

Le Sueur County Capital Improvement Plan

2024 to 2028

LE SUEUR COUNTY WORKING CAPITAL IMPROVEMENT PLAN

Introduction and Purpose

The Le Sueur County Capital Improvements Plan (CIP) is a multi-year guide to the construction, maintenance and/or improvement of county road infrastructure and public facilities and land. Through the process of preparing and updating a capital improvements plan, the county meets the need for orderly maintenance of the physical assets of the county. This CIP is intended to serve as a planning tool and is structured to present meaningful long-range perspective of the county's long-range capital needs.

Statutory Requirements

Minnesota Statutes, Section 373.40, allows counties to plan and finance the "...acquisition or betterment of public lands, buildings, or other improvements within the county for the purpose of a county courthouse, administrative building, health or social service facility, correctional facility, jail, law enforcement center, hospital, morgue, library, park, qualified indoor ice arena, roads and bridges, public works facilities, fairground buildings, and records and data storage facilities, and the acquisition of development rights in the form of conservation easements under chapter 84C. An improvement must have an expected useful life of five years or more to qualify. "Capital improvement" does not include a recreation or sports facility building (such as, but not limited to, a gymnasium, ice arena, racquet sports facility, swimming pool, exercise room or health spa), unless the building is part of an outdoor park facility and is incidental to the primary purpose of outdoor recreation".

The CIP must set forth:

- 1) The estimated schedule, timing and details of specific capital improvements;
- 2) Estimated cost of the capital improvements identified;
- 3) The need for the improvements; and
- 4) The sources of revenues needed to pay for the improvements.

Approval of the CIP and annual amendments must be approved by the county board after a noticed public hearing. The CIP must cover a 5-year period beginning with the date of its adoption.

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Planning Process

Each year, in conjunction with the annual budget development process, the County Finance Director and County Administrator will work with County Department Heads to update the CIP. The draft CIP will be reviewed and amended as needed by the County Administrator before being presented to the County Board for review.

All CIP updates and review processes will include the following analysis for each project and the overall plan:

- (1) the condition of the county's existing infrastructure, including the projected need for repair or replacement;
- (2) the likely demand for the improvement;
- (3) the estimated cost of the improvement;
- (4) the available public resources;
- (5) the level of overlapping debt in the county;
- (6) the relative benefits and costs of alternative uses of the funds;
- (7) operating costs of the proposed improvements; and
- (8) alternatives for providing services more efficiently through shared facilities with other counties or local government units.

For a county to use its authority to finance expenditures under Chapter 373.40, it must meet the requirements provided therein. Specifically, the county board must approve a sale of capital improvement bonds by a 3/5ths majority. In addition, it must hold a public hearing for public comment.

Notice of such hearing must be published in the official newspaper of the county at least 14, but no more than 28 days prior to the date of the public hearing. Although a referendum is not required, a reverse referendum is allowable. If a petition bearing the signatures of 5 percent of the votes cast in the last general election requesting a vote on the issuance of bonds is received by the Auditor within 30 days after the public hearing, a referendum vote on the issuance of the bonds shall be called.

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Debt Limit

A county may not issue bonds under MN Statute 373.40 if the maximum amount of principal and interest to become due in any year on all the outstanding bonds issued pursuant to that statute (including the bonds to be issued) will equal or exceed 0.12 percent of the estimated market value of property in the county. Calculation of the limit must be made using the estimated market value for the taxes payable year in which the obligations are issued and sold. This does not limit the authority to issue bonds under any other special or general law.

Taxes Payable Year 2024 Estimated Market Value of Property in County = \$6,415,075,800
X 0.12%

Maximum P&I Payment Limit = \$7,698,091

Current P&I Payment Supported by Levy=\$3,786,108

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Existing Debt

As of November 2023, Le Sueur County had the following general obligation debt supported by property tax (excludes debt for the County Drainage Authority):

Levy Schedule for Existing Debt Service

YEAR	PAYMENT	ANNUAL DIFFERENCE
2023	\$3,973,940	
2024	\$3,785,708	(188,232)
2025	\$3,881,985	96,277
2026	\$3,149,459	(732,526)
2027	\$3,142,808	(6,651)
2028	\$2,860,173	(282,635)
2029	\$2,846,707	(13,466)
2030	\$2,854,341	7,634
2031	\$2,747,650	(106,691)
2032	\$2,650,850	(96,800)
2033	\$2,637,327	(16,523)
2034	\$2,142,151	(495,176)
2035	\$2,147,418	5,267
2036	\$2,140,387	(7,031)
2037	\$2,137,917	(2,470)
2038	\$1,627,191	(510,726)
2039	\$951,254	(675,937)
2040	\$905,975	

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General Obligation Original Issue Amounts

- **2015A: \$9,625,000**
 - Road projects
 - Final Levy Collection Year: 2025
 - **2016A: \$2,505,000**
 - \$1.5 million Septic Improvement Loan Program
 - \$1 million 2005B bond refunding/refinancing
 - Final Levy Collection Year: 2025
 - **2017A: \$2,390,000**
 - Le Sueur Highway Shop and Justice Center
 - Final Levy Collection Year: 2027
 - **2017B: \$7,220,000**
 - Justice Center
 - Final Levy Collection Year: 2037
 - **2018A: \$8,910,000**
 - \$4.82 million for Justice Center
 - \$4 million for bond refunding/refinancing of 2006A, 2007A and 2008A bonds
 - Final Levy Collection Year: 2038
 - **2018B: \$4,925,000**
 - Justice Center
 - Final Levy Collection Year: 2038
 - **2019A: \$12,635,000**
 - Justice Center
 - Final Levy Collection Year: 2039
 - **2021A: \$5,155,000**
 - Drainage Bonds (\$3,430,000), East Entrance of Government Center (\$965,000), Armer Radios (\$760,000)
 - Final Levy Collection Year: 2031
 - **2021B: \$3,425,000**
 - State Aid Bond for Road Projects
 - Final Payment Year: 2037
 - **2023A: \$3,720,000**
 - Government Center Remodel and West Parking Lot Improvement
 - Final Payment Year: 2034
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Capital Notes

A county board may, by resolution and without referendum, issue capital notes subject to the county debt limit to purchase capital equipment useful for county purposes that has an expected useful life at least equal to the term of the notes. The notes shall be payable in not more than ten years and shall be issued on terms and in a manner the board determines. A tax levy shall be made for payment of the principal and interest on the notes, in accordance with MN Statute 475.61, as in the case of bonds.

(b) For purposes of this subdivision, "capital equipment" means:

(1) public safety, ambulance, road construction or maintenance, and medical equipment; and

(2) computer hardware and software, whether bundled with machinery or equipment or unbundled, together with application development services and training related to the use of the computer hardware or software.

Financing the CIP

Each CIP project will be funded with one or more of the following funding sources:

- (1) Bonds
- (2) Capital notes
- (3) Tax levy
- (4) Cash reserves (both restricted and unrestricted funds)
- (5) Grants
- (6) Federal and State allocations and aids
- (7) Donations

While cost estimates and proposed funding sources are identified for each project, the CIP is not intended to provide a detailed or complete financing plan. As the county prepares to undertake individual projects, the County Board will consider a specific funding source. The CIP will be revised and updated on a periodic basis during the future budget cycles. Changes to the priorities established in the plan should be expected. Changes can be caused by reductions in funding levels, project delays due to price fluctuations, opportunities for grants or other aids, delays in obtaining construction permits or necessary approvals, emergency needs or simply changes in community preferences.

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CIP Projects

Projects included in this CIP are in **Appendix A**. The following projects or purchases are eligible for inclusion in the CIP:

- (1) Facilities – new, remodeled, purchased, improved, maintenance, etc.
- (2) Equipment and vehicles over \$25,000 that has a useful life of more than five years
- (3) Public Land - acquisitions
- (4) Public Works - including roads, bridges, equipment and facilities

The following projects and purchases are not included in this CIP:

- (1) Equipment and facility improvements under \$25,000 – Projects and purchases of this amount are able to be accounted for in annual budgets with tax levy or by using cash reserves.
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2024-2028 CIP Summary of Projects/Purchases

2024

Project/Purchase	Dept	Cost	Bonding	Non-Bond Funding (Levy, Reserves, Grants)	Road Accts
CSAH 16 (CSAH 15 to CSAH 13)	Highway	\$2.34 million			\$2.34 million
CSAH 60 Rehab in New Prague	Highway	\$1.75 million			\$1.75 million
CSAH 11 (Le Center to CSAH 32)	Highway	\$1.47 million			\$1.47 million
Hwy Equipment *Plow Truck: \$325,000 *Loader: \$250,000 *2 pick ups: \$80,000 *Asphalt trailer: \$30,000 *Mower: \$50,000 *Electric pick up with grant: \$15,000	Highway	\$750,000		\$810,000	
CSAH 30 (CSAH 26 to 28) (Peat Slough Repair)	Highway	\$700,000			\$700,000
County-wide seal coats	Highway	\$700,000			\$700,000
CSAH 52: Replace bridge L8751 in Waterville	Highway	\$565,000			\$565,000
CSAH 57 mill and overlay in Montgomery	Highway	\$250,000			\$250,000
Govt Center landscape	Bldg/Maint	\$57,000			

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Govt Center painting and washing	Bldg/Maint	\$40,000		\$40,000	
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2025

Project/Purchase	Dept	Cost	Bonding	Non-Bond Funding (Levy, Reserves, Grants)	Road Accts
CSAH 30 (CSAH 26 to 28)	Highway	\$2.25 million			\$2.25 million
CSAH 13 (TH60 to CSAH 16)	Highway	\$1.837 million		\$200,000	\$1.637 million
CSAH 6 (TH 60 to CSAH 14)	Highway	\$1.102 million			\$1.102 million
Highway Equipment <i>*Plow truck: \$330,000</i> <i>*Motor Grader: \$525,000</i>	Highway	\$855,000		\$855,000	
CSAH 21/TH 22 RAB	Highway	\$800,000			\$800,000
CSAH 46: Replace bridge 88016	Highway	\$565,000			\$565,000
Records Management System	Sherriff's Office	\$500-750,000		\$500-750,000	
CSAH 22 Mill and Overlay in Le Sueur	Highway	\$360,000			\$360,000
Geldner Saw Mill Project	Parks	\$300,000		\$300,000	
West side parking lot across street from Govt Center (mill and overlay)	Bldg/Maint	\$200,000		\$200,000	

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Building for storage and lawn equipment	Bldg/Maint	\$200,000		\$200,000	
Update County Land Use Plan	Environmental Services	\$150,000		\$150,000	
Seal Coat and Restripe Parking Lots at Justice Center	Bldg/Maint	\$70,000		\$70,000	
Richter Woods playground resurfacing	Parks	\$30,000		\$30,000	
4-H Building Flooring	Bldg/Maint	\$35,000		\$35,000	
Replace jail chairs	Sherriff's Office	\$25,000		\$25,000	
Furnace for Highway Office	Bldg/Maint	\$15,000		\$15,000	
Conference Room Equipment at Justice Center	IT	TBD		TBD	

2026

Project/Purchase	Dept	Cost	Bonding	Non-Bond Funding (Levy, Reserves, Grants)	Road Accts
CSAH 2 (Cleveland to CSAH 11)	Highway	\$3.276 million		\$205,000	\$3.071 million
CSAH 7 (CSAH 12 to CSAH 11)	Highway	\$2.515 million			\$2.515 million
Ney Nature Center Building Construction	Parks	\$2 million		\$2 million	

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CSAH 60 Rehab in New Prague	Highway	\$1.75 million			\$1.75 million
CSAH 47 Recon (Clev 7 th to CSAH 15)	Highway	\$1.042 million			\$1.042 million
Highway Equipment *Tandem Plow Truck: \$345,000 *Motor grader: \$545,000 *Pick up: \$45,000,	Highway	\$935,000		\$935,000	
CR 117 Replace bridge 40506	Highway	\$800,000			\$800,000
Security Camera Replacement	Sherriff's Office	\$500,000-\$1 million		\$500,000-\$1 million	
County sealcoats	Highway	\$700,000		\$70,000	\$630,000
Attorney Office Space at Justice Center	Bldg/Maintenance	\$300,000		\$300,000	
CSAH 46 mill and overlay in Cleveland	Highway	\$182,000			\$182,000
Replace Dive Van	Sherriff's Office	\$150,000		\$150,000	
Seal coat and restripe GC Parking lot	Bldg/Maint	\$137,000		\$137,000	
CSAH 47 mill and overlay (Clev 46 to 7 th)	Highway	\$106,000			\$106,000
New VMware Servers	IT	\$45,000		\$45,000	
Convert County Ordinances to Municode	Environmental Services	\$35,000		\$35,000	

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Replace Govt Center RTU #1 Aeon Unit	Bldg/Maintenance	\$26,000		\$26,000	
Repairing jail and cells	Sherriff's Office	\$25,000		\$25,000	

2027

Project/Purchase **Dept** **Cost** **Bonding** **Non-Bond Funding**
(Levy, Reserves, Grants) **Road Accts**

Le Center Highway Shop	Highway	\$12.5 million	\$12.5 million		
CSAH 15 Recon from CR105 to CSAH 18	Highway	\$5 million			\$5 million
CR 101 from TH 22 to CSAH 19	Highway	\$2.205 million			\$2.205 million
Highway Equipment (Tandem Plow Truck and Motor Grader)	Highway	\$925,000		\$925,000	
CR 137 Replace bridge 40504	Highway	\$800,000			\$800,000
Govt Center Roof Repair	Bldg/Maint	\$250,000	TBD	TBD	
MDT's and Docking Stations	Sherriff's Office	\$63,000		\$63,000	
Replace MAU #1 Unit at Govt Center	Bldg/Maintenance	\$60,000		\$60,000	

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2028

Project/Purchase	Dept	Cost	Bonding	Non-Bond Funding (Levy, Reserves, Grants)	Road Accts
CSAH 14 from CSAH 11 to CSAH 6)	Highway	\$3.234 million		\$220,000	\$3.014 million
Lake Washington Regional Park: Phase II construction	Parks	\$2.2 million		\$2.2 million	
Highway Equipment (Tandem Plow Truck and Motor Grader)	Highway	\$935,000		\$935,000	
County wide seal coats	Highway	\$700,000		\$70,000	\$630,000
Seal Coat and restripe parking lot at JC	Bldg/Maintenance	\$70,000		\$70,000	
IT Storage	IT	\$100,000		\$100,000	
Radio Tower Equipment	Sherriff's Office	TBD		TBD	
Dispatch Equipment (ANCOM upgrades)	Sherriff's Office	TBD		TBD	

Forecasting Beyond Five Years

2029

Project/Purchase	Dept	Cost	Funding Source (Levy, Reserves, Grant, Bond, etc.)
Justice Center Roofing	Building/Maintenance	TBD	Levy, Reserve, Cap Acct
Seal Coat Parking Lots	Building/Maintenance	\$137,000	Levy, Reserve, Cap Acct
Roof/Shingle replacement at Lake Washington Community Building	Parks	TBD	Levy, Reserves, Grant
Roof/Shingle replacement at Ney Nature Center	Parks	TBD	Levy, Reserves, Grant

2030

Project/Purchase	Dept	Cost	Funding Source (Levy, Reserves, Grant, Bond, etc.)
Lower Level Flooring	Building/Maintenance	\$75,000	Levy
Exercise Equipment	Sherriff's Office	\$25,000	Levy

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2031

Project/Purchase	Dept	Cost	Funding Source (Levy, Reserves, Grant, Bond, etc.)
Seal Coat/Restripe Parking Lot at Justice Center	Building/Maintenance	\$70,000	Levy

2032

Project/Purchase	Dept	Cost	Funding Source (Levy, Reserves, Grant, Bond, etc.)
First Floor Flooring	Building/Maintenance	\$55,000	Levy
Third Floor Flooring	Building/Maintenance	\$45,000	Levy

2033

Project/Purchase	Dept	Cost	Funding Source (Levy, Reserves, Grant, Bond, etc.)
Seal coat parking lots	Building/Maintenance	\$162,000	Levy
WatchGuard/Body & Squad Cameras	Sherriff's Office	\$210,000	Levy

2034

Project/Purchase	Dept	Cost	Funding Source (Levy, Reserves, Grant, Bond, etc.)
Handguns and Holsters	Sherriff's Office	\$25,000	Levy

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