



Quarterly Administrator Project & Strategic Initiatives Update

September 2026 | Progress since the first-quarter update

AGENDA ITEM: Quarterly Administrator Update - April–September 2026
PREPARED BY: Jacob Schillander, City Administrator
RECOMMENDED ACTION: Receive update; provide direction where identified

Executive Dashboard

Since the first-quarter update, the City has advanced development, infrastructure, facility planning and administrative improvements. Industrial Street paving and Downtown water and sewer work are complete. Staff is preparing upcoming Council decisions on Equinox, professional services and other separately scheduled items, while assembling facility and water-system costs for future direction.

Reporting basis: Progress since the first-quarter report, using April–September weekly updates and the Administrator's current updates for this September report. Scheduled actions remain pending. Items designated for separate agenda discussion are identified where appropriate.

Initiative	Status	Next milestone / Council role
Maple & Main	In progress	Footings planned; garage precast expected March 2027. Informational.
Equinox / TIF 2-2	Action scheduled	September 28 hearing; October 8 special meeting for district and agreements.
Street projects	In progress	Industrial punch list before snowfall; Downtown work continues. Final wear course fall 2027.
Medina water	Pre-bid coordination	Spring 2027 work; Council approval of bids required.
Parks / pavilion	Planning underway	Wood chips this week; County Park Grants submitted after unsuccessful DNR applications. Pavilion timing depends on cost and financing.
Water facilities	Review underway	Engineering, forensics and security costs to return for Council direction.

Executive Dashboard Continued

Initiative	Status	Next milestone / Council role
Utility billing / I&I	Review underway	2025 full-year review; combined billing, irrigation-meter and ordinance presentation.
Five-year CIP	Corrections pending	Corrected Abdo draft and fee questions remain outstanding.
City sign	Ordered	Alternative site under MnDOT review; approval expected but pending.
Public Works	Improvement observed	Continue monitoring PeopleService performance.
Office cybersecurity	Systems secured	Evaluate ConnectWise and alternative remote-access solutions.
Collision Corner	Direction requested	Consider violation notice; further enforcement if noncompliance continues.
1660 Spring Avenue	Separate agenda item	Discussion at the same meeting as this update.
City Hall	Review underway	Updated layout, County terms, construction estimate and financing to return to Council.
Accounting / audit	Approval requested	September 28: three-year CLA Accounting Services agreement and CDS Audit Services.
Snow removal	Proposals open	September 24 deadline; recommendation at October business meeting.
Digital systems	Transition underway	Agenda training late September; website timeline unset; BS&A approval September 28.
Tower lease	County review	Cost concerns may affect feasibility; no final decision.
Fire Relief	Closeout underway	September 23 payout approval; \$6,000 paid; State reimbursement paperwork next.
Council matters	Follow-up / approval	Pearson orientation follow-up; 2027 compensation approval September 28.

Other ongoing items: City Design Guidelines review has not started. The broader in-house versus contracted-services comparison is ongoing, with more detailed review anticipated during preparation of the 2028 budget.

Development & Economic Development

Maple & Main

Current status: The groundbreaking was held September 9. Footing excavation is planned. Precast for the basement garage is expected in March 2027. The site will be secured with chain-link fencing around the property perimeter.

Next steps: Proceed with footing work and secure the site while awaiting precast delivery.

Council action / direction needed: Informational update; no Council action or direction needed.

Equinox Townhomes and TIF District 2-2

Current status: Development and redevelopment TIF review advanced, including the applicant's request to discuss extending the TIF term from 20 to 26 years. Council will hold the public hearing September 28. A special meeting is scheduled October 8 to consider approval of the establishment of TIF District 2-2 and agreements with the developer.

Next steps: Complete the hearing and present the district-establishment and developer-agreement materials for the October 8 special meeting.

Council action / direction needed: Hold the September 28 public hearing and consider approval of TIF District 2-2 and developer agreements October 8.

Northshore Gymnastics

Current status: The City is allowing the project to proceed. Full payment of fees is expected by the end of September. No further project update is identified at this time.

Next steps: Track receipt of the full fee payment by the end of September.

Council action / direction needed: Informational update; no additional Council action identified.

City Design Guidelines

Current status: Review of the City Design Guidelines has not begun. A review schedule has not been established.

Next steps: Establish a review scope and schedule when the work is advanced.

Council action / direction needed: No action requested at this time.

Infrastructure & Capital Projects

2026 Downtown and Industrial Street work

Current status: Industrial Street has been paved. A few punch-list items remain and are expected to be completed before snowfall. Downtown water and sewer work is complete; street construction, paving, curb and gutter remain. Remaining stormwater work is behind the Public Works shop.

Next steps: Complete the Industrial Street punch list and remaining Downtown work. Sidewalks along Maple & Main will be completed in 2027 to avoid construction damage. The final wear course is planned for fall 2027, rather than spring, to avoid impacts from heavy equipment associated with the Maple & Main development.

Council action / direction needed: Informational update; no Council action or direction needed.

Medina water project

Current status: Staff is working with Xcel on power locations for the meter boxes and with Medina on temporary water connections. Construction is planned for spring 2027.

Next steps: Complete coordination, solicit bids and present the bids to Council.

Council action / direction needed: Council will need to approve the bids.

2026 parks CIP and 2027 park improvements

Current status: Wood-chip ordering was deferred while awaiting DNR grants, which the City did not receive. Installation is now scheduled for this week. The City has since submitted applications for Hennepin County Park Grants. Staff will seek a quote from DJR Architects for schematic design of the Veterans' Memorial Park pavilion.

Next steps: Complete wood-chip installation, track grant applications and obtain the schematic-design quote. Develop cost and financing information before establishing a pavilion construction schedule. Early 2027 construction is not a commitment.

Council action / direction needed: Future pavilion decisions depend on estimated costs and available financing; no construction schedule is ready for approval.

Sewer billing, irrigation meters and water-meter technology

Current status: Staff created business service/rate categories, obtained a cellular meter-radio quote, and developed the annual Senior Water Rate Program application and renewal notices. Utility-billing work continued, although a corrupt Banyon file caused lost work in August. Staff is reviewing water and sewer billing for the full 2025 calendar year. Edits to the inflow and infiltration (I&I) inspection ordinance have been prepared. Optional irrigation meters will be addressed with these related matters.

Next steps: Complete the annual billing review and bring the billing, irrigation-meter and I&I ordinance matters to Council together.

Council action / direction needed: Review the combined package when ready; staff is holding the presentation until the interconnected matters can be considered together.

Five-year Capital Improvement Plan

Current status: Staff has been working with Abdo to obtain a correct five-year CIP draft. Abdo proposed additional charges for updates; staff has disputed those charges.

because prior drafts still required corrections. Staff believes Abdo is working on revisions, but delivery timing is unconfirmed.

Next steps: Review the corrected draft.

Council action / direction needed: No decision-ready plan is available at this time.

City sign installation

Current status: The electronic sign was repaired in June. The original property owner was not comfortable granting an easement. Kevin worked with MnDOT to identify an alternative location that staff considers a better placement. The new location is undergoing MnDOT review; approval is expected but has not been received. The sign has been ordered.

Next steps: Complete the location review and coordinate installation after approval.

Council action / direction needed: No Council action identified at this time; MnDOT approval remains pending.

Public Works service performance

Current status: The Administrator has observed improved Public Works service performance since the meeting with PeopleService's president.

Next steps: Continue monitoring service performance.

Council action / direction needed: Informational update; no Council action identified.

Water Plant & Cybersecurity

Water-plant incident response and SCADA security

Current status: Following coordination with agencies, insurers and vendors, the system was brought back online, network access was restricted, and alarm notifications were expanded. Individual credentials and multifactor authentication were required, and full compliance has been confirmed. Staff has received a review with recommendations from Bolton & Menk's water-plant engineer and is evaluating it. The written cyber-forensics report is still pending; the Administrator will summarize it for Council. Staff is investigating fiber installation costs at City facilities as part of security and connectivity improvements.

Next steps: Complete the engineering review; obtain and summarize the forensic report; obtain quotes for replacing unsupported programmable logic controllers (PLCs); and obtain a Verkada quote for security upgrades at the water facilities. Assemble costs and recommendations for Council.

Council action / direction needed: Provide direction once the recommendations and costs have been assembled.

Office cybersecurity and remote-access recovery

Current status: Staff reports that all office computers and the server have been secured. Staff is evaluating whether ConnectWise remains the best remote-access option or whether a different solution should be used.

Next steps: Complete the remote-access evaluation and identify any recommended change. Restoration of remote access is not confirmed in this update.

Council action / direction needed: No immediate Council action identified; any recommended change can be presented when developed.

Code Enforcement & Property Issues

1660 Spring Avenue hazardous-building matter

Current status: Staff and the building inspector investigated the property condition, coordinated with legal counsel and Metro West, and issued the abatement notice. This property will be discussed under a separate agenda item at the same meeting as this quarterly update.

Next steps: Address the current conditions, options and recommended response through that agenda item.

Council action / direction needed: Discussion and any direction will occur under the separate agenda item.

Collision Corner

Current status: Council revoked the IUP in Q2, and notice of the IUP revocation was sent in Q3. Vehicles continue to be listed for sale outside. Staff has not confirmed whether auto-body painting is occurring.

Next steps: If directed by Council, provide notice of the violation and require compliance. If noncompliance continues, pursue the District Court enforcement step outlined by the Administrator in coordination with the City Attorney.

Council action / direction needed: Determine whether to direct staff to issue a violation notice requiring compliance. Further enforcement would return for the necessary Council action and coordination with counsel.

City Hall & Facilities

Future City Hall and potential library co-location

Current status: Staff has discussed City Hall options and potential library co-location. Staff met with DJR Architects and made revisions to the layout. Staff will review the updated layout and work with the County on deal points and costs.

Next steps: Obtain an estimated construction cost and evaluate financing options alongside the updated layout and County discussions. Bring the assembled information to Council.

Council action / direction needed: Provide direction once the layout, deal points, estimated costs and financing options are available.

Museum relocation and existing facilities

Current status: Museum cleanout and demolition were completed in Q3, and the storage container was relocated. No further museum updates are available at this time.

Next steps: No new next steps are reported. Replacement-facility and other previously identified facility work remain unconfirmed.

Council action / direction needed: No action requested in this update.

Finance, Budget & Administrative Services

Accounting and audit services

Current status: Staff obtained and compared accounting-services proposals and received a CDS audit quote. An August update described CLA's quote as \$61,000 lower. Staff will recommend a three-year agreement with CLA for Accounting Services and selection of CDS for Audit Services. Council approval will be requested at the September 28 business meeting.

Next steps: Present the agreements and recommendations for Council consideration and coordinate the transition following approval.

Council action / direction needed: Consider approval of the CLA Accounting Services agreement and CDS Audit Services September 28.

Snow removal and service-delivery comparison

Current status: The City is soliciting snow-removal proposals for the coming winter. The submission window closes September 24. The broader comparison of in-house and contracted services remains ongoing, with a more detailed review anticipated during preparation of the 2028 budget.

Next steps: Review snow-removal proposals and bring a recommendation to the October business meeting. Continue the broader service-delivery comparison as budget planning advances.

Council action / direction needed: Consider the snow-removal recommendation at the October business meeting. No broader service-model decision is requested now.

Administrative software, website and agenda management

Current status: Training for the new agenda-management software is scheduled for the end of September. Kevin is coordinating the website work; the Administrator completed the survey and Municipal One is working on it. No website timeline has been established. BS&A is a separate item on the same agenda as this update.

Next steps: Complete agenda-management training and continue website coordination. Present BS&A for Council approval at the September 28 business meeting.

Council action / direction needed: Consider BS&A approval under its separate September 28 agenda item.

Hennepin County tower lease

Current status: The latest response indicates that Hennepin County's Board counsel is still reviewing the tower lease. The County expressed concern that the increased cost may make proceeding untenable. No final decision has been communicated.

Next steps: Follow up on the County's review and determine whether agreement on terms remains feasible.

Council action / direction needed: No decision-ready amendment is identified at this time.

Fire, Police & Emergency Management

Fire Relief dissolution and PERA payout closeout

Current status: Following staff support for the pension legislation, the membership authorized beginning dissolution and benefit payouts. Payout approval is scheduled for the September 23 Fire Relief meeting. The City has paid the \$6,000 supplemental benefit to Fire Relief and will submit paperwork for State reimbursement.

Next steps: Complete the Fire Relief payout and closeout process and submit the reimbursement paperwork. Fire-related ordinance and JPA updates will follow Fire Relief closeout.

Council action / direction needed: No further Council action is needed for Fire Relief itself. Subsequent fire-related ordinance and JPA updates will be brought forward after closeout.

Governance & Council Development

Council orientation and operating knowledge

Current status: The Administrator met with Councilmember Pearson and provided reading material. The Administrator will meet again with Councilmember Pearson after he reviews the materials already provided. LMC's newly elected officials training has not yet been posted; information is expected closer to year-end.

Next steps: Hold the follow-up orientation and share LMC training information when available.

Council action / direction needed: No formal Council action requested.

Council compensation for 2027

Current status: Council compensation for 2027 will be on the September 28 agenda for approval.

Next steps: Present the proposed compensation action at the September 28 meeting.

Council action / direction needed: Consider approval of Council compensation for 2027 September 28.