



Watertown City Council  
Work Session

Mayor Steve Washburn  
Lindsay Guetzkow  
Adam Pawelk  
Michael Walters  
Dan Schuette

11/15/2022 - Minutes

1. Call To Order And Roll Call

Mayor Washburn called the Watertown City Council work session to order at 5:35 p.m. on November 15, 2022, in the council chambers of City Hall.

Council Members Present: Steve Washburn, Adam Pawelk, Lindsay Guetzkow, and Michael Walters.

Council Members Absent: Dan Schuette.

Staff Present: City Administrator Jake Foster, Administrative Services Director Maggie Reisdorf, City Engineer Andrew Budde, Fire Chief Tom Hanson, and Public Services Superintendent, Mike Dressel.

Others Present: Kay Thul.

2. New Business

2.1. 2I - CIP Discussion No. 2

City Administrator Jake Foster introduced the 2023 Capital Improvement Plan (CIP) to the City Council for review and discussion.

Foster started by reviewing changes that were made to the CIP document since the previous discussion at the October 25, 2022 City Council Work Session Meeting. He stated that the movement and elimination of CIP items previously listed under 2023 resulted in a \$714,702 reduction for that year.

Foster reviewed other items in which the City Council would have to determine how to proceed. This included the Downtown Parking Lot Mill and Overlay Project, the 2023 Mill and Overlay Project, the 12" Tree Chipper, Debt Scenarios, Reclassification of the Fire Department's Ford Explorer, WTP/WWTP SCADA system, Freemont Street Fence Coating, and the replacement of the 2003 Spartan Fire Engine.

Pawelk stated that he appreciated the updated document that incorporated the previous suggestions of the City Council. He explained that project and equipment costs are up significantly, and that consistent planning and review is important. He said that he agreed with the proposed changes. He

stated that additional review and assessment would be done on each item as it came to the City Council in the future for final review for approval.

Walters also stated that he appreciated the information. He mentioned that the addition of a full-time fire chief in the middle of next year is important. He asked if the City of Watertown has reviewed the wages of the fire department against other cities recently to determine if they are competitive.

Foster explained that trends in on-call fire departments right now are showing that they are either changing wages slowly over time or not at all; depending on changes in other benefits.

Walters requested that more information be gathered from neighboring cities as a way to compare the City of Watertown's Fire Department wages to other cities. He stated that for recruitment purposes and retainage purposes, the city needs to make sure it is paying fairly and competitively.

Hanson explained that the 2023 budget includes a wage increase per hour of \$11.15 to \$13.00.

Washburn highlighted the Fire Department CIP. He asked staff to explain the deficit in 2026.

Hanson informed that there is an engine replacement tentatively scheduled for 2026, bringing the fund into a deficit. He said that the CIP is based on the current Fire Department equipment replacement schedule. He said that the Fire Department maintains its equipment on a regular basis, but that even so, equipment needs to eventually be replaced if it becomes too expensive to keep on a maintenance schedule. Hanson said that one of the reasons the CIP is currently projecting a deficit in 2026 is that the updated CIP includes updated cost projections for items that have gone up significantly in 2022.

Washburn asked if staff had a plan to fill the financial gap.

Hanson stated that staff is looking into investment options and strategies of funds that could bring in interest over time. He said that staff will also continue to review cost changes and review the CIP schedule.

Foster explained that interfund loans are also an option to consider.

Pawelk informed that he prefers not take out loans and not have to pay interest. He stated that the city needs to try whenever possible to pay dollar for dollar for something.

Washburn agreed with Pawelk.

Foster reviewed the City's current debt schedule and what it would look like if the city took on debt again in the future for planned street projects. He reviewed the debt impact.

The City Council agreed that taking on debt for streets made sense. There was discussion on future street project timelines, potential consolidation of street projects into one large project and the potential debt impact.

Foster quickly highlighted the 2023 public works bucket truck CIP item. He explained that desire to have this item be maintained as a 2023 CIP item.

## 2.II. 2II - Winter Parking And Towing Discussion

Tabled due to lack of time.

## 3. Adjournment

**The meeting was adjourned at 6:32 pm.**

**309 Lewis Avenue South; P.O. Box 279, Watertown, MN 55388**

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Washburn, Mayor

ATTEST: \_\_\_\_\_

Margaret Reisdorf, Admin. Services Director

Steve