

WORK SESSION
TUESDAY, JANUARY 24, 2006
5:00 to 8:00 p.m.

THE VILLAGE OF DEXTER
VILLAGE COUNCIL

Copeland Conference Room, 7720 Dexter Ann Arbor

Infrastructure Strategic Planning Session
MINUTES

Attending: J. Carson, P. Cousins, D. Fisher, S. Keough, J. Seta, T. Walters

Absent: J. Semifero

Village Manager Dettling presented a PowerPoint presentation: (Original Attached as *Attachment*)

- 1) Establish priorities and cost estimates for capital projects
 - Water and Sewer Infrastructure Improvements

After much discussion, the following items were generally agreed to be the preliminary target projects for the Water and Sewer Infrastructure Improvements:

1. Filtration Plant	\$1,000,000
2. Equalization Basin	\$1,000,000
3. Well Search & 5th Well	\$ <u>225,000</u>
	<i>Sub-Total</i> \$2,225,000

- General Fund Infrastructure Improvements

After much discussion, the following items were generally agreed to be the preliminary target projects for the General Fund Infrastructure Improvements”

1. Bridge Cost Share	\$ 500,000
2. Westside Connector	\$ 500,000
3. Park Restoration	\$ 500,000
4. Sediment Removal	\$ 500,000
5. DPW	\$ 800,000
6. Municipal Building (potential for sale of current Fire Hall)	\$3,000,000
7. CBD Basin	\$ <u>750,000</u>
TOTAL	\$6,550,000

(Revised PowerPoint is *Attachment 2*)

- 2) Establish maximum for potential Bond payment
 - Review Bond Payment Schedule

The following bond payment schedule was discussed. Staff explained that it was for illustrative purposes only. A twenty-year term with 4% interest payment is reflected in the table. The actual annual payment would likely be less, but would escalate over the life of the bond.

Bond Amount	Annual Payment
\$13,425,000	\$ 976,234
\$10,000,000	\$ 727,175
\$ 9,000,000	\$ 649,458
\$ 8,425,000	\$ 612,645
\$ 8,000,000	\$ 584,616
\$ 7,000,000	\$ 509,106
\$ 6,000,000	\$ 436,296
\$ 5,000,000	\$ 363,588
\$ 4,000,000	\$ 290,868
\$3,000,000	\$ 218,148
\$ 2,000,000	\$ 145,428

3) Develop clear revenue stream methodology for Bond payment

The following funds and amounts were discussed as potential revenue sources to make the bond payments and/or pay for the projects with available reserves.

- 1) DDA \$100,000
- 2) General Fund \$140,000
- 3) LDFA \$160,000 (Half of LDFA)

The following were left blank due to the pending rate study by ACI Finance in the coming weeks.: Water/Sewer funds and future Tap Fees.

4) Review Financial Forecast Data

President Seta presented a financial forecast spreadsheet. Discussion of various revenue and expense scenarios occurred.

5) Other concerns

Staff will schedule a subsequent Work Session at or before a future council meeting, likely in February. In the mean time, staff will:

- 1) Develop the methodology and schedule for moving the project(s) forward, similar to what was done with the Public Works Building.
- 2) President Seta will email the revised PowerPoint and Financial Forecast Spreadsheet to the rest of council.
- 3) Marie Sherry will provide the financial model to those that request it.

Submitted by:

John Hanifan
Assistant Village Manager
Village of Dexter

Approved for Filing: February 13, 2006

“This meeting is open to all members of the public under Michigan Open Meetings Act”