



Legislation Details (With Text)

File #:	16-032	Name:	
Type:	Agendas	Status:	Agenda Ready
File created:	1/20/2016	In control:	Board of Aldermen
On agenda:	1/26/2016	Final action:	
Title:	Capital Improvement Program Update PURPOSE: To provide Board of Aldermen with an update on the Town's Capital Improvement Program (CIP),		
Indexes:			
Code sections:			
Attachments:	1. SUMMARY OF PROPOSED CIP PROJECT COSTS - UPDATE 12-2015, 2. SUMMARY OF TOTAL COSTS AND FUNDING SOURCES, 3. STATUS OF CURRENT PROJECTS		

Date	Ver.	Action By	Action	Result
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TITLE:**Capital Improvement Program Update**

PURPOSE: To provide Board of Aldermen with an update on the Town's Capital Improvement Program (CIP),

CONTACT INFORMATION: Arche McAdoo, 918-7439

INFORMATION: The Capital Improvement Program (CIP) is a planning tool that seeks to develop a plan for meeting the Town's immediate and long-term capital needs. It identifies needed capital investments for property, plant or equipment acquisitions and renovations to implement the Board of Aldermen's vision and strategic priorities for the Town. The Board's ultimate goal is to create and maintain Carrboro as a sustainable community that is a highly desirable place to live, with emphasis on quality of life policies such as walkability, environmental protection, recreation and local economic development.

Funding for projects and activities in the CIP is done through appropriation in the operating budget or enactment of project ordinance by the Board of Aldermen. Adjustments for project costs may be made each year during development of the annual operating budget.

Town staff develops and maintains a projection of capital projects for the next six years based on previous capital plans, community needs assessments, and projects approved by the Board of Aldermen.

The CIP includes:

1. Renovation, replacement or construction projects that cost \$100,000 or more; large in size; irregular in frequency; and involve assets that last for many years;
2. Vehicles and capital equipment that cost \$25,000 or more per item for additions and/or replacements;
3. Information Technology (IT) projects which cost \$50,000 or more and are designed to increase or provide new technological capacity. IT projects related to software replacements, upgrades or

maintenance costs are provided for in the annual operating budget.

Attachment A includes list of all projects by category with projected revenue sources that equal expenditures.

Funds appropriated for study or evaluation of facilities and infrastructure that total less than \$50,000 are not included as part of a project's cost. The CIP document includes a financial analysis and impact of the CIP on the Town's operating budget and debt levels. Issuing debt is appropriate when facilities have a long life. Debt service payments spread the costs over the life of the facility.

On February 3, 2015 the Board of Aldermen received a comprehensive Capital Improvements Program (CIP) for FY 2015-16 through FY 2020-21. This year we have not compiled a comprehensive document. Rather we present an update of the adopted CIP for FY 2015-16 through 2020-21. In addition to a status of current capital projects, we have identified new projects or major changes that may need to be considered in formulating the FY 2016-17 operating budget.

Overall the total cost of the CIP has increased by \$558,159 or 1% from \$49.3 to \$49.9 million. The increase in Current Projects reflects projects that were funded in the FY 2015-16 budget that were previously in the New Projects category.

In terms of anticipated revenues for CIP projects, the mix of funding remains essentially unchanged. Additional intergovernmental revenues have been acquired or identified that will require additional Town revenues as a match for the additional revenues. See Attachment B for summary of total costs by category and identified funding sources.

CURRENT PROJECTS

Attachment C shows the status of each current project (i.e. funds have been appropriated by the Board in whole or part for the project).

STOMWATER MANAGEMENT

In addition to the mandated retrofits under current projects, the Town is exploring options to address a number of flood prone areas in Town. One option under review is the possible creation of a storm water utility.

VEHICLES/EQUIPMENT

The schedule of vehicles and equipment replacement is essentially unchanged. As in the past, all vehicles and/or equipment for replacement will be re-prioritized during development of the FY 2016-17 operating budget. The Town does not intend to add to the current fleet of vehicles and equipment.

TECHNOLOGY

In addition to the current technology projects noted above, the Police Department has proposed the acquisition of a Firearms Training Simulator (FATS) in FY 2016-17. This will provide reality based use of force training in-house for officers that focuses on threat recognition, decision making under stress, and de-escalation techniques. The estimated cost to acquire a FATS is \$92,000 would be paid for using federal seizure funds carried over from last fiscal year.

FISCAL AND STAFF IMPACT: None at this time.

RECOMMENDATION: That Board of Aldermen accept this update on the Capital Improvement Program.