

City of Spencer

Work Session Minutes

Purpose: Needs Assessment and Capital Improvement Plan (CIP)

A work session was held on July 16, 2026, to review the City's current needs and develop priorities for the Capital Improvement Plan (CIP). Mayor Farmer noted that the last needs assessment and CIP work session was conducted on July 16, 2024. Since that time, the City has completed numerous projects; however, significant work remains to continue improving the City of Spencer.

Mayor Farmer presented the following topics for discussion to obtain the Board's input and establish priorities for moving the City forward.

1. City Hall, Maintenance Building, and Grounds

Mayor Farmer presented two long-term options for consideration:

Option 1: Continue maintaining and repairing the existing City Hall building and grounds while constructing a new maintenance building.

Option 2: Relocate City Hall to a more centralized location within the city.

Discussion included the history of the current municipal building's location, which was originally selected due to its proximity to the City's former wastewater treatment plant. Since the City no longer operates the utility, relocating City Hall has become a viable option. Following discussion, the Board expressed its desire to explore opportunities for relocating City Hall to a more centralized location within the city to better serve residents and the community.

2. Public Works

Tractor and Bushhog

Mayor Farmer informed the Board that both the City's tractor and bushhog are currently out of service. Tractor Issues: Tractor is undersized for the existing bushhog, resulting in significant mechanical damage. Additional repairs include replacement of the door, starter, battery, and repair of an engine oil leak. Estimated repair cost: \$10,000–\$15,000 or more. Bushhog Issues: The bushhog sling is damaged. Repair costs are expected to be substantial.

Due to the equipment failure, the Van Buren County Highway Department has temporarily loaned the City a tractor and bushhog to maintain roadside mowing. After discussion, the Board expressed its desire to declare the City's tractor and bushhog surplus property and obtain estimates for the costs of contracting mowing services versus purchasing replacement equipment.

Culvert Policy

Mayor Farmer reviewed the City's current culvert policy, adopted on November 20, 2023, which requires a \$500 fee covering the purchase and installation of culverts within the city limits.

Discussion noted that, following the utility merger, the City no longer owns the equipment necessary to install culverts. Additionally, increased material, equipment rental, and labor costs have made the \$500 fee insufficient to cover expenses.

Following discussion, the Board agreed that the City's culvert installation policy should be discontinued and that property owners should assume responsibility for all costs associated with purchasing and installing culverts.

Salt Spreader

Mayor Farmer discussed ongoing mechanical issues with the City's salt spreader. The auger is not adequately sized to support the weight of the salt while operating. The Van Buren County Highway Department mechanic believes a barrier could be installed to reduce the weight placed on the auger; however, there is no guarantee that the modification will resolve the issue. The Board agreed to allow the county mechanic to attempt the repair before considering the purchase of replacement equipment.

Street Paving and Maintenance

Mayor Farmer reviewed the City's current street paving needs. Numerous streets require resurfacing and/or restriping, with some not having received improvements since the mid-1970s.

Streets identified as having significant needs include:

Van Buren Bluffs

Medical Circle

Spencer Drive

Short Street

Woodlee Street

Paige Street

Davis Lane

Mayor Farmer also reviewed the City's current financial obligations related to street improvements. The City continues to make annual payments of

approximately \$42,500 on the 2019 Capital Outlay Note for previous paving projects, with five years remaining on the loan.

The projected Street Fund revenue for Fiscal Year 2025–2026 is approximately \$47,600. After the annual loan payment, approximately \$5,100 remains available for routine street maintenance, including pothole repairs and replacement of street signs.

Current estimates indicate that paving and striping 13 streets, along with restriping 4 additional streets, would cost approximately \$1 million. Mayor Farmer stated that the City will eventually need to determine whether to complete paving projects incrementally or pursue funding for a comprehensive paving program. Future decisions will depend on identifying affordable funding sources. Until that time, the City will continue routine pothole repair and street patching as necessary.

Adjournment

The work session concluded after discussion of the above items. No formal action was taken. The Board's discussion and consensus will be used in developing the City's future Needs Assessment and Capital Improvement Plan.