

BOARD OF ALDERMEN

ITEM NO. D(4)

AGENDA ITEM ABSTRACT MEETING DATE: November 15, 2011

TITLE: Presentation of the Capital Improvements Program

DEPARTMENT: Management Services	PUBLIC HEARING: NO
ATTACHMENTS: A. Resolution B. Recommended Capital Improvements Plan, FY 2012-13 through FY 2017-18	FOR INFORMATION CONTACT: Matthew Efird, Interim Town Manager Arche McAdoo, Management Services Sandra Svoboda, Management Services

PURPOSE

The purpose of this item is to present the Board of Aldermen with an update of the Capital Improvements Program (CIP) for FY 2012-13 through FY 2017-18. A presentation of the CIP major changes will be provided.

INFORMATION

The CIP is a planning tool that is updated annually to reflect changes in the rolling six year plan for the repair, replacement and acquisition of capital items and facilities that also seeks to forecast capital demands together with future revenues and expenses. The updated CIP provides the Board an opportunity to review on a regular basis capital infrastructure needs and potential impact on the Town's overall financial position.

This year the CIP reflects significant accomplishments in capital infrastructure building. Reconstruction of Weaver Street is scheduled for completion in 2012. Construction of the Wilson Park Multi-Use Path (Bolin Creek Greenway) is expected to begin in early 2012. Planning and design of Morgan Creek greenway is underway. Street resurfacing as well as replacement of vehicles and equipment continues on a regular basis. Major projects such as development of Martin Luther King, Jr. Park and construction of the public works facility have been deferred to FY 2016-17 and beyond.

A major feature of the Town's CIP since 2003 is the \$4.6 million general obligation bond funded sidewalk and greenway construction projects to create a more walkable community. Through the use of Bond Anticipation Notes, the Town has completed all of Phase I-A and half of Phase I-B of the sidewalk plan. Prioritizing of sidewalks and greenways will continue as time and costs permit with plans of issuing the general obligation bonds by November 2013.

The Recommended CIP for FY 2012-13 through FY 2017-18 totals \$39.6 million, an increase of \$2.9 million from last year. This increase is primarily due to the addition of \$696,900 in FY 13-14 for storm water management projects due to Jordan Lake rules, and an additional \$1.0 million for greenway projects. Approximately 70% or \$27.7 million of this total is anticipated to be funded through general obligation bonds or installment financing. Of this total debt \$6.9 million will be to maintain the Town rolling stock and equipment.

FISCAL IMPACT

As shown on page 3.3 of the Recommended CIP booklet, the Town's overall per capita debt ratio (with additional debt) slightly exceeds the average but remains below the high level for jurisdictions with a population of 10,000 to 24,999. In FY 2016-17 the percentage of debt to the operating budget slightly exceeds the 10% threshold, which will require future adjustments in the operating budget and/or debt management.

STAFF RECOMMENDATION

The Board is requested to review the attached Recommended CIP and make suggestions or changes, and adopt the attached resolution.