIF interest earnings have been used for such projects as the Ice Arena, Lindberg Center, Williston Center, ArtsCenter, Gray's Bay, Minnetonka Mills Park and the new Public Works facility. Prior to formation of the CIF, the city used portions of the funds to construct the new police station, council chambers and community center.

Use of the CIF is governed by ordinance, which requires that projects have community-wide benefit, could not occur without the CIF, and not replace funding from another source. However, discretion is also provided for the City Council to depart from these guidelines, so in effect, each council can determine what is an appropriate use of the CIF.

The recommended CIP includes CIF funding for public safety capital projects beginning in 2011. About \$1.3 million in public safety projects are funded, along with an additional \$3.5 million of previously approved CIF projects. Staff recommends retaining the remaining capacity of \$1.7 million in the CIF pending completion of the public safety building and equipment assessment.

These public safety capital projects directly affect the health and safety of every resident and business in the entire community on a daily basis, and clearly provide substantial community-wide benefits. The public safety projects arguably benefit far more Minnetonka citizens than the number of residents who use the recreational facilities funded in the past by the CIF.

Discussion question: Does council concur with the recommended expansion of CIF uses to meet public safety capital needs?

Street Improvements

The recommended CIP continues the substantial increase in local funding that council dedicated to stabilize, repair and maintain the city's 250 miles of local streets. An annual average of \$5.0 million in local funding is committed to revitalize Minnetonka's local streets, including the cost-effective thin overlay process used to stabilize deteriorating pavement and prolong the life of streets until major road reconstruction can take place.

Pavement management program. Last year, staff received a significant number of street condition complaints from several neighborhoods that were scheduled for future thin overlays. In researching these complaints, which were generally in the central part of the city, it was determined that most of the problem streets had poor surfaces on top of good base materials. As a result, staff is recommending changes in the pavement management program to advance overlays to save street base material, and avoid the need for complete street reconstruction. Changes include:

- The Chase Drive and Stanton Drive areas originally scheduled for reconstruction in 2013 will instead be overlaid in 2009.
- Several collector streets and frontage roads are now scheduled for overlays in 2013.
- As a result of city of Shorewood funding limitations, Vine Hill Road has been moved from a reconstruction project in 2010 to a mill and overlay project in 2011. The deteriorating south section of Vine Hill Road/Townline Road will be milled and overlaid in 2009.

- Highwood Drive has been moved from a reconstruction project in 2012 to an overlay project in 2011.
- Prompted by a petition from area residents, Woodland Hills streets have been moved from reconstruction in 2016 to a contractor overlay project in 2009. This situation was highlighted in the recent Sherwood Forest and Dominick Drive bid awards.
- Several additional minor overlays have been moved up one year in the schedule, and in the case of streets around the Sherwood Forest project, back one year to eliminate conflict with this year's reconstruction.

The recommended CIP does not include any MSA bonding. Future CIPs will continue to update the uncertain timing and costs of potential future major road reconstruction projects, providing council with the opportunity to consider bonding versus pay-as-you-go options, as well as the alternative of delaying projects.

TH169/Bren Road interchange. As council is aware, staff continues to work with United Health Group (UHG), the Minnesota Department of Economic Development (DEED), and the Minnesota Department of Transportation (MnDOT) to secure funding for expansion of the TH169 / Bren Road interchange, which is required for UHG's second phase expansion.

The financing strategy reflects the objective that the new commercial development benefiting from the infrastructure improvements should pay its own way, and not require any subsidy from the city's other property taxpayers. To that end, the city sought special state legislation to allow creation of a street improvement district so that fees could be charged to commercial parcels in the Opus area to pay for the street improvements necessary to support area redevelopment.

When state and local business associations derailed this legislation, staff began work on an alternative strategy to fund the interchange. The most recent plan anticipates the following funding sources:

Funding Source	(000's)
State DEED & MnDOT Grants	\$8,500
DEED Loan (Tax Abatements)	5,000
Cost Allocation Model	<u>5,950</u>
 Total Project Cost	 \$19,450

State grants applications are being prepared for MnDOT and DEED, and the city is reasonably optimistic that the estimated funding will be secured. Staff and city advisors are also investigating the potential use of tax abatements for repayment of a low interest DEED loan. In Minnesota, tax abatement works similarly to tax increment financing, because the city can limit the funding to be spent only on public improvements related to the project, and only from the revenue generated by the area's increase in value related to those improvements.

Additionally, staff is analyzing the possible use of a "trip generation model" for allocating improvement costs among area properties. This approach would be similar to the method that has been used for infrastructure improvements required to support development along the I-394 corridor. Staff will recommend to council a more definitive financing strategy as plans are more fully developed.

Discussion question: Does council wish to provide any feedback on the financing strategies being considered for the TH169/Bren interchange?

Parks and Recreation

No major changes are suggested to previously approved parks and recreation projects, and priorities for parks and trails projects continue to reflect the recommendations of the Park Board.

ArtsCenter buyout. In 2000, the city and Minnetonka School District jointly financed construction of the *ArtsCenter on 7* at Minnetonka High School. The city's \$2.2 million share of the \$5 million project was funded by the Community Investment Fund, and the city is responsible for a proportionate share of annual operating costs - \$123,000 in 2009, with annual inflationary adjustments.

The city participated in the project to provide performance, rehearsal, office and storage space for city arts programming, primarily for the Music Association of Minnetonka (MAM). In recent years, the district's performing arts programs have greatly expanded, while the city's needs have declined, especially with completion of the Civic Center outdoor amphitheater. With the city's usage now limited to MAM, staff is recommending that the school district be allowed to buy out the city's interest in the facility to eliminate future ongoing operating and capital liabilities, and better focus available resources on core city recreational functions.

Under the conceptual agreement, the district would buy out the city's depreciated interest in the facility over seven years, and MAM would retain the right to use its current facilities as a tenant. Rent would be fixed at \$60,000 annually for the first ten years, with one specified increase allowed for the following decade, and an additional ten year lease option.

Initial savings to the city's budget during the buyout period would be about \$63,000 annually, which is the net difference between current annual operating costs and future annual rental costs for MAM. These savings would be reimbursed to the CIF, and would be available for qualified capital expenditures through that fund until the depreciated value of the city's share of the asset is fully reimbursed. After that, all savings would accrue to the general fund.

Discussion question: Does council support the recommended ArtsCenter buyout concept?

Water, Sewer and Stormwater Utilities

The recommended CIP continues funding for the remaining two years of the Infiltration and Inflow (I&I) reduction program, and finances necessary system maintenance. Water, sewer, stormwater and electric line burial projects continue to be coordinated with street reconstruction and park renewal projects. As is the case with all enterprise utilities, these investments are fully funded by user fees.

CIF loan repayment. The \$5.9 million Public Works building was financed in 2003 from multiple sources, including the sale of water utility revenue bonds and an internal CIF loan. Because the project was cash flowed through the Water and Sewer Utility Fund, the portion supported by the CIF was to be paid back to the fund over time as interest income was generated in the CIF. This internal loan has been partially repaid, and a \$1.28 million balance remains outstanding.

The Utility Fund is now in a stronger fiscal position due to careful fiscal planning, including refinancing bond debt to take advantage of lower interest rates, and restructuring utility rates, including the recently enacted connection fees. As a result, the fund is now in a position to finance the remainder of the new building's construction costs that were to have been supported by the CIF.

Staff therefore recommends that the remainder of the CIF debt to the Utility Fund be forgiven. This would increase available funding for higher priority public safety and other projects in the CIF.

Discussion question: Does council agree that the remaining CIF debt to the Utility Fund should be forgiven?

Buildings

Municipal building projects were delayed and scaled back in the recommended CIP to those improvements considered necessary to maintain functionality.

DOE stimulus allocation. In late March, the city was notified that it had received a \$530,000 allocation in federal stimulus funding under the Energy Efficiency and Conservation Block Grant Program through the U.S. Department of Energy (DOE). Because the city has been developing energy conservation plans for the past two years, “shovel ready” projects exist for funding under the federal program, and applications are being prepared for projects that would be completed in 2009.

An additional \$664,000 is included in the recommended CIP for projects over the ensuing five years. With the possibility that additional federal funding might become available when other local governments are not ready to accept their allocations under the tight time constraints, the city plans to request an additional \$350,000 in federal funding should resources be available.

<u>Funding Source</u>	<u>Energy Efficiency & Conservation Projects</u>
DOE Grant (2009)	\$537,000
Recommended CIP (2010-14)	<u>664,000</u>
Total Projects Funded	\$1,201,000
Projects to be financed as funding is available	\$350,000

Recommendation

Feedback on the recommended 2010-14 CIP is requested. As always, this proposed CIP reflects previous council direction and addresses the capital priorities of the city of Minnetonka in a prudent and cost effective manner. This responsible approach preserves the city’s outstanding financial condition, as reflected in the Aaa bond rating and reasonable tax and utility rates.

Originated by: John Gunyou, City Manager
 Geraldyn Barone, Asst City Manager
 Merrill King, Finance Director

2010-2014
Preliminary
Capital Improvements Program



minnetonka

2010-2014 Capital Improvements Program

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Trail System Map

Capital Improvements Policy

The Capital Improvements Program (CIP) is the city's five-year plan to provide and maintain public facilities for the citizens and businesses of Minnetonka, balanced against the constraint of available resources.

Funding Priorities

Reinvestment for the replacement, maintenance or increased efficiency of existing systems will have priority over the expansion of existing systems or the provision of new facilities and services. Priority rankings include:

1. Projects necessary for public health and safety, or to meet legal mandates.
2. Projects which help maintain or make existing systems more efficient. Cost-benefits and coordination with related projects will be considered.
3. Projects expanding existing systems, providing new services, or for general community betterment.

Planning Principles

- The CIP will support achievement of the city's long-term Strategic Goals.
- The CIP will be updated annually to reflect changing capital needs for new construction and maintenance of the city's substantial investments in streets, utilities, parks, buildings and equipment.
- Development of the CIP will be consistent with the annual operating budget. Future operating costs associated with new capital improvements will be projected and included in operating budget forecasts.
- Fund balance guidelines will be established for each capital fund, and will reflect the type of fund, subsequent-year budget needs, annual cash flow requirements, replacement reserves and potential contingencies. The guidelines will be used to responsibly manage balances over the five-year planning horizon.

Table I

**Capital Improvements Program
2010-2014
SUMMARY OF FUNDING SOURCES AND EXPENDITURES**

	2010	2011	2012	2013	2014	TOTAL	Percent
Expenditures							
PROGRAM CATEGORY							
Municipal Buildings	\$350,000	\$425,000	\$525,000	\$210,000	\$585,000	\$2,095,000	3.0%
Recreational Facilities	2,130,000	1,245,000	155,000	170,000	85,000	3,785,000	5.4%
Parks, Trails and Open Space	865,000	1,101,000	358,000	349,000	273,000	2,946,000	4.2%
Major Equipment	1,675,400	1,458,600	2,424,000	1,697,600	1,842,900	9,098,500	13.0%
Street Improvements*	4,136,000	4,918,000	11,437,500	13,008,500	9,689,000	43,189,000	61.6%
Storm Drainage Improvements*	573,000	401,000	503,000	955,000	529,000	2,961,000	4.2%
Water & Sewer System Imp	1,760,000	1,700,000	625,000	1,200,000	800,000	6,085,000	8.7%
TOTAL EXPENDITURES	\$11,489,400	\$11,248,600	\$16,027,500	\$17,590,100	\$13,803,900	\$70,159,500	100.0%
Hennepin County Road Projects	\$0	\$0	\$16,534,500	\$14,534,500	\$3,474,000	\$34,543,000	
Funding Sources by Type							
CITY FUNDING							
Property Taxes †	\$5,805,500	\$6,428,200	\$6,826,900	\$8,699,800	\$7,597,300	35,357,700	50.4%
User Fees	3,187,400	2,929,400	2,659,600	3,015,800	2,775,000	14,567,200	20.8%
Community Investment Fund	2,000,000	1,600,000	670,000	162,500	340,000	4,772,500	6.8%
Other **	336,000	118,500	1,461,000	1,389,500	2,063,600	5,368,600	7.7%
TOTAL CITY FUNDING	\$11,328,900	\$11,076,100	\$11,617,500	\$13,267,600	\$12,775,900	\$60,066,000	85.6%
OTHER FUNDING							
Municipal State Aid	\$0	\$0	\$1,776,000	\$1,776,000	\$1,000,000	4,552,000	6.5%
Other ***	160,500	172,500	2,634,000	2,546,500	28,000	5,541,500	7.9%
TOTAL OTHER FUNDING	\$160,500	\$172,500	\$4,410,000	\$4,322,500	\$1,028,000	\$10,093,500	14.4%
TOTAL FUNDING	\$11,489,400	\$11,248,600	\$16,027,500	\$17,590,100	\$13,803,900	\$70,159,500	100.0%

† Amounts are budgeted costs, not levy levels.

* Includes cities' portions of Hennepin County road projects.

** Includes franchise fees, Development Fund, and forfeiture/seizure fines.

*** Includes funds from the City of Hopkins, Hennepin County, MnDOT, Hopkins and Minnetonka School Districts.

Table II
CIP 2010-2014
CAPITAL REPLACEMENT FUND
Funding Sources and Expenditure Projections

	2010	2011	2012	2013	2014	Unfunded
FUNDING SOURCES						
Tax Levy	\$1,435,000	\$1,715,000	\$1,700,000	\$1,685,000	\$1,685,000	
Interest on Investments	11,500	12,000	11,000	16,500	20,000	
MVHC	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)	
Transfer In	500,000	0	0	0	0	
Auction Proceeds	45,000	45,000	45,000	45,000	45,000	
TOTAL FUNDING SOURCES	\$1,491,500	\$1,272,000	\$1,256,000	\$1,246,500	\$1,250,000	
EXPENDITURES						
MUNICIPAL BUILDINGS						
City Hall & Community Center		\$190,000	\$200,000			
Energy Conservation Measures	\$20,000	20,000	20,000	\$20,000	\$20,000	
Miscellaneous Building Components	90,000	90,000	80,000	80,000	80,000	
Building Roof Replacements	115,000	115,000	115,000	100,000	75,000	
Public Safety Strategic Plan	100,000					
Alarm Panel Upgrades			100,000			
Cold Storage Building					400,000	
RECREATION FACILITIES						
Lindbergh Center Improvements	\$14,500	\$17,500	\$14,500	\$12,000	\$12,000	
Ice Arena Improvements	71,000	65,000		10,000		
Shady Oak Beach Play Area	250,000					
MAJOR EQUIPMENT						
Dump/Plow Truck Replacements	\$152,000	\$161,300	\$161,300	166,100	\$171,000	
Fleet Vehicles	631,000	399,400	453,600	663,300	753,000	
Rubber-Tired Loader		195,000				
Sidewalk & Trail Maintenance Vehicle	100,000					
Oil Distributor			140,000			
Rescue Tool Replacement	95,000					
TOTAL EXPENDITURES	\$ 1,638,500	\$ 1,253,200	\$ 1,284,400	\$ 1,051,400	\$ 1,511,000	\$ -
SURPLUS (DEFICIENCY) OF FUNDING SOURCES OVER EXPENDITURES						
	(\$147,000)	\$18,800	(\$28,400)	\$195,100	(\$261,000)	
EST. BEGINNING FUND BALANCE	532,202	385,202	404,002	375,602	570,702	
EST. ENDING FUND BALANCE	\$385,202	\$404,002	\$375,602	\$570,702	\$309,702	
Fund Balance Guideline	\$413,556	\$423,852	\$346,962	\$498,630	\$444,741	

Table III
CIP 2010-2014
COMMUNITY INVESTMENT FUND
Funding Sources and Expenditure Projections

	2010	2011	2012	2013	2014	Unfunded
FUNDING SOURCES						
Interest on Investments	\$725,000	\$700,000	\$700,000	\$700,000	\$700,000	
Other Revenue (Transfer of Arts Center)	63,000	63,000	63,000	63,000	63,000	
TOTAL FUNDING SOURCES	\$788,000	\$763,000	\$763,000	\$763,000	\$763,000	
EXPENDITURES						
Projects of General Public Benefit:						
Williston Center Renovation	\$1,500,000	\$1,000,000				
Upper Minnehaha Creek Corridor	500,000	500,000				
Subtotal, General Public Benefit	2,000,000	1,500,000	0	0	0	
Public Safety:						
Fire Hose Replacement	\$0	\$100,000				
Self Contained Breathing Apparatus			\$350,000			
Fire Station Modification						\$350,000
Ladder Truck Program						1,400,000
Pumper Truck Replacement			320,000		\$340,000	
800 MHz Portable Radios				\$162,500		
Subtotal, Public Safety	0	100,000	670,000	162,500	340,000	1,750,000
TOTAL EXPENDITURES	\$2,000,000	\$1,600,000	\$670,000	\$162,500	\$340,000	\$1,750,000
SURPLUS (DEFICIENCY) OF FUNDING SOURCES OVER EXPENDITURES						
	(\$1,212,000)	(\$837,000)	\$93,000	\$600,500	\$423,000	
ESTIMATED BEGINNING FUND BALANCE	22,779,011	21,567,011	20,730,011	20,823,011	21,423,511	
ESTIMATED ENDING FUND BALANCE	\$21,567,011	\$20,730,011	\$20,823,011	\$21,423,511	\$21,846,511	
Required Fund Balance	19,835,652	19,908,152	19,978,152	20,048,152	20,118,152	
AVAILABLE ENDING FUND BALANCE	\$1,731,359	\$821,859	\$844,859	\$1,375,359	\$1,728,359	

Table IV
CIP 2010-2014
PARK DEDICATION FUND
Funding Sources and Expenditure Projections

	2010	2011	2012	2013	2014	Unfunded
FUNDING SOURCES						
Tax Levy	\$260,000	\$260,000	\$260,000	\$260,000	\$260,000	
Park Dedication Fees	70,000	70,000	70,000	70,000	70,000	
Interest on Investments	3,000	1,000	2,000	2,000	4,000	
Miscellaneous Income	6,500	11,500	6,500	6,500	6,500	
TOTAL FUNDING SOURCES	\$339,500	\$342,500	\$338,500	\$338,500	\$340,500	
EXPENDITURES						
Athletic Field Partnerships	100,000		20,000		20,000	
Burwell House/City Housing	\$15,000	\$95,000	15,000	15,000	15,000	
Park & Trail Investment Plan	40,000	80,000	80,000	145,000	45,000	
Trail Rehabilitation	35,000	36,000	37,000	38,000	40,000	
Miscellaneous Trail Connections	25,000	25,000	26,000	26,000	28,000	
Trail Improvement Plan	\$150,000	235,000	100,000	125,000	125,000	
Trail Segments - Unfunded						11,900,000
POST Plan Update						\$100,000
TOTAL EXPENDITURES	\$365,000	\$471,000	\$278,000	\$349,000	\$273,000	\$12,000,000
SURPLUS (DEFICIENCY) OF FUNDING SOURCES OVER EXPENDITURES						
	(\$25,500)	(\$128,500)	\$60,500	(\$10,500)	\$67,500	
ESTIMATED BEGINNING FUND BALANCE	135,515	110,015	(18,485)	42,015	31,515	
ESTIMATED ENDING FUND BALANCE	\$110,015	(\$18,485)	\$42,015	\$31,515	\$99,015	
Fund Balance Guideline	\$117,750	\$69,500	\$87,250	\$68,250	\$86,800	

Table V
CIP 2010-2014
MUNICIPAL STATE AID FUND
Funding Sources and Expenditure Projections

	2010	2011	2012	2013	2014	Unfunded
FUNDING SOURCES						
State Allotment	\$1,694,000	\$1,694,000	\$1,694,000	\$1,694,000	\$1,694,000	
TOTAL FUNDING SOURCES	\$1,694,000	\$1,694,000	\$1,694,000	\$1,694,000	\$1,694,000	
CAPITAL EXPENDITURES						
County Road 101 - CR 62 to CR 3					1,000,000	
County Road 101 - CR 5 to TH 12			500,000	500,000		
Shady Oak Road - TH 7 to Excelsior Blvd			1,276,000	1,276,000		
Plymouth Road (61) - Cedar Lake to Hilloway						4,100,000
TH 169/Bren Road Interchange						5,000,000
Hopkins Crossroad (73) - Cedar Lake to I-394						6,700,000
Future Major Road Projects						21,500,000
Total Capital Expenditures	0	0	1,776,000	1,776,000	1,000,000	37,300,000
MSA BOND DEBT SERVICE*	312,387	235,887	186,256	187,119	182,744	
TOTAL EXPENDITURES	\$312,387	\$235,887	\$1,962,256	\$1,963,119	\$1,182,744	\$37,300,000
SURPLUS (DEFICIENCY) OF FUNDING SOURCES OVER EXPENDITURES	\$1,381,613	\$1,458,113	(\$268,256)	(\$269,119)	\$511,256	
ESTIMATED BEGINNING FUND BALANCE	(985,951)	395,662	1,853,775	1,585,519	1,316,400	
ESTIMATED ENDING FUND BALANCE	\$395,662	\$1,853,775	\$1,585,519	\$1,316,400	\$1,827,656	

* MSA bond debt service is for Shady Oak Road (Bren to Excelsior) project; total project MSA costs are approximately \$5.8 million.

Table VI
CIP 2010-2014
STREET IMPROVEMENT FUND
Funding Sources and Expenditure Projections

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>Unfunded</u>
FUNDING SOURCES						
Tax Levy	\$5,200,000	\$5,400,000	\$5,600,000	\$5,800,000	\$6,000,000	
Other				\$500,000		
Interest on Investments	0	10,000	25,000	20,000	25,000	
TOTAL FUNDING SOURCES	<u>\$5,200,000</u>	<u>\$5,410,000</u>	<u>\$5,625,000</u>	<u>\$6,320,000</u>	<u>\$6,025,000</u>	
EXPENDITURES						
Pavement Management Study	\$36,000	\$38,000	\$39,000	\$39,000	\$39,000	
Local Street Maintenance	230,000	235,000	240,000	245,000	250,000	
Local Street Rehabilitation	3,220,000	3,970,000	4,180,000	6,530,000	4,900,000	
County Road 101 (CR 5 to TH 12)			100,000			
Shady Oak Road (TH 7 to Excelsior Blvd)			200,000			
County Road 101 (CR 62 to CR 3)					300,000	
Plymouth Rd/CR 61 (Cedar Lk Rd to Hilloway Rd)						200,000
Hopkins Crossroads/CR 73 (Cedar Lk Rd to I-394)						200,000
Southwest Light Rail Street Infrastructure						5,000,000
TOTAL EXPENDITURES	<u>\$3,486,000</u>	<u>\$4,243,000</u>	<u>\$4,759,000</u>	<u>\$6,814,000</u>	<u>\$5,489,000</u>	<u>\$5,400,000</u>
SURPLUS (DEFICIENCY) OF FUNDING SOURCES OVER EXPENDITURES	<u>\$1,714,000</u>	<u>\$1,167,000</u>	<u>\$866,000</u>	<u>(\$494,000)</u>	<u>\$536,000</u>	
ESTIMATED BEGINNING FUND BALANCE	<u>(2,848,095)</u>	<u>(1,134,095)</u>	<u>32,905</u>	<u>898,905</u>	<u>404,905</u>	
ESTIMATED ENDING FUND BALANCE	<u>(\$1,134,095)</u>	<u>\$32,905</u>	<u>\$898,905</u>	<u>\$404,905</u>	<u>\$940,905</u>	
 Fund Balance Guideline	 \$1,060,750	 \$1,189,750	 \$1,703,500	 \$1,372,250	 \$1,350,000	

Table VII
CIP 2010-2014
ELECTRIC FRANCHISE FEES FUND
Funding Sources and Expenditure Projections

	2010	2011	2012	2013	2014	Unfunded
FUNDING SOURCES						
Electric Franchise Fees Hennepin County	\$802,000	\$802,000	\$802,000	\$802,000	\$802,000	
Interest on Investments	25,000	50,000	40,000	30,000	0	
TOTAL FUNDING SOURCES	\$827,000	\$852,000	\$842,000	\$832,000	\$802,000	
EXPENDITURES						
Burying Overhead Utilities	\$0	\$0	\$1,220,000	\$1,200,000	\$1,900,000	\$0
TOTAL EXPENDITURES	\$0	\$0	\$1,220,000	\$1,200,000	\$1,900,000	\$0
SURPLUS (DEFICIENCY) OF FUNDING SOURCES OVER EXPENDITURES	\$827,000	\$852,000	(\$378,000)	(\$368,000)	(\$1,098,000)	
ESTIMATED BEGINNING FUND BALANCE	124,165	951,165	1,803,165	1,425,165	1,057,165	
ESTIMATED ENDING FUND BALANCE	\$951,165	\$1,803,165	\$1,425,165	\$1,057,165	(\$40,835)	
 Fund Balance Guideline	 \$0	 \$418,000	 \$398,000	 \$1,098,000	 \$0	

Table VIII
CIP 2010-2014
STORM WATER FUND
Funding Sources and Expenditure Projections

	2010	2011	2012	2013	2014	Unfunded
FUNDING SOURCES						
Storm Sewer Utility Fees	\$2,048,000	\$2,179,300	\$2,318,900	\$2,467,600	\$2,625,700	
Other Revenue	2,500	0	0	0	0	
Interest on Investments	4,000	4,000	18,000	25,000	25,000	
TOTAL FUNDING SOURCES	\$2,054,500	\$2,183,300	\$2,336,900	\$2,492,600	\$2,650,700	
OPERATING EXPENDITURES						
Operating Expenses	\$320,000	\$334,800	\$351,600	\$370,600	\$390,700	
Transfers	152,400	159,300	166,500	174,000	181,900	
Total Operating Expenditures	\$472,400	\$494,100	\$518,100	\$544,600	\$572,600	
CAPITAL EXPENDITURES						
Water Quality Testing	\$18,000	\$36,000	\$20,000	\$20,000	\$40,000	
Pond Maintenance	80,000	80,000	85,000	85,000	90,000	
Misc. Drainage Improvements	85,000	85,000	90,000	90,000	95,000	
Local Street Rehabilitation	650,000	675,000	650,000	700,000	750,000	
Watershed Modeling	110,000	110,000	110,000	110,000	110,000	
Oak Lea Drive Storm Sewer-Phase1/Phase 2	280,000					190,000
Orchard Lane Storm Sewer- Phase 1/Phase 2 Bradford Road		90,000				160,000
Cty Road 101 (CR 5 to TH 12)			97,000			
Shady Oak Rd (TH 7 to Excelsior Blvd)			100,000			
McKenzie Point Rd Storm Sewer			414,000			
James Road Pond Outlet			101,000			
County Road 101 (CR 62 to CR 3)				650,000		
Old Excelsior Blvd Storm Water(Phase 2)					550,000	
Plymouth Rd/CR 61 (Cedar Lk Rd to Hilloway)					194,000	
Woodbine Terrace Storm Sewer						200,000
Hopkins Crossroad/CR 73 (Cedar Lk Rd to I-394)						300,000
						200,000
Total Capital Expenditures	\$1,223,000	\$1,076,000	\$1,667,000	\$1,655,000	\$1,829,000	\$1,050,000
TOTAL EXPENDITURES	\$1,695,400	\$1,570,100	\$2,185,100	\$2,199,600	\$2,401,600	
SURPLUS (DEFICIENCY) OF FUNDING SOURCES OVER EXPENDITURES						
	\$359,100	\$613,200	\$151,800	\$293,000	\$249,100	
ESTIMATED BEGINNING FUND BALANCE	(872,769)	(513,669)	99,531	251,331	544,331	
ESTIMATED ENDING FUND BALANCE	(\$513,669)	\$99,531	\$251,331	\$544,331	\$793,431	
Fund Balance Guideline - 100% deprec & 3 mos. WC	\$1,286,200	\$1,308,800	\$1,507,300	\$1,565,400	\$1,605,500	
Fund Balance Guideline - 50% deprec & 3 mos. WC	\$851,900	\$847,600	\$1,017,400	\$1,045,200	\$1,053,000	

Table IX
CIP 2010-2014
UTILITY FUND
Funding Sources and Expenditure Projections

	2010	2011	2012	2013	2014
FUNDING SOURCES					
Water Sales & Sewer Services	\$11,100,520	\$11,588,454	\$12,096,075	\$12,629,439	\$13,179,715
Interest on Investments	296,992	296,193	342,449	370,719	382,799
Connection Fees	300,000	300,000	300,000	300,000	300,000
Miscellaneous Income	102,000	102,000	102,000	102,000	102,000
TOTAL FUNDING SOURCES	\$11,799,512	\$12,286,647	\$12,840,524	\$13,402,158	\$13,964,514
NON-CAPITAL EXPENDITURES					
Operating Expenses	\$3,880,534	4,059,039	\$4,261,991	\$4,492,139	\$4,734,715
Sewer Service Charge	3,969,538	4,183,485	4,408,991	4,648,918	4,899,564
Debt Service	1,120,149	1,114,908	1,081,033	1,071,708	1,071,233
Transfers	990,500	1,036,100	1,087,900	1,146,600	1,208,500
Total Non-capital Expenditures	\$9,960,721	\$10,393,532	\$10,839,915	\$11,359,365	\$11,914,012
CAPITAL EXPENDITURES					
Building Roof Replacements	\$25,000	\$10,000	\$10,000	\$10,000	\$10,000
Commercial Water Meter Battery/Tech Update					200,000
Fleet Vehicles	45,400	23,400	39,400	30,800	91,000
Water Tower Maintenance	50,000	50,000	75,000	550,000	50,000
Water Filter Rehabilitation	100,000	100,000			
Lift Station Rehabilitation	100,000	100,000	100,000	100,000	100,000
Water Plant Electrical Upgrades		100,000		100,000	
Street Reconstruction Projects	450,000	450,000	450,000	450,000	450,000
Infiltration and Inflow Reduction Program	900,000	900,000			
Stonegate Booster Rehabilitation	160,000				
Vacuum Sewer Cleaner			213,200		
Total Capital Expenditures	\$1,830,400	\$1,733,400	\$887,600	\$1,240,800	\$901,000
TOTAL EXPENDITURES	\$11,791,121	\$12,126,932	\$11,727,515	\$12,600,165	\$12,815,012
SURPLUS (DEFICIENCY) OF FUNDING SOURCES OVER EXPENDITURES					
	\$8,391	\$159,715	\$1,113,009	\$801,993	\$1,149,502
ESTIMATED BEGINNING FUND BALANCE	9,899,747	9,908,138	10,067,853	11,180,862	11,982,855
ESTIMATED ENDING FUND BALANCE	\$9,908,138	\$10,067,853	\$11,180,862	\$11,982,855	\$13,132,357
Fund Balance Guideline - 100% deprec & 6 mos. WC	\$8,993,900	\$9,355,000	\$9,478,800	\$9,923,800	\$10,401,200
Fund Balance Guideline - 50% deprec & 12 mos. WC	\$11,319,600	\$11,791,800	\$11,783,100	\$12,353,600	\$12,961,900

Table X
CIP 2010-2014
CABLE TELEVISION FUND
Funding Sources and Expenditure Projections

	2010	2011	2012	2013	2014	Unfunded
FUNDING SOURCES						
Franchise Fee	\$600,000	\$600,000	\$600,000	\$600,000	\$600,000	
Interest on Investments	30,000	30,000	40,000	40,000	40,000	
TOTAL FUNDING SOURCES	\$630,000	\$630,000	\$640,000	\$640,000	\$640,000	
OPERATING EXPENDITURES						
Operating Expenses	\$413,300	\$432,400	\$454,100	\$478,700	\$504,600	
Transfers	28,200	29,500	31,000	32,700	34,500	
Total Operating Expenditures	\$441,500	\$461,900	\$485,100	\$511,400	\$539,100	
CAPITAL EXPENDITURES-CIP						
Audio/Visual Equipment Replacement	\$36,000	\$18,500	\$61,000	\$89,500	\$63,600	
Technology Infrastructure	100,000	100,000	100,000	100,000	100,000	
Communications Technology	50,000	0	30,000	\$0	\$0	
Total Capital Expenditures	\$186,000	\$118,500	\$191,000	\$189,500	\$163,600	\$0
TOTAL EXPENDITURES	627,500	580,400	676,100	700,900	702,700	
SURPLUS (DEFICIENCY) OF FUNDING SOURCES OVER EXPENDITURES	\$2,500	\$49,600	(\$36,100)	(\$60,900)	(\$62,700)	
ESTIMATED BEGINNING FUND BALANCE	1,275,965	1,278,465	1,328,065	1,291,965	1,231,065	
ESTIMATED ENDING FUND BALANCE	1,278,465	1,328,065	1,291,965	1,231,065	1,168,365	
Dedicated Future Transition Reserve	947,000	996,500	1,050,500	1,078,200	1,078,200	
ESTIMATED ENDING AVAILABLE FUND BALANCE	\$331,465	\$331,565	\$241,465	\$152,865	\$90,165	
Fund Balance Guideline	\$197,336	\$229,874	\$238,306	\$238,918	\$145,864	

Table XI
CIP 2010-2014
TECHNOLOGY DEVELOPMENT FUND
Funding Sources and Expenditure Projections

	2010	2011	2012	2013	2014	Unfunded
FUNDING SOURCES						
Tax Levy	\$360,000	\$375,000	\$390,000	\$405,000	\$415,000	
Transfers In		25,000	25,000			
Interest on Investments	7,000	4,500	2,000	1,000	2,000	
TOTAL FUNDING SOURCES	\$367,000	\$404,500	\$417,000	\$406,000	\$417,000	
EXPENDITURES						
Office Equipment	\$21,500	\$41,500	\$101,500	\$56,500	\$53,500	\$60,000
Police Records Management System		125,000	125,000	125,000		
Technology Purchases/Upgrades	244,500	294,500	279,000	303,900	270,800	
9-1-1 Center Phone Upgrade	50,000					
TOTAL EXPENDITURES	\$316,000	\$461,000	\$505,500	\$485,400	\$324,300	\$60,000
SURPLUS (DEFICIENCY) OF FUNDING SOURCES OVER EXPENDITURES	\$51,000	(\$56,500)	(\$88,500)	(\$79,400)	\$92,700	
ESTIMATED BEGINNING FUND BALANCE	187,624	\$238,624	182,124	93,624	14,224	
ESTIMATED ENDING FUND BALANCE	\$238,624	\$182,124	\$93,624	\$14,224	\$106,924	
Fund Balance Guideline	\$115,250	\$126,375	\$121,350	\$81,075	\$104,700	

Project Category: Municipal Buildings
Project Title: Public Safety Strategic Plan
Total Estimated Cost: \$100,000
Funding Priority: 2
Account Number:

Description:
 This project provides for a detailed study and report on the fire and police departments' capital equipment, station location and response needs.

Source of Project Funding	2010	2011	2012	2013	2014
Capital Replacement Fund	\$100,000				

<p>Justification:</p> <p>The combination of the city's 2030 Comprehensive Plan, the 2008 Public Safety Needs Assessment and the Strategic Services Plan have made it apparent that an in-depth, independent analysis of public safety station and equipment needs is in order. Specific issues affecting the city's provision of public safety services include:</p> <ul style="list-style-type: none"> • The recent change to a duty crew model for fire service; • predicted demographic challenges for police and fire service; • forecasted development locations in the city; • large capital needs, especially for fire service; and • developing partnerships with other cities. <p>Scheduling and Project Status:</p> <p>An in-depth study and recommendations will be conducted in 2010.</p>	<p>Relationship to General Plan and Other Projects:</p> <p>This is consistent with the city's 2030 Comprehensive and Strategic Services Plans.</p> <p>Effect on Annual Operations Costs:</p> <p>The resulting plan will guide us in future city spending for fire and police protection and services.</p>
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Project Category: Municipal Buildings
Project Title: Energy Conservation Measures
Total Estimated Cost: \$100,000
Funding Priority: 2
Account Number: 4101.XXXX.S09106

Description:
 This item provides for the upgrade of energy consuming equipment such as light fixtures, ballasts, occupancy sensors, insulation, weather stripping, set-back thermostats and similar equipment that will save energy expense.

Source of Project Funding	2010	2011	2012	2013	2014
Capital Replacement Fund	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000

<p>Justification: The rising cost of electrical and heat energy requires that energy saving measures be taken to minimize expenses.</p> <p>Scheduling and Project Status: In 2007, the city retained the services of Energy Management Solutions to evaluate and make recommendations to save money that is spent on energy. Most improvements will focus on lighting upgrades, controls and conservation items.</p>	<p>Relationship to General Plan and Other Projects: This project is consistent with the policy of maintaining the city's infrastructure.</p> <p>Effect on Annual Operations Costs: Resources spent in this area should have a return on investment of 5 years or less. Larger projects are economically feasible if the payback is 10 years or less.</p>
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Project Category: Municipal Buildings
Project Title: Misc. Building Components
Total Estimated Cost: \$420,000
Funding Priority: 2
Account Number: 4111.XXXX.S09102

Description:

This item provides for the replacement or repair of various major building components such as: flooring, HVAC items, doors, windows, lighting, plumbing, electrical wiring, painting and other associated items.

Source of Project Funding	2010	2011	2012	2013	2014
Capital Replacement Fund	\$90,000	\$90,000	\$80,000	\$80,000	\$80,000

<p>Justification:</p> <p>This item provides for the replacement or repair of building sub-systems and components.</p> <p>Scheduling and Project Status:</p> <p>In addition to any unscheduled miscellaneous repairs or replacements, the following specific projects are anticipated:</p> <p>2010: Community Center boilers 2011: Police Depart boiler 2012: City Hall re-lamping 2013: Williston Center HVAC 2014: City Hall boilers</p>	<p>Relationship to General Plan and Other Projects:</p> <p>This project is consistent with the policy of maintaining the city's infrastructure.</p> <p>Effect on Annual Operations Costs:</p> <p>This item generally does not affect operating costs except for projects that replace building components with energy efficient replacements.</p>
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Project Category: Municipal Buildings
Project Title: Building Roof Replacements
Total Estimated Cost: \$585,000
Funding Priority: 2
Account Number: 4101.XXXX.S09109
5101.XXXX.S09109

Description:
This item provides for the scheduled replacement of roof systems for major community and utility buildings.

Source of Project Funding	2010	2011	2012	2013	2014
Capital Replacement Fund	\$115,000	\$115,000	\$115,000	\$100,000	\$75,000
Utility Fund	25,000	10,000	10,000	10,000	10,000

<p>Justification:</p> <p>All roofing systems have a life expectancy that varies depending on the type of roof system. Single-ply membrane roofs have longevity of approximately 20 years. Build-up roofs made of felts and bituminous asphalt generally last 20 to 30 years provided repairs are made when needed. Re-roofing provides an opportunity to evaluate insulation and make upgrades for energy savings. All roof insulating capabilities will be evaluated during replacement of each roof system.</p> <p>Scheduling and Project Status:</p> <p>Projects will be bid and completed in the year that they are budgeted. Bids will be solicited in the early spring for completion during those periods when weather effects will be minimized during construction.</p>	<p>2010: Police Department roof 2011: Fire #2 and Fire #3 2012: Public Works Shops 2013: City Hall (flat and pitched roofs) 2014: Glen Lake Activity Center</p> <p>Relationship to General Plan and Other Projects:</p> <p>This project is consistent with the policy of maintaining the city's infrastructure.</p> <p>Effect on Annual Operations Costs:</p> <p>Added insulation during re-roofing will decrease heating and cooling expenses.</p>
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Project Category: Municipal Buildings

Project Title: Cold Storage Building

Total Estimated Cost: \$400,000

Funding Priority: 2

Account Number:

Description:

This item provides for the construction of sheltered cold storage for public works usage.

Source of Project Funding	2010	2011	2012	2013	2014
Capital Replacement Fund					\$400,000

<p>Justification:</p> <p>Prior to the construction of the new public works facility, the cold storage building was dismantled in order to make way for the new building. In addition, the space needed by the police department has expanded and the storage provided by the old reduction center had a number of problems associated with it due to moisture resulting from poor drainage.</p> <p>Scheduling and Project Status:</p> <p>The project would be designed and bid in late 2012 for construction in the spring of 2013. The cost associated with this project warrants its inclusion in the CIP.</p>	<p>Relationship to General Plan and Other Projects:</p> <p>This project follows the completion of the public works building project and replaces a cold storage building that was previously removed.</p> <p>Effect on Annual Operations Costs:</p> <p>This would not have a significant affect on annual operating costs.</p>
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Project Category: Municipal Buildings
Project Title: Alarm Panel Upgrades
Total Estimated Cost: \$100,000
Funding Priority: 3
Account Number: N/A

Description:
 This item will fund replacement of fire and intrusion alarm panels in 16 municipal buildings which are monitored in the Communications Center of the police department.

Source of Project Funding	2010	2011	2012	2013	2014
Capital Replacement Fund			\$100,000		

<p>Justification:</p> <p>The police department monitors alarms for 16 municipal buildings. Currently 11 buildings have alarm panels that have been in place since 1987 and are from several different manufacturers. Replacing all panels with the same manufacturer would provide consistency programming flexibility and networking compatibility. Additionally, new technology will eliminate false alarms and ghost alarms.</p> <p>Scheduling and Project Status:</p> <p>Equipment will be researched in 2011 for installation in 2012. Phasing in buildings over a period of time could be considered.</p>	<p>Relationship to General Plan and Other Projects:</p> <p>The monitoring component of the current alarm system failed in March 2007, and the city required an emergency purchase and installation to maintain building security. Although the monitoring component would normally be replaced at the same time as the alarm panel upgrades, the unanticipated early acquisition should eliminate the need to repurchase this component later.</p> <p>This project is consistent with ongoing technology upgrades and replacement schedules throughout the city.</p> <p>Effect on Annual Operations Costs:</p> <p>No direct effect on annual operating costs. As fiber optics is implemented at individual facilities, annual operating costs may decrease.</p>
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Project Category: Municipal Buildings

Project Title: City Hall & Community Center Improvements

Total Estimated Cost: \$390,000

Funding Priority: 2

Account Number: 4101.XXXX.S10105

Description:

This project includes refurbishment of city hall and community center public areas, including the city hall lobby, meeting/ banquet rooms, and general public spaces.

Source of Project Funding	2010	2011	2012	2013	2014
Capital Replacement Fund		\$190,000	\$200,000		

Justification:

City hall was built in 1971 and the community center in 1987. The public areas of these facilities are showing their age and looking worn. This project includes phased refurbishment of a number of areas which are shown below in the Scheduling and Project Status section.

Scheduling and Project Status:
 Additional CIP funds were held over from 2007 (\$88,000), 2008 (\$120,000), 2009 (\$30,000) and are reserved to help fund this project. An amount of \$90,000 approved for the 2009 portion of this project was eliminated as part of the budget solution.

2009: Community center - banquet room chairs, tables, carpet, main entry walkway/driveway replacement
 2011: Community center – lobby/reception improvements, furniture, interior signage, replacement of ceiling tile, main entrance doors, wall covering & paint
 2012: City hall – reception area/lobby improvements, election counter, meeting room furniture and wall covering & paint; council chambers carpet, wall covering & paint, furniture, façade.

Relationship to General Plan and Other Projects:

The city began implementation of the Civic Center Master Plan in 2005 and 2006 through upgrades of the Civic Center roadway, parking lots, landscaping and recreational facilities. This project will be consistent with that plan. As part of the overall 2009 city budget, some portions of the project were delayed and other portions were financed with the center’s general fund operating budget in 2008 and 2009.

Effect on Annual Operations Costs:

Annual revenues from the community center in 2008 were \$79,900. Facility improvements will help to provide a quality facility that can be marketed to outside groups and organizations at competitive rates that could potentially increase revenues.

Project Category: Municipal Buildings
Project Title: Fire Station Modification
Total Estimated Cost: \$350,000 - Unfunded
Funding Priority: 2
Account Number:

Description:
 This project would add an additional apparatus bay onto Station No. 4. Station No. 4 was constructed in 1986 and designed to house two pieces of fire apparatus. Currently, it houses five pieces of fire equipment.

Source of Project Funding	2010	2011	2012	2013	2014
Community Investment Fund - Unfunded		\$350,000			

<p>Justification:</p> <p>The requirements for fire apparatus and equipment have changed dramatically since Station No. 4 was originally constructed. With these changes, the number and types of fire apparatus in the city has increased. Currently, Station No. 4 houses five pieces of fire equipment in a garage designed for two apparatus. The addition of a third garage bay would allow the drive-through design of the station to be employed along with providing safer areas around the apparatus. The third bay would be constructed on the east side of the station and construction materials will be matched as close as possible to the existing structure.</p> <p>Scheduling and Project Status:</p> <p>Construction might occur as early as 2011.</p>	<p>Relationship to General Plan and Other Projects:</p> <p>A public safe strategic plan to be completed in 2010 will determine the ultimate details of the project, including potential relocations of fire stations and the actual equipment space needs of each fire station, including Station No. 4.</p> <p>Staff will explore alternative revenues to finance the project including federal stimulus funding and possible state grants associated with the city's participation in regional response teams.</p> <p>Effect on Annual Operations Costs:</p> <p>This would have a minor effect on operating costs should it be implemented as proposed.</p>
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Project Category: Recreational Facilities
Project Title: Williston Center Improvements
Total Estimated Cost: \$2,935,000
Funding Priority: 2-3
Account Number: 5410.6530.S09107

Description:
 This project renovates and upgrades Williston Center to preserve the future usefulness of the facility for its traditional functions, including both a reasonably-priced fitness club serving 4,000 Minnetonka residents and 12,000 daily users annually, and also as a cost-effective location to host 70 Recreation Services programs.

Source of Project Funding	2010	2011	2012	2013	2014
Williston Center Fund	\$100,000	\$100,000	\$100,000	\$100,000	\$35,000
Community Investment Fund	1,500,000	1,000,000			

<p>Justification:</p> <p>Since its 1995 acquisition, Williston Center has been operated as a membership fitness club and used to host city recreational programs. Other than initial code and structural corrections, few capital upgrades have been made to the nearly 40 year old facility.</p> <p>A recent space and fiscal analysis examined options ranging from closing to replacing the facility. As the most cost-effective alternative, this project renovates the facility to preserve its usefulness in the near future. While not resolving all deficiencies, the renovation would maintain an efficient facility that provides recreation and fitness opportunities at a reasonable cost.</p> <p>The pool shell, spa and associated mechanical systems would be replaced as the first priority. Locker rooms would be expanded into the pool area and renovated to improve both appearance and functionality. Walls separating the fitness rooms would be removed and the newly opened area renovated. The entrance would be reconfigured to improve flow and appearance. HVAC equipment and cardio equipment would be replaced in phases and the exterior would be painted.</p> <p>The existing locker room space is suitable for a maximum of 1,500 memberships. Beside the fact that the existing facilities are in need of renovation, the facility struggles to accommodate the existing 2,000 membership packages. This project would allow the facility to accommodate more memberships.</p>	<p>Scheduling and Project Status:</p> <p>2005-09: Weight and cardiovascular equipment, HVAC units 2010: Replace pool shell and associated mechanical pool and spa systems; paint exterior; replace additional HVAC unit and cardio equipment; construct new entrance; refurbish existing lobby; replace and expand staircase. 2011: Renovate and expand locker room facilities; replace two HVAC units; renovate fitness rooms. 2012-13: Funds to offset 2011 renovation 2014: Replace batting cage nets and pitching machines</p> <p>Relationship to General Plan and Other Projects:</p> <p>This renovation is necessary to maintain an efficient facility that provides recreation and fitness opportunities to residents at a reasonable cost.</p> <p>Effect on Annual Operations Costs:</p> <p>Annual operating costs for the center in 2008 were \$1,047,000 and annual revenues were \$1,105,800. The renovation will maintain this positive cash flow which will help support the planned improvements.</p>
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Project Category: Recreational Facilities
Project Title: Lindbergh Center Improvements
Total Estimated Cost: \$70,500 (city cost)
240,000 (total cost)
Funding Priority: 2
Account Number: 4123.6530.S09103

Description:
The Lindbergh Center is jointly owned and operated by the City of Minnetonka and the Hopkins School District. The facility has five regulation basketball courts, eight volleyball courts, competitive running track, walking & jogging track and an exercise and conditioning room. Designated hours for community use of the Lindbergh Center provide residents the opportunity to maintain overall fitness.

Source of Project Funding	2010	2011	2012	2013	2014
Capital Replacement Fund	\$14,500	\$17,500	\$14,500	\$12,000	\$12,000
Hopkins School District	35,500	42,500	35,500	28,000	28,000

Justification:
The joint agreement between the city of Minnetonka and the Hopkins School District provides for the sharing of the operating and capital expenses of the Lindbergh Center. The facility is instrumental to the joint recreation division's ability to offer high demand youth and adult community programs. In 2008, the city's 29% share of operating costs totaled \$98,000.

Scheduling and Project Status:
Due to the Hopkins School District capital bond referendum, the renovation of certain items may be completed at different times than expected. The city will still adhere to its funding schedule. Projects are regularly put into the CIP to spread the cost of equipment replacement over a number of years rather than replace a large amount of equipment at one time. The city would be responsible for 29% of the following improvements:

- 2005-09: Walking/jogging track surface, weight/cardiovascular equipment, HVAC upgrades, divider curtains, basket cable system
- 2010: Facility lighting
- 2011: Fitness equipment
- 2012: Bleacher replacement
- 2013: Replace exterior concrete ramp and stairs
- 2014: Weight/cardio equipment

Relationship to General Plan and Other Projects:
These improvements are in keeping with efforts to provide and maintain an efficiently operated facility.

Effect on Annual Operations Costs:
Overall revenues during 2008 were \$147,800 and offset costs accordingly.

Preventative maintenance costs tend to rise as equipment ages. A consistent replacement schedule of older equipment will allow operating costs to be maintained.

Project Category: Recreational Facilities
Project Title: Gray's Bay Marina
Total Estimated Cost: \$29,000
Funding Priority: 2
Account Number: 5500.6530.S08111

Description:
 Gray's Bay Marina includes parking for 112 vehicles with trailers and 21 car-only spaces. In addition, the city owns and operates 29 permanent boat slips and a building that includes an office, vending and public restrooms.
 The city of Minnetonka and the DNR have an agreement to allow the city to operate the site.

Source of Project Funding	2010	2011	2012	2013	2014
Gray's Bay Marina Fund	\$14,000		\$5,000		\$10,000

Justification:
 The existing security cameras and digital video equipment that monitor the boat slip area will be replaced at the end of its useful life in 2010. The security gate will need to be refurbished and electronic openers replaced in 2014.
 All improvements are funded through a marina escrow fund established to address future capital needs.
Scheduling and Project Status:
 2005-09: Add cameras to security system, decking, railing repairs
 2010: Security camera system replacement
 2012: Miscellaneous decking replacement
 2014: Security gate refurbishment

Relationship to General Plan and Other Projects:
 These projects are in keeping with efforts to maintain a secure, quality facility.
Effect on Annual Operations Costs:
 In 2008, annual operating costs for the marina were \$195,200, and revenues in the same year were \$233,600. Excess operating revenues are placed into an escrow account for future capital improvements. These capital projects will not have an effect on the facility's annual operating costs or revenues

Project Category: Recreational Facilities
Project Title: Ice Arena Improvements
Total Estimated Cost: \$206,000
Funding Priority: 1 & 3
Account Number: NA

Description:
 This item provides for the replacement of the following: Rink A water cooling tower, flooring, Rink A gas powered ice resurface, HVAC units and lighting replacement.

Source of Project Funding	2010	2011	2012	2013	2014
Capital Replacement Fund	\$71,000	\$65,000		\$10,000	
Ice Arena Fund	20,000	20,000		20,000	

<p>Justification:</p> <p>The current HVAC equipment life expectancy is 15-20 years. All equipment scheduled to be replaced will be in excess of 16 years old at the time of replacement.</p> <p>New flooring similar to the existing non-skid floor will replace the existing worn floor installed in 1987.</p> <p>The existing ice resurfer used in Rink B was purchased in 1999 and is due for replacement in 2011. It is estimated the existing resurfer will have 7,200 hours at the time of replacement, which is the equivalent of almost 200,000 miles on an automobile. An electric model will be specified which will reduce health risks associated with propane models.</p>	<p>Scheduling and Project Status:</p> <p>2005-09: Replacement of Rink A resurfer and cooling tower, Rink B entrance redesign, Rink B public use safety flooring replacement, HVAC units 2010: Rink B non-public safety flooring replacement (\$50,000), Rink A public area safety flooring replacement (\$20,000), three HVAC units Rink A (lobby, offices \$21,000) 2011: Rink B resurfer 2013: Four HVAC units Rink A (locker rooms, west restrooms - \$30,000)</p> <p>Relationship to General Plan and Other Projects:</p> <p>These improvements are in keeping with efforts to provide and maintain a safe and efficient facility.</p> <p>Effect on Annual Operations Costs:</p> <p>Annual operating costs for the arenas in 2008 were \$844,400 and annual revenues in the same year were \$876,300.</p> <ul style="list-style-type: none"> -The flooring will not have an effect on operating costs, but will provide a safe environment and improved aesthetics. -The new electric ice resurfer will lower ice maintenance costs and eliminate the cost of propane at a savings of \$7,000 annually. -Maintenance costs on the new HVAC units will decrease due to fewer needed repairs.
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Project Category: Recreational Facilities

Project Title: Shady Oak Beach
Community Play Area

Total Estimated Cost: \$250,000 (city cost)
\$375,000 (total cost)

Funding Priority: 1 & 3

Account Number: NA

Description:

Replacement of the Shady Oak Beach water play area with a community play area designed to be a destination attraction for residents of Minnetonka and Hopkins.

Source of Project Funding	2010	2011	2012	2013	2014
Capital Replacement Fund	\$250,000				
City of Hopkins	125,000				

<p>Justification:</p> <p>The existing water play equipment was installed when the beach was renovated in 1998 to encourage use of the site when weather conditions were not conducive to swimming. The system is in need of replacement due to health and safety requirements as well as aging equipment. Staff is recommending that the water play area be replaced with a community playground area designed to be a destination attraction for families with children 12 years of age and under. Use of this equipment on a seasonal basis would extend beyond the beach operating season and be available for use during the fall months as well.</p> <p>Scheduling and Project Status:</p> <p>Installation of the play equipment will begin in early September following completion of the 2010 swimming season; and be completed prior to the start of the 2011 season.</p> <p>2005-09: All projects funded through the operating budget</p>	<p>Relationship to General Plan and Other Projects:</p> <p>Staff completed a revised business plan for Shady Oak Beach in 2007 including changes to the admission and operational systems previously in place. During the 2008 season the business plan was successfully implemented. Changes made improved customer service delivery and made beach operations self-sustaining during the summer.</p> <p>Effect on Annual Operations Costs:</p> <p>Operating expenses for the beach in 2008 were \$200,200 with revenues of \$230,700.</p> <p>Completion of this project will enhance beach attendance during the normal beach operating season as well as post-season use. It is anticipated that season pass sales will increase due to the addition of a high quality community play area.</p> <p>Elimination of the existing water play area and underground confined space that houses the operational equipment will result in reduced annual operating expenditures of approximately \$5,000.</p>
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Project Category: Parks, Trails & Open Space
Project Title: Athletic Field Improvements
Total Estimated Cost: \$140,000
Funding Priority: 3
Account Number: 4101.XXXX.S08206

Description:
 In March of 2004, the park board completed an update of the city's Athletic Field Needs Study. This update supports the need for an increase in soccer and regulation baseball fields. The park board has a recommendation to address the existing needs emphasized including the consideration of partnerships.

Source of Project Funding	2010	2011	2012	2013	2014
Park Dedication Fund – Committed Partnerships	\$100,000				
Park Dedication Fund – City Facilities			\$20,000		\$20,000

Justification:

The city of Minnetonka has developed partnerships with the Minnetonka and Hopkins School Districts on a variety of projects designed to increase access to recreational and cultural amenities. Most notably, previous projects include the Lindbergh Center, Arts Center on 7 and athletic improvements at Hopkins West Junior High. The park board's 2004 update of the city's Athletic Field Needs Study continues to indicate a strong need for increased athletic fields for the sports of soccer and regulation baseball. With a lack of available city property for athletic field expansion, partnerships with outside organizations remain as the most viable option for continuing to address the need for fields.

Scheduling and Project Status:
MHS Phase I: Through an approved joint agreement, \$250,000 (\$100,000 in 2008; \$100,000 in 2009 and \$50,000 in 2010) is allocated towards field upgrades with the Minnetonka School District, and completed prior to the 2007 season. Phase I primarily benefits baseball and football. These improvements are possible due to the inclusion of artificial turf to maximize use capacity. In addition to the city of Minnetonka, other funding for this project came from Minnetonka School District (\$550,000) and the Minnetonka Diamond Club (\$2,700,000).

MHS Phase II: This project is currently under construction and planned to open in May of 2008. It is designed to add two new and two improved youth softball fields for district and community use. The city will provide \$95,000 in 2009 towards the total project cost of \$1.2 million, with the School District and Diamond Club funding the remaining balance.

Bennett Park: \$50,000 is allocated in 2010 for an upgrade of an existing multi-purpose field at Bennett Family Park to a dedicated intermediate baseball field. The Park Board has recommended funding of this project and it is consistent with the 2004 Athletic Field Needs Study recommendations. The city of Minnetonka will be providing \$50,000 of the estimated \$250,000 improvement.

City Facilities: \$40,000 is allocated (\$20,000 in 2012 and \$20,000 in 2014) for field renovations at city owned athletic fields. These improvement projects are consistent with the Park Board goal of operating quality recreational facilities.

Relationship to General Plan and Other Projects:

These improvements are in keeping with efforts to provide and maintain quality recreational amenities.

City funding towards athletic field partnerships was last provided in 1998 in the amount of \$100,000 for the redevelopment of fields at Hopkins West Junior High with the Hopkins School District.

Effect on Annual Operations Costs:

Under the terms of the agreements for the Phase I and Phase II Minnetonka School District project, the city is not responsible for any current or future maintenance, operational or capital replacement costs.

Project Category: Parks, Trails & Open Space
Project Title: Burwell House/City Housing
Total Estimated Cost: \$160,000 Total Cost
155,000 City Cost
Funding Priority: 1
Account Number: 4520.XXXX.S09202

Description:
This project provides for maintenance and improvements to city owned housing and the Burwell House.

Source of Project Funding	2010	2011	2012	2013	2014
Park Dedication Fund – Improvements		\$80,000			
Donations		5,000			
Park Dedication Fund – Maintenance Expenditures	15,000	\$15,000	\$15,000	\$15,000	\$15,000

<p>Justification:</p> <p>Major maintenance projects are necessary at the Burwell House and other properties to keep the city's investment in good repair. In 2009, the city received a \$16,500 matching grant from the State Historical Preservation Office (SHPO) for automation of the HVAC system and improvements to the security system. HVAC automation allows remote monitoring of building temperatures, occupancy control, alarm notifications and third party device controls. The house's exterior was last painted in the mid-1990s. Painting is an expense incurred approximately every 15 years, although the painter who originally painted the house is advising this time span may in the future be too long.</p> <p>Scheduling and Project Status:</p> <p>Automation of the Burwell House HVAC is scheduled for 2009, as is the upgrade to the security system. Both projects will be paid for in part by a matching grant from SHPO received for 2009. The matching portion of the HVAC system expense is accounted for in the 2009 CIP, while the matching portion of the security system expense will be paid for from the general fund. Painting of the Burwell House is set for 2011 and is ineligible for grant funding from SHPO, however private donations from local paint vendors will be sought after.</p>	<p>Relationship to General Plan and Other Projects:</p> <p>These projects are necessary to ensure these facilities and houses meet the standards for public health and protect the investment of the city for the long term.</p> <p>Effect on Annual Operations Costs:</p> <p>None.</p>
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Project Category: Parks, Trails & Open Space
Project Title: Upper Minnehaha Creek Corridor
Total Estimated Cost: \$1,000,000
Funding Priority: 4
Account Number: 4200.XXXX.S06206

Description:
 Development of a visioning plan for Minnehaha Creek is underway. The goals of the plan are to establish the Upper Minnehaha Creek Corridor as the focal point of the Minnetonka community and to enhance the creek's value as a truly unique community asset.

Source of Project Funding	2010	2011	2012	2013	2014
Community Investment Fund	\$500,000	\$500,000			

<p>Justification:</p> <p>A creek visioning plan developed in 2006 focused on the integration of the creek's environmental, recreational, historic and economic resources. Conceptual ideas were generated for each segment along the creek (e.g. nature and civic core, gateways, cultural core, and recreation core) and discussed by the city council.</p> <p>In 2007, a partnership was initiated between the city, Minnehaha Creek Watershed District (MCWC), Three Rivers Park District, and Hennepin County to collaborate on creek projects of joint interest. A creek steering committee was created, with representatives from each of these agencies, to guide the creek planning process.</p> <p>Projects planned include improvements to the canoe landings along the creek, development of the Minnetonka Mills Park west of the Burwell House and I494/Minnetonka Boulevard gateway improvements.</p> <p>Potential future projects include:</p> <ul style="list-style-type: none"> • construction of additional trails and boardwalks throughout the corridor • construction of an interpretive center east of Minnetonka Mills (potential joint facility with MCWD) • relocation and restoration of the Town Hall • addition of a community play lot in the recreation core 	<p>Scheduling and Project Status:</p> <p>An expansion of Burwell Park was funded in 2007 to include conversion of the single family homes to open space, the addition of trails and bridges across the creek (segments G57 and G57b), and the creation of a botanical garden west of the historic house site and along the creek. \$500,000 from the Community Investment Fund has already been budgeted for this project in 2007 and 2008.</p> <p>Relationship to General Plan and Other Projects:</p> <p>The visioning plan will complement the city's Parks, Open Space and Trails (POST) plan, Natural Resources Restoration and Management Plan, Comprehensive Guide Plan and City Council Policy on Open Space Preservation and Management of Natural Resources.</p> <p>Effect on Annual Operations Costs:</p> <p>Operating expenses associated with an interpretive center will depend on the size and scope of the facility and its operations.</p>
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Project Category: Parks, Trails and Open Space
Project Title: Park and Trail Investment Plan
Total Estimated Cost: \$390,000
Funding Priority: 2
Account Number: NA

Description:
 This item provides for the scheduled improvements to amenities within the park system on a 30 year schedule.

Source of Project Funding	2010	2011	2012	2013	2014
Park Dedication Fund	\$40,000	\$80,000	\$80,000	\$145,000	\$45,000

<p>Justification:</p> <p>An implementation schedule was created for the park and trail system on a 30 year basis. Improvements will be made upon final evaluation of the listed amenity in order to maintain the park and trail infrastructure.</p> <p>Scheduling and Project Status:</p> <p>Staff has created a 30-year schedule guideline.</p> <p>2010</p> <ul style="list-style-type: none"> • Hard Court Resurface – Sunrise Ridge • Key changes to park buildings • Picnic/Restroom Shelter Roofing – Woodgate Lift <p>2011</p> <ul style="list-style-type: none"> • Safety Fencing Painting – Meadow Park • Tennis Court Surfacing – Covington, Gro Tonka • Tot Lot Safety Surface – Meadow, Covington, Linner, Gro Tonka, McKenzie • Hard Court Resurface – Covington, Linner, Meadow, Gro Tonka <p>2012</p> <ul style="list-style-type: none"> • Hard Court Resurface – Glen Moor, Knollway, Woodgate, Boulder Creek, Junction • Safety Fencing Painting – Knollway, Boulder Creek • Tennis Court Resurface – Linner, Woodgate, Junction • Site Amenities – Crane Lake, Ford, Mini-Tonka, Orchard, Sunrise Ridge, Victoria-Evergreen 	<p>2013</p> <ul style="list-style-type: none"> • Tot Lot Safety Surface – Boulder Creek, Junction, Spring Hill, Woodgate • Tennis Court Resurface – Spring Hill • Hard Court Resurface – Spring Hill, Woodgate • Trail Bridge – Kmart/N of Kelly Gardens <p>2014</p> <ul style="list-style-type: none"> • Drinking Fountain rehabilitation • Gazebo Painting – Mills Park, Ford Park, Orchard Park • Site Amenities • Irrigation/RPZ repair and replacement <p>Relationship to General Plan and Other Projects:</p> <p>The Park Board has adopted a goal of renewing and maintaining the parks and trails. This plan will meet the objective to implement the long-term capital funding plan for ensuring the long-term vitality of parks. This project is in keeping with the City’s policy of maintaining its infrastructure in a quality condition.</p> <p>Effect on Annual Operations Costs:</p> <p>This rehabilitation will not increase annual maintenance costs.</p>
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Project Category: Parks, Trails and Open Spaces
Project Title: Trail Rehabilitation
Total Estimated Cost: \$186,000
Funding Priority: 3
Account Number: 4764.XXXX.S08204
4764.XXXX.S07209

Description:
Rebuild and resurfacing existing Minnetonka Trail System and neighborhood trail connections. Replace and expand trail signage and maps.

Source of Project Funding	2010	2011	2012	2013	2014
Park Dedication Fund	\$35,000	\$36,000	\$37,000	\$38,000	\$40,000

<p>Justification:</p> <p>There is strong community support for the Minnetonka Trail system as evidenced by the heavy use of the completed trail segments. Some of the trail sections are approaching 20 years old and have reached a condition beyond what regular maintenance can address.</p> <p>Scheduling and Project Status:</p> <p>This project is to replace and rebuild existing trail segments. A rating system will be used to determine which segments will be addressed each year. Signage on the trail system will be updated and revised maps will be produced.</p> <p>2010 – Opus (Phase II) 2011 – 494/Stone Road Trail 2012 – Crosstown/Townline Rd 2013 – Hillside Ln/Lindbergh Dr 2014 – Dominick to Shady Oak/Clarion Hills</p>	<p>Relationship to General Plan and Other Projects:</p> <p>This is an integral part of the plan to maintain the Trail System for walkers, joggers, and bicyclists. The trails and walkways connect five community parks, adjacent communities, and allow users to travel throughout the city on trails separated from motorized vehicles.</p> <p>Effect on Annual Operations Costs:</p> <p>Maintenance costs have already been taken into consideration for existing trails.</p>
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Project Category: Parks, Trails and Open Space
Project Title: Miscellaneous Trail Connections
Total Estimated Cost: \$130,000
Funding Priority: 2
Account Number: 4750.XXXX.S09201

Description:

Source of Project Funding	2010	2011	2012	2013	2014
Park Dedication Fund	\$25,000	\$25,000	\$26,000	\$26,000	\$28,000

<p>Justification:</p> <p>These connections are generally in response to petitions from people requesting a safe connection to the Minnetonka Trail System or other community amenities.</p> <p>Scheduling and Project Status:</p> <p>Individual projects are scheduled in response to petitions received or as recommended by the park board.</p>	<p>Relationship to General Plan and Other Projects:</p> <p>Since these connections join various neighborhoods to the trail and park system, continued requests of this nature are expected as the trail system develops and people desire access to it.</p> <p>Effect on Annual Operations Costs:</p> <p>None.</p>
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Project Category: Parks, Trails and Open Space
Project Title: Trail Improvement Plan
Total Estimated Cost: \$ 735,000 (city cost)
940,000 (total cost)
Funding Priority: 3
Account Number: 4762.XXXX.S08205

Description:

Source of Project Funding	2010	2011	2012	2013	2014
Park Dedication Fund	\$150,000	\$235,000	\$100,000	\$125,000	\$125,000
Hennepin County Participation Funds*		125,000	80,000		

Description	Segment	Length in Miles	Estimated Cost	Estimated City Cost
2010 • Vine Hill Road, Covington Rd to Ashcroft Rd	D5	0.5	\$150,000	\$150,000
2011 • CSAH 101, Minnetonka Blvd to Grays Bay Bridge* • Undesignated Trail Segment	G53 TBD	0.3	\$275,000* 85,000	\$150,000 85,000
2012 • Shady Oak Road, CSAH 3 – TH7* • TH7 – Shady Oak Road to existing trail at 4 th street • Undesignated Trail Segment	A9 A10 TBD	0.7 0.3	\$160,000* 30,000 100,000	\$80,000 30,000 100,000
2013 • Undecided Trail Segment	TBD		\$125,000	\$125,000
2014 • Undecided Trail Segment	TBD		125,000	\$125,000

<p>Justification:</p> <p>There is strong community support for the Minnetonka Trail System as evidenced by the heavy use of the completed trail segments and inquiries received about opportunities for extensions.</p> <p>Scheduling and Project Status:</p> <p>Staff is conducting an educational and community dialogue for missing trail links to assist the Park Board and City Council in recommending projects to be constructed. The Minnetonka Memo as well as the Summer Festival and Open House will be some of the avenues for information.</p>	<p>Relationship to General Plan and Other Projects:</p> <p>This is an integral part of the plan to construct the Minnetonka Trail for walkers, joggers and bicyclists. When completed, these trails and walkways will connect five community parks, adjacent communities, and allow users to travel throughout the city on trails physically separated from motorized vehicles.</p> <p>Effect on Annual Operations Costs:</p> <p>Maintenance costs will increase by approximately \$1,500.</p>
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Project Category: Parks, Trails and Open Space
Unfunded

Project Title: Trail Segments - Unfunded

Total Estimated Cost: \$11,900,000

Funding Priority: 3

Account Number: N/A

Description:

This project involves the construction of the trails described in the table on the following page.

Source of Project Funding					
Park Dedication Fund - Unfunded	\$11,900,000				

<p>Justification:</p> <p>There is strong community support for the Minnetonka Trail System as evidenced by the heavy use of the completed trail segments and inquiries received about opportunities for extensions.</p> <p>Scheduling and Project Status:</p> <p>These projects are currently unscheduled. Some trail segments may qualify for funding from outside sources. Staff is conducting an educational and community dialogue for missing trail links to assist the Park Board and City Council in recommending projects to be constructed. The Minnetonka Memo as well as the Summer Festival and Open House will be some of the avenues for information.</p>	<p>Relationship to General Plan and Other Projects:</p> <p>This is an integral part of the plan to construct the Minnetonka Trail System for walkers, joggers, and bicyclists. When completed, these trails and walkways will connect five community parks, adjacent communities, and allow users to travel throughout the City on trails and walkways physically separated from motorized vehicles. Although this project is currently unfunded, proposed funding source and timetable data are provided.</p> <p>Effect on Annual Operations Costs:</p> <p>Maintenance costs will increase by approximately \$1,500/mile.</p>
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2010-2014 CIP Table – Unfunded Trail Improvement Plan

		Map Location	Segment	Length (miles)	Est. Cost	Feasibility (10=High 1=Low)
1	Hwy 7 - CR 61 to 4th St	I7	A10	0.3	\$30,000	8.5
2	CR 61 - Bren Road to 47th Ave	I9-J10	A11	1.5	\$235,000	6.5
3	CR 61 - Hwy 7 to CR 3	I8	A9	0.7	\$80,000	7.0
4	Vine Hill Rd - Delton Ave to Covington Rd	A10-A11	D5	0.9	\$145,000	6.0
5	CR 101 - CR 5 to Grays Bay Bridge	C5-C6	G53	0.3	\$50,000	8.5
6	Minnehaha Creek Trail - Civic Center to Minnetonka Mills	F6-G6		1.0	\$310,000	8.8
7	Minnehaha Creek Trail - Headwaters to Civic Center	D5-E6		1.1	\$335,000	8.8
8	South Frontage Rd - Ridgedale Dr to CR 73	I2-J2		0.8	\$120,000	8.0
9	South Frontage Rd - CR 73 to Shelard Pkwy	J2-K2		0.2	\$35,000	7.5
10	TH 7 - Cattle Pass to CR 101 on north side	C9		0.6	\$100,000	7.5
11	CR 3 - Kinsel Rd to I-494	G10		0.1	\$20,000	7.0
12	CR 5 - CR 101 west to Deephaven city limits	B6		0.2	\$35,000	7.0
13	Bren Rd W - Green Cir Dr to east side of Hwy 169 (Edina)	K11-J11		0.4	\$60,000	7.0
14	CR 3 - Carlton Rd to CR 61	H9-I9		0.4	\$70,000	7.0
15	Pioneer Rd - Carlton Rd to CR 61	H9-I9		0.6	\$100,000	7.0
16	Hutchins Dr - CR 101 to Old Excelsior Blvd	B10		0.4	\$45,000	7.0
17	Rowland Rd - CR 60 to SWLRT Trail	H11		0.2	\$100,000	7.0
18	Delton Ave - Vine Hill Rd to Old Excelsior Blvd	A10-B10		1.5	\$234,000	7.0
19	McGinty Rd E - CR 5 to Surry La	G5-H6		0.6	\$99,000	6.5
20	Ridgedale Dr - White Birch Rd to Target	G2-H2		0.8	\$126,000	6.5
21	CR 5 - The Marsh to Fairchild Ave	D6-E6		0.9	\$144,000	6.5
22	Woodland Rd - Townline Rd to Hwy 7	D9-D12		2.0	\$300,000	6.5
23	CR 16 - CR 101 to Crosby Rd (partly in Wayzata)	C3-D4		0.8	\$130,000	6.5
24	Sheridan Hills Rd - Linner Park to Portico	E3		0.3	\$40,000	6.5
25	Stodola Rd - Purgatory Park to Scenic Heights Dr	C11		0.3	\$51,000	6.5
26	Oberlin Park along Park Ave to Ridgemount Ave	I1-I2		0.4	\$60,000	6.0
27	Pioneer Rd- CR 3 to Merilee Dr	H9-I9		0.5	\$81,000	6.0
28	CR 5 - Fairchild Ave to Woodlawn Ave	C6-D6		0.7	\$114,000	6.0
29	CR 73 - CR 5 to Minnetonka Mills Rd	J6-J7		1.0	\$154,500	6.0
30	Stone Rd/Meeting St - RR tracks to Linner Rd	F3-F4		1.0	\$162,000	6.0
31	CR 5 - Oakridge Rd to HWY 169	K6-L6		0.2	\$250,000	6.0
32	CR 16 - Crosby Rd to existing trail on west side of I-494	E4-F5		2.0	\$320,000	6.0
33	Greenbrier Rd - CR 73 to Cedar Lake Rd & to local trails	J5-K4		0.7	\$114,000	6.0
34	Merilee Dr - Pioneer Tr to Minnesota River Bluffs LRT	H9-H10		0.5	\$110,000	6.0
35	Ford Park to Lindbergh Dr	K3		0.2	\$78,000	5.5
36	CR 73 - Cedar Lake Rd to Wayzata Blvd	J3-J4		0.2	\$30,000	5.5
37	Hilloway Park to YMCA La	I3		0.4	\$35,000	5.5
38	CR 61 - CR 5 to Hwy 7	H6-I7		0.7	\$70,000	5.5
39	Minnetonka Mills Rd - CR 61 to CR 73	I7-J7		0.7	\$108,000	5.5
40	Berkshire Dr/Junction Rd - CR 60 to CR 3	H8-I9		0.9	\$150,000	5.5
41	CR 3 - Woodland Rd to Clear Springs Rd	C10-D11		1.1	\$165,000	5.5
42	Hillside La - CR 73 to Tanglen School	J4		1.3	\$213,000	5.5
43	Clear Spring Rd - connect trail to Hwy 7	D9		0.1	\$20,000	5.5
44	Old Excelsior Blvd - Vine Hill Rd to CR 101 - N side of Hwy7	A10-B10		1.5	\$240,000	5.5
45	NTC - Maywood La from I-494 crossing to CR 3	G10		0.2	\$180,000	5.5
46	NTC - Meeting St to existing trail on west side of I-494	F4		0.1	\$20,000	5.0

47	Tonkawood Road - CR 5 to Hwy 7	D6-D9		0.3	\$40,000	5.0
48	Knollway Park to Wayzata Blvd/Horn Dr	G2-H2		0.3	\$45,000	5.0
49	Knollway Park to CR 60	G2-H2		0.6	\$97,500	5.0
50	Orchard Rd/Huntingdon Dr - CR 60 to CR 61	H7-I7		0.8	\$126,000	5.0
51	Cottage Grove Ave - Groveland Park to Grays Bay Blvd	C5-C6		0.2	\$24,000	5.0
52	Stone Rd - Saddlebrooke Cir to Sheffield Cur	H5		0.2	\$36,000	5.0
53	Parkers Lake Rd - Twelve Oaks Center Dr to Plymouth	E1-F2		0.4	\$60,000	5.0
54	CR 60 - CR 5 to CR 3	H6-H9		0.4	\$60,000	5.0
55	Cedar Lake Rd - Big Willow to CR 73	I5-J5		0.7	\$108,000	5.0
56	Williston Rd - CR 5 to Hwy 7	F7-F8		1.0	\$220,000	5.0
57	Dominick Dr - CR 61 to Pioneer Rd	I9-I11		1.4	\$270,000	5.0
58	Minnetonka Dr - Williston Rd to CR 60	F6-G6		1.7	160,000	5.0
59	Sunset Dr and Marion Lane West segments	H2-I2		0.1	\$19,500	5.0
60	CR 61 - CR 5 to Hilloway Rd	H4-H6		0.2	\$32,000	5.0
61	North Lone Lake Park - along RR tracks to Dominick Rd	I11		0.1	\$16,000	4.5
62	Lake St Ext - Williston Rd to Spring Lake Rd	F8-G8		0.1	\$18,000	4.5
63	Victoria Evergreen to McKenzie Park	E7-F7		0.3	\$45,000	4.5
64	Lake St Ext - CR 60 to CR 61	H8-I7		0.4	\$66,000	4.5
65	East side of I-494 - CR 5 to Wentworth Tr	G6		0.5	\$82,500	4.5
66	58th St W - Mahoney Ave into Purgatory Park	B11		0.2	\$28,000	4.5
67	Fairchild Ave - CR 5 to Grays Bay Blvd	D5-D6		0.8	\$120,000	4.5
68	CR 73 to Ford Road on Runnymede La	J3-K2		1.6	\$260,000	4.5
69	CR 4 - CR 3 to Glen Lake Blvd	F11-F12		0.3	\$45,000	4.5
70	Rowland Rd/Bren Rd - Lone Lake Park to Opus trail system	I12-J12		0.9	\$140,000	4.5
71	Fairview Ave/Lake St Ext - CR 3 to CR 61	I8-I9		1.0	\$156,000	4.5
72	Smetana Rd/Opportunity Ct - CR 61 to Smetana Ct	J11-L11		1.5	\$231,000	4.5
73	Ridgedale Connections	H2-I2,H3		0.2	\$300,000	4.5
74	Old Bren Rd - Bren Rd to Clarion Cir trailhead	J12		0.5	\$81,000	4.0
75	Holiday Rd/Seymore Rd - Woodland Rd to Spring Hill Park	D10		0.7	\$105,000	4.0
76	Westmill Rd - Spring Hill Park to Clear Spring Dr	C9-C10		0.6	\$106,000	4.0
77	Orchard Rd/Westmark Dr - Minnetonka Dr	F7		0.5	\$80,000	4.0
78	Highwood Dr - Williston Rd to Tonkawood Rd	D8-F8		1.0	\$160,000	4.0
79	Woodland Rd to Williston Rd - Through Woodgate Park	E10-F10		1.1	\$165,000	4.0
80	Covington Park east side connection to CR 101	A12		1.3	\$213,000	4.0
81	Covington Rd - Vine Hill Rd to Mahoney Ave	A11-B11		0.8	\$117,000	4.0
82	CR 60 - CR 3 to Townline Rd	H8-H12		0.8	\$120,000	4.0
83	Woodridge Rd - CR 3 to Gaywood Dr	G9-G10		0.7	\$108,000	3.5
84	CR 3 - Glen Oak St to Woodland Rd	D11-F11		1.0	\$160,000	3.5
85	Kinsel Rd/Mayview Rd - CR 3 to Glen Moor Park	G11		0.2	\$40,000	3.5
86	South St - Mayview Rd to CR 60	G11		0.6	\$99,000	3.5
87	Wayzata Blvd - Claredon Dr to Wayzata city limits	F2		0.9	\$135,000	3.5
88	Meadow Park to Ridgedale	H3		0.2	\$250,000	3.5
89	The Strand - Lake Minnetonka LRT to CR 5	C6-D7		0.5	\$80,000	3.0
90	Sparrow Rd - Old Excelsior Blvd to Ridgewood Rd	B8-B10		0.2	\$150,000	3.0
91	CR 101 Underpass structure at Purgatory Creek	B12		1.7	\$300,000	3.0
92	Oak Ridge Rd - CR 5 to Hopkins city limits	K6-L6		0.5	\$80,000	3.0
93	Hilloway Park to CR 73 on Park Ridge Dr	I4-J3		0.8	\$125,000	3.0
94	Carlson Parkway to Linner Park	E3		0.5	\$80,000	2.0
95	Essex Rd - Ridgedale Dr to Oakland Rd	G2-G4		1.1	\$180,000	2.0
96	West side of Hwy 169 - CR 5 to Cedar Lake Rd	K4-K5		1.3	\$950,000	2.0
				61.4	\$11,818,000	

Project Category: Parks, Trails and Open Space
Project Title: POST Plan Update- Unfunded
Total Estimated Cost: \$100,000
Funding Priority: 2
Account Number: 4101.XXXX.S08202

Description:

The Parks, Open Space and Trail System Plan was approved in 1998 and used during the development and implementation of the Park and Open Space Referendum of 2001.

Development of the park system has made certain portions of the POST plan outdated and in need of an update.

Source of Project Funding					
Park Dedication Fund - Unfunded	\$100,000				

<p>Justification:</p> <p>The Parks, Open Space and Trails System plan inventories the current system and recommends strategic renovations.</p> <p>Scheduling and Project Status:</p> <p>The revised POST Plan would focus on a strategic plan for the future of the park system and inventory the current assets of our parks, trails and open space. The plan would include a long term comprehensive look at our city for Parks, Open Space and Trails.</p>	<p>Relationship to General Plan and Other Projects:</p> <p>The POST Plan update would work in conjunction with the Comprehensive Plan updates that were completed in 2008/2009.</p> <p>Effect on Annual Operations Costs:</p> <p>There is not an expected impact on operating costs with the study.</p>
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Project Category: Major Equipment
Project Title: Fleet Vehicles
Total Estimated Cost: \$3,130,300
Funding Priority: 2
Account Number: 4101.6540.S09310
& 5110.6540.S09310

Description:
This item provides for the scheduled replacement of departmental cars, pickups, light trucks, mowers and support equipment such as trailers, generators, rollers and turf care equipment.

Source of Project Funding	2010	2011	2012	2013	2014
Capital Replacement Fund	\$631,000	\$399,400	\$453,600	\$663,300	\$753,000
Utility Fund	45,400	23,400	39,400	30,800	91,000

<p>Justification:</p> <p>These vehicles are used by staff for the delivery of city services and are included in the CIP due to their individual and aggregate costs which are depreciable.</p> <p>Scheduling and Project Status:</p> <p>These vehicles are purchased early in the year utilizing the State and County Cooperative Purchasing contracts.</p>	<p>Relationship to General Plan and Other Projects:</p> <p>These purchases are consistent with the city's Vehicle Replacement Guide. All replacements are evaluated for eligibility for replacement with energy efficient vehicles. Currently a vehicle utilization analysis is being completed in order to eliminate underutilized vehicles and provide the basis for pool vehicles which will be shared by employees.</p> <p>Effect on Annual Operations Costs:</p> <p>Scheduled replacements can reduce repair costs by \$500 for the first three years following purchase.</p>
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Project Category: Major Equipment

Project Title: Dump/Plow Truck Replacements

Total Estimated Cost: \$811,400

Funding Priority: 2

Account Number: 4101.6540.S09306
5110.6540.S09306

Description:

These purchases anticipate the scheduled 15-year replacement of 19 dump trucks in the city's fleet. Replacement costs include the chassis, dump body, hydraulics and snow equipment (plow, wing and sander). Dump boxes are refurbished after eight years at a cost of \$5,000.

Source of Project Funding	2010	2011	2012	2013	2014
Capital Replacement Fund	\$152,000	\$161,300	\$161,300	\$166,100	\$171,000

Justification:

These vehicles are used primarily for hauling and snow plowing and are included in the CIP due to their high individual and aggregate costs which are depreciable.

Scheduling and Project Status:

These vehicles are generally purchased using the State or County cooperative purchasing contracts. Orders are placed up to one year prior to delivery. Truck pricing has increased due to the increased cost of materials and the increased cost of engines due to emission standards.

Relationship to General Plan and Other Projects:

These replacements are consistent with the city's Vehicle Replacement Guide.

Effect on Annual Operations Costs:

Replacements can reduce repair costs by approximately \$1,500 per year for the first five years following purchase.



Project Category: Major Equipment
Project Title: Rubber-Tire Loader
Total Estimated Cost: \$195,000
Funding Priority: 2
Account Number: 4101.XXXX.S09305

Description:
 This item provides for the scheduled replacement of the three front-end loaders in the city's inventory. Cost includes the replacement of the machine and the attached snow equipment (plow and wing).

Source of Project Funding	2010	2011	2012	2013	2014
Capital Replacement Fund		\$195,000			

<p>Justification: These pieces are used for a variety of maintenance activities but primarily truck loading and snow plowing. These items are included in the CIP due to their individual and aggregate costs which are depreciable.</p> <p>Scheduling and Project Status: This vehicle was scheduled for replacement in 2009, but is being delayed for budgetary reasons. Purchase will utilize the State's Cooperative Purchasing program.</p>	<p>Relationship to General Plan and Other Projects: The replacement is consistent with the city's Vehicle Replacement Guide.</p> <p>Effect on Annual Operations Costs: This replacement can reduce repair costs by \$1,750 a year for the first three years following purchase.</p>
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Project Category: Major Equipment

Project Title: Sidewalk and Trail Maintenance Vehicle

Total Estimated Cost: \$100,000

Funding Priority: 2

Account Number: N/A

Description:

This item provides for the scheduled replacement of the two machines used for winter snow removal on the trails, sidewalks and ice rinks.

Source of Project Funding	2010	2011	2012	2013	2014
Capital Replacement Fund	\$100,000				

<p>Justification:</p> <p>Primary snow removal machine that is used for trails and sidewalks. They are included in the CIP due to their individual and aggregate costs which are depreciable.</p> <p>Scheduling and Project Status:</p> <p>Machines would be ordered in the summer of 2010 for delivery prior to the snow season.</p>	<p>Relationship to General Plan and Other Projects:</p> <p>Replacement is consistent with the city's Vehicle Replacement Guide.</p> <p>Effect on Annual Operations Costs:</p> <p>Replacement can reduce repair costs by \$1,000 for each of the first three years after purchase.</p>
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Project Category: Major Equipment
Project Title: Oil Distributor
Total Estimated Cost: \$140,000
Funding Priority: 2
Account Number: N/A

Description:
 This item provides for the replacement of an oil distributor truck that is used in asphalt paving operations. It sprays emulsified oil on bituminous pavement which binds the new bituminous layer to the old surface.

Source of Project Funding	2010	2011	2012	2013	2014
Capital Replacement Fund			\$140,000		

<p>Justification: This truck is regularly used to spray tack oil during asphalt paving operations. It is included in the CIP due to its value which is depreciable.</p> <p>Scheduling and Project Status: This vehicle would be bid in the spring of 2012 for delivery later that year.</p>	<p>Relationship to General Plan and Other Projects: This replacement is consistent with the city's Vehicle Replacement Guide.</p> <p>Effect on Annual Operations Costs: This replacement can reduce annual repair costs by \$750 for each of the first three years after purchase.</p>
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Project Category: Major Equipment
Project Title: Vacuum Sewer Cleaner
Total Estimated Cost: \$213,200
Funding Priority: 2
Account Number: N/A

Description:
 This item provides for the replacement of the truck mounted vacuum machine that is used for sanitary sewer cleaning and water main break dewatering.

Source of Project Funding	2010	2011	2012	2013	2014
Utility Fund			\$213,200		

<p>Justification: This machine is used on a regular basis for sewer cleaning and pipe repairs. It is included in the CIP due to its cost which is depreciable.</p> <p>Scheduling and Project Status: This machine would be ordered in the spring for delivery later that year.</p>	<p>Relationship to General Plan and Other Projects: This replacement is consistent with the city's Vehicle Replacement Guide.</p> <p>Effect on Annual Operations Costs: This will reduce repair costs by \$1,000 for each of the first two years after purchase.</p>
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Project Category: Major Equipment
Project Title: Pumper Truck Replacement
Total Estimated Cost: \$660,000
Funding Priority: 2
Account Number: 4101.XXXX.S09303

Description:
 This project provides for the scheduled replacement of the city's fire pumper trucks. The vehicles to be replaced are 1985 Ford pumpers, manufactured by General Apparatus.

Source of Project Funding	2010	2011	2012	2013	2014
Community Investment Fund			\$320,000		\$340,000

Justification:
 These apparatus provide the primary responses to fire emergencies in the city. The fire department has standardized pumpers with commercially available chassis, 1250 GPM pumps, 500-gallon water tanks, and similar equipment to enhance training and fire ground response, and lower acquisition costs.

Scheduling and Project Status:
 Fire truck construction typically requires nine to twelve months. Each unit should be ordered as early as possible in the year scheduled.

Relationship to General Plan and Other Projects:
 This is consistent with the city's vehicle replacement schedule.

Effect on Annual Operations Costs:
 Operating costs will remain consistent; however, during the first several years of service, maintenance costs should be reduced.



Project Category: Major Equipment
Project Title: Fire Hose Replacement
Total Estimated Cost: \$100,000
Funding Priority: 2
Account Number: 4101.6530.S08307

Description:
 This item provides for replacing the fire departments large diameter hose (LDH). This 5" hose is used to pump water from hydrants or from one truck to another. This item also replenishes the city's 2 1/2" and 1 3/4" hose. Firefighters use this hose as "handlines" to extinguish fires and deliver water.

Source of Project Funding	2010	2011	2012	2013	2014
Community Investment Fund		\$100,000			

<p>Justification: The city typically orders new hose when purchasing new pumper trucks. Due to the age of the city's older pumper and ladder trucks, some of this hose needs replacement prior to the pumper truck replacement schedule. All department hose is tested and evaluated on an annual basis. Only hose that has failed this inspection test would be replaced.</p> <p>Scheduling and Project Status: This hose would be purchased after all annual tests have been completed.</p>	<p>Relationship to General Plan and Other Projects: This is consistent with the city's plan to provide for on-going public safety needs.</p> <p>Effect on Annual Operations Costs: This would have no effect on operating costs.</p>
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Project Category: Major Equipment
Project Title: Rescue Tool Replacement
Total Estimated Cost: \$95,000
Funding Priority: 2
Account Number: N/A

Description:
 This project calls for the scheduled replacement of the fire department power rescue tools. These tools, commonly referred to as the "Jaws of Life", will be replaced and updated to new, improved models. The current rescue tools will be 25 years old at time of replacement.

Source of Project Funding	2010	2011	2012	2013	2014
Capital Replacement Fund	\$95,000				

Justification:
 The fire department provides rescue and extrication duties throughout the city. These rescues require the use of specialized tools. These "Jaws of Life" are essential to meeting these challenging situations. The reliability and serviceability of these tools are paramount to this mission. These tools will be at the end of their reliable service life. The requested funding will buy up to six replacement tools, depending upon final bid price.

Scheduling and Project Status:
 This project will occur throughout the schedule year.

Relationship to General Plan and Other Projects:
 This is consistent with the city's policies to provide essential services.

Effect on Annual Operations Costs:
 Lower operating costs for first 5 years.



Project Category: Major Equipment

Project Title: Self Contained Breathing Apparatus (S.C.B.A.)

Total Estimated Cost: \$350,000

Funding Priority: 2

Account Number: N/A

Description:

This project involves the replacement of 85 Self Contained Breathing Apparatus, spare (SCBA) cylinders, and 95 masks and confined space respirators.

Source of Project Funding	2010	2011	2012	2013	2014
Community Investment Fund			\$350,000		

Justification:

These units would replace the current S.C.B.A., which were placed into service in 2005. The current S.C.B.A. has undergone major upgrades and will be near the end of their reliable service life. Units that meet all new standards (OSHA and NFPA) will be purchased. These "airpacks" are essential components to all firefighting and hazardous environmental activities. Units that will be interoperable with our joint response partners will be purchased if practical.

Scheduling and Project Status:

This project would be scheduled to coincide with the firefighter's annual physical and S.C.B.A. fitness training.

Relationship to General Plan and Other Projects:

While this project is consistent with the city's equipment replacement plan, the fire department is in the process of developing a new program and approach to its S.C.B.A. program. Fire departments in the southwest corner of Hennepin County are developing cooperatively a SCBA use and maintenance program. This program would shift S.C.B.A. from a purchase/own system to a lease/use type of payment. This system would be the first of its kind in the nation. The Fire Chiefs are working through the development stage at this time. The effect to the CIP would be a shift in costs from the capital budget to the operating budget as this would become an operating expense.

Effect on Annual Operations Costs:

Overall maintenance costs will decrease during the first years of service under warranty.



Project Category: Major Equipment
Project Title: Ladder Truck Program
Total Estimated Cost: \$1,400,000 Unfunded
Funding Priority: 2
Account Number: N/A

Description:

This program allows for the refurbishment and/or updated replacement of the city's ladder truck inventory. The city's ladder trucks are refurbished or replaced with newer used trucks as the need arises. The ladders are tested annually by a third party, and noted repairs are made. Longer-term issues are noted and are part of the process used to determine what to refurbish and update.

Source of Project Funding	2010	2011	2012	2013	2014
Community Investment Fund - Unfunded			\$900,000		\$500,000

Justification:

The city has five ladder trucks; one in each fire station. These ladder trucks have proven to be an essential part of the overall fire protection plan. Currently, the ladder trucks range in model year from 1975 to 2008. As these vehicles age, it is imperative to continue to refurbish or replace them in a timely manner. Three of the ladder trucks have been refurbished twice, and one of the trucks have been refurbished once. This program allows the city to maintain inventory of quality ladder trucks at an extremely low cost. When a truck is sold, those proceeds would also be used to acquire a newer, ladder truck. All of the ladder trucks are Sutphen aluminum ladders. This uniformity aids in maintenance, training, ease of use, and the ability to make repairs to the aerial device.

Scheduling and Project Status:

The proposed purchases are scheduled to provide the least amount of service disruption.

Relationship to General Plan and Other Projects:

The city will complete a long term strategic plan for public safety in 2010 that may impact the timing and total equipment needs of the fire department. The uniquely high cost of this capital equipment item requires special review.

The proposed replacements are consistent with the city's current vehicle replacement guide.

Effect on Annual Operations Costs:

These projects help maintain low operating cost by performing extensive preventive maintenance at planned intervals.



Project Category: Major Equipment
Project Title: Booking System Upgrades
Total Estimated Cost: \$50,000
Funding Priority: 1
Account Number: N/A

Description:
 This item provides for the upgrade of technology used to fingerprint and photograph detention suspects (Automated Fingerprint Identification and digital photography).

Source of Project Funding	2010	2011	2012	2013	2014
Forfeiture/Seizure Fund			\$ 50,000		

<p>Justification:</p> <p>Significant technology changes will need to be incorporated into police detention in order to process the fingerprinting, bio-identification and digital photo capture of suspects thus meeting state and federal standards for submission.</p> <p>Scheduling and Project Status:</p> <p>Currently the State of Minnesota supplies this technology to cities at no cost. This page is in anticipation of no state funding in future years. This project would be researched in 2011, purchase and installation in 2012.</p>	<p>Relationship to General Plan and Other Projects:</p> <p>This purchase is consistence with other technology upgrades being made to existing equipment.</p> <p>Effect on Annual Operations Costs:</p> <p>Although new technology carries with it a service agreement, the new equipment should have less maintenance that the outdated equipment and will meet state and federal standards.</p>
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Project Category: Major Equipment
Project Title: Office Equipment
Total Estimated Cost: \$334,500 Total
 \$274,500 Funded
Funding Priority: 2
Account Number: 4101.6530.S09304

Description:
 This project funds the purchase of replacement copiers and other office equipment for all city departments.

Source of Project Funding	2010	2011	2012	2013	2014
Technology Fund	\$21,500	\$41,500	\$101,500	\$56,500	\$53,500
Unfunded				60,000	

Justification:
 This project provides for the systematic maintenance and upgrading of major office equipment, including: copiers, postage machine, security card access system enhancements, and other miscellaneous business equipment. Copiers vary in size depending on location and usage. The majority of copiers have been moved from a five year to a seven year replacement schedule. As a cost savings measure and based on usage, two copiers have been eliminated completely from the replacement schedule.

Copier replacements are scheduled as follows;
 2010: (1) copier 2013: (1) copier
 2011: (3) copiers 2014: (3) copiers
 2012: (4) copiers

Other purchases:
2011: Postage machine
2012: \$45,000 for card access enhancements. The project will allow the purchase of equipment to secure perimeter doors and add several cameras within the campus.
2013: \$40,000 for increased security by purchasing equipment to secure interior doors with card access equipment, such as the electrical room and vault.

Also, \$5,000 for replacement of PDA devices, smart phones and cell phones throughout the organization. This will be a new ongoing replacement cost per year.

2013: Unfunded - \$60,000 is designated for a CCTV server system to consolidate digital video recorders throughout the campus into one unit.

Scheduling and Project Status:
 The copiers and other business machines will be evaluated each year and replaced as necessary.

Relationship to General Plan and Other Projects:
 Budgeting and purchasing office equipment through this project allows the city greater flexibility to direct equipment to where it is most needed rather than using individual budgets. These annual capital costs were previously financed through the Capital Replacement Fund, but are now more appropriately categorized as a technology purchase through the Technology Fund.

Effect on Annual Operations Costs:
 These purchases will decrease annual maintenance costs because new equipment is generally more reliable than earlier models.

Project Category: Major Equipment
Project Title: Records Management System
Total Estimated Cost: \$375,000
Funding Priority: 2
Account Number: NA

Description:
 This project involves the replacement of the police department's records management system. It includes computer aided dispatch software, records software and squad car mobile application software.

Recommended and Scheduled for Five Years

Source of Project Funding	2010	2011	2012	2013	2014
Technology Development Fund		\$125,000	\$125,000	\$125,000	

<p>Justification: The current police department records management system, purchased as part of the LOGIS consortium, was implemented in 2004. The system is nearing the end of its life cycle and will most likely reach the critical stage in the next two-years. This project will provide web based technology with enhanced ease of use, increased functionality, more local control and less downtime.</p> <p>Scheduling and Project Status: An RFP was let and bids received in early 2009. The LOGIS consortium's evaluation of vendors who submitted proposals will be completed later in 2009. Implementation is expected in late 2011 or early 2012.</p>	<p>Relationship to General Plan and Other Projects: This project is consistent with the city's policy of maintaining current technology.</p> <p>Effect on Annual Operations Costs: This project will have little effect on the current operating budget.</p>
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Project Category: Major Equipment

Project Title: Audio/Visual Equipment Replacement

Total Estimated Cost: \$268,600

Funding Priority: 2

Account Number: 2210.6530.S09302

Description:

This project consists of the systematic maintenance and upgrading of audio/visual equipment to ensure the quality of official city meeting cable costs and video productions.

Source of Project Funding	2010	2011	2012	2013	2014
Cable Television Fund	\$36,000	\$18,500	\$61,000	\$89,500	\$63,600

<p>Justification:</p> <p>This project calls for the systematic maintenance and upgrades of the audio/visual equipment and additional equipment as new technology develops.</p> <p>A list of major equipment to be replaced appears below. Many of these items are essential to maintaining our current programming; we currently have the equipment, but it needs to be replaced per schedule.</p> <p>Scheduling and Project Status:</p> <p>Acquisitions will occur on a planned annual basis.</p> <p>2010 – Council chambers dais and staff monitors</p> <p>2011 – Minor equipment replacement</p> <p>2012 – LCD monitors, projectors, Shady Oak Room A/V system, bulletin board system, editing system</p>	<p>2013 – Digital video devices, digital storage automation equipment, professional video camera, LCD monitors</p> <p>2014 – Minor equipment replacement, control room furniture modifications</p> <p>Relationship to General Plan and Other Projects:</p> <p>This project is consistent with the city's policy of establishing schedules for equipment replacement.</p> <p>Effect on Annual Operations Costs:</p> <p>The replacement purchases will not affect operating costs and will reduce maintenance costs on equipment that is experiencing mechanical failure due to age</p>
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Project Category: Major Equipment
Project Title: Technology Infrastructure
Total Estimated Cost: \$500,000
Funding Priority: 3
Account Number: 2210.6530.S09311

Description:
 These items provides for the acquisition of additional fiber optic cabling or wireless technology to connect the city hall campus with other remote sites.

Source of Project Funding	2010	2011	2012	2013	2014
Cable Television Fund	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000

Justification:

Technology is an integral component in the delivery of city services. To keep stride with technology that becomes increasingly more sophisticated, the city needs to continue to upgrade its transmission method. Fiber optic cables have much greater bandwidth. Speeds of data transmission are greatly increased. Wireless Communication (WI-FI) has also become an acceptable form of transmission when fiber optic cabling is not a feasible option due to cost.

Fiber links have been established to: Ice Arena A, Marquis Sign, Public Works, Williston Center, Tonkawood Water Tower, Williston Water Tower, Water Treatment Plant 16, LOGIS, Ridgedale Police Substation and Ridgedale Water Tower.

The city has collaborated on fiber projects with other cities, school districts and the county in the past and will continue to look for opportunities in the future to maximize our resources.

Scheduling and Project Status:

The city began installing fiber optic cabling in 2003 by completing a fiber build to connect city hall to Public Works. The goal is to continue connectivity to remote locations via fiber or wireless technologies to increase bandwidth and improve data transmission speed. A staff fiber sub-committee was formed to determine the overall fiber needs of the city.

First Priority Projects –

- Redundant wireless system to LOGIS
- Connectivity of Water Treatment Plant 3 and Fire Station 4 through a cooperative agreement with Minnetonka and Hopkins School districts
- Burwell House
- Sherwood Forest Lift Station

Future Projects –

- Williston Water Tower to Glen Lake Activity Center
- Shady Oak Beach
- Fire Station 3, Fire Station 5

Relationship to General Plan and Other Projects:

Technology and inter-connectedness with LOGIS and remote locations is becoming increasingly more important in providing city services. All city departments utilize the connection to LOGIS and being proactive allows the build-out of a permanent, reliable solution to all facilities.

Effect on Annual Operations Costs:

This project will likely decrease operational costs due to the discontinuation of monthly service fees for Qwest DSL or Comcast Internet services.

Project Category: Major Equipment
Project Title: Communications Technology
Total Estimated Cost: \$80,000
Funding Priority: 2
Account Number: 2210.XXXX.S09309

Description:
 These items are designed to increase the availability of information to Minnetonka residents, and to enhance transfer of information between residents and the city.

Source of Project Funding	2010	2011	2012	2013	2014
Cable Television Fund	\$50,000		\$30,000		

Justification:

Software upgrades over the next several years are intended to enhance communications with the public and accessibility to city records.

Replacement of the current customer relationship management system (RequestPartner/Minnetonka Mike) was originally scheduled for 2011 at a cost of \$30,000. This purchase has been shifted to 2009 and the cost reduced to \$8,000. Vendor changes to the current system will make it less accessible to some residents and businesses. Competing vendors' technology allows for integration with other city systems (e.g., GIS and the public works department's work order system) at a much lower cost, while still serving the public well.

Upgrade or replacement of the city's existing imaging system would make city records more easily available to both residents and city staff. The current system was acquired in 1997 and is quite limited in its usability. Newer systems allow for more flexible inputting, indexing, and searching of documents. Originally the imaging system was scheduled for a 2009 replacement. The need for further evaluation of options and review of what other communities use has shifted this project to 2010.

A second phase of managing documents currently not in the imaging system but stored in other mediums is the conversion of microfiche. A more complete imaged inventory of the city's documents would allow access via the web site, thus allowing residents to search for documents online rather than coming into city hall and using old microfiche technology.

Originally scheduled for 2010, this has been shifted to 2012 to provide staff sufficient time to become acclimated to the new imaging system before introducing the conversion.

Scheduling and Project Status:

2010 \$50,000 Imaging system
2012 \$30,000 Microfiche conversion

Relationship to General Plan and Other Projects:

The advantage to replacing the customer relationship management and imaging systems is newer technology allows for better integration with current city systems. A new customer relationship management system would eliminate redundant data entry and resident request tracking. A new imaging system could incorporate various department indexing, database, and document storage systems being used in conjunction with the current system.

Effect on Annual Operations Costs:

Each of these projects requires ongoing annual or monthly licensing and/or maintenance fees. The monthly cost for the current customer relationship management is \$300. The monthly cost of a replacement system would be in the same range. The ongoing costs of a new imaging system are unknown at this point but would be part of the negotiations with the vendor.

Project Category: Major Equipment
Project Title: Technology Purchases/Upgrades
Total Estimated Cost: \$1,392,700
Funding Priority: 1
Account Number: 4230.6530.S09308

Description:
 This project funds the purchase of replacement computers, local area and wide area network equipment, printers, peripheral devices, telecommunications improvements and software. It also provides for the purchase of new equipment and software that serves the city as a whole.

Source of Project Funding	2010	2011	2012	2013	2014
Technology Fund	\$244,500	\$294,500	\$279,000	\$303,900	\$270,800

<p>Justification:</p> <p>This project provides for the systematic maintenance and upgrading of computers, network equipment, printers, peripheral devices (LCD projectors, tape library), and software.</p> <p>Most computers have been moved from a three year to a four year replacement cycle to evenly distribute funds from year to year and to provide the city with cost saving measures. Printers will be replaced after five years on a per project basis.</p> <p>2011: Replacement of the tape library system (\$25,000)</p> <p>2013: Network infrastructure costs are higher this year. First year phone infrastructure replacements are due (\$92,900). It also includes the cost of a network infrastructure management software system for daily management of security, support, and software management of our city-wide infrastructure (\$17,000).</p> <p>2014: Increased software budget for the replacement of the city's IT helpdesk system.</p> <p>Scheduling and Project Status:</p> <p>A replacement schedule has been established and is reviewed on a regular basis by Information Technology staff, with oversight by the leadership team.</p>	<p>Relationship to General Plan and Other Projects:</p> <p>Budgeting and purchasing technology equipment through this project allows the city greater flexibility to direct equipment to where it is most needed rather than using individual department budgets.</p> <p>Effect on Annual Operations Costs:</p> <p>While we have begun to purchase new equipment (rather than only replacing existing equipment) with this project, annual maintenance costs may increase due to the added equipment such as additional servers and networking equipment. Increases in consulting, maintenance agreements and equipment repair may appear in the Information Technology operating budget (1040.XXXX).</p>
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Project Category: Major Equipment
Project Title: 9-1-1 Center Phone Upgrade
Total Estimated Cost: \$200,000
Funding Priority: 2
Account Number: NA

Description:
 This item provides for the replacement of the Public Safety Answering Point (PSAP) 9-1-1 phone system.

Source of Project Funding	2010	2011	2012	2013	2014
Grants Special Revenue Fund (E 9-1-1 revenue)	\$150,000				
Technology Fund	50,000				

<p>Justification:</p> <p>The current phone system in the Public Safety Answering Point (PSAP) is 1970's technology. This project will transition the PSAP to VoIP, a software based system which allows local control of system management, increased functionality and enhanced redundancy not currently available.</p> <p>Funds expended from the Technology Fund will be reimbursed in 2011 and 2012 from E 9-1-1 revenue.</p> <p>Scheduling and Project Status:</p> <p>This project has been evaluated and cost estimates received. Implementation will be in the first quarter of 2010.</p>	<p>Relationship to General Plan and Other Projects:</p> <p>This project is consistent with the policy of maintaining current technology.</p> <p>Effect on Annual Operations Costs:</p> <p>This project does include a service agreement that will have little impact on the operating budget.</p>
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Project Category: Major Equipment
Project Title: 800 MHz Portable Radios
Total Estimated Cost: \$162,500
Funding Priority: 2
Account Number:

Description:
 This item provides for the replacement of the police departments 800 MHz portable radios as part of the Metropolitan Regional Radio System.

Recommended and Scheduled for Five Years

Source of Project Funding	2010	2011	2012	2013	2014
Community Investment Fund				\$162,500	

<p>Justification:</p> <p>The police department transitioned to the 800 MHz Regional Radio system in 2004 as an independent PSAP. Portable radios purchased at that time are recommended for replacement in 7 year intervals due to the nature of their use. A total of 67 radios will be replaced.</p> <p>Scheduling and Project Status:</p> <p>This project will be researched in late 2013 for purchase in 2014.</p>	<p>Relationship to General Plan and Other Projects:</p> <p>This project is consistent with the policy of maintaining current technology.</p> <p>Effect on Annual Operations Costs:</p> <p>This project does require a service agreement that already exists within the police department budget.</p>
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Project Category: Local Street Improvements
Project Title: Local Street Rehabilitation
Total Estimated Cost: \$26,225,000
Funding Priority: 2
Account Number:

Description:
 This project will provide for the reconstruction and rehabilitation of various local streets throughout the city. The 2010 program is scheduled to include streets in the Crown Drive/Highland Trail areas. Included in the project is the upgrade of the storm sewer system, necessary I & I remediation, and utility system upgrade.

Source of Project Funding	2010	2011	2012	2013	2014
Street Improvement Fund					
• Street Reconstruction	\$2,300,000	\$3,000,000	\$3,200,000	\$5,200,000	\$3,900,000
• Thin Overlay	920,000	970,000	980,000	1,330,000	1,000,000
Storm Water Fund (Upgrades)	550,000	575,000	650,000	700,000	750,000
Storm Water Fund (I & I)	100,000	100,000			

<p>Justification:</p> <p>The most recent community surveys indicate that citizens rank street maintenance highest amongst competing city service needs.</p> <p>Municipal State Aid (MSA) funding has not been able to meet the needs of local street reconstruction combined with recent county and state road projects that require the city's financial participation. Such county and state road projects are forecasted to continue into and beyond the current five-year planning horizon.</p> <p>In 2006 and 2007, council allocated more money towards road revitalization to meet the needs of the community. In addition to providing more money for street reconstruction, council also authorized funding to continue a thin overlay pavement program, which is a cost-effective method for addressing pavement issues and expanding the life of many aging local streets for as much as six to eight years. The goal was to reconstruct or overlay all streets that had not received major maintenance in the prior 20 years, by 2016.</p> <p>Recent Metropolitan Council policy changes will increase charges for communities with "excess sanitary flows" resulting from infiltration and inflow (I & I). I & I reduction projects will be designed in conjunction with other street and storm water projects to the greatest extent possible. The program is expected to be completed in 2011.</p>	<p>The state and federal mandated NPDES Phase II Storm Water Program also requires this reduction to address illicit discharge into the storm sewer systems.</p> <p>Scheduling and Project Status:</p> <p>Collector roads that are scheduled for reconstruction and rehabilitation include the following:</p> <p style="padding-left: 40px;">2013-2014 Sparrow \$5,200,000</p> <p>Storm water upgrades and I & I projects will be combined and coordinated with the street reconstruction projects.</p> <p>Relationship to General Plan and Other Projects:</p> <p>These projects are consistent with the Pavement Management Study, the Water Resources Plan, the Infiltration and Inflow Reduction Program, and the NPDES Phase II Storm Water Program.</p> <p>Effect on Annual Operations Costs:</p> <p>Overall, this project will reduce annual maintenance needs. The majority of funding for the thin overlay pavement program is for supplies only and will be staffed with current employees. A smaller portion of the program will be contracted out for the first five years.</p>
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Project Category: Local Street Improvements
Project Title: Local Street Maintenance
Total Estimated Cost: \$1,200,000
Funding Priority: 2
Account Number: 4410.XXXX.S09403

Description:
 This item provides for crack sealing, spot bituminous overlays, pavement marking, and other maintenance items necessary to maintain the local streets in the city.

Source of Project Funding	2010	2011	2012	2013	2014
Street Improvement Fund	\$230,000	\$235,000	\$240,000	\$245,000	\$250,000

<p>Justification: The need to do these maintenance activities is coordinated by the public works department with input from the engineering department.</p> <p>Scheduling and Project Status: The scheduling is based on 2010 through 2014 maintenance activities.</p>	<p>Relationship to General Plan and Other Projects: This project will be consistent with the city's Pavement Management Study.</p> <p>Effect on Annual Operations Costs: This project will not affect annual maintenance costs.</p>
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Project Category: Local Street Improvements
Project Title: Burying Overhead Utilities
Total Estimated Cost: \$4,320,000
Funding Priority: 3
Account Number: N/A

Description:
 This project involves the burial of overhead utility lines in conjunction with street reconstruction projects.

Source of Project Funding	2010	2011	2012	2013	2014
Electric Franchise Fees <ul style="list-style-type: none"> • Shady Oak Road (CR3 – TH7) (High) • County Road 101 (CR5 – TH12) (High) • County Road 101 (CR 62 – CR 3) (High) • Sparrow Rd(Old Exc Blvd to Ridgewood) (Med) 			\$700,000 520,000	\$1,200,000	\$1,900,000

Justification:
 The burial of overhead utility lines is consistent with Minnetonka’s community vision and strategic goals for maintaining and improving the community’s visual image, particularly along major road corridors.

Scheduling and Project Status:
 When possible, the improvements would be completed in conjunction with street reconstruction projects scheduled within the CIP. Specific projects are identified above and are to be funded by the respective utility companies. The costs for Xcel Energy are noted above, and would be paid for with electric franchise fees.

Effect on Annual Operations Costs:
 These improvements will have no effect on annual maintenance costs.

Relationship to General Plan and Other Projects:
 Projects are selected relative to two criteria: (1) aesthetic benefit or visual clutter that would be improved through line burial, and (2) traffic count as a representative of the number of citizens who would benefit from the project. Projects will be prioritized using the “aesthetic benefit” and “traffic count” criteria as follows:

High Priority: County and state roads, and MSA high volume streets with high aesthetic benefit.

Medium Priority: MSA low volume streets with high aesthetic benefit.

Low Priority: MSA high and low volume streets with low aesthetic benefits.

High priority projects will likely be funded unless there is an unusual circumstance. Medium priority projects will be funded on a case by case basis. Low priority projects will likely not be funded unless there is an unusual circumstance.

Project Category: Local Street Improvements
Project Title: Pavement Management Study
Total Estimated Cost: \$191,000
Funding Priority: 2
Account Number: 4410.6575.S09402

Description:
 This project provides for the annual testing of 25% of the city streets, and for the updating of the pavement evaluation software. The street condition data base is used to analyze and program street improvements in a cost effective manner.

Source of Project Funding	2010	2011	2012	2013	2014
Street Improvement Fund	\$36,000	\$38,000	\$39,000	\$39,000	\$39,000

Justification:
 This system allows the analysis of various repair/reconstruction options with respect to geographic areas, pavement conditions, and budget constraints to make the most efficient and effective use of available funds.

Scheduling and Project Status:
 This project provides for the annual update of the Pavement Management System.

Relationship to General Plan and Other Projects:
 This is necessary to fully understand the interaction of street conditions throughout the local network, and to program repairs and replacements in the most cost effective manner.

Effect on Annual Operations Costs:
 This study will have no impact on annual maintenance costs.



Project Category: Local Street Improvements

Project Title: Southwest Light Rail Street Infrastructure

Total Estimated Cost: \$5,000,000 Unfunded

Funding Priority: 3

Account Number: NA

Description:

When southwest light rail is constructed, local matching funds are required. The local match can be for road infrastructure to and from a station, trail connections, storm water improvements, etc. The matching portion will not be determined until the project completes its preliminary engineering.

Source of Project Funding	2010	2011	2012	2013	2014
Street Improvement Fund - Unfunded					\$5,000,000

<p>Justification:</p> <p>Local share of improvements necessary to accommodate light rail within the Shady Oak/Excelsior Blvd area and Opus business park.</p> <p>Scheduling and Project Status:</p> <p>2013: Project preliminary engineering 2014: Site acquisition by county 2015: Construction of light rail and public road improvements necessary to connect station areas.</p>	<p>Relationship to General Plan and Other Projects:</p> <p>The project will be connected to other redevelopment efforts and construction. The redevelopment will have to be coordinated and aligned with county construction of the line. And as the project approaches actual design stage, the breakdown of these local costs as they relate to non-tax levy sources, e.g. storm water fees, will be clearer.</p> <p>Effect on Annual Operations Costs:</p> <p>If local road connections are created, maintenance of these facilities would be necessary.</p>
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Project Category: MSA Street Improvements

Project Title: Shady Oak Road
(TH 7 to Excelsior Blvd.)

Total Estimated Cost: \$26,621,000 Total Cost
3,166,000 City Cost

Funding Priority: 2

Account Number: 4358.XXXX.S07501

Description:

This project involves the reconstruction of Shady Oak Road as a multi-lane roadway from Excelsior Boulevard to just north of Highway 7.

Source of Project Funding	2010	2011	2012	2013	2014
Hennepin County			\$8,209,500	\$8,209,500	
Hennepin Community Works			2,000,000		
City of Hopkins			2,518,500	2,518,500	
Municipal State Aid			1,276,000	1,276,000	
Storm Water fund			414,000		
Street Improvement Fund			200,000		

Justification:

This project is included in the Hennepin County Capital Improvements Program.

Scheduling and Project Status:

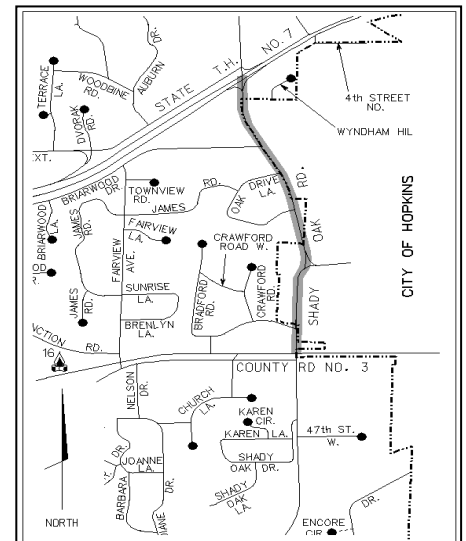
This project is scheduled for construction in 2012-2013, and is subject to scheduling revisions by Hennepin County. It also includes significant residential and commercial right-of-way acquisition which is very costly. Staff has been working with Hennepin County Community Works on potential redevelopment opportunities, and is expecting some funding participation from Hennepin County towards this effort.

Relationship to General Plan and Other Projects:

This project is consistent with the Transportation Element of the Comprehensive Plan. Construction of the Bradford Road Storm Sewer project will be coordinated with this project.

Effect on Annual Operations Costs:

This project will not impact operating costs.



Project Category: MSA Street Improvements

Project Title: County Road 101
(CR 5 to TH 12)

Total Estimated Cost: \$13,850,000 Total Cost
1,200,000 City Cost

Funding Priority: 2

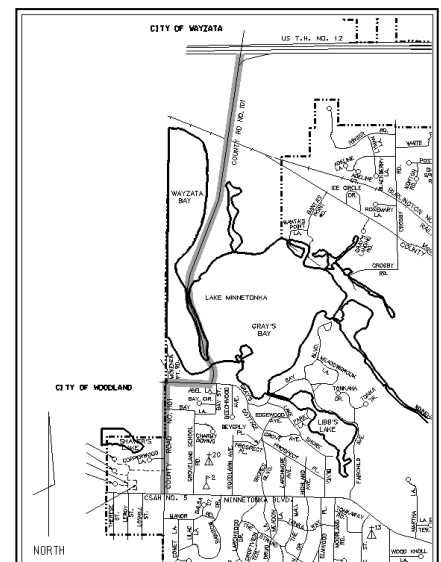
Account Number: N/A

Description:

This project involves the reconstruction of County Road 101 as a multi-lane roadway between CR 5 and TH 12.

Source of Project Funding	2010	2011	2012	2013	2014
Hennepin County			\$6,325,000	\$6,325,000	
Municipal State Aid			500,000	500,000	
Storm Water Fund			100,000		
Street Improvement Fund			100,000		

<p>Justification:</p> <p>This project is included in the Hennepin County Capital Improvements Program.</p> <p>Scheduling and Project Status:</p> <p>This project is presently scheduled for 2012-2013 construction and is subject to scheduling revisions by Hennepin County.</p>	<p>Relationship to General Plan and Other Projects:</p> <p>This project is consistent with the Transportation Element of the Comprehensive Plan. Construction of the McKenzie Point Road Storm Sewer project will be coordinated with this project.</p> <p>Another \$250,000 from the Park Dedication Fund was approved by council in a previous CIP for the Gray's Bay Marina project. The funds continue to be reserved as intended for environmental and landscaping improvements to the Gray's Bay causeway that will be constructed in coordination with this MSA project.</p> <p>Effect on Annual Operations Costs:</p> <p>This project will not impact operating costs.</p>
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Project Category: MSA Street Improvements

Project Title: County Road 101
(CR 62 to CR 3)

Total Estimated Cost: \$16,200,000 Total Cost
1,850,000 City Cost

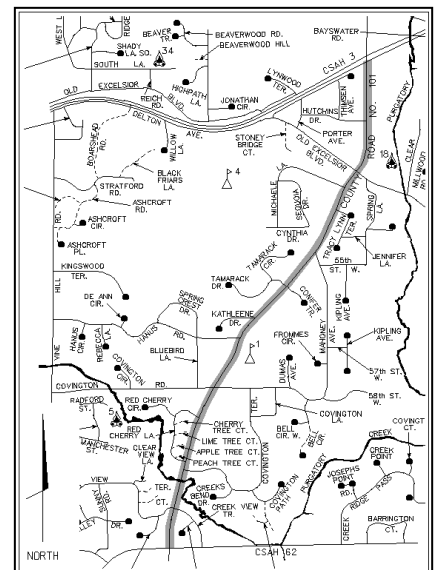
Funding Priority: 2

Account Number: N/A

Description:
This project involves the reconstruction of County Road 101 as a multi-lane roadway between CR 62 and CR 3.

Source of Project Funding	2010	2011	2012	2013	2014
MnDOT Funding					\$10,876,000
Hennepin County					3,474,000
Municipal State Aid					1,000,000
Storm Water Fund					550,000
Street Improvement Fund					300,000

<p>Justification:</p> <p>This project is included in the Hennepin County Capital Improvements Program.</p> <p>Scheduling and Project Status:</p> <p>This project is presently scheduled for construction in 2014-2015, and is subject to scheduling revisions by Hennepin County. An additional \$1,000,000 will be budgeted in 2015 for Minnetonka's final share of the cost.</p>	<p>Relationship to General Plan and Other Projects:</p> <p>This project is consistent with the Transportation Element of the Comprehensive Plan. Construction of the Old Excelsior Boulevard Phase 2 Storm Sewer project will be coordinated with this project.</p> <p>Effect on Annual Operations Costs:</p> <p>This project will not impact operating costs.</p>
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Project Category: MSA Street Improvements

Project Title: Hopkins Crossroad (CR 73)
(Cedar Lake Road to I-394)

Total Estimated Cost: \$27,400,000 Total Cost (Unfunded)
7,100,000 City Cost (Unfunded)

Funding Priority: 2

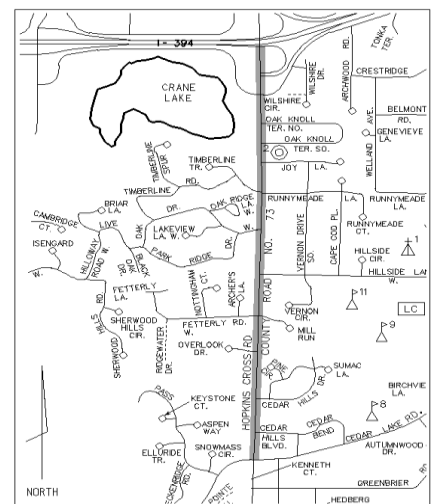
Account Number: N/A

Description:

This project involves the reconstruction of Hopkins Crossroad as a multi-lane roadway between Cedar Lake Road and I-394.

Source of Project Funding					
Hennepin County - Unfunded	\$20,300,000				
Municipal State Aid – Unfunded	6,700,000				
Storm Water Fund - Unfunded	200,000				
Street Improvement Fund - Unfunded	200,000				

<p>Justification:</p> <p>This project is included in the Hennepin County Capital Improvements Program as a provisional project, meaning that if funding were to become available, the county would schedule the project.</p> <p>Scheduling and Project Status:</p> <p>Although this project is currently unfunded, a proposed funding source for the city's contribution is provided.</p>	<p>Relationship to General Plan and Other Projects:</p> <p>This project is consistent with the Transportation Element of the Comprehensive Plan</p> <p>Effect on Annual Operations Costs:</p> <p>This project will not impact operating costs.</p>
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Project Category: MSA Street Improvements
Project Title: TH 169 / Bren Road Interchange
Total Estimated Cost: \$19,450,000 Total Cost (Unfunded)
5,000,000 City Cost (Unfunded)
Funding Priority: 2
Account Number: 4358.XXXX.S07501

Description:
This project involves the reconstruction of the TH 169 / Bren Road interchange and associated road work.

Source of Project Funding	2010	2011	2012	2013	2014
Preliminary Funding Plan					
MnDot Interchange Fund		\$6,000,000			
MN Investment Fund (DEED)		1,000,000			
Bio Science Fund (DEED)		1,000,000			
MnDOT Cooperative Agreement		500,000			
Municipal State Aid – <i>UNFUNDED</i> (DEED Revolving Loan Fund to be paid back by city)		5,000,000			
Additional Funding Needed		5,950,000			

<p>Justification:</p> <p>This project involves the reconstruction of the TH 169 / Bren Road interchange, and portions of the OPUS street system immediately west of the interchange area. The interchange is currently at maximum capacity and needs to be improved with additional capacity in order to allow further intensification in the OPUS area. United Health Group (UHG) has indicated that they would like to begin building Phase II of their master development plan. UHG's Phase II development cannot be occupied until a new, higher capacity interchange has been built.</p> <p>Scheduling and Project Status:</p> <p>This project is scheduled for construction in 2011.</p>	<p>Preliminary concept approval has already been obtained from MnDOT. Final design is scheduled to begin later this year with right-of-way acquisition likely occurring in 2010.</p> <p>Funding has not been secured for this project yet. The funding sources identified above are preliminary.</p> <p>Relationship to General Plan and Other Projects:</p> <p>This project is consistent with the Transportation Element of the Comprehensive Plan.</p> <p>Effect on Annual Operations Costs:</p> <p>This project will not impact operating costs.</p>
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Project Category: MSA Street Improvements

Project Title: Future Major Road Projects

Total Estimated Cost: \$64-86,000,000 Total Cost (Unfunded)
\$21,500,000 City Cost Est. (Unfunded)

Funding Priority: 2

Account Number: N/A

Description:

These projects will likely be necessary when redevelopment and intensification occurs in adjacent areas.

Future Projects					
Municipal State Aid – Unfunded:					
I-394/Ridgedale Dr. westb. on-ramp	\$12,000,000				
Minnetonka Blvd. (Mills area)	2,000,000				
I-394/Hopkins Crossrd Bridge widening	10-12,000,000				
TH7/Baker Road Bridge	5-10,000,000				
I-394/Plymouth Bridge	15-25,000,000				
Opus Street System	20-25,000,000				

<p>Justification:</p> <p>Traffic studies and other technical reports have identified these projects as being necessary to support redevelopment and intensification of adjacent areas. Funding sources have not been identified for any of these projects, and will vary significantly depending on the degree of support from the state, county, and area property owners. In some cases, right-of-way acquisition costs will be extremely high, and agency permitting will be difficult.</p>	<p>Scheduling and Project Status:</p> <p>None of these projects are currently scheduled for construction. When they are, funding sources and better cost estimates will be identified including the city's share of each project. City costs identified above are a very gross estimate of 25 percent of total high costs.</p> <p>Relationship to General Plan and Other Projects:</p> <p>These projects are consistent with the Transportation Element of the Comprehensive Plan.</p> <p>Effect on Annual Operations Costs:</p> <p>These projects will not impact operating costs.</p>
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Project Category: Storm Drainage Improvements
Project Title: Water Quality Testing
Total Estimated Cost: \$134,000
Funding Priority: 1
Account Number: 5601.XXXX.S09601

Description:
 This project provides for water sampling and testing of lakes and ponds within the city. It also assists in planning for water quality improvements identified in the water quality reports.

Source of Project Funding	2010	2011	2012	2013	2014
Storm Water Fund	\$18,000	\$36,000	\$20,000	\$20,000	\$40,000

<p>Justification:</p> <p>In 1993, 23 lakes, ponds and wetlands were tested throughout the city to determine their condition. This information was utilized in the preparation of the Water Resources Management Plan. These bodies of water were again tested in 1999. Barr Engineering has recommended that one-third of the water bodies be tested each year on a rotating three-year schedule, to provide more comprehensive water quality data to assist staff with project planning.</p>	<p>Scheduling and Project Status:</p> <p>Sampling and testing will be conducted each year. A full report will be prepared every third year.</p> <p>Relationship to General Plan and Other Projects:</p> <p>This project is consistent with the Water Resources Management Plan.</p> <p>Effect on Annual Operations Costs:</p> <p>This project should not affect annual maintenance costs.</p>
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Project Category: Storm Drainage Improvements
Project Title: Pond Maintenance
Total Estimated Cost: \$420,000
Funding Priority: 2
Account Number: 5603.6369.S09602

Description:
 This project provides for the periodic dredging and maintenance of municipal storm water ponds.

Source of Project Funding	2010	2011	2012	2013	2014
Storm Water Fund	\$80,000	\$80,000	\$85,000	\$85,000	\$90,000

<p>Justification:</p> <p>Storm water ponds have been installed to capture sediments and nutrients, and prevent pollutants from reaching our lakes and creeks. Many of these ponds are reaching the end of their anticipated useful life and require maintenance. The state and federal mandated NPDES Phase II Storm Water Program also requires this work be done.</p> <p>Scheduling and Project Status:</p> <p>Improvements will be grouped into collective contracts whenever possible and coordinated with the street reconstruction program when feasible.</p>	<p>Relationship to General Plan and Other Projects:</p> <p>This project is consistent with the Water Resources Management Plan and the NPDES Phase II Storm Water Program.</p> <p>Effect on Annual Operations Costs:</p> <p>These improvements will tend to reduce annual maintenance costs.</p>
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Project Category: Storm Drainage Improvements
Project Title: Miscellaneous Drainage Improvements
Total Estimated Cost: \$445,000
Funding Priority: 2
Account Number: 5602.XXXX.S09603

Description:
 This project involves the yearly installation of catch basins and short lengths of storm sewer in existing drainageways to address isolated flooding and erosion problems.

Source of Project Funding	2010	2011	2012	2013	2014
Storm Water Fund	\$85,000	\$85,000	\$90,000	\$90,000	\$95,000

<p>Justification: Drainage improvements in this category are normally too small to be considered as a separate project and in most cases only one or two residents are affected. This approach allows these improvements to be constructed without the need for improvement hearings and extensive feasibility studies.</p> <p>Scheduling and Project Status: While specific projects are not identified herein, improvements would generally be lumped into three to four contracts each construction season.</p>	<p>Relationship to General Plan and Other Projects: These improvements would be consistent with the Water Resources Management Plan.</p> <p>Effect on Annual Operations Costs: These improvements will tend to reduce annual maintenance costs.</p>
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Project Category: Storm Drainage Improvements
Project Title: Watershed Modeling
Total Estimated Cost: \$550,000
Funding Priority: 1
Account Number: 5600.XXXX.S09604

Description:
 This project provides the necessary water resources modeling framework needed to evaluate the city's storm water quality and quantity issues.

Source of Project Funding	2010	2011	2012	2013	2014
Storm Water Fund	\$110,000	\$110,000	\$110,000	\$110,000	\$110,000

<p>Justification: Development of a detailed storm water model will provide the city with a tool to predict citywide site specific impacts of past and future water quality features and to demonstrate that planned loading reductions and rate/volume control measures meet watershed district requirements.</p> <p>Scheduling and Project Status: This project will start in 2009.</p>	<p>Relationship to General Plan and Other Projects: This project is consistent with the Water Resources Management Plan and the city's NPDES Phase II Storm Water Program.</p> <p>Effect on Annual Operations Costs: This project will tend to reduce annual maintenance costs.</p>
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Project Category: Storm Drainage Improvements

Project Title: Oak Lea Drive Storm Sewer – Phase 1/Phase 2

Total Estimated Cost: \$470,000 Total
\$280,000 Funded

Funding Priority: 3

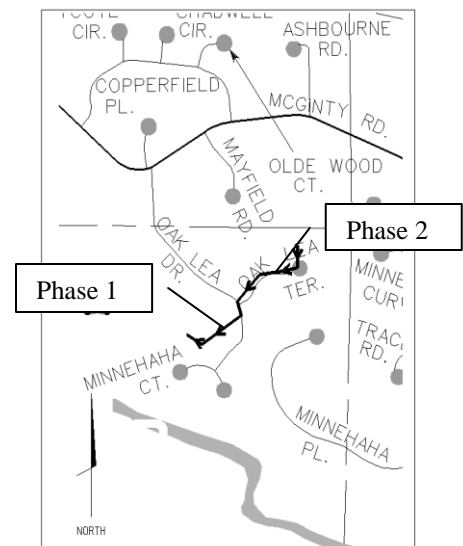
Account Number: 5600.XXXX.S06604

Description:

This project provides for the installation of storm sewer in the vicinity of Oak Lea Terrace, Oak Lea Drive, and Minnehaha Court.

Source of Project Funding	2010	2011	2012	2013	2014
Storm Water Fund	\$280,000				
Storm Water fund – Unfunded					*\$190,000

<p>Justification:</p> <p>The lack of a comprehensive storm sewer system in this area has resulted in erosion and large amounts of overland storm water flow through several backyards on Minnehaha Court. The city has received a petition for this project.</p> <p>Scheduling and Project Status:</p> <p>This project was originally scheduled for construction in 2007, but due to budget constraints, the project was rescheduled and broken into two phases. Phase 1 is scheduled for construction in 2010, and Phase 2 will be coordinated with the street reconstruction when scheduled *(\$190,000 - Unfunded).</p>	<p>Relationship to General Plan and Other Projects:</p> <p>This project is consistent with the Water Resources Management Plan.</p> <p>Effect on Annual Operations Costs:</p> <p>These improvements will tend to reduce annual maintenance costs.</p>
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Project Category: Storm Drainage Improvements

Project Title: Orchard Lane Storm Sewer – Phase 1 / Phase 2

Total Estimated Cost: \$250,000 Total
90,000 Funded

Funding Priority: 3

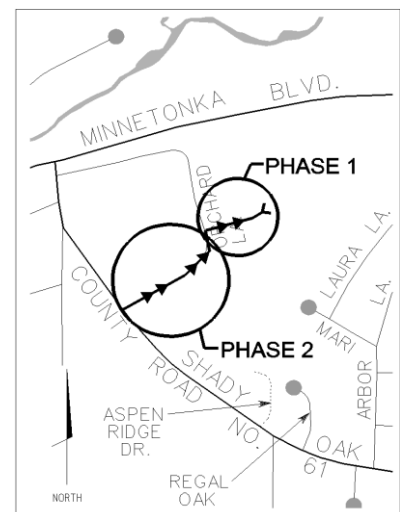
Account Number: 5600.XXXX.S07606

Description:

This project provides for the installation of storm sewer in and nearby Orchard Lane.

Source of Project Funding	2010	2011	2012	2013	2014
Storm Water Fund		\$90,000			
Storm Water Fund – Unfunded					*\$160,000

<p>Justification:</p> <p>The lack of storm sewer in this area has created an erosion issue on several properties. The city has received a petition for this project.</p> <p>Scheduling and Project Status:</p> <p>This project was originally scheduled for construction in 2007, but due to budget constraints, the project was rescheduled and broken into two phases. Phase 1 is scheduled for construction in 2011, and Phase 2 will be coordinated with the street reconstruction when scheduled*(\$160,000 - Unfunded).</p>	<p>Relationship to General Plan and Other Projects:</p> <p>This project is consistent with the Water Resources Management Plan.</p> <p>Effect on Annual Operations Costs:</p> <p>This project will tend to reduce annual maintenance costs.</p>
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Project Category: Storm Drainage Improvements
Project Title: Bradford Road Storm Sewer
Total Estimated Cost: \$97,000
Funding Priority: 2
Account Number: N/A

Description:
 This project provides for the installation of a storm sewer outlet for the pond located north of Bradford Road between Crawford Road and Shady Oak Road. .

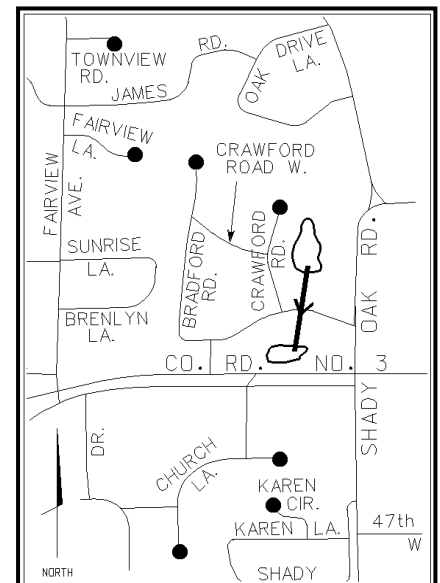
Source of Project Funding	2010	2011	2012	2013	2014
Storm Water Fund			\$97,000		

Justification:
 The present outlet is a small diameter tile line that does not have adequate capacity. This is shown as a high priority project in the Water Resources Management Plan due to possible flooding.

Scheduling and Project Status:
 This project is scheduled for construction in 2012.

Relationship to General Plan and Other Projects:
 This project is consistent with the Water Resources Management Plan.
 The project will be coordinated with Hennepin County's work on County Road 61 (Shady Oak Road) or could be done in advance.

Effect on Annual Operations Costs:
 This project will tend to reduce annual maintenance costs.



Project Category: Storm Drainage Improvements

Project Title: McKenzie Point Road Storm Sewer

Total Estimated Cost: \$101,000

Funding Priority: 3

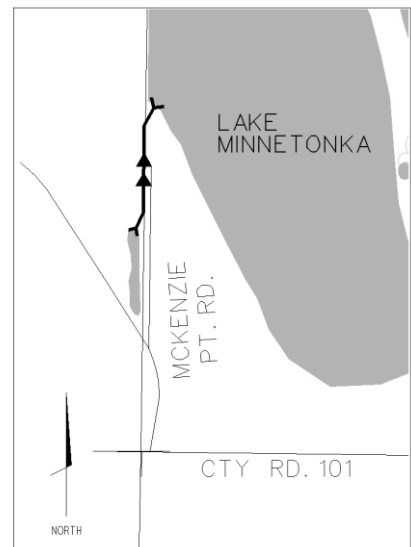
Account Number: N/A

Description:

This project provides for the installation of a storm sewer outlet for a ponding area on McKenzie Point Road.

Source of Project Funding	2010	2011	2012	2013	2014
Storm Water Fund			\$101,000		

<p>Justification:</p> <p>The lack of storm sewer and the flat street grades in this area have resulted in periodic street flooding.</p> <p>Scheduling and Project Status:</p> <p>This project is scheduled for construction in 2012.</p>	<p>Relationship to General Plan and Other Projects:</p> <p>This project is consistent with the Water Resources Management Plan.</p> <p>It will be coordinated with Hennepin County's work on County Road 101 north of County Road 5.</p> <p>Effect on Annual Operations Costs:</p> <p>This project will tend to reduce annual maintenance costs.</p>
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Project Category: Storm Drainage Improvements

Project Title: Old Excelsior Boulevard Storm Water – Phase 2

Total Estimated Cost: \$194,000

Funding Priority: 1

Account Number: N/A

Description:

This project provides for the upgrading of an existing storm sewer system from Old Excelsior Boulevard to Purgatory Creek.

Source of Project Funding	2010	2011	2012	2013	2014
Storm Water Fund					\$194,000

Justification:

Phase 1 of this project included installing a storm sewer outlet to a landlocked ponding area along Old Excelsior Boulevard to address structural flooding issues, and frequent pumping by public works staff. Phase 1 improvements included a temporary connection to the existing undersized storm sewer located within County Road 101. Phase 2 of the project includes completing the upsizing and installation of the new storm sewer needed to adequately outlet the pond.

Scheduling and Project Status:

Phase 1 of the project was completed in 2007. Phase 2 of this project is scheduled for construction in 2014.

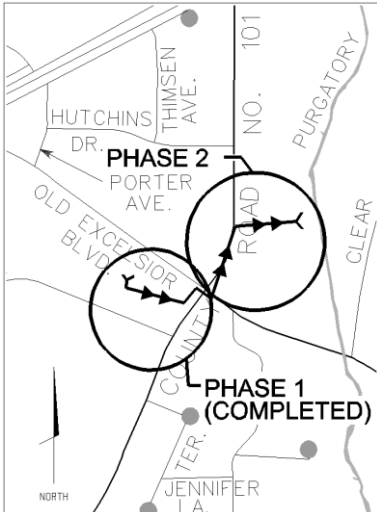
Relationship to General Plan and Other Projects:

This project is consistent with the Water Resources Management Plan.

The project will be coordinated with Hennepin County's work on County Road 101 south of TH 7.

Effect on Annual Operations Costs:

This project will tend to reduce annual maintenance costs.



Project Category: Storm Drainage Improvements
Project Title: James Road Pond Outlet
Total Estimated Cost: \$650,000
Funding Priority: 3
Account Number: N/A

Description:
 This project provides for the installation of a storm sewer outlet from an existing ponding area along James Road.

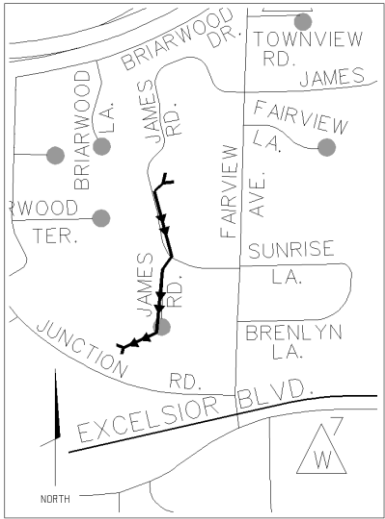
Source of Project Funding	2010	2011	2012	2013	2014
Storm Water Fund				\$650,000	

Justification:
 The lack of a storm sewer outlet from a landlocked pond along James Road periodically results in flooding of the roadway, and frequent pumping by public works staff. A petition has been received for this project.

Scheduling and Project Status:
 This project is scheduled for construction in 2013.

Relationship to General Plan and Other Projects:
 This project is consistent with the Water Resources Management Plan.

Effect on Annual Operations Costs:
 This project will tend to reduce annual maintenance costs.

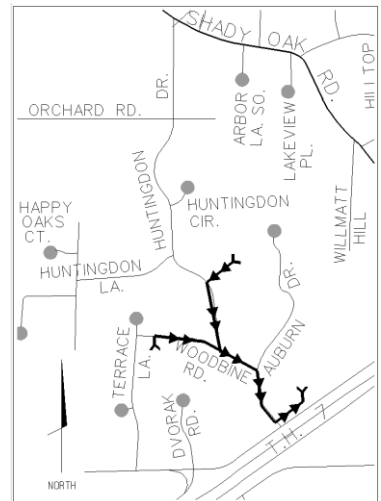


Project Category: Storm Drainage Improvements
Project Title: Woodbine Terrace Storm Sewer
Total Estimated Cost: \$300,000 Unfunded
Funding Priority: 3
Account Number: N/A

Description:
 This project provides for the installation of storm sewer outlets from existing ponding areas in the Woodbine Road area.

Source of Project Funding					
Storm Water Fund - Unfunded	\$300,000				

<p>Justification:</p> <p>The lack of a storm sewer outlet from landlocked ponds in the Woodbine Road area periodically results in flooding of properties. A petition has been received for this project.</p> <p>Scheduling and Project Status:</p> <p>This project is currently unfunded. This project will be coordinated with the street reconstruction when scheduled.</p>	<p>Relationship to General Plan and Other Projects:</p> <p>This project is consistent with the Water Resources Management Plan.</p> <p>The design of the project will be coordinated with Hennepin County's work on County Road 61 north and south of TH 7.</p> <p>Effect on Annual Operations Costs:</p> <p>This project should not affect annual maintenance costs.</p>
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Project Category: Water and Sewer System Improvements

Project Title: Water Tower Maintenance

Total Estimated Cost: \$775,000

Funding Priority: 2

Account Number: 5110.6368.S09701

Description:

This item provides for the scheduled inspection, cleaning and coating touchup and painting of the interior and exterior surfaces of the nine city water storage structures.

Source of Project Funding	2010	2011	2012	2013	2014
Utility Fund	\$50,000	\$50,000	\$75,000	\$550,000	\$50,000

<p>Justification:</p> <p>Scheduled maintenance, repair and painting maximize the useful life of the water storage structures and protective coating systems.</p> <p>Scheduling and Project Status:</p> <p>Projects are bid or quoted prior to the warm season each year when the work is completed.</p> <p>2010: Bren and Tanglen Towers - Wash 2011: Ridgedale Tower – Inspect Plymouth Towers – Wash & Inspect 2012: Lake Street, Williston and Woodland Towers-Wash 2013: Tanglen Tower – Wash Bren – Repaint 2014: Ridgedale & Plymouth Towers – Wash & Inspect</p>	<p>Relationship to General Plan and Other Projects:</p> <p>This project is consistent with the city’s practice of maintaining its infrastructure. Costs tend to be consistent from year to year for washing of the structures.</p> <p>Effect on Annual Operations Costs:</p> <p>Timely touch-up and washing extends the life of the surface coating systems.</p>
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Project Category: Water and Sewer System Improvements

Project Title: Water Filter Rehabilitation

Total Estimated Cost: \$200,000

Funding Priority: 2

Account Number: 5117.XXXX.S09702

Description:

This item provides for the rehabilitation of the sand filters in the city's eight water treatment plants. Project scope includes media replacement, bed rehabilitation, valve replacement, aerator and piping replacement where necessary.

Source of Project Funding	2010	2011	2012	2013	2014
Utility Fund	\$100,000	\$100,000			

<p>Justification:</p> <p>The current filters are a minimum of 25 years old and in need of rehabilitation. Individual and collective costs warrant inclusion in the CIP.</p> <p>Scheduling and Project Status:</p> <p>2010: WTP #11 – Glen Lake 2011: WTP #14 – Baker Road 2012: Rehabilitations completed</p>	<p>Relationship to General Plan and Other Projects:</p> <p>This project is consistent with the city's policy of timely maintenance of the current infrastructure. Costs tend to be consistent from year to year.</p> <p>Effect on Annual Operations Costs:</p> <p>This will not affect operational costs.</p>
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Project Category: Water and Sewer Utility Improvements

Project Title: Stonegate Booster Rehabilitation

Total Estimated Cost: \$160,000

Funding Priority: 2

Account Number: 5110.

Description:

This item provides for the rehabilitation of the Stonegate Water Booster Station. Project scope includes relocating the booster pump to the nearby Towerhill booster station, installation of Variable Frequency Drive and 265' of connecting water main.

Source of Project Funding	2010	2011	2012	2013	2014
Utility Fund	\$160,000				

<p>Justification:</p> <p>Scheduled maintenance and repair of the city's infrastructure extends their useful life. This project includes mitigating a confined space by relocating the booster pump in the existing nearby Towerhill Booster Station and installation of a Variable Frequency Drive to increase electrical efficiency.</p> <p>Scheduling and Project Status:</p> <p>Project plans and specifications will be developed in 2009, and bidding will occur in the spring of 2010 for construction that summer.</p>	<p>Relationship to General Plan and Other Projects:</p> <p>This project is consistent with the city's practice of maintaining its infrastructure.</p> <p>Effect on Annual Operations Costs:</p> <p>This project will decrease electrical energy costs and remove a confined space safety situation in the system.</p>
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Project Category: Water and Sewer Utility Improvements

Project Title: Water Plant Electrical Upgrades

Total Estimated Cost: \$200,000

Funding Priority: 2

Account Number: 5110.XXXX.S0704

Description:

This item provides for a phased renovation of the electrical controls and wiring apparatus that are housed in each well house.

Source of Project Funding	2010	2011	2012	2013	2014
Utility Fund		\$100,000		\$100,000	

<p>Justification:</p> <p>The current plants are approximately 25 years old and in need of refurbishment.</p> <p>Scheduling and Project Status:</p> <p>2011: WTP #14 – Baker Rd. 2013: WTP #15 – Clear Springs</p>	<p>Relationship to General Plan and Other Projects:</p> <p>This project is consistent with the policy of maintaining the city’s infrastructure and tends to remain consistent from year to year.</p> <p>Effect on Annual Operations Costs:</p> <p>Projects would not increase utility operating costs.</p>
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Project Category: Water and Sewer System Improvements

Project Title: Lift Station Rehabilitation

Total Estimated Cost: \$500,000

Funding Priority: 2

Account Number: 5113.XXXX.S09703

Description:

This item provides for the replacement of lift station pumps, replacement piping, updated electrical controls and wet well repair of the city's 37 lift stations.

Source of Project Funding	2010	2011	2012	2013	2014
Utility Fund	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000

<p>Justification:</p> <p>The sanitary collection system was installed approximately 30 years ago and is in need of refurbishment. Individual and collective costs of renovation warrant inclusion in the CIP.</p> <p>Scheduling and Project Status:</p> <p>Projects would be designed and bid in the winter preceding the scheduled funding. The following schedule is anticipated.</p> <p>2010: North Street and Brightwood 2011: Waymouth and Whitegate 2012: Powderhorn and Westwood Circle 2013: Day Place and Dickson 2014: Fetterly and Lakeshore</p>	<p>Relationship to General Plan and Other Projects:</p> <p>This project is consistent with the city's policy of maintaining the city's infrastructure. Costs tend to be consistent from year to year.</p> <p>Effect on Annual Operations Costs:</p> <p>Projects would save approximately \$1,000 per year in energy costs due to more efficient motors and pumps which are replaced.</p>
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Project Category: Water and Sewer Utility Improvements

Project Title: Street Reconstruction Projects

Total Estimated Cost: \$2,250,000

Funding Priority: 2

Account Number: 5110.XXXX.S09401 (Dominick Drive)
5110.XXXX.S09405 ('09 Street Rehab)

Description:

This item provides for the replacement of water and sewer utilities that are known or found to be deficient during road reconstruction or renovation projects.

Source of Project Funding	2010	2011	2012	2013	2014
Utility Fund	\$450,000	\$450,000	\$450,000	\$450,000	\$450,000

<p>Justification:</p> <p>In previous CIP's this item was called "Miscellaneous Utility Improvements" but has been re-titled for clarity. Fixing deficient utilities during road reconstruction minimizes the probability of digging up new street pavements following completion.</p> <p>Scheduling and Project Status:</p> <p>2010: Highland Trail, Crestview Ln., Crown Dr. 2011: Sheridan Hills, Holdridge Rd, White Pine Dr. 2012: Ringer Rd., Adeline Ln., Wentworth Trail, McGinty Rd. E., Highwood Rd. 2013: Sparrow Rd., Chase Dr., Stanton Dr. 2014: Sparrow Rd., neighborhood roads</p>	<p>Relationship to General Plan and Other Projects:</p> <p>Projects are coordinated with the street reconstruction and overlay programs. Past projects indicate that each mile of road reconstructed will cost approximately \$180,000 in water and sewer improvements and approximately 2.5 miles will be improved each year.</p> <p>Effect on Annual Operations Costs:</p> <p>Projects do not increase operating expense and in most cases reduce maintenance and repair costs.</p>
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Project Category: Water and Sewer Utility Improvements

Project Title: Infiltration and Inflow Reduction Program

Total Estimated Cost: \$1,800,000

Funding Priority: 3

Account Number: 5130.XXXX.S06705

Description:

The Metropolitan Council has implemented a policy change that will add an additional surcharge for excess clear water flow from I&I that is entering the sanitary collection system. This program is intended to reduce those excess flows by correcting both private and public sewer infrastructure deficiencies.

Source of Project Funding	2010	2011	2012	2013	2014
Utility Fund	\$900,000	\$900,000			

<p>Justification:</p> <p>Metropolitan Council policy now surcharges Minnetonka \$377,000 annually for excess sanitary sewer flow resulting from infiltration and inflow (I&I).</p> <p>Scheduling and Project Status:</p> <p>Staff began studying excess clear water flow in 2005 for program development and implementation starting in 2007. The city will be able to invest surcharge dollars for both public and private repairs for five years starting in 2007. After that time period, any surcharges collected will be kept by the MCES. In 2007 approximately 3,700 inspections were completed with a 5% failure rate. In addition \$16,400 of repairs was made to 39 residences that received matching grants.</p>	<p>Relationship to General Plan and Other Projects:</p> <p>This program will be coupled with a water meter replacement project in order to maximize efficiencies.</p> <p>The I&I program also will provide \$500,000 annually for a matching grant program that will cost-share expenses for corrections needed on private property. Funding is also provided for public improvements.</p> <p>Effect on Annual Operations Costs:</p> <p>Based on a three-year rolling average, surcharges can vary between \$377,000 and up per year as a result of precipitation fluctuations.</p>
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Project Category: Water and Sewer Utility Improvements

Project Title: Commercial Water Meter Battery/ Technology Update

Total Estimated Cost: \$200,000

Funding Priority: 2

Account Number: 5110.XXXX

Description:

New commercial water meters with radio read technology were installed in 2001. These meters have a radio reading device that has a 14 year battery life and these devices will be approaching their useful lifespan.

Source of Project Funding	2010	2011	2012	2013	2014
Utility Fund					\$200,000

<p>Justification:</p> <p>Scheduled maintenance and repair of the city's water meters extends their useful life. Technology changes since 2001 allow us to not only change batteries but also change reading technology and increase our customer service to a level similar to our residential meters, with data logging and leak detection.</p> <p>Scheduling and Project Status:</p> <p>The scope of the project will be determined in late 2013 with project startup in the first quarter of 2014.</p>	<p>Relationship to General Plan and Other Projects:</p> <p>This project is consistent with the city's practice of maintaining its infrastructure.</p> <p>Effect on Annual Operations Costs:</p> <p>This project will not affect operating costs.</p>
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**STAFF SUMMARY
CITY OF MINNETONKA
CITY COUNCIL STUDY SESSION
MONDAY, APRIL 13, 2009
PAGE 1**

Council Present: Dick Allendorf, Bob Ellingson, Amber Greves, James Hiller, Tony Wagner, Brad Wiersum, and Mayor Terry Schneider

Commission Present: David Hakensen, Melissa Williamson-Herren, Michael Kelly, Betty Johnson, Paul Kobs, Paul Thyren, Paul Ansolabehere

Staff: John Gunyou, GERALYN Barone, Jacque Larson, Merrill King, David Maeda

1. Joint meeting with community commission

Schneider noted that at the April 20 council meeting he would offer Ansolabehere's name in for consideration to be appointed as a commission member.

Hakensen gave an overview of the commission's background and activities. He asked for feedback on the neighborhood organizing initiative.

Wagner said he thought the initiative was a great idea. He said he first began getting engaged in his ward by meeting with selected associations including Sherwood Forest. When he first joined the council he asked if there was a list of the associations, management companies, and rental housing communities in the city and found out that there was not such a list. He said there was a good opportunity to provide the associations some tools or linkages in the city. He suggested with the help of the EDA, looking into linking the associations with some of the city's small businesses.

Allendorf agreed the initiative was a good idea and the closest thing that currently exists is the neighborhood watch program. He said that program used to be very active with over 100 neighborhood watch captains. If that group could be tapped in to help identify neighborhoods or see how active particular neighborhoods are, it would boost what the commission was looking to do. Hakensen said has already approached the group.

Wiersum said the definition of a neighborhood differs depending on the community. Hakensen said there was discussion about better defining what constituted a neighborhood. He said Communications Manager Jacque Larson mapped out the areas the neighborhood block captains covered and there were not many blank spots on the map. He said geography and history are some of the things that will have to be looked at in determining the neighborhoods. Wiersum asked if other communities have already tackled the issue of identifying neighborhoods. Hakensen said he has looked at other city's web sites and there are useful tool kits that can be used. He noted the city of St. Louis Park gives

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funds to neighborhood organizations and while this is more ambitious than what is being discussed, there is a lot of information and ideas that can be shared between the two cities.

Greves said she too would be very supportive of the neighborhood initiative. She said with the city's changing demographics, neighborhood groups could help keep an eye on kids after school or find ways to keep seniors involved. Hakensen agreed and said there are examples in Minneapolis and St. Paul with neighborhood groups providing safe homes for kids. If a child feels threatened by something there are identified homes they can go to. There are also programs where people in the neighborhood periodically check in with the elderly. He said people will increasingly look to their cities for social service delivery.

Johnson said ethnic communities might have a different idea of what a neighborhood is, what the connections are, and how they support each other. She said the commission could pick up good ideas from these communities while at the same time honoring their traditions and cultures.

Greves said she was intrigued by the outreach the commission has done and would like to see that continue. Hakensen said the commission had a listening session with Minnetonka Heights and the YMCA. The commission is interested in learning about what the faith community is doing with the idea being to connect groups that might be doing similar activities. He said in the long term the commission could serve the purpose of providing information to the council about what is going on in the neighborhoods.

Wagner suggested tying the neighborhoods in with the comprehensive plan process to get feedback on the village center concept or issues like the potential Metro Transit opt out. Hakensen said ideally when an issue comes up there would be a way to get grass roots reaction. Wagner asked if the commission looked at how the city's web site could be used to provide information and tools for the neighborhoods. Hakensen said he and Larson have looked at what exists from other cities as possible resources.

Gunyou noted that the idea is for the neighborhood initiative to be self selecting. Residents would identify their own neighborhood, rather than the city dictate fixed boundaries. Each neighborhood has its own interests so there should be a wide range of tools to help the groups organize themselves, and address the issues they chose to pursue. He said this approach would best serve the needs while managing the city's resource commitment.

Hiller said there are two different things being looked at. One is identifying a leader like a neighborhood block captain or association. The other is identifying expressive leaders, those people who pull the neighborhood together when there is something going on. He said he didn't know how to identify the latter group but

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it was important to do so. Johnson noted that people can belong to more than one kind of neighborhood. Schools, churches, geography can all determine what neighborhood a person associates themselves with. The goal is to become knowledgeable about what and where the groups are, and the connections between them.

Allendorf cited a program that assisted runaways as an example of what a school has done to address an issue. He said if a group hears about the initiative and sees a benefit for its stakeholders, it would be another tool for what is hoped to be achieved.

Schneider said the idea is for the initiative to be an organic self involving thing with the city providing support. The city would not dictate what it defines as a neighborhood. If a person does not identify with a neighborhood, the idea would not work. He said the city does need to provide some organization and communication building. While there may be some initial costs, once things get moving, the city's main tool would be the web site where there could be interactive dialogue. The groups will come up with their own ideas and provide their own funding for whatever activities they want to do. Once there are success stories more and more groups will join. He said there is a great potential for a long term benefit for the city.

Wiersum said using the web site is important but it is also important to use the city's newsletter to make sure everybody in the city stays informed.

Hakensen noted the commission's current project is the Minnetonka Reads book club. The current book is former resident Katherine Applegate's "Home of the Brave."

Schneider said he agreed with Wagner's earlier comment about involving the business community. He said there are a number of businesses who want to sponsor youth groups and the neighborhood initiative could help the businesses learn about the opportunities that exist. He said there are also significant grant funds available and given the city's excellent reputation, once the initiative is up and running neighborhoods could be eligible for some of the grant money.

Ansolabehere said every fire starts with a spark. Once one neighborhood has success doing something, the spark can be transferred to other neighborhoods.

2. Budget update

Gunyou gave the update.

Wagner asked how the permanent loss of the market value homestead credit revenue would impact the city going forward. Gunyou said the way the loss of

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revenue was accommodated this year was to delay \$525,000 in capital projects. It was a one-time fix to allow permanent plans to be prepared, but noted the city is not counting on the credit ever being restored by the state.

Gunyou said another potential loss of income could occur if the county courts stop prosecuting lesser offenses. The worst case scenario would be the loss of \$500,000 fine revenue from speeding and moving violations. Schneider said currently most of the fines are for speeding at least 10 mph over the speed limit. Most of the fine revenue goes to the state. He asked if more revenue could be collected if legislation is passed allowing the city to use its administrative fine system for traffic violations. Gunyou said the tradeoff would be the cost of administering such a system. Schneider said if the courts are not going to prosecute the traffic violations the city would have to do something more.

Gunyou said under current law the levy limit for 2010 would likely be around one percent or less because it is indexed to inflation, which is now very low. Even if the legal levy limit is higher, the political climate is such that staff would likely still recommend at most a very modest increase. Because the fire pension requirement is outside the levy limit, one option would be to hold everything else near zero but to increase the total levy to meet state mandates for fire pension funding.

Other than labor costs, Wagner asked what the other factors are driving the projected increase in spending in the upcoming years. Gunyou said the driving factor was personnel costs, which represent nearly three-fourths of operating costs.

Schneider asked how the energy grant would impact the budget going forward. Gunyou said the city was eligible to receive around \$530,000 from the federal stimulus package for energy savings improvements. Improvements that have already been planned will be accelerated with the grant funds. Schneider said although the funding is one-time money, the energy savings would help future budgets. Greves asked if there was any other stimulus money the city could access. Gunyou said staff is looking into what may be available.

Gunyou said one change being planned for employee compensation is to lower the annual base increase, while continuing market adjustments. This approach would allow the city to remain competitive, while not unduly inflating personnel costs. It would initially save around \$100,000, and going forward would save between \$200,000 and \$300,000 a year. Schneider said the change made sense from a cost standpoint but asked how it would impact union negotiations. Gunyou acknowledged the approach would be a challenge. Currently all contracts are structured to include the base increase plus a market adjustment. Those components would continue to be negotiated the same way. Barone said the challenge would come if all the other communities were giving three percent

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increases, but noted that if the additional percentage is justified by the market, an employee would get the additional adjustment. Wiersum said over time a higher portion of people would get a market adjustment but the savings would come from not artificially paying the increase to positions for which market increases were not justified.

Gunyou said he and Police Chief Mark Raquet had met with the superintendants from the Hopkins and Minnetonka school districts to discuss a change in policy in which the districts would fully fund the costs of school liaison officers for the ten months they were in the schools. This would be consistent with District 287, which already pays the full cost. In response, the two superintendents indicated an interest in reducing the number of officers assigned to their districts. Gunyou said the principals from the affected schools have indicated they think the proposed reduction is workable.

Allendorf said the reduction is not consistent with how the school liaison program was sold in the first place. The idea was if there were officers in the schools, there would be fewer calls.

Schneider said the idea made sense, but it also makes sense to not reduce the number of liaisons given some of the behavior that goes on in some of the schools and the disruption the behavior causes. He suggested looking at diverting some of the traffic police time to continue the work in the schools. Wiersum said he was a believer in the school liaison program, but the city was in the position of needing to separate the "must haves" from the "nice to haves."

Allendorf suggested a formalized review of the reduction after a period of time, noting that adjustments could be made accordingly. Tracking the number of calls to the school would help evaluate if more liaisons are needed.

Gunyou noted that the city's proposal was to require school districts to cover the costs of providing liaison officers, and that it was the districts' choice to reduce the number of liaisons. The city suggested Hopkins School District staffing be reduced from three to two. This would have cost the district around \$25,000, but the district chose to only pay for one officer.

Wagner agreed with Allendorf's suggestion of reviewing how the reduction was working after six months.

Greves said she was concerned about the reaction if something major happened at one of the schools. Gunyou emphasized that the police department would still answer all calls, and that it was the school's decision not to pay for the additional liaison. He noted having an officer in the school did not make any difference when a major fight broke out at Hopkins High School a few years ago.

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Gunyou indicated there has been a growing tendency for the districts to use the officers to deal with disciplinary problems the school was reluctant to deal with themselves. Allendorf said if he were a principal and knew he could call the city and a squad would be there in a few minutes versus paying for a liaison officer to be on site, he would choose to call the police department.

Hiller said the original purpose of the liaison program was to have a police presence in the school and not necessarily to have a first responder on site. Wiersum agreed and said the liaisons were in the schools to develop relationships with the students, making the police department more approachable. If there was a disaster in one of the schools, one officer would not make any difference.

Gunyou noted that school districts have the authority to levy for public safety, but they have chosen to use the levy for security purposes other than police liaisons. He cited security lighting and locks as examples.

Gunyou said various efficiency measures were being implemented with the help of advanced technologies. One example is online utility billing that will allow residents to receive and pay their bills online. Schneider inquired about charge card fees. Wagner noted there is a 2.25 percent additional cost to process charges. King said the city already accepts credit card payments in person or over the phone and the additional costs are already encompassed in the rates. She said most people now have the expectation that they can pay online, so the city needs to meet that expectation.

Gunyou said consolidation and reorganization options are also being considered. As the city repositions itself to deal with current and future challenges, downsizing will take place both through attrition and layoffs. Wagner asked what strategies have been looked at in areas with significant seasonality to the work. Gunyou said the seasonal aspect of workflow has been looked at with the proposed reorganizations. Job-sharing and half time positions are being considered. Wagner asked if one option would be to bring back retired employees on a seasonal basis. Gunyou said that would be difficult with the current state pension laws. He also noted that there is a bill moving forward in the state legislature that would require cities to provide sick leave to seasonal employees. If passed into law, it is estimated the bill would cost the city tens of thousands of dollars.

Gunyou said he met with other city managers from the western suburbs and discussed areas the cities could cooperate to help save costs. One area being discussed was with building inspections. He said development is currently slow, but when the economy recovers, building activity will increase. Rather than have each city staff back up to previous levels, it might make sense to look at sharing expertise among neighboring cities.

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Wiersum asked if there were other opportunities for the city to market its capability to smaller neighboring cities. Gunyou said that is already being done for health inspections where Minnetonka provides that service for Wayzata. Other neighboring cities have expressed interest in Minnetonka providing those inspections for them as well. He said those services for other communities were currently being provided at cost. Schneider said there would be an opportunity to charge for overhead and administrative costs for the employees as well. Wiersum agreed and said it wasn't just the actual cost to Minnetonka that should be considered in setting the price, but also what alternatives would cost the other cities.

Gunyou said another idea that is being explored is to have Hennepin County provide the city's assessing services. A business analysis is being conducted to look at the costs and how it would impact service. With this approach, the county would staff assessing operations in city hall. He said the public would see little difference from a process standpoint. One advantage would be the county has broader expertise. One downside would be the city's assessing staff is very good, and the level of service residents currently receive is better than what the county could provide. Gunyou said a number of other cities are also exploring the option.

Wiersum asked how likely it would be that the county would hire the city staff. Gunyou said there is a possibility that some of the staff would get jobs, but there is no guarantee.

Greves asked if the cities that currently use the county for assessing services have found consistency in the assessments. Gunyou said there has been consistency because the assessment community is small and assessors all interact regularly. King noted the activity is highly regulated. The Minnesota Department of Revenue reviews the assessment reports and sets parameters that must be met.

Greves asked if there was any advantage in having staff that truly knows the area well. Gunyou said there was some advantage. King said from a resident's perspective no one likes protesting the value of their house. It's unlikely a person would come back year after year to protest their assessed value. She said there would be a faster response provided by local staff and there likely would be a few days delay for the county to respond to an issue. From a resident's perspective, in both cases they would feel like they've been served.

Schneider said the decision should be based on the real savings. He said the main thing that would be lost would be the personal touch in being able to say to residents that the city is paying attention to home values. Without the board of

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review there would be no ability for the board to intercede on behalf of the resident.

Wagner suggested that the idea be further discussed once the actual cost savings are determined. Gunyou said another idea being considered is whether the city could realize any cost savings by reorganizing internally. There is some uncertainty in the cost the county would charge, and it might be possible to restructure the current assessing function to achieve the same savings while retaining the current level of service. Both options will continue to be evaluated.

Gunyou said another area being looked at for reorganization is dispatch services. He noted the city of Plymouth has always used Hennepin County for its dispatch service, and at one time, Minnetonka also used the county. Minnetonka added its own dispatch service when the police station was built. He noted that this consolidation option is complex, since the service is integral to the city's operations. The service isn't just about dispatching a police squad when a 911 call is received. It also includes 24/7 access to city hall, and coordination of all police and fire calls.

Gunyou said staff is currently investigating the possibility of a joint dispatch operation with the city of Hopkins, since the two cities already work well together in other areas. Additionally, there already is overlap in police and fire services, as well as philosophic and culture similarities in the departments. He said the next step was to hire an independent third party to determine how the idea might be put together. A third party would ensure neutrality in decision making.

Allendorf asked how much it would cost to hire the third party consultant. Gunyou said the cost would likely be in the \$10,000 to \$15,000 range for the city, since the cost would be shared. Schneider said it would be useful if the consultant could also look at internal savings options. Gunyou said one other option being looked at is the use of a pool of part time employees to avoid overtime costs for planned absences.

Wiersum asked if the police and fire chiefs were supportive of the idea. Gunyou said because the two cities already work together regularly, the two fire chiefs have indicated they think the idea makes sense, even if costs savings were not involved. The police chiefs both support taking the next step of a third party review as well.

Wagner asked if the city's benefit program was looked at to see if there would be other savings that could be achieved. Gunyou said Minnetonka was already more aggressive than other cities in terms of offering high deductible insurance options to employees. Barone noted the severance package was being evaluated. Currently an employee receives severance when he/she retires. Other public entities offer severance for employees who have worked for more than five

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years for the organization. She said compared to other cities, Minnetonka's severance package is very generous for those that qualify.

Wagner asked if a one year salary freeze had been considered. Gunyou said the idea was discussed, but was not being considered, because a freeze would be a onetime action that would create inequities among employees and leave the city in a position of playing catch up. He thought adjusting future base increases would be far more effective and fair in the long-run.

Wiersum agreed the city was not on the overly generous side in terms of benefits. He asked if there would be an opportunity to allow employees to forgo a larger salary and have the city pay a higher percentage of the benefits. Barone noted that half of the employees receive single coverage, and with the cafeteria plan, they probably would not be interested in the idea. Schneider said that a disadvantage to paying a higher percentage of the health benefits was the escalating costs that can't be controlled would cost the city more in the long term. Barone said that other cities did load up on the benefits during past budget challenges, and now are facing issues due to the rise in insurance costs.

Hiller said that staff could become demoralized when facing possible layoffs and could become recharged once the cuts finally occur. He said it was healthier for an organization to make any layoffs sooner, rather than later. Gunyou agreed, and indicated the leadership team was discussing options and timing.

Allendorf said there was \$20 million in the community investment fund. A small percentage of that would be enough to eliminate the need to raise property taxes. He suggested looking at the rules for using the fund to expand their use. Gunyou said the idea was being looked at and recommendations for possible changes would be included in the CIP discussions. He said what is being considered is phasing in a portion of the CIF for capital uses. The more the original intent of the CIF is adhered to, the easier it will be to consider amending the use of the funds. Examples are parks and trails which are used by the whole community. The fund might also be used to cover a portion of the costs of major equipment purchases. Allendorf said if the fund was also used in lieu of beefing up capital reserves, it would have the effect of reducing the need to raise property taxes.

Gunyou said a related issue that the city managers discussed was if each city needed to replace fire ladder trucks individually, or if there were cost savings options in sharing the use of equipment that can cost one million dollars to replace. As an example, he said Hopkins just purchased a new ladder truck that is located near Minnetonka Station 3.

Greves asked if the same principle was being looked at for public works equipment purchases. Gunyou said the same theory applied, but public works equipment tends to get used more frequently and at the same time, and is not as

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expensive. He noted that the recommended CIP will include funding for developing a long term public safety plan to address the long-term facility and equipment needs of the city.

3. Adjournment

The study session adjourned at 8:54 p.m.

Respectfully submitted,

David E. Maeda
City Clerk