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WAYZATA CITY COUNCIL
WORKSHOP MEETING MINUTES
April 23, 2018

4:30 p.m. CIP Workshop

Mayor Willcox called the workshop meeting to order at 4:30 p.m. in the Community Room at Wayzata City Hall. Council Members present: Koch, McCarthy, Plechash, and Tyacke. Also present: City Manager Dahl, Senior Accountant Ovshak, Director of Public Service Dudinsky, City Engineer/Assistant Director of Public Works Kelly, and the City's Contracted Finance Director with AEM Steve McDonald.

Mr. Dahl discussed the Capital Improvement Plan (CIP) model, and plans for the management of the plan after Mr. Dudinsky's retirement at the end of this month.

Mr. McDonald reviewed the cash balances of the CIP funds for the next five years and highlighted the funds having a deficit as early as 2020.

When reviewing the water and sewer CIP's and the cash balances, the group discussed the rate study to address those funds deficits. The maintenance schedule was reviewed and the group discussed on how those line items were removed from specific CIP's for transparency purposes, but lost their funding sources. Those maintenance items will be put back into the General CIP. Mayor Willcox asked how the action of putting those items back into the General CIP will be funded. Mr. McDonald informed the group that the parking ramp interfund loan will take care of funding this. The General CIP may be an option for a year-end excess fund transfer.

Mr. Dahl expressed an interest in combining the Lakefront CIP and Parks & Trails CIP. Mr. McDonald provided information which supported this suggestion. The group agreed to change the title of Lakefront CIP to Lake Effect CIP. Items currently in the Streets, Parks and General CIP that relate to the Lake Effect initiative will be moved to the newly titled Lake Effect CIP for transparency purposes.

The group discussed the planned patio expansion for the Wayzata Bar & Grill. Mr. McDonald explained that, even with conservative calculations, the renovation would pay for itself within five years. The group supported freshening up the interiors and exteriors of the municipal operations to help the business stay current and vibrant.

While discussing the Library CIP, the group agreed that additional funds should be allocated to the General Fund to help cover the additional payroll expenses for the newly created Facility Maintenance position. The group directed staff to increase the percentage of the rent income that goes to the General Fund from 25 percent to 35 percent.

The group discussed how the cell tower antenna rent income is currently allocated. Because the antennas will no longer be located on the water tower, the group suggested that future funds be allocated to the General CIP and Streets CIP instead of Water CIP and Streets CIP.

The group agreed that a placeholder for the parking ramp roof is no longer needed. They directed staff to include the \$150,000 fund balance with the year-end excess funds transfer with a detailed explanation.

Mr. McDonald explained what excess funds are available for transfer, as well as the cash balances for each CIP. He also reviewed which CIP's were underfunded.

The group discussed specific options for allocating the excess funds. The group agreed to allocate: \$25,000 to the General CIP for additional funding for the Police Memorial; \$500,000 to the Lake Effect CIP; and the remaining balance of \$471,128 to the General CIP.

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2 The workshop meeting was adjourned at 6:00 p.m.

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4 Respectfully submitted,

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6 *Becky Malone 05-01-2018*

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8 Becky Malone
9 City Clerk