

City of Northfield

*City Hall
801 Washington Street
Northfield, MN 55057
northfieldmn.gov*



Meeting Agenda

Tuesday, May 12, 2026

6:00 PM

Work Session

Council Chambers

City Council

6:00 PM - CITY COUNCIL WORK SESSION AGENDA**CALL TO ORDER**

Mayor: Zweifel

Councilmembers: Beumer, Dahlen, Holmes, Ness, Peterson White, Sokup

REGULAR AGENDA

1. [26-250](#) Review Northfield Community Resource Center Financial Review and Related Leases.

2. [26-251](#) Review Central Business District Existing Short Term Parking Regulations and Potential Changes.

Attachments: [1 - Resolution 2014-060 Downtown 20 Min Parking](#)
 [2 - Resolution 2014-061 Bike Parking](#)
 [3 - 2026 Downtown PublicParking](#)

3. [26-252](#) Discuss Winter Parking Rules and Overnight 2 a.m. to 6 a.m. November 15 to March 15 Winter On-Street Parking Ban.

4. [26-253](#) Discussion of Utility Rates for 2027, 5-Year Utility Capital Improvement Plan (CIP) and Capital Equipment Plan (CEP) 2027-2031.

Attachments: [1 - 260512 2027-2031 CIP-CEP Presentation - Utilities v2](#)
 [2 - 260512 Draft 2027-2031 CIP Utilites](#)
 [3 - 260428 Draft 2027-2031 CEP -Utilities](#)
 [4 - 2025-09-12 Northfield rate study](#)

ADJOURN

Note: The City Council may take a five minute break during the meeting. All regular City Council meetings end at 9:00 pm unless a simple (4/7) majority of the City Council vote to extend the time.

SPECIAL NEEDS: If you require special services to attend or participate in a public meeting, please call the City's Administration Office at (507) 645-3001 or e-mail Lynette Peterson, City Clerk, at lynette.peterson@northfieldmn.gov. TDD users can call (507) 645-3030. Please call at least 24 hours before the meeting, if possible.



Legislation Text

File #: 26-250, Version: 1

City Council Meeting Date: April 14, 2026

To: Mayor and Members of Council

From: City Administrator

Review Northfield Community Resource Center Financial Review and Related Leases.

Action Requested:

None.

Summary Report:

City staff continues work on development of a comprehensive five-year financial plan intended to better align long-term operational, capital, and financial planning across the organization. As part of that broader effort, the Northfield Community Resource Center (NCRC) remains an important community asset and a significant component of the City's overall financial planning due to the facility's operational and long-term capital needs.

Staff has been working to improve financial transparency related to the facility, review and refine actual cost allocations to tenants, and pursue grant opportunities and other strategies intended to reduce long-term operating costs and improve the financial sustainability of the building. Scott Wopata, Community Development Director, will be presenting information related to this ongoing work. Mr. Wopata has been collaborating with the Finance Director, Budget Analyst, Public Works Director, Facilities Manager, and City Administrator to review financial assumptions, operating expenses, and allocation methodologies, while also assisting in communicating that additional review and analysis with facility tenants.

Mr. Wopata also brings a unique perspective to this effort as a former Executive Director of the Community Action Center (CAC) and former tenant representative within the facility, providing additional operational understanding and independent scrutiny regarding expenses and cost allocations.

Most current tenant lease agreements are approved through 2027. However, the City is working to establish clearer long-term expectations regarding lease structures, operating costs, and the long-term financial viability of the facility as part of the City's broader financial planning efforts.

A presentation will be provided at the meeting to help communicate and digest the information as presented, and the materials will be posted afterward for public reference. This item is informational only and no formal action is requested at this time, though the information presented will help inform future lease discussions and integration into the City's developing five-year financial plan.

City Plans & Policies Relevance:

- Consistent with the City’s broader long-term financial planning and stewardship objectives, including responsible management of public facilities and capital assets.
- Supports Comprehensive Plan principles related to maintaining public infrastructure and community assets in a financially sustainable manner.
- Aligns with organizational goals of transparency, long-range planning, and ensuring public assets continue serving community needs efficiently and effectively.
- Supports the City’s continued efforts to balance community service delivery with long-term operational and capital sustainability.
- Reinforces the City’s role in supporting important community-serving nonprofit partners while maintaining responsible public financial oversight.

Alternative Options:

Not applicable.

Financial Impacts:

- The City’s intent has been to structure lease rates and allocated expenses to reflect actual operational costs associated with the facility rather than incorporating a private-sector profit model.
- The overall approach is intended to help keep occupancy costs lower for nonprofit and community-serving tenants than may otherwise occur under private ownership structures.
- Staff continues to review operational and capital costs to improve transparency, accuracy, and predictability for both the City and tenants.
- Current analysis also includes review of long-term capital maintenance obligations and financial sustainability impacts associated with continued operation of the facility.
- At this time, the City has continued to provide certain administrative and oversight functions as an in-kind municipal contribution to support the facility and its tenants, including portions of facility management, finance, and administrative support services that are not currently allocated as direct tenant expenses.

Tentative Timelines:

Will be bringing future leases 2028 and beyond this year for action by the City Council to provide to tenants.
Date not yet set.



Legislation Text

File #: 26-251, Version: 1

City Council Meeting Date: May 12, 2026

To: Mayor and Members of Council
City Administrator

From: David E. Bennett, PW Director/City Engineer

Review Central Business District Existing Short Term Parking Regulations and Potential Changes.

Action Requested:

City Council discusses Central Business District Existing Short Term Parking Regulations and Potential Changes.

Summary Report:

In 2014 the City Council, working in partnership with the Northfield Downtown Development Corporation on downtown parking, passed resolution 2014-060 creating 13 short term 20-minute parking spaces. The locations of the 20-minute parking stalls were selected based on the business needs for short term parking for the service provided to customers. Also, Council per resolution 2014-061 designated a bike parking stall just south of Third Street on Division St. The City places the bike rack seasonally and removes in the winter season.

As part of the Division and Seventh Street Reconstruction and Washington Street improvement, a few 20-minute stalls were added by Paisley Gardens, and one removed by the library that was replaced with the transit stop and handicap stall. So, the current downtown count is 14 - 20 minute parking stalls. During Covid, the City delivered extra short-term parking stalls for businesses, most of them have been collected, but two remain that the businesses place out (note - these are 15-minute parking signs).

Currently, on-street parking is two hours Monday-Friday 8 a.m. to 5 p.m. The attached map shows the location of the parking stalls (20 Minute, 2-Hr, EV, and Handicap). If businesses change, staff are open to relocating the short term 20-minute parking.

In the winter when the on-street parking ban is in effect, the City issues Downtown Parking permits for the public lots. This permit's primary purpose is to get downtown residents contact information so public works can send them the parking lot plowing schedule. The downtown parking lots still remain open to the public, and residents who are issued a permit are not designated a stall, it is a first-come first-serve basis.

Over the last 3 winter seasons the City issued the following number of permits:

Winter Season	Parking Permits Issued
2025 - 2026	134
2024 - 2025	112

2023 - 2024	137
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A summary of parking stalls in the public parking lots is shown below:

Downtown Parking Lots	Number of Parking Stalls
Washington Street Lot	98
Water St (Across from Liquor Store)	38
Lot by Basils Pizza	28
Lot Across from Library	20
Lot behind the Grand	22
Total	206 Parking Spaces
Note: This excluded handicap and EV parking stalls	

City Plans & Policies Relevance:

NA

Alternative Options:

NA

Financial Impacts:

NA

Tentative Timelines:

NA

CITY OF NORTHFIELD, MINNESOTA
CITY COUNCIL RESOLUTION #2014-060
RESTRICTING PARKING TO TWENTY MINUTES DURATION FOR CERTAIN SPACES
IN THE DOWNTOWN AREA OF NORTHFIELD

WHEREAS, there has been considerable study and discussion with downtown area merchants and other interested parties concerning the management of available on-street parking in the downtown area of Northfield; and,

WHEREAS, out of that study and discussion the Northfield Downtown Development Corporation completed a list of eight Parking Management Recommendations, including designating some available spaces for short term use; and,

WHEREAS, the Northfield Engineering Department has prepared a plan proposing thirteen such short term spaces scattered throughout the downtown area; and,

WHEREAS, this plan has been discussed with various merchants within close proximity of the proposed short term parking spaces; and,

WHEREAS, a substantial majority of those merchants support this plan.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Northfield that thirteen existing on-street parking spaces, the approximate locations of which are shown on the attached map, are hereby established for parking limited to twenty (20) minute duration.


BE IT FURTHER RESOLVED by the City Council of the City of Northfield that the appropriate regulatory signs be erected as soon as possible.

PASSED by the City Council of the City of Northfield on this 3rd day of June 2014.

ATTEST



City Clerk



Mayor

VOTE: Y GRAHAM Y DELONG Y LUDESCHER Y NAKASIAN
 Y PETERSON WHITE Y POWNELL Y ZWEIFEL



Date of City Council Meeting: June 3, 2014

To: Mayor and City Council
City Administrator

From: Joseph L. Stapf, P.E., Public Works Director/City Engineer

Subject: Downtown Twenty Minute and Bike Parking

Action Requested: The Northfield City Council:

- A. Approves Resolution 2014-060 establishing 20 minute parking limits for 13 spaces throughout the Northfield Downtown area, as shown on the attached map.
- B. Approves Resolution 2014-061 establishing a bicycles-only parking space at the intersection of Third Street and Division Street.

Summary Report:

Over the past 18 months, considerable discussion has been held regarding parking options in the downtown area of Northfield. A list of options - called the Parking Management Recommendations - was developed and presented to the Northfield City Council at its work session held on August 13, 2013. A copy of that list is attached.

Time-limited Parking Spaces Recommendation No. 2 called for establishing parking limits for some of the parking spaces located throughout the downtown area.

Attached is a map that staff prepared showing the approximate location of those 13 proposed time-limited spaces. It is important that everyone understand the locations of the proposed spaces are approximate. The final locations (generally within a space or two) will be dictated by whether or not there is an existing sign post or light pole available that can be used for mounting the necessary sign. Staff's preference is to avoid drilling more holes in the sidewalk to install a new sign post. Not only does that add to the expense, it also adds to the "clutter" in the downtown streetscape.

Ross Currier of the Northfield Downtown Development Corporation has now visited with many of the downtown merchants potentially impacted by this proposal, and has reported back that a consensus now exists to implement the proposal. We are therefore presenting it to the City Council for formal action. Toward that end, we have prepared and attached Resolution 2014-060 establishing these time-limited parking spaces.

Bicycles-Only Parking Space In a separate action, and in keeping with **Recommendation No. 8** from the list of Parking Management Recommendations we are requesting the City Council consider designating the last space on the east side of Division, just south of Third Street as reserved for bicycles.

Upon City Council approval, it is staff's intent to erect a bike rack in this parking space for use by bicyclists. Resolution 2014-061 is attached, which if adopted, will formally establish this bicycle-only parking space. The location of this particular parking space is also shown on the attached map. This particular parking space is comparatively small, and is designated for compact cars. However, it is not uncommon for a pickup truck to park here, which not only exceeds the length of the space, it also exacerbates corner sight distance for Third Street traffic stopping at the intersection with Division, and seeking to turn either right or left.

This bicycles-only space is also favored by a Northfield advocacy group called BikeNorthfield, whose leader is Mr. Bruce Anderson.

Summary:

If one or both proposals are approved by the City Council, we will as much as reasonably possible continue to monitor behavior of the users, maintain contact with the nearby merchants, and monitor the impacts upon the downtown area. It is our intent to report back to the City Council around October 1, 2014, to determine if any additional modifications are in order.

Alternative Options:

The City Council could modify this proposal to eliminate any one of the proposed time-limited parking spaces, or the bicycles-only parking space, or change the time limit to something other than 20 minutes.. Another option would be to leave things as they are.

Financial Impacts:

Installing the new time limited parking signs will cost approximately \$150 per sign, and another \$150 for each sign post that may be necessary. The bike rack will cost about \$500.

Timelines:

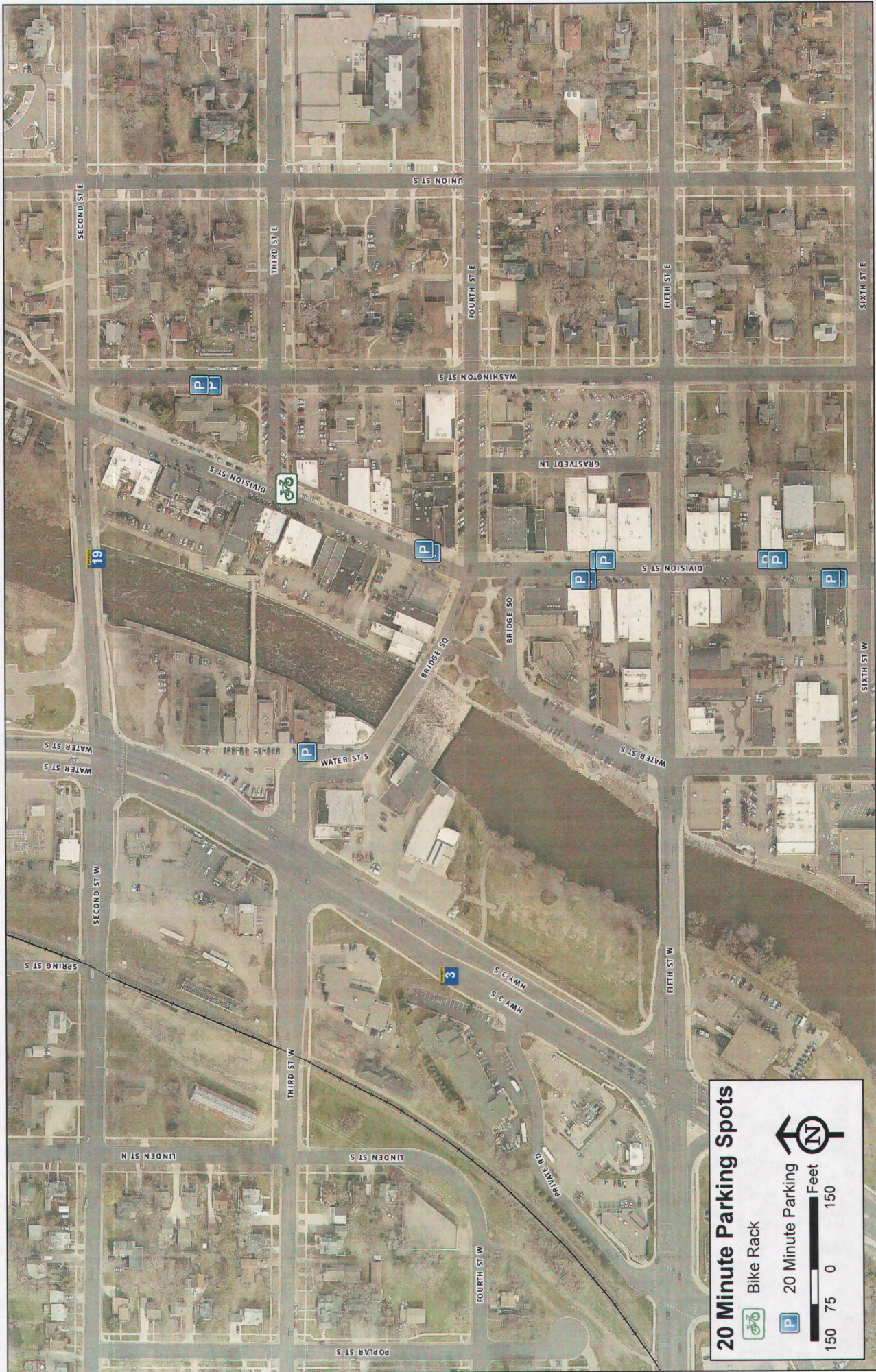
Upon approval by the City Council our maintenance personnel will proceed with installation of the signs and/or bike rack.

Attachments:


- 1) Resolution 2014-060 (establishing time-limited parking spaces)
- 2) Resolution 2014-061 (establishing bicycles-only parking space)
- 3) Parking Management Recommendations
- 4) Maps
 - a) Overall Map
 - b) Dufours Cleaners
 - c) Cocoa Bean
 - d) Quality Bakery/Hideaway
 - e) First National Bank
 - f) Library
 - g) Basils Pizza
 - h) Bicycle Parking Space


Northfield Downtown Development Corporation
Parking Management Recommendations from “The Conversation”
Submitted June 12th, 2013; Highlighted June 24th, 2013; Focused July 25th


1. **Increasing enforcement and maintaining markings of existing parking regulations:** *City Staff has already begun enforcing duration and location regulations and improving paint and signage of existing parking spaces.*
2. **Reducing parking time limits for some parking to create pick-up/drop-off spaces:** *City Council and Staff are ready to begin an “experiment” with 15 minute pick-up/drop-off spaces and City Engineering, in consultation with the Police Department, has developed a map of 13 proposed locations.*
3. **Reviewing and upgrading directional and way-finding signs to public parking:** *City Staff has conducted an inventory from the entrances to the community to the public parking locations and identified signage enhancement opportunities, stressing consistency in internationally-recognized symbols.*
4. **Providing parking which “safely accommodate[s] users of all ages and abilities” (Northfield Complete Streets Policy); parking near popular destinations should reflect the abilities of those most likely to use it:** *City Staff is considering possible locations and specifications for this type of parking.*
5. **Supporting community-wide education initiatives as recommended** by the 2008 Non-motorized Transportation Task Force Report for sharing the “rules of the road” with all modes of transportation by collaborating with schools, local government, police, non-profits and for-profits utilizing multiple media and events.
6. **Reducing speeds and/or improving design safety on key downtown corridors of Highway 3 and Division Street:** *The City will formally engage the State regarding the 3rd Street intersection of Highway 3. City Staff has begun exploring the 3rd Street and 6th Street intersections of Division Street.*
7. **Tailoring parking regulations and locations for different parking purposes** including employees, short trips, and out-of-town visitors. *Council adopts policy with input from stakeholders including the Chamber, the CVB, the EDA, the NDDC, and programmers.*
8. **Improving bicycle and pedestrian accommodation to help reduce demand for automobile parking in accordance with the Comprehensive Plan** by (a) continuing to implement adopted policies including bike lanes, routes and trails (identified in the Parks, Open Space and Trail Plan), (b) integrating new projects such as the TIGER Trail at entrances to the downtown, and (c) reducing barriers to bicycle/pedestrian access and circulation downtown by broadly considering possible longer term or larger scale improvements.




20 Minute Parking Spots

 Bike Rack

 20 Minute Parking

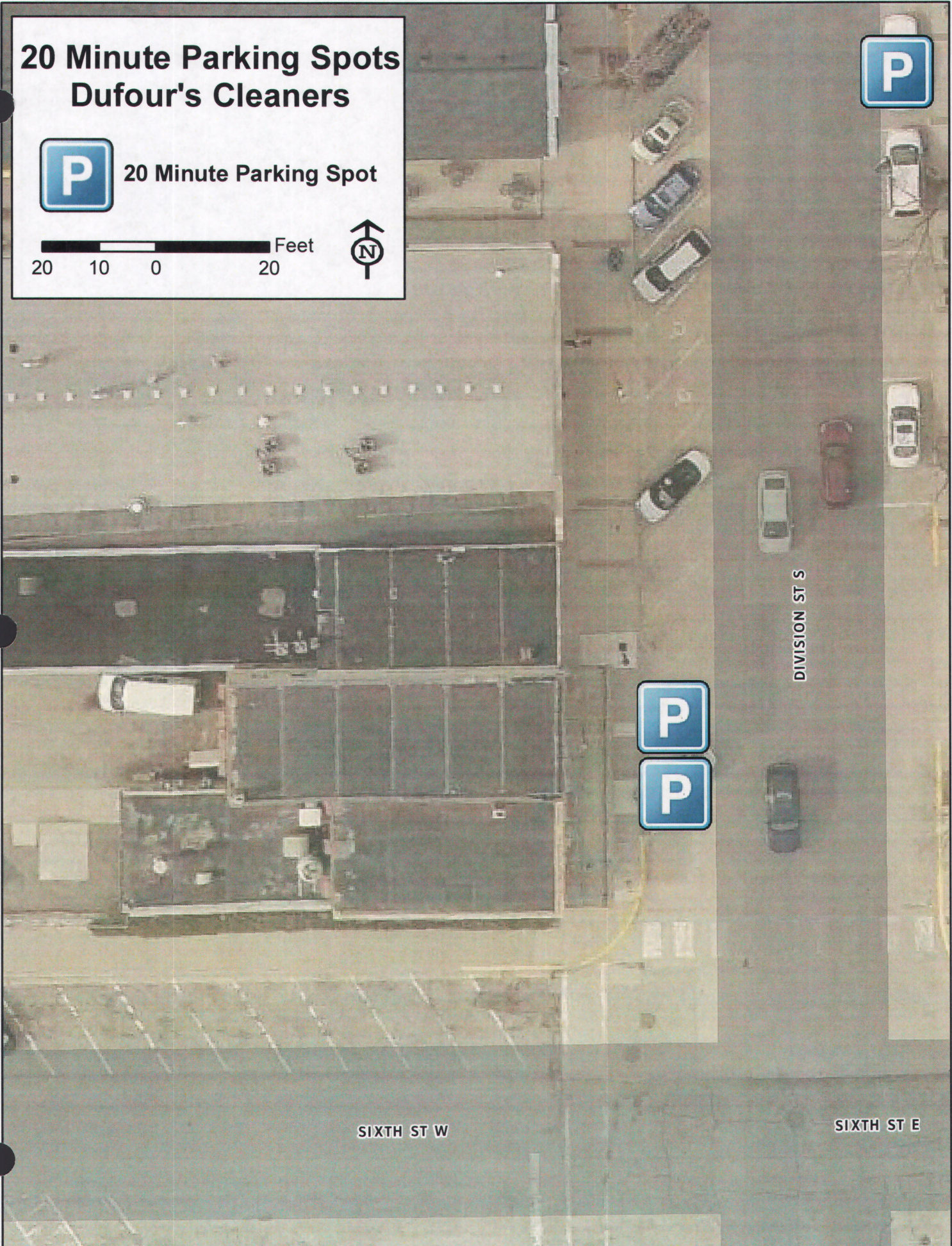
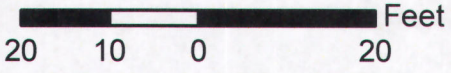
 Feet
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20 Minute Parking Spots Dufour's Cleaners



20 Minute Parking Spot



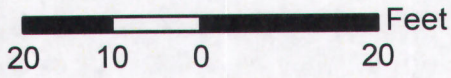
SIXTH ST W

SIXTH ST E

20 Minute Parking Spots Cocoa Bean



20 Minute Parking Spot



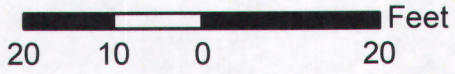
DIVISION ST S



20 Minute Parking Spots Quality Bakery & The Hideaway



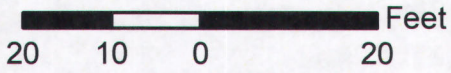
20 Minute Parking Spot



20 Minute Parking Spots Blue Monday



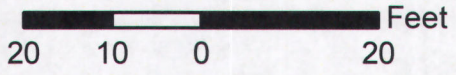
20 Minute Parking Spot



20 Minute Parking Spots Northfield Library



20 Minute Parking Spot



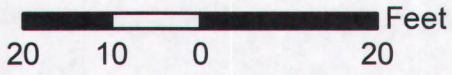
WASHINGTON ST S

THIRD ST E

20 Minute Parking Spot Basil's Pizza



20 Minute Parking Spot



THIRD ST W

WATER ST S



CITY OF NORTHFIELD, MINNESOTA
CITY COUNCIL RESOLUTION #2014-061
RESTRICTING THE FIRST PARKING SPACE ON THE EAST SIDE OF DIVISION SOUTH
OF THIRD STREET TO PARKING BICYCLES

WHEREAS, there has been considerable study and discussion with downtown area merchants and other interested parties concerning the management of available on-street parking in the downtown area of Northfield; and,

WHEREAS, out of that study and discussion the Northfield Downtown Development Corporation completed a list of eight Parking Management Recommendations, including some means of providing on-street parking for bicycles; and,

WHEREAS, the Northfield Engineering Department has evaluated the current parking spots in the downtown area, and has identified the first space on the east side of Division Street south of Third Street as being of marginal value as a vehicle parking space.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Northfield that the first parking spot on the east side of Division just south of Third Street is here by designated for bicycle parking.

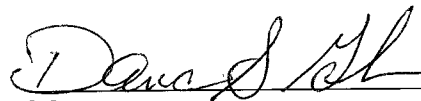
BE IT FURTHER RESOLVED by the City Council of the City of Northfield that a bicycle rack be installed at this location.

PASSED by the City Council of the City of Northfield on this 3rd day of June 2014.

ATTEST



City Clerk



Mayor

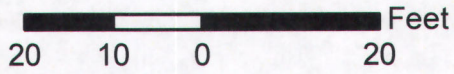
VOTE:

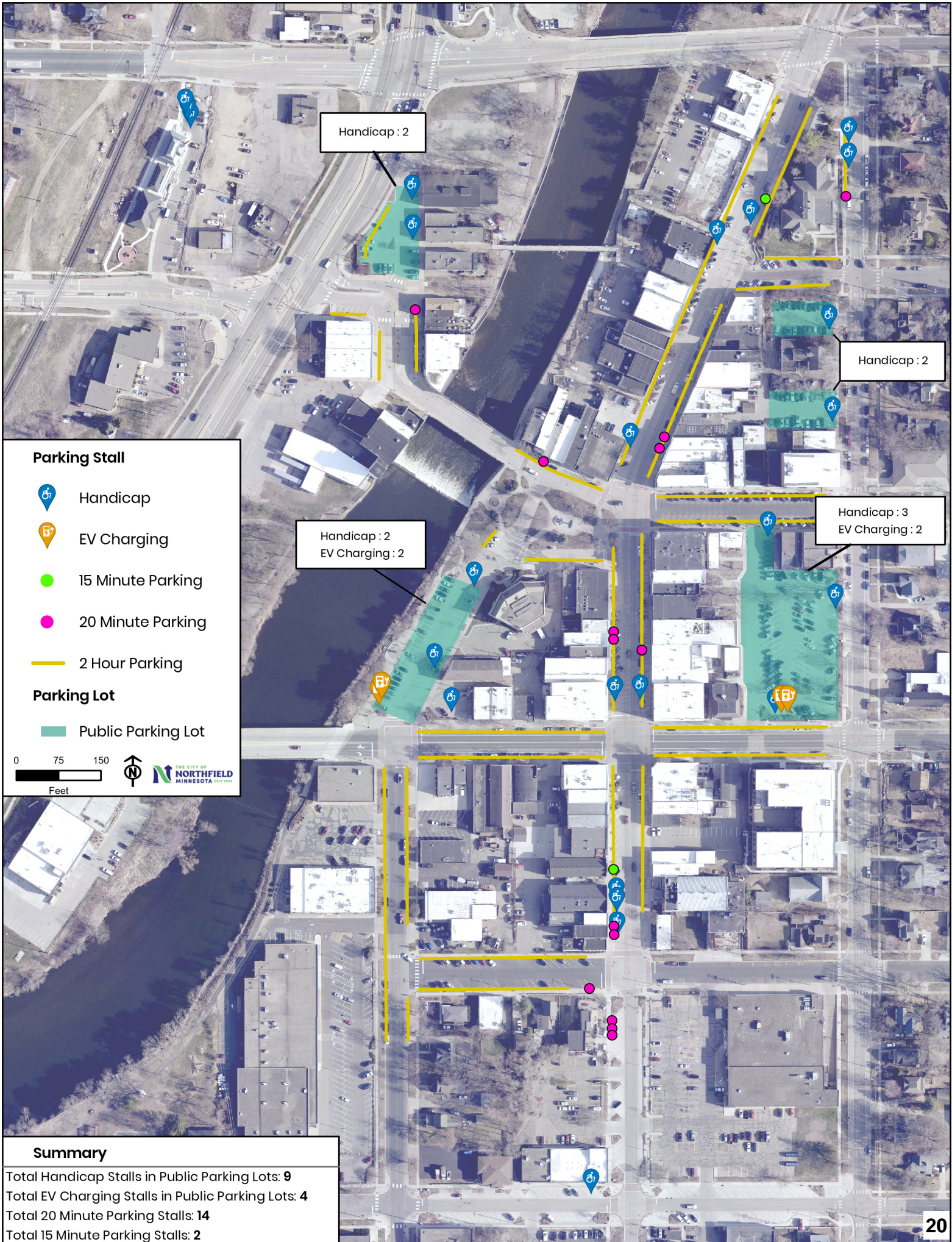
Y GRAHAM Y DELONG Y LUDESCHER Y NAKASIAN
Y PETERSON WHITE Y POWNELL Y ZWEIFEL

Bike Rack Location Division Street & Third Street








Bike Rack



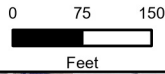


Parking Stall

-  Handicap
-  EV Charging
-  15 Minute Parking
-  20 Minute Parking
-  2 Hour Parking

Parking Lot

-  Public Parking Lot



Summary

- Total Handicap Stalls in Public Parking Lots: **9**
- Total EV Charging Stalls in Public Parking Lots: **4**
- Total 20 Minute Parking Stalls: **14**
- Total 15 Minute Parking Stalls: **2**



Legislation Text

File #: 26-252, Version: 1

City Council Meeting Date: May 12, 2026

To: Mayor and Members of Council
City Administrator

From: David E. Bennett, Public Works Director/City Engineer
Jeff Schroepfer, Police Chief

Discuss Winter Parking Rules and Overnight 2 a.m. to 6 a.m. November 15 to March 15 Winter On-Street Parking Ban.

Action Requested:

The Northfield City Council Discusses Winter Parking Rules and Overnight 2 a.m. to 6 a.m. November 15 to March 15 Winter On-Street Parking Ban.

Summary Report:

The overnight winter parking ban has been in place for decades in the City of Northfield. This overnight parking restriction has generally served the City well. It has allowed for ease of snow removal in the winter, with streets getting cleared curb to curb within 12 hours of the snow event. In addition to the ease of access for our emergency service, specifically the fire department, to have adequate clear space for responding with their apparatus.

The City has a hardship permit process for the winter parking ban. Residents can apply for permits if they have a hardship. For example, we do not issue convenience permits for residents that have available parking spaces in the garage and driveway but want to park on the street so they do not have to move specific household vehicles around. However, if the household does not have enough parking spaces in the garage and driveway, a permit is typically issued.

Below is a summary of permits issued and denied over the last three years.

Winter Season	Hardship Permits Issued	Permits Denied	Total Permit Request Received
2025-2026	31	30	61
2024-2025	15	16	31
2023-2024	17	6	23

Note: The City has ~ 5060 Households so less than 1% of households are requesting a permit

If the City is considering eliminating the winter parking restriction, and only having it required for snow emergencies, there are some things to consider.

- Northfield is a college town, and this can cause issues with college students leaving their vehicles off campus and parking in neighborhoods. This is the current issue occurring by St. Olaf, with long term storage of student vehicles. Police, if available, are trying to enforce the 48-hours parking rule.
- If the snowfall is less than 2-inches and a snow emergency is not declared, the streets that are heavily parked will not be cleared curb-curb.
 - Currently what happens and could occur more often is residents call the City after the street has been plowed but there were cars parked during these plowing operations. Once the cars move, residents call for the City to go back out and clear the street again.
 - A snow event is a 3-day plowing operation, so this could lead to numerous calls back to neighborhoods to plow streets.

Options moving forward could be to leave the winter parking as it currently is, a less restrictive winter parking system such as an example from Stillwater below or eliminating the winter overnight parking ban.

Stillwater Winter Parking

From 12:01 a.m. November 1 through midnight April 1, all vehicles parked on City streets must follow odd/even day rules www.stillwatermn.gov <<https://www.stillwatermn.gov/community/resident-resources/snow-removal-information>>:

- *Odd-numbered days: Park on the odd-addressed side of the street.*
- *Even-numbered days: Park on the even-addressed side of the street.*
- *7:00 p.m.-midnight: Move your vehicle to the side for the next day's parking.*

City Plans & Policies Relevance:

The City Winter Parking Rules are in City Ordinance Chapter 78

Sec. 78-102. - Winter parking.

- (a) It shall be illegal for any person to park a motor vehicle on any public street in the city from 2:00 a.m. to 6:00 a.m. from November 15 to March 15 in any year.
- (b) In an extreme hardship the chief of police shall have the authority to grant a permit to allow parking during the hours established in subsection (a) of this section.
- (c) Any person in violation of this section shall be subject to penalties as provided for in [sections 78-104](#) and [78-105](#).

(Code 1986, § 720:71)

Alternative Options:

Just Discussion

Financial Impacts:

NA - currently

Tentative Timelines:

NA



Legislation Text

File #: 26-253, Version: 1

City Council Meeting Date: May 12, 2026

To: Mayor and City Council
City Administrator

From: Brenda Angelstad, Finance Director
Justin Wagner, Utilities Manager
David Bennett, Public Works Director / City Engineer

Discussion of Utility Rates for 2027, 5-Year Utility Capital Improvement Plan (CIP) and Capital Equipment Plan (CEP) 2027-2031.

Action Requested:

The Northfield City Council discusses Utility Rates for 2027, 5-Year Utility Capital Improvement Plan (CIP) and Capital Equipment Plan (CEP) 2027-2031.

Summary Report:

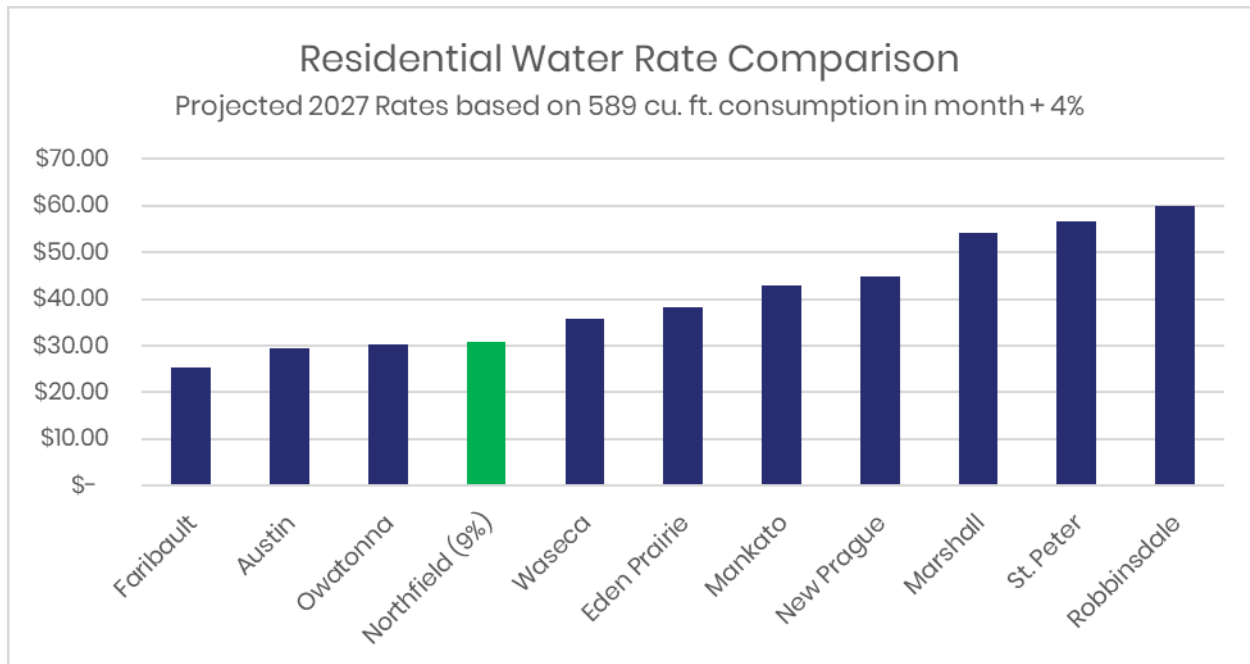
Staff will be discussing the 5-Year Utility CIP and CEP with the City Council. During the discussion, there will be areas seeking Council input for each Utility Fund.

In 2025, the City conducted a Utility Rate Study with Baker Tilly, Inc., a public sector financial advisor. The study included updated assumptions regarding budget revenue and expense projections and 10-year Capital Equipment and Capital Improvement Plans. The report was presented by Baker Tilly at the September 16, 2025, City Council Work Session. The proposed rate adjustments are following the report recommendations and the adjustments for the 2027 Utility Rates:

Water

A 9% increase is recommended for 2027. The increase is needed to maintain positive operating income as well as to pay for anticipated operating expenses, capital outlay and debt service. Additionally, the increase will provide additional fund balance for the future water treatment plant or a different future water project.

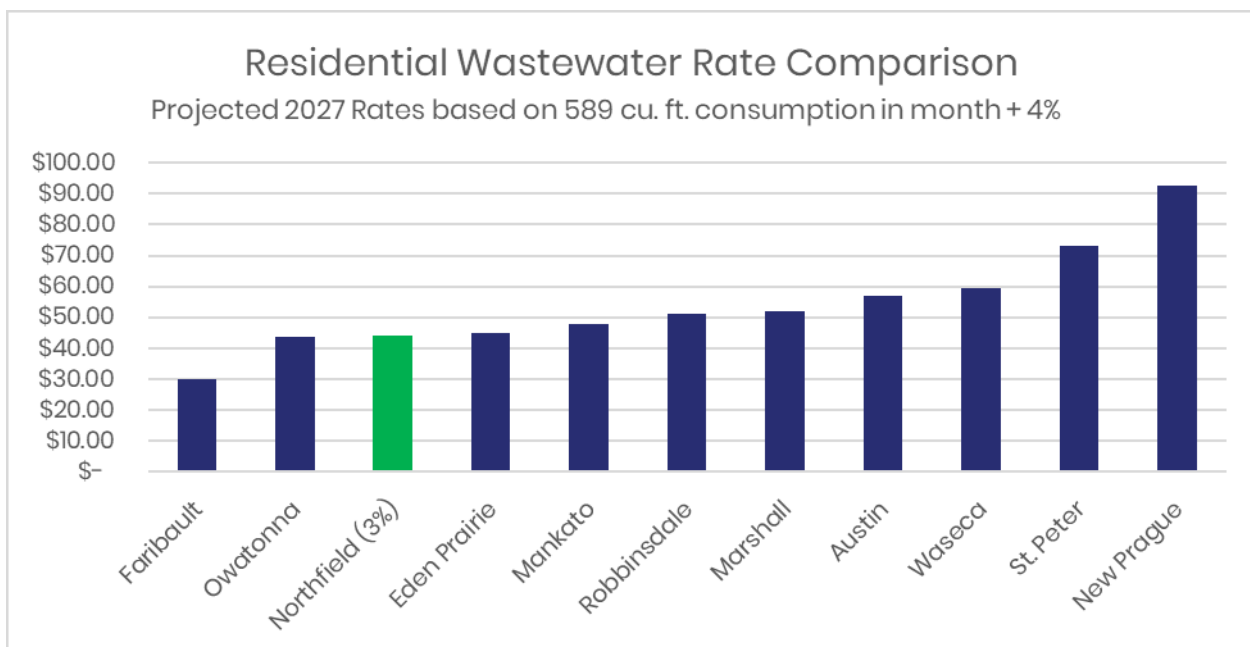
Below is a graph of comparable cities water rates.



Wastewater (Sewer)

A 3% increase is recommended for 2027. The increase is needed to maintain positive operating income as well as to pay for anticipated operating expenses, capital outlay and debt service.

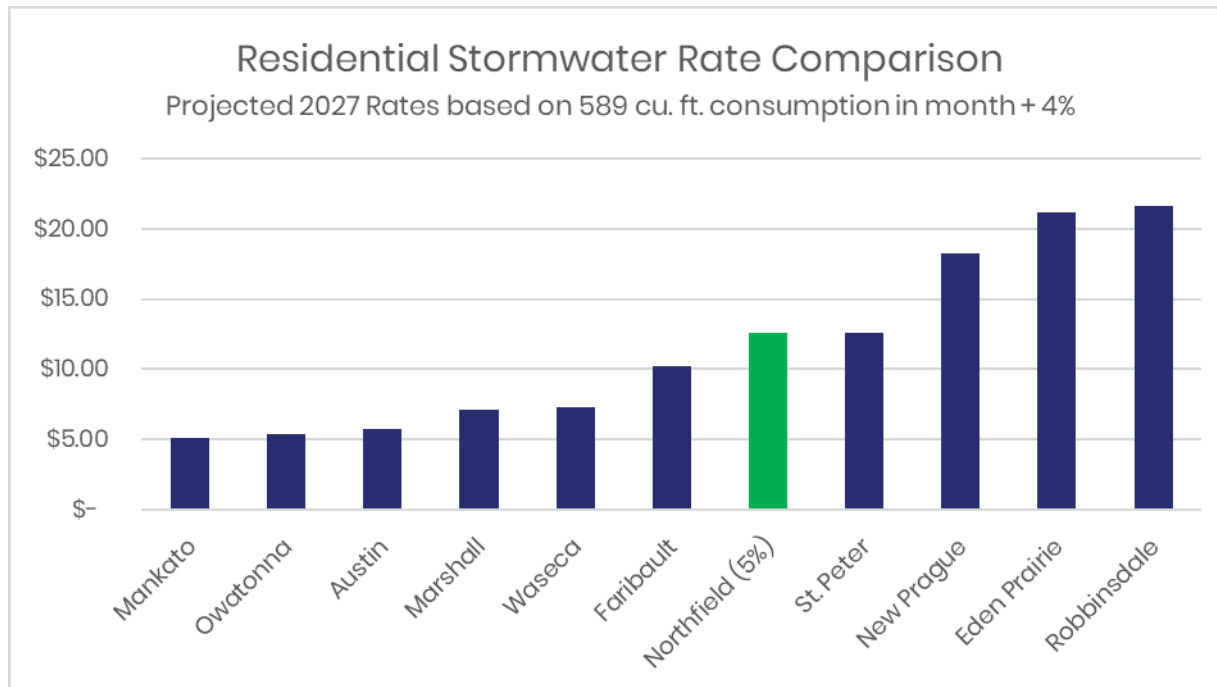
Below is a graph of comparable cities wastewater rates.



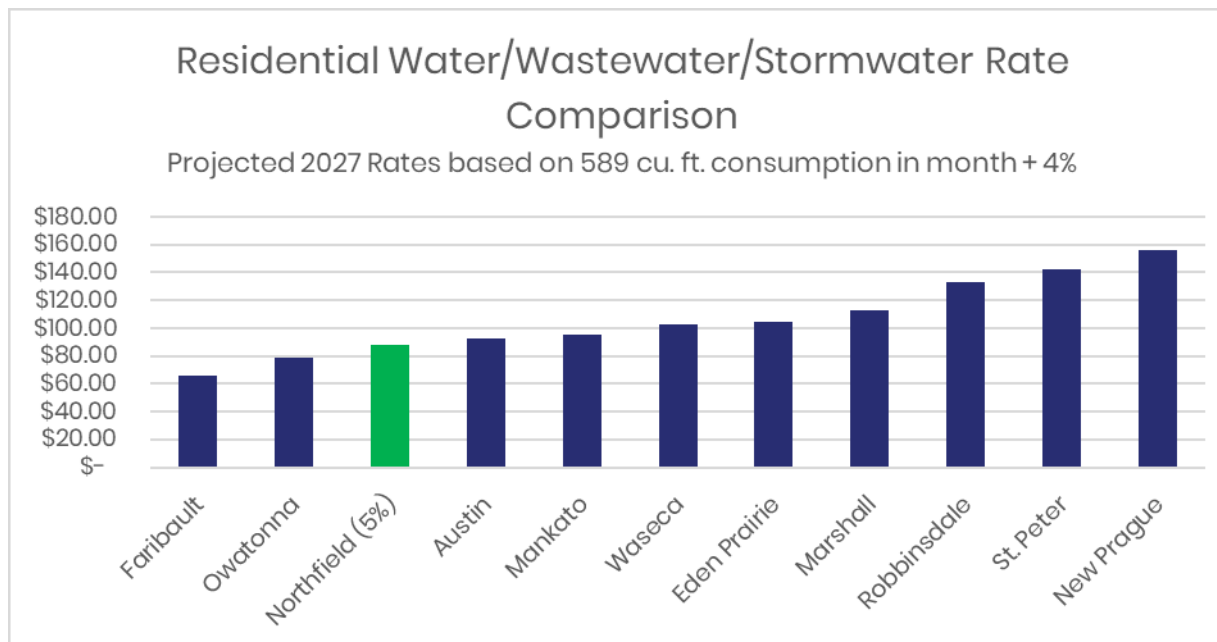
Storm Water

A 5% increase is recommended for 2027. The increase is needed to pay for anticipated operating expenses, debt service and capital outlay including the targeted amount to maintain adequate cash reserves.

Below is a graph of comparable cities stormwater rates.



Below is a graph of comparable cities with combined water, wastewater and stormwater rates.



Garbage Rates

A 6.5% increase recommended for 2027. The increase is needed to pay for anticipated operating expenses, debt service and capital outlay including the targeted amount to maintain adequate cash reserves.

Alternative Options:

N/A

Financial Impacts:

The proposed rate increases allow us to maintain our facilities. An average residential customer who uses 589 cubic feet of water monthly would see their water rates grow from \$28.31 to \$30.85 in 2027. An average residential customer who uses 589 cubic feet of wastewater monthly would see their wastewater rates grow from \$42.99 to \$44.28 in 2027. An average residential customer that owns 0.33 acres of land would see an increase in stormwater rates from \$11.98 to \$12.58 in 2027. An average resident that uses a 35 gallon garbage can would see an increase from \$13.30 to \$13.77 in 2027.

The average monthly residential total water, wastewater, stormwater and garbage rates would go from \$96.58 to \$101.49 or an increase of \$4.91 per month.

Tentative Timelines:

New rates would take effect January 1, 2027.



Utility Funds Capital Planning and Budgeting

May 12, 2026

Agenda



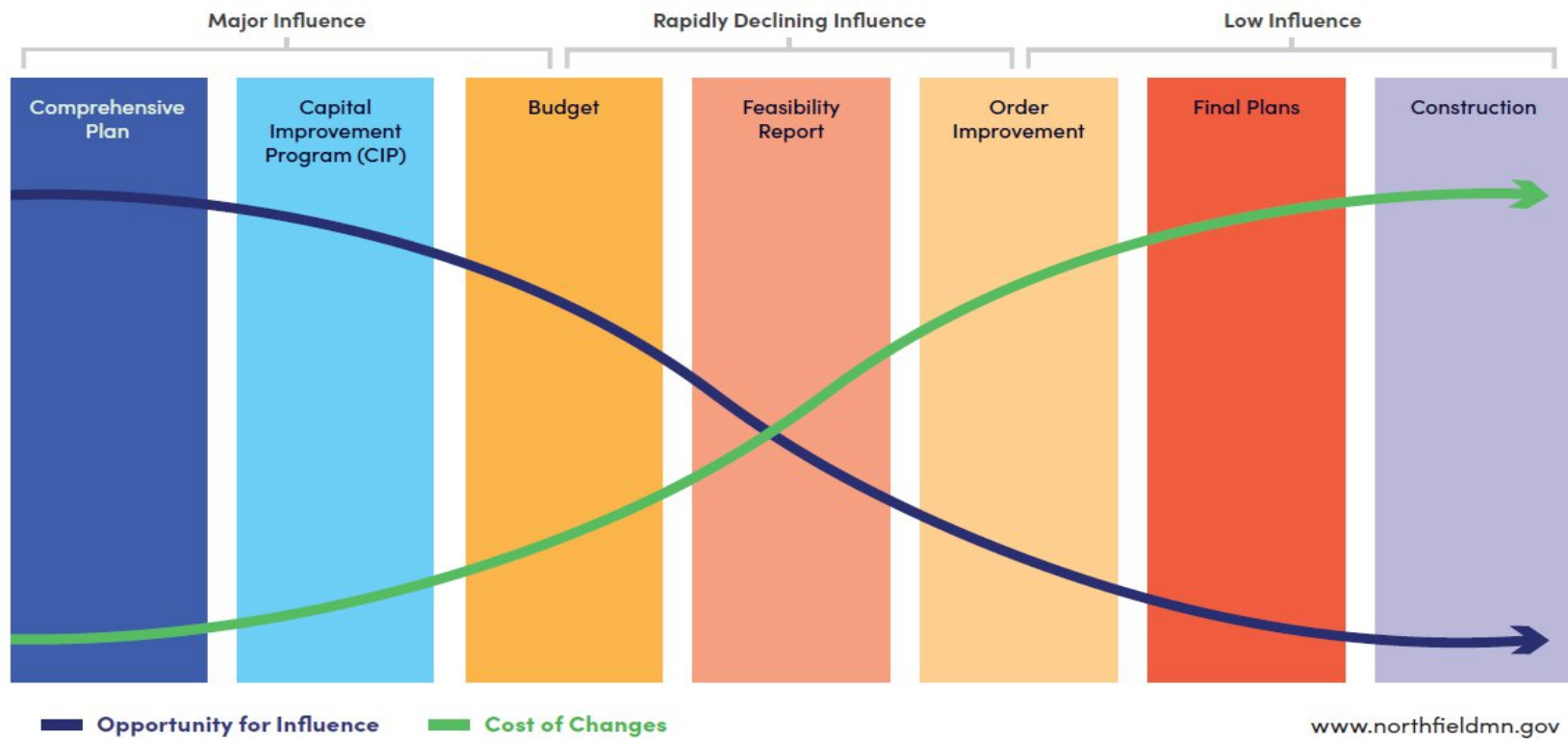
- Council Utility Policy Input on Budget/CIP
- Utility Funds Capital Planning
- Rate Study Recommendations
- Rates

Council Input



- Water Fund
 - Water Meters
 - Lead Service Lines
- Wastewater Fund
 - NW Area Trunk Sewer Final Design/Land Acquisition
- Storm Water Fund
 - Storm Water - Homes at Risk for Flooding
 - Design - Floodwall - West Riverwall Extension
- Garbage Fund
 - Compost Site- Emergency Exit (train blocking access)

Project Influence



www.northfieldmn.gov

Concept Rendering



Northwest Area Water Tower 2026-

 ENHANCED WATER REDUNDANCY FOR NH+C

 SUPPORTS COMMUNITY GROWTH

 BUILT FOR LONG-TERM RELIABILITY

 SMART INVESTMENT IN NORTHFIELD'S FUTURE



Meter Replacement



Items to consider for future years

- Gallons or cubic feet
- Leak detection options - resident monitoring/portal

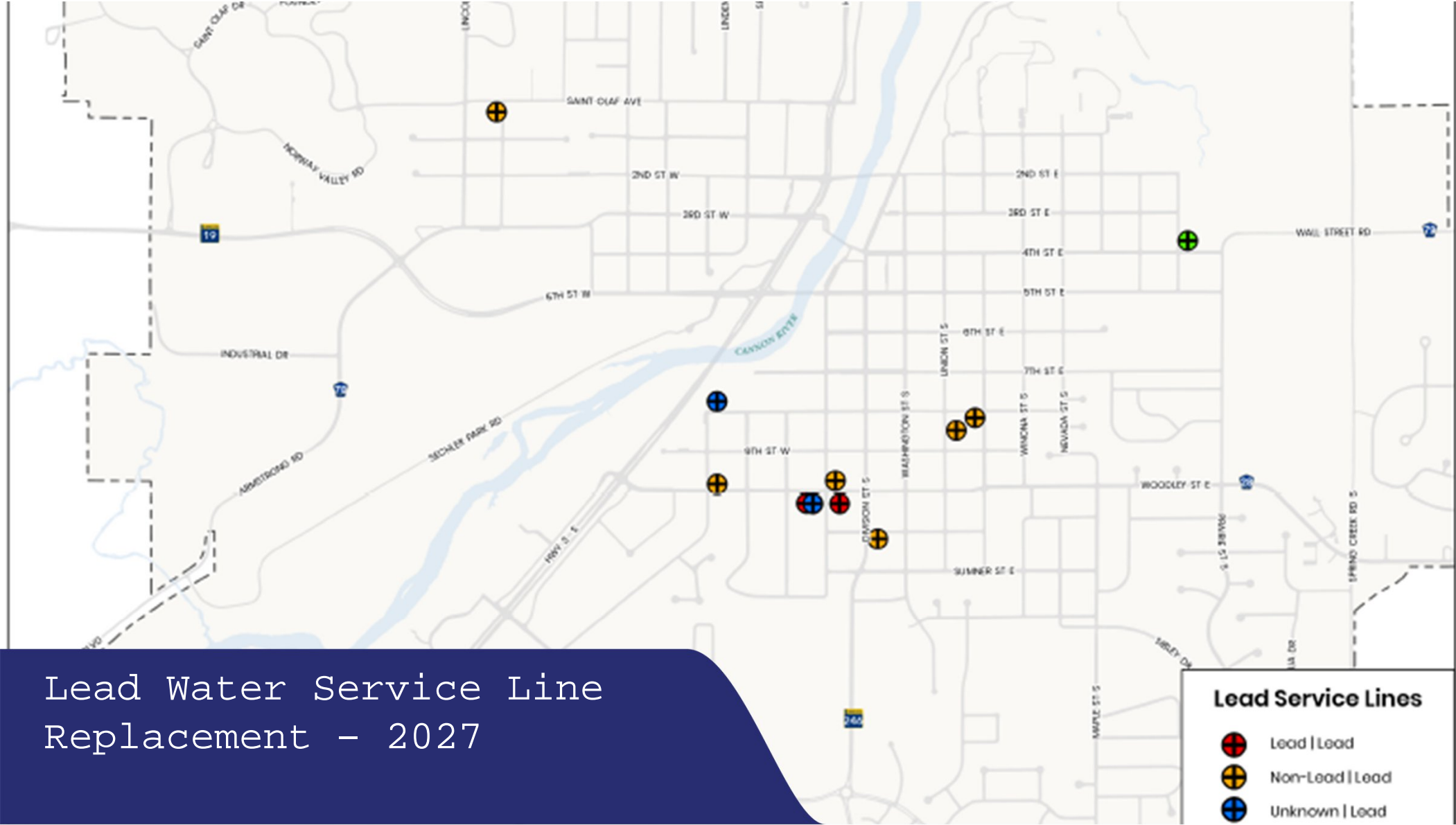


Part-Time Administrative Associate



- Part-Time Permanent Utilities Administrative Associate
 - Schedule water meter replacement appointments and maintain databases related to water meter replacement project
 - Communicate with public potential water leaks
 - Once have new water meters and collector system, we will have the ability to see leaks and communicate with residents. Currently, do not have staff capacity to proactively reach out to residents
 - Provide general utilities administrative functions
 - Currently provided by both Street and Parks Administrative

Lead Water Service Line Replacement - 2027



Lead Water Service Line Replacement – Policy Question



- Staff recommending replacement of all lead or galvanized (5 services) requiring replacement services not on TH 246 for 2027.
- Staff is determining if able to use excess funding from 2024 lead service line project for 2027 service replacement, if grant funding is not available, should staff pursue complete service line replacement at City cost? ~\$15,000 each service, \$75,000 - \$100,000 Project total

Well No. 03 Generator and MCC Replacement - 2027



Well No. 04 MCC & Generator Replacement - 2027



2027 Sanitary Sewer Lining Project (Lincoln Parkway)



Northwest Area Trunk Sewer Extension



- 2026 30% Plans and Environmental Work Getting Complete
- 2027 Should project move into Final Design and then Land Acquisition.

Replacement of 2017 Ford F-150 2027



Skid Loader and Attachments 2027



Replacement of 2018 Ford F-250 and valve wrench



Replacement of 2017 Ford F-350 - 2027



Replacement of John Deere Mower - 2027

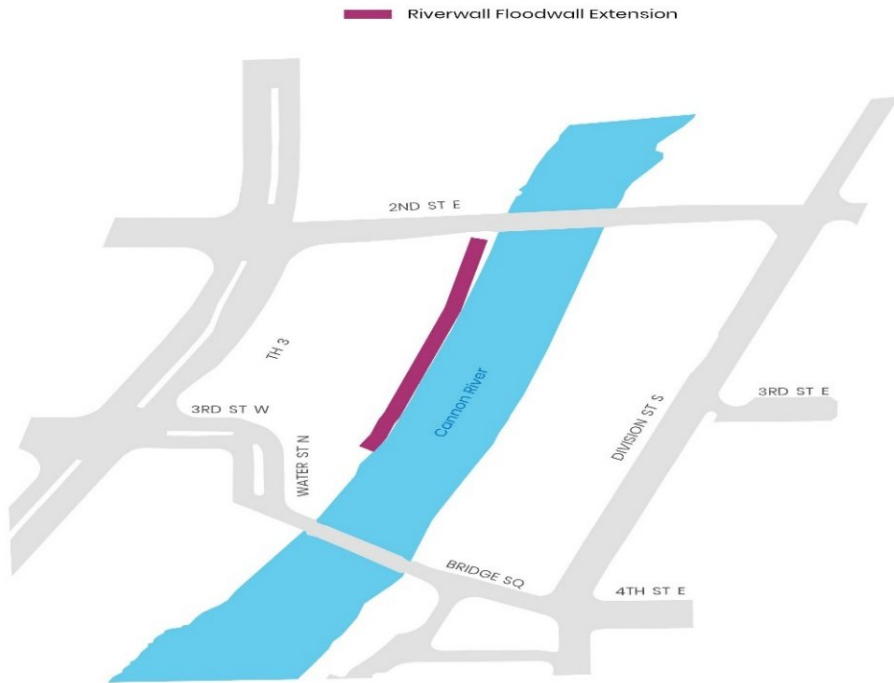


Replacement of 2018 Ford F-150 - 2028



CIP [Storm Projects]

West River Wall Floodwall Extension - 2027

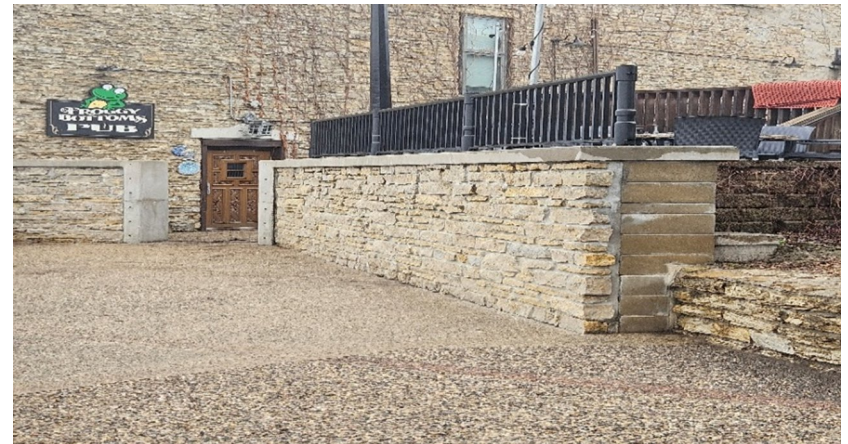


Project Area

- West Side River wall from Froggy Bottoms to the Second Street Bridge

Project Scope

- Interior River Wall Floodwall Extension



Note: City applied for Project Grant that in 2024 and 2026 and wasn't successful. Should City budget for

CIP [Storm Projects]

Flood Protection Project - 2028



City Council Direction - September 16, 2025

1. 1300 Parmeadow Drive

1. Does Council support pursuing a grant for acquisition and removal of the structure that is at-risk for flooding? - **Council Direction to pursue funding**
2. City will be pursuing grants, property appraisal ordered.

2. The other 4 properties (6 & 7 Lincoln Lane, 514 Sumner Street, 206 Plum Street)

1. This wouldn't be grant eligible, due to not in floodplain
2. City purchase and either modify, redevelop, or remove structure? - **Council direction to come back with additional options related to redevelop/different housing. Saff has reengaged with 3 of 4 property owners at this**

CIP [Storm Projects]

Flood Protection Project - 2028

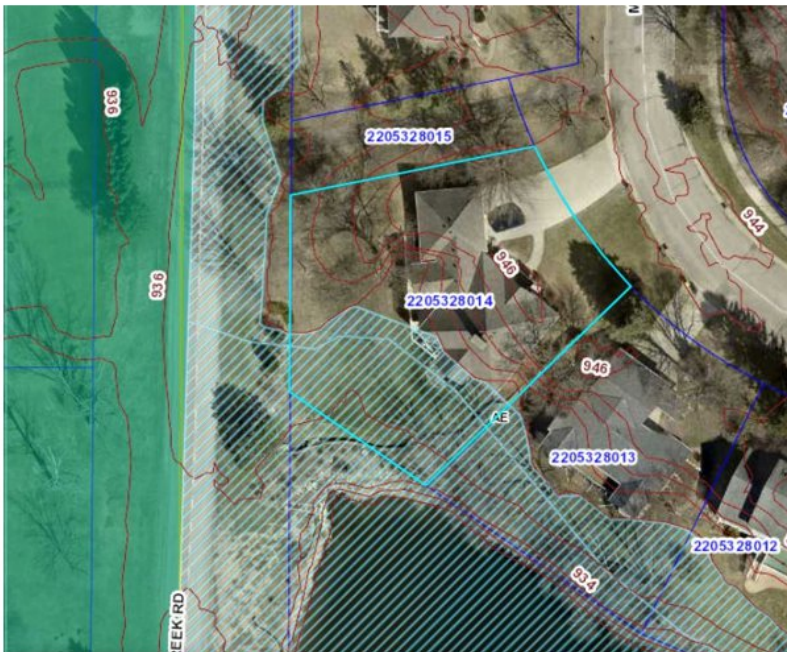


Address	Cost	Improvement	Participation
7 Lincoln Lane	\$300,000	Walkout to Full Basement	Maybe willing to participate
6 Lincoln Lane	\$300,000	Walkout to Full Basement	Not willing to participate Property changed hands since initial meeting, maybe willing now
514 Sumner Street	\$217,500	Walkout to Lookout	Not willing to participate
206 Plum Street	\$217,500	Walkout to Lookout	Willing to participate initially/Waiting on reengagement meeting
1300 Parmeadow Drive	\$574,000 (Rice County EMV)	Acquisition	Willing to participate (Home Acquisition)
Total Cost	\$1,609,000		

CIP [Storm Projects]

Flood Protection Project - 2028

1300 Parmeadow Drive



- Issues/Restrictions
 - House intercepts FEMA AE flood zone
 - Water trapped by further flood berm extension
 - FEMA & MnDNR permitting required for any fill in floodplain or modification to the discharge



- Apply for grant to purchase property

CIP [Storm Projects]

Flood Protection Project – 2028

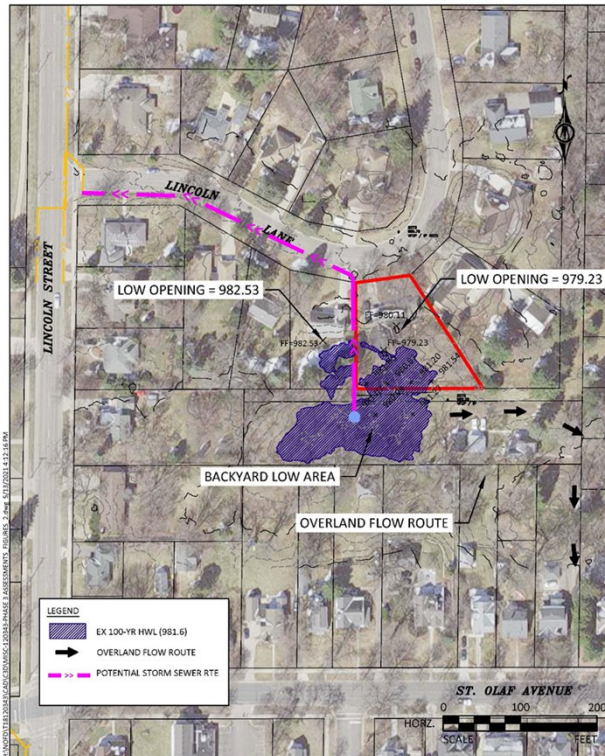
7 Lincoln Lane



Neighborhood Drainage Assessments
Northfield, MN

FIGURE NFA-1 : 6 & 7 LINCOLN LN
July 2020

BOLTON & MENK



- Recommended Improvement
 - Walkout to Full Basement Conversion
 - Increase freeboard by 4 feet
 - Estimated cost - \$300,000
- Future CIP Project
 - House Conversion Project



CIP [Storm Projects]

Flood Protection Project - 2028

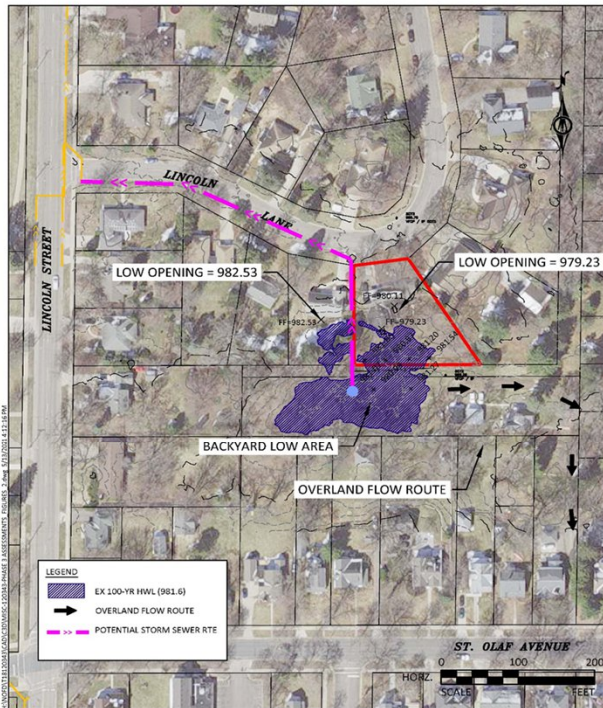
6 Lincoln Lane



Neighborhood Drainage Assessments
Northfield, MN

FIGURE NFA-1 : 6 & 7 LINCOLN LN

July 2020



- Recommended Improvement
 - Walkout to Full Basement Conversion
 - Increase freeboard by 4 feet
 - Estimated cost - \$300,000
- Future CIP Project
 - House Conversion Project

CIP [Storm Projects]

Flood Protection Project - 2028

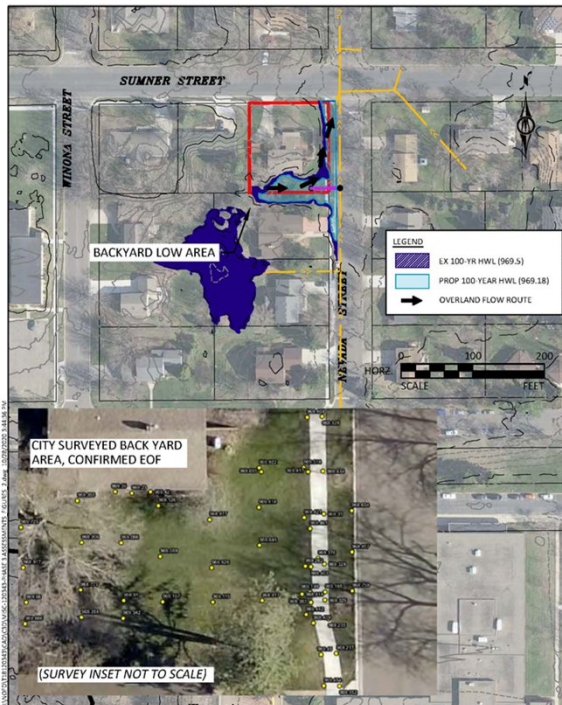
514 Sumner Street



Neighborhood Drainage Assessments
Northfield, MN

FIGURE NFA-3: 514 SUMNER ST E

July 2020



- Recommended Improvement
 - Walkout to Lookout Conversion
 - Increase freeboard by 3.5 feet
 - Estimated cost – \$217,500
- Future CIP Project
 - House Conversion Project



CIP [Storm Projects]

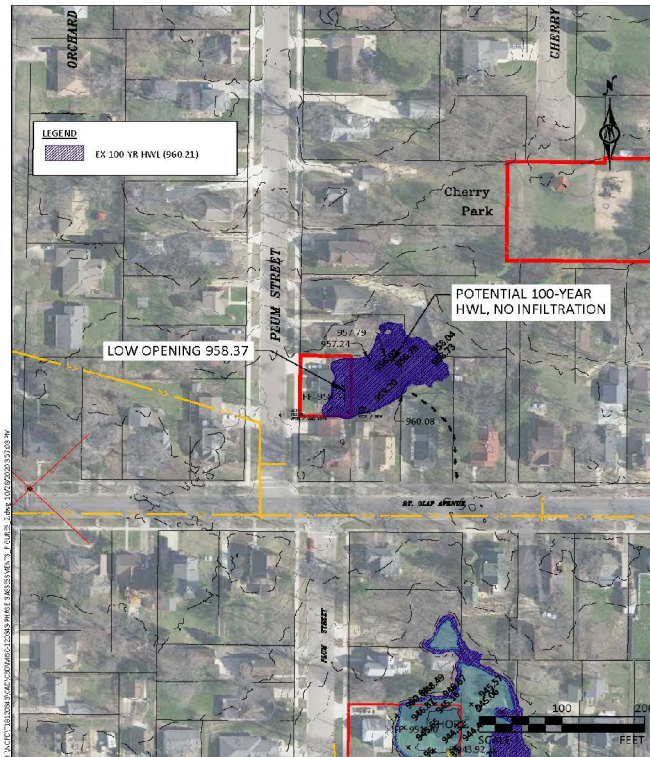
Flood Protection Project – 2028

206 Plum Street



206 Plum Street

Neighborhood Drainage Assessments **FIGURE NFA-14: 206 PLUM STREET** BOLTON & MENK
Northfield, MN July 2020



- Recommended Improvement
 - Walkout to Lookout Conversion
 - Grade property to keep water away from foundation
 - Increase freeboard by 3.5 feet
 - Estimated cost – \$217,500
- Future CIP Project
 - House Conversion Project

CIP [Storm Projects]

Hills #3, Cannon & Locust Pond Dredging - 2030



Project Area

- Hills of Spring Creek Pond #3
- Cannon Commercial Pond
- Locust Upper Pond
- Parmeadow Pond #1 Overflow Repair



CIP [Storm Projects]

Improving Surface Water Quality
2031 and beyond



Background

- Northfield authorized coverage by MPCA under MS4 General Permit
- Under this permit, the city received Wasteload Allocation (WLA) from the TMDLs prepared in Cannon River Watershed and Restoration Protection Strategies report
- Study intended to identify ways the City can further reduce storm water pollution and implement strategies to assist in meeting WLAs over next several decades
- Barr was hired to develop WLA Implementation Plan and adaptive tool to support future modeling scenarios and plan development

CIP [Storm Projects]

Improving Surface Water Quality
Northfield Wasteload Allocation (WLA)
2031 and beyond



WLA Implementation Plan

- Street sweeping—emphasizes pipesheds outside of downtown zone that currently lack stormwater treatment from structural BMPs - **Implemented**
- Street reclamation and overlay projects—implement structural BMPs in same pipesheds prioritized for street sweeping - **Implemented**
- Agricultural sources—credit structural BMPs implemented with future development - **Ongoing**
- Streambank and bed erosion—inventory and stabilize existing sources of erosion - **In process**
- Chemical treatment of Spring Creek flow—survey/verify existing TP load reduction; enhance TP load reduction with alum treatment (plant or aerial application) - **not explored yet**

CEP [Vehicle Replacement]

2017 Ford F150 Replacement - Stormwater



Replacement Vehicle

- Ford Maverick
 - All Wheel Drive
 - 2.5L Hybrid Engine



Garbage Fund Compost Site



Compost Site Emergency Exit

- Resident using the site can get trapped within the site when train blocks the driveway. This can be for extended periods of time due to railyard behind Post, and trains switching cars.
- 2024 Feasibility Memo prepared, 2024 approximate cost is \$800,000. The primary cost is for the box culvers to cross Heath Creek.
- Should this project move into design in 2027 and construction in 2028?

Rate Study Recommendations



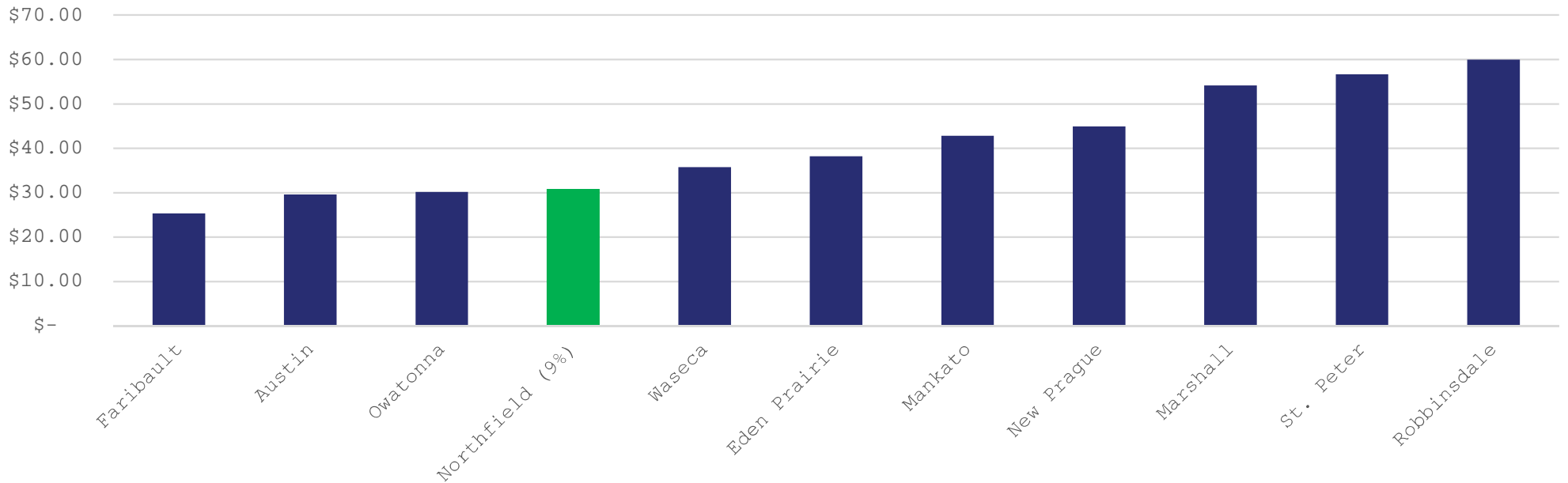
- 2025 Utility Rate Study Update
 - Projects Rates from 2026 – 2035
- Recommended Utility Rates 2027
 - Water – 9.0% through 2030
 - Wastewater – 3.0%
 - Stormwater – 5.0% through 2027, then 2%
 - Garbage – 6.5% through 2027, then 3%

Comparable Water Rates



Residential Water Rate Comparison

Projected 2027 Rates based on 589 cu. ft. consumption in month + 4%

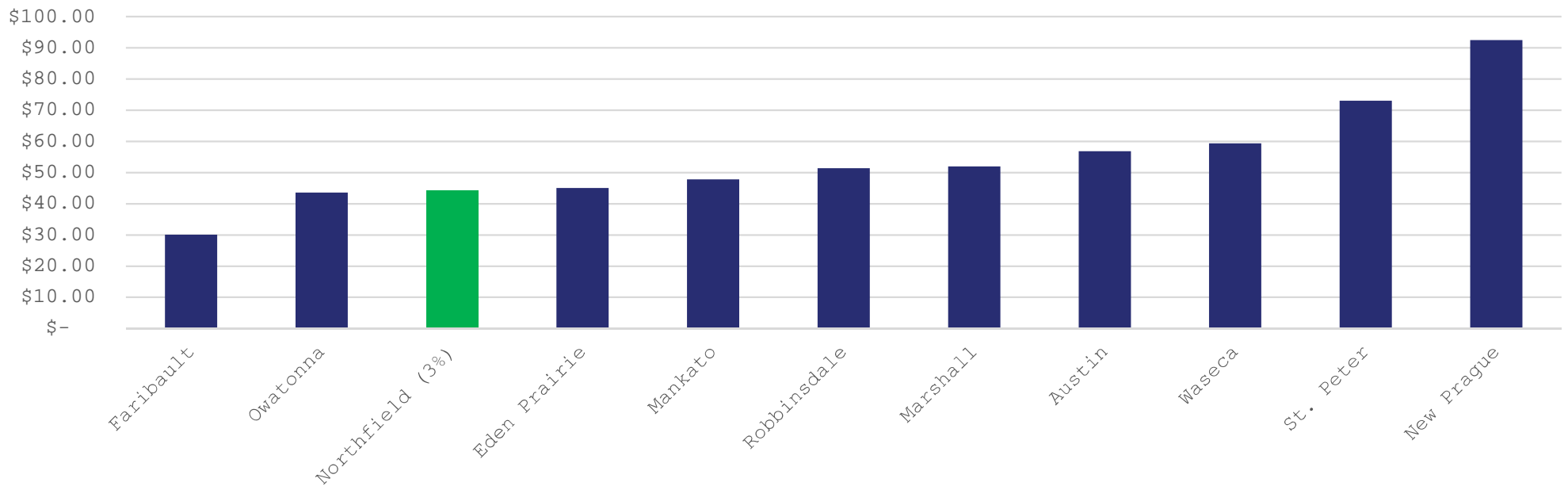


Comparable Wastewater Rates



Residential Wastewater Rate Comparison

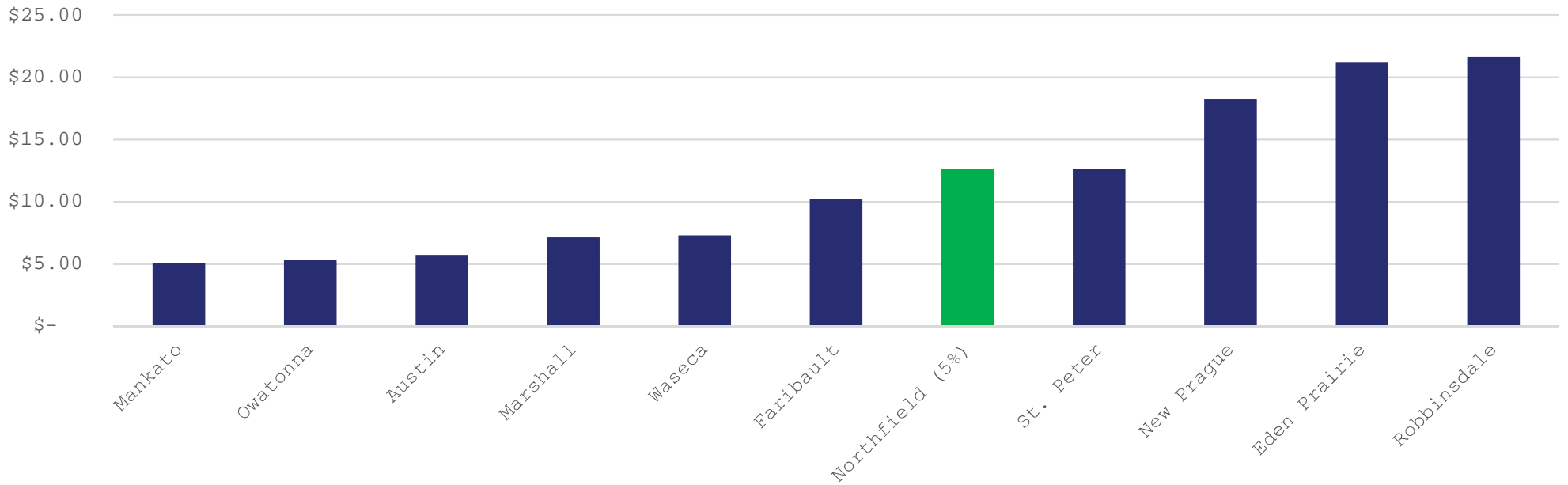
Projected 2027 Rates based on 589 cu. ft. consumption in month + 4%



Comparable Stormwater Rates



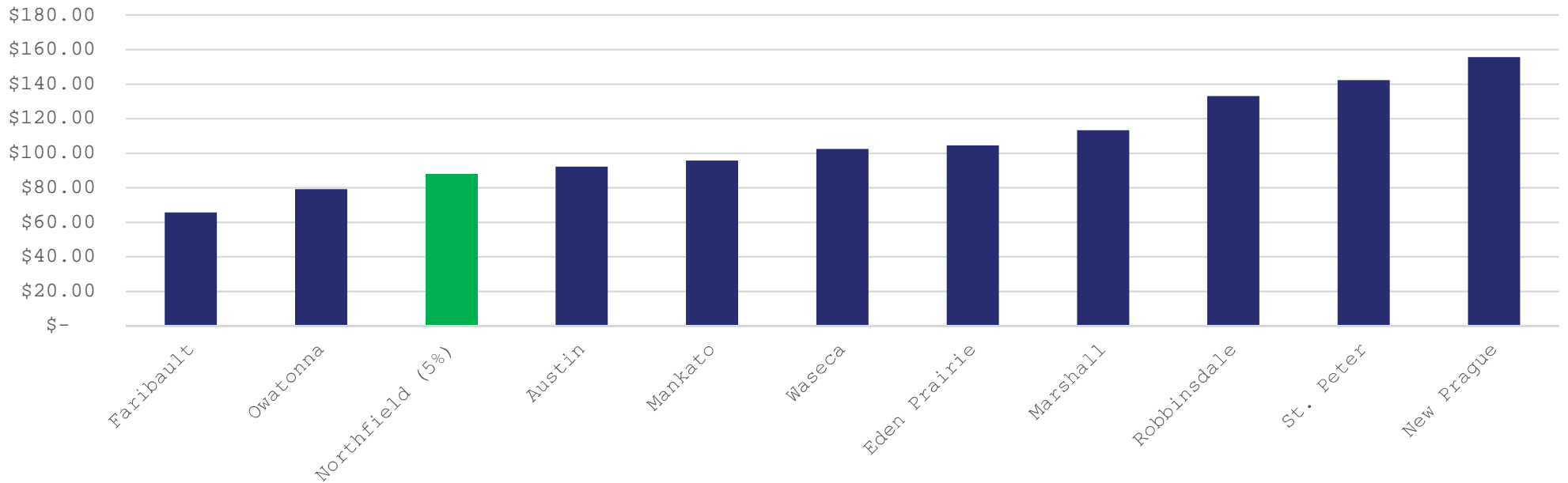
Residential Stormwater Rate Comparison
Projected 2027 Rates based on 589 cu. ft. consumption in month + 4%



Comparable Water, Wastewater & Stormwater Rates



Residential Water/Wastewater/Stormwater Rate Comparison
Projected 2027 Rates based on 589 cu. ft. consumption in month + 4%



Projected Residential Utility Bill based on Rate Study



Sample Bills - Residential							
Average Residential							
	589 cubic feet						
	0.33 acre lot						
	2025	2026	2027	2028	2029	2029	2030
Water	\$ 25.97	\$ 28.31	\$ 30.85	\$ 33.63	\$ 36.66	\$ 39.96	\$ 41.16
Sewer	\$ 41.74	\$ 42.99	\$ 44.28	\$ 45.61	\$ 46.98	\$ 48.39	\$ 49.84
Garbage (35 gal)	\$ 12.55	\$ 13.30	\$ 13.77	\$ 14.25	\$ 14.75	\$ 15.27	\$ 15.80
Storm Water	\$ 11.41	\$ 11.98	\$ 12.58	\$ 12.83	\$ 13.09	\$ 13.35	\$ 13.62
	\$ 91.67	\$ 96.58	\$ 101.49	\$ 106.32	\$ 111.47	\$ 116.96	\$ 120.41

Council Discussion/Input



- Water Fund
 - Water Meters - Billing Unit (Currently Cubic Feet, could switch to Gallon)
 - Adding customer portal to meters to monitor for leaks
 - Lead Service Lines - 5 services - approximately \$100,000
- Wastewater Fund
 - NW Area Trunk Sewer Final Design/Land Acquisition
- Storm Water Fund
 - Storm Water - Homes at Risk for Flooding
 - Design - Floodwall - West Riverwall Extension
- Garbage Fund
 - Compost Site- Emergency Exit (train blocking access)

Council Discussion/Input



- Capital Improvement Plan projects questions/input
- Capital Equipment Plan questions/input
- Questions on proposed 2027 Rates

Next Steps



- Proposed adoption of Utility Rates September 22, 2026

Questions/Discussion

2027 through 2031
Capital Improvement Plan
City of Northfield
Projects By Department

Department	Project #	Priority	2027	2028	2029	2030	2031	Total
Stormwater Division								
Flood Protection Project	SW-2028-001	2		2,500,000				2,500,000
Hills of Spring Creek #3, Cannon & Locust Pond Dredging and Parmeadow Pond #1 overflow repair	SW- 2030-001	3				670,000		670,000
Replacement of 2017 F150	SW-2027-001	3	35,000					35,000
West Riverwall Floodwall Extension	SW-2027-002	2	4,000,000					4,000,000
Stormwater Division Total			4,035,000	2,500,000	0	670,000	0	7,205,000
Wastewater Division								
BAF Influent Valves	WW-2031-001	3	200,000					200,000
BioSolids Cake Storage	WW-2030-002	1				10,638,109		10,638,109
Replacement of 2006 Ford F-350	WW-2026-004	3	65,000					65,000
Replacement of 2015 Portable Trash Pump	WW-2030-001	2				107,208		107,208
Replacement of 2017 Ford F-350	WW-2027-002	3	100,000					100,000
Replacement of 2018 Ford F-150	WW-2028-001	3		50,000				50,000
Replacement of 2019 Ford Transit TV Van	WW-2029-001	3			250,000			250,000
Replacement of John Deere Mower	WW-2027-003	3	15,000					15,000
Sanitary Sewer Lining Project (Lincoln Parkway)	WW-2027-001	2	600,000					600,000
Wastewater Driveway Replacement	WW-2030-004	3				200,000		200,000
Water Supply System	WW-2030-003	2				2,713,532		2,713,532
Wastewater Division Total			980,000	50,000	250,000	13,658,849	0	14,938,849
Water Division								
Hall Ave. Elevated Tank Painting	W-2028-005	2		1,000,000				1,000,000
Highway 3 Watermain Repair	W-2028-011	2		1,000,000				1,000,000
Lead Service Line Replacement	W-2027-010	3	150,000					150,000
Meter Replacement	W-2027-001	2	3,900,000					3,900,000
Replacement of 2017 Ford F-150	W-2027-003	3	50,000					50,000
Replacement of 2018 Ford F-250	W-2028-002	3		65,000				65,000
Replacement of 2020 Ford F-150	W-2030-001	3				50,000		50,000
Replacement of Valve Wrench	W-2028-003	3		15,000				15,000
Skid Loader and Attachments	W-2027-005	2	120,000					120,000
St. Olaf North Ground Storage Tank Painting	W-2028-001	2		1,000,000				1,000,000
St. Olaf South Ground Storage Tank Painting	W-2028-006	2		1,000,000				1,000,000
Well No. 03 Generator Replacement	W-2027-008	2	120,000					120,000
Well No. 03 MCC Replacement	W-2027-009	2	200,000					200,000
Well No. 04 Generator Replacement	W-2027-006	2	120,000					120,000
Well No. 04 MCC Replacement	W-2027-007	2	200,000					200,000
Water Division Total			4,860,000	4,080,000	0	50,000	0	8,990,000
GRAND TOTAL			9,875,000	6,630,000	250,000	14,378,849	0	31,133,849

2027 through 2031
Capital Improvement Plan
City of Northfield
Projects By Funding Source

Source	Project #	Priority	2027	2028	2029	2030	2031	Total
Garbage Fund								
Compost Site Emergency Exit	E-2028-005	3		1,000,000				1,000,000
Garbage Fund Total			0	1,000,000	0	0	0	1,000,000

Grant								
Flood Protection Project	SW-2028-001	2		500,000				500,000
Lead Service Line Replacement	W-2027-010	3	150,000					150,000
Riverside Lions (8th St) Playground & Bathroom Improvements	P-2029-002	2		500,000				500,000
TH 19 Reconstruction	E-2028-001	2		1,092,913				1,092,913
TH 246/CSAH 1 Rounabout	E-2029-010	1			750,000			750,000
TH 246 Reconstruction	E-2028-009	1		20,871,000				20,871,000
TH 3 Trail	E-2030-002	1				888,000		888,000
West Riverwall Floodwall Extension	SW-2027-002	2	2,000,000					2,000,000
Grant Total			2,150,000	22,963,913	750,000	888,000	0	26,751,913

Stormwater Fund								
2027 Reclamation Project	E-2027-001	1	171,559					171,559
2028 Street Reclamation Project	E-2028-002	2		210,881				210,881
2029 Reclamation Project	E-2029-001	2			80,477			80,477
Armstrong Road Reclamation	E-2029-007	2			131,471			131,471
Armstrong Road Reconstruction	E-2029-008	2			100,000			100,000
Bridge Square	P-2030-002	2				218,772		218,772
Cannon Valley Drive Mill and Overlay	E-2031-002	2					90,792	90,792
Eaves Avenue Mill and Overlay	E-2029-004	2			146,720			146,720
Flood Protection Project	SW-2028-001	2		2,000,000				2,000,000
Greenvale Avenue Mill and Overlay	E-2031-001	2					187,082	187,082
Hills of Spring Creek #3, Cannon & Locust Pond Dredging and Parmeadow Pond #1 overflow repair	SW-2030-001	3				670,000		670,000
Jefferson Road Mill and Overlay	E-2030-001	2				302,768		302,768
Presidential Commons Mill and Overlay	E-2031-003	2					164,295	164,295
TH 19 Reconstruction	E-2028-001	2		100,000				100,000
TH 246 Reconstruction	E-2028-009	1		1,797,659				1,797,659
Water Street Mill and Overlay	E-2029-002	2			127,078			127,078
West Riverwall Floodwall Extension	SW-2027-002	2	2,000,000					2,000,000
Stormwater Fund Total			2,171,559	4,108,540	585,746	1,191,540	442,169	8,499,554

Waste Water Fund								
2027 Reclamation Project	E-2027-001	1	32,527					32,527
2028 Street Reclamation Project	E-2028-002	2		50,400				50,400
2029 Reclamation Project	E-2029-001	2			36,581			36,581
Armstrong Road Reclamation	E-2029-007	2			37,032			37,032
BAF Influent Valves	WW-2031-001	3	200,000					200,000
BioSolids Cake Storage	WW-2030-002	1				10,638,109		10,638,109
Bridge Square	P-2030-002	2				99,442		99,442

Source	Project #	Priority	2027	2028	2029	2030	2031	Total
Cannon Valley Drive Mill and Overlay	E-2031-002	2					18,542	18,542
Greenvale Avenue Mill and Overlay	E-2031-001	2					62,310	62,310
Jefferson Road Mill and Overlay	E-2030-001	2				114,894		114,894
Presidential Commons Mill and Overlay	E-2031-003	2					51,952	51,952
Sanitary Sewer Lining Project (Lincoln Parkway)	WW-2027-001	2	600,000					600,000
TH 19 Reconstruction	E-2028-001	2		50,000				50,000
TH 246 Reconstruction	E-2028-009	1		453,250				453,250
Wastewater Driveway Replacement	WW-2030-004	3				200,000		200,000
Water Street Mill and Overlay	E-2029-002	2			15,198			15,198
Water Supply System	WW-2030-003	2				2,713,532		2,713,532
Waste Water Fund Total			832,527	553,650	88,811	13,765,977	132,804	15,373,769

Water Fund

2027 Reclamation Project	E-2027-001	1	26,021					26,021
2028 Street Reclamation Project	E-2028-002	2		212,320				212,320
2029 Reclamation Project	E-2029-001	2			65,264			65,264
Armstrong Road Reclamation	E-2029-007	2			65,626			65,626
Armstrong Road Reconstruction	E-2029-008	2			591,057			591,057
Bridge Square	P-2030-002	2				79,554		79,554
Cannon Valley Drive Mill and Overlay	E-2031-002	2					14,834	14,834
Greenvale Avenue Mill and Overlay	E-2031-001	2					49,848	49,848
Hall Ave. Elevated Tank Painting	W-2028-005	2		1,000,000				1,000,000
Highway 3 Watermain Repair	W-2028-011	2		1,000,000				1,000,000
Jefferson Road Mill and Overlay	E-2030-001	2				91,916		91,916
Presidential Commons Mill and Overlay	E-2031-003	2					61,562	61,562
St. Olaf North Ground Storage Tank Painting	W-2028-001	2		1,000,000				1,000,000
St. Olaf South Ground Storage Tank Painting	W-2028-006	2		1,000,000				1,000,000
TH 19 Reconstruction	E-2028-001	2		200,000				200,000
TH 246 Reconstruction	E-2028-009	1		874,850				874,850
Water Street Mill and Overlay	E-2029-002	2			16,284			16,284
Well No. 03 Generator Replacement	W-2027-008	2	120,000					120,000
Well No. 03 MCC Replacement	W-2027-009	2	200,000					200,000
Well No. 04 Generator Replacement	W-2027-006	2	120,000					120,000
Well No. 04 MCC Replacement	W-2027-007	2	200,000					200,000
Water Fund Total			666,021	5,287,170	738,231	171,470	126,244	6,989,136

GRAND TOTAL	5,820,107	33,913,273	2,162,788	16,016,987	701,217	58,614,372
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Capital Improvement Plan

City of Northfield

Project # E-2027-001
Project Name 2027 Reclamation Project

Total Project Cost	\$1,957,398	Department	Engineering Division
Type	Maintenance	Category	Capital Improvement Plan (CIP)
Priority	1 Critical	Status	Active
Useful Life	25 years		

Description

Pavement Reclamation North Avenue from Eveleth Avenue to Decker Avenue, and trail repair.

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Construction/Maintenance	1,957,398	0	0	0	0	1,957,398	0
	Total	1,957,398	0	0	0	0	1,957,398	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Bonded Dollars	1,177,291	0	0	0	0	1,177,291	0
	Franchise Fees	550,000	0	0	0	0	550,000	
	Stormwater Fund	171,559	0	0	0	0	171,559	
	Waste Water Fund	32,527	0	0	0	0	32,527	
	Water Fund	26,021	0	0	0	0	26,021	
	Total	1,957,398	0	0	0	0	1,957,398	



Capital Improvement Plan

City of Northfield

Project # E-2028-001
Project Name TH 19 Reconstruction

Total Project Cost	\$2,050,000	Contact	Public Works Director
Department	Engineering Division	Type	New Infrastructure
Category	Capital Improvement Plan (CIP)	Priority	2 Very Important
Status	Active	Useful Life	25 years

Description

Reconstruction of TH 19 from TH 3 to Decker Avenue in partnership with MnDOT.

Justification

MnDOT led project.

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Construction/Maintenance	0	2,050,000	0	0	0	2,050,000	0
	Total	0	2,050,000	0	0	0	2,050,000	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Grant	0	1,092,913	0	0	0	1,092,913	0
	MSA	0	607,087	0	0	0	607,087	
	Water Fund	0	200,000	0	0	0	200,000	
	Stormwater Fund	0	100,000	0	0	0	100,000	
	Waste Water Fund	0	50,000	0	0	0	50,000	
	Bonded Dollars	0	0	0	0	0	0	
	Total	0	2,050,000	0	0	0	2,050,000	



Capital Improvement Plan

City of Northfield

Project # E-2028-002
Project Name 2028 Street Reclamation Project

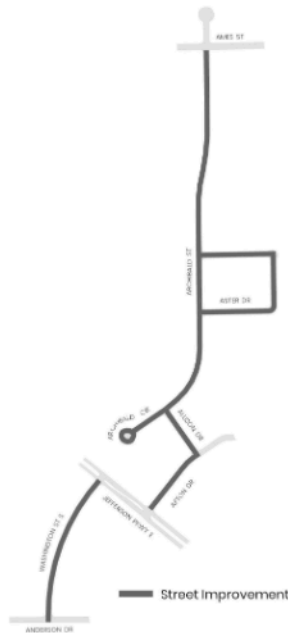
Total Project Cost	\$1,624,627	Department	Engineering Division
Type	Improvement	Category	Capital Improvement Plan (CIP)
Priority	2 Very Important	Status	Active
Useful Life	25 years		

Description

Street Reclamation on Archibald Street, Archibald Circle, Allison Drive, Aster Drive, Afton Street and Washington Street

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Construction/Maintenance	0	1,624,627	0	0	0	1,624,627	0
	Total	0	1,624,627	0	0	0	1,624,627	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Bonded Dollars	0	601,026	0	0	0	601,026	0
	Franchise Fees	0	550,000	0	0	0	550,000	
	Water Fund	0	212,320	0	0	0	212,320	
	Stormwater Fund	0	210,881	0	0	0	210,881	
	Waste Water Fund	0	50,400	0	0	0	50,400	
	Total	0	1,624,627	0	0	0	1,624,627	



Capital Improvement Plan

City of Northfield

Project # E-2028-005
Project Name Compost Site Emergency Exit

Total Project Cost	\$1,000,000	Department	Engineering Division
Type	Improvement	Category	Capital Improvement Plan (CIP)
Priority	3 Important	Status	Active

Description

This project will add an emergency exit from the Compost Site to Sechler Park Road. The compost site access near the railroad switching yard by Post Holdings, and during train car switching resident get trapped at the site and cannot exit.

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Construction/Maintenance	0	1,000,000	0	0	0	1,000,000	0
	Total	0	1,000,000	0	0	0	1,000,000	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Garbage Fund	0	1,000,000	0	0	0	1,000,000	0
	Total	0	1,000,000	0	0	0	1,000,000	



Capital Improvement Plan

City of Northfield



Project # E-2028-009
Project Name TH 246 Reconstruction

Total Project Cost	\$28,500,000	Contact	Public Works Director
Department	Engineering Division	Type	New Infrastructure
Category	Capital Improvement Plan (CIP)	Priority	1 Critical
Status	Active	Useful Life	50 years

Description

TH 246 Reconstruction from TH 3 to CSAH 1

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Unassigned Expenditure	0	28,500,000	0	0	0	28,500,000	0
	Total	0	28,500,000	0	0	0	28,500,000	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Grant	0	20,871,000	0	0	0	20,871,000	0
	Rice County	0	2,300,000	0	0	0	2,300,000	
	Bonded Dollars	0	2,203,241	0	0	0	2,203,241	
	Stormwater Fund	0	1,797,659	0	0	0	1,797,659	
	Water Fund	0	874,850	0	0	0	874,850	
	Waste Water Fund	0	453,250	0	0	0	453,250	
	Total	0	28,500,000	0	0	0	28,500,000	

Capital Improvement Plan

City of Northfield

Project # E-2029-001
Project Name 2029 Reclamation Project

Total Project Cost	\$1,542,989	Department	Engineering Division
Type	Improvement	Category	Capital Improvement Plan (CIP)
Priority	2 Very Important	Status	Active
Useful Life	40 years		

Description

Pavement Reclamation on Jefferson Drive and Jefferson Lane.

Justification

This project area has been identified Public Works personnel as a likely candidate for a pavement reclamation based on the current pavement condition, and the current condition of the existing utilities.

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Construction/Maintenance	0	0	1,542,989	0	0	1,542,989	0
	Total	0	0	1,542,989	0	0	1,542,989	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Bonded Dollars	0	0	810,667	0	0	810,667	0
	Franchise Fees	0	0	550,000	0	0	550,000	
	Stormwater Fund	0	0	80,477	0	0	80,477	
	Water Fund	0	0	65,264	0	0	65,264	
	Waste Water Fund	0	0	36,581	0	0	36,581	
	Total	0	0	1,542,989	0	0	1,542,989	



Capital Improvement Plan

City of Northfield

Project # E-2029-002
Project Name Water Street Mill and Overlay

Total Project Cost	\$835,182	Department	Engineering Division
Type	Improvement	Category	Capital Improvement Plan (CIP)
Priority	2 Very Important	Status	Active
Useful Life	15 years		

Description

Mill and Overlay on Water Street from Fifth Street to Woodley Street. Project will also include Crossing Improvements at the intersections of Fifth Street, Sixth Street and Eighth Street

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Construction/Maintenance	0	0	835,182	0	0	835,182	0
	Total	0	0	835,182	0	0	835,182	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	MSA	0	0	676,622	0	0	676,622	0
	Stormwater Fund	0	0	127,078	0	0	127,078	
	Water Fund	0	0	16,284	0	0	16,284	
	Waste Water Fund	0	0	15,198	0	0	15,198	
	Franchise Fees	0	0	0	0	0	0	
	Total	0	0	835,182	0	0	835,182	



Capital Improvement Plan

City of Northfield

Project # E-2029-004
Project Name Eaves Avenue Mill and Overlay

Total Project Cost	\$708,072	Department	Engineering Division
Type	Improvement	Category	Capital Improvement Plan (CIP)
Priority	2 Very Important	Status	Active
Useful Life	15 years		

Description

Pavement Mill and Overlay on Eaves Avenue from North Avenue to TH 19

Justification

This road segment has been identified by Public Works personnel as a likely candidate for a 2" mill and overlay based on the current pavement condition and the current condition of the existing utilities.

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Construction/Maintenance	0	0	708,072	0	0	708,072	0
	Total	0	0	708,072	0	0	708,072	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Bonded Dollars	0	0	286,352	0	0	286,352	0
	Franchise Fees	0	0	275,000	0	0	275,000	
	Stormwater Fund	0	0	146,720	0	0	146,720	
	Total	0	0	708,072	0	0	708,072	



Capital Improvement Plan

City of Northfield

Project # E-2029-007
Project Name Armstrong Road Reclamation

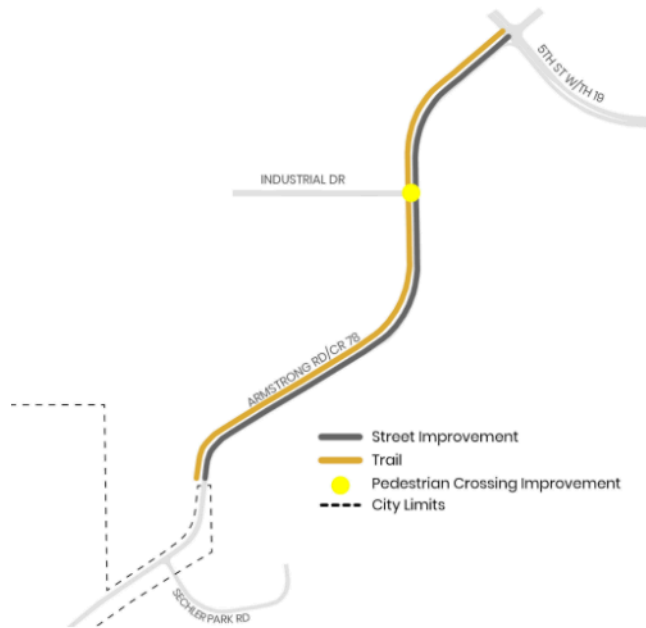
Total Project Cost	\$1,585,498	Department	Engineering Division
Type	Improvement	Category	Capital Improvement Plan (CIP)
Priority	2 Very Important	Status	Active
Useful Life	25 years		

Description

Pavement Reclamation on Armstrong Road from TH 19 to the City Limits. This project will be completed in conjunction with Rice County's CSAH 78 Project

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Construction/Maintenance	0	0	1,585,498	0	0	1,585,498	0
	Total	0	0	1,585,498	0	0	1,585,498	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	MSA	0	0	1,262,166	0	0	1,262,166	0
	Stormwater Fund	0	0	131,471	0	0	131,471	
	Bonded Dollars	0	0	89,203	0	0	89,203	
	Water Fund	0	0	65,626	0	0	65,626	
	Waste Water Fund	0	0	37,032	0	0	37,032	
	Total	0	0	1,585,498	0	0	1,585,498	



Capital Improvement Plan

City of Northfield

Project # E-2029-008
Project Name Armstrong Road Reconstruction

Total Project Cost	\$2,812,838	Department	Engineering Division
Type	Improvement	Category	Capital Improvement Plan (CIP)
Priority	2 Very Important	Status	Active
Useful Life	25 years		

Description

Reconstruction of Armstrong Road from the City Limits to the Compost Site. This project will be completed in conjunction with Rice County CSAH 78 Reconstruction

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Construction/Maintenance	0	0	2,812,838	0	0	2,812,838	0
	Total	0	0	2,812,838	0	0	2,812,838	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Rice County	0	0	1,166,430	0	0	1,166,430	0
	Bonded Dollars	0	0	955,351	0	0	955,351	
	Water Fund	0	0	591,057	0	0	591,057	
	Stormwater Fund	0	0	100,000	0	0	100,000	
	Total	0	0	2,812,838	0	0	2,812,838	



Capital Improvement Plan

City of Northfield

Project # E-2030-001
Project Name Jefferson Road Mill and Overlay

Total Project Cost	\$2,739,921	Department	Engineering Division
Type	Improvement	Category	Capital Improvement Plan (CIP)
Priority	2 Very Important	Status	Active
Useful Life	15 years		

Description

Mill and Overlay on Jefferson Road from Woodley Street to Jefferson Parkway, Jefferson Parkway to Hidden Valley Road, from Heritage Drive to CSAH 1, and on Honeylocust Drive from TH 3 to Jefferson Road. Project also includes a crossing Improvement at Jefferson Road and Hidden Valley Road.

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Construction/Maintenance	0	0	0	2,739,921	0	2,739,921	0
	Total	0	0	0	2,739,921	0	2,739,921	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Bonded Dollars	0	0	0	1,701,012	0	1,701,012	0
	MSA	0	0	0	529,331	0	529,331	
	Stormwater Fund	0	0	0	302,768	0	302,768	
	Waste Water Fund	0	0	0	114,894	0	114,894	
	Water Fund	0	0	0	91,916	0	91,916	
	Total	0	0	0	2,739,921	0	2,739,921	



Capital Improvement Plan

City of Northfield

Project # E-2031-001
Project Name Greenvale Avenue Mill and Overlay

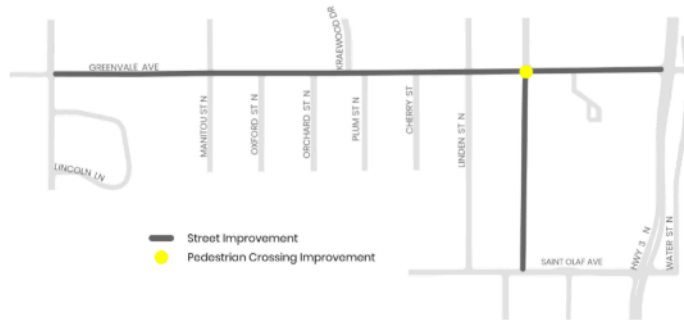
Total Project Cost	\$1,599,605	Department	Engineering Division
Type	Improvement	Category	Capital Improvement Plan (CIP)
Priority	2 Very Important	Status	Active
Useful Life	15 years		

Description

Mill and Overlay on Greenvale Avenue from TH 3 to Lincoln Street and Spring Street from Greenvale Avenue to St. Olaf Avenue. Project also includes a Crossing Improvement at Greenvale Avenue and Spring Street intersection.

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Construction/Maintenance	0	0	0	0	1,599,605	1,599,605	0
	Total	0	0	0	0	1,599,605	1,599,605	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Bonded Dollars	0	0	0	0	785,327	785,327	0
	Franchise Fees	0	0	0	0	275,000	275,000	
	MSA	0	0	0	0	240,038	240,038	
	Stormwater Fund	0	0	0	0	187,082	187,082	
	Waste Water Fund	0	0	0	0	62,310	62,310	
	Water Fund	0	0	0	0	49,848	49,848	
	Total	0	0	0	0	1,599,605	1,599,605	



Capital Improvement Plan

City of Northfield

Project # E-2031-002
Project Name Cannon Valley Drive Mill and Overlay

Total Project Cost	\$484,000	Department	Engineering Division
Type	Improvement	Category	Capital Improvement Plan (CIP)
Priority	2 Very Important	Status	Active
Useful Life	15 years		

Description

Mill and Overlay on Cannon Valley Drive from 600' North of Lupine Drive to Thye Parkway

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Construction/Maintenance	0	0	0	0	484,000	484,000	0
	Total	0	0	0	0	484,000	484,000	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Franchise Fees	0	0	0	0	275,000	275,000	0
	Stormwater Fund	0	0	0	0	90,792	90,792	
	Bonded Dollars	0	0	0	0	84,832	84,832	
	Waste Water Fund	0	0	0	0	18,542	18,542	
	Water Fund	0	0	0	0	14,834	14,834	
	Total	0	0	0	0	484,000	484,000	



Capital Improvement Plan

City of Northfield

Project # E-2031-003
Project Name Residential Commons Mill and Overlay

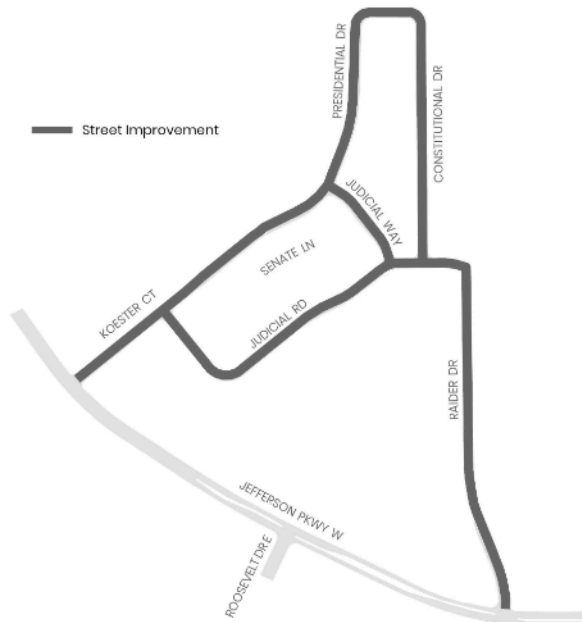
Total Project Cost	\$1,286,015	Department	Engineering Division
Type	Improvement	Category	Capital Improvement Plan (CIP)
Priority	2 Very Important	Status	Active
Useful Life	15 years		

Description

Mill and Overlay on Koester Court, Presidential Drive, Judicial Road, Judicial Way, Constitutional Drive, and Raider Drive.

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Construction/Maintenance	0	0	0	0	1,286,015	1,286,015	0
	Total	0	0	0	0	1,286,015	1,286,015	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Bonded Dollars	0	0	0	0	733,206	733,206	0
	Franchise Fees	0	0	0	0	275,000	275,000	
	Stormwater Fund	0	0	0	0	164,295	164,295	
	Water Fund	0	0	0	0	61,562	61,562	
	Waste Water Fund	0	0	0	0	51,952	51,952	
	Total	0	0	0	0	1,286,015	1,286,015	



Capital Improvement Plan

City of Northfield

Project # P-2030-002
Project Name Bridge Square

Total Project Cost	\$7,937,977	Contact	Public Works Director
Department	Park Division	Type	New Infrastructure
Category	Capital Improvement Plan (CIP)	Priority	2 Very Important
Status	Active	Useful Life	25 years

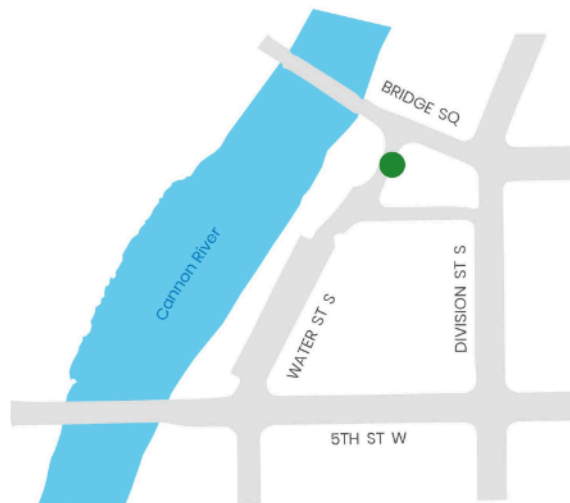
Description

Phase 1 of Bridge Square includes three component of the final concept plan. The Plaza is a “right-sized” paved area containing the existing Sheldahl Fountain, Civil War Memorial and a potential new vertical element (Gateway icon) to draw visitors into the space. The Green - A large circular space that replaces Water Street, the Green is omni-directional, maximizing its flexibility for the diverse users of Bridge Square and engaging surrounding businesses on all sides. Circulation patterns are similar to current routes. The Terrace - A multiuse space along the riverfront, The Terrace will provide an area for large festivals as well as movable tables and chair for casual daily use. At the edge of the riverbank, a pedestrian promenade will connect Bride Square to the Fifth Street bridgehead. A “slow” bike lane will parallel the pedestrian path through the space.

Due to the project moving back to 2030, the city is proposing to levy over the next 3 years for the design expenses that have been expended.

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Construction/Maintenance	0	0	0	7,388,977	0	7,388,977	0
	Planning/Design	183,000	183,000	183,000	0	0	549,000	
	Total	183,000	183,000	183,000	7,388,977	0	7,937,977	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Bonded Dollars	0	0	0	5,891,209	0	5,891,209	0
	Franchise Fees	0	0	0	1,100,000	0	1,100,000	
	General Fund	183,000	183,000	183,000	0	0	549,000	
	Stormwater Fund	0	0	0	218,772	0	218,772	
	Waste Water Fund	0	0	0	99,442	0	99,442	
	Water Fund	0	0	0	79,554	0	79,554	
	Total	183,000	183,000	183,000	7,388,977	0	7,937,977	



● Bridge Square Improvements

Capital Improvement Plan

City of Northfield

Project # SW-2027-002
Project Name West Riverwall Floodwall Extension

Total Project Cost	\$4,000,000	Department	Stormwater Division
Type	Improvement	Category	Capital Improvement Plan (CIP)
Priority	2 Very Important	Status	Active
Useful Life	4 years		

Description

This project has been identified in the Downtown Flood Study Report to protect properties from Flooding between Fourth Street and Second Street. The City has applied for Federal Grants to offset costs for this project. Design in 2026 Construction in 2027

Justification

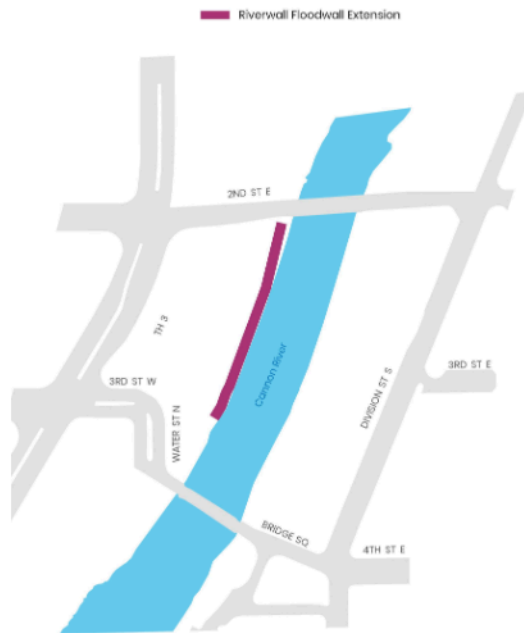
This project ties to the City's Climate Action Plan and increasing resiliency from climate change.

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Construction/Maintenance	4,000,000	0	0	0	0	4,000,000	0
	Total	4,000,000	0	0	0	0	4,000,000	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Grant	2,000,000	0	0	0	0	2,000,000	0
	Stormwater Fund	2,000,000	0	0	0	0	2,000,000	
	Total	4,000,000	0	0	0	0	4,000,000	

Budget Impact

The City would use debt with the issuance of a Revenue Bond.



2027 thru 2031

Capital Improvement Plan

City of Northfield

Project # SW-2028-001
Project Name Flood Protection Project

Total Project Cost	\$2,500,000	Contact	Public Works Director
Department	Stormwater Division	Type	Improvement
Category	Capital Improvement Plan (CIP)	Priority	2 Very Important
Status	Active	Useful Life	50 years

Description

Home conversions/Flood Proofing at 7 Lincoln Lane, 6 Lincoln Lane, 304 Greenvale Avenue, 514 Sumner Street, 412 Juniper Avenue, 404 Juniper Avenue, 400 Juniper Avenue, 206 Plum Street, and 1300 Parmeadow Drive.

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Construction/Maintenance	0	2,500,000	0	0	0	2,500,000	0
	Total	0	2,500,000	0	0	0	2,500,000	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Stormwater Fund	0	2,000,000	0	0	0	2,000,000	0
	Grant	0	500,000	0	0	0	500,000	
	Total	0	2,500,000	0	0	0	2,500,000	

2027 thru 2031

Capital Improvement Plan

City of Northfield

Project # SW- 2030-001
Project Name Hills of Spring Creek #3, Cannon & Locust Pond Dredging and Parmeadow Pond #1 overflow repair

Total Project Cost	\$670,000	Department	Stormwater Division
Type	Maintenance	Category	Capital Improvement Plan (CIP)
Priority	3 Important	Status	Active
Useful Life	40 years		

Description

Pond Dredging on Hills of Spring Creek #3, Cannon Commercial, & Locust Upper Pond, Overflow repair Parmeadow Pond #1

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Construction/Maintenance	0	0	0	670,000	0	670,000	0
	Total	0	0	0	670,000	0	670,000	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Stormwater Fund	0	0	0	670,000	0	670,000	0
	Total	0	0	0	670,000	0	670,000	



2027 thru 2031

Capital Improvement Plan

City of Northfield

Project # ST-2026-NEW1
Project Name NEW Leaf Vac

Total Project Cost	\$190,000	Department	Street Division
Type	Equipment	Category	Capital Equipment Plan (CEP)
Priority	2 Very Important	Status	Active
Useful Life	20 years		

Supplemental Attachments

[3177.jpeg](#) [Screenshot 2026-03-26 134841.png](#)

Description

Add of leaf vac UPDATE

Justification

Increase efficiency of ops, storm water quality, etc. UPDATE

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Equip/Vehicles/Furnishings	190,000	0	0	0	0	190,000	0
	Total	190,000	0	0	0	0	190,000	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Stormwater Fund	190,000	0	0	0	0	190,000	0
	Total	190,000	0	0	0	0	190,000	



2027 thru 2031

Capital Improvement Plan

City of Northfield

Project # ST-2030-6770
Project Name 2018 John Deere 624K-II Front End Loader

Total Project Cost	\$400,000	Department	Street Division
Type	Equipment	Category	Capital Equipment Plan (CEP)
Priority	2 Very Important	Status	Active
Useful Life	15 years		

Supplemental Attachments

[_1821.jpg](#)

Description

Replacement of the 2018 John Deere 624K-II Front End Loader

Justification

The 2018 John Deere 624K-II front end loader will be 12 years old by the planned 2030 replacement. Used year-round for material handling, snow plowing, and snow blowing downtown, its age and heavy use will increasingly impact reliability and maintenance costs. Due to high importance of this specific loader, This loader will take the place of the 2015 Cat loader, and the 2015 will take the replacement date of the 2018 John Deere. Replacing it on schedule ensures dependable performance during critical operations and helps prevent costly downtime.

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Equip/Vehicles/Furnishings	0	0	0	400,000	0	400,000	0
	Total	0	0	0	400,000	0	400,000	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Bonded Dollars	0	0	0	350,000	0	350,000	0
	Garbage Fund	0	0	0	50,000	0	50,000	
	Total	0	0	0	400,000	0	400,000	



2027 thru 2031

Capital Improvement Plan

City of Northfield

Project # WW-2026-004
Project Name Replacement of 2006 Ford F-350

Total Project Cost	\$65,000	Department	Wastewater Division
Type	Equipment	Category	Capital Equipment Plan (CEP)
Priority	3 Important	Status	Active
Useful Life	10 years		

Description

Replacement of 2006 Ford F-350 (WW-806-3094) utility pickup truck.

Justification

Vehicle replacement schedule of 10 years for standard pickup trucks.

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Equip/Vehicles/Furnishings	65,000	0	0	0	0	65,000	0
	Total	65,000	0	0	0	0	65,000	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Waste Water Fund	65,000	0	0	0	0	65,000	0
	Total	65,000	0	0	0	0	65,000	

Budget Impact

Project will be funded through the wastewater enterprise fund.



2027 thru 2031

Capital Improvement Plan

City of Northfield

Project # WW-2027-001
Project Name Sanitary Sewer Lining Project (Lincoln Parkway)

Total Project Cost	\$600,000	Department	Wastewater Division
Type	Improvement	Category	Capital Improvement Plan (CIP)
Priority	2 Very Important	Status	Active
Useful Life	25 years		

Description

Sewer lining on Lincoln Parkway due to inflow and infiltration through clay pipe joints.

Justification

Sewer clay lines have a large amounts of inflow and infiltration into the sanitary sewer system. Lining the pipes will provide reduce the amount of water needed to be treated at the wastewater plant while taking up sewer line capacity.

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Construction/Maintenance	600,000	0	0	0	0	600,000	0
	Total	600,000	0	0	0	0	600,000	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Waste Water Fund	600,000	0	0	0	0	600,000	0
	Total	600,000	0	0	0	0	600,000	

Budget Impact

Roughly 6,000 feet of sewer lining.



2027 thru 2031

Capital Improvement Plan

City of Northfield

Project # WW-2027-002
Project Name Replacement of 2017 Ford F-350

Total Project Cost	\$100,000	Department	Wastewater Division
Type	Equipment	Category	Capital Equipment Plan (CEP)
Priority	3 Important	Status	Active
Useful Life	10 years		

Description

Replacement of 2017 Ford F-350 (WW-217-3318) Utility Truck, service body and crane.

Justification

Vehicle replacement schedule of 10 years for standard pickup trucks.

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Equip/Vehicles/Furnishings	100,000	0	0	0	0	100,000	0
	Total	100,000	0	0	0	0	100,000	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Waste Water Fund	100,000	0	0	0	0	100,000	0
	Total	100,000	0	0	0	0	100,000	

Budget Impact

Project will be funded through the wastewater enterprise fund.



2027 thru 2031

Capital Improvement Plan

City of Northfield

Project # WW-2027-003
Project Name Replacement of John Deere Mower

Total Project Cost	\$15,000	Contact	Public Works Director
Department	Wastewater Division	Type	Equipment
Category	Capital Equipment Plan (CEP)	Priority	3 Important
Status	Active	Useful Life	10 years

Description

Replacement of John Deere Zero Turn Mower

Justification

Mower replacement schedule of 10 years.

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Equip/Vehicles/Furnishings	15,000	0	0	0	0	15,000	0
	Total	15,000	0	0	0	0	15,000	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Waste Water Fund	15,000	0	0	0	0	15,000	0
	Total	15,000	0	0	0	0	15,000	



2027 thru 2031

Capital Improvement Plan

City of Northfield

Project # WW-2028-001
Project Name Replacement of 2018 Ford F-150

Total Project Cost	\$50,000	Department	Wastewater Division
Type	Equipment	Category	Capital Equipment Plan (CEP)
Priority	3 Important	Status	Active
Useful Life	10 years		

Description

Replacement of 2018 Ford F-150 with electric vehicle for 4 passengers.

Justification

Vehicle replacement schedule of 10 years for standard pickup trucks.

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Equip/Vehicles/Furnishings	0	50,000	0	0	0	50,000	0
	Total	0	50,000	0	0	0	50,000	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Waste Water Fund	0	50,000	0	0	0	50,000	0
	Total	0	50,000	0	0	0	50,000	

Budget Impact

Project will be funded through the wastewater enterprise fund.



2027 thru 2031

Capital Improvement Plan

City of Northfield

Project # WW-2029-001
Project Name Replacement of 2019 Ford Transit TV Van

Total Project Cost	\$250,000	Department	Wastewater Division
Type	Equipment	Category	Capital Equipment Plan (CEP)
Priority	3 Important	Status	Active
Useful Life	10 years		

Description

Replacement of 2019 Ford Transit (WW-219-6964) and sewer camera TV equipment.

Justification

Vehicle replacement schedule of 10 years for the camera transit vehicle.

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Equip/Vehicles/Furnishings	0	0	250,000	0	0	250,000	0
	Total	0	0	250,000	0	0	250,000	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Waste Water Fund	0	0	250,000	0	0	250,000	0
	Total	0	0	250,000	0	0	250,000	

Budget Impact

Project will be funded through the wastewater enterprise fund.



2027 thru 2031

Capital Improvement Plan

City of Northfield

Project # WW-2030-001
Project Name Replacement of 2015 Portable Trash Pump

Total Project Cost	\$107,208	Department	Wastewater Division
Type	Equipment	Category	Capital Equipment Plan (CEP)
Priority	2 Very Important	Status	Active
Useful Life	15 years		

Description

Replacement of 2015 Portable Trash Pump

Justification

Trash pump replacement schedule of 15 years.

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Equip/Vehicles/Furnishings	0	0	0	107,208	0	107,208	0
	Total	0	0	0	107,208	0	107,208	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Waste Water Fund	0	0	0	107,208	0	107,208	0
	Total	0	0	0	107,208	0	107,208	

Budget Impact

Project will be funded through the wastewater enterprise fund.



2027 thru 2031

Capital Improvement Plan

City of Northfield

Project # WW-2030-002
Project Name BioSolids Cake Storage

Total Project Cost	\$10,638,109	Department	Wastewater Division
Type	Improvement	Category	Capital Improvement Plan (CIP)
Priority	1 Critical	Status	Active
Useful Life	20 years		

Description

BioSolids cake storage. This is the final product created by the biosolids process. The current storage building is inadequate in storage capacity and the building is in poor condition.

Justification

The biosolids cake storage upgrade was identified in the 2015 WWTP Facility Study.

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Construction/Maintenance	0	0	0	10,638,109	0	10,638,109	0
	Total	0	0	0	10,638,109	0	10,638,109	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Waste Water Fund	0	0	0	10,638,109	0	10,638,109	0
	Total	0	0	0	10,638,109	0	10,638,109	

Budget Impact

Project will be funded through revenue bonds that will be paid back through the wastewater enterprise fund.



2027 thru 2031

Capital Improvement Plan

City of Northfield

Project # WW-2030-003
Project Name Water Supply System

Total Project Cost	\$2,713,532	Department	Wastewater Division
Type	Improvement	Category	Capital Improvement Plan (CIP)
Priority	2 Very Important	Status	Active
Useful Life	20 years		

Description

Install watermain to WWTP from Montessori Ct. along Highway 3.

Justification

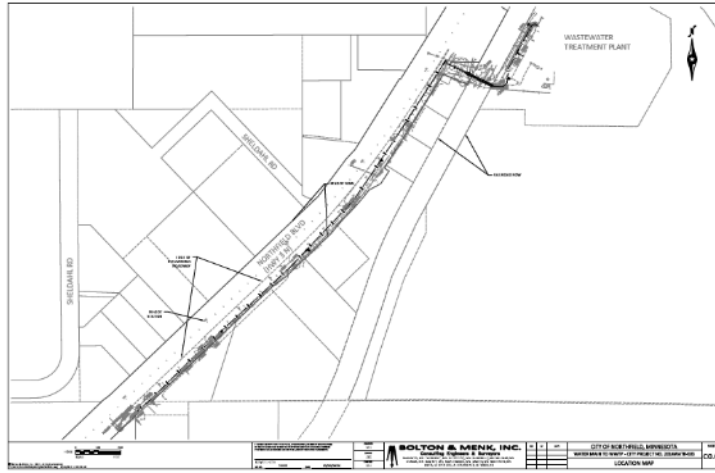
The watermain will be needed in order to sprinkle the new biosolids storage building.

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Construction/Maintenance	0	0	0	2,713,532	0	2,713,532	0
	Total	0	0	0	2,713,532	0	2,713,532	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Waste Water Fund	0	0	0	2,713,532	0	2,713,532	0
	Total	0	0	0	2,713,532	0	2,713,532	

Budget Impact

Project will be funded through revenue bonds that will be paid back through the wastewater enterprise fund.



2027 thru 2031

Capital Improvement Plan City of Northfield



Project # WW-2030-004
Project Name Wastewater Driveway Replacement

Total Project Cost	\$200,000	Contact	Public Works Director
Department	Wastewater Division	Type	Facility
Category	Capital Improvement Plan (CIP)	Priority	3 Important
Status	Active	Useful Life	20 years

Description

Mill and overlay the wastewater driveway and park area.

Justification

Current pavement is failing and in need of replacement.

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Unassigned Expenditure	0	0	0	200,000	0	200,000	0
	Total	0	0	0	200,000	0	200,000	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Waste Water Fund	0	0	0	200,000	0	200,000	0
	Total	0	0	0	200,000	0	200,000	

Capital Improvement Plan

City of Northfield

Project # WW-2031-001
Project Name BAF Influent Valves

Total Project Cost	\$200,000	Contact	Public Works Director
Department	Wastewater Division	Type	Improvement
Category	Capital Improvement Plan (CIP)	Priority	3 Important
Status	Active	Useful Life	20 years

Description

Replacement of 10 influent BAF valves. These are the last valves that need replacement in the BAF system.

Justification

Valves have been operating daily for 30 years and in need of replacement.

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Construction/Maintenance	200,000	0	0	0	0	200,000	0
	Total	200,000	0	0	0	0	200,000	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Waste Water Fund	200,000	0	0	0	0	200,000	0
	Total	200,000	0	0	0	0	200,000	

Capital Improvement Plan

City of Northfield

Project # W-2027-003
Project Name Replacement of 2017 Ford F-150

Total Project Cost	\$50,000	Department	Water Division
Type	Equipment	Category	Capital Equipment Plan (CEP)
Priority	3 Important	Status	Active
Useful Life	10 years		

Description

Replacement of 2017 Ford F-150 (WT-217-2979) pickup truck

Justification

Vehicle replacement schedule of 10 years for standard pickup trucks.

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Equip/Vehicles/Furnishings	50,000	0	0	0	0	50,000	0
	Total	50,000	0	0	0	0	50,000	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Water Fund	50,000	0	0	0	0	50,000	0
	Total	50,000	0	0	0	0	50,000	

Budget Impact

Project will be funded through the water enterprise fund.



Capital Improvement Plan

City of Northfield

Project # W-2027-005
Project Name Skid Loader and Attachments

Total Project Cost	\$120,000	Department	Water Division
Type	Equipment	Category	Capital Equipment Plan (CEP)
Priority	2 Very Important	Status	Active
Useful Life	15 years		

Description

Skid loader for stormwater, water and wastewater collection and distribution system repairs. The attachments will allow less staff to maintain ponds and off-street structures by being more efficient. Attachments planned include bucket, forks and a brush hog.

Justification

Equipment will reduce staff time to maintain stormwater, water and wastewater structures.

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Equip/Vehicles/Furnishings	120,000	0	0	0	0	120,000	0
	Total	120,000	0	0	0	0	120,000	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Water Fund	40,000	0	0	0	0	40,000	0
	Waste Water Fund	40,000	0	0	0	0	40,000	
	Stormwater Fund	40,000	0	0	0	0	40,000	
	Total	120,000	0	0	0	0	120,000	

Budget Impact

Equipment will be funded through the stormwater, water and wastewater enterprise funds.



Capital Improvement Plan

City of Northfield

Project # W-2027-006
Project Name Well No. 04 Generator Replacement

Total Project Cost	\$120,000	Department	Water Division
Type	Improvement	Category	Capital Improvement Plan (CIP)
Priority	2 Very Important	Status	Active
Useful Life	20 years		

Description

Replace the existing generator.

Justification

This is the end of the generators useful life.

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Equip/Vehicles/Furnishings	120,000	0	0	0	0	120,000	0
	Total	120,000	0	0	0	0	120,000	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Water Fund	120,000	0	0	0	0	120,000	0
	Total	120,000	0	0	0	0	120,000	

Budget Impact

Project will be funded through the water enterprise fund.



Capital Improvement Plan

City of Northfield



Project # W-2027-007
Project Name Well No. 04 MCC Replacement

Total Project Cost	\$200,000	Department	Water Division
Type	Equipment	Category	Capital Improvement Plan (CIP)
Priority	2 Very Important	Status	Active
Useful Life	25 years		

Description

Replacement of well no. 4 motor control center (MCC) and SCADA components.

Justification

The Well No. 4 MCC is an original piece of equipment from 1977. The equipment replaced will be all of the SCADA equipment, the electrical system and the control will be updated.

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Construction/Maintenance	200,000	0	0	0	0	200,000	0
	Total	200,000	0	0	0	0	200,000	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Water Fund	200,000	0	0	0	0	200,000	0
	Total	200,000	0	0	0	0	200,000	

Budget Impact

Project will be funded through the water enterprise fund.

Capital Improvement Plan

City of Northfield

Project # W-2027-008
Project Name Well No. 03 Generator Replacement

Total Project Cost	\$120,000	Department	Water Division
Type	Improvement	Category	Capital Improvement Plan (CIP)
Priority	2 Very Important	Status	Active
Useful Life	20 years		

Description

Replace the existing generator.

Justification

This is the end of the generators useful life.

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Equip/Vehicles/Furnishings	120,000	0	0	0	0	120,000	0
	Total	120,000	0	0	0	0	120,000	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Water Fund	120,000	0	0	0	0	120,000	0
	Total	120,000	0	0	0	0	120,000	

Budget Impact

Project will be funded through water enterprise fund.



Capital Improvement Plan

City of Northfield

Project # W-2027-009
Project Name Well No. 03 MCC Replacement

Total Project Cost	\$200,000	Department	Water Division
Type	Equipment	Category	Capital Improvement Plan (CIP)
Priority	2 Very Important	Status	Active
Useful Life	25 years		

Description

Replacement of well no. 3 motor control center (MCC) and SCADA components.

Justification

The Well No. 3 MCC is an original piece of equipment from 1970. The equipment replaced will be all of the SCADA equipment, the electrical system and the control will be updated.

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Construction/Maintenance	200,000	0	0	0	0	200,000	0
	Total	200,000	0	0	0	0	200,000	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Water Fund	200,000	0	0	0	0	200,000	0
	Total	200,000	0	0	0	0	200,000	

Budget Impact

Project will be funded through the water enterprise fund.



Capital Improvement Plan

City of Northfield

Project # W-2028-001
Project Name St. Olaf North Ground Storage Tank Painting

Total Project Cost	\$1,000,000	Department	Water Division
Type	Maintenance	Category	Capital Improvement Plan (CIP)
Priority	2 Very Important	Status	Active
Useful Life	20 years		

Description

Total sand blast and repaint the inside and outside of the storage tank.

Justification

This extends the useful life of the tank structure.

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Construction/Maintenance	0	1,000,000	0	0	0	1,000,000	0
	Total	0	1,000,000	0	0	0	1,000,000	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Water Fund	0	1,000,000	0	0	0	1,000,000	0
	Total	0	1,000,000	0	0	0	1,000,000	

Budget Impact

Project will be funded through revenue bonds and repaid through the water enterprise fund.



Capital Improvement Plan

City of Northfield

Project # W-2028-002
Project Name Replacement of 2018 Ford F-250

Total Project Cost	\$65,000	Department	Water Division
Type	Equipment	Category	Capital Equipment Plan (CEP)
Priority	3 Important	Status	Active
Useful Life	10 years		

Description

Replacement of Ford F-250 (WT-218-4328) pickup truck

Justification

Vehicle replacement schedule of 10 years for standard pickup trucks.

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Equip/Vehicles/Furnishings	0	65,000	0	0	0	65,000	0
	Total	0	65,000	0	0	0	65,000	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Water Fund	0	65,000	0	0	0	65,000	0
	Total	0	65,000	0	0	0	65,000	

Budget Impact

Project will be funded through the water enterprise fund.



Capital Improvement Plan

City of Northfield

Project # W-2028-003
Project Name Replacement of Valve Wrench

Total Project Cost	\$15,000	Department	Water Division
Type	Equipment	Category	Capital Equipment Plan (CEP)
Priority	3 Important	Status	Active
Useful Life	10 years		

Description

Replacement of 2009 Wachs Valve Wrench

Justification

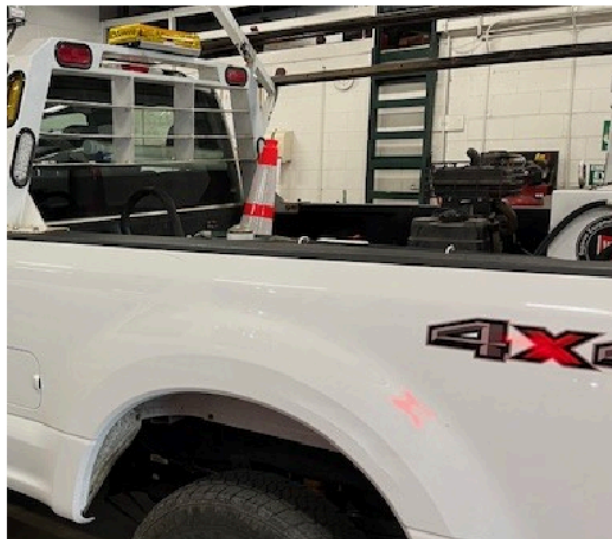
Vehicle replacement schedule of 20 years for the valve wrench.

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Equip/Vehicles/Furnishings	0	15,000	0	0	0	15,000	0
	Total	0	15,000	0	0	0	15,000	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Water Fund	0	15,000	0	0	0	15,000	0
	Total	0	15,000	0	0	0	15,000	

Budget Impact

Project will be funded through the water enterprise fund.



Capital Improvement Plan

City of Northfield

Project # W-2028-005
Project Name Hall Ave. Elevated Tank Painting

Total Project Cost	\$1,000,000	Department	Water Division
Type	Maintenance	Category	Capital Improvement Plan (CIP)
Priority	2 Very Important	Status	Active
Useful Life	20 years		

Description

Total sand blast and repaint the inside and outside of the storage tank based upon water tower inspection.

Justification

This extends the useful life of the tank structure.

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Construction/Maintenance	0	1,000,000	0	0	0	1,000,000	0
	Total	0	1,000,000	0	0	0	1,000,000	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Water Fund	0	1,000,000	0	0	0	1,000,000	0
	Total	0	1,000,000	0	0	0	1,000,000	

Budget Impact

Project will be funded through revenue bonds and repaid through the water enterprise fund.



Capital Improvement Plan

City of Northfield

Project # W-2028-006
Project Name St. Olaf South Ground Storage Tank Painting

Total Project Cost	\$1,000,000	Department	Water Division
Type	Maintenance	Category	Capital Improvement Plan (CIP)
Priority	2 Very Important	Status	Active
Useful Life	20 years		

Description

Total sand blast and repaint the inside and outside of the storage tank.

Justification

This extends the useful life of the tank structure.

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Construction/Maintenance	0	1,000,000	0	0	0	1,000,000	0
	Total	0	1,000,000	0	0	0	1,000,000	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Water Fund	0	1,000,000	0	0	0	1,000,000	0
	Total	0	1,000,000	0	0	0	1,000,000	

Budget Impact

Project will be funded through revenue bonds and repaid through the water enterprise fund. A 10 year bond is planned for this project. It is anticipated this project will be bonded out of the water fund.



Capital Improvement Plan

City of Northfield

Project # W-2028-011
Project Name Highway 3 Watermain Repair

Total Project Cost	\$1,000,000	Contact	Public Works Director
Department	Water Division	Type	Improvement
Category	Capital Improvement Plan (CIP)	Priority	2 Very Important
Status	Active	Useful Life	75 years

Description

Replace a broken watermain on highway 3 north of Greenvale Avenue through the ravine. Roughly 600 feet.

Justification

The City has a broken watermain that is in a difficult location. this would provide the needed redundancy to the water system.

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Construction/Maintenance	0	1,000,000	0	0	0	1,000,000	0
	Total	0	1,000,000	0	0	0	1,000,000	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Water Fund	0	1,000,000	0	0	0	1,000,000	0
	Total	0	1,000,000	0	0	0	1,000,000	



Capital Improvement Plan

City of Northfield

Project # W-2030-001
Project Name Replacement of 2020 Ford F-150

Total Project Cost	\$50,000	Department	Water Division
Type	Equipment	Category	Capital Equipment Plan (CEP)
Priority	3 Important	Status	Active
Useful Life	10 years		

Description

Replacement of 2020 Ford F-150 (WT-220-012) pickup truck

Justification

Vehicle replacement schedule of 10 years for standard pickup trucks.

Prior	Expenditures	2027	2028	2029	2030	2031	Total	Future
0	Equip/Vehicles/Furnishings	0	0	0	50,000	0	50,000	0
	Total	0	0	0	50,000	0	50,000	

Prior	Funding Sources	2027	2028	2029	2030	2031	Total	Future
0	Water Fund	0	0	0	50,000	0	50,000	0
	Total	0	0	0	50,000	0	50,000	

Budget Impact

Project will be funded through the water enterprise fund.



2027 through 2031
Capital Equipment Plan
 City of Northfield
Projects By Funding Source

Source	Project #	Priority	2027	2028	2029	2030	2031	Total
Garbage Fund								
2018 John Deere 624K-II Front End Loader	ST-2030-6770	2				50,000		50,000
Garbage Fund Total			0	0	0	50,000	0	50,000
Stormwater Fund								
NEW Leaf Vac	ST-2026-NEW1	2	190,000					190,000
Skid Loader and Attachments	W-2027-005	2	40,000					40,000
Stormwater Fund Total			230,000	0	0	0	0	230,000
Waste Water Fund								
Replacement of 2006 Ford F-350	WW-2026-004	3	65,000					65,000
Replacement of 2015 Portable Trash Pump	WW-2030-001	2				107,208		107,208
Replacement of 2017 Ford F-350	WW-2027-002	3	100,000					100,000
Replacement of 2018 Ford F-150	WW-2028-001	3		50,000				50,000
Replacement of 2019 Ford Transit TV Van	WW-2029-001	3			250,000			250,000
Replacement of John Deere Mower	WW-2027-003	3	15,000					15,000
Skid Loader and Attachments	W-2027-005	2	40,000					40,000
Waste Water Fund Total			220,000	50,000	250,000	107,208	0	627,208
Water Fund								
Replacement of 2017 Ford F-150	W-2027-003	3	50,000					50,000
Replacement of 2018 Ford F-250	W-2028-002	3		65,000				65,000
Replacement of 2020 Ford F-150	W-2030-001	3				50,000		50,000
Replacement of Valve Wrench	W-2028-003	3		15,000				15,000
Skid Loader and Attachments	W-2027-005	2	40,000					40,000
Water Fund Total			90,000	80,000	0	50,000	0	220,000
GRAND TOTAL			540,000	130,000	250,000	207,208	0	1,127,208



City of Northfield
Utility Rate Study
September 11, 2025

Contents

INTRODUCTION	3
WATER FUND	4
RECENT PERFORMANCE	4
BASELINE SCENARIO – CAPITAL OUTLAY	5
WASTEWATER FUND	13
RECENT PERFORMANCE	13
BASELINE SCENARIO – CAPITAL OUTLAY	14
STORMWATER FUND	19
RECENT PERFORMANCE	19
BASELINE SCENARIO – CAPITAL OUTLAY	20
GARBAGE FUND	23
RECENT PERFORMANCE	23
BASELINE SCENARIO – CAPITAL OUTLAY	24
PROJECTED RATES	26
WATER RATES	26
WASTEWATER RATES	27
STORMWATER RATES	27
GARBAGE RATES	28
PROJECTED UTILITY BILLS	29
BASELINE SCENARIO	29
MINIMUM SCENARIO	30
MAXIMUM SCENARIO	30
COMPARISON OF PROJECTED BILLS.....	31



Introduction

Background

Baker Tilly was retained by the City of Northfield to review the recent performance of the City's Water Fund, Wastewater Fund, Stormwater Fund and Garbage Fund to determine the appropriate user rates needed for operations and the financing of capital improvements.

The revenues in each enterprise fund should provide resources sufficient to cover each fund's anticipated operating and ongoing maintenance expenses, debt service payments, capital improvements and replacements, and to maintain adequate cash reserves. The total revenue collected should reflect recent trends in demand and expenses, and should also reflect anticipated future needs related to capital outlays and expected changes in operating costs.

This report includes an analysis of each fund's historical revenues and expenses, current budgets, and projected costs and revenues for the next ten years. It also includes our recommended rate adjustments necessary to provide the needed resources for each fund's operations and capital outlays. For some of the City's funds, our analysis includes more than one scenario, in order to illustrate the impacts of different decisions regarding the timing and funding of significant capital projects.

In addition to our analysis and recommendations, we provide an overview of how the proposed rate adjustments will affect monthly utility bills for a variety of customer types.

Assumptions Used in Projections

To project the future financial performance of the City's utility funds, we used the following assumptions relating to anticipated revenues and expenditures:

- Customer base and demand is expected to remain level
- Personnel costs are projected to rise by 3.5% annually
 - Insurance benefits are expected to rise 5.0% annually
- Professional services and repair/maintenance costs are expected to grow 6.0% annually
- Costs for chemicals are expected to rise 5.0% annually
- Utility costs are projected to grow 4.5% annually
- Costs for supplies and materials grow 3.5% annually
- Other operating costs rise 3.0% annually
- Invested reserves generate a 2% annual return

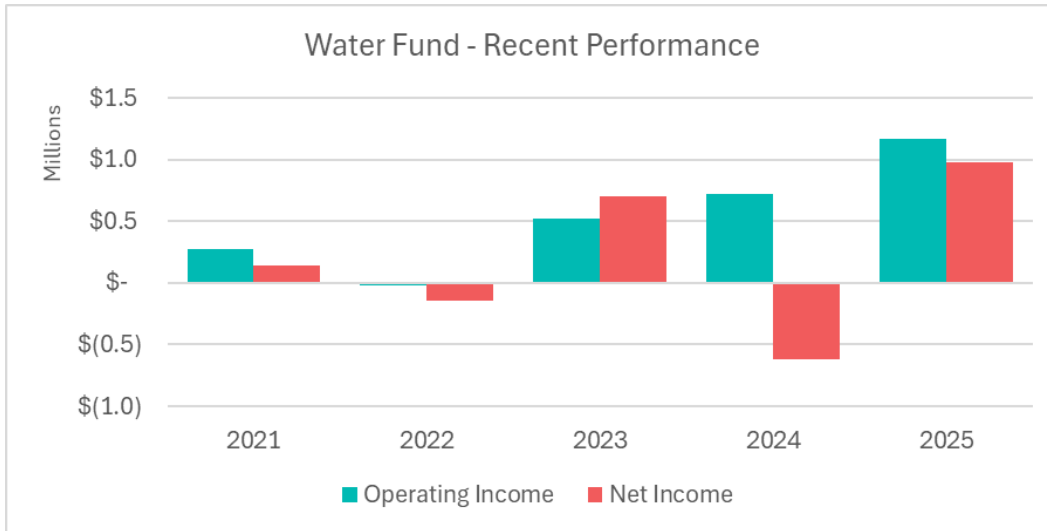
These assumptions are consistent with those used in last year's analysis of the Water Fund.

Water Fund

Recent Performance

Looking at the City's annual reports since 2021, it appears that the Water Fund has seen an uneven performance, but trends appear positive going into the future. Operating and net income were essentially zero in 2021 and 2022, with improvements shown in 2023. Operating income grew to over \$700,000 in 2024, though net income was negative due to a \$1.3 million fund transfer for maintenance charges. In the 2025 budget, operating income is expected to grow to \$1.2 million, with net income of nearly \$1.0 million. Water Fund income from recent years is shown in the chart below.

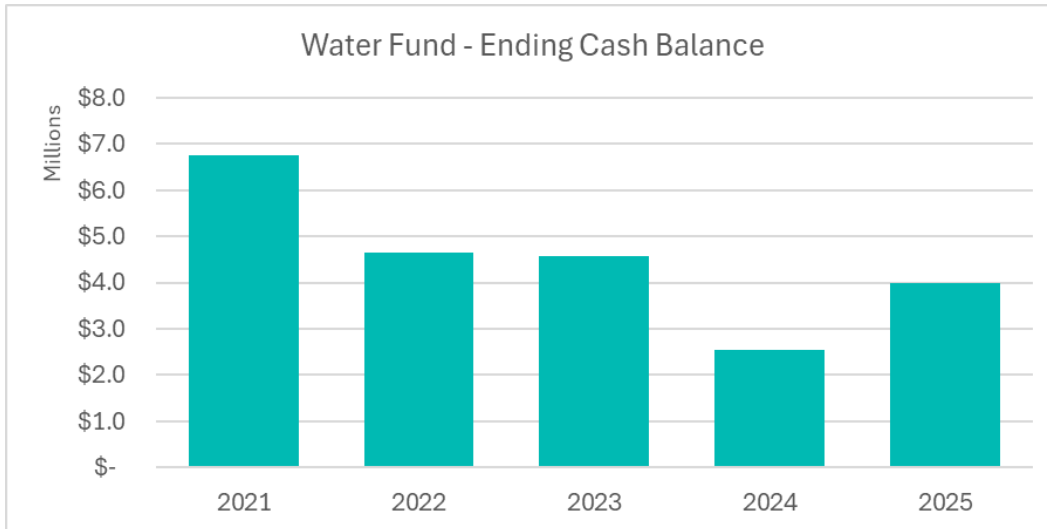
Figure 1: Recent financial performance



Looking at the Water Fund's cash reserves, the year-end cash balance fell from \$6.8 million in 2021 to \$4.6 million in 2022 and 2023, as a result of making a \$2.1 million advance to the 5th Street Redevelopment Fund. The fund balance is expected to improve once the 5th Street Fund begins repayment of the cash advance. Ending cash fell to \$2.5 million in 2024 as a result of capital outlays, but recovered back to \$4.0 million in the 2025 budget. Recommended minimum cash levels based on Water operations and debt service is \$1.2 million, so the current balance of \$4.0 million represents a healthy cushion of reserves. Given the Water Fund's capital needs in the coming years, accumulation of cash reserves is appropriate.

Recent cash reserves for the Water Fund are shown visually in Figure 2.

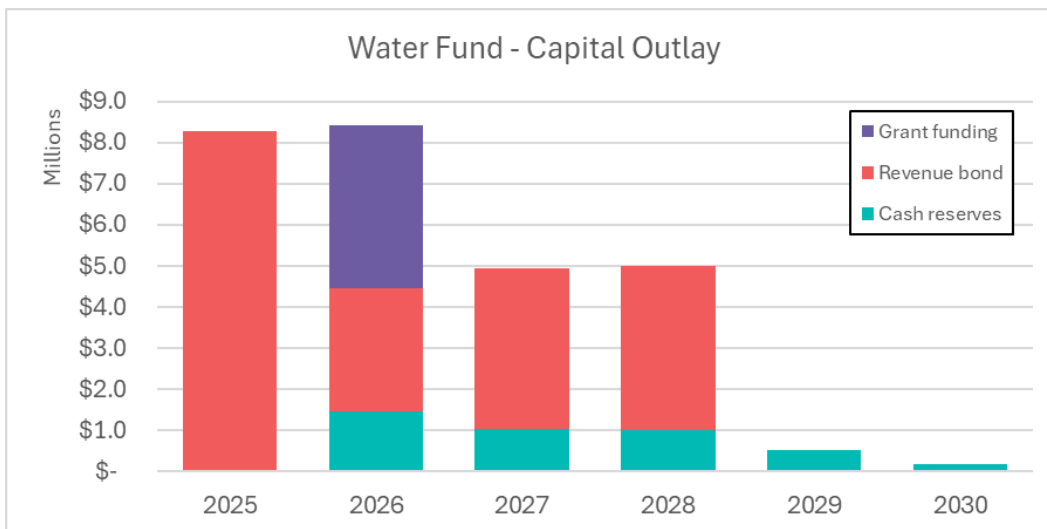
Figure 2: Cash reserves



Baseline Scenario – Capital Outlay

In the baseline scenario, capital outlays are expected to be relatively modest over the next six years. In the current year, the fund will pay for approximately \$8.3 million for the Jefferson Parkway Extension, which is expected to be financed through long-term debt. In 2026, the City plans to invest nearly \$7.0 million on the NW Area Water Tower; \$3 million would come from debt, with the remainder expected to be paid with grant funding. In 2027, outlays of \$3.9 million for meter replacements will be financed through debt, and in 2028, \$4 million in debt will be issued to finance storage tank painting and the Highway 3 water main repair. Total outlays are summarized below.

Figure 3: Anticipated capital outlay



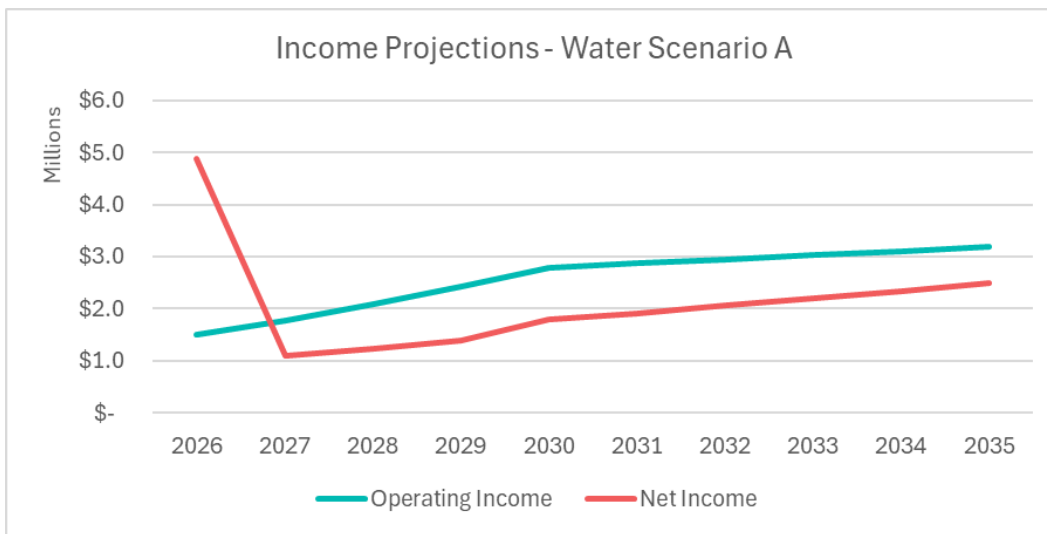
Baseline Scenario – Projections

Based on the City’s 2025 and 2026 budgets and the assumptions listed earlier in this report, we generated a ten-year projection of anticipated revenues and expenditures for the Water Fund. Anticipating that the Water Fund would have significant capital outlays in the future as it addresses its treatment needs, we included rate increases intended to grow the fund’s cash reserves to help pay for future capital investments.

Based on these assumptions, we project rate increases of 9% in each of the next 5 years, followed by 3% increases in later years.

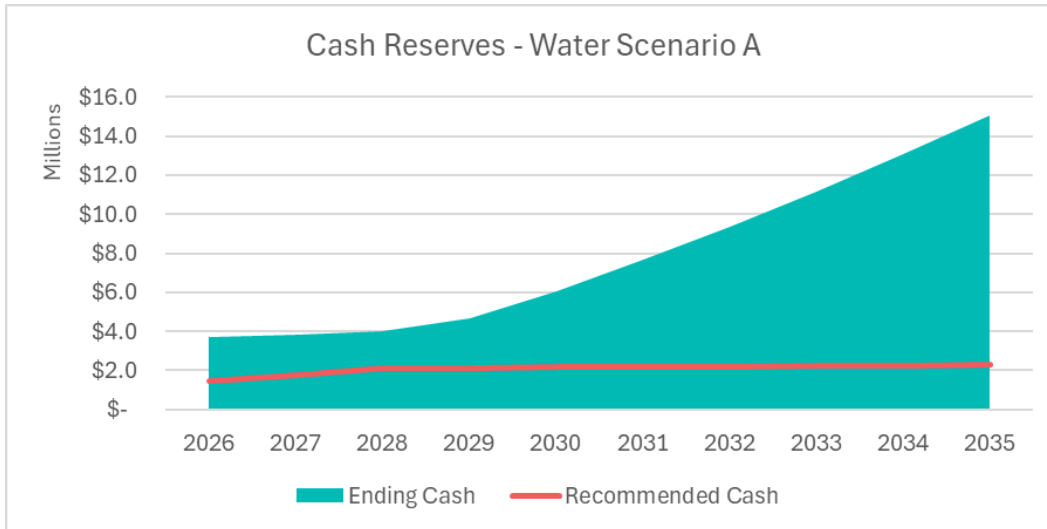
Looking at the impacts of these rate adjustments, the fund sees operating income grow from \$1.5 million in 2026 up to \$2.8 million in 2030. Operating income grows more slowly in later years, reaching \$3.2 million by 2035. Net income shows a spike in 2026 due to the receipt of grant funding for the water tower project. In 2027, net income drops to \$1.1 million, growing slowly to reach \$2.5 million by 2035. Income projections are shown in Figure 4 below.

Figure 4: Operating and net income projections



Focusing next on cash reserves, our projections show the balance in the Water Fund beginning at \$3.7 million in 2026. Ending balances remain fairly steady through 2029, and begin growing more quickly in 2030 and beyond. By 2035, the Water Fund shows ending cash reserves of \$15 million. These projections are shown in Figure 5.

Figure 5: Projected cash reserves

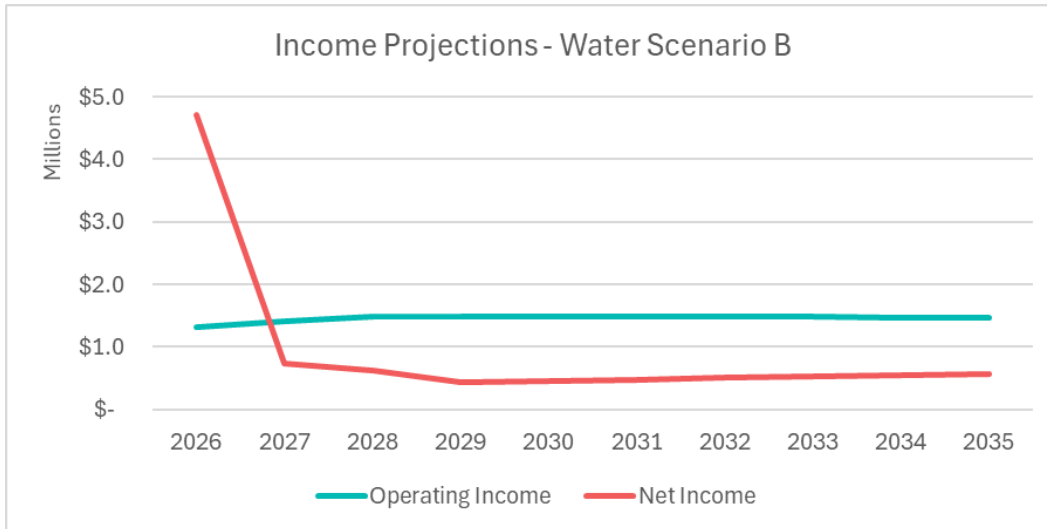


Water – Alternative Scenario B

The first alternative scenario for the Water Fund is targeted at minimizing rate increases, under the assumption that a new treatment facility will not be budgeted as a capital expense, or that outside funding sources become available to offset construction costs of such a facility. Based on these assumptions, we calculate that a 4% annual rate increase in each of the next 3 years, followed by 2% increases in later years, should be sufficient to provide the fund with positive annual income and to maintain cash reserves.

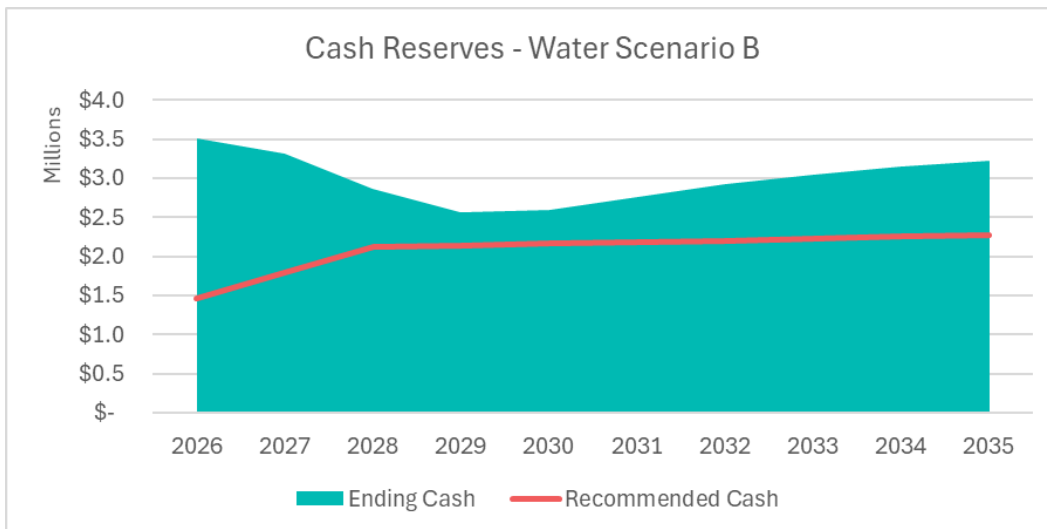
Looking at operating income, the fund sees positive income remaining steady at approximately \$1.4 million to \$1.5 million per year. Net income shows a spike in 2026 due to the receipt of grant funding for the water tower project. Thereafter, net income levels out at around \$500,000 per year. Income projections are shown in Figure 6.

Figure 6: Operating and net income projections



Focusing next on cash reserves, our projections show the balance in the Water Fund decreasing from \$3.5 million in 2026 to \$2.5 million in 2029, then slowly recovering over the rest of the planning period. These projections are shown in Figure 7.

Figure 7: Projected cash reserves



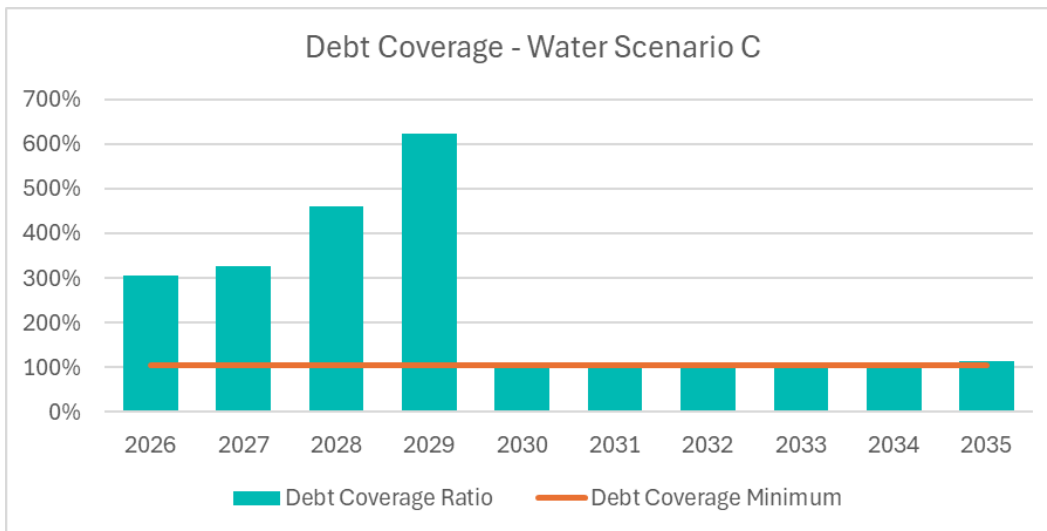
Water – Alternative Scenario C

The second alternative scenario for the Water Fund uses the same starting point as the earlier scenarios, with the addition of a gravity filtration & reverse osmosis treatment plant to be constructed in 2030. The cost for this project is estimated at \$82.7 million in 2030 dollars.

Given the significant costs involved to construct the treatment facility, additional rate increases are needed to generate revenues sufficient to cover the expected debt service requirements, which are projected at approximately \$6.6 million annually. We project that rate increases of 28% each year from 2026 through 2029 will be needed, with 3% annual increases in 2030 and thereafter.

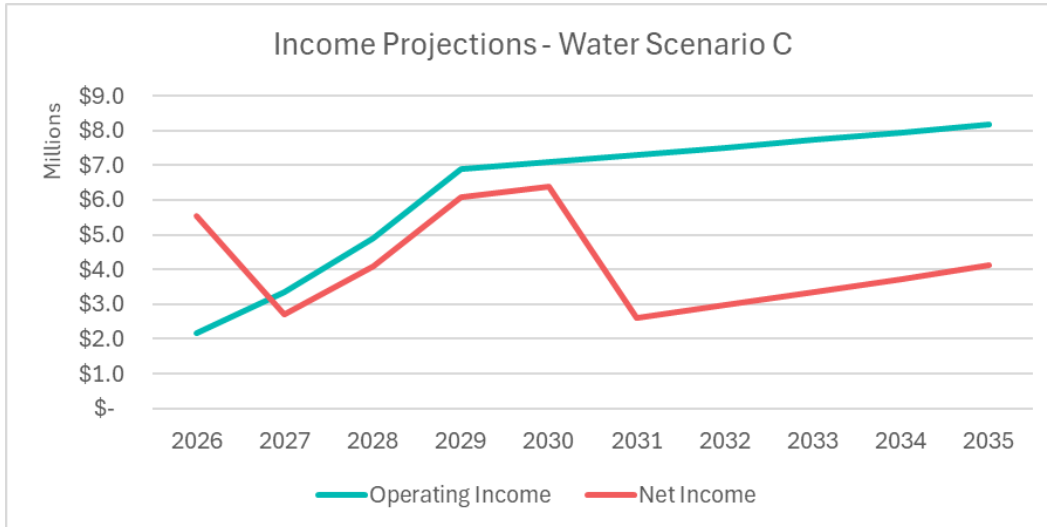
These increases are projected to give the Water Fund revenues sufficient to cover 105% of its expected debt service payments after 2030, which is a typical requirement for utility debt of this kind. Debt service coverage projections are shown in Figure 8.

Figure 8: Debt service coverage – scenario C



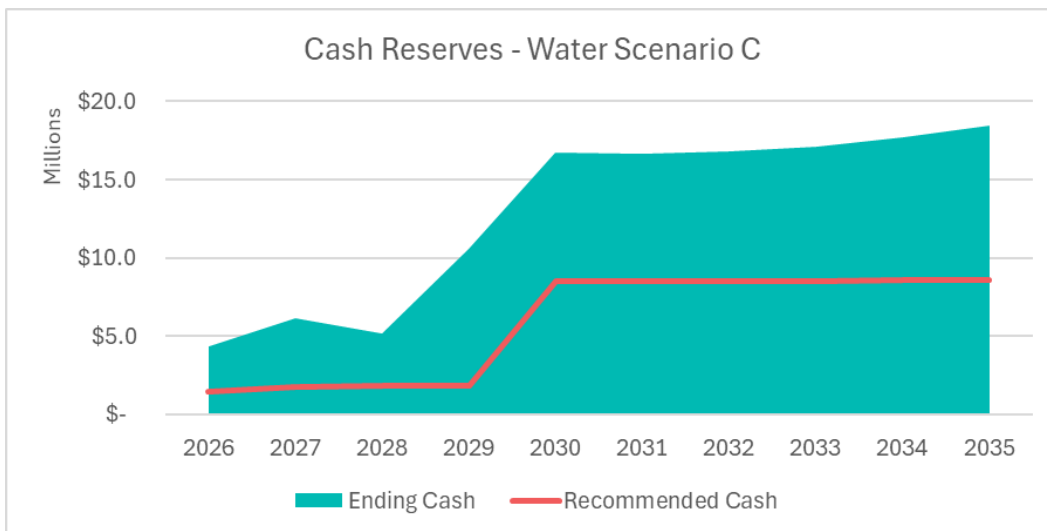
The increases needed for debt service coverage are expected to provide the Water Fund with positive operating and net income over the duration of the planning period, as shown in Figure 9. Operating income is expected to grow to \$7 million by 2029, while net income follows a similar trajectory until 2031, when payments on the \$82.7 million revenue debt reduce net income to around \$2.6 million.

Figure 9: Income projections – scenario C



Cash reserves grow quickly as a result of the rate increases in the early years, reaching approximately \$17 million in 2030. Given the uncertainty in construction costs for a project of the size and complexity as the treatment plant, we believe that having the additional resources to cover potential contingencies is warranted. If the Water Fund continues to hold excess cash into the 2030s, it will provide a reasonable means of funding future capital improvements without the need for additional long-term debt. A projection of anticipated cash balances is shown in the chart below.

Figure 10: Projected cash reserves – scenario C



Water – Alternative Scenario D

The second alternative scenario for the Water Fund looks at the impact of building a gravity filtration plant without the reverse osmosis component. In this scenario, the treatment plant is still constructed in 2030, but the cost is decreased to \$75.6 million.

For this project, debt service requirements are estimated at approximately \$6.0 million annually. As a result of the lower debt service requirements, we anticipate that rate increases over the next four years would be 25% instead of 28%, again with 3% annual increases in 2030 and thereafter.

Projections for debt coverage, income, and cash reserves are nearly identical to those shown in Scenario C. In each case, the extent of changes in reduced only slightly. The projections are shown in the figures which follow.

Figure 11: Debt service coverage – scenario D

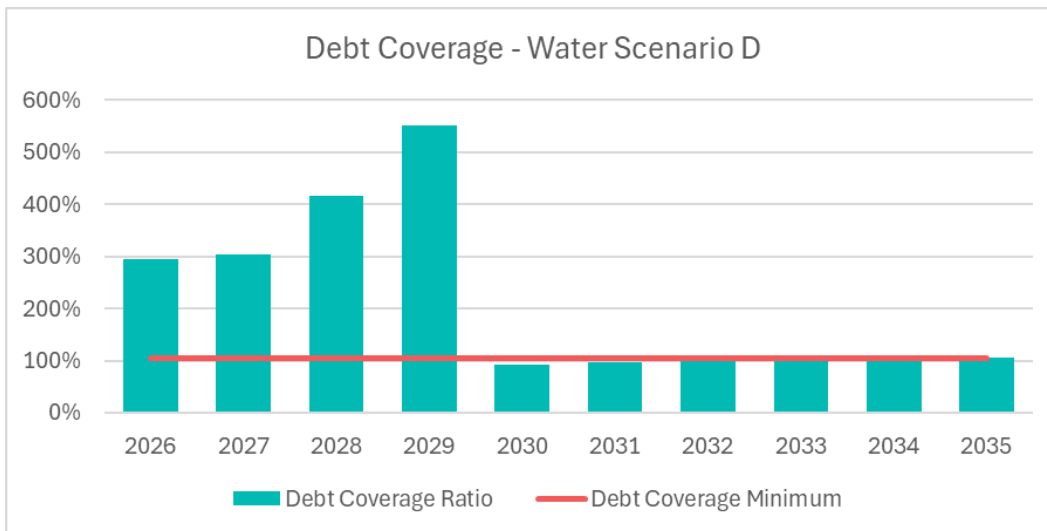


Figure 12: Income projections – scenario D

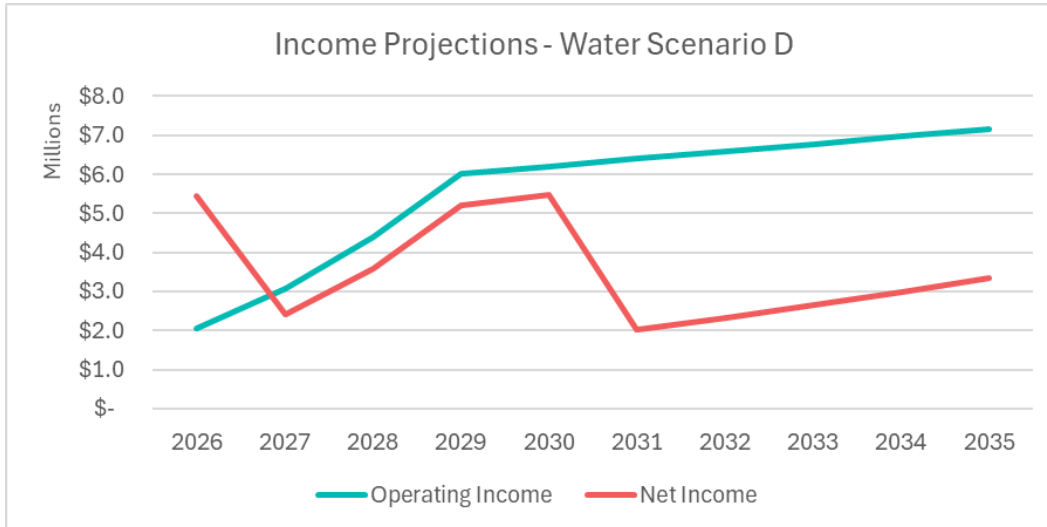
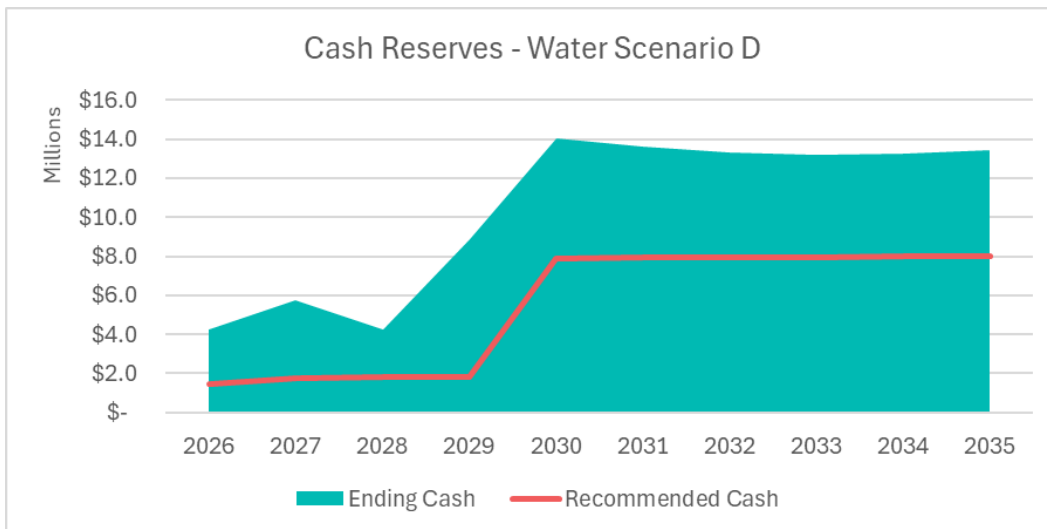


Figure 13: Projected cash reserves – scenario D



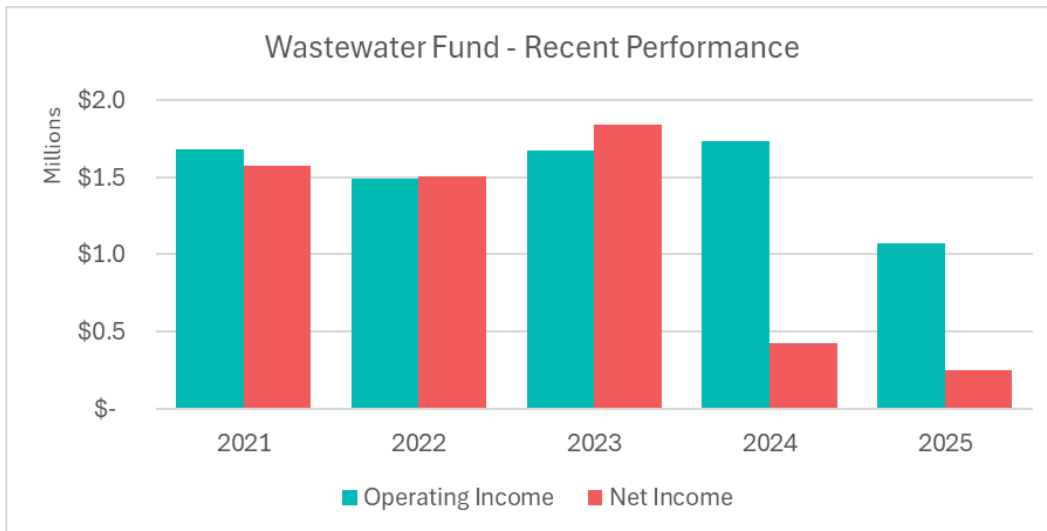
Wastewater Fund

Recent Performance

Looking at financial reports since 2021, it is clear that the Wastewater Fund is in a strong financial position. Operating income has been \$1.5 million to \$1.7 million each year since 2021. In the 2025 budget, operating income is expected to decline to \$1.1 million, but this is due almost entirely to increased depreciation expenses related to recent capital improvements.

Net income followed a similar pattern in 2021 through 2023, then moderated in 2024 due to increased debt service payments related to a \$14.4 million bond issued in 2023 to finance capital improvements. In addition, the fund made a \$1.0 million transfer to the Maintenance Fund in 2024. These changes brought the Wastewater Fund's net income down from \$1.8 million in 2023 to \$0.4 million in 2024. In 2025, net income is expected to decline further, due to lower expected returns from the fund's investments.

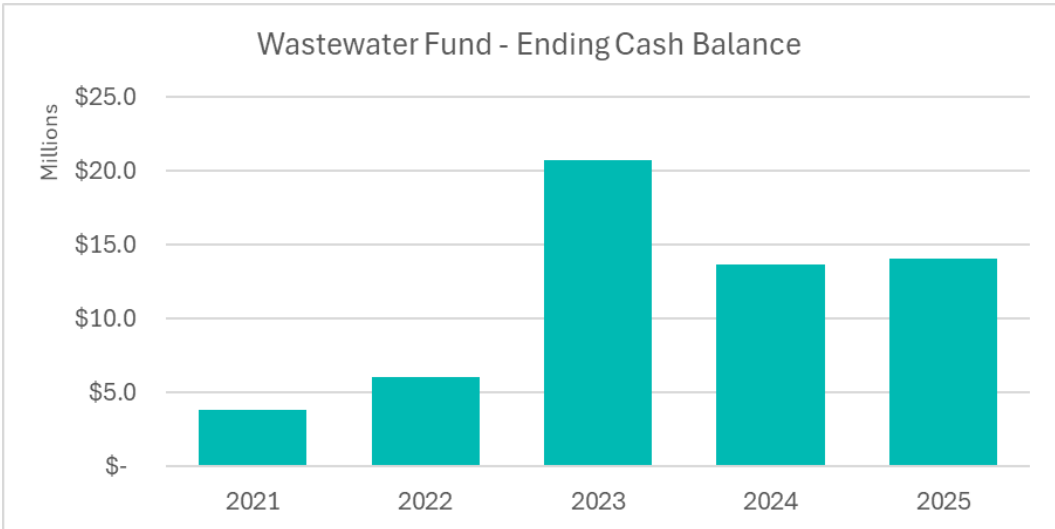
Figure 14: Recent financial performance



Looking at the Wastewater Fund's cash reserves, the year-end cash balance grew from \$3.8 million in 2021 to just over \$20 million in 2023, when the Sewer Fund issued its bond. Approximately \$8.4 million of this cash was spent on capital outlays in 2024, resulting in an ending cash balance of \$13.7 million. Cash reserves at the end of 2025 are projected to be \$14.0 million.

Recent cash reserves for the Wastewater Fund are shown in Figure 15.

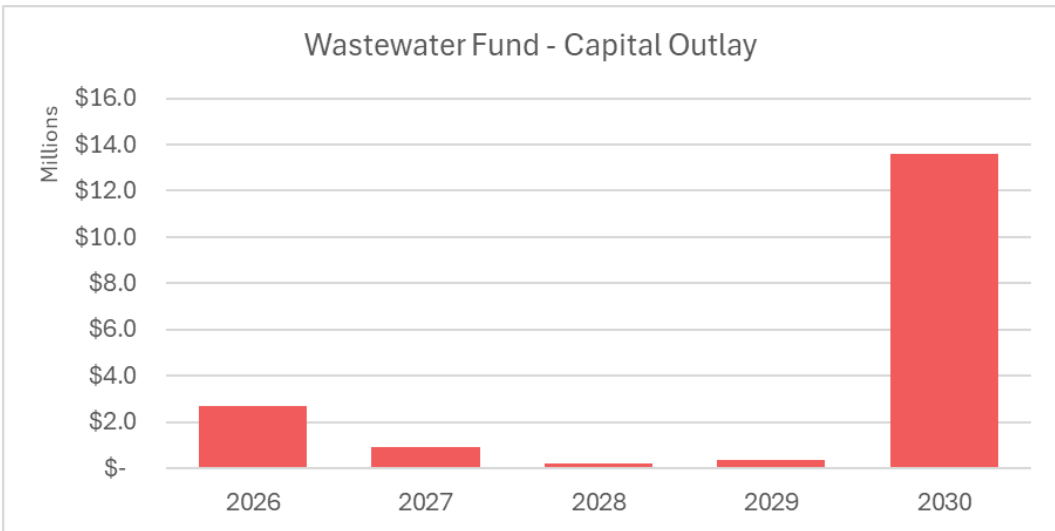
Figure 15: Cash reserves



Baseline Scenario – Capital Outlay

Capital outlays are expected to be modest over the next four years. In 2030, the fund is expected to pay for approximately \$13.4 in capital improvements related to biosolids cake storage and a water supply system. Total outlays are summarized below.

Figure 16: Anticipated capital outlay

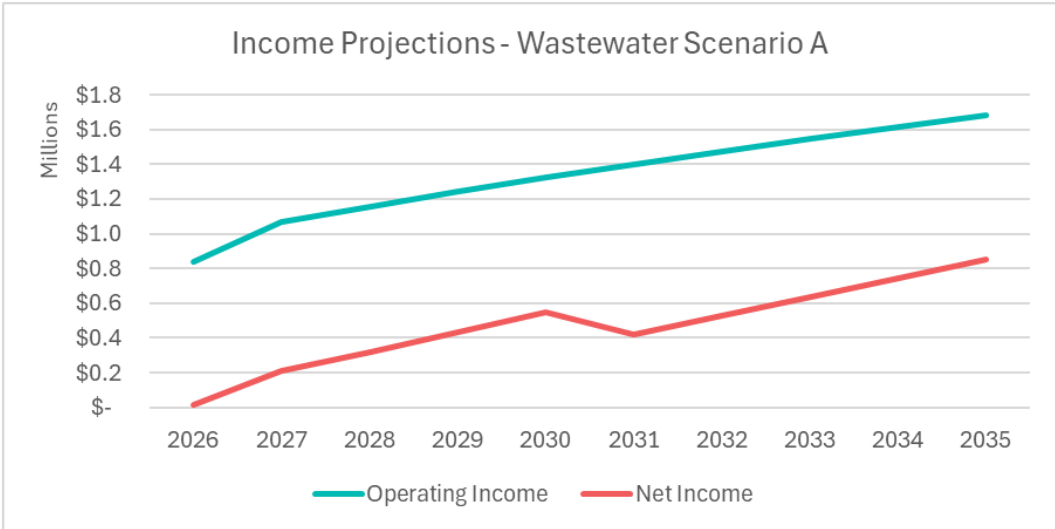


Baseline Scenario – Projections

Based on our projections for the future performance of the Wastewater Fund, we believe a 3% annual rate increase should be sufficient to provide the fund with positive annual income and to accumulate cash reserves sufficient to pay for the capital improvements scheduled for 2030.

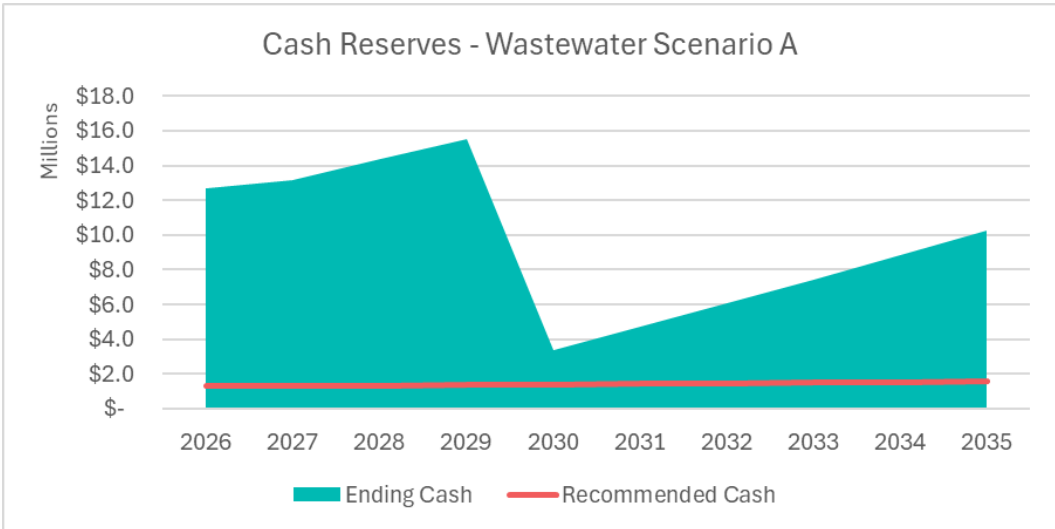
Looking at operating income, the fund sees positive income of \$0.8 million in 2026, growing gradually to a level of \$1.7 million by 2035. Net income is expected to be under \$100,000 in 2026, consistent with the analysis of income trends covered earlier. Net income is expected to rise to \$545,000 by 2030, before falling to \$415,000 the following year. This decrease is due to the expected drawdown of cash reserves to pay for the 2030 capital improvements, which results in lower revenues from investment income. The income projections are shown in Figure 17 below.

Figure 17: Operating and net income projections



Focusing next on cash reserves, the projections show the balance in the Sewer Fund growing from \$12.7 million in 2026 to \$15.5 million in 2029, then falling to \$3.4 million as major capital outlays are made in 2030. Reserves are expected to grow steadily after 2030, reaching \$10.3 million by 2035. These projections are shown in Figure 18.

Figure 18: Projected cash reserves



Wastewater – Alternative Scenario B

The alternative scenario uses the same starting point and assumptions as the baseline scenario, with the addition of a potential trunk extension to the City’s NW Industrial Area. The cost for this project was estimated at \$20.4 million.

Given the significant costs involved, construction of the extension in the current year is impractical. For planning purposes, we looked at likely impacts if the project is undertaken in 2029. To keep from understating future impacts, we inflated the project cost by 3.82% annually, which is the ten-year average of the Municipal Construction Cost Index as tracked by *American City & County*. Using this inflator, the projected 2029 cost for the project is approximately \$23.7 million.

Paying up-front for the project is not possible at this time; the Wastewater Fund simply does not have the resources to make such an outlay, and the rate adjustments required to raise the required funds would be on the order of 28% each year through 2028. Rates would then need to be cut by half around 2031 when major capital outlays were completed, as the excess revenues would cause reserves to accumulate by more than \$5 million each year.

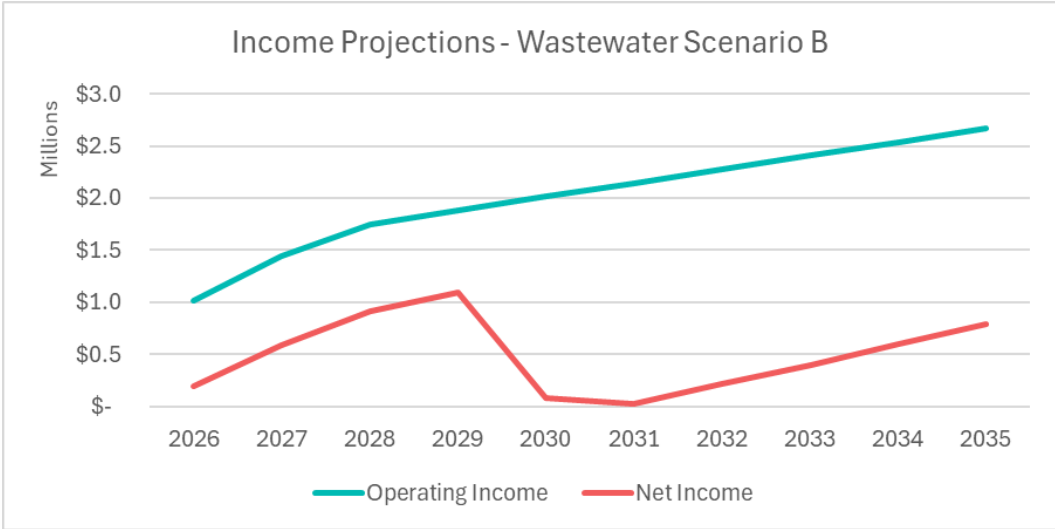
To avoid the need for massive short-term rate increases followed by later rate cuts, the alternative scenario assumes that the trunk extension is financed through long-term debt. For the projections, we assumed that the City would finance the project over 20 years at an interest rate of 5%.

Debt service payments on the \$23.7 million would come to approximately \$1.9 million per year, beginning in 2029. To make the necessary resources available to pay these costs, we calculate that sewer rates would need to be raised by 6.5% in 2026, 2027, and 2028.

Thereafter, annual increases of 3.5% should be sufficient to keep the Wastewater Fund on a sustainable path.

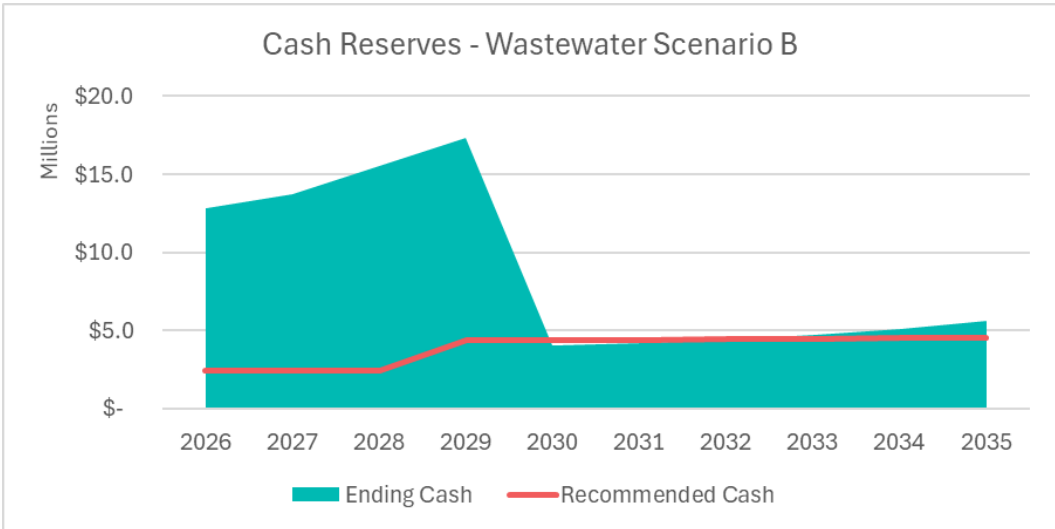
The additional rate increases are expected to allow the fund to maintain positive operating income over the duration of the planning period. Operating income grows from \$1.0 million in 2026 to \$2.7 million in 2035. Net income dips to zero in 2029 when the new debt service payments begin, and remains below \$1.0 million each year throughout the ten-year planning period. Income projections are shown in Figure 19 below.

Figure 19: Income projections – alternative scenario



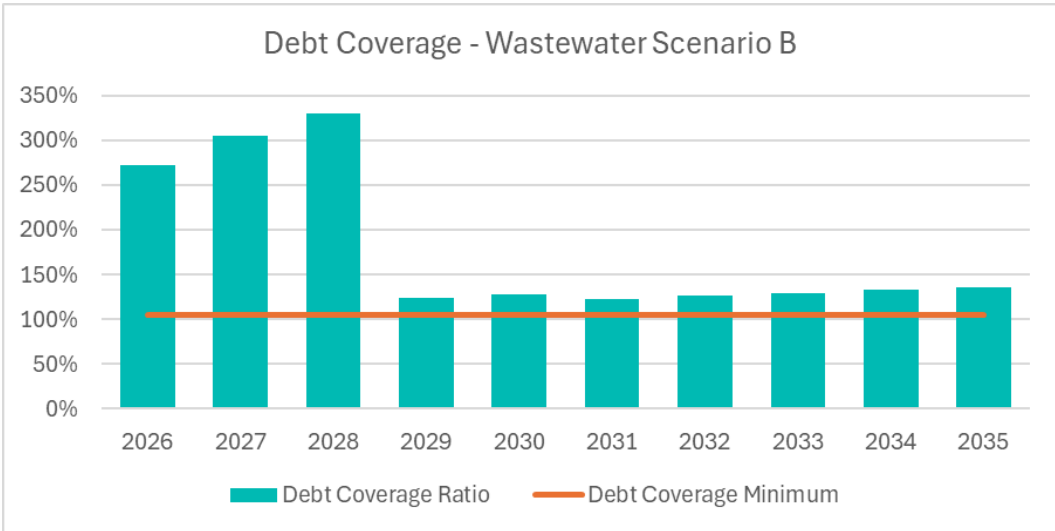
Cash reserves would be drawn down significantly in 2030 to pay for the scheduled biosolids storage and water supply system projects. As a result, the cash balance is expected to fall from \$17.3 million to \$4.0 million in 2030. Cash accumulates slowly thereafter, reaching \$5.6 million by 2035. A projection of anticipated cash balances is shown in Figure 20.

Figure 20: Projected cash reserves – alternative scenario



The issuance of additional long-term debt in 2029 would have an impact on the Wastewater Fund’s debt service coverage ratio. The recommended rate increases should allow the fund to maintain a coverage ratio above 105%, as shown below.

Figure 21: Projected debt service coverage – alternative scenario



Stormwater Fund

Recent Performance

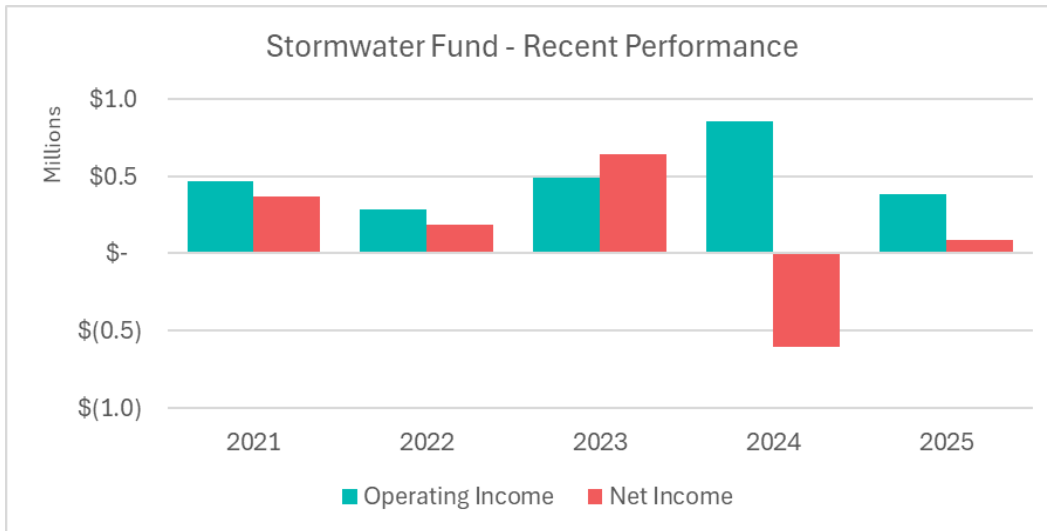
Turning to the Stormwater Fund, we note that revenues, expenditures and fund balances are considerably smaller in this fund as compared to the activity levels seen in Water and Wastewater.

The Stormwater Fund has seen generally positive results, with one exception in 2024. Operating income was nearly \$500,000 in 2021, falling to \$280,000 in 2022 before rising up to \$850,000 in 2024. For 2025, operating income is expected to be \$380,000.

Net income followed a similar pattern in 2021 through 2023, before showing negative net income of \$600,000 in 2024. This trough was due almost entirely to a \$1.5 million transfer made to the Maintenance Fund. In 2025, net income is expected to be approximately \$80,000.

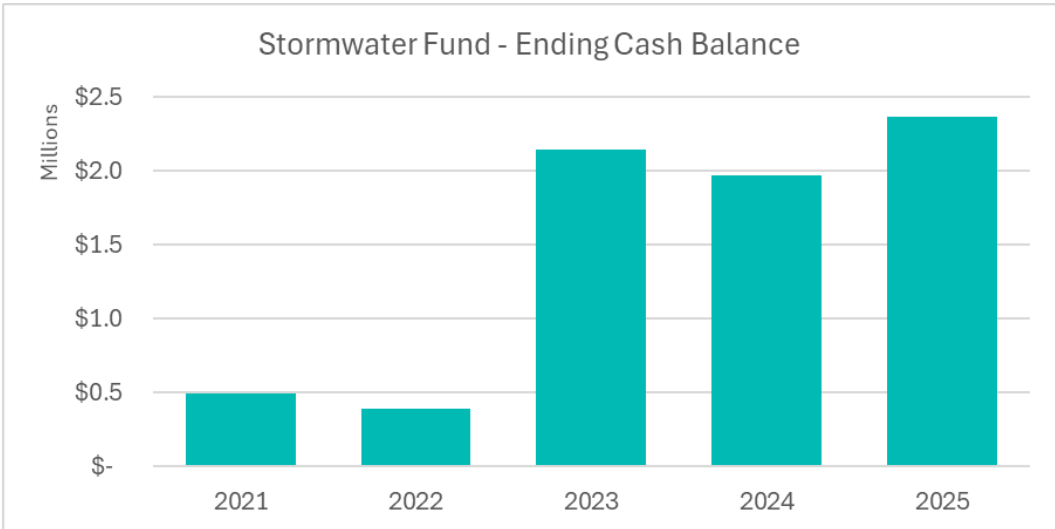
Recent trends in Stormwater income are shown in Figure 22 below.

Figure 22: Recent financial performance



Looking at cash reserves, we see ending cash of approximately \$500,000 in 2021 and \$400,000 in 2022. Cash reserves rose to \$2.1 million in 2023 as a result of funds received from long-term debt issued that year. Cash remained close to \$2.0 million in 2024, and is expected to total \$2.4 million at the end of 2025. These figures are shown visually in Figure 23.

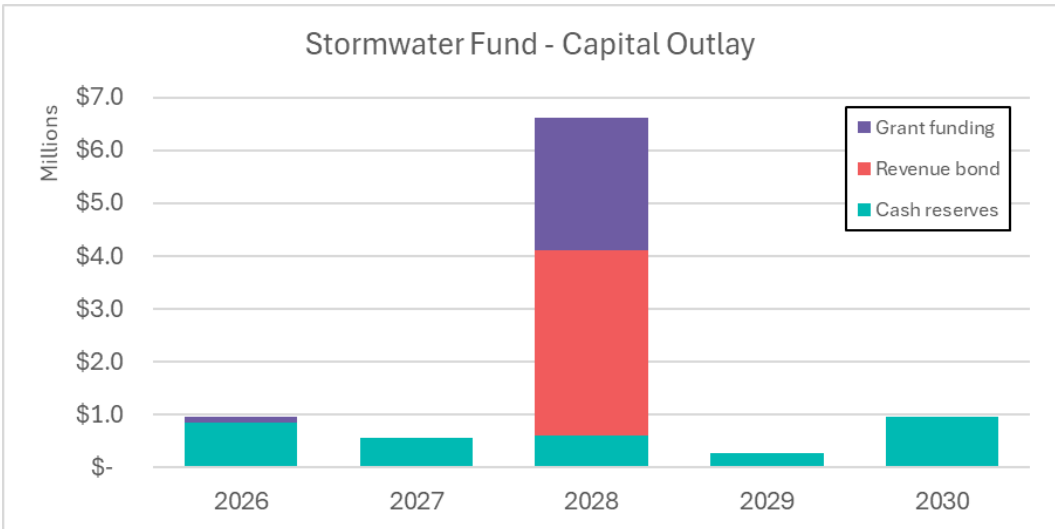
Figure 23: Cash reserves



Baseline Scenario – Capital Outlay

The major capital outlay for the Stormwater Fund is a pair of flood protection projects totaling \$6.0 million. Our projections show the projects happening in 2028, funded through a combination of grants and long-term debt. Additional cash outlays for smaller projects are expected each year. Total outlays are summarized below.

Figure 24: Anticipated capital outlay

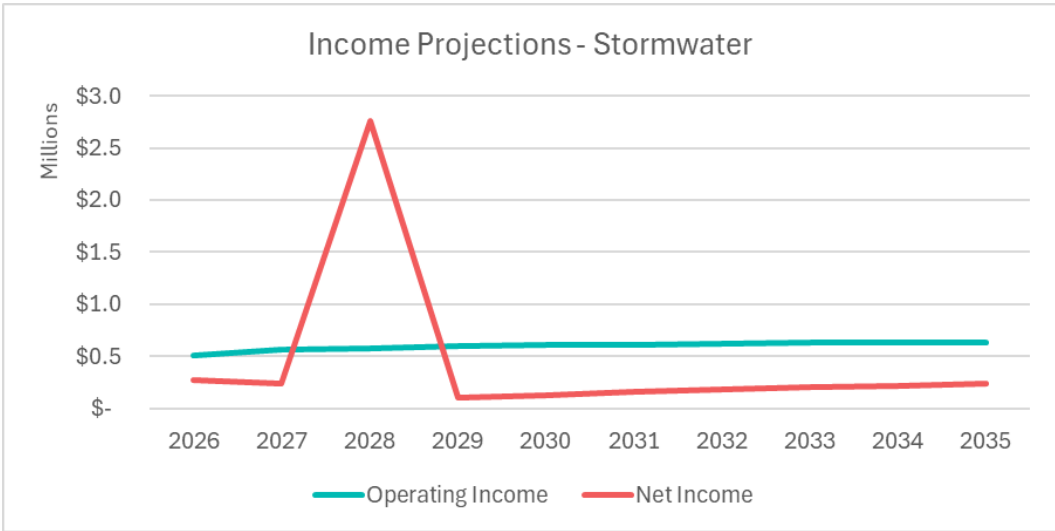


Baseline Scenario – Projections

Based on our projections of the Stormwater Fund’s expected performance over the next ten years, we believe that a 5% rate increase in 2026 and 2027 will provide the fund with the resources it needs. Rate increases in later years are anticipated to be 2%.

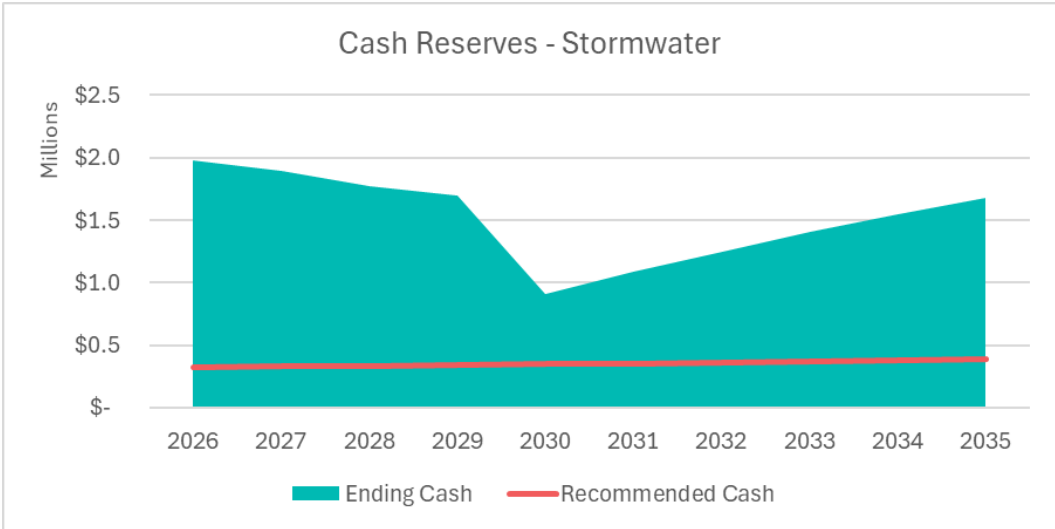
Looking at operating income, the fund sees positive income starting at \$500,000 in 2026 and growing slowly to \$630,000 by 2035. Net income stays close to \$250,000 in 2026 and 2027 before spiking to \$2.8 million as a result of grant funding received in 2028. Net income resets at just over \$100,000 in 2029 as a result of debt service payments, and is expected to grow slowly thereafter. Income projections are shown in Figure 25 below.

Figure 25: Operating and net income projections



Cash in the Stormwater Fund starts at \$2.0 million in 2026 and gradually falls to \$1.7 million by 2029 as a result of capital outlays. Cash reserves fall to \$900,000 in 2030 to pay for pond dredging and two road projects, and then grow steadily in the years after. These projections are shown in Figure 26.

Figure 26: Projected cash reserves



Garbage Fund

Recent Performance

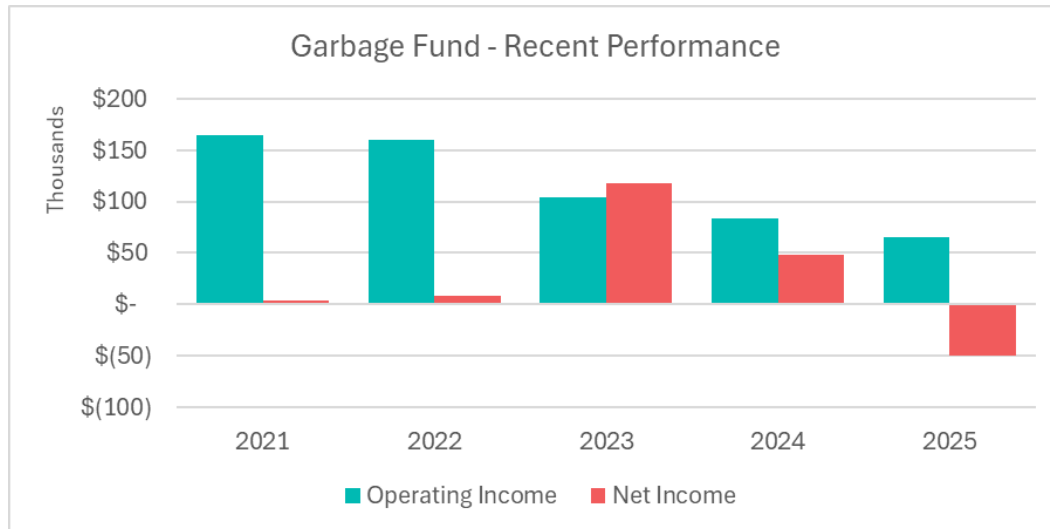
Similar to our observation about the Stormwater Fund, we note that revenues, expenses and cash reserves in the Garbage Fund are considerably smaller than the levels seen in the other enterprise funds reviewed in this report.

Operating income for the Garbage Fund started at \$165,000 in 2021, though the trend since then has shown operating income fall to an expected \$65,000 for the current year. This trend is unsustainable, and will require rate adjustments to keep from going negative in the future.

Net income was essentially zero in 2021 and 2022, as administration and maintenance charges almost exactly offset its operating revenues. Investment returns helped lift net income to \$100,000 in 2023 and nearly \$50,000 in 2024. In 2025, the fund is expected to show a net loss of (\$50,000), though this may be mitigated if investment income is higher than the \$0 currently budgeted.

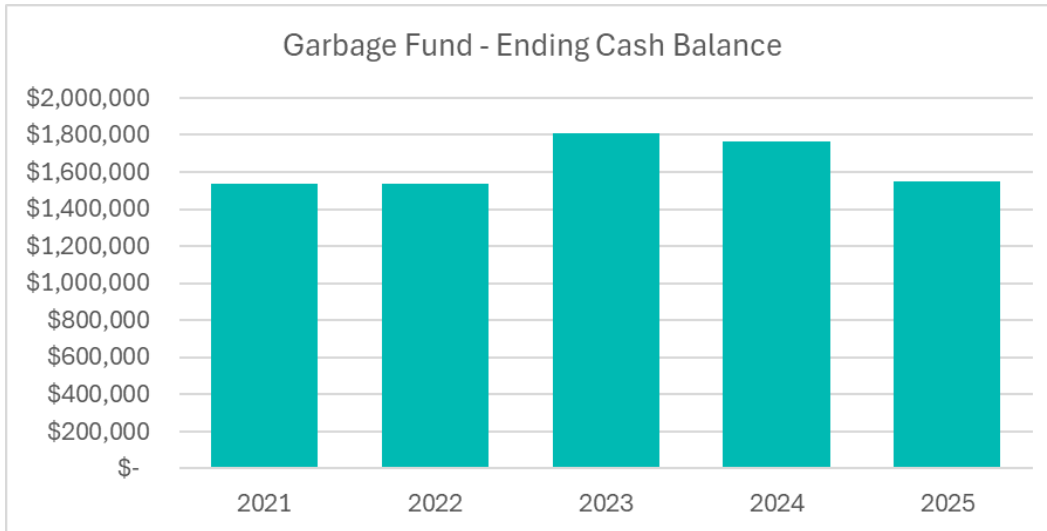
Recent trends in income are shown in Figure 27.

Figure 27: Recent financial performance



Looking at cash reserves, we see ending cash of approximately \$1.5 million in 2021 and 2022. Cash reserves rose to \$1.8 million in 2023 and 2024 as a result of regular operations. Ending cash is expected to total \$1.5 million at the end of 2025, reflecting a \$200,000 outlay for capital improvements. Cash reserves are shown in Figure 28.

Figure 28: Cash reserves



Baseline Scenario – Capital Outlay

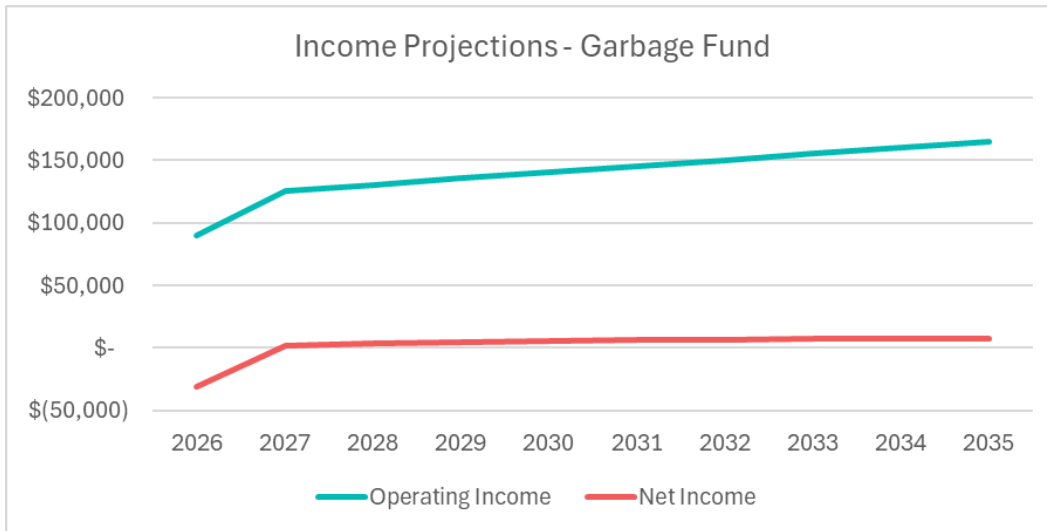
The only capital outlay shown for the Garbage Fund is an emergency exit at the compost site, scheduled for 2028 at a cost of \$1 million.

Baseline Scenario – Projections

To reverse the decline in operating income and to pay for the 2028 capital project, we recommend a 6.5% increase to garbage rates in 2026 and 2027. Rate increases in later years are recommended at 3.5% annually. Additional adjustments may need to be made if the costs of contract hauling change significantly in the coming years.

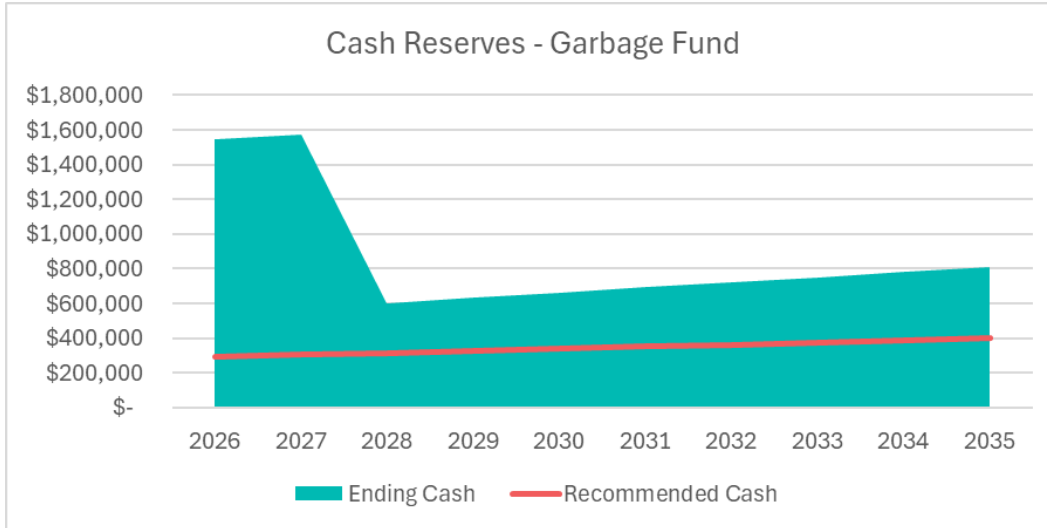
Based on these rates, operating income for the Garbage fund rises to \$125,000 by 2027, and grows gradually thereafter, reaching \$165,000 by 2035. Net income stays close to zero throughout the planning period, as fund transfers for administrative fees offset operating income. Income projections are shown in Figure 29.

Figure 29: Operating and net income projections



Cash in the Garbage Fund starts at \$1.5 million in 2026 and 2027, falling to \$600,000 in 2028 after paying for the capital improvements at the compost site. Cash reserves grow slowly thereafter, reaching \$800,000 by 2035. These projections are shown in Figure 30.

Figure 30: Projected cash reserves



Projected Rates

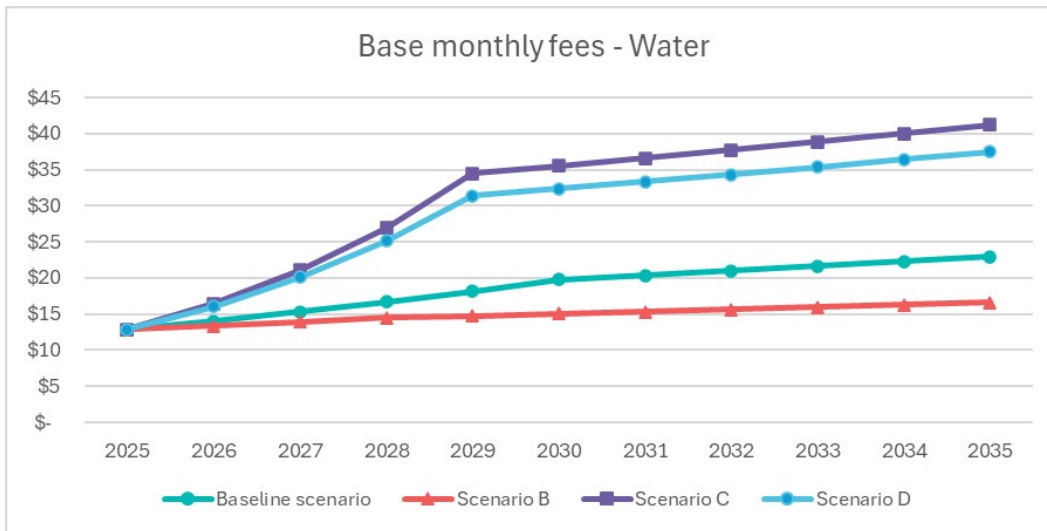
Water Rates

Projected water rates vary considerably depending on the scenario. In the baseline scenario, the monthly base rate for water service grows from its current value of \$12.86 to an ending value of \$22.94 in 2035. This represents a 78% increase over ten years. Scenario B sees the base rate grow to \$16.62 per month, which is a ten-year increase of 29%.

Scenarios C and D involve much larger increases to pay for a new treatment facility. In scenario C, the 2035 monthly base fee is \$41.23. In Scenario D, this amount is \$37.50. These represent ten-year increases of 221% and 192% respectively.

The growth of monthly base rates in each scenario is seen in Figure 31 below.

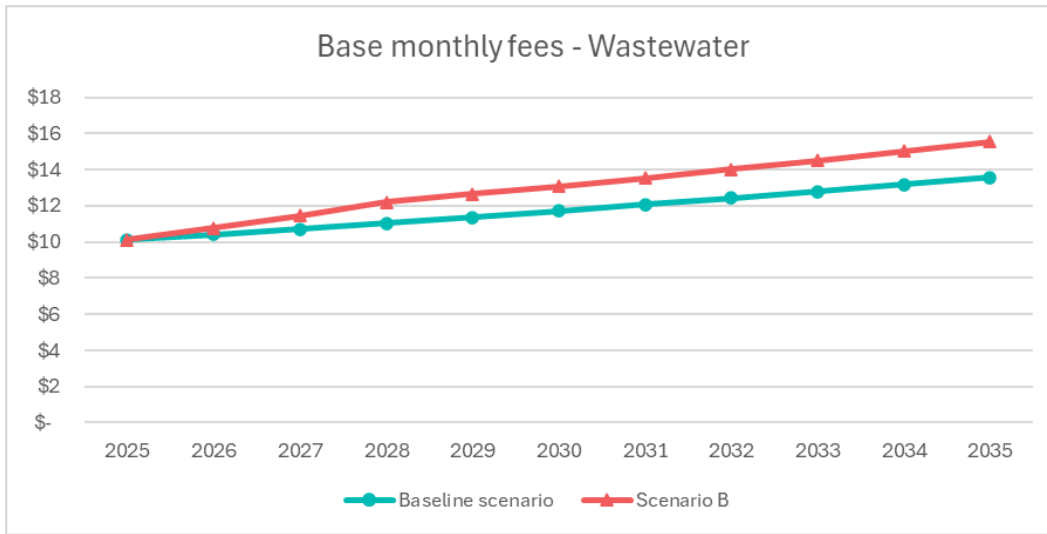
Figure 31: Projected water rates



Wastewater Rates

For wastewater, the monthly base rate in the baseline scenario grows from its current value of \$10.11 to a value of \$13.57 in 2035. This represents a 34% increase over ten years. For scenario B, the 2035 monthly base fee is \$15.55, which is a ten-year increase of 54%. Projected wastewater rates are shown in Figure 32.

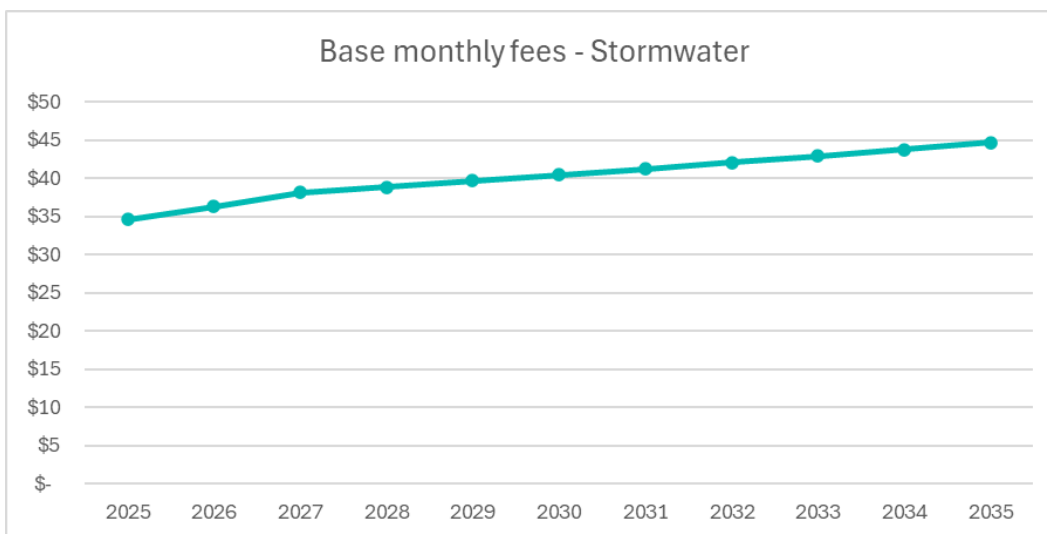
Figure 32: Projected wastewater rates



Stormwater Rates

For stormwater service, monthly service grows from a current cost of \$34.59 to \$44.69 in 2035. This represents a 29% increase over ten years.

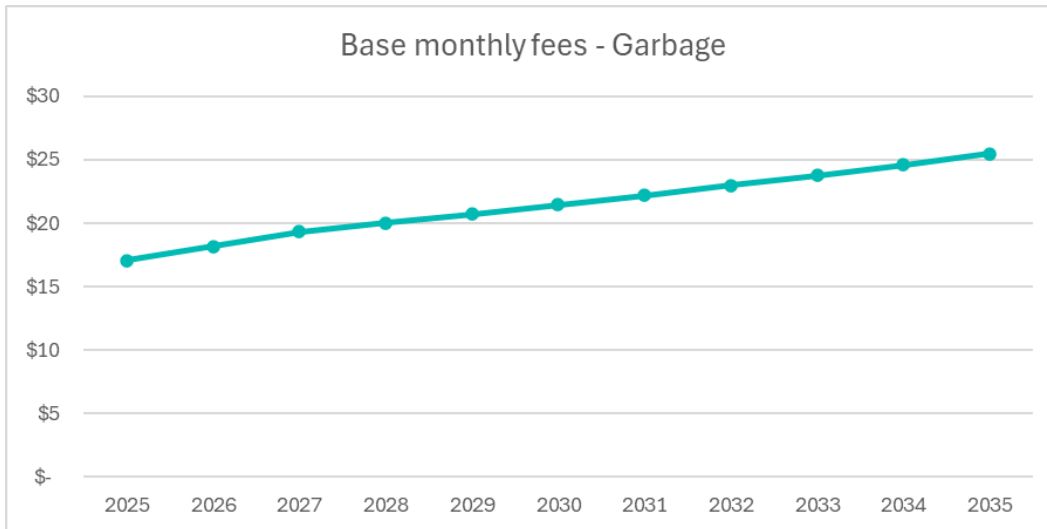
Figure 33: Projected stormwater rates



Garbage Rates

For trash collection, service for a 64-gallon container is currently \$17.04 per month. This amount would grow to \$25.45 in 2035, which is 49% over ten years.

Figure 34: Projected garbage rates



Projected Utility Bills

In this section, we will review the impacts of various utility rate scenarios on an average residential customer in the City. This customer uses 589 cubic feet of water per month, with a 35-gallon trash container and a 0.33 acre lot.

The baseline scenario uses the baseline recommended rates for water and wastewater. The lowest-rate scenario uses Scenario B for water and Scenario A for wastewater. The highest-rate scenario uses Scenario C for water (which include a treatment plant including the reverse osmosis component) and Scenario B for wastewater (which includes the trunk extension project).

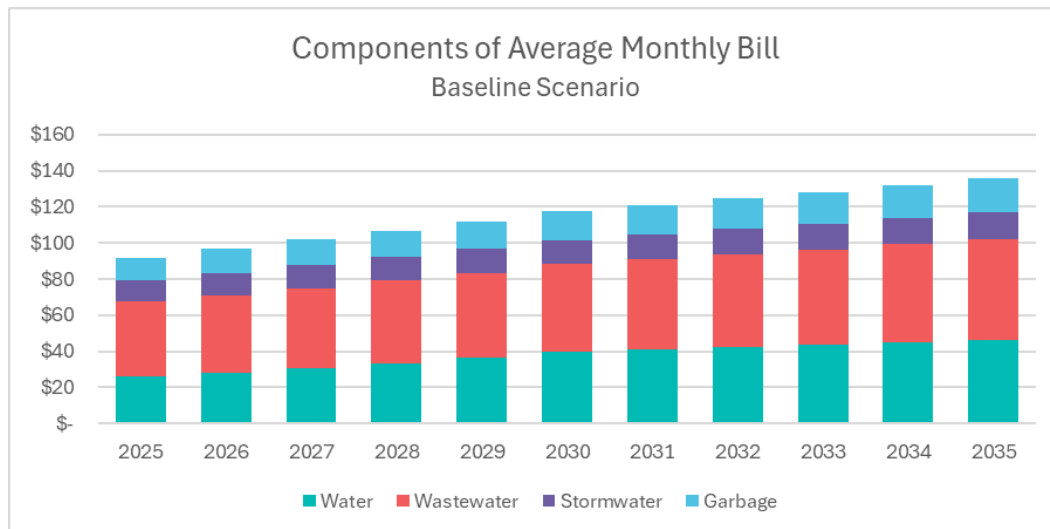
Stormwater and garbage have only one set of rate recommendations each, so these two components will remain constant.

Baseline Scenario

First, we look at the impacts of the baseline rate recommendations on an average ratepayer. In this scenario, the cost of water service starts at \$25.97 in 2025, and grows to \$46.25. Wastewater service grows from \$41.74 to \$56.10. Stormwater grows from \$11.53 to \$14.90, and Garbage collection increases from \$12.55 to \$18.74 per month.

The total monthly utility bill rises from \$91.79 currently, to \$135.99 in 2035. The cost of each utility service is shown in Figure 35 below.

Figure 35: Baseline utility costs for average residential customer

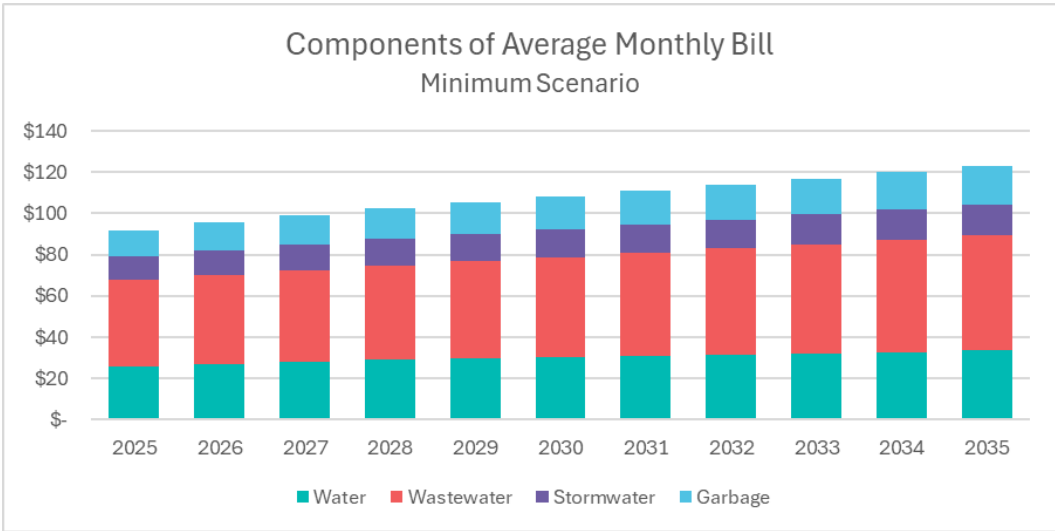


Minimum Scenario

If we look at the projections using the minimum water rates, we see that overall monthly bills are slightly lower. In this case, the cost of water service grows to \$33.50 by 2035. Wastewater, stormwater and garbage remain unchanged from the previous scenario.

In this scenario, the total monthly bill goes from \$91.79 to \$123.24 over the next ten years. Costs are shown in Figure 36.

Figure 36: Average monthly utility bills – minimum rate scenario



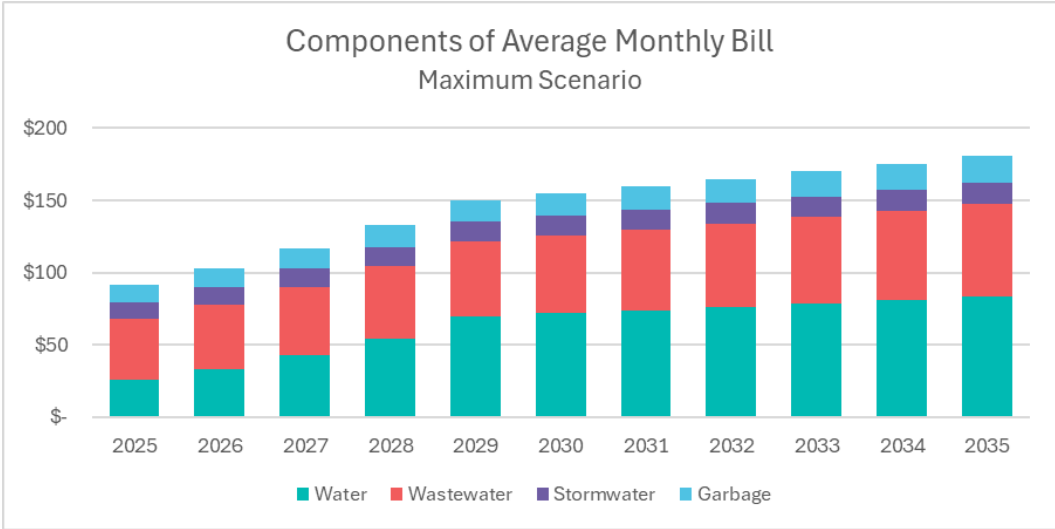
Maximum Scenario

The last scenario we review includes the maximum rate increases for water and sewer. This includes the more expensive water treatment plant and the sewer trunk extension to the NW Industrial Area.

In this scenario, the cost of water service starts at the current rate of \$25.97 in 2025 and grows to \$83.20. Wastewater service grows from \$41.74 to \$64.20. Stormwater and garbage grow to \$14.90 and \$18.74 as with the other scenarios.

In the maximum cost scenario, the total monthly bill for an average residential customer starts at the current rate of \$91.79 and grows to \$181.04 by 2035. This cost projection is shown in Figure 37.

Figure 37: Average monthly utility bills – maximum rate scenario



Comparison of Projected Bills

Looking at the total monthly bills under each scenario, we observe that the ten-year increase in total bills is 48% under the baseline scenario. For the minimum impact, growth is 34%, and for the maximum impact scenario, growth is 97%, essentially doubling total monthly bills over the course of ten years..

As can be seen in Figure 38 below, most of the growth in the maximum rate scenario occurs in the first four years, with increases becoming gentler after 2029.

Figure 38: Comparison of monthly bill scenarios

