



## Legislation Text

**File #:** 19-86, **Version:** 1

### **TITLE:**

Capital Improvement Plan FY 2019-20 through FY 2023-24

**PURPOSE:** To present a report to the Board of Aldermen on the proposed Capital Improve Plan (CIP) for FY 2019-20 through FY 2023-24

**DEPARTMENT:** Town Manager and Finance

**CONTACT INFORMATION:** David Andrews, 919-918-7315; Arche McAdoo, 919-918-7439

**INFORMATION:** The updated CIP for FY 2019 through FY 2023-24 (Attachment B) concentrates on the completion of current projects, renovation of current facilities, storm water improvements and financing the 203 Project. The CIP through FY 2023-24 totals \$47.5 million and includes \$22.7 million for projects that are currently underway; and \$24.8 million for new projects.

	<u>Previous</u>	<u>FY 2020- 24</u>	<u>Total</u>
<b>PROJECT COSTS</b>	<b><u>Appropriations</u></b>	<b><u>Request</u></b>	<b><u>Project Costs</u></b>
Current Projects	\$ 22,626,249	\$ 3,267,750	\$ 25,893,999
New Projects		\$ 16,134,924	\$ 16,134,924
Vehicles/Equipment		\$ 2,867,720	\$ 2,867,720
Technology Projects	\$ 155,000	\$ 258,000	\$ 413,000
Storm Water Projects		\$ 2,268,672	\$ 2,268,672
<b>TOTAL ALL PROJECTS</b>	<b>\$ 22,781,249</b>	<b>\$ 24,797,066</b>	<b>\$ 47,578,315</b>

The largest project underway is the 203 Project with an estimated cost of \$15.6 million. This is a joint development between the Town and Orange County to develop facility to house the Orange County Southern Branch Library, Town recreational programs, and other possible uses. The County is expected to contribute \$6.6 million and the Town anticipates using a combination of cash and debt financing to covers its \$9.0 million share. Financing for this project is anticipated in FY 2021. The final costs for the 203 Project may change as the final design and construction plans are finalized.

Renovation of existing Town facilities continues to be a need and high priority. In 2022 and 2023 we anticipate needing \$6.2 million for renovation of Town Hall, Century Center and Fire Station #1. Over the next year as Public Works completes its assessment of these facilities, the costs will be refined. While we anticipate, at this point, issuing debt for these renovations in 2023, we may be able to use some combination of cash, depending upon final cost estimates and the over financial condition of the Town. In 2020 funds are identified to undertake certain corrective actions to prevent further decline of facilities (i.e., roof replacement, basement water proofing, unpaved roads, sidewalk repairs, etc.). Also, we know that the Public Works facilities, located in a flood area, is in need of significant improvements. We are currently exploring the possibility of securing federal funds to relocate this facility to a non-flood area.

Capital projects for storm water management are included at an estimated cost of \$2.2 million over the next five years. These projects are to be funded by the Storm Water Fee established in FY 2018-19. The Storm Water Utility Enterprise Fund is expected to provide a stable and consistent source of funding to address storm water and flooding issues throughout the Town.

For replacement of vehicles and equipment, the Fleet Management Division in Public Works estimates a need for \$2.8 million over the next five years. Each year when the annual operating budget is developed, vehicles and equipment scheduled for replacement undergo another evaluation and priorities are established. Only the highest priorities are funded in the operating budget. The actual vehicles and equipment to be acquired in any given year will continue to be dependent upon the Town's financial condition and debt tolerance.

**FISCAL & STAFF IMPACT:** The CIP does not appropriate funding for capital projects. Rather, capital projects are funded by the Board of Aldermen through the adoption of a Capital Project Ordinance or in the annual General Fund budget.

**RECOMMENDATION:** That the Board of Aldermen accept the attached Report on the Capital Improvement Plan for FY 2019-20 through FY 2023-24 (Attachment A).