

**SMITHVILLE BOARD OF ALDERMEN
WORK SESSION**

July 1, 2025 5:00 p.m.

City Hall Council Chambers and Via Videoconference

1. Call to Order

Mayor Boley, present, called the meeting to order at 5:02 p.m. A quorum of the Board was present: Melissa Wilson, Marv Atkins, Leeah Stone, Ronald Russell, Kelly Kobylski and Dan Hartman.

Staff present: Cynthia Wagner, Gina Pate, Chief Lockridge, Chuck Soules, Jack Hendrix, Rick Welch, Matt Denton, Linda Drummond, Mayra Toothman and Dave Schuerger.

There was an issue with the cameras in the Council Chamber.

2. Budget Discussion

a) 5-Year Capital Improvement Plan Update

Finance Director Rick Welch provided an overview of the proposed FY2026 to FY2029 Capital Improvement Plan. He requested feedback and direction from the Board.

Rick explained that the highlighted numbers on the charts indicate a higher cost projection for the projects.

Transportation Sales Tax Fund

The Board directed staff to place the Richardson Street and 169 Highway traffic light as priority followed by the First Street and Bridge Street roundabout. They also asked staff to work with MoDOT to try to get additional funding.

Capital Improvement Sales Tax Fund

Rick explained that this was one fund that has many different variables, and staff will keep a close eye on the sales tax revenues.

There was an error on slide 19. It should be 180th Street and Old Jefferson Highway Roundabout not 180th and Eagle Parkway.

Parks and Stormwater Sales Tax Fund

Rick noted that Smith's Fork Park Complex engineering and design was previously in 2027 and has been split into two years of work to begin in 2026 and be completed in 2027. He explained that getting the engineering and design done sooner will give a better idea if the Smith's Fork Park Complex construction could be done in phases because of the cost of the project.

Alderman Wilson asked when the storm drains would be repaired in Diamond Crest since she did not see them on the list.

Chuck explained that those storm drain repairs would be done in-house.

Rick noted the unfunded Parks and Stormwater Sales Tax Fund projects

Heritage Park (2030)

Helvey Park

Wildflower Park

Smith's Fork Park (Destination Playground, Camping, Shelters and Trail)

Mayor Boley suggested moving up some of the revenue generating projects such as the campgrounds and shelters to help fund some of the amenities.

Rick presented the total for all funds for the proposed FY2026 – FY2030 CIP

Capital Improvement Projects - All Funds	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
General Fund	\$550,000	\$100,000	-	-	-
Combined Water & Wastewater Fund - Non-Impact Projects	\$8,165,000	\$7,400,000	\$2,500,000	\$14,000,000	\$15,000,000
Combined Water & Wastewater Fund - Water Impact Projects	\$700,000	-	-	-	-
Combined Water & Wastewater Fund - Wastewater Impact Projects	-	-	-	\$1,150,000	-
Transportation Sales Tax Fund	\$1,000,000	\$3,210,000	\$410,000	\$770,000	\$520,000
Capital Improvement Sales Tax Fund	\$937,920	\$1,743,420	\$726,420	\$782,420	\$2,390,540
Park & Stormwater Sales Tax Fund	\$1,420,000	\$445,000	\$2,540,000	-	-
Grand Total (Net Costs)	\$12,772,920	\$12,898,420	\$6,176,420	\$16,702,420	\$17,910,540

5 Year Grand Total for All Funds: \$66,460,720

b) Sidewalk Program Review

Assistant to the Public Works Director Mayra Toothman presented a draft Central Business District Sidewalk Replacement Program for discussion. She noted that our current residential sidewalk replacement program is a 50/50 cost share program, and we work on the improvements based on the available funded budgeted. Mayra explained that the downtown Central Business District could be done similarly to the residential cost share program or work with Main Street District to create a Community Improvement District (CID).

Mayra explained that staff has identified more than 30 areas in the downtown area with an estimated cost of \$120,000 for the repairs with 50% of the cost being the City's responsibility. Mayra noted that staff recommendation would be to explore a CID possibly for the FY2027 budget.

Cynthia noted that a CID would only be for commercial properties only and that a vote of all business owners would be required. A CID would provide for revenues other projects as well as a sidewalk program

The Board directed staff to explore a CID for the downtown area improvements for the FY2027 budget.

c) FY2026 Combined Water and Wastewater Systems Fund Budget

Rick presented a brief overview of the projects and rehabilitation programs for the water and wastewater systems and the budget history.

Utilities Operation Manager Dave Schuerger provided an overview of the items included in the FY2026 budget and the additional items requested but not budgeted.

Public Works Director Chuck Soules presented a brief review of the Water and Wastewater Master Plan. Chuck noted that staff would be looking for direction from the Board concerning the Wastewater Treatment Plant needs. He explained that with the recent development of Clay Creek and Fairview the sewer plant will meet capacity when they are fully developed.

Rick presented the FY2025 CIP status and the FY2026 – FY2029 current combined water and wastewater fund CIP.

Development Director Jack Hendrix presented an update of the City's sewer capacity and future development.

Rick presented the FY2026 – FY2030 proposed Combined Water and Wastewater Fund CIP and Wastewater Impact Fees.

Capital Improvement Project	FY 2026	FY 2027	FY 2028	FY2029	FY2030
West Bypass of the 144th Street Lift Station (Construction)	\$2,500,000	-	-	-	-
144 th Street Lift Station Federal Earmark	(\$450,000)	-	-	-	-
Smith's Fork Force Main (Construction)	\$600,000	-	-	-	-
Maple Ave & River Crossing (12" Waterline) (50% of Construction)	\$1,190,000	-	-	-	-
Stonebridge Lift Station (Construction With SSD Cost Sharing)	\$1,300,000	-	-	-	-
McDonalds/Central Bank Lift Station (Engineering)	\$100,000	-	-	-	-
Interconnect Mains at 144 th /169 Highway/Major Mall (S2, Engineering)	\$55,000	-	-	-	-
Highway 92 & Commercial Waterline (Engineering)	\$150,000	-	-	-	-
Smith's Fork Park Waterline (Construction)	\$170,000	-	-	-	-
Highway 92 & Commercial Waterline (Construction)	\$300,000	-	-	-	-
Wastewater Treatment Plant Expansion (Engineering)	\$1,050,000	-	-	-	-
Water and Wastewater Master Plans Update	\$200,000	-	-	-	-
Taste and Odor Control	\$1,000,000	-	-	-	-
Grand Total (Net)	\$8,165,000	\$0	\$0	\$0	\$0

Capital Improvement Project	FY 2026	FY 2027	FY 2028	FY2029	FY2030
Owens Branch Gravity Line Phase #1, Line #1 (Construction)	-	\$1,150,000	-	-	-

Owens Branch Gravity Line Phase #1 and #3, Line #2 (Engineering)	-	\$500,000	-	-	-
Owens Branch Gravity Line Phase #1 and #3, Line #2 (Engineering)	-	-	500,000	-	-
McDonalds/Central Bank Lift Station (Construction)	-	\$500,000	-	-	-
Owens Branch Gravity Line Phase #1, Line #2 (Construction)	-	-	-	\$2,500,000	-
Interconnect Mains at 144 th /169 Highway/Major Mall (S2, Construction)	-	\$150,000	-	-	-
Water Plant Expansion (Engineering)	-	\$2,100,000	-	-	-
Owens Branch Gravity Line Phase #1, Line #3 (Construction)	-	-	-	\$2,000,000	-
Additional Water and Wastewater Project Funding	-	-	\$2,000,000	-	-
Wastewater Treatment Plant Expansion (Construction)	-	\$3,000,000	-	-	-
Additional Water and Wastewater Project Funding	-	-	-	\$2,000,000	-
Water Plant Expansion, Phase I (Construction)	-	-	-	\$7,500,000	\$15,000,000
Grand Total (Net)	\$8,165,000	\$7,400,000	\$2,500,000	\$14,000,000	\$15,000,000

Rick explained that the water and wastewater projects were large projects that will span multiple years.

Rick presented the FY2026 – FY2030 Combined Water and Wastewater debt funding. He noted that the fund reserves would be depleted in 2028 with the current project list, with the proposed project list it moves it back to 2029.

Rick concluded that the City's Water and Wastewater Fund is currently facing significant financial challenges as we initiate a series of high-cost infrastructure projects essential to maintaining and improving its systems. With the scope and scale of these projects exceeding available fund reserves, the city must explore external financing options to ensure timely completion while balancing long-term financial sustainability. The following points summarize the key considerations and implications related to this funding strategy:

- Significant Capital Needs: Multiple large-scale water and wastewater infrastructure projects planned or underway.
- High-Cost Projects: Projects include upgrades, expansions, and modernization requiring substantial funding.
- Current Fund Reserves Insufficient: Existing fund balances unable to cover the total capital expenditures.
- Need for External Financing: Borrowing required to bridge funding gaps and maintain project timelines.
- Debt Service Implications: Increased long-term debt service obligations anticipated.

- Impact on Ratepayers: The City plans to conduct a rate study in the fall of 2025 to evaluate the potential need for rate adjustments to support debt repayment and ongoing operational expenses.
- Funding Strategy: Combination of grants, loans, and bonds being explored to optimize financing.
- Sustainability Focus: Investments targeting system reliability, water quality, and efficiency improvements.
- Risk Management: Careful planning required to balance debt levels with financial stability.

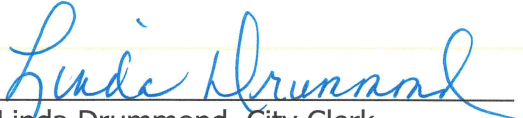
3. Adjournment to Executive Session pursuant to Section 610.021(1&2)RSMo.

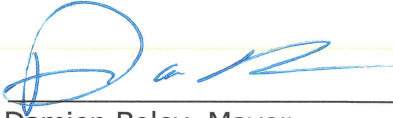
Alderman Hartman moved to adjourn to Executive Session pursuant to Section 610.021(1&2)RSMo. Alderman Kobylski seconded the motion.

Upon roll call:

Alderman Hartman – Aye, Alderman Wilson – Aye, Alderman Russell – Aye,
Alderman Stone – Aye, Alderman Kobylski – Aye, Alderman Atkins – Aye.

Ayes – 6, Noes – 0, motion carries. The Mayor declared the meeting adjourned to Executive Session at 6:55 p.m.


Linda Drummond, City Clerk


Damien Boley, Mayor