

2023 City of Buhl Capital Improvement Project Phase 3 Funding and Bonding Request

The City of Buhl is requesting \$3,047,500 to improve and help replace existing deteriorating municipal water storage and infrastructure facilities and to expand municipal utility services, in order to comply with current regulatory and industry guidelines, and to supplement comprehensive vision statement aspirations of preparing the city for continued economic and residential growth.

City of Buhl Overview:

- Population approximately 1,000;
- Budget \$1,005,362 for 2023;
- Water storage and distribution facilities infrastructure under consideration is more than 60 years old; existing elevated water storage tower to be improved/replaced dates back to 1914.

CIP numbers:

- Phase 1 - \$6,378,249 (Water, Sewer, & Street Replacement);
- Phase 2 - \$2,170,848 (Storm Sewer, Street Reconstruction, & Housing Development);
- Phase 3 - \$3,047,500 (Water Storage Facilities (water tower and storage basin) Improvements and Water Distribution System Infrastructure Improvements and Additions (South Industrial Park Expansion));
- Economic Development Portion - \$1,197,825;
- Project Total: \$12,794,422.

Project Components/Rationale:

- Municipal water storage and fire suppression capacity needs as established and set forth by regulatory agencies' oversights greatly exceeds current water storage capacity of the existing system(s);
- Current City water usage (existing demand) exceeds Minnesota Department of Health (MDH) guidelines of providing a minimum 1-day water storage capacity, without including future or peak demands;
- Improvement and/or replacement of the current 100,000-gallon elevated storage tank with a 200,000-gallon tank to conform with the MDH and Insurance Standards Office recommended guidelines;
- Addition of complete water distribution facilities to and in the South Industrial Park area of the city.

Previous/Completed Investments:

- Replacement of 16,300 linear ft. of old cast iron water pipe, 7,300 linear ft. of clay tile sewer lines, 5,600 linear ft. of storm sewer;
- Minnesota Energy Resources replaced & upgraded natural gas services throughout the entire City at a cost of approximately \$3,000,000 in conjunction with the City's infrastructure project;
- Expansion of fiber optic service in Buhl in cooperation with the Northeast Service Co-Op, by laying conduit & delivering fiber into City buildings that are used by residents, City Staff, and emergency personnel.

Pre-Project Investments:

- Rate Study: In preparation for the project the City contracted with industry expert(s) to analyze/evaluate in-depth the City's utility rate structure, resulting in a series of rates adjustments which began in 2019;
- Televising/Smoke Testing: In addition to the rate study the City televised & tested the entire town to identify all areas that needed to be addressed;
- \$3,476,000 in grant dollars secured through a combination of USDA, PFA, CDBG, and IRRR grant programs, and previous state bonding appropriation;
- Preliminary Engineering report prepared detailing options and alternatives for the water storage facilities.

City of Buhl Vision Statement:

In the future, the City of Buhl is a fun place to live & raise a family by providing top notch city services, a multitude of recreational options, and economic opportunities while still providing the "Finest Water in America".