

# Proposed Public Works Facility Fact Sheet

September 2009

## Project Background and Purpose

The City of Medina's existing Public Works Facilities are located at 2052 County Road 24, on the same site as City Hall. The existing facilities consist of a 7,400 sq. ft. building for storing vehicles, equipment and offices, as well as a salt shed, fueling facility, brush pile and outdoor storage area.



*Public Works Facility Site*

A Citizen's Advisory Panel studied existing City facilities from 2006 to 2007 and reported in July 2007 to the City Council a recommendation for a new Public Works Facility and a new but separate City Hall/Police facility. A Public Works Facility was identified as Priority #1. A copy of the Panel's Facilities Master Plan can be obtained at City Hall.

The City's Capital Improvement Plan (CIP) has also been identifying a need for a new Public Works Facility as early as 2004, with initial completion scheduled for 2007.



*Equipment Storage Area*

## Project Need

The City's Facilities Master Plan identified the following needs for constructing a new Public Works Facility:

- The current site and yard are not sufficient to house public works vehicles, equipment and operations.
- The existing site is non-conforming with City Code regulations.
- Safety concerns consist of poor ventilation, work circulation, spacing between work functions, storage of tools/carts, parts open to spillage/contamination with lubricants.
- Lockers, showers, meeting/training space, lunchroom and offices are insufficient or non-existent.
- Area for cleaning and maintaining vehicles is non-existent.
- Lighting, heating and everyday environmental needs are lacking.



*Vehicle Storage Area*

## What Has Been Done So Far:

The City completed a Facilities Master Plan, which in 2007 originally recommended a project scope including a new facility of 45,000 sq. ft. as part of a Phase I construction, the acquisition of 20 to 30 buildable acres, location near the Trunk Highway 55/Arrowhead Drive intersection, estimated cost of \$8,000,000 (land & facility), and a funding source of General Obligation Bonds, with partial funding from water and sewer revenues.

In August 2009, City Staff recommended a refined project scope including:

- New facility of 30,000 to 35,000 sq. ft. (Phase I)
- The acquisition of 20 to 30 buildable acres (for full build out, but would need only 8 to 10 acres for Phase I)
- Location near the Trunk Highway 55/Arrowhead Drive intersection (with priority near Hennepin County Public Works to maximize operating/cost saving efficiencies for fueling and salt facilities.
- Estimated cost of less than \$8,000,000 (land & facility)
- Funding source of General Obligation Bonds, with partial funding from water and sewer revenues.

**Land Acquisition:** The City has been meeting with land owners, including Hennepin County, near the Trunk Highway 55/Arrowhead Drive intersection to explore land acquisition opportunities.

**Public Relations:** In addition to past project updates in the City newsletter, the City hosted an Open House of the existing facilities on August 27, 2009 to provide an opportunity for residents to view existing facility conditions. A presentation on the project scope, cost, financing options, and schedule was provided at the Open House.

## What is the Next Step:

The tentative schedule for the Public Works Facility project includes the following:

- 2009 - The City plans to refine the project scope, financing preference, funding distribution and cost estimate. The City also plans to continue discussion and negotiation for land acquisition.
- 2010 - Final project design and bonding approval for the project.
- 2011 - Public bidding conducted and project construction begins.

## What are the Financing Options:

The City's financial advisors, Ehlers and Associates, have outlined three options for financing the Public Works Facility project:

- Lease Purchase Bonds – An Economic Development Authority would need to be created. No public vote is conducted. The interest rates are higher than the other options. 24% of cities use this option.
- Referendum Bonds – Requires public support through a special or general election. Interest rates are lower than the Lease Purchase Bonds. Administrative costs will be incurred with coordinating an election. Less than 1% of cities use this option.
- Capital Improvement Bonds – Requires creation of a 5-year Capital Improvement Plan (CIP). A public hearing must be conducted prior to CIP approval and allows for a 30-day reverse referendum prior to closing of bonds. The interest rates are lower than Lease Purchase Bonds. 75% of cities use this option.

## To Learn More:

The City will be conducting more public discussions and open houses on the project over the next year. Promotion of the meetings will be through the City newsletter and other notices. The City website [www.ci.medina.mn.us](http://www.ci.medina.mn.us) will also soon have a project page with more information.

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