

Lewiston City Council
Special Council Meeting Minutes-CIP
November 19, 2020
Lewiston City Hall – 6:30 P.M.

1. Call to Order

Electronic City Council Meeting called to order by Mayor Beth Mayor Carlson at 6:32 pm
November 19, 2020.

2. Roll Call

Present (3): Mayor Beth Carlson, Councilor Carol Boynton, and Councilor Larry Rupprecht. Not
Present (1) Councilor Dan Robertson,
Others present: City Administrator/Clerk Cheryl Knight, Ambulance Director Matt Essig, Fire
Chief Tim Dahl, Police Chief Scott Yeiter, and Public Works Director Curt Benter.

3. Discussion topic: CIP

I have attached a summary email memo from Mike Bubany, the City's financial advisor,
which sums up the discussion at this meeting. Also attached are the graphs he sent with the
email.

Councilor Boynton motioned to adjourn the special City Council meeting. Seconded by Mayor
Carlson. Approved 3-0.

The Council Meeting was adjourned at approximately 7:28 pm on November 19, 2020.

Submitted By:
Cheryl A. Knight
City Administrator/Clerk



City Administrator <administrator@lewistonmn.org>

2020 CFP Update / LEWISTON

1 message

Mike Bubany <Mike@daviddrown.com>

Fri, Nov 20, 2020 at 8:02 AM

To: Lewiston City Administrator/Clerk <Administrator@lewistonmn.org>

Cc: Bryan Holtz <bryanho@bolton-menk.com>

Cheryl,

Attached please find the updated graphs after last night's workshop. Please print this email and attachment and file them with your Capital Financial Plan folder for future reference. Also, please share with Council.

Let's begin by summarizing the points of the plan with the most certainty:

1. General Fund transfer to support Sewer Fund will be reduced by \$20,000, from \$70,000 to \$50,000.
2. Water Fund transfer to support Sewer Fund will be increased by \$20,000, from \$40,000 to \$60,000.
3. Small annual increases will be established for all water rates (base rate & volume rate). If Council can stick to the 3% it already planned for, that would be ideal.
4. Levy to the Capital Improvement Fund will be reduced from \$127,500 this year to \$85,000 moving forward.
5. The City expects to purchase an Ambulance, Squad (and equipment) in 2020 (or very soon). Total combined cost of \$318,000, of which, \$103,000 will come from the CIP Fund. The balance will come from the Ambulance Fund as described by Mr. Essig.
6. A large cost Fire Truck will be purchased in 2022 (price could be \$500K or more). Hoping to use cash, the City will pledge \$265K from the CIP Fund towards this purchase. The balance will come from trade in and, hopefully, Fire Fund reserves.

Beyond these points, we have a bit of uncertainty. Conceptually, we know that a large public improvement project of some sort will occur in 2024 to take advantage of existing debt levies going offline. A smaller second project, either a street project or Public Safety Building project, will occur in 2027. Again, due to some existing debt going offline. The uncertainty of these items revolves around findings by the City Engineer. I have advised pursuing a large application to USDA for a "utility" project in 2024 to see if grant dollars might be leveraged. This project would include the water tower maintenance, upgrades to the wastewater facility, and also the replacement of water and sewer lines (and roads). Whatever happens in regards to this strategy will dictate what can happen in 2027.

Please let me know if you have any questions or concerns.

Mike Bubany, Associate

David Drown Associates, Inc.

507 346 7895

**LEWISTON CIP Analysis - LEW - 2020.pdf**

173K

City of Lewiston
Projects, Debt & Revenue Allocation Worksheet

NOVEMBER 2020 UPDATE

Baseline		Cap. Outlay				
General Fund	-	New	85,000	Annual Transfer to Cap Project Fund (2021 +)	127,500 in 2020	
Sewer Fund	20,000	New	50,000	Annual GF Transfer to Sewer Fund (2020 - 2021, flat)	50,000	GF to Sewer 2022+
Water Fund	20,000	New	-	Add'l LGA Losses		
			60,000	Water Transfer to Sewer 2020+		

Graph Options					
yes	< prevent rate reductions? (yes,no)	-	Population Growth/Year	458,459	LGA
100,000	< value of "typical" homestead for impact	-	Households/Year	458,459	Budgeted
5,000	< typical water usage per month	250	Sewer Connection Fee	-	Excess to Capital Improvement Fund
5.0%	< market value inflation factor	250	Water Connection Fee		
3%	< construction inflation factor				
3%	< Spending Increase % (GF, Water, Sewer)				
3%	< Tax Base Growth Assumption	0.0%	2020+ Sewer Increase	3.0%	2021+ Water Increase

Projects & Debt

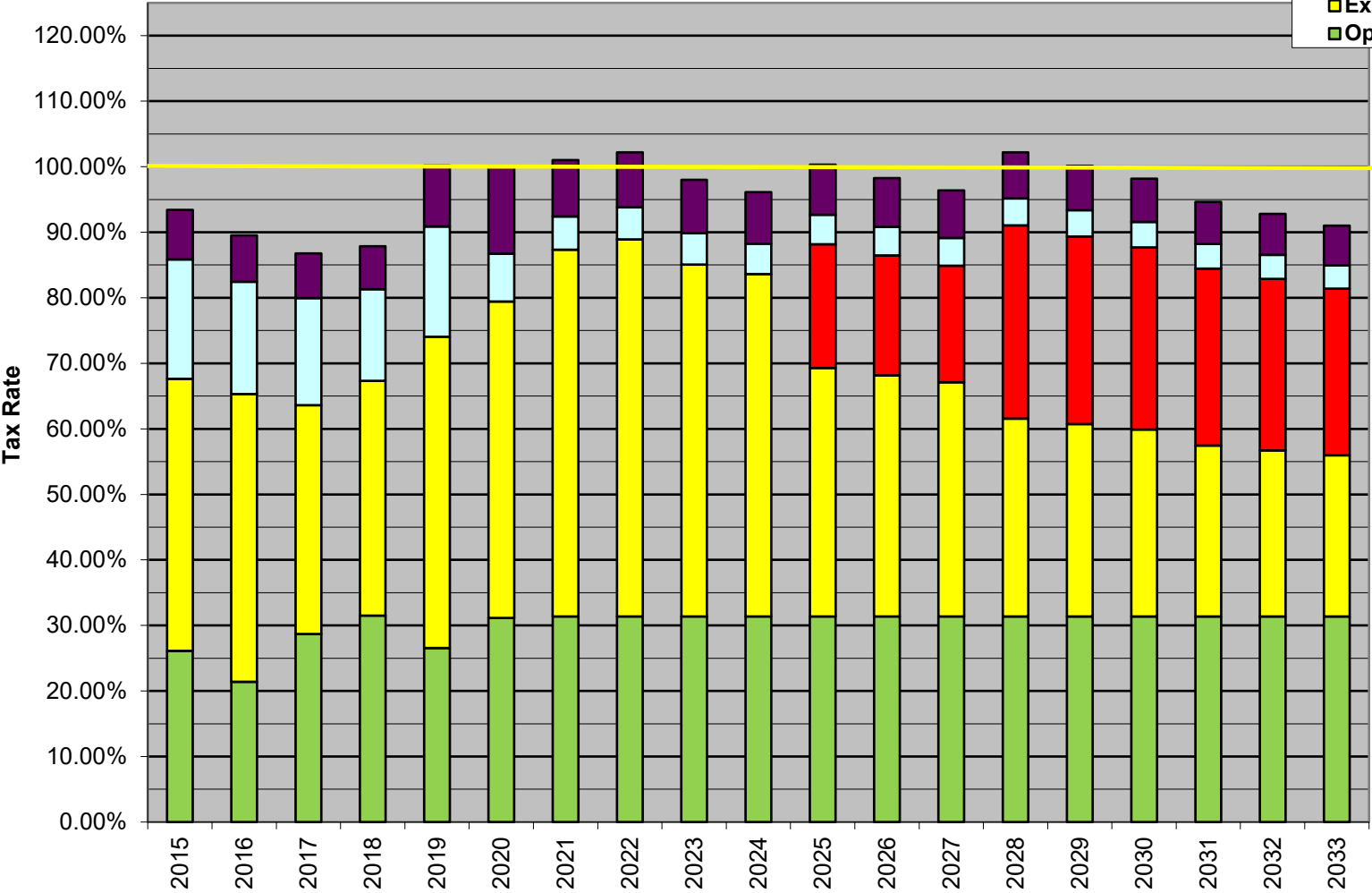
# Project	Water Tower	Fire Truck	Ambulance	Squad & Equipment	Fire Pumper (Net of Trade)	Squad No. 2	STREETS 1	Project (Bldg? Streets?)	WWTP Rehab		
Est Year 2019 Cost	540,000	235,989	250,000	68,000	250,000	30,000	2,500,000	1,500,000	-	-	-
Cost when Built	626,008	-	-	-	-	-	2,813,772	1,844,811	-	-	-
Type Bond	GO	Cash	Cash	Cash	Cash	Cash	GO	GO	Cash		GO
Term	20	10	10	10	10	10	15	20	10		10
Rate	1.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.50%	5.00%	4.00%		4.00%
Bond Pymt	34,690	-	-	-	-	-	262,001	148,032	-		-
Yr Built	2025	2020	2020	2020	2022	2022	2024	2027	0		0

Repayment Sources

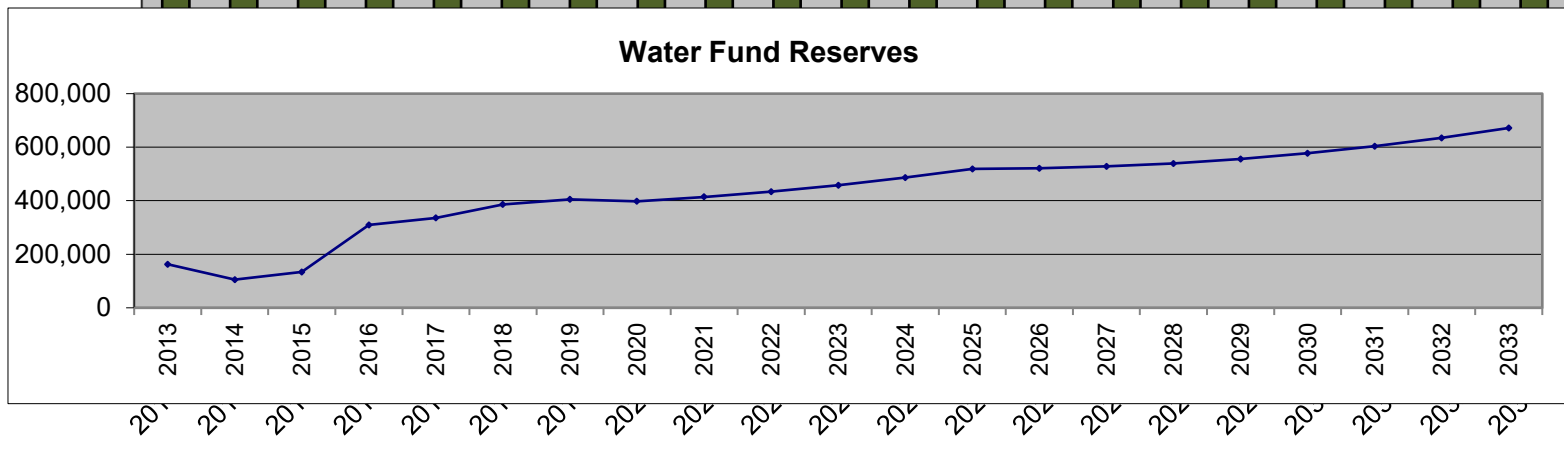
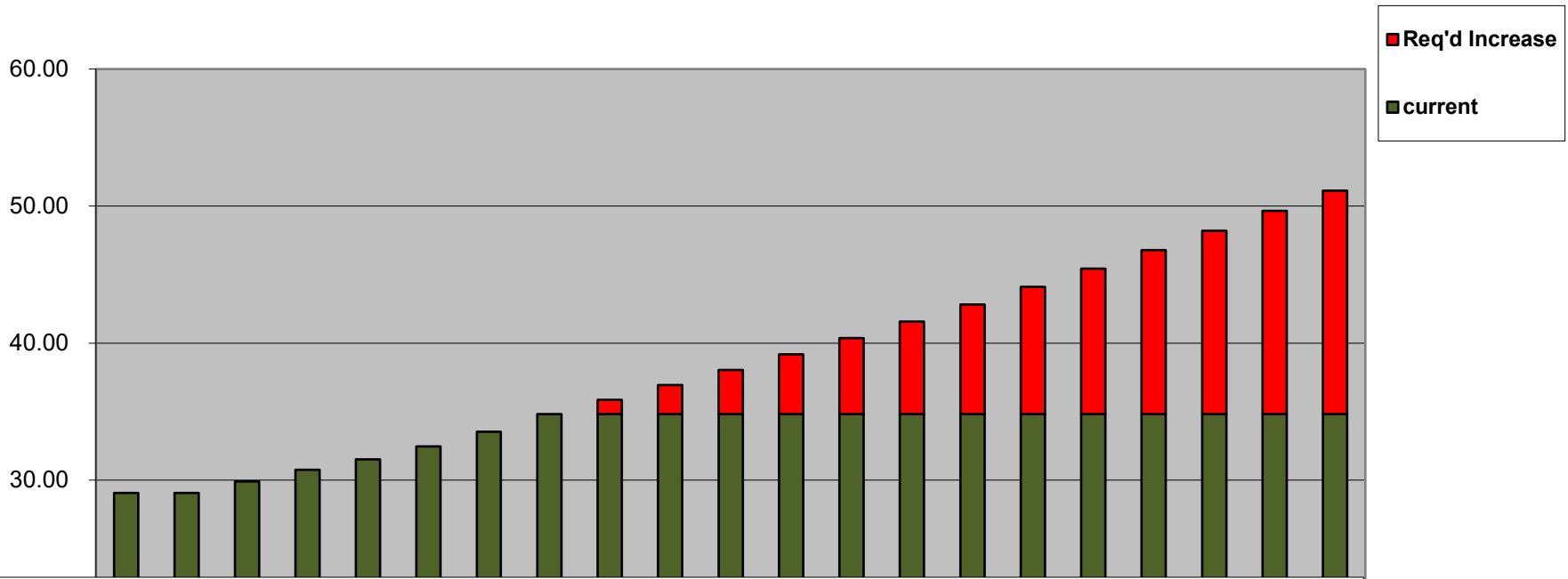
	Cap Project Fund	Amb, Police, Fire, Grants	Water Fund	Sewer Fund	Outside Funds	Assessments	TIF	Sewer Rates/Fees	Water Rates/Fees	Tax Levies
CASH	-	235,989	-	-	-	-	-	-	-	-
DEBT	0%	100%	0%	0%	0%	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%
	0%	0%	100%	100%	100%	100%	100%	80%	100%	100%
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Tax Rate Projections

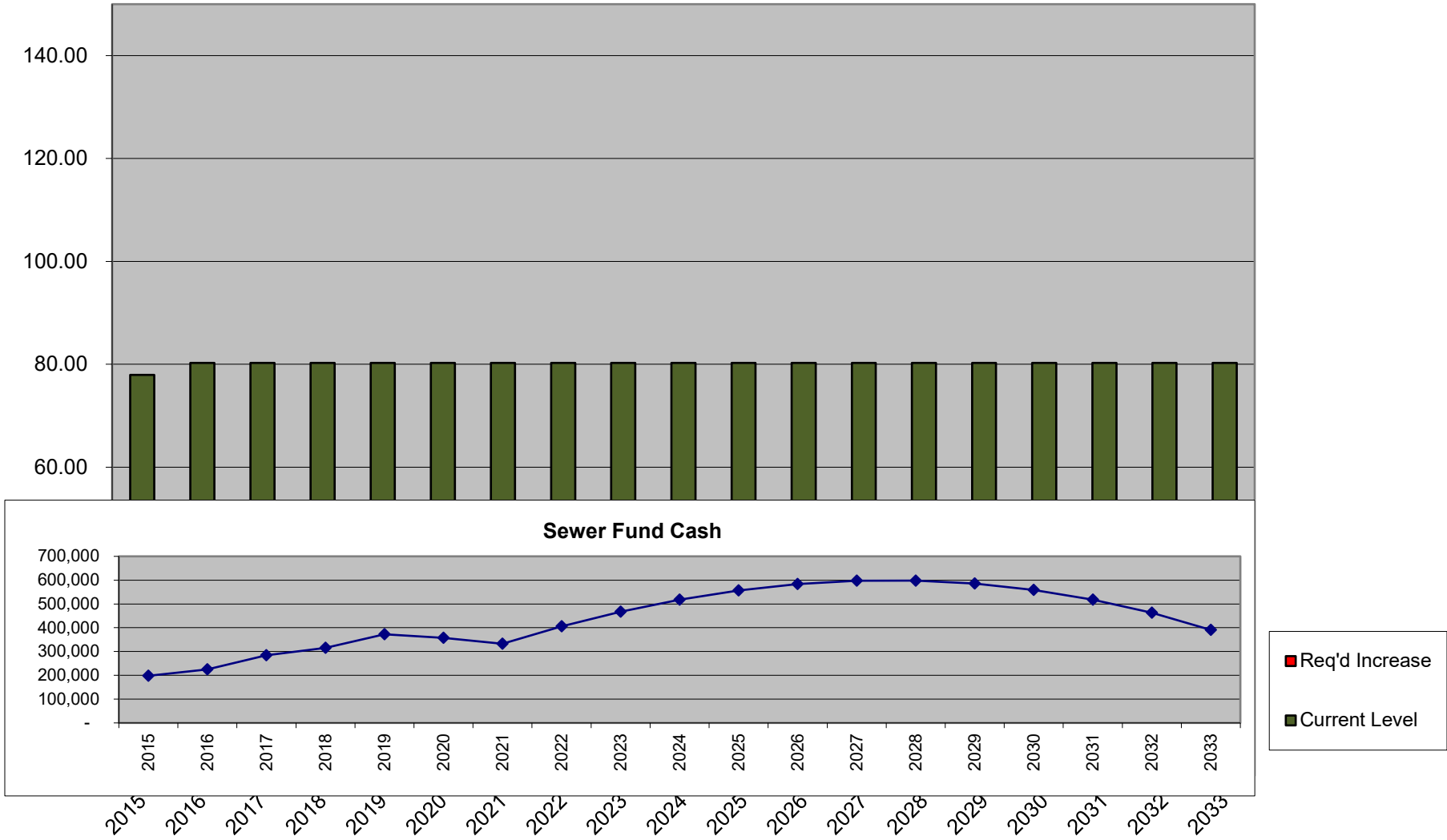
- Cap Project Fund
- Util Transfers
- New D/S Rate
- Exist D/S Rate
- OperatingRate



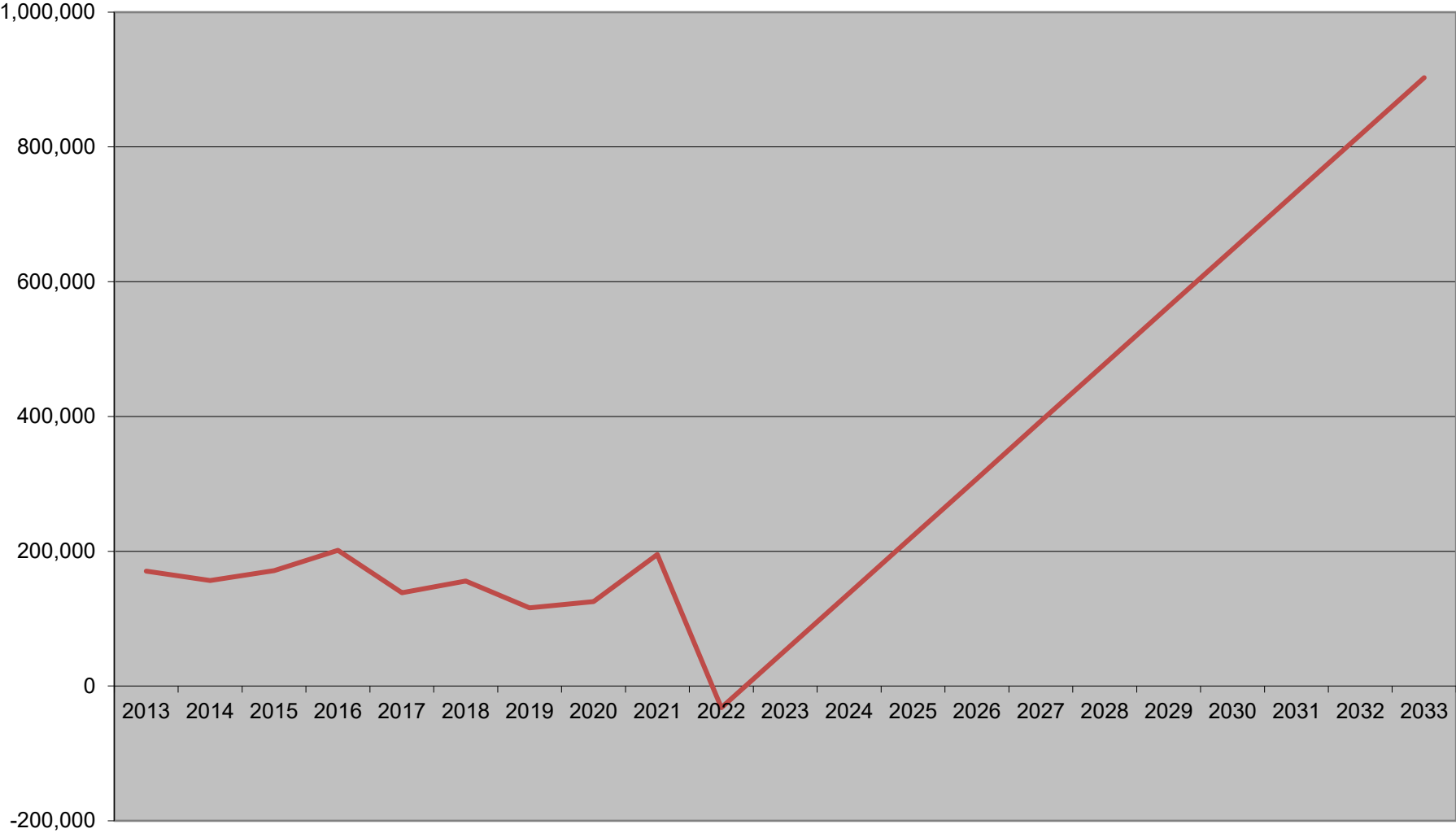
Monthly Water Bill ~ Typical Small Family (5,000 gpm)



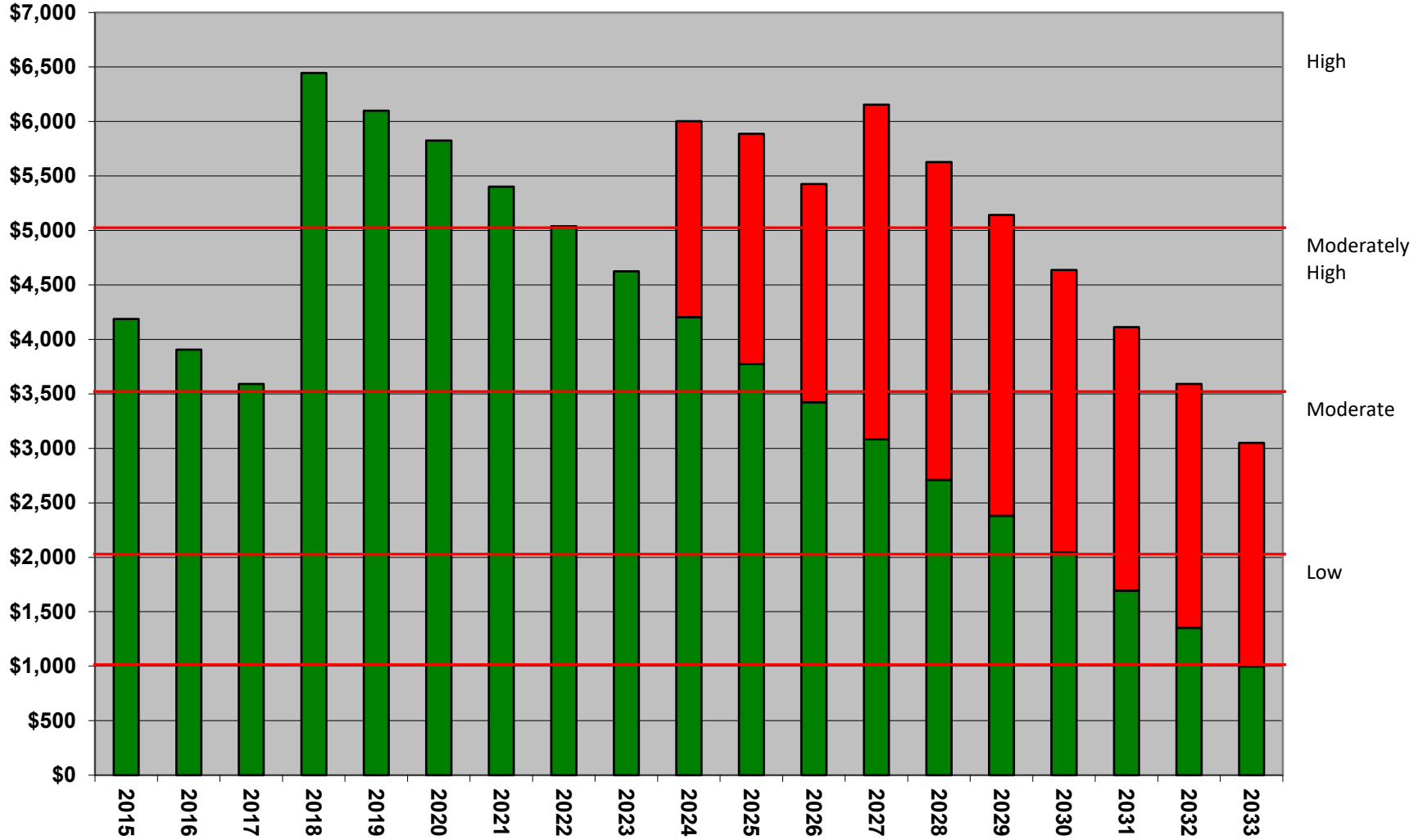
Monthly Sewer Bill ~ Typical Small Family (5,000 gpm)



Capital Outlay Fund



G.O. Debt per Capita



Monthly Cost Increase (\$100,000 Home, 5K Gallons of Water/Mo.)

