



# City of Shorewood Council Meeting Item

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MEETING TYPE  
Work Session

**Title / Subject:** Capital Improvement Plan 2023-2032

Meeting Date: December 12, 2022

Prepared by: Joe Rigdon, Finance Director

Reviewed by: Ed Shukle, Interim City Administrator

Attachments: Capital Improvement Plan 2023-2032  
Streets Capital Improvement List 2023-2037  
Capital Project Funds 2023 Budgets

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## ***Capital Improvement Plan 2023-2032:***

On an annual basis, the City Council adopts a Capital Improvement Plan (CIP). The CIP lists major capital improvements, and the sources to pay for them. Items in the CIP are not mandated, and the Council reviews capital spending throughout the year. The CIP provides an estimation of the timing and cost of future projects. Future fund balance surplus (deficit) projections for the City's various capital project funds are included to assist in financial planning. The 2023 amounts in the capital project fund projections are considered to be the preliminary 2023 budgets.

- Shorewood Community & Event Center (SCEC): Capital items for the SCEC include building improvements and equipment for the Center. Transfers from the General Fund are the planned source to pay for these items.
- Park Improvements: The parks CIP includes funds for parks and playground replacements and improvements. For 2022, the annual levy to the parks fund was \$118,000, and is proposed to increase to \$123,000 for 2023. Major projects being proposed for 2023 include:

Freeman Park Overlay Trails: \$400,000

To assist in funding the Park Improvements fund projects, a transfer of General Fund balance excess reserves may be necessary.

- Equipment Replacement: The majority of the CIP for equipment replacement pertains to Public Works items, but also includes some administrative technology items. For 2022, the annual levy to the equipment fund was \$118,000, and is proposed to increase to \$123,000 in 2023. Projects being proposed for 2022 include various vehicles and equipment. To assist in funding the Equipment Replacement fund projects, a transfer of General Fund balance excess reserves may be necessary.
- Street Improvements: City Council and staff have discussed overall infrastructure system recommendations and are proposing the following projects for 2023:

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**Mission Statement:** *The City of Shorewood is committed to providing residents quality public services, a healthy environment, a variety of attractive amenities, a sustainable tax base, and sound financial management through effective, efficient, and visionary leadership.*

- Shorewood Lane Ravine
- Strawberry Court
- Peach Circle
- Birch Bluff Road
- St. Albans Bay Road
- Vine Ridge Road Watermain
- Badger Park Watermain

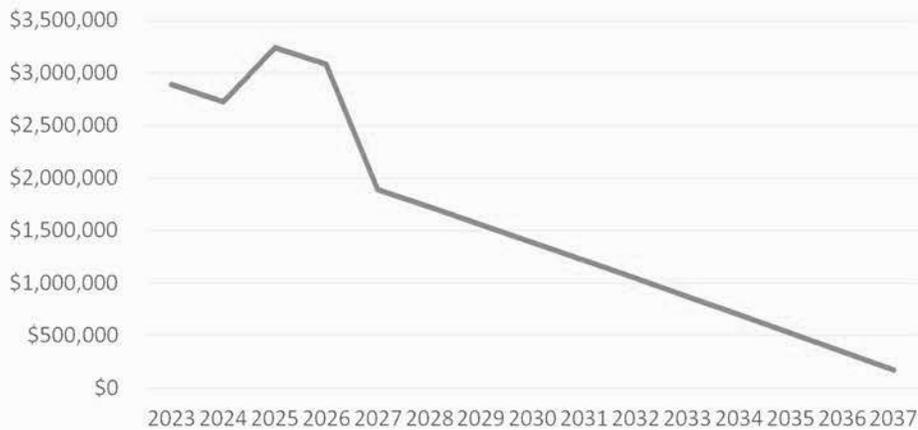
The proposed CIP shows street projects in 2023 – 2025 but no projects scheduled in 2026 and every other year thereafter. This extension of the project durations through 2037 may allow for less financial pressure in the financing and administration of projects. Issuance of street bonds and utility bonds can provide financing for each of the project years. A schedule prepared by the City Engineer of projects for years 2023 through 2037 is attached.

The City began incurring bonded indebtedness with annual debt issued beginning in 2020. Since the street bonds and utility bonds, respectively, are planned to be issued with up to 20 year repayment schedules, the City's outstanding debt will essentially grow larger each year until the first bonds issued in 2020 are paid off.

For each of the applicable proposed street and utility improvement projects, it is assumed that the Water, Sewer, and Stormwater funds will fund associated utility costs. Without financing assistance and beginning in 2020, the Street Improvement fund activities were originally projected to result in a significant fund deficit. In addition, the City's utility funds were projected to be significantly depleted. In order to complete the proposed street and utility projects from 2023-2032, Street Reconstruction bonds and utility revenue bonds are proposed to be issued for project years to allow for the spreading of repayments over a period of years. To repay the bonded debt, a combination of annual property tax levies and utility fund rate increases and contributions will be necessary.

The following 15 year chart indicates a slow declining fund balance in the Street Improvement Fund when assuming that future projects are fully funded by property taxes. If the City were to reduce its bonded debt levy by pledging its Street Improvement balance, the projected balances in the chart would decline.

### Street Construction Fund Balance Projection 15 Year



**Utility Funds:** The Capital Improvement plans for Water, Sewer, and Stormwater funds include equipment, portions of street infrastructure projects, as well as maintenance and preventative maintenance items. As noted, the utility funds cash reserves are not likely to be sufficient to finance the utility portions of the proposed street improvements. In order to finance the improvements, bonded debt with debt service repayments supported by utility revenues and franchise fees will be necessary.

**Financial or Budget Considerations:**

The adoption of these budgets does not limit the City Council’s ability to modify spending priorities or authorizations throughout the year.

City of Shorewood, Minnesota  
Capital Improvement Program

2023 thru 2032

PROJECTS BY FUNDING SOURCE

Source	#	Priority	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
<b>201 - Community &amp; Event Center</b>													
SCEC - Mechanical Systems		n/a	10,000	10,500	11,000	11,500	12,000	12,500	13,000	13,500	14,000	14,500	122,500
SCEC - Exterior Doors		n/a				15,000							15,000
SCEC - Activity Rm Counters/Sinks/Lighting		n/a	10,000										10,000
SCEC - Drinking Fountain		n/a	3,000										3,000
SCEC-Interior paint dining rm/lobby/coat rm/hallway		n/a	10,000				12,000						22,000
SCEC - Banquet Chairs - 100		n/a	5,000										5,000
SCEC - Restrooms		n/a		40,000									40,000
SCEC - Conference Chairs		n/a		5,000									5,000
SCEC-painting activity rm/conference rm/office		n/a		6,000					8,000				14,000
SCEC - Kitchen lighting		n/a				5,000							5,000
SCEC - Banquet tables & rectangle tables		n/a				6,000							6,000
<b>201 - Community &amp; Event Center Total</b>			<b>38,000</b>	<b>55,500</b>	<b>17,000</b>	<b>22,500</b>	<b>27,000</b>	<b>24,500</b>	<b>13,000</b>	<b>21,500</b>	<b>14,000</b>	<b>14,500</b>	<b>247,500</b>
<b>402 - Park Improvements</b>													
Freeman Park Overlay Trails	P0105	n/a	400,000										400,000
Freeman Park North Playground	P0110	n/a							250,000				250,000
Cathcart Park Resurface Tennis Court	P0200	n/a			15,000				18,000				33,000
Cathcart Park Hockey Boards	P0201	n/a					150,000						150,000
Cathcart Park Playground Equipment	P0202	n/a											150,000
Badger Park Tennis Courts	P0301	n/a			30,000								30,000
Manor Park Outdoor Amphitheatre & Perimeter Trail	P0403	n/a						150,000					150,000
Manor Park Surface	P0404	n/a									250,000		250,000
South Shore Park Master Plan	P0700	n/a		10,000									10,000

Source	#	Priority	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
South Shore Park Reconstruction Project	P0701	n/a						90,000					90,000
<b>402 - Park Improvements Total</b>			<b>400,000</b>	<b>160,000</b>	<b>45,000</b>	<b>150,000</b>	<b>240,000</b>	<b>268,000</b>	<b>250,000</b>	<b>286,000</b>	<b>250,000</b>	<b>1,513,000</b>	<b>1,513,000</b>
<b>403 - Equipment Replacement Fund</b>													
Dump Truck - Freightliner	004	n/a							254,400				254,400
Dump Truck - Freightliner	005	n/a								270,200			270,200
MultOne Articulated Tractor	006	n/a									90,200		90,200
Pickup - 4 x 4 Ford F250 (LFS)	010	n/a						47,900					47,900
Pickup - 4 x 4 Ford F150 (DPW)	011	n/a							46,500				46,500
Pickup - 4x4 Ford F150 (Bldg Off when arrive)	025	n/a	32,800									56,600	89,400
Loader - Cat 930H	056	n/a			224,300								224,300
Mower - Toro Z 72098 Wing Mower 96"	075	n/a	46,500								75,400		121,900
Mower - Toro Groundsmaster 7210	084	n/a		32,200									81,400
Pickup - 4 x 4 Ford F350 (On Loan Bldg Off)	090	n/a	37,400									64,400	101,800
Truck - Ford 550 One Ton Dump Truck	091	n/a			97,000								97,000
Mower - Toro Groundsmaster 7210	091b	n/a				36,400							36,400
Dump Truck - Freightliner	092	n/a			199,700							304,600	504,300
Roller - Cat CB14XW	096	n/a									65,600		65,600
Skid Steer - Case SV185	097	n/a	52,500									90,500	143,000
Dump Truck - Freightliner	098	n/a					225,400						225,400
Pelican Street Sweeper	099	n/a											204,000
Attach Skid Steer - Blower	A03	n/a				10,900							25,700
Attach Skid Steer - snow bucket	A08	n/a								8,600			8,600
Attach MultiOne - blower	A09	n/a									10,300		10,300
Attach MultiOne - snow broom	A11	n/a									14,800		14,800
High flow cold planer skid steer	A14	n/a	31,300										31,300
Color Copier Replacement	T-13-03	n/a	13,000				14,000						42,000
800 Mhz Radio Replacement	T-19-01	n/a					36,000						36,000
Computer Upgrades	T-99-99	n/a	10,300	10,600	10,900	11,200	11,500	11,800	12,100	12,400	12,700	13,000	116,500
<b>403 - Equipment Replacement Fund Total</b>			<b>223,800</b>	<b>246,800</b>	<b>307,600</b>	<b>282,800</b>	<b>286,900</b>	<b>59,700</b>	<b>313,000</b>	<b>291,200</b>	<b>348,000</b>	<b>529,100</b>	<b>2,888,900</b>
<b>404 - Street Reconstruction Fund</b>													
Chip Seal/Replay/Crack Seal	LR-99-099	n/a	300,000	305,000	310,000	315,000	320,000	325,000	330,000	335,000	340,000	345,000	3,225,000
Mill & Overlay and Striping	LR-99-100	n/a		551,800	595,508		802,935		751,815		844,739		3,556,797

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Source	#	Priority	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
Edgewood Rd reclaim	ST-21-01	n/a									1,748,746		1,748,746
Strawberry Court reclaim	ST-22-01	n/a	256,283										256,283
Peach Circle reconstruction	ST-22-02	n/a	376,866										376,866
Strawberry Ln reconstruction	ST-23-01	n/a	2,434,004										2,434,004
Grant Lorenz Rd reclaim	ST-23-02	n/a							1,211,496				1,211,496
Eureka Rd N Reclaim	ST-23-03	n/a			1,553,204								1,553,204
St. Albans Bay Road	ST-23-04	n/a	106,000										106,000
Vine Ridge Road Watermain	ST-23-05	n/a			923,037								923,037
TH 7 Corridor Study - Church Road to Oak Street	ST-23-07	n/a	50,000										50,000
Birch Bluff Rd reconstruction	ST-23-99	n/a	3,625,200										3,625,200
Noble Rd recon	ST-24-01	n/a					1,825,321						1,825,321
Noble Rd Reclaim	ST-24-02	n/a					620,549						620,549
Galpin Lake Rd/Trail	ST-24-03	n/a					1,607,744						1,607,744
Chaska Road Trail	ST-27-01	n/a					936,758						936,758
Mill Street Trail Construction - Led by Hpn County	ST-27-03	n/a			905,172								905,172
Mill Street Trail ROW - County Led	T017	n/a		168,540									168,540
<b>404 - Street Reconstruction Fund Total</b>			<b>7,148,353</b>	<b>1,035,340</b>	<b>4,286,921</b>	<b>315,000</b>	<b>6,113,307</b>	<b>325,000</b>	<b>2,293,311</b>	<b>335,000</b>	<b>2,933,485</b>	<b>345,000</b>	<b>25,130,717</b>
<b>601 - Water Fund</b>													
Truck - Ford 550 w/crane, Utility Truck 50%	007	n/a						101,250					101,250
Air Compressor - Ingersall Rand 185	008	n/a			34,200								34,200
Dodge Grand Caravan (Pool) - Water	077	n/a	38,400										38,400
Edgewood Rd reclaim	ST-21-01	n/a									1,022,135		1,022,135
Strawberry Court reclaim	ST-22-01	n/a	203,608										203,608
Peach Circle reconstruction	ST-22-02	n/a	169,373										169,373
Strawberry Ln reconstruction	ST-23-01	n/a	659,459										659,459
Grant Lorenz Rd reclaim	ST-23-02	n/a							751,815				751,815
Vine Ridge Road Watermain	ST-23-05	n/a			896,835								896,835
Birch Bluff Rd reconstruction	ST-23-99	n/a	941,280										941,280
Noble Rd recon	ST-24-01	n/a					550,011						550,011
Galpin Lake Rd/Trail	ST-24-03	n/a					634,453						634,453
Mill Street Trail Construction - Led by Hpn County	ST-27-03	n/a			2,620,235								2,620,235
Rebuild Well Pump SE VT Well	W-19-05	n/a			25,000								25,000
Rebuild Well Pump Amesbury VT Well	W-20-05	n/a				25,000							25,000

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Source	#	Priority	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
Rebuild Well Pump Badger VT Well	W-21-02	n/a						35,000					35,000
Rebuild Well Pump Boulder Bridge VT Well	W-22-02	n/a				35,000							35,000
Rebuild Well Pump Amesbury Submersible Well	W-23-01	n/a	30,000						36,000				66,000
Badger Park Watermain	W-23-02	n/a	63,600										63,600
Replace valves SE area filter plant w/ controls	W-23-03	n/a	67,200										67,200
Water Meter Replacement Project	W-23-04	n/a	30,000	30,000	30,000	30,000	35,000	35,000	35,000	35,000	35,000	35,000	330,000
Rebuild Well Pump Boulder Bridge Submersible Well	W-24-01	n/a		30,000									30,000
East Water Tower Paint & Reconditioning	W-24-02	n/a		380,000									380,000
Replace VFD SE Area Well	W-24-03	n/a		10,000									10,000
Replace VFD Badger Well	W-25-01	n/a		12,000									12,000
Watermain Reconstruction Activity	W-99-01	n/a	100,000	105,000	110,000	115,000	120,000	125,000	130,000	135,000	140,000	145,000	1,225,000
<b>601 - Water Fund Total</b>			<b>2,302,920</b>	<b>555,000</b>	<b>3,716,270</b>	<b>182,000</b>	<b>1,374,464</b>	<b>296,250</b>	<b>952,815</b>	<b>170,000</b>	<b>1,197,135</b>	<b>180,000</b>	<b>10,926,854</b>

**611 - Sanitary Sewer Fund**

Truck - Ford 550 w/crane, Utility Truck 50%	007	n/a						101,250					101,250
Lift Station 11 Rehab - 20465 Radisson Rd.	SS-13-01	n/a	450,000										450,000
CIP Sewer Repairs Assoc with Roadway Reconstr	SS-99-01	n/a	50,000	51,500	53,000	54,500	56,000	57,500	59,000	60,500	62,000	63,500	567,500
Televising & Cleaning	SS-99-02	n/a	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	300,000
Sewer Additional	SS-99-04	n/a	25,000	26,000	27,000	28,000	29,000	30,000	31,000	32,000	33,000	34,000	295,000
Infiltration and Inflow Reduction	SS-99-05	n/a	80,000	82,500	85,000	87,500	90,000	92,500	95,000	97,500	100,000	102,500	912,500
Edgewood Rd reclaim	ST-21-01	n/a									295,659		295,659
Strawberry Court reclaim	ST-22-01	n/a	10,161										10,161
Peach Circle reconstruction	ST-22-02	n/a	6,734										6,734
Strawberry Ln reconstruction	ST-23-01	n/a	126,974										126,974
Grant Lorenz Rd reclaim	ST-23-02	n/a							175,925				175,925
Eureka Rd N Reclaim	ST-23-03	n/a		139,349									139,349
Vine Ridge Road Watermain	ST-23-05	n/a		53,596									53,596
Birch Bluff Rd reconstruction	ST-23-99	n/a	235,320										235,320
Noble Rd recon	ST-24-01	n/a				234,189							234,189
<b>611 - Sanitary Sewer Fund Total</b>			<b>1,014,189</b>	<b>190,000</b>	<b>387,945</b>	<b>200,000</b>	<b>439,189</b>	<b>311,250</b>	<b>390,925</b>	<b>220,000</b>	<b>520,659</b>	<b>230,000</b>	<b>3,904,157</b>

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Source	#	Priority	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
<b>631 - Stormwater Management Fund</b>													
Pump - 4' Discharge Trailer Mtd	050	n/a					74,700						74,700
Edgewood Rd reclaim	ST-21-01	n/a									261,869		261,869
Strawberry Court reclaim	ST-22-01	n/a	0										0
Peach Circle reconstruction	ST-22-02	n/a	73,347										73,347
Strawberry Ln reconstruction	ST-23-01	n/a	1,841,692										1,841,692
Grant Lorenz Rd reclaim	ST-23-02	n/a							181,939				181,939
Eureka Rd N Reclaim	ST-23-03	n/a			328,959								328,959
Vine Ridge Road Watermain	ST-23-05	n/a			69,079								69,079
Shorewood Ln Ravine	ST-23-06	n/a	289,380										289,380
Birch Bluff Rd reconstruction	ST-23-99	n/a	734,580										734,580
Noble Rd recon	ST-24-01	n/a					719,965						719,965
Noble Rd Reclaim	ST-24-02	n/a					93,676						93,676
Galpin Lake Rd Trail	ST-24-03	n/a					494,608						494,608
Noble Road Channel Widening	ST-27-02	n/a					307,792						307,792
Grant Lorenz Channel	ST-29-01	n/a							345,835				345,835
Catch Basin Reconstruction	STM-99-01	n/a	50,000	51,500	53,000	54,500	56,000	57,500	59,000	60,500	62,000	63,500	567,500
Disposal of Street Sweepings	STM-99-02	n/a	37,800	38,600	39,400	40,200	41,000	41,800	42,600	43,400	44,200	45,000	414,000
Storm Water Additional	STM-99-03	n/a	100,000	0	110,000	0	120,000	0	130,000	0	140,000	0	600,000
Storm Pond Sediment Cleaning & Disposal	STM-99-04	n/a	100,000	105,000	110,000	115,000	120,000	125,000	130,000	135,000	140,000	145,000	1,225,000
<b>631 - Stormwater Management Fund Total</b>			<b>3,226,799</b>	<b>195,100</b>	<b>710,438</b>	<b>209,700</b>	<b>2,027,741</b>	<b>224,300</b>	<b>889,374</b>	<b>238,900</b>	<b>648,069</b>	<b>253,500</b>	<b>8,623,921</b>
<b>GRAND TOTAL</b>			<b>14,354,061</b>	<b>2,277,740</b>	<b>9,586,174</b>	<b>1,257,000</b>	<b>10,418,601</b>	<b>1,481,000</b>	<b>4,852,425</b>	<b>1,544,600</b>	<b>5,911,348</b>	<b>1,552,100</b>	<b>53,235,049</b>

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