

**City Council
Agenda Memo**



**City Council
Meeting Date: 06/11/2015**

TO: Robert Hanna, City Manager

**FROM: Jon James, AICP
Director of Planning & Development Services**

SUBJECT: Public Hearing and Possible Vote on the 2015-2019 Capital Improvements Program.

GENERAL INFORMATION

The 2015-2019 Capital Improvements Program (CIP) is a five-year plan that identifies needed capital projects and coordinates the financing and timing of these projects. The first year of the CIP (2015) is referred to as “Capital Budget” and it represents the City Manager’s recommendation for expenditure of funds and annual Certificate of Obligation (C.O.) sale. Projects scheduled for subsequent years are approved for planning purposes only and do not receive expenditure authority until they are part of the Capital Budget. Qualifying projects include those with a minimum cost of at least \$25,000 and that have a minimum useful service life of at least 15 years. Examples of typical CIP projects include street and drainage improvements, building construction, purchase of land, installation of water/sewer lines, and repair/replacement of facilities/equipment.

The program began in October of 2014 with City Staff soliciting suggestions for projects from the public. This included web announcements, a news release, notices on City Cable Channel 7, a public hearing at the P&Z, and an on-line survey. City Departments then developed project proposals. Department Directors narrowed the list of projects, and issued a progress report to the P&Z in April 2015. In May the P&Z and forwarded a recommendation to the City Manager in accordance with the City Charter.

Significant Changes/Notes

Project #4020-07-99 Nth 5th Street Reconstruction (GRADUATED) An evaluation by Public Works determined reconstruction of this street section needed to be prioritized. The project has been proposed for graduation from the Unfunded List and accelerated to 2015. The cost of this project together with 4020-01-15 & 4030-01-12 (below) required rescheduling of a number of other CIP projects.

Project #4020-01-15 Miscellaneous Concrete Intersection Construction (NEW) This is a recurring project that is designed to receive funding at a target amount on an annual, basis. Recurring projects are not typically tied to a specific location. This provides flexibility to respond to emerging needs, opportunities, or concerns. This project had been previously funded in the CIP for a number of years in the past. Public Works has identified a need to reintroduce it back into the CIP.

Project #4030-01-12 14th St Signals (ACCELERATED) Public Works has identified a need to accelerate the replacement of traffic signals along this thoroughfare. This would advance the project ahead one year sooner. A slight increase in cost is also identified.

7120-01-05 Library Renovation (GRADUATED) This project was originally focused primarily on asbestos abatement. It has now been broadened in scope to deal with additional needs at the facility. It was recommended for graduation from the Unfunded List after it was removed from consideration as a potential Bond project.

7010-04-98 Playground Modernization & 7010-01-06 Ball Field Concession Buildings Community Services has reevaluated scheduling and prioritization of the elements to both of these multi-year and multi-location projects.

FUNDING/FISCAL IMPACT

The CIP “Capital” Budgets for years 2011-2014 were funded using excess reserve funds rather than through the issuance of Certificates of Obligations. Certificates of Obligation to fund proposed projects in 2015 can be funded within the current certificate debt tax rate policy of 10.7¢. Water and Wastewater projects proposed over the next 5 years will be funded through an enterprise fund. These costs will therefore be capitalized primarily through utility rates. No increase in the debt tax rate will occur because of issuance of certificates of obligations (C.O.’s) if approved as recommended.

BOARD OR COMMISSION RECOMMENDATION

The Planning and Zoning Commission conducted a public hearing on this item on May 4, 2015 and unanimously forwarded their recommendation for projects to the City Manager.

STAFF RECOMMENDATION

The City Manager recommends approval as shown.

| | | |
|---------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Report Prepared by: Name: Edward S. McRoy Title: <u>Assistant Director,</u> <u>Planning and Development</u> <u>Services</u> | Item No. <u>7.4 Page 2</u> | Disposition by City Council <input type="checkbox"/> Approved Ord/Res# <input type="checkbox"/> Denied _____ <input type="checkbox"/> Other _____ _____ City Secretary |
|---------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Resolution No _____

A RESOLUTION OF THE CITY COUNCIL OF ABILENE APROVING AND ADOPTING THE _____ CAPITAL IMPROVEMENTS PROGRAM.

WHEREAS, the City of Abilene strongly supports the use of a Capital Improvements Program (CIP) as a budgetary tool; and

WHEREAS, Article VI, Section 84 of the Abilene City Charter requires the Planning and Zoning Commission to submit annually to the City Manager, not less than 90 days prior to the beginning of the budget year, a list of capital improvements found necessary or desirable during the forthcoming five-year period; and

WHEREAS, the City of Abilene Planning and Zoning Commission on May 4, 2015 conducted a public hearing and approved a recommendation for the 2015-2019 Capital Improvements Plan; and

WHEREAS, upon full consideration of the matter including a public hearing, the City Council made such changes to the Proposed CIP which in their judgment are warranted and in the best interests of the residents of the City of Abilene.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ABILENE, TEXAS THAT;

- PART 1. The Capital Improvements Program (CIP) for 2015-2019, as submitted by the City Manager and adjusted by the City Council, containing estimates or resources and proposed expenditures for each planned project, is hereby approved and adopted.
- PART 2. The City Manager or designee is hereby authorized in accordance with City policy and State Law to expend funds and issue indebtedness through Certificates of Obligations as indicated in the attached Exhibit A for the funding of identified projects in the 2015 Capital Budget

ADOPTED this the _____ day of _____, 2015.

ATTEST:

Danette Dunlap, City Secretary

Norm Archibald, Mayor

APPROVED:

Dan Santee, City Attorney