

CITY OF MINNETONKA 2025-2029 CAPITAL IMPROVEMENT PROGRAM (CIP)



SEPTEMBER 23, 2024 COUNCIL MEETING



CIP PRIORITIES

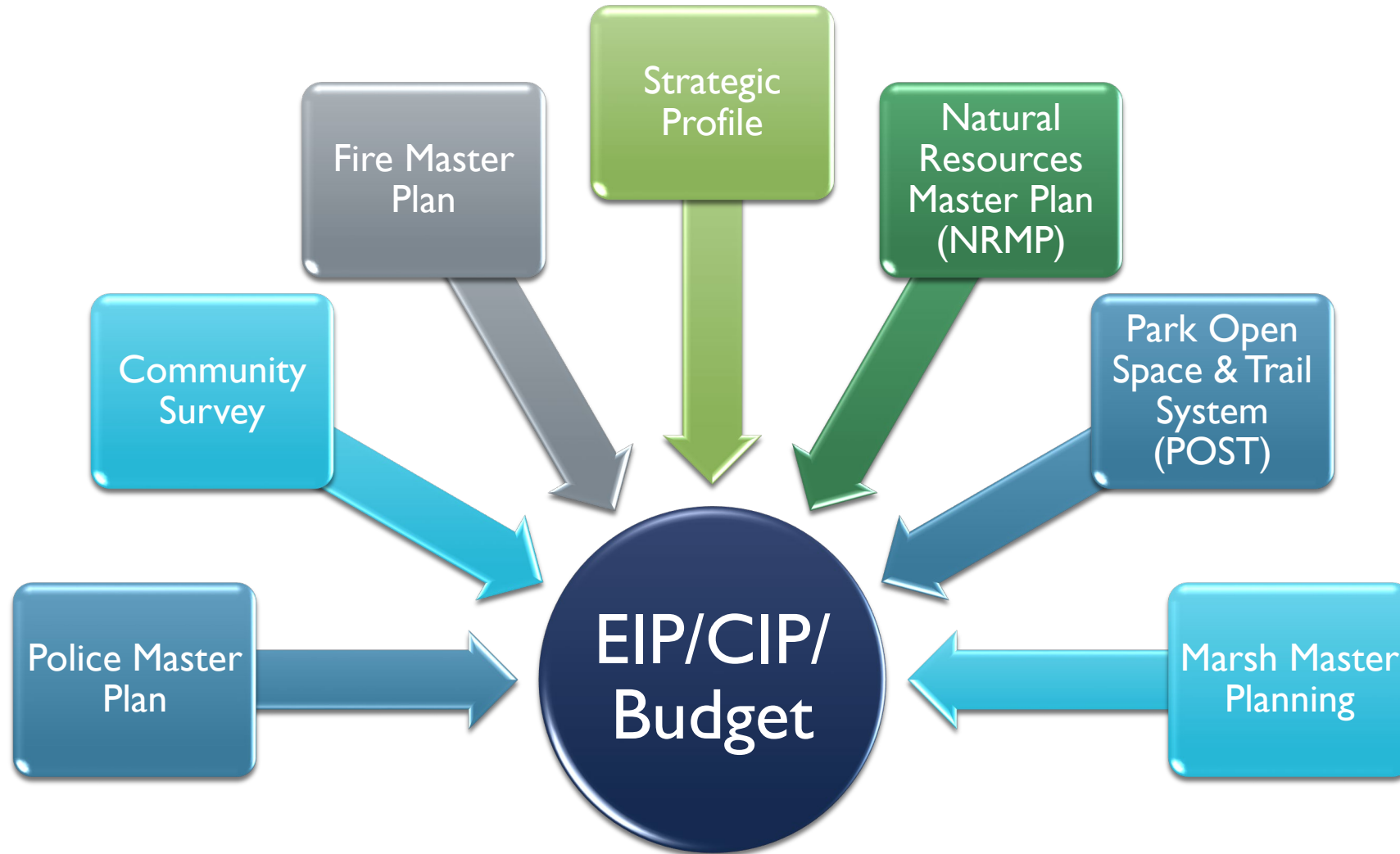
1. Public health and safety, meet legal mandates
2. Maintain and improve efficiency of existing systems, coordinate with related projects
3. Expand existing, new services, community betterment

within the constraints of limited resources

CIP PROCESS

- Preparation of the CIP begins in the spring and kicks off the budget process
 - The CIP is part of the budget process, but it is not a budget
 - Once the CIP is officially adopted, the 2025 projects will be added to the 2025 budget for official adoption in December
- Council reviewed draft CIP on June 10, 2024

LEVY CONSIDERATIONS



STRATEGIC PROFILE

■ Financial Strength & Operational Excellence

Maintain a long-term positive financial position by balancing revenues and expenditures for operations, debt management and capital investments. Provide innovative, responsive, quality city services at a level that reflects community values and is supported by available resources.

Key Strategy:

- Develop an annual budget that meets community needs and is in alignment with the strategic plan and financial priorities.

■ Infrastructure and Asset Management

Provide safe, efficient, sustainable, cost-effective and well-maintained infrastructure and transportation systems. Build, maintain and manage capital assets to preserve long-term investment and ensure reliable services.

Key Strategies:

- Provide and preserve a quality local street and trail system.
- Develop an annual capital improvement plan that supports the sustainable maintenance and replacement of assets.

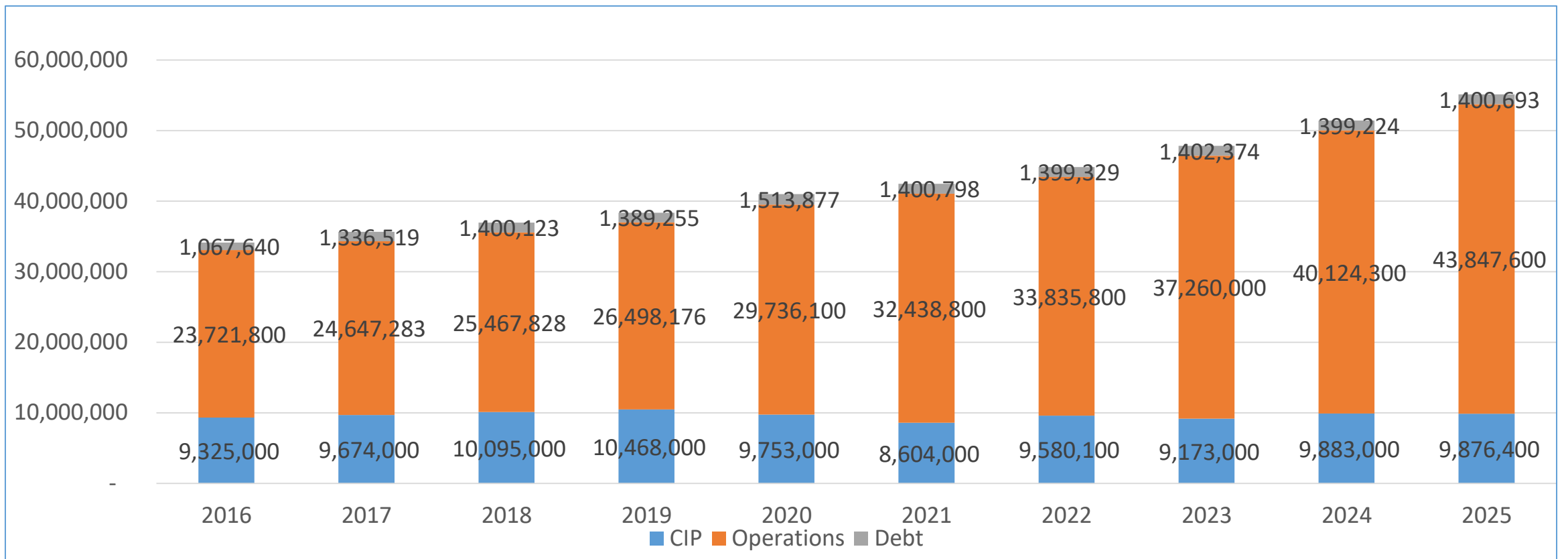
2025-2029 CIP

➤ What the CIP Funds

- The 2025-2029 CIP supports almost \$212 million of capital projects over the next five years
- The increase is largely due to moving the Excelsior Blvd. reconstruction project to an active project in this year's CIP. This is an estimated \$47 million project with both internal and external funding sources (\$24 million from Hennepin County).

<i>CIP (\$000's)</i>	<i>2022-26</i>	<i>2023-27</i>	<i>2024-28</i>	<i>2025-29</i>
Street Improvements	\$52,455	\$51,605	\$52,675	\$117,025
Water, Sewer & Drainage	32,570	34,960	28,855	36,745
Parks, Rec & Trails	27,610	20,880	20,699	24,975
Equipment	19,314	22,042	23,190	20,531
Buildings	5,186	16,310	14,335	12,505
Total CIP	<u>\$137,135</u>	<u>\$145,797</u>	<u>\$139,754</u>	<u>\$211,781</u>

MINNETONKA LEVY ALLOCATION



2025 PROPOSED CAPITAL IMPROVEMENT LEVY

	<u>Levy</u>	<u>Percentage</u>
■ Street Improvement Fund	\$6,380,000	65%
■ Capital Replacement Fund	1,725,000	17
■ Park & Trail Improvement Fund	298,400	3
■ Technology Development Fund	675,000	7
■ Forestry Fund	123,000	1
■ Public Safety Fund	675,000	7
TOTAL PROPOSED LEVY	\$9,876,000	

2025-2029 CIP

- Environmental Sustainability and Stewardship Efforts
 - Sustainability and natural resources is one of the city's strategic priorities
 - Over the years, many CIP projects have had a sustainability focus or provided positive environmental improvements, and the proposed CIP continues that strong initiative
 - Sustainability symbol added to the applicable project pages
- The city continues to build-off of projects that provide positive environmental improvements by focusing on the stewardship or management of its natural resources
 - A financial commitment to natural resources stewardship is evident in this year's CIP and is indicated with a stewardship symbol in the upper right-hand corner of the project pages.

2025-2029 NOTABLE PROJECTS

- Park-25305 Trail Improvement Plan (Minnetonka Blvd – 2026; Baker Road – 2027)
- Park-25309 Park Habitat Stewardship (Big Willow, Jidana, Green Circle, and Whited Marsh)
- MSA-25701 Excelsior Blvd (CR 101 to Williston Rd – 2027)
- LSI-25602 Local Street Rehabilitation (Kinsel Neighborhood – 2027)
- WSS-25906 Water – Water Meter Replacement Program (2024-2029)
- Tech-25516 Axon Enterprises – 2025 (new project since budget study session)
 - 10-year agreement with Axon for a variety of items and services including body-worn and in-car cameras, tasers, and records management software.
 - Eliminates two previously schedule CIP projects for equipment
 - Will eliminate other operating expenditures in the future

2025-2029 CIP

■ Challenges

- Inflation, seems to have moderated but recent years' inflationary prices are still burdensome
- Supply chain issues – This has moderated, but still seeing long lead times for specialized equipment
- Ensuring streets, water, sewer infrastructure continue to receive needed attention to minimize the threat of future failure
- Deferred projects

■ Pending projects

- Place holder for potential projects

2024-2028 CIP

- Staff recommends approving the resolution adopting the 2025-2029 CIP
- Questions



CITY OF
MINNETONKA