



**City of Two Harbors**

**Capital Improvement Plan**

**2022-2026**

# City of Two Harbors

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## Memorandum

To: Mayor Swanson and City Council Members  
From: Miranda Pietila, Interim City Administrator  
Subject: City of Two Harbors Capital Improvement Plan 2022-2026  
Date: December 2, 2021

Good afternoon,

Enclosed you will find the 2022-2026 Capital Improvement Plan (CIP) for the City of Two Harbors.

The Capital Improvement Plan is a crucial budgeting tool for the Staff and City Council to prepare and prioritize for large capital outlays over the next five years and beyond. It is also a valuable budget forecasting tool to ensure that the City can remain fiscally sound and avoid any unseen liabilities.

The Capital Improvement Plan is also used as a guiding tool for the public so they are aware of when they can anticipate street repair projects in their neighborhood, preliminary cost estimates, and background on other large capital purchases that are planned for the city.

The first year of the plan becomes an adopted capital budget and relates almost completely to the operating budget that is approved on a yearly basis. The plan becomes a forecasting tool and place holder the further you go out in years and is to be used as a guide for future decisions as funding is available.

The Capital Improvement Plan should be reviewed each year and amendments to the plan can be made as the needs, priorities and future availability of funds dictate.

Considering the needs over the next 5 years and beyond are only going to increase, we need to be proactive, comprehensive, and realistic when we consider projects moving forward.

## **Acknowledgements**

### **Mayor**

Chris Swanson

### **City Council Members**

Ben Redden, Ward 2, President

Robin Glaser, Councilor At Large, Vice President

Cathy Erickson, Ward 3

Miles Woodruff, Ward 1

Derrick Passe, Ward 4

Jackie Rennwald, Councilor at Large

### **Interim City Administrator**

Miranda Pietila

### **Department Heads**

Miranda Pietila, Finance Director

Patty Nordean, City Clerk

Joe Rhein, City Engineer- Bolton & Menk

Jim Gilbert, Interim Public Works Superintendent

Rick Hogenson, Police Chief

Paul Johnson, Gas-Water-Sewer Superintendent

Luke Heikkila, Water and Wastewater Plant Superintendent

Blake Prince, Electric Department Superintendent

David Ellquist, Liquor Store Manager

Jenn Sterbenz, Community Development Planner

Casey Komarek, Airport Manager

Mark Schlangen, Fire Chief

Madeline Jarvis, Library Director

Katy Groeneweld, Campground Manager

**CAPITAL IMPROVEMENT PLAN  
2022 – 2026  
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## INTRODUCTION AND PURPOSE

The Capital Improvement Plan is a flexible plan based upon long-range physical planning and financial projections, which schedules the major public improvements that may be incurred by the City over the next five years. Flexibility of the Capital Improvement Plan is established through annual review, and revision if necessary. The annual review assures that the program will become a continuing part of the budgetary process and that it will be consistent with changing demands as well as changing patterns in cost and financial resources. Funds are appropriated only for the first year of the program, which is then included in the annual budget.

The Capital Improvement Plan serves as a tool for implementing certain aspects of the City's comprehensive plan; therefore, the program describes the overall objectives of City development, the relationship between projects with respect to timing and need, and the City's fiscal capabilities.

The Capital Improvement Plan can help assure:

1. A systematic approach to planning and initiating capital projects affording the opportunity to plan the location, timing, and financing of needed public improvements;
2. The development of a realistic program of capital spending within the City's projected fiscal capability to finance such projects, avoiding sharp change in the tax levy or bonded indebtedness;
3. The coordination of public and private improvement projects permitting adequate time for design and engineering to eliminate duplication of effort and expense;
4. The expenditure of public funds that is compatible with the City's adopted Comprehensive Plan;
5. That the public is kept informed of the proposed future projects and expenditures;
6. That private investors are aware of the City's long-range development program so that they may guide their development in a way that is compatible with the City's program;
7. Aid in achieving federal and/or state participation by providing the necessary planning and lead time necessary for a successful application in addition to meeting prerequisites needed for certain federal and state grants.

## **IDENTIFICATION OF PROJECTS**

Projects included in this CIP were identified through review of previous Two Harbors Capital Improvement Plans, other Two Harbors Planning documents, reference documents from other agencies, and input from the City Council, Committees, Staff, and the public. An overview of the elements used in developing this CIP is provided below.

### **Previous Two Harbors Capital Improvement Plans**

The first CIP adopted by Two Harbors covered the years 2017-2021. An update to that CIP was made, covering the period of 2021-2025. The projects included in those previous plans were reviewed for consideration in this CIP. Those projects that had been completed were identified, as well as projects whose anticipated schedule and/or prioritization may have changed due to information obtained since the previous plans were prepared.

### **Other Two Harbors Planning Documents**

Other Two Harbors Planning Documents used in the process of identifying projects for this CIP include the City of Two Harbors Trail Plan, updated in 2018, the Two Harbors Pavement Management Plan, currently in progress, and a Two Harbors Sidewalk Condition Inventory, performed in 2015/2016.

### **Other Agency Planning Documents**

Planning Documents from other agencies were also reviewed for their potential impact to infrastructure owned by the City of Two Harbors within the planning period. These documents include the Lake County 5-year road and bridge plan (2020-2024), and the Minnesota Department of Transportation District 1 10-year Capital Highway Investment Plan (2020-2029).

### **Council, Committee, Staff, and Public Input**

Development of the project list for this CIP included significant input from the City Council, Committees, Staff, and Public. Numerous meetings of Staff Department Heads were held to review reference documents, identify needs and priorities, and relay input received from the public. Several meetings were also held with City Committees to receive their guidance and review preliminary staff recommendations. These includes the Utilities, Public Works, and Finance Committees, as well as the Committee of the Whole.

### Future Projects Beyond 2026

This CIP covers the years 2022-2026. In the process of developing this CIP, a number of projects were identified that are beyond the timeframe and/or the financial capabilities of this CIP. Those projects have been recognized in this CIP; they are included in the Project List by Year under “Future” and are also included in the Overall Project Map. The purpose is to document the identification of these projects, to allow them to be used as a basis for future CIP updates, and to ensure they are not overlooked in future planning efforts. No cost estimates or other information was developed for the Future projects; similarly, no prioritization of the Future projects was made as part of this CIP.

## **SOURCES OF FUNDING**

### **General Fund – Current Year Revenues**

The General Fund is the chief operating fund of the City. Yearly revenue streams are utilized to cover operating costs for the General Fund and Other Governmental Funds, namely the Library, Golf Course, Airport and Capital Equipment Fund. Major sources of funding come from property taxes, state aid programs, charging for city services, and license and permit fees.

### **General Fund – Fund Reserves**

Cities receive their two largest sources of revenue – the property tax and state aid distributions – twice each year. Fund balances are used for day-to-day cash flow for the following five to six months of city operations, until the next property tax and state aid distribution. The Office of the State Auditor’s official position on city fund balances is that the unreserved portion should be equal to 35 to 50 percent of general fund operating revenues or no less than five months of operating expenditures in their general fund.

### **Capital Notes**

This is the form of financing the city will use for larger capital equipment purchases. This is a form of short-term indebtedness backed by the full faith, credit, and taxing powers of the City of Two Harbors. They are usually issued with a five-year term to finance large equipment purchases.

### **Special Assessments**

A special assessment is a fee collected by the City for improvements or services the City provides that benefit the property. Special assessments can be used to finance many different types of local improvements. The City will be following their Special Assessment Policy from Resolution No. 4-123-18.

### **General Obligation Bonds**

G.O. Bonds are backed by the full faith, credit, and taxing powers of the City of Two Harbors. General Obligation bonds means that capital projects are 100% supported by tax levies. Bonds more than 80% supported by tax levies require voter approval before they can be issued.

### **General Obligation Improvement Bonds**

These bonds are similar to General Obligation Bonds except they do not require voter approval for issuance. This is because they represent the portion of public improvement project costs that are not assessed. At least 20% of the project cost must be assessed to issue these bonds.

### **General Obligation Revenue Bonds**

These bonds differ from GO Bonds as they are backed by a specific stream of revenue; holders of GO Bonds are relying on the full faith and credit of the issuing municipality.

### **Tax Increment Financing**

This funding source results from the tax value of new development that is “incrementally” greater than the existing tax value. This type of funding can be used for public improvements within a redevelopment district to support the goals of redevelopment, specifically the elimination of blighted conditions. State law strictly regulates the use of these funds.

### **Campground Revenues**

The Burlington Bay Campground is a popular destination during the summer months. In 2020 the campground generated over \$715,000 in sales from May to October. The revenues cover operating expenses and capital improvements; remaining monies will be transferred to the Capital Street Improvement Fund.

### **Water Fund**

The Water Fund revenues are generated from the sale of water to residents of Two Harbors. The revenues cover operating expenses, capital improvements and debt payments. Money is transferred in annually from the Local Sales Tax Fund to cover portions of water fund debt payments. Water rates are adjusted and reviewed annually to cover operating expenses.

### **Sewer Fund**

The Sewer Fund revenues are generated from the sale of sewer to residents of Two Harbors. The revenues cover operating expenses, capital improvements and debt payments. Money is transferred in annually from the Local Sales Tax Fund to cover portions of sewer fund debt payments. Sewer rates are adjusted and reviewed annually to cover operating expenses.

### **Electric Fund**

The Electric Fund revenues are generated from the charges of electricity to residents of Two Harbors. The revenues cover operating expenses and capital improvements. Annually the Electric Fund transfers 13% of its gross operating revenues to the General Fund.

### **Gas Fund**

The Gas Fund revenues are generated from the charges of gas to residents of Two Harbors. The revenues cover operating expenses and capital improvements. Annually the Gas Fund transfers 13% of its gross operating revenues to the General Fund.

### **Municipal Liquor Store Fund**

The Liquor Fund revenues are generated from the off sale of alcohol in Two Harbors. The revenues cover operating expenses and capital improvements.

### **Stormwater Fund**

Stormwater Funds consist of revenue generated by charging stormwater drainage fee to residents. Revenues cover debt service related to storm water improvements made during Street Improvement Projects.

### **Local Sales Tax Fund**

Revenues are utilized to cover debt service costs for the wastewater and water treatment facilities. With sufficient funding it can also go to harbor development projects.

In 2019 new legislation was passed for an additional .5% in sales tax to be collected for the benefit of the City of Two Harbors Street Improvement Plan. The city has generated over \$400,000 in local sales tax in 2021 to support the improvement of our city streets.

### **Capital Equipment Fund**

This fund was established in 2017. Capital Equipment Fund was created to tack and finance capital outlay expenditures over \$10,000 for Governmental Funds.

### **Permanent Improvement – Street Improvement Fund**

This fund tracks all street improvement expenditures. Street Improvements are financed with GO Obligation Bonds. Bonds are paid back through special assessments, transfer from the Campground Fund and Sales Tax Fund.



## SUMMARY OF IMPACTS ON MAJOR FUNDING SOURCES

### Current Revenues/General Fund Reserves

Expenditures for 2022 are budgeted at an increase of 4.9% over the 2021 budget. In 2022 the levy was certified at 8% creating a tax capacity of \$2,412,698, this is 47% of the General fund revenues, with 2022 LGA at \$1,853,222, making up 36% of the General Fund revenues.

Unassigned fund balance in the General Fund totals \$2,075,654 at the end of 2020. The 2020 General Fund represents 56.8% or 6.8 months of a year's worth of expenditures at 2020 levels.

### Capital Equipment Fund

Capital equipment totals are expected to be approximately \$7,874,800 over the next five years. Over \$3.1M will be funded through federal and state grants. Other funding sources are coming from capital equipment bonds and the transfers from the General Fund, Electric Fund and Gas Fund. The projects currently are placed in the CIP but annually equipment needs will be re-evaluated and postponed until funding is secured.

### Permanent Improvement - Street Improvement Fund

Street improvement projects are financed by bonds. The debt will be funded by special assessment collections, local sales tax and transfers from the campground.

The city is currently preparing for the Street Improvement Projects in years 2023-2026. The 2021 & 2022 Street Improvement construction began in Summer of 2021 and will wrap up in Fall 2022, this was a great collaboration with Lake County, the city is looking to partner with Lake County for a 2023 & 2024 project; estimated project costs for the project are \$5.7M.

In years 2022-2026 the city has an aggressive residential street improvement schedule planned, all of which will require special assessment and bonding.

### Water Fund

Money generated in the water fund is solely from our water sales to our residential and commercial customers and can only be used to fund projects to support our water system.

The Water Fund currently has a large debt service balance from funding necessary Water Plant project upgrades. The City's rate structure needs to be able to cover annual operating costs and

debt service payments. The Water Fund receives assistance with debt service payments from the .5% local option sales tax.

### Sewer Fund

Like the Water fund, the sewer fund is supported by user rates to our residential and commercial customers.

The Sewer Fund has begun construction for the Wastewater Treatment Facility Improvement Project, costs are approximately \$32.0M, with approximately 65% being funded with grants. This project will continue over the next 3 years with final completion expected in fall of 2024.

### Electric Fund

The Electric Fund should have sufficient equity and liquid assets to provide for three to five months operating costs and to have a minimum level of cash reserves to provide for future renewal and replacement of system fixed assets or emergency expenditure requirements of \$1,300,000 or as much as the amount of accumulated depreciation whichever is greater (for reference see Resolution No. 9-143-93).

The Electric Fund provides annual transfer of funds to the General Fund in the amount of 13% of prior year gross operating revenue. 2022 has a budgeted transfer of \$241,170. Also, over the next 10 years the Electric Fund will be providing assistance to the Golf Course to rid of its deficit fund balance. In 2022-2026 the Electric Fund will be providing \$125,000 for the Capital Equipment Fund to provide funding for capital equipment purchased that is universally shared by all departments.

### Gas Fund

The Gas Fund should have sufficient equity and liquid assets to provide for three to five months operating costs and have a minimum level of cash reserves to provide for future renewal and replacement of system fixed assets or emergency expenditure requirements of \$1,800,000 or as much as the amount of accumulated depreciation whichever is greater (for reference see Resolution No. 9-143-93).

The Gas Fund provides annual transfer of funds to the General Fund in the amount of 13% of prior year gross operating revenue. 2022 has a budgeted transfer of \$98,730. In 2022-2026 the Gas Fund will be providing \$100,000 for the Capital Equipment Fund to provide funding for capital equipment purchased that is universally shared by all departments.

### Liquor Store Fund

The Two Harbors Municipal Liquor Store is a way for the city to diversify their revenue sources because it allows us to invest liquor store profits back into the community.

The Liquor Store has increased their unrestricted net position from to \$1,486,204. This unrestricted net position has put the city in a position to investigate the needs of Liquor Store and the possibility of upgrades to the current facility. The rough estimated project costs are over \$1.5 million.

# **OVERALL PROJECT SUMMARY**

**CITY OF TWO HARBORS, MN**  
**CAPITAL IMPROVEMENT PLAN**  
**2022 THRU 2026**  
**PROJECTS BY YEAR**

| Project   | Department         | Project Cost         |
|---|--------------------|----------------------|
| <b>2022</b>   |                    |                      |
| City Hall - Exterior Building Upgrade               | General Government | 260,000              |
| 2021 - 2022 Street Improvement Project              | Public Works       | 1,000,600            |
| Sidewalks   | Public Works       | 140,000              |
| Excavator   | Public Works       | 165,000              |
| Odegard Trail Project - Construction Phase          | Public Works       | 800,000              |
| Bandshell   | Public Works       | 50,000               |
| Community Splashpad & Park Redevelopment            | Public Works       | 250,000              |
| Waterfront Design                                   | Public Works       | 100,000              |
| Community Building Upgrades                         | Public Works       | 75,000               |
| Self Cont. Breathing App. & PPE                     | Fire Department    | 238,850              |
| Turnout Gear Locker Storage                         | Fire Department    | 14,000               |
| Library Roof  | Library            | 45,000               |
| Library - Bathroom Renovations & ADA Compliance     | Library            | 85,000               |
| Relocate AWOS                                       | Airport            | 112,600              |
| Snowblower Mount                                    | Airport            | 60,000               |
| Toro Maintenance Equipment Lease                    | Golf Course        | 36,250               |
| Chlorine Contact Tank & Homewood PRV Stations 2 & 3 | Water Purification | 5,020,150            |
| 2021 - 2022 Street Improvement Project              | Water Distribution | 600,050              |
| 2021 - 2022 Street Improvement Project              | Wastewater         | 468,550              |
| Wastewater Treatment Plant (Year 2 of 4)            | Wastewater         | 11,333,350           |
| Truck   | Wastewater         | 35,000               |
| Street Lights for HWY 61 Project                    | Electric           | 112,600              |
| Bucket Truck  | Electric           | 197,000              |
| Truck   | Electric           | 35,000               |
| 2021 - 2022 Street Improvements Project             | Electric           | 112,600              |
| Natural Gas Odorizer Removal                        | Gas                | 33,800               |
| Truck   | Gas                | 35,000               |
| Two Harbors Municipal Liquor Upgrade Project        | Liquor Store       | 1,000,000            |
| Campground - Road Repavement & Utility Project      | Campground         | 350,000              |
| <b>Total for 2022</b>                               |                    | <b>\$ 22,765,400</b> |

**Funding Sources**

|   |           |                   |
|---|-----------|-------------------|
| 2021 Bonding  | \$        | 778,300           |
| Transfer from Permanent Fund                            | \$        | 200,000           |
| Transfer from Utilities                                 | \$        | 225,000           |
| Transfer from General Fund                              | \$        | 250,000           |
| FAA Funding   | \$        | 164,000           |
| IRRR Funding - Trails                                   | \$        | 200,000           |
| DNR Funding - Trails                                    | \$        | 400,000           |
| MN Dept of Education                                    | \$        | 22,500            |
| Federal FEMA  | \$        | 226,900           |
| 2021 Bonding - Stree Improvements                       | \$        | 2,069,200         |
| WIF Grant   | \$        | 4,000,000         |
| PFA Loan  | \$        | 1,020,150         |
| State Appropriations, PSIG, WIF & PFA Low Interest Loan | \$        | 11,333,350        |
| Electric Funds  | \$        | 457,200           |
| Gas Funds   | \$        | 68,800            |
| Liquor Store Reserves                                   | \$        | 1,000,000         |
| Campground Funds  | \$        | 350,000           |
| <b>Total Funding 2022</b>                               | <b>\$</b> | <b>22,765,400</b> |

2023

2023-2024 Street Improvements Project  
 Sidewalks  
 Paint/Sign Truck  
 Bandshell  
 Community Splashpad & Park Redevelopment  
 Patrol Squad Replacement  
 Tool Cat  
 Library Placeholder  
 Toro Maintenance Equipment Lease  
 2023-2024 Street Improvements Project  
 4th Street Watermain Replacement - 8th Ave. to 12th Ave.  
 Watermain Looping - 7th Ave/4th Street  
 7th Avenue Watermain Replacement  
 Old Railyard Watermain Realignment  
 2023-2024 Street Improvements Project  
 Wastewater Treatment Plant (Year 3 of 4)  
 Crew Truck  
 2023 Street Improvements Project  
 Two Harbors Municipal Liquor Upgrade Project  
 2023-2024 Street Improvements Project  
 Campground - Placeholder  
 Campground - Road Repavement & Utility Project

|                       |                      |
|-----------------------|----------------------|
| Public Works          | 1,000,000            |
| Public Works          | 140,000              |
| Public Works          | 46,400               |
| Public Works          | 50,000               |
| Public Works          | 869,500              |
| Police                | 71,900               |
| Parks & Rec           | 55,650               |
| Library               | 17,400               |
| Golf Course           | 36,250               |
| Water Distribution    | 1,145,000            |
| Water Distribution    | 635,000              |
| Water Distribution    | 475,000              |
| Water Distribution    | 817,000              |
| Water Distribution    | 355,000              |
| Wastewater            | 1,155,000            |
| Wastewater            | 11,333,350           |
| Electric              | 52,150               |
| Electric              | 115,950              |
| Liquor Store          | 1,000,000            |
| Stormwater            | 371,000              |
| Campground            | 29,000               |
| Campground            | 250,000              |
| <b>Total for 2023</b> | <b>\$ 20,020,550</b> |

**Funding Sources**

|   |                      |
|---|----------------------|
| 2023 Bonding  | \$ 262,100           |
| Park Redevelopment Grant                                | \$ 500,000           |
| Transfer from Utilities                                 | \$ 225,000           |
| Transfer from General Fund                              | \$ 300,000           |
| 2023 Bonding - Stree Improvements                       | \$ 3,671,000         |
| WIF Grant   | \$ 1,541,600         |
| PFA Low Interest Loan                                   | \$ 740,400           |
| State Appropriations, PSIG, WIF & PFA Low Interest Loan | \$ 11,333,350        |
| Electric Funds  | \$ 168,100           |
| Liquor Store Reserves                                   | \$ 1,000,000         |
| Campground Funds  | \$ 279,000           |
| <b>Total Funding 2023</b>                               | <b>\$ 20,020,550</b> |

| Project  | Department         | Project Cost         |
|--|--------------------|----------------------|
| <b>2024</b>                                    |                    |                      |
| 2023-2024 Street Improvements Project          | Public Works       | 1,170,000            |
| Sidewalks                                      | Public Works       | 140,000              |
| Salt Shed                                      | Public Works       | 59,750               |
| Bandshell                                      | Public Works       | 50,000               |
| Public Works Placeholder                       | Public Works       | 244,800              |
| Side by Side Utility                           | Police             | 29,900               |
| Fire Engine 25 Replacement                     | Fire               | 597,050              |
| Library Placeholder                            | Library            | 17,950               |
| Pump House Irrigation                          | Golf Course        | 59,750               |
| Toro Maintenance Equipment Lease               | Golf Course        | 36,250               |
| 2023-2024 Street Improvements Project          | Water Distribution | 400,000              |
| 2023-2024 Street Improvements Project          | Wastewater         | 400,000              |
| Wastewater Treatment Plant (Year 4 of 4)       | Wastewater         | 7,783,300            |
| Lighthouse Lift Station Replacement            | Wastewater         | 298,500              |
| 2024 Street Improvements Project               | Electric           | 119,400              |
| 2023-2024 Street Improvements Project          | Stormwater         | 109,000              |
| Campground Placeholder                         | Campground         | 29,850               |
| Campground - Road Repavement & Utility Project | Campground         | 250,000              |
| <b>Total for 2024</b>                          |                    | <b>\$ 11,795,500</b> |

#### Funding Sources

|   |                      |
|---|----------------------|
| 2023 Bonding  | \$ 1,008,950         |
| Transfer from Utilities                                 | \$ 225,000           |
| Transfer from General Fund                              | \$ 300,000           |
| 2023 Bonding - Stree Improvements                       | \$ 2,079,000         |
| State Appropriations, PSIG, WIF & PFA Low Interest Loan | \$ 7,783,300         |
| Electric Funds  | \$ 119,400           |
| Campground Funds  | \$ 279,850           |
| <b>Total Funding 2023</b>                               | <b>\$ 11,795,500</b> |

| 2025  |                            |                     |
|---|----------------------------|---------------------|
| 2025 Street Improvements Project - 16th St between 7th Ae & Alley N of 9th Ave. | Public Works               | 561,600             |
| Sidewalks   | Public Works               | 140,000             |
| Public Works Placeholder  | Public Works               | 252,150             |
| Bandshell   | Public Works               | 50,000              |
| Patrol Squad Replacement  | Police                     | 79,950              |
| Library Placeholder   | Library                    | 18,450              |
| T-Hangar Pavement Reconstruction  | Airport                    | 369,000             |
| Toro Maintenance Equipment Lease  | Golf Course                | 36,250              |
| 2025 Street Improvements Project - 16th St between 7th Ae & Alley N of 9th Ave. | Water Distribution         | 395,050             |
| MnDOT - TH61 Reconstruction - Watermain Replacement - 4th St to RR Bridge       | Water Distribution         | 1,650,000           |
| MnDOT - TH61 Reconstruction - Sanitary Sewer Replacement - 4th St to RR Bridge  | Wastewater                 | 1,270,000           |
| MnDOT - TH61 Reconstruction - Replace Sanitary Sewer Crossing at 11th St.       | Wastewater                 | 100,000             |
| 2025 Street Improvements Project - 16th St between 7th Ae & Alley N of 9th Ave. | Wastewater                 | 100,950             |
| 2025 Street Improvements Project - 16th St between 7th Ae & Alley N of 9th Ave. | Electric                   | 123,000             |
| MnDOT - TH61 Reconstruction - Replace Gas Crossing at 7th St.                   | Gas                        | 25,000              |
| 2025 Street Improvements Project - 16th St between 7th Ae & Alley N of 9th Ave. | Stormwater                 | 404,400             |
| Campground Placeholder  | Campground                 | 30,750              |
|   | <b>Total for 2025</b>      | <b>\$ 5,606,550</b> |
| <b>Funding Sources</b>  |                            |                     |
|   | 2025 Bonding               | \$ 45,250           |
|   | FAA Funding                | \$ 350,550          |
|   | Transfer from Utilities    | \$ 225,000          |
|   | Transfer from General Fund | \$ 300,000          |
| 2025 Bonding - Stree Improvements   |                            | \$ 4,507,000        |
|   | Electric Funds             | \$ 123,000          |
|   | Gas Funds                  | \$ 25,000           |
|   | Campground Funds           | \$ 30,750           |
|   | <b>Total Funding 2023</b>  | <b>\$ 5,606,550</b> |

**2026**

2026 Street Improvements Project - Reconstruct 8th Ave. between 4th St & 6th St.  
 Sidewalks  
 Public Works Placeholder  
 Patrol Squad Replacement  
 Replace Carnegie Shelving  
 FBO Hangar  
 Golf Course Placeholder  
 2026 Street Improvements Project - Reconstruct 8th Ave. between 4th St & 6th St.  
 2026 Street Improvements Project - Reconstruct 8th Ave. between 4th St & 6th St.  
 Truck  
 2026 Street Improvements Project  
 2026 Street Improvements Project - Reconstruct 8th Ave. between 4th St & 6th St.  
 Campground Placeholder

|                       |                     |
|-----------------------|---------------------|
| Public Works          | 958,850             |
| Public Works          | 140,000             |
| Public Works          | 259,700             |
| Police                | 82,350              |
| Library               | 25,000              |
| Airport               | 1,431,450           |
| Golf Course           | 36,250              |
| Water Distribution    | 477,200             |
| Wastewater            | 390,600             |
| Wastewater            | 38,000              |
| Electric              | 126,700             |
| Stormwater            | 294,400             |
| Campground            | 31,700              |
| <b>Total for 2026</b> | <b>\$ 4,292,200</b> |

**Funding Sources**

|                                   |                     |
|-----------------------------------|---------------------|
| 2025 Bonding                      | \$ 189,450          |
| FAA Funding                       | \$ 1,288,350        |
| Transfer from Utilities           | \$ 225,000          |
| Transfer from General Fund        | \$ 300,000          |
| 2025 Bonding - Stree Improvements | \$ 2,121,050        |
| Electric Funds                    | \$ 126,700          |
| Campground Funds                  | \$ 31,700           |
| <b>Total Funding 2023</b>         | <b>\$ 4,282,250</b> |

|                    |                      |
|--------------------|----------------------|
| <b>GRAND TOTAL</b> | <b>\$ 64,480,200</b> |
|--------------------|----------------------|



## FUTURE

| Project   | Department         | Note |
|---|--------------------|------|
| South Avenue Reconstruct  | Public Works       | 1    |
| 3rd Street Reconstruct - South Avenue to Boat Launch                    | Public Works       | 1    |
| 3rd Street Reconstruct - South Avenue to Alley North of 4th Avenue      | Public Works       |      |
| 8th Avenue Reconstruct - 6th Street to 9th Street                       | Public Works       |      |
| 11th Avenue Reconstruct - 9th Street to West End                        | Public Works       |      |
| 17th Street Reconstruct - 7th Avenue to 10th Avenue                     | Public Works       |      |
| 10th Avenue Reconstruct - 6th Street to 7th Street                      | Public Works       |      |
| 6th Avenue Alley Reconstruct  | Public Works       |      |
| Hidden Springs Pavement Replacement                                     | Public Works       |      |
| Battaglia Boulevard Pavement Replacement                                | Public Works       |      |
| Alley N. of 13th Ave Pavement Replacement - 6th Street to 8th Street    | Public Works       |      |
| 14th Avenue Pavement Replacement - 6th Street to 8th Street             | Public Works       |      |
| Alley N. of 14th Ave Reconstruct - 7th Street to 8th Street             | Public Works       |      |
| 15th Avenue Pavement Replacement/Reconstruct - 4th Street to 8th Street | Public Works       |      |
| 6th Street Reconstruct & New Sidewalk - 13th Avenue to 16th Avenue      | Public Works       |      |
| 7th Street Pavement Replacement - 14th Avenue to 15th Avenue            | Public Works       |      |
| Alley N. of 7th Avenue -13th Street to 14th Street                      | Wastewater         |      |
| 7th Avenue Utility Extension - Culvers to Scenic Drive                  | Wastewater         | 2    |
| 7th Avenue Utility Extension - Culvers to Scenic Drive                  | Water Distribution | 2    |
| 7th Avenue Watermain Replacement - 9th Street to 5th Street             | Water Distribution | 2    |
| Utility Extension RR to 15th Street - North of Harbor Hills             | Wastewater         |      |
| Utility Extension RR to 15th Street - North of Harbor Hills             | Water Distribution |      |
| Fairgrounds Road Utility Extensions                                     | Wastewater         |      |
| Fairgrounds Road Utility Extensions                                     | Water Distribution |      |
| Trail Segments per City Master Trails Plans                             | Public Works       |      |
| 11th Street (CSAH 26) Reconstruct - 7th Avenue to 4th Street (HWY 2)    | Public Works       | 3    |
| 8th Street (CR 105) Reconstruct - 7th Avenue to 16th Avenue             | Public Works       | 3    |

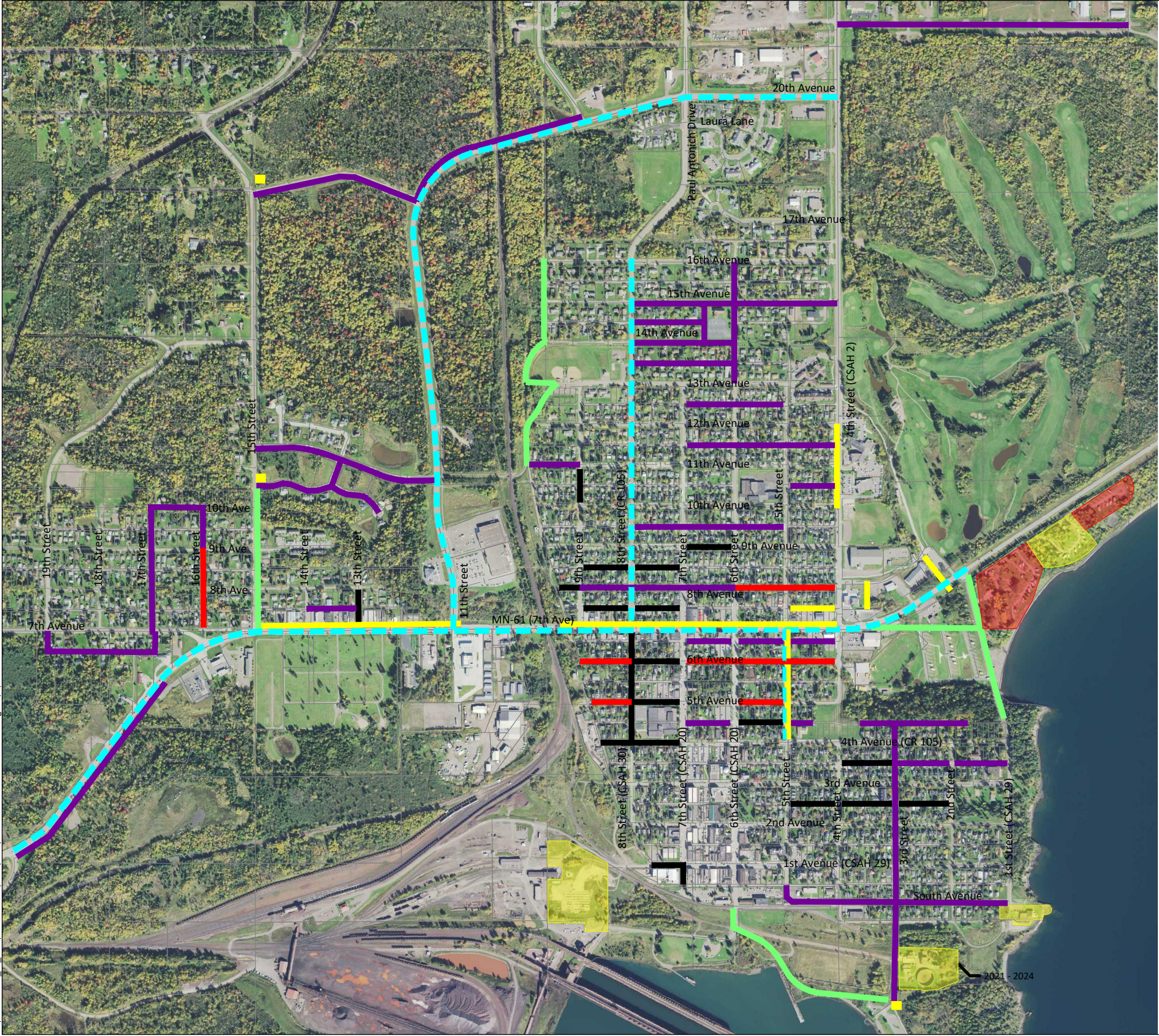
### Notes:

1. Construct after Wastewater Treatment Plan Improvements have been completed.
2. Timing dependant upon MnDOT T.H. 61 Project.
3. Project will be led by Lake County.

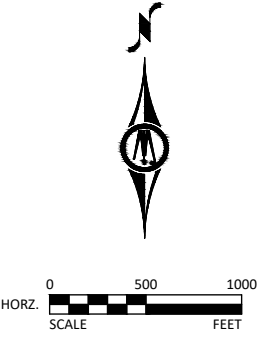
*Please note Capital Equipment Costs assumed a 3% inflation rate*

*Street Improvement costs assumed a 4% infaltion rate*





| LEGEND  |  |
|---|--|
|   | PROJECT DESCRIPTION                    |
|   | COMPLETED PROJECTS                     |
|  | STREET PROJECTS (2022 - 2026)          |
|  | WATER AND SEWER PROJECTS (2022 - 2026) |
|  | TRAIL PROJECTS (2022 - 2026)           |
|  | FUTURE PROJECTS (ALL TYPES)            |
|  | MnDOT PROJECT/ COUNTY PROJECTS         |





# **2022-2026 STREET PROGRAM**

**CITY OF TWO HARBORS, MN  
STREET IMPROVEMENT PROGRAM  
2022 THRU 2026**

**SUMMARY BY YEAR**

| <b>Street Improvement Projects</b> |  | <b>2022</b>         | <b>2023</b>         | <b>2024</b>         | <b>2025</b>         | <b>2026</b>         | <b>TOTAL</b>         |
|------------------------------------|--|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| 6th Avenue                         | Reconstruct 6th Ave between 8th Street and West end                | 670,850             |                     |                     |                     |                     |                      |
| 5th Avenue                         | Reconstruct 5th Ave between 8th Street and West end                | 808,000             |                     |                     |                     |                     |                      |
| 4th Avenue                         | Reconstruct 4th Ave between 8th Street and West end                | 590,350             |                     |                     |                     |                     |                      |
| 5th Street                         | Reconstruct 5th Street between 4th Ave and 7th Ave <sup>1</sup>    |                     | -                   |                     |                     |                     |                      |
| 5th Street                         | 5th Street Utilities between 4th Ave and 7th Ave <sup>2</sup>      |                     | 1,150,000           |                     |                     |                     |                      |
| 5th Street                         | 5th Street Stormwater between 4th Ave and 7th Ave <sup>3</sup>     |                     | 205,000             |                     |                     |                     |                      |
| 6th Avenue                         | Reconstruct 6th Ave between 4th Street and 5th Street              |                     | 1,184,500           |                     |                     |                     |                      |
| 6th Avenue                         | Reconstruct 6th Ave between 5th Street and 6th Street              |                     | 1,131,500           |                     |                     |                     |                      |
| 6th Avenue                         | Reconstruct 6th Ave between 6th Street and 7th Street              |                     |                     | 1,112,000           |                     |                     |                      |
| 5th Avenue                         | Reconstruct 5th Ave between 5th Street and 6th Street              |                     |                     | 967,000             |                     |                     |                      |
| 16th Avenue                        | Reconstruct 16th Street between 7th Ave and Alley North of 9th Ave |                     |                     |                     | 1,462,000           |                     |                      |
| 8th Avenue                         | Reconstruct 8th Ave between 4th Street and 6th Street              |                     |                     |                     |                     | 2,121,050           |                      |
|                                    |  | <b>\$ 2,069,200</b> | <b>\$ 3,671,000</b> | <b>\$ 2,079,000</b> | <b>\$ 1,462,000</b> | <b>\$ 2,121,050</b> | <b>\$ 11,402,250</b> |

<sup>1</sup>Lake County project with State Aid Funds

<sup>2</sup>Sanitary Sewer and Water Distribution Only

<sup>3</sup>City portion of Storm Sewer cost on 5th Street

**CITY OF TWO HARBORS, MN  
STREET IMPROVEMENT PROGRAM  
2022 THRU 2026**

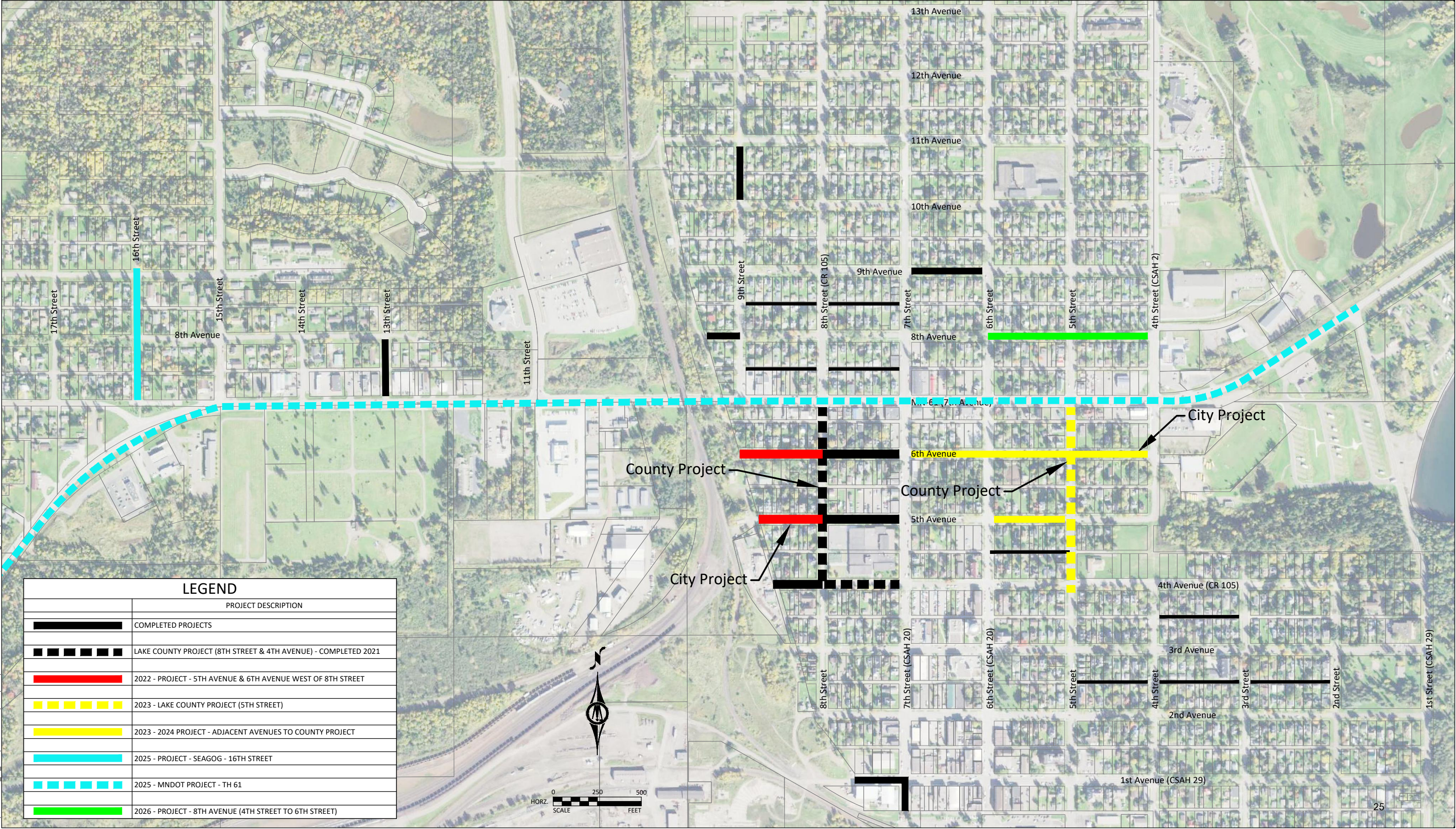
**EXPENDITURE BY DEPARTMENT SUMMARY**

| <b>Department</b> | <b>2022</b>         | <b>2023</b>         | <b>2024</b>         | <b>2025</b>         | <b>2026</b>         | <b>5 Year<br/>Department<br/>Total</b> |
|-------------------|---------------------|---------------------|---------------------|---------------------|---------------------|--|
| Public Works      | 1,000,600           | 1,000,000           | 1,170,000           | 561,600             | 958,850             | 4,691,050                              |
| Water             | 600,050             | 1,145,000           | 400,000             | 395,050             | 477,200             | 3,017,300                              |
| Wastewater        | 468,550             | 1,155,000           | 400,000             | 100,950             | 390,600             | 2,515,100                              |
| Stormwater        | -                   | 371,000             | 109,000             | 404,400             | 294,400             | 1,178,800                              |
| <b>TOTAL</b>      | <b>\$ 2,069,200</b> | <b>\$ 3,671,000</b> | <b>\$ 2,079,000</b> | <b>\$ 1,462,000</b> | <b>\$ 2,121,050</b> | <b>\$ 11,402,250</b>                   |

**STREET IMPROVEMENT FUND SUMMARY**

| <b>Source</b>                                 | <b>2022</b>         | <b>2023</b>         | <b>2024</b>         | <b>2025</b>         | <b>2026</b>         |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>STREET IMPROVEMENT FUND</b>                |                     |                     |                     |                     |                     |
| <b>Beginning Balance</b>                      | <b>\$ 1,264,350</b> | <b>\$ 1,365,200</b> | <b>\$ 1,662,050</b> | <b>\$ 1,522,900</b> | <b>\$ 1,696,550</b> |
| <b>Revenue &amp; Other Fund Sources</b>       |                     |                     |                     |                     |                     |
| <i>Revenues</i>                               |                     |                     |                     |                     |                     |
| Special Assessments                           | 141,600             | 191,300             | 280,300             | 327,650             | 363,850             |
| <i>Total</i>                                  | 141,600             | 191,300             | 280,300             | 327,650             | 363,850             |
| <i>Other Sources</i>                          |                     |                     |                     |                     |                     |
| Bond Proceeds                                 | 2,069,200           | 3,671,000           | 2,121,000           | 1,462,000           | 2,121,050           |
| Transfer from Campground Fund                 | -                   | -                   | -                   | 200,000             | 200,000             |
| Transfer from Sales Tax Fund                  | 300,000             | 300,000             | 300,000             | 300,000             | 300,000             |
| Transfer from Storm Water Fund                | -                   | 371,000             | 109,000             | 404,400             | 294,400             |
| Transfer from General Fund                    | 200,000             | 200,000             | 200,000             | 200,000             | 200,000             |
| <i>Total</i>                                  | 2,569,200           | 4,542,000           | 2,730,000           | 2,566,400           | 3,115,450           |
| <b>Total Revenue &amp; Other Fund Sources</b> | <b>2,710,800</b>    | <b>4,733,300</b>    | <b>3,010,300</b>    | <b>2,894,050</b>    | <b>3,479,300</b>    |
| <b>Total Funds Available</b>                  | <b>3,975,150</b>    | <b>6,098,500</b>    | <b>4,672,350</b>    | <b>4,416,950</b>    | <b>5,175,850</b>    |
| <b>Expenditures and Uses</b>                  |                     |                     |                     |                     |                     |
| <i>Expenditures - Debt Service</i>            |                     |                     |                     |                     |                     |
| Principal & Interest Charges                  | 540,750             | 765,450             | 1,070,450           | 1,258,400           | 1,406,400           |
| <i>Expenditures - Capital Outlay</i>          |                     |                     |                     |                     |                     |
| Street Improvement Project                    | 2,069,200           | 3,671,000           | 2,079,000           | 1,462,000           | 2,121,050           |
| <b>Total Expenditures and Uses</b>            | <b>2,609,950</b>    | <b>4,436,450</b>    | <b>3,149,450</b>    | <b>2,720,400</b>    | <b>3,527,450</b>    |
| <b>Change in Fund Balance</b>                 | <b>100,850</b>      | <b>296,850</b>      | <b>(139,150)</b>    | <b>173,650</b>      | <b>(48,150)</b>     |
| <b>Ending Fund Balance</b>                    | <b>\$ 1,365,200</b> | <b>\$ 1,662,050</b> | <b>\$ 1,522,900</b> | <b>\$ 1,696,550</b> | <b>\$ 1,648,400</b> |





LEGEND

PROJECT DESCRIPTION

|  |  |
|--|--|
|  | COMPLETED PROJECTS   |
|  | LAKE COUNTY PROJECT (8TH STREET & 4TH AVENUE) - COMPLETED 2021 |
|  | 2022 - PROJECT - 5TH AVENUE & 6TH AVENUE WEST OF 8TH STREET    |
|  | 2023 - LAKE COUNTY PROJECT (5TH STREET)                        |
|  | 2023 - 2024 PROJECT - ADJACENT AVENUES TO COUNTY PROJECT       |
|  | 2025 - PROJECT - SEAGOG - 16TH STREET                          |
|  | 2025 - MNDOT PROJECT - TH 61                                   |
|  | 2026 - PROJECT - 8TH AVENUE (4TH STREET TO 6TH STREET)         |

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**CITY OF TWO HARBORS**  
**CAPITAL IMPROVEMENT PLAN**  
**2022-2026**

|   |   |               |    |                |                   |  |                      |  |    |         |             |    |   |
|---|---|---------------|----|----------------|-------------------|--|----------------------|--|----|---------|-------------|----|---|
| PROJECT TITLE: 6th Avenue - 8th Street to West End  | ESTIMATED TOTAL PROJECT COST:   |               |    |                |                   |  |                      |  |    |         |             |    |   |
| PROJECT CATEGORY: Street  | \$670,850   |               |    |                |                   |  |                      |  |    |         |             |    |   |
| DESCRIPTION: Reconstruct 6th Ave between 8th Street and West End  |   |               |    |                |                   |  |                      |  |    |         |             |    |   |
| JUSTIFICATION: 6th Avenue is a part of the 2022 Street Improvement Project. This project includes replacing existing sanitary sewer and watermain. Full street reconstruction will replace the existing deteriorating road.   |   |               |    |                |                   |  |                      |  |    |         |             |    |   |
| PROJECT COSTS AND FUNDING SOURCES: <table style="float: right; margin-top: 10px;"> <tr> <td>Public Works:</td> <td>\$</td> <td>291,500</td> </tr> <tr> <td>Water:</td> <td>\$</td> <td>207,550</td> </tr> <tr> <td>Sewer:</td> <td>\$</td> <td>171,800</td> </tr> <tr> <td>Stormwater:</td> <td>\$</td> <td>-</td> </tr> </table> |   | Public Works: | \$ | 291,500        | Water:            | \$   | 207,550              | Sewer:   | \$ | 171,800 | Stormwater: | \$ | - |
| Public Works:   | \$  | 291,500       |    |                |                   |  |                      |  |    |         |             |    |   |
| Water:  | \$  | 207,550       |    |                |                   |  |                      |  |    |         |             |    |   |
| Sewer:  | \$  | 171,800       |    |                |                   |  |                      |  |    |         |             |    |   |
| Stormwater:   | \$  | -             |    |                |                   |  |                      |  |    |         |             |    |   |
| PROJECT STARTING DATE: 2022<br><br>PROJECT COMPLETION DATE: 2022  | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="height: 20px;"> </td></tr> <tr><td style="height: 20px;"> </td></tr> <tr><td style="height: 20px;">Preliminaries:</td></tr> <tr><td style="height: 20px;">Land Acquisition:</td></tr> <tr><td style="height: 20px;">Construction: <span style="float: right;">\$670,850</span></td></tr> <tr><td style="height: 20px;">Equipment and Other:</td></tr> <tr><td style="height: 20px;">Project Cost: <span style="float: right;">\$670,850</span></td></tr> </table> |               |    | Preliminaries: | Land Acquisition: | Construction: <span style="float: right;">\$670,850</span> | Equipment and Other: | Project Cost: <span style="float: right;">\$670,850</span> |    |         |             |    |   |
|   |   |               |    |                |                   |  |                      |  |    |         |             |    |   |
|   |   |               |    |                |                   |  |                      |  |    |         |             |    |   |
| Preliminaries:  |   |               |    |                |                   |  |                      |  |    |         |             |    |   |
| Land Acquisition:   |   |               |    |                |                   |  |                      |  |    |         |             |    |   |
| Construction: <span style="float: right;">\$670,850</span>  |   |               |    |                |                   |  |                      |  |    |         |             |    |   |
| Equipment and Other:  |   |               |    |                |                   |  |                      |  |    |         |             |    |   |
| Project Cost: <span style="float: right;">\$670,850</span>  |   |               |    |                |                   |  |                      |  |    |         |             |    |   |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|   |   |               |            |                |                   |                         |                      |                         |      |
|---|---|---------------|------------|----------------|-------------------|-------------------------|----------------------|-------------------------|------|
| PROJECT TITLE: 5th Avenue - 8th Street to West End  | ESTIMATED TOTAL PROJECT COST:   |               |            |                |                   |                         |                      |                         |      |
| PROJECT CATEGORY: Street  | \$808,000   |               |            |                |                   |                         |                      |                         |      |
| DESCRIPTION: Reconstruct 5th Ave between 8th Street and West End  |   |               |            |                |                   |                         |                      |                         |      |
| <p>JUSTIFICATION: 5th Avenue is a part of the 2022 Street Improvement Project. This project includes replacing existing sanitary sewer and watermain. Full street reconstruction will replace the existing deteriorating road.</p>  |   |               |            |                |                   |                         |                      |                         |      |
| <p>PROJECT COSTS AND FUNDING SOURCES:</p> <table style="width: 100%; margin-top: 10px;"> <tr> <td style="width: 60%; text-align: right;">Public Works:</td> <td style="width: 40%; text-align: right;">\$ 416,100</td> </tr> <tr> <td style="text-align: right;">Water:</td> <td style="text-align: right;">\$ 225,000</td> </tr> <tr> <td style="text-align: right;">Sewer:</td> <td style="text-align: right;">\$ 166,900</td> </tr> <tr> <td style="text-align: right;">Stormwater:</td> <td style="text-align: right;">\$ -</td> </tr> </table> |   | Public Works: | \$ 416,100 | Water:         | \$ 225,000        | Sewer:                  | \$ 166,900           | Stormwater:             | \$ - |
| Public Works:   | \$ 416,100  |               |            |                |                   |                         |                      |                         |      |
| Water:  | \$ 225,000  |               |            |                |                   |                         |                      |                         |      |
| Sewer:  | \$ 166,900  |               |            |                |                   |                         |                      |                         |      |
| Stormwater:   | \$ -  |               |            |                |                   |                         |                      |                         |      |
| <p>PROJECT STARTING DATE: 2022</p> <p>PROJECT COMPLETION DATE: 2022</p>   | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="height: 20px;"> </td></tr> <tr><td style="height: 20px;"> </td></tr> <tr><td style="height: 20px;">Preliminaries:</td></tr> <tr><td style="height: 20px;">Land Acquisition:</td></tr> <tr><td style="height: 20px;">Construction: \$808,000</td></tr> <tr><td style="height: 20px;">Equipment and Other:</td></tr> <tr><td style="height: 20px;">Project Cost: \$808,000</td></tr> </table> |               |            | Preliminaries: | Land Acquisition: | Construction: \$808,000 | Equipment and Other: | Project Cost: \$808,000 |      |
|   |   |               |            |                |                   |                         |                      |                         |      |
|   |   |               |            |                |                   |                         |                      |                         |      |
| Preliminaries:  |   |               |            |                |                   |                         |                      |                         |      |
| Land Acquisition:   |   |               |            |                |                   |                         |                      |                         |      |
| Construction: \$808,000   |   |               |            |                |                   |                         |                      |                         |      |
| Equipment and Other:  |   |               |            |                |                   |                         |                      |                         |      |
| Project Cost: \$808,000   |   |               |            |                |                   |                         |                      |                         |      |



**CITY OF TWO HARBORS**  
**CAPITAL IMPROVEMENT PLAN**  
**2022-2026**

|  |                               |
|--|-------------------------------|
| PROJECT TITLE: 4th Avenue - 8th Street to West End   | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: Street   | \$590,350                     |
| DESCRIPTION: Reconstruct 4th Ave between 8th Street and West End   |                               |
| <p>JUSTIFICATION: 4th Avenue is a part of the 2021-2022 Street Improvement Project. This project includes replacing existing sanitary sewer and watermain. Full street reconstruction will replace the existing deteriorating road. Majority of the work was performed in late 2021; the remainder of the work will be completed in 2022. For financing purposes, entire cost for this project is shown in 2022.</p> |                               |
| <p>PROJECT COSTS AND FUNDING SOURCES:</p> <div style="text-align: right; margin-top: 20px;"> Public Works: \$ 293,000<br/> Water: \$ 167,500<br/> Sewer: \$ 129,850<br/> Stormwater: \$ - </div>   |                               |
| PROJECT STARTING DATE: 2021<br><br>PROJECT COMPLETION DATE: 2022   |                               |
|  |                               |
|  | Preliminaries:                |
|  | Land Acquisition:             |
|  | Construction: \$590,350       |
|  | Equipment and Other:          |
| Project Cost: \$590,350  |                               |

CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026

|   |                               |
|---|-------------------------------|
| PROJECT TITLE: 5th Street - 4th Avenue to 7th Avenue            | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: Street  | \$0                           |
| DESCRIPTION: Reconstruct 5th Street between 4th Ave and 7th Ave |                               |

**JUSTIFICATION:** 5th Street is Lake County CSAH 36. Lake County plans to reconstruct these blocks in 2023. The County will be responsible for the street costs of the project.

**PROJECT COSTS AND FUNDING SOURCES:**

|               |    |   |
|---------------|----|---|
| Public Works: | \$ | - |
| Water:        | \$ | - |
| Sewer:        | \$ | - |
| Stormwater:   | \$ | - |

|                          |      |                      |
|--------------------------|------|----------------------|
|                          |      |                      |
|                          |      |                      |
| PROJECT STARTING DATE:   | 2023 | Preliminaries:       |
| PROJECT COMPLETION DATE: | 2023 | Land Acquisition:    |
|                          |      | Construction: \$0    |
|                          |      | Equipment and Other: |
|                          |      | Project Cost: \$0    |

**CITY OF TWO HARBORS**  
**CAPITAL IMPROVEMENT PLAN**  
**2022-2026**

|  |                               |
|--|-------------------------------|
| PROJECT TITLE: 5th Street - 4th Avenue to 7th Avenue   | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: Street   | \$1,150,000                   |
| DESCRIPTION: 5th Street Utilities between 4th Ave and 7th Ave  |                               |
| <p>JUSTIFICATION: 5th Street is Lake County CSAH 36. Lake County plans to reconstruct these blocks in 2023. The existing sanitary sewer and watermain are also planned to be replaced along these blocks as part of the project to reconstruct the street. Costs for replacing existing sanitary sewer and watermain are the responsibility of the City.</p> |                               |
| <p>PROJECT COSTS AND FUNDING SOURCES:</p> <div style="text-align: right; margin-top: 20px;"> Public Works: \$ -<br/> Water: \$ 750,000<br/> Sewer: \$ 400,000<br/> Stormwater: \$ - </div>   |                               |
| PROJECT STARTING DATE: 2023<br><br>PROJECT COMPLETION DATE: 2023   |                               |
|  | Preliminaries:                |
|  | Land Acquisition:             |
|  | Construction: \$1,150,000     |
|  | Equipment and Other:          |
|  | Project Cost: \$1,150,000     |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|  |  |               |    |   |        |    |   |        |    |   |             |    |         |
|--|--|---------------|----|---|--------|----|---|--------|----|---|-------------|----|---------|
| PROJECT TITLE: 5th Street - 4th Avenue to 7th Avenue   | ESTIMATED TOTAL PROJECT COST:                              |               |    |   |        |    |   |        |    |   |             |    |         |
| PROJECT CATEGORY: Street   | \$205,000  |               |    |   |        |    |   |        |    |   |             |    |         |
| DESCRIPTION: 5th Street Stormwater between 4th Ave and 7th Ave   |  |               |    |   |        |    |   |        |    |   |             |    |         |
| <p>JUSTIFICATION: 5th Street is Lake County CSAH 36. Lake County plans to reconstruct these blocks in 2023. There is existing storm sewer along these blocks that is proposed to be replaced as part of the project to reconstruct the street. Costs for replacing the storm sewer are divided between the City and County. This sheet represents the anticipated City portion of the storm sewer costs based on information available at the time the CIP update was prepared.</p> <p>There is also an existing box culvert that conveys Skunk Creek beneath 5th Street. The box culvert is considered a bridge by the State of Minnesota. The box culvert is anticipated to be replaced as part of the 5th Street project. It is anticipated the City will have no financial responsibility toward replacement of the box culvert.</p> |  |               |    |   |        |    |   |        |    |   |             |    |         |
| <p>PROJECT COSTS AND FUNDING SOURCES:</p> <table style="width: 100%; margin-top: 10px;"> <tr> <td style="text-align: right;">Public Works:</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">-</td> </tr> <tr> <td style="text-align: right;">Water:</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">-</td> </tr> <tr> <td style="text-align: right;">Sewer:</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">-</td> </tr> <tr> <td style="text-align: right;">Stormwater:</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">205,000</td> </tr> </table>  |  | Public Works: | \$ | - | Water: | \$ | - | Sewer: | \$ | - | Stormwater: | \$ | 205,000 |
| Public Works:  | \$   | -             |    |   |        |    |   |        |    |   |             |    |         |
| Water:   | \$   | -             |    |   |        |    |   |        |    |   |             |    |         |
| Sewer:   | \$   | -             |    |   |        |    |   |        |    |   |             |    |         |
| Stormwater:  | \$   | 205,000       |    |   |        |    |   |        |    |   |             |    |         |
| <p>PROJECT STARTING DATE: 2023</p> <p>PROJECT COMPLETION DATE: 2023</p>  |  |               |    |   |        |    |   |        |    |   |             |    |         |
|  | Preliminaries:   |               |    |   |        |    |   |        |    |   |             |    |         |
|  | Land Acquisition:  |               |    |   |        |    |   |        |    |   |             |    |         |
|  | Construction: <span style="float: right;">\$205,000</span> |               |    |   |        |    |   |        |    |   |             |    |         |
|  | Equipment and Other:                                       |               |    |   |        |    |   |        |    |   |             |    |         |
|  | Project Cost: <span style="float: right;">\$205,000</span> |               |    |   |        |    |   |        |    |   |             |    |         |

**CITY OF TWO HARBORS**  
**CAPITAL IMPROVEMENT PLAN**  
**2022-2026**

|   |                               |
|---|-------------------------------|
| PROJECT TITLE: 6th Avenue - 4th Street to 5th Street  | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: Street  | \$1,184,500                   |
| DESCRIPTION: Reconstruct 6th Ave between 4th Street and 5th Street  |                               |
| <p>JUSTIFICATION: 6th Avenue is a part of the 2023 Street Improvement Project. This project includes replacing existing sanitary sewer and watermain. There are two sanitary sewer mains along this block - an 8" diameter lateral main and a larger diameter trunk main. Replacement of both sewer mains is included in this project. Full street reconstruction will replace the existing deteriorating road.</p> |                               |
| <p>PROJECT COSTS AND FUNDING SOURCES:</p> <div style="text-align: right; margin-top: 20px;"> Public Works: \$ 517,500<br/> Water: \$ 200,000<br/> Sewer: \$ 400,000<br/> Stormwater: \$ 67,000 </div>   |                               |
| PROJECT STARTING DATE: 2023<br><br>PROJECT COMPLETION DATE: 2023  |                               |
|   |                               |
|   | Preliminaries:                |
|   | Land Acquisition:             |
|   | Construction: \$1,184,500     |
|   | Equipment and Other:          |
| Project Cost: \$1,184,500   |                               |

**CITY OF TWO HARBORS**  
**CAPITAL IMPROVEMENT PLAN**  
**2022-2026**

|   |   |  |  |                |                   |                           |                      |                           |
|---|---|--|--|----------------|-------------------|---------------------------|----------------------|---------------------------|
| PROJECT TITLE: 6th Avenue - 5th Street to 6th Street  | ESTIMATED TOTAL PROJECT COST:   |  |  |                |                   |                           |                      |                           |
| PROJECT CATEGORY: Street  | \$1,131,500   |  |  |                |                   |                           |                      |                           |
| DESCRIPTION: Reconstruct 6th Ave between 5th Street and 6th Street  |   |  |  |                |                   |                           |                      |                           |
| <p>JUSTIFICATION: 6th Avenue is a part of the 2023 Street Improvement Project. This project includes replacing existing sanitary sewer and watermain. There are two sanitary sewer mains along this block - an 8" diameter lateral main and a larger diameter trunk main. Replacement of both sewer mains is included in this project. Full street reconstruction will replace the existing deteriorating road.</p> |   |  |  |                |                   |                           |                      |                           |
| <p>PROJECT COSTS AND FUNDING SOURCES:</p> <div style="text-align: right; margin-top: 20px;"> Public Works: \$ 482,500<br/> Water: \$ 195,000<br/> Sewer: \$ 355,000<br/> Stormwater: \$ 99,000 </div>   |   |  |  |                |                   |                           |                      |                           |
| PROJECT STARTING DATE: 2023<br><br>PROJECT COMPLETION DATE: 2023  | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="height: 20px;"> </td></tr> <tr><td style="height: 20px;"> </td></tr> <tr><td style="height: 20px;">Preliminaries:</td></tr> <tr><td style="height: 20px;">Land Acquisition:</td></tr> <tr><td style="height: 20px;">Construction: \$1,131,500</td></tr> <tr><td style="height: 20px;">Equipment and Other:</td></tr> <tr><td style="height: 20px;">Project Cost: \$1,131,500</td></tr> </table> |  |  | Preliminaries: | Land Acquisition: | Construction: \$1,131,500 | Equipment and Other: | Project Cost: \$1,131,500 |
|   |   |  |  |                |                   |                           |                      |                           |
|   |   |  |  |                |                   |                           |                      |                           |
| Preliminaries:  |   |  |  |                |                   |                           |                      |                           |
| Land Acquisition:   |   |  |  |                |                   |                           |                      |                           |
| Construction: \$1,131,500   |   |  |  |                |                   |                           |                      |                           |
| Equipment and Other:  |   |  |  |                |                   |                           |                      |                           |
| Project Cost: \$1,131,500   |   |  |  |                |                   |                           |                      |                           |

**CITY OF TWO HARBORS**  
**CAPITAL IMPROVEMENT PLAN**  
**2022-2026**

|  |                               |
|--|-------------------------------|
| PROJECT TITLE: 6th Avenue - 6th Street to 7th Street   | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: Street   | \$1,112,000                   |
| DESCRIPTION: Reconstruct 6th Ave between 6th Street and 7th Street   |                               |
| <p>JUSTIFICATION: 6th Avenue is a part of the 2024 Street Improvement Project. This project includes replacing existing sanitary sewer and watermain. The sanitary sewer and watermain work on this project would cross the intersection at 7th Street and connect to the sanitary sewer and watermain work on the 700 block of 6th Avenue, done in 2021. Full street reconstruction will replace the existing deteriorating road.</p> |                               |
| <p>PROJECT COSTS AND FUNDING SOURCES:</p> <div style="text-align: right; margin-top: 20px;"> Public Works: \$ 620,000<br/> Water: \$ 205,000<br/> Sewer: \$ 210,000<br/> Stormwater: \$ 77,000 </div>  |                               |
| PROJECT STARTING DATE: 2024<br><br>PROJECT COMPLETION DATE: 2024   |                               |
|  |                               |
|  | Preliminaries:                |
|  | Land Acquisition:             |
|  | Construction: \$1,112,000     |
|  | Equipment and Other:          |
| Project Cost: \$1,112,000  |                               |

**CITY OF TWO HARBORS**  
**CAPITAL IMPROVEMENT PLAN**  
**2022-2026**

|   |                               |
|---|-------------------------------|
| PROJECT TITLE: 5th Avenue - 5th Street to 6th Street  | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: Street  | \$967,000                     |
| DESCRIPTION: Reconstruct 5th Ave between 5th Street and 6th Street  |                               |
| JUSTIFICATION: 5th Avenue is a part of the 2024 Street Improvement Project. This project includes replacing existing sanitary sewer and watermain. Full street reconstruction will replace the existing deteriorating road. |                               |
| PROJECT COSTS AND FUNDING SOURCES: <div style="text-align: right; margin-top: 20px;"> Public Works: \$ 550,000<br/> Water: \$ 195,000<br/> Sewer: \$ 190,000<br/> Stormwater: \$ 32,000 </div>                              |                               |
| PROJECT STARTING DATE: 2024<br><br>PROJECT COMPLETION DATE: 2024  |                               |
|   | Preliminaries:                |
|   | Land Acquisition:             |
|   | Construction: \$967,000       |
|   | Equipment and Other:          |
|   | Project Cost: \$967,000       |



CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026

|   |                               |
|---|-------------------------------|
| PROJECT TITLE: 16th Street - 7th Avenue to Alley North of 9th Avenue            | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: Street  | \$1,462,000                   |
| DESCRIPTION: Reconstruct 16th Street between 7th Ave and Alley North of 9th Ave |                               |

**JUSTIFICATION:** 16th Street is the 2025 Street Improvement Project. This project includes replacing existing sanitary sewer, watermain, & storm sewer. Full street reconstruction will replace the existing deteriorating road. The identified project cost includes upgrading the street to an urban section and adding a sidewalk along one side.

|                                    |               |            |
|------------------------------------|---------------|------------|
| PROJECT COSTS AND FUNDING SOURCES: |               |            |
|                                    | Public Works: | \$ 561,600 |
|                                    | Water:        | \$ 395,050 |
|                                    | Sewer:        | \$ 100,950 |
|                                    | Stormwater:   | \$ 404,400 |

|               |    |         |
|---------------|----|---------|
| Public Works: | \$ | 561,600 |
| Water:        | \$ | 395,050 |
| Sewer:        | \$ | 100,950 |
| Stormwater:   | \$ | 404,400 |

|                          |      |                           |
|--------------------------|------|---------------------------|
|                          |      |                           |
| PROJECT STARTING DATE:   | 2025 | Preliminaries:            |
| PROJECT COMPLETION DATE: | 2025 | Land Acquisition:         |
|                          |      | Construction: \$1,462,000 |
|                          |      | Equipment and Other:      |
|                          |      | Project Cost: \$1,462,000 |

# CITY OF TWO HARBORS CAPITAL IMPROVEMENT PLAN 2022-2026

|   |                               |
|---|-------------------------------|
| PROJECT TITLE: 8th Avenue - 4th Street to 6th Street                  | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: Street  | \$2,121,050                   |
| DESCRIPTION: Reconstruct 8th Avenue between 4th Street and 6th Street |                               |

**JUSTIFICATION:** 8th Avenue is the 2026 Street Improvement Project. This project includes replacing existing sanitary sewer, watermain, & storm sewer. Full street reconstruction will replace the existing deteriorating road.

| PROJECT COSTS AND FUNDING SOURCES: |               |            |
|------------------------------------|---------------|------------|
|                                    | Public Works: | \$ 958,850 |
|                                    | Water:        | \$ 477,200 |
|                                    | Sewer:        | \$ 390,600 |
|                                    | Stormwater:   | \$ 294,400 |

|               |    |         |
|---------------|----|---------|
| Public Works: | \$ | 958,850 |
| Water:        | \$ | 477,200 |
| Sewer:        | \$ | 390,600 |
| Stormwater:   | \$ | 294,400 |

|                          |      |                           |
|--------------------------|------|---------------------------|
|                          |      |                           |
| PROJECT STARTING DATE:   | 2026 | Preliminaries:            |
| PROJECT COMPLETION DATE: | 2026 | Land Acquisition:         |
|                          |      | Construction: \$2,121,050 |
|                          |      | Equipment and Other:      |
|                          |      | Project Cost: \$2,121,050 |

# **PROJECTS**

**by**

# **DEPARTMENT**

CITY OF TWO HARBORS, MN  
CAPITAL EQUIPMENT FUND  
2022 THRU 2026

EXPENDITURE BY DEPARTMENT SUMMARY - CAPITAL EQUIPMENT FUND

| Department         | 2022         | 2023         | 2024         | 2025       | 2026         | 5 Year<br>Department<br>Total |
|--------------------|--------------|--------------|--------------|------------|--------------|-------------------------------|
| General Government | 260,000      |              |              |            |              | 260,000                       |
| Public Works       | 1,580,000    | 1,105,900    | 494,550      | 442,150    | 399,700      | 4,022,300                     |
| Police             | -            | 71,900       | 29,900       | 79,950     | 82,350       | 264,100                       |
| Fire               | 252,850      | -            | 597,050      | -          | -            | 849,900                       |
| Parks & Rec        | -            | 55,650       | -            | -          | -            | 55,650                        |
| Library            | 130,000      | 17,400       | 17,950       | 18,450     | 25,000       | 208,800                       |
| Airport            | 172,600      | -            | -            | 369,000    | 1,431,450    | 1,973,050                     |
| Golf Course        | 36,250       | 36,250       | 96,000       | 36,250     | 36,250       | 241,000                       |
| EXPENDITURE TOTAL  | \$ 2,431,700 | \$ 1,287,100 | \$ 1,235,450 | \$ 945,800 | \$ 1,974,750 | \$ 7,874,800                  |



CAPITAL EQUIPMENT FUND SUMMARY

| Source                                  | 2022         | 2023         | 2024         | 2025         | 2026         |
|---|--------------|--------------|--------------|--------------|--------------|
| <b>CAPITAL EQUIPMENT FUND</b>           |              |              |              |              |              |
| Beginning Balance                       | \$ 852,350   | \$ (100,550) | \$ 896,350   | \$ (226,000) | \$ 274,350   |
| <b>Revenue &amp; Other Fund Sources</b> |              |              |              |              |              |
| Revenues                                |              |              |              |              |              |
| Grants                                  | 1,013,400    | 500,000      | -            | 350,550      | 1,288,350    |
| Total                                   | 1,013,400    | 500,000      | -            | 350,550      | 1,288,350    |
| Other Sources                           |              |              |              |              |              |
| Bond Proceeds                           | -            | 1,500,000    | -            | 1,000,000    | -            |
| Contract - Fire                         | 7,000        |              |              |              |              |
| Transfer from General Fund              | 250,000      | 300,000      | 300,000      | 300,000      | 300,000      |
| Transfer from Permananet Fund           | 200,000      | -            | -            | -            | -            |
| Transfer from Electric Fund             | 125,000      | 125,000      | 125,000      | 125,000      | 125,000      |
| Transfer from Gas Fund                  | 100,000      | 100,000      | 100,000      | 100,000      | 100,000      |
| Total                                   | 682,000      | 2,025,000    | 525,000      | 1,525,000    | 525,000      |
| Total Revenue & Other Fund Sources      | 1,695,400    | 2,525,000    | 525,000      | 1,875,550    | 1,813,350    |
| Total Funds Available                   | 2,547,750    | 2,424,450    | 1,421,350    | 1,649,550    | 2,087,700    |
| <b>Expenditures and Uses</b>            |              |              |              |              |              |
| Expenditures - Debt Service             |              |              |              |              |              |
| Principal & Interest Charges            | 216,600      | 241,000      | 411,900      | 429,400      | 411,900      |
| Expenditures - Capital Outlay           |              |              |              |              |              |
| Capital Equipment Fund                  | 2,431,700    | 1,287,100    | 1,235,450    | 945,800      | 1,974,750    |
| Total Expenditures and Uses             | 2,648,300    | 1,528,100    | 1,647,350    | 1,375,200    | 2,386,650    |
| Change in Fund Balance                  | (952,900)    | 996,900      | (1,122,350)  | 500,350      | (573,300)    |
| Ending Fund Balance                     | \$ (100,550) | \$ 896,350   | \$ (226,000) | \$ 274,350   | \$ (298,950) |

CITY OF TWO HARBORS, MN  
CAPITAL IMPROVEMENT PLAN  
2022 THRU 2026

PROJECTS BY DEPARTMENT

| Department                                      |                    | 2022         | 2023         | 2024         | 2025       | 2026         |
|---|--------------------|--------------|--------------|--------------|------------|--------------|
| <div>General Government</div>                   |                    |              |              |              |            |              |
| City Hall - Exterior Building Upgrade           |                    | 260,000      |              |              |            |              |
|   | Public Works Total | \$ 260,000   | \$ -         | \$ -         | \$ -       | \$ -         |
| <div>Public Works</div>                         |                    |              |              |              |            |              |
| Sidewalks                                       |                    | 140,000      | 140,000      | 140,000      | 140,000    | 140,000      |
| Excavator                                       |                    | 165,000      |              |              |            |              |
| Odegard Trail Project - Construction Phase      |                    | 800,000      |              |              |            |              |
| Bandshell                                       |                    | 50,000       | 50,000       | 50,000       | 50,000     |              |
| Community Splashpad & Park Redevelopment        |                    | 250,000      | 869,500      |              |            |              |
| Waterfront Design                               |                    | 100,000      |              |              |            |              |
| Community Building Upgrades                     |                    | 75,000       |              |              |            |              |
| Paint/Sign Truck                                |                    |              | 46,400       |              |            |              |
| Salt Shed                                       |                    |              |              | 59,750       |            |              |
| Public Works Placeholder                        |                    |              |              | 244,800      | 252,150    | 259,700      |
|   | Public Works Total | \$ 1,580,000 | \$ 1,105,900 | \$ 494,550   | \$ 442,150 | \$ 399,700   |
| <div>Police</div>                               |                    |              |              |              |            |              |
| Patrol Squad Replacement                        |                    |              | 71,900       |              | 79,950     | 82,350       |
| Side by Side Utility                            |                    |              |              | 29,900       |            |              |
|   | Police Total       | \$ -         | \$ 71,900    | \$ 29,900    | \$ 79,950  | \$ 82,350    |
| <div>Fire</div>                                 |                    |              |              |              |            |              |
| Self Cont. Breathing App. & PPE                 |                    | 238,850      |              |              |            |              |
| Turnout Gear Locker Storage                     |                    | 14,000       |              |              |            |              |
| Fire Engine 25 Replacement                      |                    |              |              | 597,050      |            |              |
|   | Fire Total         | \$ 252,850   | \$ -         | \$ 597,050   | \$ -       | \$ -         |
| <div>Parks &amp; Rec</div>                      |                    |              |              |              |            |              |
| Tool Cat  |                    |              | 55,650       |              |            |              |
|   | Parks & Rec Total  | \$ -         | \$ 55,650    | \$ -         | \$ -       | \$ -         |
| <div>Library</div>                              |                    |              |              |              |            |              |
| Library Roof                                    |                    | 45,000       |              |              |            |              |
| Library - Bathroom Renovations & ADA Compliance |                    | 85,000       |              |              |            |              |
| Library Placeholder                             |                    |              | 17,400       | 17,950       | 18,450     | 25,000       |
| Replace Carnegie Shelving                       |                    |              |              |              |            |              |
|   | Library Total      | \$ 130,000   | \$ 17,400    | \$ 17,950    | \$ 18,450  | \$ 25,000    |
| <div>Airport</div>                              |                    |              |              |              |            |              |
| Relocate AWOS                                   |                    | 112,600      |              |              |            |              |
| Snowblower Mount                                |                    | 60,000       |              |              |            |              |
| T-Hangar Pavement Reconstruction                |                    |              |              |              | 369,000    | 1,431,450    |
| FBO Hangar                                      |                    |              |              |              |            |              |
|   | Airport Total      | \$ 172,600   | \$ -         | \$ -         | \$ 369,000 | \$ 1,431,450 |
| <div>Golf Course</div>                          |                    |              |              |              |            |              |
| Toro Maintenance Equipment Lease                |                    | 36,250       | 36,250       | 36,250       | 36,250     | 36,250       |
| Pump House Irrigation                           |                    |              |              | 59750        |            |              |
|   | Golf Course Total  | 36,250       | 36,250       | 96,000       | 36,250     | 36,250       |
| Department                                      |                    | \$ 2,431,700 | \$ 1,287,100 | \$ 1,235,450 | \$ 945,800 | \$ 1,974,750 |
|   |                    |              |              |              |            | \$ 7,874,800 |
| 5 YEAR PROJECTED COSTS - GOVERNMENTAL FUNDS     |                    |              |              |              |            |              |

CITY OF TWO HARBORS

CAPITAL IMPROVEMENT PLAN

2022-2026

|  |  |                               |  |
|--|--|-------------------------------|--|
| PROJECT TITLE: CITY HALL EXTERIOR BUILDING UPGRADE   |  | ESTIMATED TOTAL PROJECT COST: |  |
| PROJECT CATEGORY: GENERAL GOVERNMENT   |  | \$260,000                     |  |
| DESCRIPTION: CITY HALL EXTERIOR BUILDING UPGRADE   |  |                               |  |
| JUSTIFICATION: City Hall is in need of new windows, roof and upgrades, there is leaking and water is coming down an interior wall near the basement staircase. |  |                               |  |
| PROJECT COSTS AND FUNDING SOURCES:<br>Funding source will come from Capital Equipment Fund   |  |                               |  |
| PROJECT STARTING DATE: 2022<br><br>PROJECT COMPLETION DATE: 2022   |  |                               |  |
|  |  | Preliminaries:                |  |
|  |  | Land Acquisition:             |  |
|  |  | Constuction: \$260,000        |  |
|  |  | Equipment and Other:          |  |
|  |  | Project Cost: \$260,000       |  |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|   |                               |
|---|-------------------------------|
| PROJECT TITLE: Sidewalk Project                       | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: Public Works                        | \$140,000                     |
| DESCRIPTION: Sidewalk replacement throughout the city |                               |

JUSTIFICATION: This project includes replacement of sidewalk segments designated by the City.

PROJECT COSTS AND FUNDING SOURCES:  
Funding source will come from the Captial Equipment Fund

|                          |      |                         |
|--------------------------|------|-------------------------|
| PROJECT STARTING DATE:   | 2022 | Preliminaries:          |
| PROJECT COMPLETION DATE: | 2026 | Land Acquisition:       |
|                          |      | Construction: \$140,000 |
|                          |      | Equipment and Other:    |
|                          |      | Project Cost: \$140,000 |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2021-2025**

|   |   |
|---|---|
| PROJECT TITLE: EXCAVATOR  | ESTIMATED TOTAL PROJECT COST:                                     |
| PROJECT CATEGORY: PUBLIC WORKS  | \$165,000   |
| DESCRIPTION: EXCAVATOR  |   |
| <p><b>JUSTIFICATION:</b> Current excavator is 12 years old; it is a track unit, meaning it has to be loaded and unloaded every time it is used, per conversations with Lake County a track unit better serves the City's uses rather than a rubber tire. This equipment is used excessively by Public Works, along with the Electrical, Gas and Water Funds. We would be looking at the next size in our next machine do to some of the depths we have been finding in water digs and our machine has not been able to reach so we have had to contract that out.</p> |   |
| <p><b>PROJECT COSTS AND FUNDING SOURCES:</b><br/>Funding source will come from Capital Equipment Fund</p>   |   |
| <div style="display: flex; justify-content: space-between;"> <div>PROJECT STARTING DATE:</div> <div>2022</div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div>PROJECT COMPLETION DATE:</div> <div>2022</div> </div>   | Preliminaries:  |
|   | Land Acquisition:   |
|   | Construction:   |
|   | Equipment and Other: <span style="float: right;">\$165,000</span> |
|   | Project Cost: <span style="float: right;">\$165,000</span>        |
|   |   |



# CITY OF TWO HARBORS CAPITAL IMPROVEMENT PLAN 2022-2026

|   |                               |
|---|-------------------------------|
| PROJECT TITLE: Trail Project - Construction Phase | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: Public Works                    | \$800,000                     |
| DESCRIPTION: Underpass to 16th Avenue             |                               |

**JUSTIFICATION:** The existing trail that crosses the railroad through an underpass currently ends at the west end of 11th Avenue (a gravel road). This project will construct an extension of the trail from its current endpoint to Odegard Park, then continuing to 16th Avenue. (approximately 2,300 feet long). The proposed trail would be 12-feet wide, surfaced with bituminous. Funding for this project would come from an existing grant and local match.

**PROJECT COSTS AND FUNDING SOURCES:**

|              |    |         |
|--------------|----|---------|
| Trail Grants | \$ | 700,000 |
| Local Match  | \$ | 100,000 |

|                          |      |                         |
|--------------------------|------|-------------------------|
|                          |      |                         |
|                          |      |                         |
| PROJECT STARTING DATE:   | 2025 | Preliminaries:          |
| PROJECT COMPLETION DATE: | 2025 | Land Acquisition:       |
|                          |      | Construction: \$800,000 |
|                          |      | Equipment and Other:    |
|                          |      | Project Cost: \$800,000 |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|  |                               |
|--|-------------------------------|
| PROJECT TITLE: Bandshell   | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: Public Works   | \$50,000                      |
| DESCRIPTION: Bandshell Improvements - Park Re-development  |                               |
| <p><b>JUSTIFICATION:</b> The City of Two Harbors and The Friends of the Band Shell Park have an opportunity to build a new performing arts center. The Friends of the Bandshell have been working on fundraising over the last couple of years. The current band shell is over 70 years old and is in poor condition. There are no public bathrooms or storage for equipment or materials. The Friends of the Band Shell formed in 2010 to explore the feasibility of building of a new Band Shell and to ultimately raise money for the construction of a performing arts center for the entire community of Two Harbors. The City of Two Harbors supports the plan and is earmarking \$50,000 annually to contribute to the project.</p> |                               |
| <p><b>PROJECT COSTS AND FUNDING SOURCES:</b></p>   |                               |
| PROJECT STARTING DATE: 2022<br><br>PROJECT COMPLETION DATE: 2025   |                               |
|  |                               |
|  | Preliminaries:                |
|  | Land Acquisition:             |
|  | Construction: \$50,000        |
|  | Equipment and Other:          |
|  | Project Cost: \$50,000        |

# CITY OF TWO HARBORS CAPITAL IMPROVEMENT PLAN 2022-2026

|   |                               |
|---|-------------------------------|
| PROJECT TITLE: Community Splashpad & Park Development | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: Public Works                        | \$250,000                     |
| DESCRIPTION: Community Splashpad & Park Development   |                               |

**JUSTIFICATION:** In 2022 the city will explore and plan for opportunities for families to enjoy the city's parks and recreation amenities, including a splash play area.

PROJECT COSTS AND FUNDING SOURCES:

|                          |      |                         |
|--------------------------|------|-------------------------|
|                          |      |                         |
| PROJECT STARTING DATE:   | 2022 | Preliminaries:          |
| PROJECT COMPLETION DATE: | 2023 | Land Acquisition:       |
|                          |      | Construction: \$250,000 |
|                          |      | Equipment and Other:    |
|                          |      | Project Cost: \$250,000 |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|  |  |
|--|--|
| PROJECT TITLE: Waterfront Design   | ESTIMATED TOTAL PROJECT COST:                              |
| PROJECT CATEGORY: Public Works   | \$100,000  |
| DESCRIPTION: Waterfront Design   |  |
| <p><b>JUSTIFICATION:</b> During a September 2021 Council priorities meeting the City Council wants waterfront planning to be a priority for 2022. There have been various plans over the last couple of decades and the city wants to take a look at what is feasible and how we can start moving forward.</p> |  |
| <p><b>PROJECT COSTS AND FUNDING SOURCES:</b></p>   |  |
| PROJECT STARTING DATE: 2022<br><br>PROJECT COMPLETION DATE: 2022   |  |
|  | Preliminaries:   |
|  | Land Acquisition:  |
|  | Construction: <span style="float: right;">\$100,000</span> |
|  | Equipment and Other:                                       |
|  | Project Cost: <span style="float: right;">\$100,000</span> |

**CITY OF TWO HARBORS**  
**CAPITAL IMPROVEMENT PLAN**  
**2022-2026**

|   |   |
|---|---|
| PROJECT TITLE: Community Building Upgrades  | ESTIMATED TOTAL PROJECT COST:                             |
| PROJECT CATEGORY: Public Works  | \$75,000  |
| DESCRIPTION: Community Building Upgrades  |   |
| <p><b>JUSTIFICATION:</b> The City of Two Harbors is working with Community Partners to give the community building a face lift and some much needed improvements. This project will include exterior upgrades, along with work in the community building kitchen and upgrading the restrooms to be ADA compliant.</p> |   |
| <p><b>PROJECT COSTS AND FUNDING SOURCES:</b></p>  |   |
| <div style="display: flex; justify-content: space-between;"> <div>PROJECT STARTING DATE:</div> <div>2022</div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div>PROJECT COMPLETION DATE:</div> <div>2022</div> </div>   |   |
|   | Preliminaries:  |
|   | Land Acquisition:   |
|   | Construction: <span style="float: right;">\$75,000</span> |
|   | Equipment and Other:                                      |
|   | Project Cost: <span style="float: right;">\$75,000</span> |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|  |                               |
|--|-------------------------------|
| PROJECT TITLE: SCBA AND PPE REPLACEMENT          | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: FIRE DEPARTMENT                | \$238,850                     |
| DESCRIPTION: REPLACE CURRENT SCBA & TURNOUT GEAR |                               |

**JUSTIFICATION:** In 2018 the current self contained breathing apparatus (SCBA) will be beyond their recommended service life, the composite bottles will no longer be able to be hydro tested and replacement will be needed. In addition, the turnout gear worn by the firefighters will be over 10 years old. Both of these items will need replacing. The hope is to attempt a regional fire grant that could address both items.

**PROJECT COSTS AND FUNDING SOURCES:**

This project could be a candidate for a regional grant as both Silver Bay and Finland Fire will be in the same situation with their air packs. The current equipment was the result of a regional grant and efforts will be made to replace the equipment with a regional grant again. If this is the case, it would require a 5% match. There is a chance that only the SCBA portion would be covered by the grant. (\$90,000 for SCBA - \$60,000 for turnout gear). This purchase is contingent on obtaining a federal grant.

CITY OF TWO HARBORS - \$11,870  
STATE FUNDING - \$226,908  
**TOTAL FUNDING - \$238,850**

|  |                                |
|--|--------------------------------|
| PROJECT STARTING DATE: 2022<br><br>PROJECT COMPLETION DATE: 2023 |                                |
|  | Preliminaries:                 |
|  | Land Acquisition:              |
|  | Construction:                  |
|  | Equipment and Other: \$238,850 |
|  | Project Cost: \$238,850        |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|  |                               |
|--|-------------------------------|
| PROJECT TITLE: Locker Replacement  | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: FIRE DEPARTMENT  | \$14,000                      |
| DESCRIPTION: Turnout gear locker replacement   |                               |
| <p>JUSTIFICATION: The Fire Department needs to increase the size of the lockers to allow for a spare set of turnout gear. One set of turnout gear is \$3,000, we need to properly store and protect the equipment.</p> |                               |
| <p>PROJECT COSTS AND FUNDING SOURCES:<br/>Funding sources will come from the Capital Equipment Fund</p>  |                               |
| <p>PROJECT STARTING DATE: 2022</p> <p>PROJECT COMPLETION DATE: 2022</p>  |                               |
|  | Preliminaries:                |
|  | Land Acquisition:             |
|  | Construction:                 |
|  | Equipment and Other: \$14,000 |
|  | Project Cost: \$14,000        |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|  |   |
|--|---|
| PROJECT TITLE: REPLACE ROOF ON THE LIBRARY EXPANSION   | ESTIMATED TOTAL PROJECT COST:                             |
| PROJECT CATEGORY: LIBRARY  | \$45,000  |
| DESCRIPTION: REPLACE ROOF ON THE LIBRARY EXPANSION   |   |
| <p><b>JUSTIFICATION:</b> In 2019 the Library expansion experienced a rather major roof leak; this was both preceded and followed by smaller leaks in years on either side. We've been patching the roof as needed and shoveling away excess snow to cut back on how much water gets inside, but the roof will need real work at some point. During an inspection by a roofing company, it was recommended that we aim to replace the full roof in about 5 years time. Due to the amount of water that has gotten in through the roof over the last few years, we'll also need to replace the ceiling insulation at the same time, and we'll likely want to add some paving stones under the eaves of the Carnegie portion of the building to prevent its icicles from piercing the expansion's membrane and causing more problems in future. We need a roof that both does what it's supposed to do and lasts.</p> |   |
| <p><b>PROJECT COSTS AND FUNDING SOURCES:</b></p> <p style="margin-left: 40px;">Funding will come from the Capital Equipment Fund. However, if the Library Construction Grant is still available in 2024/2025, the library will certainly apply and try to secure state funding for 50% of the project (the max the state will cover currently).</p>  |   |
| <div style="display: flex; justify-content: space-between;"> <div>PROJECT STARTING DATE:</div> <div>2022</div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div>PROJECT COMPLETION DATE:</div> <div>2022</div> </div>  | Preliminaries:  |
|  | Land Acquisition:   |
|  | Construction: <span style="float: right;">\$45,000</span> |
|  | Equipment and Other:                                      |
|  | Project Cost: <span style="float: right;">\$45,000</span> |
|  |   |



**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|   |                      |
|---|----------------------|
| PROJECT TITLE: Restrooms Renovation                                     | TOTAL COST: \$85,000 |
| PROJECT CATEGORY: Library   |                      |
| DESCRIPTION: Update the bathrooms to better meet ADA guidelines, and to |                      |

**JUSTIFICATION:** When the library had an ADA compliance walkthrough a couple of years ago, they identified a few points of improvement for the restrooms, including lowering the baby changing tables. This isn't something we could accomplish easily though, because in order to move the baby changing table, we needed to re-do the counter it sits above. Again, this won't be an easy task, because the counter is above a heating unit, through which a hole was cut and the plumbing was run through; the heating and plumbing would need to be changed too. We can't make one change without a chain-effect of several other changes. At the same time, in 2020, we converted the restrooms from men/women into 2 generic family restrooms. As part of this change, we wanted to re-do the layout and remove the stall divider in each room, but again, the stall divider was worked into the counter, which runs into the chain-effect of several other changes. Finally, our public surveys, asking patrons for feedback about the library buildings and collections, have repeatedly brought up the issue of patrons thinking the restrooms look old and in rough shape; they believe the current look and condition of the restrooms reflects poorly on the library as a whole. As such, we would like to address the overall aesthetic of the rooms at the same time as bringing them into better ADA compliance and converting them to a more family-friendly space.

**PROJECT COSTS AND FUNDING SOURCES:**

Funding will come from the Capital Equipment Fund. However, the Library Construction Grant has a special category just for ADA compliance; we would be able to apply for state funding to help cover up to 50% of the project therefore. The plan is to obtain a quote for the work desired in 2022, and to complete the project in 2023.

|                               |                        |
|-------------------------------|------------------------|
| PROJECT STARTING DATE: 2022   | Preliminaries:         |
| PROJECT COMPLETION DATE: 2022 | Land Acquisition:      |
|                               | Constuction: \$85,000  |
|                               | Equipment and Other:   |
|                               | Project Cost: \$85,000 |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|                              |                               |
|------------------------------|-------------------------------|
| PROJECT TITLE: RELOCATE AWOS | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: AIRPORT    | \$112,600                     |
| DESCRIPTION: RELOCATE AWOS   |                               |

JUSTIFICATION: AWOS relocate: Required to meet weather reporting equipment minimum distances from other objects on airport. New t-hangar at airport at or close to the minimum requirement.

Relocate would also align with Airport layout plan to relocate for future hangar expansion and development at airport.

PROJECT COSTS AND FUNDING SOURCES:

|                           |                  |
|---------------------------|------------------|
| CITY OF TWO HARBORS -     | \$5,630          |
| FEDERAL & STATE FUNDING - | \$106,970        |
| <b>TOTAL FUNDING -</b>    | <b>\$112,600</b> |

|                               |                         |
|-------------------------------|-------------------------|
| PROJECT STARTING DATE: 2021   | Preliminaries:          |
| PROJECT COMPLETION DATE: 2022 | Land Acquisition:       |
|                               | Construction: \$112,600 |
|                               | Equipment and Other:    |
|                               | Project Cost: \$112,600 |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|                                  |                               |
|----------------------------------|-------------------------------|
| PROJECT TITLE: SNOW BLOWER MOUNT | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: AIRPORT        | \$60,000                      |
| DESCRIPTION: SNOW BLOWER MOUNT   |                               |

JUSTIFICATION: The current snow plow for the airport is failing. In 2019/2020 the snow plow had many issues and caused delay of removing snow from the Airport. It is necessary to replace this equipment for the Airport.

PROJECT COSTS AND FUNDING SOURCES:

CITY OF TWO HARBORS - \$3,000  
STATE FUNDING - \$57,000  
**TOTAL FUNDING - \$60,000**

|                               |                               |
|-------------------------------|-------------------------------|
| PROJECT STARTING DATE: 2022   | Preliminaries:                |
| PROJECT COMPLETION DATE: 2022 | Land Acquisition:             |
|                               | Construction:                 |
|                               | Equipment and Other: \$60,000 |
|                               | Project Cost: \$60,000        |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|                                  |                               |
|----------------------------------|-------------------------------|
| PROJECT TITLE: MTI - Lease Fleet | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: GOLF COURSE    | \$36,250                      |
| DESCRIPTION: MTI - Lease Fleet   |                               |

JUSTIFICATION: The golf course has limited/old equipment. With the lease program the golf course is able to have a fleet of mowers that are reliable and will provide the golf course with a great product for the golfers playing at Lakeview. The lease will provide the following pieces of equipment - Toro Greensmaster Mower, 2 Toro Reelmasters, Toro Workman and Proforce Blower.

**PROJECT COSTS AND FUNDING SOURCES:**

Funding Source will come from Capital Equipment Fund

|  |                               |
|--|-------------------------------|
| PROJECT STARTING DATE: 2022<br><br>PROJECT COMPLETION DATE: 2026 |                               |
|  | Preliminaries:                |
|  | Land Acquisition:             |
|  | Constuction:                  |
|  | Equipment and Other: \$36,250 |
|  | Project Cost: \$36,250        |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2021-2025**

|   |                               |
|---|-------------------------------|
| PROJECT TITLE: Sidewalk Project                       | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: Public Works                        | \$140,000                     |
| DESCRIPTION: Sidewalk replacement throughout the city |                               |

JUSTIFICATION: This project includes replacement of sidewalk segments designated by the City.

PROJECT COSTS AND FUNDING SOURCES:  
Funding source will come from the Capital Equipment Fund

|                          |      |                      |           |
|--------------------------|------|----------------------|-----------|
| PROJECT STARTING DATE:   | 2021 | Preliminaries:       |           |
| PROJECT COMPLETION DATE: | 2026 | Land Acquisition:    |           |
|                          |      | Construction:        | \$140,000 |
|                          |      | Equipment and Other: |           |
|                          |      | Project Cost:        | \$140,000 |

CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026

|  |                               |
|--|-------------------------------|
| PROJECT TITLE: Bandshell                                 | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: Public Works                           | \$50,000                      |
| DESCRIPTION: Bandshell Improvments - Park Re-development |                               |

**JUSTIFICATION:** The City of Two Harbors and The Friends of the Band Shell Park have an opportunity to build a new performing arts center. The Friends of the Bandshell have been working on fundraising over the last couple of years. The current band shell is over 70 years old and is in poor condition. There are no public bathrooms or storage for equipment or materials. The Friends of the Band Shell formed in 2010 to explore the feasibility of building of a new Band Shell and to ultimately raise money for the construction of a performing arts center for the entire community of Two Harbors. The City of Two Harbors supports the plan and is earmarking \$50,000 annually to contribute to the project.

PROJECT COSTS AND FUNDING SOURCES:

|                          |      |                        |
|--------------------------|------|------------------------|
|                          |      |                        |
| PROJECT STARTING DATE:   | 2022 | Preliminaries:         |
| PROJECT COMPLETION DATE: | 2025 | Land Acquisition:      |
|                          |      | Construction: \$50,000 |
|                          |      | Equipment and Other:   |
|                          |      | Project Cost: \$50,000 |

CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026

|  |                               |
|--|-------------------------------|
| PROJECT TITLE: Community Splashpad & Park Development - Construction | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: Public Works                                       | \$869,500                     |
| DESCRIPTION: Community Splashpad & Park Development                  |                               |

**JUSTIFICATION:** In 2022 the city will explore and plan for opportunities for families to enjoy the city's parks and recreation amenities, including a splash play area. Once a design and location have been identified the construction would begin in 2023.

|                                    |
|------------------------------------|
| PROJECT COSTS AND FUNDING SOURCES: |
|------------------------------------|

|                          |      |                         |
|--------------------------|------|-------------------------|
|                          |      |                         |
| PROJECT STARTING DATE:   | 2022 | Preliminaries:          |
| PROJECT COMPLETION DATE: | 2023 | Land Acquisition:       |
|                          |      | Construction: \$869,500 |
|                          |      | Equipment and Other:    |
|                          |      | Project Cost: \$869,500 |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|  |  |
|--|--|
| PROJECT TITLE:   SIGN TRUCK  | ESTIMATED TOTAL PROJECT COST:                                    |
| PROJECT CATEGORY:       PUBLIC WORKS   | \$46,400   |
| DESCRIPTION:    SIGN TRUCK   |  |
| <p>JUSTIFICATION:   A sign truck is needed to be set up with a lift also we would take the current sign truck and put into the Public Works fleet for other users.</p> |  |
| <p>PROJECT COSTS AND FUNDING SOURCES:<br/>Funding source will come from Capital Equipment Fund</p>   |  |
| <p>PROJECT STARTING DATE:           2023</p> <p>PROJECT COMPLETION DATE:       2023</p>  |  |
|  | Preliminaries:   |
|  | Land Acquisition:  |
|  | Construction:  |
|  | Equipment and Other: <span style="float: right;">\$46,400</span> |
|  | Project Cost: <span style="float: right;">\$46,400</span>        |



**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|                                       |                               |
|---------------------------------------|-------------------------------|
| PROJECT TITLE: PATROL SQUAD           | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: POLICE DEPARTMENT   | \$71,900                      |
| DESCRIPTION: VEHICLE REPLACEMENT PLAN |                               |

JUSTIFICATION: In 2023, the Two Harbors Police Department is scheduled to replace a patrol squad in their current fleet of vehicles. New equipment will be required for the new patrol squad, and is as follows:  
#1 Emergency Lighting, Siren and Controls #2 Front Push Bumper #3 Center Console  
#4 Gun Mounts #5 Prisoner Partitions #6 Storage Cabinet #7 Computer Mount/Docking Station  
#8 Patrol Squad Graphics #9 Mobile Radio #10 Prisoner Seat #11 Radar Unit  
#12 Watchguard Camera System #13 Labor, Installation and Disassembly Costs

PROJECT COSTS AND FUNDING SOURCES:

Funding sources will come from the Capital Equipment Fund

|                               |                               |
|-------------------------------|-------------------------------|
| PROJECT STARTING DATE: 2023   | Preliminaries:                |
| PROJECT COMPLETION DATE: 2023 | Land Acquisition:             |
|                               | Construction:                 |
|                               | Equipment and Other: \$71,900 |
|                               | Project Cost: \$71,900        |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|   |  |
|---|--|
| PROJECT TITLE: TOOL CAT   | ESTIMATED TOTAL PROJECT COST:                                    |
| PROJECT CATEGORY: Parks & Rec   | \$55,650   |
| DESCRIPTION: TOOL CAT   |  |
| <p><b>JUSTIFICATION:</b> With the machine we have now for the Public Works Department it is utilized almost everyday so it would be a very good machine for the Parks in general. It has multi uses and we can share the attachments so we would only have to buy a bucket for the new one.</p> |  |
| <p><b>PROJECT COSTS AND FUNDING SOURCES:</b><br/>Funding source will come from Capital Equipment Fund</p>   |  |
| <p>PROJECT STARTING DATE: 2023</p> <p>PROJECT COMPLETION DATE: 2023</p>   |  |
|   | Preliminaries:   |
|   | Land Acquisition:  |
|   | Construction:  |
|   | Equipment and Other: <span style="float: right;">\$55,650</span> |
|   | Project Cost: <span style="float: right;">\$55,650</span>        |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|  |  |
|--|--|
| PROJECT TITLE:   PLACEHOLDER   | ESTIMATED TOTAL PROJECT COST:                                    |
| PROJECT CATEGORY:       LIBRARY  | \$17,400   |
| DESCRIPTION:   PLACEHOLDER   |  |
| <p>JUSTIFICATION:   Placeholder is for future capital purchases yet identified.</p>                |  |
| <p>PROJECT COSTS AND FUNDING SOURCES:<br/>Funding source will come from Capital Equipment Fund</p> |  |
| <p>PROJECT STARTING DATE:           2023</p> <p>PROJECT COMPLETION DATE:       2023</p>            |  |
|  | Preliminaries:   |
|  | Land Acquisition:  |
|  | Construction:  |
|  | Equipment and Other: <span style="float: right;">\$17,400</span> |
|  | Project Cost: <span style="float: right;">\$17,400</span>        |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|                                  |                               |
|----------------------------------|-------------------------------|
| PROJECT TITLE: MTI - Lease Fleet | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: GOLF COURSE    | \$36,250                      |
| DESCRIPTION: MTI - Lease Fleet   |                               |

JUSTIFICATION: The golf course has limited/old equipment. With the lease program the golf course is able to have a fleet of mowers that are reliable and will provide the golf course with a great product for the golfers playing at Lakeview. The lease will provide the following pieces of equipment - Toro Greensmaster Mower, 2 Toro Reelmasters, Toro Workman and Proforce Blower.

**PROJECT COSTS AND FUNDING SOURCES:**

Funding Source will come from Capital Equipment Fund

|  |                               |
|--|-------------------------------|
| PROJECT STARTING DATE: 2022<br><br>PROJECT COMPLETION DATE: 2026 |                               |
|  | Preliminaries:                |
|  | Land Acquisition:             |
|  | Constuction:                  |
|  | Equipment and Other: \$36,250 |
|  | Project Cost: \$36,250        |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|   |                               |
|---|-------------------------------|
| PROJECT TITLE: Sidewalk Project                       | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: Public Works                        | \$140,000                     |
| DESCRIPTION: Sidewalk replacement throughout the city |                               |

JUSTIFICATION: This project includes replacement of sidewalk segments designated by the City.

PROJECT COSTS AND FUNDING SOURCES:  
Funding source will come from the Capital Equipment Fund

|                          |      |                      |           |
|--------------------------|------|----------------------|-----------|
| PROJECT STARTING DATE:   | 2022 | Preliminaries:       |           |
| PROJECT COMPLETION DATE: | 2026 | Land Acquisition:    |           |
|                          |      | Construction:        | \$140,000 |
|                          |      | Equipment and Other: |           |
|                          |      | Project Cost:        | \$140,000 |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|   |   |
|---|---|
| PROJECT TITLE:    Bandshell   | ESTIMATED TOTAL PROJECT COST:   |
| PROJECT CATEGORY:        Public Works   | \$50,000  |
| DESCRIPTION:    Bandshell Improvements - Park Re-development  |   |
| <p><b>JUSTIFICATION:</b>    The City of Two Harbors and The Friends of the Band Shell Park have an opportunity to build a new performing arts center. The Friends of the Bandshell have been working on fundraising over the last couple of years. The current band shell is over 70 years old and is in poor condition. There are no public bathrooms or storage for equipment or materials. The Friends of the Band Shell formed in 2010 to explore the feasibility of building of a new Band Shell and to ultimately raise money for the construction of a performing arts center for the entire community of Two Harbors. The City of Two Harbors supports the plan and is earmarking \$50,000 annually to contribute to the project.</p> |   |
| <p><b>PROJECT COSTS AND FUNDING SOURCES:</b></p>  |   |
| <div style="display: flex; justify-content: space-between;"> <div>PROJECT STARTING DATE:</div> <div>2022</div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div>PROJECT COMPLETION DATE:</div> <div>2025</div> </div>   | <div style="border: 1px solid black; height: 15px; margin-bottom: 5px;"></div> <div style="border: 1px solid black; height: 15px; margin-bottom: 5px;"></div> <div style="border: 1px solid black; padding: 2px;">Preliminaries:</div> <div style="border: 1px solid black; padding: 2px;">Land Acquisition:</div> <div style="border: 1px solid black; padding: 2px;">Construction: <span style="float: right;">\$50,000</span></div> <div style="border: 1px solid black; padding: 2px;">Equipment and Other:</div> <div style="border: 1px solid black; padding: 2px;">Project Cost: <span style="float: right;">\$50,000</span></div> |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|  |  |
|--|--|
| PROJECT TITLE: SALT SHED   | ESTIMATED TOTAL PROJECT COST:                                    |
| PROJECT CATEGORY: PUBLIC WORKS   | \$59,750   |
| DESCRIPTION: SALT SHED   |  |
| <p>JUSTIFICATION: A salt shed would protect our mixed salt and sand year round from weather and salt run off. This may be something mandated in the near future.</p> |  |
| <p>PROJECT COSTS AND FUNDING SOURCES:<br/>Funding source will come from Capital Equipment Fund</p>   |  |
| <p>PROJECT STARTING DATE: 2024</p> <p>PROJECT COMPLETION DATE: 2024</p>  |  |
|  | Preliminaries:   |
|  | Land Acquisition:  |
|  | Construction:  |
|  | Equipment and Other: <span style="float: right;">\$59,750</span> |
|  | Project Cost: <span style="float: right;">\$59,750</span>        |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|  |   |
|--|---|
| PROJECT TITLE:   PLACEHOLDER   | ESTIMATED TOTAL PROJECT COST:                                     |
| PROJECT CATEGORY:       PUBLIC WORKS   | \$244,800   |
| DESCRIPTION:   PLACEHOLDER   |   |
| <p>JUSTIFICATION:   Placeholder is for future capital purchases yet identified.</p>                |   |
| <p>PROJECT COSTS AND FUNDING SOURCES:<br/>Funding source will come from Capital Equipment Fund</p> |   |
| <p>PROJECT STARTING DATE:           2024</p> <p>PROJECT COMPLETION DATE:       2024</p>            |   |
|  | Preliminaries:  |
|  | Land Acquisition:   |
|  | Construction:   |
|  | Equipment and Other: <span style="float: right;">\$244,800</span> |
|  | Project Cost: <span style="float: right;">\$244,800</span>        |



**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|                                     |                               |
|-------------------------------------|-------------------------------|
| PROJECT TITLE: SIDE BY SIDE - UTV   | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: POLICE DEPARTMENT | \$29,900                      |
| DESCRIPTION: SIDE BY SIDE - UTV     |                               |

**JUSTIFICATION:** As the City of Two Harbors continues to expand the trail system and walking paths in and around our community, the need to look into ways for these trails to be patrolled and monitored needs to be taken into account. The police department is proposing the purchase of an EV Polaris Ranger side by side to be utilized in for patrol and monitoring of the trails and walking paths around the City of Two Harbors. This piece of equipment will also prove to be valuable in our proactive enforcement of car prowls, cooler thefts, suspicious activity complaints, medical emergencies, community events, school engagements and various and multiple other unforeseen uses.

**PROJECT COSTS AND FUNDING SOURCES:**

Funding sources will come from the Capital Equipment Fund.  
Per contract, pricing was cheaper for 5 equal payments over the next 5 years for \$2,619.00.

|                               |                               |
|-------------------------------|-------------------------------|
| PROJECT STARTING DATE: 2024   | Preliminaries:                |
| PROJECT COMPLETION DATE: 2024 | Land Acquisition:             |
|                               | Construction:                 |
|                               | Equipment and Other: \$29,900 |
|                               | Project Cost: \$29,900        |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|  |   |
|--|---|
| PROJECT TITLE: FIRE ENGINE 25 REPLACEMENT  | ESTIMATED TOTAL PROJECT COST:                                     |
| PROJECT CATEGORY: FIRE DEPARTMENT  | \$597,050   |
| DESCRIPTION: FIRE ENGINE 25 REPLACEMENT  |   |
| <p>JUSTIFICATION: Engine 25 will be 23 years old in 2023. The department would like to start the replacement process in 2022 with delivery planned for the spring of 2023.</p> |   |
| <p>PROJECT COSTS AND FUNDING SOURCES:<br/>Funding source will come from Capital Equipment Fund</p>   |   |
| <p>PROJECT STARTING DATE: 2023</p> <p>PROJECT COMPLETION DATE: 2024</p>  |   |
|  | Preliminaries:  |
|  | Land Acquisition:   |
|  | Construction:   |
|  | Equipment and Other: <span style="float: right;">\$597,050</span> |
|  | Project Cost: <span style="float: right;">\$597,050</span>        |

CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026

|                            |                               |
|----------------------------|-------------------------------|
| PROJECT TITLE: PLACEHOLDER | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: LIBRARY  | \$17,950                      |
| DESCRIPTION: PLACEHOLDER   |                               |

**JUSTIFICATION:** Placeholder is for future capital purchases yet identified.

**PROJECT COSTS AND FUNDING SOURCES:**

Funding source will come from Capital Equipment Fund

|  |  |                      |          |
|--|--|----------------------|----------|
| PROJECT STARTING DATE: 2024<br><br>PROJECT COMPLETION DATE: 2024 |  |                      |          |
|  |  |                      |          |
|  |  | Preliminaries:       |          |
|  |  | Land Acquisition:    |          |
|  |  | Construction:        |          |
|  |  | Equipment and Other: | \$17,950 |
|  |  | Project Cost:        | \$17,950 |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|                                  |                               |
|----------------------------------|-------------------------------|
| PROJECT TITLE: MTI - Lease Fleet | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: GOLF COURSE    | \$36,250                      |
| DESCRIPTION: MTI - Lease Fleet   |                               |

JUSTIFICATION: The golf course has limited/old equipment. With the lease program the golf course is able to have a fleet of mowers that are reliable and will provide the golf course with a great product for the golfers playing at Lakeview. The lease will provide the following pieces of equipment - Toro Greensmaster Mower, 2 Toro Reelmasters, Toro Workman and Proforce Blower.

**PROJECT COSTS AND FUNDING SOURCES:**

Funding Source will come from Capital Equipment Fund

|  |                               |
|--|-------------------------------|
| PROJECT STARTING DATE: 2022<br><br>PROJECT COMPLETION DATE: 2026 |                               |
|  | Preliminaries:                |
|  | Land Acquisition:             |
|  | Constuction:                  |
|  | Equipment and Other: \$36,250 |
|  | Project Cost: \$36,250        |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|                                      |                               |
|--------------------------------------|-------------------------------|
| PROJECT TITLE: PUMP HOUSE IRRIGATION | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: GOLF COURSE        | \$59,750                      |
| DESCRIPTION: PUMP HOUSE IRRIGATION   |                               |

JUSTIFICATION: The pumphouse and irrigation satellites should be inspected for possible upgrade, life expectancy in current condition etc. Hopefully this system will still be operational 5 years from now but its something to think about at this point in time. Some satllites are not getting a signal from the remote device which makes me think there are electrical issues with some of them already. We have a Toro Irrigation Technician coming on site 2020 to give us in depth information on our current issue. We shouldn't have to turn sprinkler heads on manually with a key. Our system has the capability to run on Toro's Lynx System which allows us to water the course at night when no one is present. Golf course is only as good as its irrigation system!

**PROJECT COSTS AND FUNDING SOURCES:**

Funding Source will come from Capital Equipment Fund

|  |                               |
|--|-------------------------------|
| PROJECT STARTING DATE: 2024<br><br>PROJECT COMPLETION DATE: 2024 |                               |
|  | Preliminaries:                |
|  | Land Acquisition:             |
|  | Constuction:                  |
|  | Equipment and Other: \$59,750 |
|  | Project Cost: \$59,750        |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|   |                               |
|---|-------------------------------|
| PROJECT TITLE: Sidewalk Project                       | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: Public Works                        | \$140,000                     |
| DESCRIPTION: Sidewalk replacement throughout the city |                               |

JUSTIFICATION: This project includes replacement of sidewalk segments designated by the City.

PROJECT COSTS AND FUNDING SOURCES:  
Funding source will come from the Capital Equipment Fund

|                               |                         |
|-------------------------------|-------------------------|
| PROJECT STARTING DATE: 2022   | Preliminaries:          |
| PROJECT COMPLETION DATE: 2026 | Land Acquisition:       |
|                               | Construction: \$140,000 |
|                               | Equipment and Other:    |
|                               | Project Cost: \$140,000 |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|  |   |
|--|---|
| PROJECT TITLE:   Bandshell   | ESTIMATED TOTAL PROJECT COST:                             |
| PROJECT CATEGORY:       Public Works   | \$50,000  |
| DESCRIPTION:   Bandshell Improvments - Park Re-development   |   |
| <p><b>JUSTIFICATION:</b>   The City of Two Harbors and The Friends of the Band Shell Park have an opportunity to build a new performing arts center. The Friends of the Bandshell have been working on fundraising over the last couple of years. The current band shell is over 70 years old and is in poor condition. There are no public bathrooms or storage for equipment or materials. The Friends of the Band Shell formed in 2010 to explore the feasibility of building of a new Band Shell and to ultimately raise money for the construction of a performing arts center for the entire community of Two Harbors. The City of Two Harbors supports the plan and is earmarking \$50,000 annually to contribute to the project.</p> |   |
| <p><b>PROJECT COSTS AND FUNDING SOURCES:</b></p>   |   |
| PROJECT STARTING DATE:                   2022<br><br>PROJECT COMPLETION DATE:               2025   |   |
|  | Preliminaries:  |
|  | Land Acquisition:   |
|  | Construction: <span style="float: right;">\$50,000</span> |
|  | Equipment and Other:                                      |
|  | Project Cost: <span style="float: right;">\$50,000</span> |

CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026

|                                |                               |
|--------------------------------|-------------------------------|
| PROJECT TITLE: PLACEHOLDER     | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: PUBLIC WORKS | \$252,150                     |
| DESCRIPTION: PLACEHOLDER       |                               |

**JUSTIFICATION:** Placeholder is for future capital purchases yet identified.

**PROJECT COSTS AND FUNDING SOURCES:**  
Funding source will come from Capital Equipment Fund

|  |  |                      |           |
|--|--|----------------------|-----------|
| PROJECT STARTING DATE: 2025<br><br>PROJECT COMPLETION DATE: 2025 |  |                      |           |
|  |  |                      |           |
|  |  | Preliminaries:       |           |
|  |  | Land Acquisition:    |           |
|  |  | Construction:        |           |
|  |  | Equipment and Other: | \$252,150 |
|  |  | Project Cost:        | \$252,150 |



**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|                                       |                               |
|---------------------------------------|-------------------------------|
| PROJECT TITLE: PATROL SQUAD           | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: POLICE DEPARTMENT   | \$79,950                      |
| DESCRIPTION: VEHICLE REPLACEMENT PLAN |                               |

JUSTIFICATION: In 2023, the Two Harbors Police Department is scheduled to replace a patrol squad in their current fleet of vehicles. New equipment will be required for the new patrol squad, and is as follows:  
 #1 Emergency Lighting, Siren and Controls #2 Front Push Bumper #3 Center Console  
 #4 Gun Mounts #5 Prisoner Partitions #6 Storage Cabinet #7 Computer Mount/Docking Station  
 #8 Patrol Squad Graphics #9 Mobile Radio #10 Prisoner Seat #11 Radar Unit  
 #12 Watchguard Camera System #13 Labor, Installation and Disassembly Costs

PROJECT COSTS AND FUNDING SOURCES:

Funding sources will come from the Capital Equipment Fund

|                               |                               |
|-------------------------------|-------------------------------|
| PROJECT STARTING DATE: 2025   | Preliminaries:                |
| PROJECT COMPLETION DATE: 2025 | Land Acquisition:             |
|                               | Construction:                 |
|                               | Equipment and Other: \$79,950 |
|                               | Project Cost: \$79,950        |

CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026

|                            |                               |
|----------------------------|-------------------------------|
| PROJECT TITLE: PLACEHOLDER | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: LIBRARY  | \$18,450                      |
| DESCRIPTION: PLACEHOLDER   |                               |

JUSTIFICATION: Placeholder is for future capital purchases yet identified.

### PROJECT COSTS AND FUNDING SOURCES:

Funding source will come from Capital Equipment Fund

|  |  |                      |          |
|--|--|----------------------|----------|
| PROJECT STARTING DATE: 2025<br><br>PROJECT COMPLETION DATE: 2025 |  |                      |          |
|  |  | Preliminaries:       |          |
|  |  | Land Acquisition:    |          |
|  |  | Construction:        |          |
|  |  | Equipment and Other: | \$18,450 |
|  |  | Project Cost:        | \$18,450 |
|  |  |                      |          |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|   |   |                          |        |                   |           |                   |           |                        |                  |                      |     |               |           |
|---|---|--------------------------|--------|-------------------|-----------|-------------------|-----------|------------------------|------------------|----------------------|-----|---------------|-----------|
| PROJECT TITLE: T-HANGAR PAVEMENT RECONSTRUCTION   | ESTIMATED TOTAL PROJECT COST:   |                          |        |                   |           |                   |           |                        |                  |                      |     |               |           |
| PROJECT CATEGORY: AIRPORT   | \$369,000   |                          |        |                   |           |                   |           |                        |                  |                      |     |               |           |
| DESCRIPTION: T-HANGAR PAVEMENT RECONSTRUCTION   |   |                          |        |                   |           |                   |           |                        |                  |                      |     |               |           |
| <p>JUSTIFICATION: There is pavement erosion along the T-Hangar that needs to be addressed. Fill and seal all cracks in pavement surfaces to protect and extend longevity.</p>   |   |                          |        |                   |           |                   |           |                        |                  |                      |     |               |           |
| <p><b>PROJECT COSTS AND FUNDING SOURCES:</b></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">CITY OF TWO HARBORS - \$</td> <td style="width: 40%; text-align: right;">18,450</td> </tr> <tr> <td>FEDERAL FUNDING -</td> <td style="text-align: right;">\$332,100</td> </tr> <tr> <td>STATE FUNDING -</td> <td style="text-align: right;">\$ 18,450</td> </tr> <tr> <td><b>TOTAL FUNDING -</b></td> <td style="text-align: right;"><b>\$369,000</b></td> </tr> </table> |   | CITY OF TWO HARBORS - \$ | 18,450 | FEDERAL FUNDING - | \$332,100 | STATE FUNDING -   | \$ 18,450 | <b>TOTAL FUNDING -</b> | <b>\$369,000</b> |                      |     |               |           |
| CITY OF TWO HARBORS - \$  | 18,450  |                          |        |                   |           |                   |           |                        |                  |                      |     |               |           |
| FEDERAL FUNDING -   | \$332,100   |                          |        |                   |           |                   |           |                        |                  |                      |     |               |           |
| STATE FUNDING -   | \$ 18,450   |                          |        |                   |           |                   |           |                        |                  |                      |     |               |           |
| <b>TOTAL FUNDING -</b>  | <b>\$369,000</b>  |                          |        |                   |           |                   |           |                        |                  |                      |     |               |           |
| <p>PROJECT STARTING DATE: 2024</p> <p>PROJECT COMPLETION DATE: 2025</p>   | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="height: 20px;"> </td></tr> <tr><td style="height: 20px;"> </td></tr> <tr> <td>Preliminaries:</td> <td style="width: 20%;"></td> </tr> <tr> <td>Land Acquisition:</td> <td></td> </tr> <tr> <td>Construction:</td> <td style="text-align: right;">\$369,000</td> </tr> <tr> <td>Equipment and Other:</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>Project Cost:</td> <td style="text-align: right;">\$369,000</td> </tr> </table> |                          |        | Preliminaries:    |           | Land Acquisition: |           | Construction:          | \$369,000        | Equipment and Other: | \$0 | Project Cost: | \$369,000 |
|   |   |                          |        |                   |           |                   |           |                        |                  |                      |     |               |           |
|   |   |                          |        |                   |           |                   |           |                        |                  |                      |     |               |           |
| Preliminaries:  |   |                          |        |                   |           |                   |           |                        |                  |                      |     |               |           |
| Land Acquisition:   |   |                          |        |                   |           |                   |           |                        |                  |                      |     |               |           |
| Construction:   | \$369,000   |                          |        |                   |           |                   |           |                        |                  |                      |     |               |           |
| Equipment and Other:  | \$0   |                          |        |                   |           |                   |           |                        |                  |                      |     |               |           |
| Project Cost:   | \$369,000   |                          |        |                   |           |                   |           |                        |                  |                      |     |               |           |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|                                  |                               |
|----------------------------------|-------------------------------|
| PROJECT TITLE: MTI - Lease Fleet | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: GOLF COURSE    | \$36,250                      |
| DESCRIPTION: MTI - Lease Fleet   |                               |

JUSTIFICATION: The golf course has limited/old equipment. With the lease program the golf course is able to have a fleet of mowers that are reliable and will provide the golf course with a great product for the golfers playing at Lakeview. The lease will provide the following pieces of equipment - Toro Greensmaster Mower, 2 Toro Reelmasters, Toro Workman and Proforce Blower.

**PROJECT COSTS AND FUNDING SOURCES:**

Funding Source will come from Capital Equipment Fund

|  |                               |
|--|-------------------------------|
| PROJECT STARTING DATE: 2022<br><br>PROJECT COMPLETION DATE: 2026 |                               |
|  | Preliminaries:                |
|  | Land Acquisition:             |
|  | Constuction:                  |
|  | Equipment and Other: \$36,250 |
|  | Project Cost: \$36,250        |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|   |                               |
|---|-------------------------------|
| PROJECT TITLE: Sidewalk Project                       | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: Public Works                        | \$140,000                     |
| DESCRIPTION: Sidewalk replacement throughout the city |                               |

JUSTIFICATION: This project includes replacement of sidewalk segments designated by the City.

PROJECT COSTS AND FUNDING SOURCES:  
Funding source will come from the Capital Equipment Fund

|                               |                         |
|-------------------------------|-------------------------|
| PROJECT STARTING DATE: 2022   | Preliminaries:          |
| PROJECT COMPLETION DATE: 2026 | Land Acquisition:       |
|                               | Construction: \$140,000 |
|                               | Equipment and Other:    |
|                               | Project Cost: \$140,000 |

CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026

|                                |                               |
|--------------------------------|-------------------------------|
| PROJECT TITLE: PLACEHOLDER     | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: PUBLIC WORKS | \$259,700                     |
| DESCRIPTION: PLACEHOLDER       |                               |

**JUSTIFICATION:** Placeholder is for future capital purchases yet identified.

**PROJECT COSTS AND FUNDING SOURCES:**  
Funding source will come from Capital Equipment Fund

|  |  |                      |           |
|--|--|----------------------|-----------|
| PROJECT STARTING DATE: 2026<br><br>PROJECT COMPLETION DATE: 2026 |  |                      |           |
|  |  |                      |           |
|  |  | Preliminaries:       |           |
|  |  | Land Acquisition:    |           |
|  |  | Construction:        |           |
|  |  | Equipment and Other: | \$259,700 |
|  |  | Project Cost:        | \$259,700 |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|                                       |                               |
|---------------------------------------|-------------------------------|
| PROJECT TITLE: PATROL SQUAD           | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: POLICE DEPARTMENT   | \$82,350                      |
| DESCRIPTION: VEHICLE REPLACEMENT PLAN |                               |

JUSTIFICATION: In 2023, the Two Harbors Police Department is scheduled to replace a patrol squad in their current fleet of vehicles. New equipment will be required for the new patrol squad, and is as follows: #1 Emergency Lighting, Siren and Controls #2 Front Push Bumper #3 Center Console #4 Gun Mounts #5 Prisoner Partitions #6 Storage Cabinet #7 Computer Mount/Docking Station #8 Patrol Squad Graphics #9 Mobile Radio #10 Prisoner Seat #11 Radar Unit #12 Watchguard Camera System #13 Labor, Installation and Disassembly Costs

**PROJECT COSTS AND FUNDING SOURCES:**

Funding sources will come from the Capital Equipment Fund

|                               |                               |
|-------------------------------|-------------------------------|
| PROJECT STARTING DATE: 2026   | Preliminaries:                |
| PROJECT COMPLETION DATE: 2026 | Land Acquisition:             |
|                               | Construction:                 |
|                               | Equipment and Other: \$82,350 |
|                               | Project Cost: \$82,350        |

# CITY OF TWO HARBORS

## CAPITAL IMPROVEMENT PLAN

### 2022-2026

|   |                      |
|---|----------------------|
| PROJECT TITLE: Replace Carnegie Shelving                                      | TOTAL COST: \$25,000 |
| PROJECT CATEGORY: Library   |                      |
| DESCRIPTION: Replace the old shelving in the Carnegie portion of the library. |                      |

**JUSTIFICATION:** The Carnegie Library building has been operating as a public library since 1909. It has seen a few changes over the years, but some things have pretty much stayed the same. The wooden shelving in the Carnegie section of the library falls into both of these categories. There are two styles of shelving in that section of the building; the really old, nicely carved shelving against the walls, and the somewhat newer and more streamlined free-standing shelves that were added later; likely in the 1980s when the building was renovated and staff spaces were moved into the expansion, freeing up more space in the Carnegie portion for shelving. As the decades have passed, the wooden shelves of both eras have aged, and the 1980s shelving isn't looking much better than the older shelving. Shelves and canopies have been bending and distorting, and we have had a few instances in recent years where we needed to call Public Works for help as screws finally tore through the weakened wood and shelves broke. Luckily, no shelving has fallen on a patron yet, but as more sections of wood start to give away, this is a growing concern. We are reaching the point of needing to replace the wooden shelving. Since the building is in the National Register of Historic Places, it would be best if we could locate, or commission, shelving that would fit with the original era.

#### PROJECT COSTS AND FUNDING SOURCES:

Funding will likely come from the Capital Equipment Fund. However, as long as we work toward shelving that would match the original 1909 style, we might also qualify for historical preservation grants. These should be researched and pursued in the couple of years before the project is planned to take place.

|                               |                      |          |
|-------------------------------|----------------------|----------|
| PROJECT STARTING DATE: 2026   | Preliminaries:       |          |
| PROJECT COMPLETION DATE: 2026 | Land Acquisition:    |          |
|                               | Constuction:         | \$15,000 |
|                               | Equipment and Other: |          |
|                               | Project Cost:        | \$15,000 |



**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|   |                               |
|---|-------------------------------|
| PROJECT TITLE: FIX BASE OPERATOR HANGAR | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: AIRPORT               | \$1,431,450                   |
| DESCRIPTION: FIX BASE OPERATOR HANGAR   |                               |

**JUSTIFICATION:** Construct FBO hangar to house operator at KTWM. Hangar increases potential of larger air operators and transient jet type aircraft to utilize the airport knowing aircraft can be parked indoors thus increasing revenues such as jet a fuel sales. Hangar can also be used to house City of Two Harbors equipment and courtesy cars.

**PROJECT COSTS AND FUNDING SOURCES:**

CITY OF TWO HARBORS - \$71,562  
 OTHER FUNDING - \$1,359,888  
**TOTAL FUNDING - \$1,431,450**

|                               |                           |
|-------------------------------|---------------------------|
| PROJECT STARTING DATE: 2025   | Preliminaries:            |
| PROJECT COMPLETION DATE: 2026 | Land Acquisition:         |
|                               | Construction: \$1,431,450 |
|                               | Equipment and Other:      |
|                               | Project Cost: \$1,431,450 |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|                                  |                               |
|----------------------------------|-------------------------------|
| PROJECT TITLE: MTI - Lease Fleet | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: GOLF COURSE    | \$36,250                      |
| DESCRIPTION: MTI - Lease Fleet   |                               |

JUSTIFICATION: The golf course has limited/old equipment. With the lease program the golf course is able to have a fleet of mowers that are reliable and will provide the golf course with a great product for the golfers playing at Lakeview. The lease will provide the following pieces of equipment - Toro Greensmaster Mower, 2 Toro Reelmasters, Toro Workman and Proforce Blower.

**PROJECT COSTS AND FUNDING SOURCES:**

Funding Source will come from Capital Equipment Fund

|  |                               |
|--|-------------------------------|
| PROJECT STARTING DATE: 2022<br><br>PROJECT COMPLETION DATE: 2026 |                               |
|  | Preliminaries:                |
|  | Land Acquisition:             |
|  | Constuction:                  |
|  | Equipment and Other: \$36,250 |
|  | Project Cost: \$36,250        |

CITY OF TWO HARBORS, MN  
CAPITAL IMPROVEMENT PLAN  
2022 THRU 2026

PROJECTS BY DEPARTMENT - WATER FUND

| Department   | 2022             | 2023             | 2024     | 2025             | 2026     |
|--|------------------|------------------|----------|------------------|----------|
| <b>Water</b>   |                  |                  |          |                  |          |
| <b>Purification</b>  |                  |                  |          |                  |          |
| Chlorine Contact Tank & Homewood PRV Station 2 & 3                         | 5,020,150        |                  |          |                  |          |
| <b>Distribution</b>  |                  |                  |          |                  |          |
| 4th Street Watermain Replacement - 8th Ave. to 12th Ave.                   |                  | 635,000          |          |                  |          |
| Watermain Looping - 7th Ave/4th Street                                     |                  | 475,000          |          |                  |          |
| 7th Avenue Watermain Replacement   |                  | 817,000          |          |                  |          |
| Old Railyard Watermain Realignment   |                  | 355,000          |          |                  |          |
| MN DOT - TH61 Reconstruction - Watermain Replacement - 4th St to RR Bridge |                  |                  |          | 1,650,000        |          |
| <b>Water Total</b>   | <b>5,020,150</b> | <b>2,282,000</b> | <b>-</b> | <b>1,650,000</b> | <b>-</b> |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|  |                               |
|--|-------------------------------|
| PROJECT TITLE: CHLORINE TANK & HOMEWOOD PRV STATION 2 & 3            | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: Water Purification                                 | \$5,020,150                   |
| DESCRIPTION: Tank Replacement and Operations Building Rehabilitation |                               |

**JUSTIFICATION:** The chlorine contact is nearly 65 years old, has been leaking for several years, and needs to be replaced. The operations building roofing needs to be replaced and steel siding should be added to protect the structure from water penetration and further deterioration. Process and plumbing piping for the backwash and reclaim systems needs to be modified to meet current MDH standards. This project has been submitted for consideration of funding through the Public Facilities Authority, including the potential of Water Infrastructure Fund (WIF) grant. Timing of this project will depend on the ability to secure funding.

The Homewood Tower Service Area experiences extreme water pressure surges due to the current layout of the pressure reducing stations. The piping and valves at the stations need to be modified to accommodate new pressure relief valves to help minimize pressure surges. Station 3 also has a leak in the piping below the building. All building and piping are over 40 years old and are in need of improvements. This project has been submitted for consideration of funding through the Public Facilities Authority, including the potential of Water Infrastructure Fund (WIF) grant. Timing of this project will depend on the ability to secure funding.

**PROJECT COSTS AND FUNDING SOURCES:**

Received a grant from the state for 80% funding with a 20% match from the City. Remainder of project will be financed with a low-interest loan from the PFA.

|                          |      |                      |             |
|--------------------------|------|----------------------|-------------|
| PROJECT STARTING DATE:   | 2021 | Preliminaries:       |             |
| PROJECT COMPLETION DATE: | 2022 | Land Acquisition:    |             |
|                          |      | Construction:        | \$5,020,150 |
|                          |      | Equipment and Other: |             |
|                          |      | Project Cost:        | \$5,020,150 |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|   |                               |
|---|-------------------------------|
| PROJECT TITLE: 4TH STREET WATERMAIN REPLACEMENT - 8TH AVE TO 12TH A | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: Water Distribution                                | \$635,000                     |
| DESCRIPTION: Watermain Replacement - 8th Ave. to 12th Ave.          |                               |

**JUSTIFICATION:** This existing segment of watermain is 4-inch diameter cast iron pipe. The watermain is old and has a history of numerous leaks. This project would replace the existing pipe with new 6-inch diameter watermain. This project has been submitted for consideration of funding through the Public Facilities Authority, including the potential of Water Infrastructure Fund (WIF) grant. Timing of this project will depend on the ability to secure funding.

**PROJECT COSTS AND FUNDING SOURCES:**

PFA grant and/or low-interest loan  
Local match (Water Fund)

|                          |      |                      |           |
|--------------------------|------|----------------------|-----------|
| PROJECT STARTING DATE:   | 2023 | Preliminaries:       |           |
| PROJECT COMPLETION DATE: | 2023 | Land Acquisition:    |           |
|                          |      | Construction:        | \$635,000 |
|                          |      | Equipment and Other: |           |
|                          |      | Project Cost:        | \$635,000 |

**CITY OF TWO HARBORS**  
**CAPITAL IMPROVEMENT PLAN**  
**2022-2026**

|   |                               |
|---|-------------------------------|
| PROJECT TITLE: Watermain Looping - 7th Ave/4th Street | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: Water Distribution                  | \$475,000                     |
| DESCRIPTION: Watermain Looping                        |                               |

**JUSTIFICATION:** The existing water system in the area northeast of 7th Avenue and 4th Street is not looped. This project would include watermain extensions and connections to loop this portion of the system. Completion of this project would allow abandonment of the existing watermain on 4th Street between 7th Avenue and 8th Avenue, which is sub-standard size, old, and has a history of several breaks. This project has been submitted for consideration of funding through the Public Facilities Authority, including the potential of Water Infrastructure Fund (WIF) grant. Timing of this project will depend on the ability to secure funding.

**PROJECT COSTS AND FUNDING SOURCES:**

PFA grant and/or low-interest loan  
Local match (Water Fund)

|                          |      |                      |           |
|--------------------------|------|----------------------|-----------|
| PROJECT STARTING DATE:   | 2023 | Preliminaries:       |           |
| PROJECT COMPLETION DATE: | 2023 | Land Acquisition:    |           |
|                          |      | Construction:        | \$475,000 |
|                          |      | Equipment and Other: |           |
|                          |      | Project Cost:        | \$475,000 |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|  |                               |
|--|-------------------------------|
| PROJECT TITLE: 7th Avenue Watermain Replacement                        | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: Water Distribution                                   | \$817,000                     |
| DESCRIPTION: Watermain Replacement between 11th Street and 15th Street |                               |

**JUSTIFICATION:** The existing watermain along the north side of 7th Avenue (Trunk Highway 61) is 6-inch diameter cast iron pipe. The existing pipe is old and has a significant history of breaks. It is proposed to replace the watermain with new materials. The intent is to complete this project in advance of the MNDOT project on Trunk Highway 61. This project has been submitted for consideration of funding through the Public Facilities Authority, including the potential of Water Infrastructure Fund (WIF) grant. Timing of this project will depend on the ability to secure funding.

**PROJECT COSTS AND FUNDING SOURCES:**

PFA grant and/or low-interest loan  
Local match (Water Fund)

|                          |      |                      |           |
|--------------------------|------|----------------------|-----------|
| PROJECT STARTING DATE:   | 2023 | Preliminaries:       |           |
| PROJECT COMPLETION DATE: | 2023 | Land Acquisition:    |           |
|                          |      | Construction:        | \$817,000 |
|                          |      | Equipment and Other: |           |
|                          |      | Project Cost:        | \$817,000 |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|  |                               |
|--|-------------------------------|
| PROJECT TITLE: Old Railyard Watermain Realignment              | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: Water Distribution                           | \$355,000                     |
| DESCRIPTION: Watermain Realignment & Meter Station Replacement |                               |

**JUSTIFICATION:** An existing 6-inch diameter watermain bisects City-owned property at the old rail yard southwest of 7th Street and 1st Avenue. This 6-inch watermain is currently unmetered. An existing 8-inch watermain extending west along the alignment of 1st Avenue contains a meter station that is failing. The proposed project would install a new meter station on the existing 8-inch watermain. It would also install a new 8-inch watermain along the perimeter of the old rail yard property. This would allow the existing 6-inch watermain bisecting the property to be abandoned, and would allow for metering of the flow through the new watermain. This project has been submitted for consideration of funding through the Public Facilities Authority, including the potential of Water Infrastructure Fund (WIF) grant. Timing of this project will depend on the ability to secure funding.

**PROJECT COSTS AND FUNDING SOURCES:**

PFA grant and/or low-interest loan  
Local match (Water Fund)

|                               |                      |           |
|-------------------------------|----------------------|-----------|
| PROJECT STARTING DATE: 2023   | Preliminaries:       |           |
| PROJECT COMPLETION DATE: 2023 | Land Acquisition:    |           |
|                               | Construction:        | \$355,000 |
|                               | Equipment and Other: |           |
|                               | Project Cost:        | \$355,000 |



CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026

|   |                               |
|---|-------------------------------|
| PROJECT TITLE: 7th Avenue - Watermain Replacement                         | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: Water Distribution                                      | \$1,650,000                   |
| DESCRIPTION: Watermain replacement from 4th Street to the railroad bridge |                               |

**JUSTIFICATION:** 7th Avenue is MN Trunk Highway 61. The Minnesota Department of Transportation is planning a project to reconstruct TH61 through Two Harbors in 2025. The City anticipates replacing its existing watermain within the TH61 corridor in conjunction with the MnDOT project. Costs for replacing existing sanitary sewer and watermain are the responsibility of the City.

| PROJECT COSTS AND FUNDING SOURCES: |    |           |
|------------------------------------|----|-----------|
| Public Works:                      | \$ | -         |
| Water:                             | \$ | 1,650,000 |
| Sewer:                             | \$ | -         |
| Stormwater:                        | \$ | -         |

|                          |      |                           |
|--------------------------|------|---------------------------|
|                          |      |                           |
| PROJECT STARTING DATE:   | 2025 | Preliminaries:            |
| PROJECT COMPLETION DATE: | 2025 | Land Acquisition:         |
|                          |      | Construction: \$1,650,000 |
|                          |      | Equipment and Other:      |
|                          |      | Project Cost: \$1,650,000 |

CITY OF TWO HARBORS, MN  
CAPITAL IMPROVEMENT PLAN  
2021 THRU 2026

PROJECTS BY DEPARTMENT - SEWER FUND

| Department  | 2022              | 2023              | 2024             | 2025             | 2026          |
|---|-------------------|-------------------|------------------|------------------|---------------|
| <b>Sewer</b>  |                   |                   |                  |                  |               |
| Wastewater Treatment Plant  | 11,333,350        | 11,333,350        | 7,783,300        |                  |               |
| Truck Replacement   | 35,000            |                   |                  |                  | 38,000        |
| Lighthouse Lift Station Replacement   |                   |                   | 298,500          |                  |               |
| MN DOT - TH61 Reconstruction - Sanitary Sewer Replacement - 4th St to RR Bridge |                   |                   |                  | 1,270,000        |               |
| MN DOT - TH61 Reconstruction - Replace Sanitary Sewer Crossing at 11th St.      |                   |                   |                  | 100,000          |               |
| <b>Sewer Total</b>  | <b>11,368,350</b> | <b>11,333,350</b> | <b>8,081,800</b> | <b>1,370,000</b> | <b>38,000</b> |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|  |                               |
|--|-------------------------------|
| PROJECT TITLE: Wastewater Treatment Plant (Year 2 of 4)                  | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: Wastewater   | \$11,333,350                  |
| DESCRIPTION: Major Rehabilitation and Replacement of Existing Components |                               |

**JUSTIFICATION:** Many of the critical treatment processes at the wastewater treatment facility are between 50 and 65 years old including the primary clarifiers, aeration basins, and final clarifier. The existing components of these processes have exceeded their useful life and need to be replaced to provide reliable treatment. In addition to physical failures, these processes also lack the operational controls and flexibility that are needed to keep up with current wastewater treatment standards. Current biosolids treatment at the facility is also outdated and needs improvement to meet current standards. Major improvements are required at the facility to ensure proper wastewater treatment for system users. The total work is expected to span 4 years. This project sheet represents the first 2/4 of the work.

**PROJECT COSTS AND FUNDING SOURCES:**

The City received \$11.5M in appropriations from the State of Minnesota 2020 bonding bill. The City has also secured \$5.7M from the PSIG through the state's Clean Water Revolving Fund and an additional \$4M from the Water Infrastructure Fund. The City is currently seeking additional federal funding for the project. Remainder of the project will be funded through low-interest loan with the PFA.

|  |  |                            |
|--|--|----------------------------|
| PROJECT STARTING DATE: 2021<br>PROJECT COMPLETION DATE: 2024 |  |                            |
|  |  | Preliminaries:             |
|  |  | Land Acquisition:          |
|  |  | Construction: \$11,333,350 |
|  |  | Equipment and Other:       |
|  |  | Project Cost: \$11,333,350 |
|  |  |                            |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|                               |                               |
|-------------------------------|-------------------------------|
| PROJECT TITLE: TRUCK          | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: SEWER PLANT | \$35,000                      |
| DESCRIPTION: TRUCK            |                               |

JUSTIFICATION: This is the part of a replacement schedule.

PROJECT COSTS AND FUNDING SOURCES:

Funding source will come from revenues from the sewer services provided.

|                               |                               |
|-------------------------------|-------------------------------|
| PROJECT STARTING DATE: 2022   | Preliminaries:                |
| PROJECT COMPLETION DATE: 2022 | Land Acquisition:             |
|                               | Construction:                 |
|                               | Equipment and Other: \$35,000 |
|                               | Project Cost: \$35,000        |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|  |                               |
|--|-------------------------------|
| PROJECT TITLE: Wastewater Treatment Plant (Year 3 of 4)                  | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: Wastewater   | \$11,333,350                  |
| DESCRIPTION: Major Rehabilitation and Replacement of Existing Components |                               |

**JUSTIFICATION:** Many of the critical treatment processes at the wastewater treatment facility are between 50 and 65 years old including the primary clarifiers, aeration basins, and final clarifier. The existing components of these processes have exceeded their useful life and need to be replaced to provide reliable treatment. In addition to physical failures, these processes also lack the operational controls and flexibility that are needed to keep up with current wastewater treatment standards. Current biosolids treatment at the facility is also outdated and needs improvement to meet current standards. Major improvements are required at the facility to ensure proper wastewater treatment for system users. The total work is expected to span 4 years. This project sheet represents the second 3/4 of the work.

**PROJECT COSTS AND FUNDING SOURCES:**

The City received \$11.5M in appropriations from the State of Minnesota 2020 bonding bill. The City has also secured \$5.7M from the PSIG through the state's Clean Water Revolving Fund and an additional \$4M from the Water Infrastructure Fund. The City is currently seeking additional federal funding for the project. Remainder of the project will be funded through low-interest loan with the PFA.

|                          |      |                      |              |
|--------------------------|------|----------------------|--------------|
| PROJECT STARTING DATE:   | 2021 | Preliminaries:       |              |
| PROJECT COMPLETION DATE: | 2024 | Land Acquisition:    |              |
|                          |      | Construction:        | \$11,333,350 |
|                          |      | Equipment and Other: |              |
|                          |      | Project Cost:        | \$11,333,350 |

# CITY OF TWO HARBORS

## CAPITAL IMPROVEMENT PLAN

### 2022-2026

|  |                               |
|--|-------------------------------|
| PROJECT TITLE: Wastewater Treatment Plant (Year 4 of 4)                  | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: Wastewater   | \$7,783,300                   |
| DESCRIPTION: Major Rehabilitation and Replacement of Existing Components |                               |

**JUSTIFICATION:** Many of the critical treatment processes at the wastewater treatment facility are between 50 and 65 years old including the primary clarifiers, aeration basins, and final clarifier. The existing components of these processes have exceeded their useful life and need to be replaced to provide reliable treatment. In addition to physical failures, these processes also lack the operational controls and flexibility that are needed to keep up with current wastewater treatment standards. Current biosolids treatment at the facility is also outdated and needs improvement to meet current standards. Major improvements are required at the facility to ensure proper wastewater treatment for system users. The total work is expected to span 3 years. This project sheet represents the final 1/3 of the work.

#### PROJECT COSTS AND FUNDING SOURCES:

The City received \$11.5M in appropriations from the State of Minnesota 2020 bonding bill. The City has also secured \$5.7M from the PSIG through the state's Clean Water Revolving Fund and an additional \$4M from the Water Infrastructure Fund. The City is currently seeking additional federal funding for the project. Remainder of the project will be funded through low-interest loan with the PFA.

|                          |      |                      |             |
|--------------------------|------|----------------------|-------------|
| PROJECT STARTING DATE:   | 2021 | Preliminaries:       |             |
| PROJECT COMPLETION DATE: | 2024 | Land Acquisition:    |             |
|                          |      | Construction:        | \$7,783,300 |
|                          |      | Equipment and Other: |             |
|                          |      | Project Cost:        | \$7,783,300 |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|  |                               |
|--|-------------------------------|
| PROJECT TITLE: Lighthouse Lift Station Replacement | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: Wastewater                       | \$298,500                     |
| DESCRIPTION: Replace existing lift station         |                               |

**JUSTIFICATION:** The existing sanitary sewer lift station serving the lighthouse is deteriorated and has exceeded its useful life. The intent of this project is to replace the existing lift station and service line to the light house with new materials that will eliminate the need for a lift station. This project is intended to be done after the improvements to the wastewater treatment plant are completed.

**PROJECT COSTS AND FUNDING SOURCES:**

Sewer Fund

|                          |      |                      |           |
|--------------------------|------|----------------------|-----------|
| PROJECT STARTING DATE:   | 2024 | Preliminaries:       |           |
| PROJECT COMPLETION DATE: | 2024 | Land Acquisition:    |           |
|                          |      | Construction:        | \$298,500 |
|                          |      | Equipment and Other: |           |
|                          |      | Project Cost:        | \$298,500 |

CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026

|  |                               |
|--|-------------------------------|
| PROJECT TITLE: 7th Avenue - Sanitary Sewer Replacement                         | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: Wastewater   | \$1,270,000                   |
| DESCRIPTION: Sanitary sewer replacement from 4th Street to the railroad bridge |                               |

**JUSTIFICATION:** 7th Avenue is MN Trunk Highway 61. The Minnesota Department of Transportation is planning a project to reconstruct TH61 through Two Harbors in 2025. The City anticipates replacing its existing sanitary sewer within the TH61 corridor in conjunction with the MnDOT project. Costs for replacing existing sanitary sewer and watermain are the responsibility of the City.

| PROJECT COSTS AND FUNDING SOURCES: |              |
|------------------------------------|--------------|
| Public Works:                      | \$ -         |
| Water:                             | \$ -         |
| Sewer:                             | \$ 1,270,000 |
| Stormwater:                        | \$ -         |

|                          |      |                           |
|--------------------------|------|---------------------------|
|                          |      |                           |
| PROJECT STARTING DATE:   | 2025 | Preliminaries:            |
| PROJECT COMPLETION DATE: | 2025 | Land Acquisition:         |
|                          |      | Construction: \$1,270,000 |
|                          |      | Equipment and Other:      |
|                          |      | Project Cost: \$1,270,000 |



**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|   |  |         |                  |   |  |           |   |  |           |         |  |                |   |
|---|--|---------|------------------|---|--|-----------|---|--|-----------|---------|--|----------------|---|
| PROJECT TITLE: 7th Avenue - Sanitary Sewer Crossing   | ESTIMATED TOTAL PROJECT COST:                              |         |                  |   |  |           |   |  |           |         |  |                |   |
| PROJECT CATEGORY: Wastewater  | \$100,000  |         |                  |   |  |           |   |  |           |         |  |                |   |
| DESCRIPTION: Replacement of sanitary sewer crossing of TH61 at 11th Street.   |  |         |                  |   |  |           |   |  |           |         |  |                |   |
| <p>JUSTIFICATION: 7th Avenue is MN Trunk Highway 61. The Minnesota Department of Transportation is planning a project to reconstruct TH61 through Two Harbors in 2025. The City anticipates replacing its existing sanitary sewer within the TH61 corridor in conjunction with the MnDOT project. Costs for replacing existing sanitary sewer and watermain are the responsibility of the City.</p>   |  |         |                  |   |  |           |   |  |           |         |  |                |   |
| <p>PROJECT COSTS AND FUNDING SOURCES:</p> <table style="width: 100%; margin-top: 10px;"> <tr> <td style="width: 60%;"></td> <td style="width: 20%; text-align: right;">Public Works: \$</td> <td style="width: 20%; text-align: right;">-</td> </tr> <tr> <td></td> <td style="text-align: right;">Water: \$</td> <td style="text-align: right;">-</td> </tr> <tr> <td></td> <td style="text-align: right;">Sewer: \$</td> <td style="text-align: right;">100,000</td> </tr> <tr> <td></td> <td style="text-align: right;">Stormwater: \$</td> <td style="text-align: right;">-</td> </tr> </table> |  |         | Public Works: \$ | - |  | Water: \$ | - |  | Sewer: \$ | 100,000 |  | Stormwater: \$ | - |
|   | Public Works: \$   | -       |                  |   |  |           |   |  |           |         |  |                |   |
|   | Water: \$  | -       |                  |   |  |           |   |  |           |         |  |                |   |
|   | Sewer: \$  | 100,000 |                  |   |  |           |   |  |           |         |  |                |   |
|   | Stormwater: \$   | -       |                  |   |  |           |   |  |           |         |  |                |   |
| <p>PROJECT STARTING DATE: 2025</p> <p>PROJECT COMPLETION DATE: 2025</p>   |  |         |                  |   |  |           |   |  |           |         |  |                |   |
|   | Preliminaries:   |         |                  |   |  |           |   |  |           |         |  |                |   |
|   | Land Acquisition:  |         |                  |   |  |           |   |  |           |         |  |                |   |
|   | Construction: <span style="float: right;">\$100,000</span> |         |                  |   |  |           |   |  |           |         |  |                |   |
|   | Equipment and Other:                                       |         |                  |   |  |           |   |  |           |         |  |                |   |
|   | Project Cost: <span style="float: right;">\$100,000</span> |         |                  |   |  |           |   |  |           |         |  |                |   |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|                               |                               |
|-------------------------------|-------------------------------|
| PROJECT TITLE: TRUCK          | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: SEWER PLANT | \$38,000                      |
| DESCRIPTION: TRUCK            |                               |

JUSTIFICATION: This is the part of the 10 replacement schedule.

PROJECT COSTS AND FUNDING SOURCES:

Funding source will come from revenues from the sewer services provided.

|                               |                      |          |
|-------------------------------|----------------------|----------|
| PROJECT STARTING DATE: 2026   | Preliminaries:       |          |
| PROJECT COMPLETION DATE: 2026 | Land Acquisition:    |          |
|                               | Construction:        |          |
|                               | Equipment and Other: | \$38,000 |
|                               | Project Cost:        | \$38,000 |

**CITY OF TWO HARBORS, MN  
CAPITAL IMPROVEMENT PLAN  
2021 THRU 2026**

**PROJECTS BY DEPARTMENT - ELECTRIC FUND**

| <b>Department</b>                | <b>2022</b>    | <b>2023</b>    | <b>2024</b>    | <b>2025</b>    | <b>2026</b>    |
|----------------------------------|----------------|----------------|----------------|----------------|----------------|
| <b>Electric</b>                  |                |                |                |                |                |
| Street Lights - HWY 61 Project   | 112,600        |                |                |                |                |
| Bucket Truck                     | 197,000        |                |                |                |                |
| 2022 Street Improvement Project  | 112,600        |                |                |                |                |
| Truck Replacement                | 35,000         |                |                |                |                |
| Crew Truck                       |                | 52,150         |                |                |                |
| 2023 Street Improvements Project |                | 115,950        |                |                |                |
| 2024 Street Improvements Project |                |                | 119,400        |                |                |
| 2025 Street Improvements Project |                |                |                | 123,000        |                |
| 2026 Street Improvements Project |                |                |                |                | 126,700        |
| <b>Electric Total</b>            | <b>457,200</b> | <b>168,100</b> | <b>119,400</b> | <b>123,000</b> | <b>126,700</b> |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|   |   |
|---|---|
| PROJECT TITLE: STREET LIGHTS - HWY 61 PROJECT   | ESTIMATED TOTAL PROJECT COST:                                     |
| PROJECT CATEGORY: ELECTRIC DEPARTMENT   | \$112,600   |
| DESCRIPTION: STREET LIGHTS - HWY 61 PROJECT   |   |
| <p>JUSTIFICATION: The street lights on Hwy 61 need some attention. The underground wires are failing on some lights. The bases on the light poles are starting to show a lot of rust from road salt. Not sure at this time of a cost or if funding is available from DOT. This is earmarking money for future projects.</p> |   |
| <p>PROJECT COSTS AND FUNDING SOURCES:<br/>Funding Source will come from Electrical Fund</p>   |   |
| <p>PROJECT STARTING DATE: 2022</p> <p>PROJECT COMPLETION DATE: 2022</p>   |   |
|   | Preliminaries:  |
|   | Land Acquisition:   |
|   | Construction:   |
|   | Equipment and Other: <span style="float: right;">\$112,600</span> |
|   | Project Cost: <span style="float: right;">\$112,600</span>        |

CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026

|                                       |                               |
|---------------------------------------|-------------------------------|
| PROJECT TITLE: BUCKET TRUCK           | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: ELECTRIC DEPARTMENT | \$197,000                     |
| DESCRIPTION: BUCKET TRUCK             |                               |

**JUSTIFICATION:** Current bucket truck will be over 20 years old in 2021. This has been a great truck and it has little miles on it, but if we are going to replace it this is the time to get rid of it while it is still worth something.

|  |
|--|
| <p>PROJECT COSTS AND FUNDING SOURCES:</p> <p>Funding Source will come from Electrical Fund</p> |
|--|

Funding Source will come from Electrical Fund

|                          |      |                                |
|--------------------------|------|--------------------------------|
|                          |      |                                |
| PROJECT STARTING DATE:   | 2022 | Preliminaries:                 |
| PROJECT COMPLETION DATE: | 2022 | Land Acquisition:              |
|                          |      | Construction:                  |
|                          |      | Equipment and Other: \$197,000 |
|                          |      | Project Cost: \$197,000        |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|  |   |
|--|---|
| PROJECT TITLE: 2022 STREET IMPROVEMENT PROJECT   | ESTIMATED TOTAL PROJECT COST:                                     |
| PROJECT CATEGORY: ELECTRIC DEPARTMENT  | \$112,600   |
| DESCRIPTION: 2022 STREET IMPROVEMENT PROJECT   |   |
| <p>JUSTIFICATION: Lighting, underground wiring for loop feeders and underground feeders for street lights for the 2022 Street Improvement Project.</p> |   |
| <p>PROJECT COSTS AND FUNDING SOURCES:<br/>Funding Source will come from Electrical Fund</p>  |   |
| <p>PROJECT STARTING DATE: 2021</p> <p>PROJECT COMPLETION DATE: 2022</p>  |   |
|  | Preliminaries:  |
|  | Land Acquisition:   |
|  | Construction:   |
|  | Equipment and Other: <span style="float: right;">\$112,600</span> |
|  | Project Cost: <span style="float: right;">\$112,600</span>        |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|                                       |                               |
|---------------------------------------|-------------------------------|
| PROJECT TITLE: Truck                  | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: ELECTRIC DEPARTMENT | \$35,000                      |
| DESCRIPTION: Truck                    |                               |

JUSTIFICATION: Truck purchase is part of the replacement schedule for the small truck fleet. The truck will be replaced with a 3/4 ton 4x4 extended cab.

PROJECT COSTS AND FUNDING SOURCES:  
Funding Source will come from Electrical Fund

|                               |                      |          |
|-------------------------------|----------------------|----------|
| PROJECT STARTING DATE: 2022   | Preliminaries:       |          |
| PROJECT COMPLETION DATE: 2022 | Land Acquisition:    |          |
|                               | Construction:        |          |
|                               | Equipment and Other: | \$35,000 |
|                               | Project Cost:        | \$35,000 |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|                                       |                               |
|---------------------------------------|-------------------------------|
| PROJECT TITLE: CREW TRUCK             | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: ELECTRIC DEPARTMENT | \$52,150                      |
| DESCRIPTION: CREW TRUCK               |                               |

JUSTIFICATION: Truck purchase is part of the 10 year replacement schedule for the small truck fleet. Truck will be handed down to other departments for use.

PROJECT COSTS AND FUNDING SOURCES:  
Funding Source will come from Electrical Fund

|                               |                      |          |
|-------------------------------|----------------------|----------|
| PROJECT STARTING DATE: 2023   | Preliminaries:       |          |
| PROJECT COMPLETION DATE: 2023 | Land Acquisition:    |          |
|                               | Construction:        |          |
|                               | Equipment and Other: | \$52,150 |
|                               | Project Cost:        | \$52,150 |



**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|  |                               |
|--|-------------------------------|
| PROJECT TITLE: 2023 STREET IMPROVEMENT PROJECT | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: ELECTRIC DEPARTMENT          | \$115,950                     |
| DESCRIPTION: 2023 STREET IMPROVEMENT PROJECT   |                               |

JUSTIFICATION: Lighting, underground wiring for loop feeders and underground feeders for street lights for the 2023 Street Improvement Project.

PROJECT COSTS AND FUNDING SOURCES:  
Funding Source will come from Electrical Fund

|                               |                      |           |
|-------------------------------|----------------------|-----------|
| PROJECT STARTING DATE: 2023   | Preliminaries:       |           |
| PROJECT COMPLETION DATE: 2023 | Land Acquisition:    |           |
|                               | Construction:        |           |
|                               | Equipment and Other: | \$115,950 |
|                               | Project Cost:        | \$115,950 |

**CITY OF TWO HARBORS**  
**CAPITAL IMPROVEMENT PLAN**  
**2022-2026**

|  |                               |
|--|-------------------------------|
| PROJECT TITLE: 2024 STREET IMPROVEMENT PROJECT | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: ELECTRIC DEPARTMENT          | \$119,400                     |
| DESCRIPTION: 2024 STREET IMPROVEMENT PROJECT   |                               |

JUSTIFICATION: Lighting, underground wiring for loop feeders and underground feeders for street lights for the 2024 Street Improvement Project.

PROJECT COSTS AND FUNDING SOURCES:  
Funding Source will come from Electrical Fund

|                               |                      |           |
|-------------------------------|----------------------|-----------|
| PROJECT STARTING DATE: 2024   | Preliminaries:       |           |
| PROJECT COMPLETION DATE: 2024 | Land Acquisition:    |           |
|                               | Construction:        |           |
|                               | Equipment and Other: | \$119,400 |
|                               | Project Cost:        | \$119,400 |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|  |                               |
|--|-------------------------------|
| PROJECT TITLE: 2025 STREET IMPROVEMENT PROJECT | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: ELECTRIC DEPARTMENT          | \$123,000                     |
| DESCRIPTION: 2025 STREET IMPROVEMENT PROJECT   |                               |

JUSTIFICATION: Lighting, underground wiring for loop feeders and underground feeders for street lights for the 2025 Street Improvement Project.

PROJECT COSTS AND FUNDING SOURCES:  
Funding Source will come from Electrical Fund

|                               |                      |           |
|-------------------------------|----------------------|-----------|
| PROJECT STARTING DATE: 2025   | Preliminaries:       |           |
| PROJECT COMPLETION DATE: 2025 | Land Acquisition:    |           |
|                               | Construction:        |           |
|                               | Equipment and Other: | \$123,000 |
|                               | Project Cost:        | \$123,000 |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|  |                               |
|--|-------------------------------|
| PROJECT TITLE: 2026 STREET IMPROVEMENT PROJECT | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: ELECTRIC DEPARTMENT          | \$126,700                     |
| DESCRIPTION: 2026 STREET IMPROVEMENT PROJECT   |                               |

JUSTIFICATION: Lighting, underground wiring for loop feeders and underground feeders for street lights for the 2026 Street Improvement Project.

PROJECT COSTS AND FUNDING SOURCES:  
Funding Source will come from Electrical Fund

|                               |                      |           |
|-------------------------------|----------------------|-----------|
| PROJECT STARTING DATE: 2026   | Preliminaries:       |           |
| PROJECT COMPLETION DATE: 2026 | Land Acquisition:    |           |
|                               | Construction:        |           |
|                               | Equipment and Other: | \$126,700 |
|                               | Project Cost:        | \$126,700 |

CITY OF TWO HARBORS, MN  
CAPITAL IMPROVEMENT PLAN  
2021 THRU 2026

PROJECTS BY DEPARTMENT - GAS FUND

| Department   | 2020          | 2021 | 2022 | 2023 | 2024 | 2025          |
|--|---------------|------|------|------|------|---------------|
| <div style="border: 1px solid black; padding: 2px; display: inline-block;">Gas</div> |               |      |      |      |      |               |
| Natural Gas Odorizer Removal   | 33,800        |      |      |      |      |               |
| Truck Replacement  | 35,000        |      |      |      |      |               |
| MN DOT - TH61 Reconstruction - Replace Gas Crossing at 7th St.                       |               |      |      |      |      | 25,000        |
| <b>Gas Total</b>   | <b>68,800</b> | -    | -    | -    | -    | <b>25,000</b> |

**CITY OF TWO HARBORS**  
**CAPITAL IMPROVEMENT PLAN**  
**2022-2026**

|   |                               |
|---|-------------------------------|
| PROJECT TITLE: NATURAL GAS ORDORIZER REMOVAL  | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: GAS DEPARTMENT  | \$33,800                      |
| DESCRIPTION: NATURAL GAS ORDORIZER REMOVAL  |                               |
| <p>JUSTIFICATION: In 2016 we replaced the Natural Gas Odorizer at the town border station, where we receive gas from Northern Natural Gas, and need to dispose of the old one. It is hazardous and needs to be disposed of by a qualified contractor.</p> |                               |
| <p>PROJECT COSTS AND FUNDING SOURCES:</p> <p style="padding-left: 40px;">Funding source will come from Gas Fund</p>   |                               |
| <p>PROJECT STARTING DATE: 2022</p> <p>PROJECT COMPLETION DATE: 2022</p>   |                               |
|   | Preliminaries:                |
|   | Land Acquisition:             |
|   | Construction:                 |
|   | Equipment and Other: \$33,800 |
|   | Project Cost: \$33,800        |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|                                  |                               |
|----------------------------------|-------------------------------|
| PROJECT TITLE: Truck             | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: Gas Department | \$35,000                      |
| DESCRIPTION: Truck               |                               |

JUSTIFICATION: Truck purchase is part of the replacement schedule for the small truck fleet. The truck will be replaced with a 3/4 ton 4x4 extended cab.

PROJECT COSTS AND FUNDING SOURCES:  
Funding Source will come from Electrical Fund

|                               |                      |          |
|-------------------------------|----------------------|----------|
| PROJECT STARTING DATE: 2022   | Preliminaries:       |          |
| PROJECT COMPLETION DATE: 2022 | Land Acquisition:    |          |
|                               | Construction:        |          |
|                               | Equipment and Other: | \$35,000 |
|                               | Project Cost:        | \$35,000 |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|  |                               |
|--|-------------------------------|
| PROJECT TITLE: 7th Avenue - Gas Crossing   | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: Gas Department   | \$25,000                      |
| DESCRIPTION: Replacement of gas main crossing of TH61 at 7th Street.   |                               |
| <p>JUSTIFICATION: 7th Avenue is MN Trunk Highway 61. The Minnesota Department of Transportation is planning a project to reconstruct TH61 through Two Harbors in 2025. The City anticipates replacing its existing utilities within the TH61 corridor in conjunction with the MnDOT project. Costs for replacing existing City utilities are the responsibility of the City.</p> |                               |
| <p>PROJECT COSTS AND FUNDING SOURCES:</p> <p style="text-align: center;">Funding source will come from the Gas Fund.</p>   |                               |
| <p>PROJECT STARTING DATE: 2025</p> <p>PROJECT COMPLETION DATE: 2025</p>  |                               |
|  | Preliminaries:                |
|  | Land Acquisition:             |
|  | Construction:                 |
|  | Equipment and Other: \$25,000 |
|  | Project Cost: \$25,000        |



CITY OF TWO HARBORS, MN  
CAPITAL IMPROVEMENT PLAN  
2021 THRU 2026

PROJECTS BY DEPARTMENT - MUNICIPAL LIQUOR STORE

| Department                             | 2022             | 2023             | 2024 | 2025 | 2026 |
|--|------------------|------------------|------|------|------|
| Municipal Liquor Store                 |                  |                  |      |      |      |
| Municipal Liquor Store Upgrade Project | 1,000,000        | 1,000,000        |      |      |      |
| <b>Municipal Liquor Store Total</b>    | <b>1,000,000</b> | <b>1,000,000</b> | -    | -    | -    |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|   |  |
|---|--|
| PROJECT TITLE: LIQUOR STORE UPGRADE PROJECT   | ESTIMATED TOTAL PROJECT COST:                                |
| PROJECT CATEGORY: LIQUOR STORE  | \$1,000,000  |
| DESCRIPTION: LIQUOR STORE UPGRADE PROJECT   |  |
| <p>JUSTIFICATION: The City has been exploring the possibility of upgrades to the liquor store. No site/building has been selected at this time and the project cost will need to be adjusted once more information becomes available.</p> |  |
| <p>PROJECT COSTS AND FUNDING SOURCES:<br/>Funding source will come from Liquor Store Fund</p>   |  |
| <p>PROJECT STARTING DATE: 2022</p> <p>PROJECT COMPLETION DATE: 2022</p>   |  |
|   | Preliminaries:   |
|   | Land Acquisition:  |
|   | Construction: <span style="float: right;">\$1,000,000</span> |
|   | Equipment and Other:   |
|   | Project Cost: <span style="float: right;">\$1,000,000</span> |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|   |                               |
|---|-------------------------------|
| PROJECT TITLE: LIQUOR STORE UPGRADE PROJECT | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: LIQUOR STORE              | \$1,000,000                   |
| DESCRIPTION: LIQUOR STORE UPGRADE PROJECT   |                               |

JUSTIFICATION: The City has been exploring the possibility of upgrades to the liquor store. No site/building has been selected at this time and the project cost will need to be adjusted once more information becomes available.

PROJECT COSTS AND FUNDING SOURCES:  
Funding source will come from Liquor Store Fund

|                               |                           |
|-------------------------------|---------------------------|
| PROJECT STARTING DATE: 2023   | Preliminaries:            |
| PROJECT COMPLETION DATE: 2023 | Land Acquisition:         |
|                               | Construction: \$1,000,000 |
|                               | Equipment and Other:      |
|                               | Project Cost: \$1,000,000 |

CITY OF TWO HARBORS, MN  
CAPITAL IMPROVEMENT PLAN  
2021 THRU 2026

PROJECTS BY DEPARTMENT - CAMPGROUND

| Department                               | 2022           | 2023           | 2024           | 2025          | 2026          |
|--|----------------|----------------|----------------|---------------|---------------|
| <b>Campground</b>                        |                |                |                |               |               |
| Campground Road Replacement w/ Utilities | 350,000        | 250,000        | 250,000        |               |               |
| Campground Placeholder                   |                | 29,000         | 29,850         | 30,750        | 31,700        |
| <b>Campground Total</b>                  | <b>350,000</b> | <b>279,000</b> | <b>279,850</b> | <b>30,750</b> | <b>31,700</b> |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|  |                               |
|--|-------------------------------|
| PROJECT TITLE: Campground-Road Replacement & Utility Project | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: CAMPGROUND                                 | \$350,000                     |
| DESCRIPTION: Campground-Road Replacement Project             |                               |

**JUSTIFICATION:** The campground road is deteriorating, it was the recommendation of the Public Works Director to complete the project in phases, this will eliminate major disruption to the camping season. The sewer project is located in the middle area of Burlington Bay Campground. When sewer and water were originally installed in this area of the campground, gravity sanitary sewer did not exist along Trunk Highway 61; therefore a lift station and force main were required. Gravity sewer was extended along Highway 61 in the 1980s. This provides opportunity to connect sewer from the middle area of the Burlington Bay Campground to the sewer along Highway 61 with a gravity connection. Doing so would allow the existing campground lift station to be eliminated, which will reduce the operation and maintenance costs for the City. The installation of this sewer is intended to be done when the roads in this portion of the campground are resurfaced, to achieve this project in the most cost-effective manner. The project will begin in Spring 2022 with pavement being completed in Fall 2022.

**PROJECT COSTS AND FUNDING SOURCES:**  
Funding source will come from Campground

|                               |                                |
|-------------------------------|--------------------------------|
| PROJECT STARTING DATE: 2022   |                                |
| PROJECT COMPLETION DATE: 2022 |                                |
|                               | Preliminaries:                 |
|                               | Land Acquisition:              |
|                               | Construction:                  |
|                               | Equipment and Other: \$350,000 |
|                               | Project Cost: \$350,000        |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|  |                               |
|--|-------------------------------|
| PROJECT TITLE: Campground-Road Replacement & Utility Project | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: CAMPGROUND                                 | \$250,000                     |
| DESCRIPTION: Campground-Road Replacement Project             |                               |

JUSTIFICATION: The campground road is deteriorating, it was the recommendation of the Public Works Director to complete the project in phases, this will eliminate major disruption to the camping season.

PROJECT COSTS AND FUNDING SOURCES:  
Funding source will come from Campground

|                               |                                |
|-------------------------------|--------------------------------|
| PROJECT STARTING DATE: 2023   | Preliminaries:                 |
| PROJECT COMPLETION DATE: 2023 | Land Acquisition:              |
|                               | Construction:                  |
|                               | Equipment and Other: \$250,000 |
|                               | Project Cost: \$250,000        |

CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026

|                              |                               |
|------------------------------|-------------------------------|
| PROJECT TITLE: PLACEHOLDER   | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: CAMPGROUND | \$29,000                      |
| DESCRIPTION: PLACEHOLDER     |                               |

**JUSTIFICATION:** Placeholder is for future capital purchases yet identified.

PROJECT COSTS AND FUNDING SOURCES:  
Funding source will come from Camground

|  |  |                      |          |
|--|--|----------------------|----------|
| PROJECT STARTING DATE: 2023<br><br>PROJECT COMPLETION DATE: 2023 |  |                      |          |
|  |  |                      |          |
|  |  | Preliminaries:       |          |
|  |  | Land Acquisition:    |          |
|  |  | Construction:        |          |
|  |  | Equipment and Other: | \$29,000 |
|  |  | Project Cost:        | \$29,000 |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|  |                               |
|--|-------------------------------|
| PROJECT TITLE: Campground-Road Replacement Project | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: CAMPGROUND                       | \$250,000                     |
| DESCRIPTION: Campground-Road Replacement Project   |                               |

JUSTIFICATION: The campground road is deteriorating, it was the recommendation of the Public Works Director to complete the project in phases, this will eliminate major distruption to the camping season.

PROJECT COSTS AND FUNDING SOURCES:  
Funding source will come from Campground

|                               |                      |           |
|-------------------------------|----------------------|-----------|
| PROJECT STARTING DATE: 2024   | Preliminaries:       |           |
| PROJECT COMPLETION DATE: 2024 | Land Acquisition:    |           |
|                               | Construction:        |           |
|                               | Equipment and Other: | \$250,000 |
|                               | Project Cost:        | \$250,000 |



CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026

|                              |                               |
|------------------------------|-------------------------------|
| PROJECT TITLE: PLACEHOLDER   | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: CAMPGROUND | \$29,850                      |
| DESCRIPTION: PLACEHOLDER     |                               |

JUSTIFICATION: Placeholder is for future capital purchases yet identified.

PROJECT COSTS AND FUNDING SOURCES:  
Funding source will come from Camground

|  |  |                               |
|--|--|-------------------------------|
| PROJECT STARTING DATE: 2024<br><br>PROJECT COMPLETION DATE: 2024 |  |                               |
|  |  |                               |
|  |  | Preliminaries:                |
|  |  | Land Acquisition:             |
|  |  | Construction:                 |
|  |  | Equipment and Other: \$29,850 |
|  |  | Project Cost: \$29,850        |

**CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026**

|   |  |
|---|--|
| PROJECT TITLE:   PLACEHOLDER  | ESTIMATED TOTAL PROJECT COST:                                    |
| PROJECT CATEGORY:       CAMPGROUND  | \$30,750   |
| DESCRIPTION:   PLACEHOLDER  |  |
| <p>JUSTIFICATION:   Placeholder is for future capital purchases yet identified.</p>     |  |
| <p>PROJECT COSTS AND FUNDING SOURCES:<br/>Funding source will come from Camground</p>   |  |
| <p>PROJECT STARTING DATE:           2025</p> <p>PROJECT COMPLETION DATE:       2025</p> |  |
|   | Preliminaries:   |
|   | Land Acquisition:  |
|   | Construction:  |
|   | Equipment and Other: <span style="float: right;">\$30,750</span> |
|   | Project Cost: <span style="float: right;">\$30,750</span>        |

CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026

|   |  |
|---|--|
| PROJECT TITLE:   PLACEHOLDER  | ESTIMATED TOTAL PROJECT COST:                                    |
| PROJECT CATEGORY:       CAMPGROUND  | \$31,700   |
| DESCRIPTION:   PLACEHOLDER  |  |
| <p>JUSTIFICATION:   Placeholder is for future capital purchases yet identified.</p>     |  |
| <p>PROJECT COSTS AND FUNDING SOURCES:<br/>Funding source will come from Camground</p>   |  |
| <p>PROJECT STARTING DATE:           2026</p> <p>PROJECT COMPLETION DATE:       2026</p> |  |
|   | Preliminaries:   |
|   | Land Acquisition:  |
|   | Construction:  |
|   | Equipment and Other: <span style="float: right;">\$31,700</span> |
|   | Project Cost: <span style="float: right;">\$31,700</span>        |

CITY OF TWO HARBORS  
CAPITAL IMPROVEMENT PLAN  
2022-2026

|                              |                               |
|------------------------------|-------------------------------|
| PROJECT TITLE: PLACEHOLDER   | ESTIMATED TOTAL PROJECT COST: |
| PROJECT CATEGORY: CAMPGROUND | \$28,150                      |
| DESCRIPTION: PLACEHOLDER     |                               |

**JUSTIFICATION:** Placeholder is for future capital purchases yet identified.

PROJECT COSTS AND FUNDING SOURCES:  
Funding source will come from Camground

|                          |      |                               |
|--------------------------|------|-------------------------------|
|                          |      |                               |
| PROJECT STARTING DATE:   | 2022 | Preliminaries:                |
| PROJECT COMPLETION DATE: | 2022 | Land Acquisition:             |
|                          |      | Construction:                 |
|                          |      | Equipment and Other: \$28,150 |
|                          |      | Project Cost: \$28,150        |