

**2R. Consideration of approving Resolution 2023-56 in support of constructing a new Public Works Facility**

<b>Prepared by:</b> Finance Director	<b>Meeting Date:</b> 6/26/2023	<input checked="" type="checkbox"/> <b>Consent Agenda Item</b> <input type="checkbox"/> <b>Regular Agenda Item</b>
<b>Reviewed by:</b> Public Works Director/City Engineer	<b>Approved by:</b> City Clerk	

**ACTION REQUESTED**

Motion to approve Resolution 2023-56 in support of constructing a new Public Works Facility.

**REFERENCE AND BACKGROUND**

The City of Monticello first completed a public works building study in 2007, but economic factors and lack of available land stalled the project. An updated feasibility study was completed in 2019 that identified two potential locations. After review, the City purchased land for the new facility in 2021. A study was completed in 2022 to confirm that a new public works facility is preferable to renovating the current facility when factoring in future projections of development in the city.

The current facility is not sufficient to support operations of the City's public works departments, especially when factoring in projected development. Staff are officing out of inefficient and inappropriate areas, including an attic and offices separated by incomplete walls. Ventilation in the shop area is substandard and basic functions, such as drainage of water in the vehicle storage area, are not working properly. The vehicle maintenance area doesn't have modern equipment such as overhead cranes, dedicated welding areas, etc. to help ensure employee safety while maintaining the City's equipment. In addition, the existing facility capacity, both within the building and on the site, is lacking which requires inefficient storage of machinery and equipment in various locations throughout the city.

The new public works facility has been designed to function as an elections precinct and to house the City's information technology (IT) infrastructure.

Current estimates indicate the cost for constructing a new public works facility would be roughly \$38 million. To secure funding assistance, the city recently made requests to federal elected officials for the Congressionally Directed Spending program. Senator Smith and Senator Klobuchar have included \$5 million as part of their program funding requests. In addition, staff placed an application on the Minnesota Department of Transportation's project priority list for this project, as well as made a State Capital Budget Request.

The requested resolution formally acknowledges the City Council will allocate required matching funds for grants or other funding assistance. It also supports future staff efforts to compile funding applications by highlighting the Council's commitment to the project.

- I. **Budget Impact:** The State Capital Budget Request requires at least a 50% local match. If the \$16,000,000 of grant funds are awarded, spending is anticipated in 2024 and 2025. The additional city contribution of \$22,000,000 will be paid for with the issuance of General Obligation CIP bonds, which would be repaid through the property tax levy.
- II. **Staff Workload Impact:** Staff workload will have marginal impact.
- III. **Comprehensive Plan Impact:** N/A

**STAFF RECOMMENDED ACTION**

Staff recommends approving a resolution in support of constructing a public works facility.

**SUPPORTING DATA**

- Resolution 2023-56

**CITY OF MONTICELLO  
WRIGHT COUNTY, MINNESOTA  
RESOLUTION NO. 2023-56**

**RESOLUTION OF SUPPORT FOR THE CONSTRUCTION OF A PUBLIC WORKS FACILITY**

**WHEREAS**, The City of Monticello provides basic municipal services to the residents and businesses in the community, including engineering, streets, ice and snow removal, shop and garage, street lighting, water, sewer and stormwater services, and facilities maintenance.

**WHEREAS**, The City of Monticello is a responsible employer who values financial stewardship.

**WHEREAS**, A feasibility study was conducted, which indicated significant repairs and maintenance needed on the current public works building to address safety and code requirements. Additionally, current workspace and storage needs are already larger than the current building and site area.

**WHEREAS**, After the completion of the feasibility study it was determined that the construction of a new public works facility would be the best way to plan for the current and future needs of the city's public works department.

**NOW THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF MONTICELLO, MINNESOTA:**

1. That the City Council supports the construction of a public works facility and is committed to provide matching funds to complete the construction of the facility.

**ADOPTED BY** the City Council of Monticello, Minnesota this 26<sup>th</sup> day of June, 2023.

CITY OF MONTICELLO

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Lloyd Hilgart, Mayor

ATTEST:

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Jennifer Schreiber, City Clerk