

City Council Worksession Meeting

Monday, June 15, 2026 5:00 PM

Agenda

General Business

Continue Sanitary Sewer Discussion

Discussion of 2027 Budget Calendar

Adjourn



Item Cover Page

CITY COUNCIL WORKSESSION AGENDA ITEM REPORT

DATE: June 15, 2026

SUBMITTED BY: Shane Nelson, Engineer

ITEM TYPE: Agenda Report

AGENDA SECTION: General Business

SUBJECT: Continue Sanitary Sewer Discussion

BACKGROUND: Continued discussion of sanitary sewer - see attached for Outline for Discussion

SUGGESTED ACTION: Discussion Only

ATTACHMENTS:
[June_2026_Workshop_Sewer_Discussion_Outline \(1\).docx](#)

**Discussion of Action Items
Municipal Sanitary Sewer and Water
City of Credit River
June 15, 2026 Workshop**

~~1. Investigate the condition of existing septic systems and wells~~

~~Staff's recommendation is for individual property owners to complete these investigations on their own.~~

~~Scott County offers a well testing kit, link here: [Wells & Drinking Water | Scott County, MN](#)~~

~~Private contractors can perform investigations directly for property owners. The MPCA maintains a list of licensed Septic System Inspectors, link here: [Septic systems | Minnesota Pollution Control Agency](#)~~

~~The Minnesota Department of Health (MDH) maintains a list of licensed well Contractors, link here: [Licensed Well and Boring Contractor Directory – MN Dept. of Health](#)~~

~~2. City policy on cost participation for existing homes on small lots~~

~~The City's cost participation on past street reconstruction projects is: 40%. The remaining 60% is assessed to the benefitting property owners. Also note, existing City cost participation on past projects is 50% (increased City cost participation to lower overall life cycles costs)~~

~~Sewer Cost Participation:~~

~~Water Cost Participation:~~

~~*Note: the City cost participation for addressing the existing homes on small lots with well & septic is not expected to be the same as new development.*~~

~~3. Assessment Policy~~

~~Staff can prepare a draft Assessment Policy for the City's consideration. Staff will review other cities Assessment Policies and edit per City of Credit River. Staff desires to prepare a draft prior to presenting to the City Council. City Council will provide input on cost participation.~~

~~4. Bonding / Financial Cost Analysis – Country Court Reconstruct~~

~~Staff's recommendation would be to engage Ehler's to perform this task. Discuss the scope of analysis – staff recommends focusing on Country Court at this time.~~

~~After preparation of Comprehensive Plan, an analysis of the trunk sewer / water infrastructure can be performed.~~

**Discussion of Action Items
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5. Amend Comprehensive Plan

Staff recommends addressing this item with the preparation of the 2050 Comprehensive Plan. Determining future land use is a precursor to setting WAC/SAC/Trunk Area fees.

6. Amend Capital Improvement Plan

Staff recommends inserting a “subject to funding” comment in the CIP for the Country Court reconstruction project.

7. City policy for cost participation for infrastructure to support new development

New sewer and water infrastructure is typically funded by development fees (SAC/WAC charges and trunk area charges). A precursor to establishing development fees is determining future land use. Future land use will be discussed in detail and determined with 2050 Comprehensive Plan. Future land use needs to be determined before advancing the Country Court Reconstruction Feasibility Report to consider adjacent developable property.

8. Refine Cost Estimates

Several steps can be taken to refine the cost estimates.

- A logical next step would be to obtain soil borings
- Based on soil borings, estimates could be refined
- A Feasibility Report can be prepared after steps 5 and 6 are completed
- A Feasibility Report will determine an estimated cost per property
- Preparation of construction plans - allows actual quantities of work to be estimated (highest level of accuracy).
- Actual Construction Bids
- Completed construction costs / Final Close-Out

9. Appraisal

Obtain an appraisal of a sample of properties (3-4 of varying types) just after a Feasibility Report has been prepared.

10. Prepare ordinances regulating Municipal Sanitary Sewer and Water

Staff can prepare draft ordinances for City Council review and adoption.

**Discussion of Action Items
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11. Bonding / Financial Cost Analysis – Trunk Municipal Utilities

Staff's recommendation would be to engage Ehler's to perform this task.

After preparation of Comprehensive Plan, an analysis of the trunk sewer / water infrastructure can be performed based on the future land use; and associated capital investments needed to support that land use through the planning term.

12. Update Fee Schedule to include SAC/WAC/Trunk Area Charges and Utility Rates

After item 7 and 11 are completed, the Fee Schedule can be updated to included SAC/WAC/Trunk Area Charges and Utility Rates

13. Operating Plan Run a Municipal Utility

Staff anticipates that initially a private Contractor will be utilized for the day to day operation of municipal utilities. Staff can perform research to determine companies that are available and pricing structures. Staff can begin to prepare a draft outline of an operating plan. Staff anticipates that the cost for operating the municipal utilities will be included in the utility rates.

At some point, it is typical for the operations of the municipal utility to come "in house". Staff can interview cities of varying sizes to determine FTE's and equipment necessary at different population sizes and incorporate the finding into a draft outline of an operating plan.



Item Cover Page

CITY COUNCIL WORKSESSION AGENDA ITEM REPORT

DATE: June 15, 2026

SUBMITTED BY: Sue Iverson, Finance

ITEM TYPE: Agenda Report

AGENDA SECTION: General Business

SUBJECT: Discussion of 2027 Budget Calendar

BACKGROUND:

Annually, the City Council must certify a preliminary levy to Scott County by September 30th and certify a final levy in December. The preliminary levy is a “**DO NOT EXCEED**” which can be reduced but not increased in December. The City Council also needs to adopt a final budget in December which meets the operating and capital needs of the city. In order to achieve this, staff suggest the following meetings.

- Monday, July 27, 2026, 6 pm or 5 pm to discuss the Capital Improvement Plan or CIP Fund 401. **Special Worksession**
- Monday, August 17, 2026, at 5 pm to begin discussion on the operating budget or finish the CIP discussions. **Regular Worksession**
- Monday, August 24, 2026, 6 pm or 5 pm to discuss the operating budget and preliminary levy. **Special Worksession**
- Monday, September 21, 2026, 5 pm. **Regular Worksession**
- Monday, September 21, 2026, Adoption of Preliminary Levy at **Council Meeting**.

- Monday, October 19, 2026, 5 pm. **Regular Worksession**
- Monday, November 16, 2026, 5 pm. **Regular Worksession**
- Monday, December 7, 2026, TNT Hearing and adopt Final Levy at **Council Meeting**.

SUGGESTED ACTION: Discussion of 2027 Budget Calendar

ATTACHMENTS: