

Proposed 2017 City of Duluth Capital Budget



Capital Planning and Bonding Process

Develop Capital Plan
August to October 2016

- Part of internal budget process
- Identifies projects, equipment and technology priorities

City Council Review
November 21, 2016

- Capital Plan is presented to Council during a Finance Committee meeting in the fall

Council Action
December 5, 2016

- Public hearings are held
- Resolution establishing bonding plan for coming year
- Resolution to approve list of 2017 capital equipment and intent to issue bonds to fund the capital equipment
- Resolution to approve 2017 capital improvement plan and intent to issue bonds to fund the capital improvement plan

**Equipment Purchased
Improvements Completed**
throughout 2017

- Council approves purchases for large equipment and improvements in accordance with the purchasing code

Bonds are Sold
November/December 2017

- Resolutions provide for the issuance, sale and delivery of bonds, and award the sale

Proposed 2017 Capital Budget

- **Facilities**
- **Streets and Bridges**
- **Parks and Trails**
- **Utilities Improvements**
- **Capital Equipment**

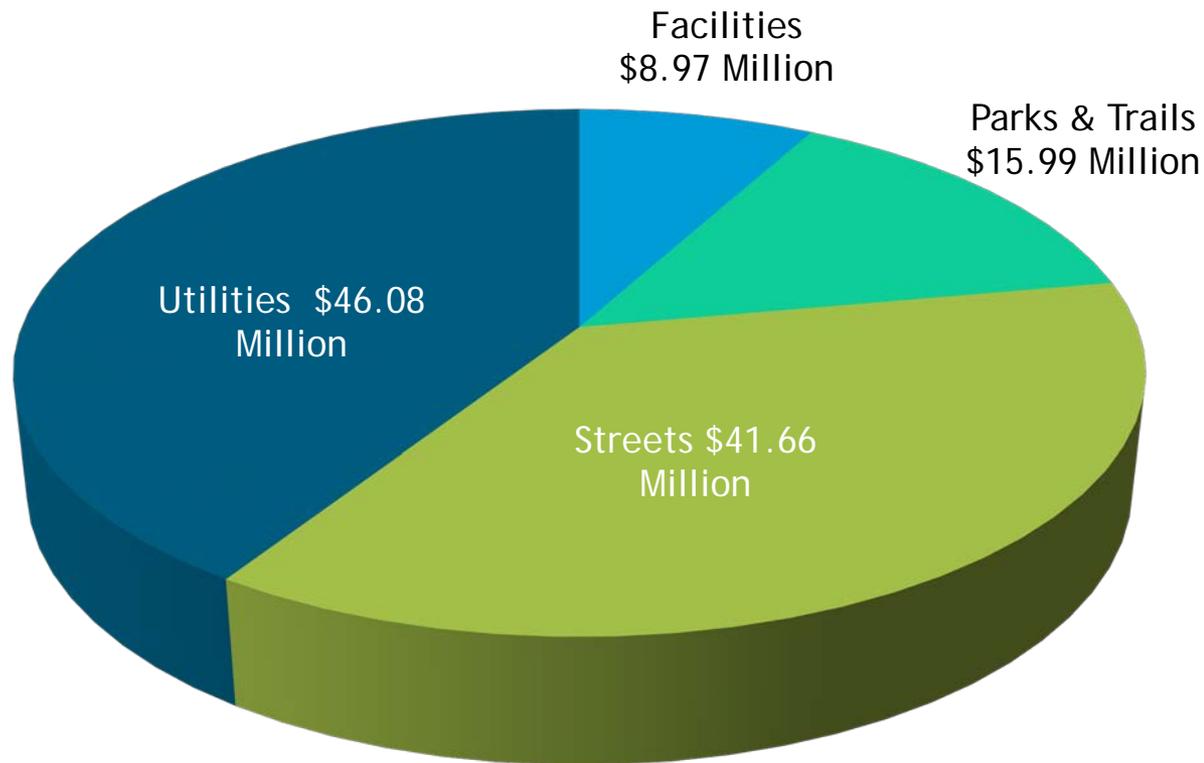


Council Presentation
November 21, 2016



Five Year Capital Improvement Plan

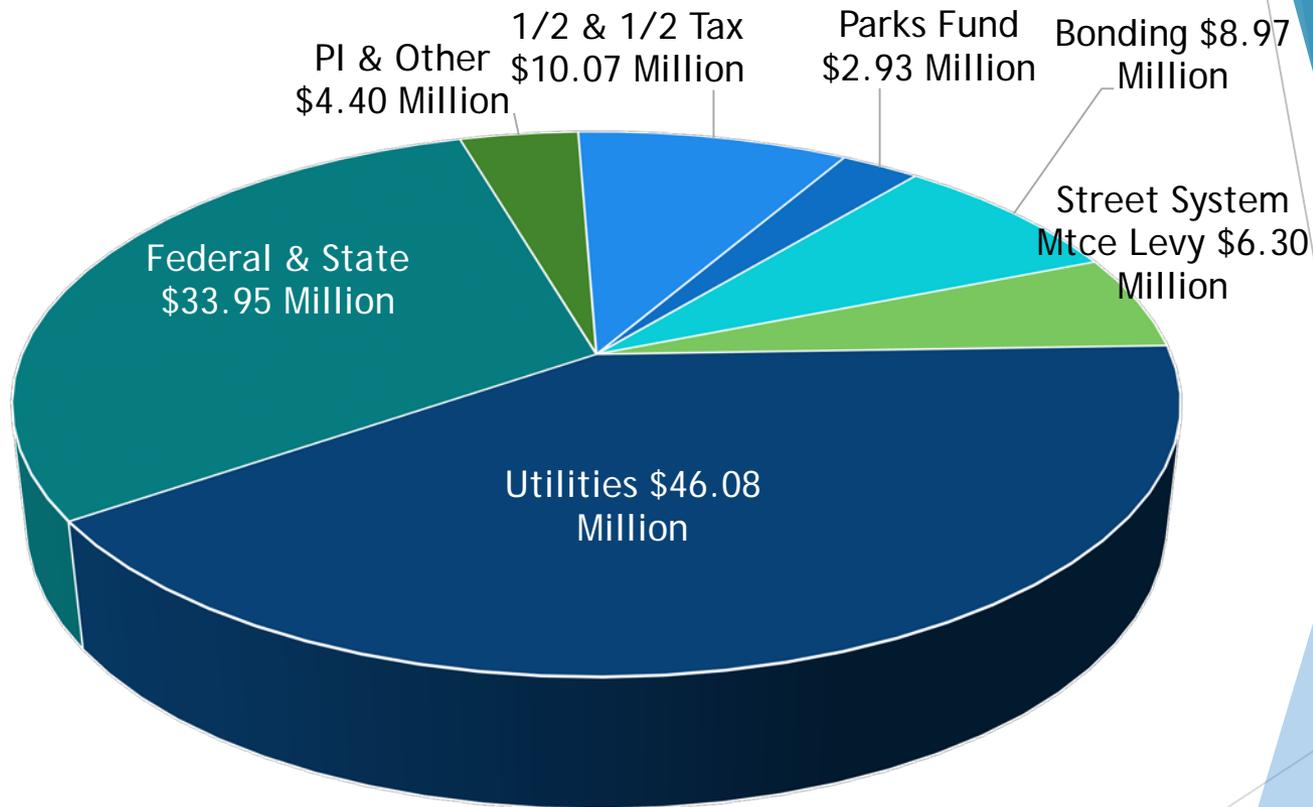
- Five year plan has identified improvement projects as follows:



5 Year Plan Total - \$112.7 Million

Five Year Capital Improvement Plan

- Five year plan has identified funding sources as follows:

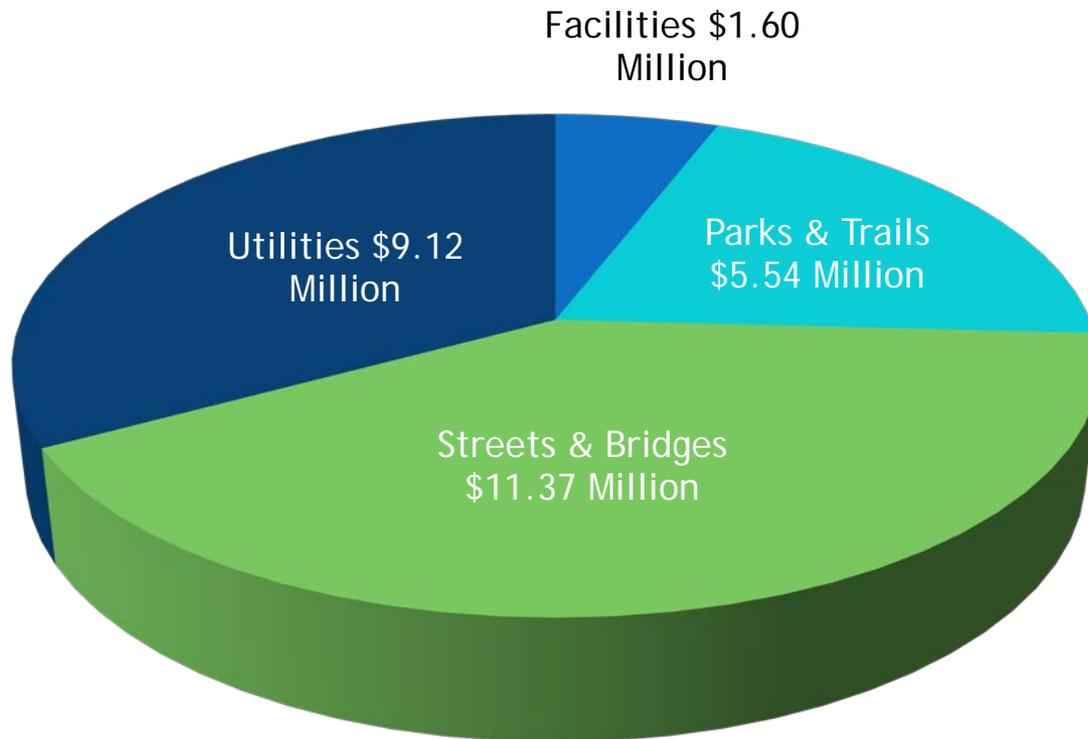


5 Year Plan Total - \$112.7 Million



2017 Capital Improvement Program

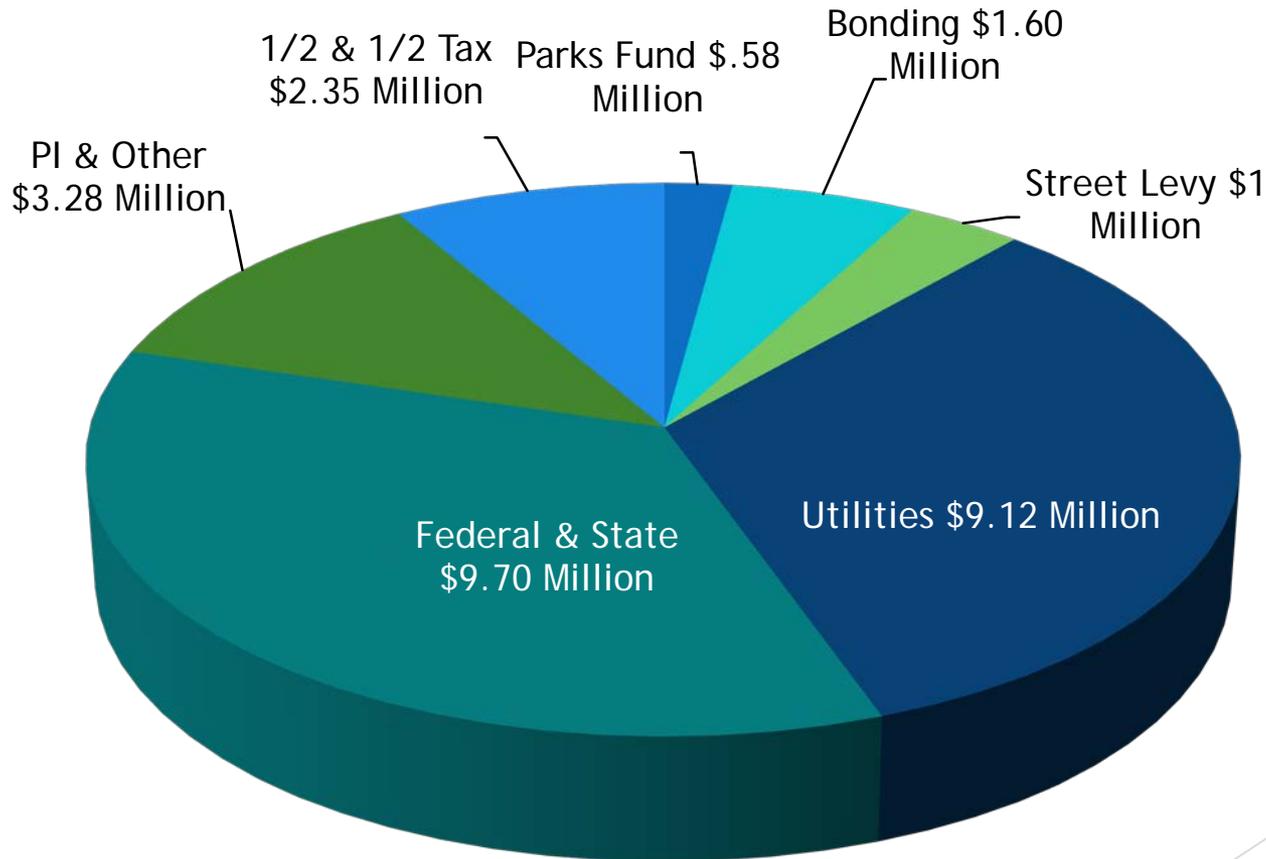
- ▶ Covers the City's physical plant and infrastructure including facilities, parks, trails, streets, bridges, and utilities.



Plan Total - \$27.63 Million

2017 Capital Improvement Plan

- ▶ Funding comes from a variety of sources as shown below.



Plan Total - \$27.63 Million



Facilities Capital Improvement Projects & Funding Sources

Capital Planning Process for City Facilities

2014-2016 CIP Facility Condition Assessment Process

- Staff-consultant team completes building-by-building facility condition assessment for all 27 CIP buildings
- Team identifies \$127 million in deferred maintenance costs in CIP buildings, or \$6.4 million per year over 20 years

2016-2017 Non-CIP (Parks and Public Works) Facility Condition Assessment Process

- Staff-consultant team will complete facility condition assessment for all Parks buildings in 2017
- Facilities consultation on targeted Public Works buildings will begin in 2017

2017-2018 Facility Capital Maintenance Planning

- Formulate and present strategy for adequately maintaining and updating City facilities through a combination of gradually increasing public investment, targeted demolition, and consolidation

2017 Capital Facility Improvements

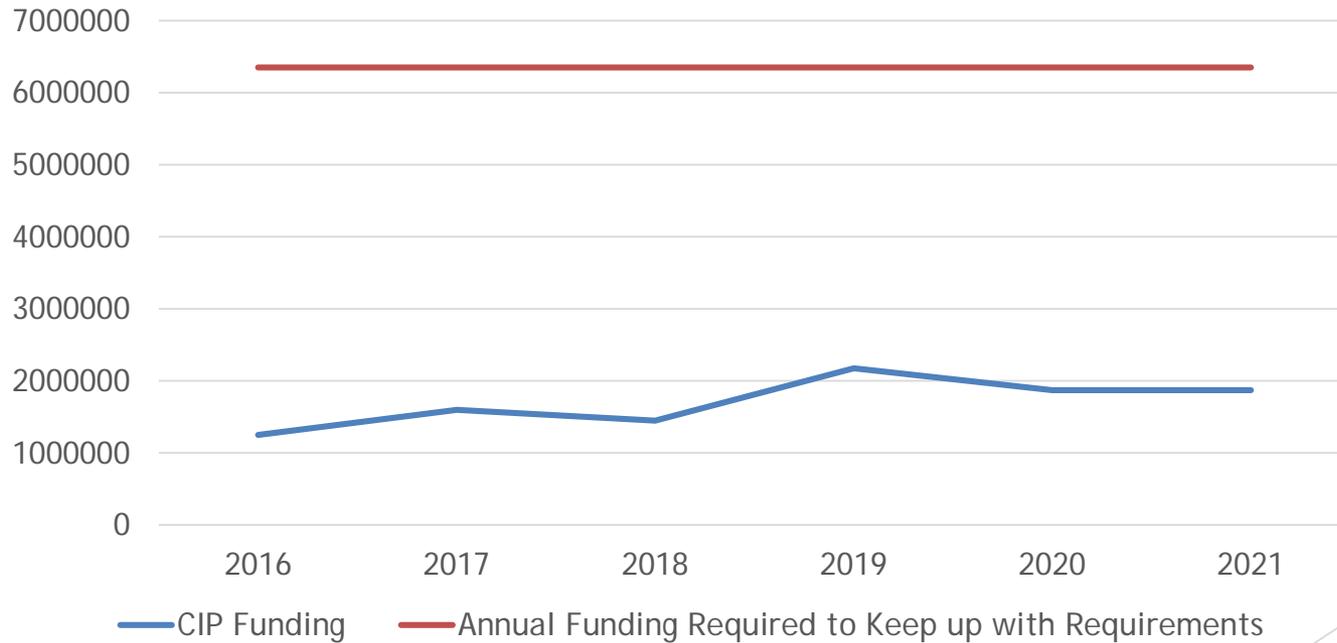
Total Number of CIP Buildings	27 of 148 buildings*
Total Square Feet CIP Buildings	404,955**
Investment by Square Foot	\$3.95
Maintenance Buildings	\$130,000
Fire/Police	\$680,000
Other City Buildings	\$790,000
TOTAL CAPITAL IMPROVEMENT BONDS FOR ELIGIBLE CIP FACILITIES	\$1,600,000

*The remaining 121 City Facilities are comprised of Parks and Recreation buildings and site amenities, and Public Works & Utilities' facilities

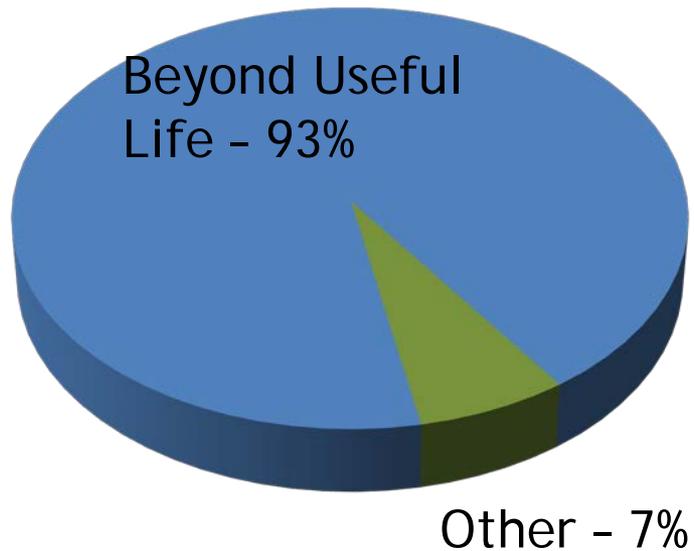
**Total square footage for all City facilities is 1.2 million



2016-2021 CIP Funding Levels & Facility Capital Needs Identified



How 2017 CIP Investments are targeted



Other consists of:

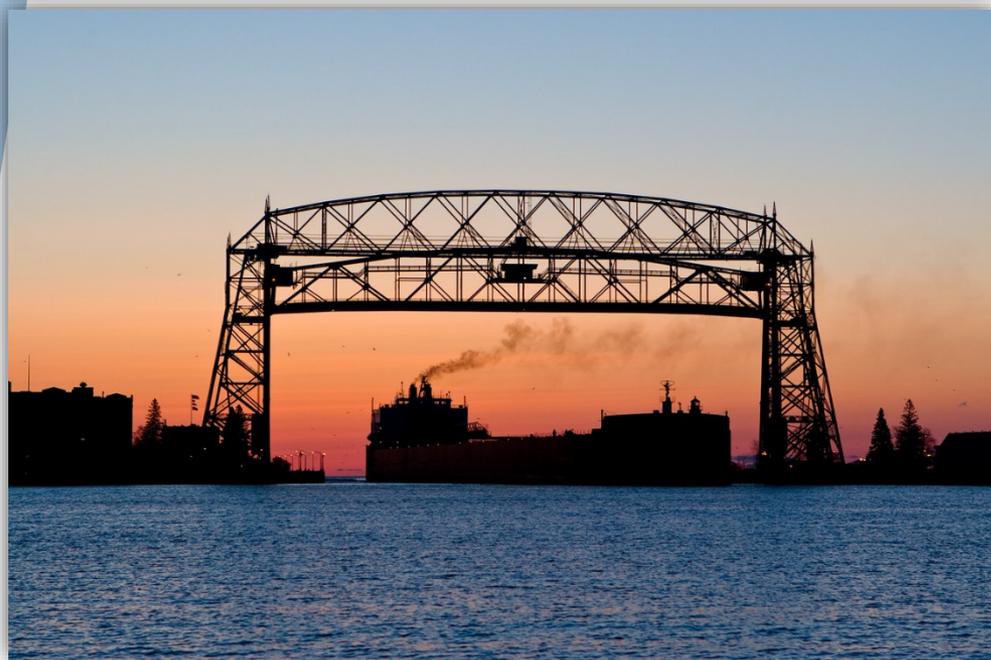
- Energy
- Integrity
- Accessibility
- Air & Water Quality
- Modernization
- Functionality
- Life Safety Security



2017 Project Detail – Capital Improvement Bond

Priority	Facility	CIP Project	Project Rationale	2017 CIP
Critical	City Wide	VFA Requirements - ADA, Security, Mechanical, Electrical, Envelope, Energy, Project Contingencies, etc.	End of Life Cycle, Function, Code, Asset Integrity, Life Safety, Accessibility, Energy	\$750,000
Critical	Maint. Bldgs.	Cabling, Ventilation	Operations, Life Safety	\$130,000
Critical	Police PSB	Misc. Capital Maintenance Items	Asset Integrity	\$50,000
Critical	Main Library	Misc. Capital Maintenance Items	Asset Integrity	\$40,000
Critical	Fire Halls	Mechanical Systems, Driveways, Kitchen Upgrades, Facility Studies	End of Life Cycle/Function/Operations	\$630,000
		TOTAL		\$1,600,000

Streets, Bridges, and Public Utility Capital Improvement Projects and Funding Sources

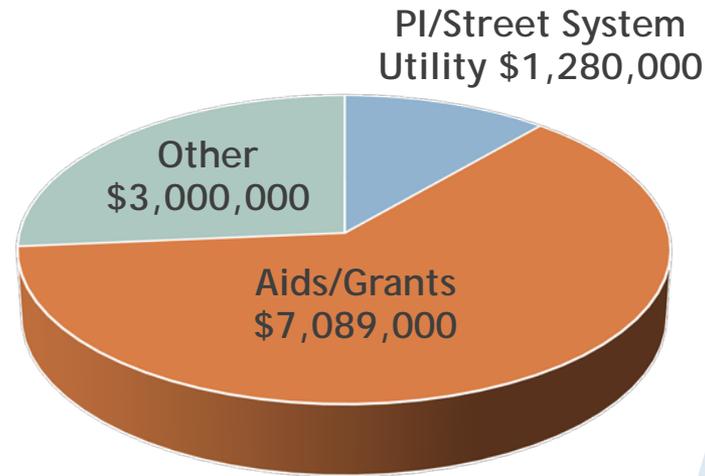


2017 Street Preservation and Bridge Maintenance Projects

Projects

- ▶ Congdon Blvd: Widen/Reclaim/Guardrail
- ▶ MN Slip Ped Bridge Construction
- ▶ Street Preservation
- ▶ Skyline Parkway Retaining Wall
- ▶ Aerial Lift Bridge Structural Repairs
- ▶ Patch Work
- ▶ Boundary Ave Reclaim
- ▶ Downtown Ave One-Way to Two-Way Conversion
- ▶ Retaining Wall, Guard Rail Repair, and Restriping
- ▶ Sidewalks

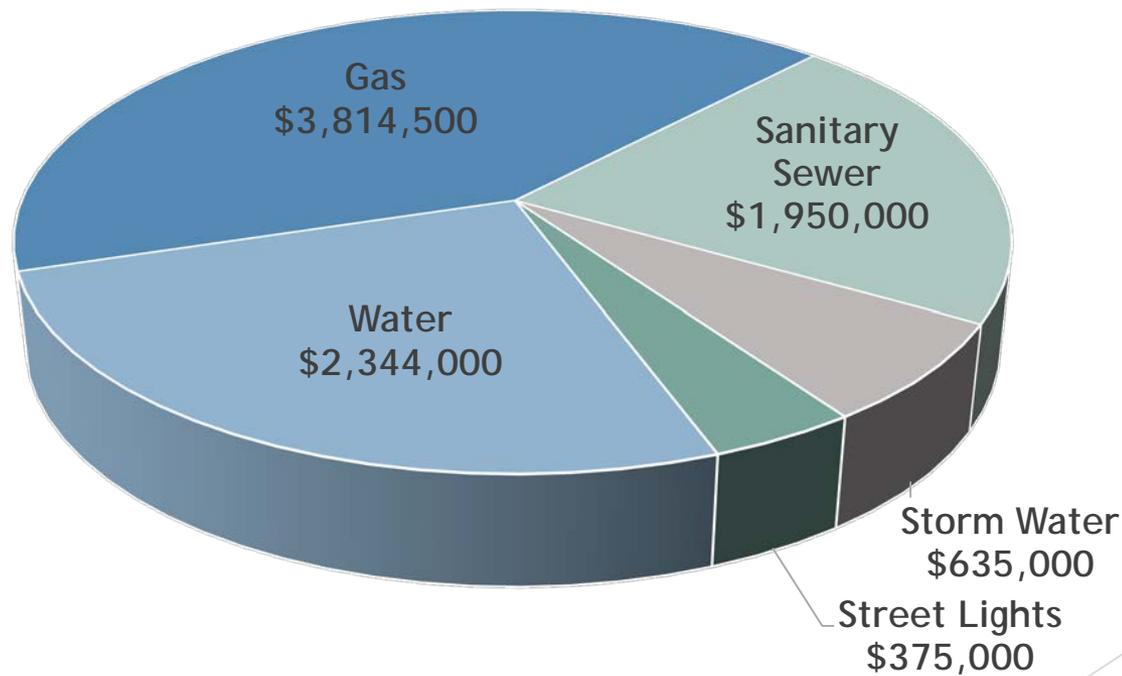
Funding Sources



Total \$11,369,000

2017 Utility Projects

- ▶ Consists of rehabilitation and replacement of the City's infrastructure and extension of the natural gas system.
- ▶ Funding sources are current revenue from the utilities.



Total \$9,118,500

Parks and Trails Capital Projects and Funding Sources

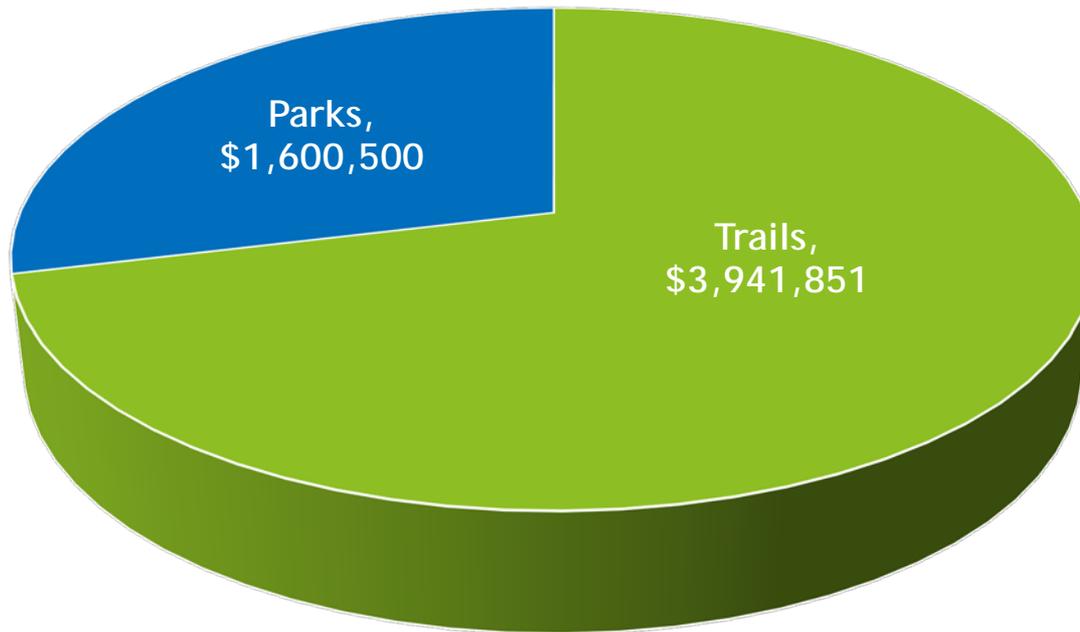




2017 Parks and Trails

DULUTH PARKS
Fun Places, Great Spaces!

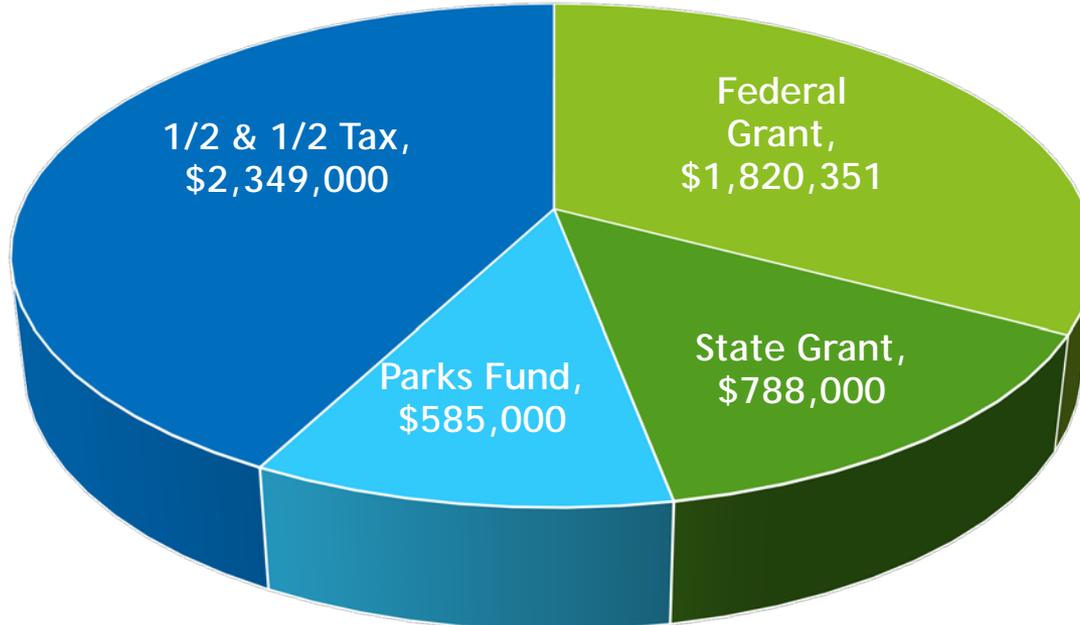
- Improvements to the City's parks and trails.
- Funding sources are the Parks Fund, the ½ and ½ tax, and state and federal grants.



Total 2017 Parks & Trails Capital \$5,542,351



2017 Parks and Trails Funding Sources



Total 2017 Parks & Trails Funding Sources \$5,542,351



2017 Trails

Trails Detail

▶ Duluth Traverse Trail	\$ 100,000
▶ Cross City Trail	\$ 2,119,951
▶ Western Waterfront Renewal	\$ 250,000
▶ Stewart Creek Bridge	\$ 529,000
▶ Clyde Connector	\$ 300,000
▶ All-Weather Mtn Biking Trail	\$ 155,000
▶ Ely's Peak Loop Trail	\$ 75,000
▶ <u>Lakewalk</u>	<u>\$ 412,900</u>
Total	\$ 3,941,851





2017 Parks

Parks Detail

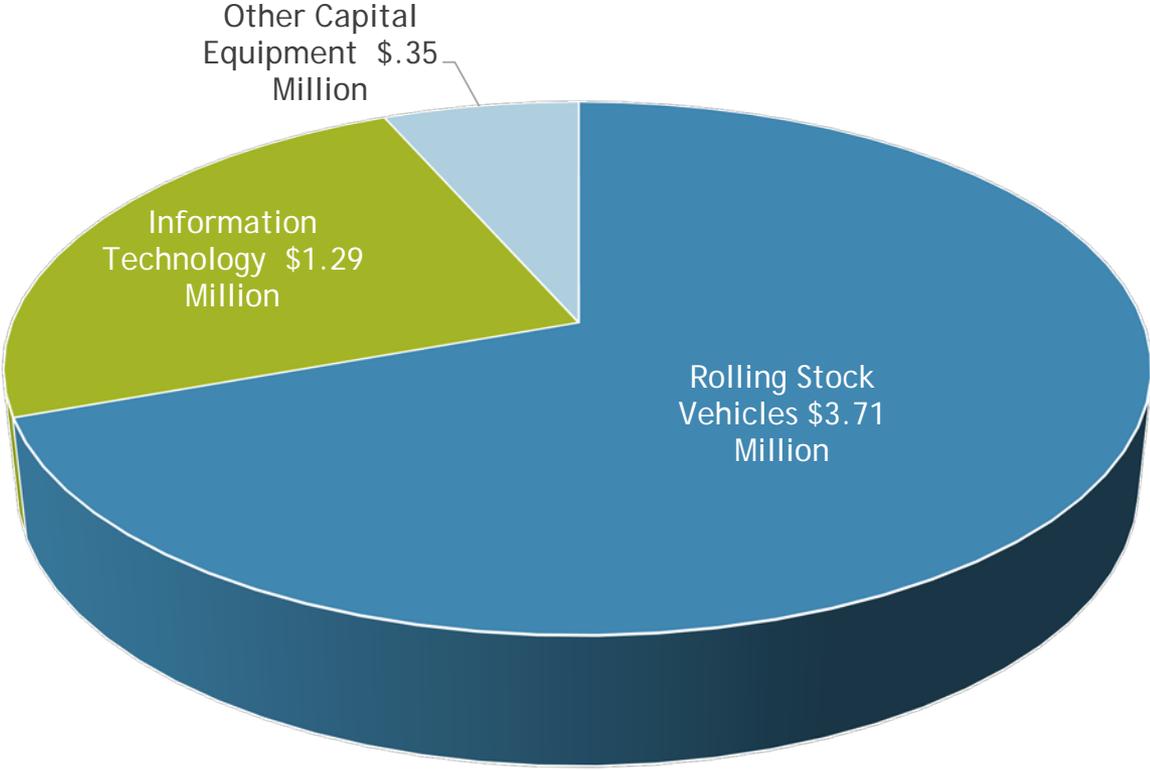
▶ Playgrounds	\$ 90,500
▶ Hartley Park	\$ 94,000
▶ Brighton Beach	\$ 23,000
▶ Chester Park	\$ 50,000
▶ Chambers Grove	\$ 203,000
▶ Signage & Wayfinding	\$ 220,000
▶ SLRC Neighborhood Parks	\$ 270,000
▶ Community Centers	\$ 100,000
▶ <u>SLRC Grand Ave Parks</u>	<u>\$ 550,000</u>
Total	\$ 1,600,500



Capital Equipment Projects and Funding Sources

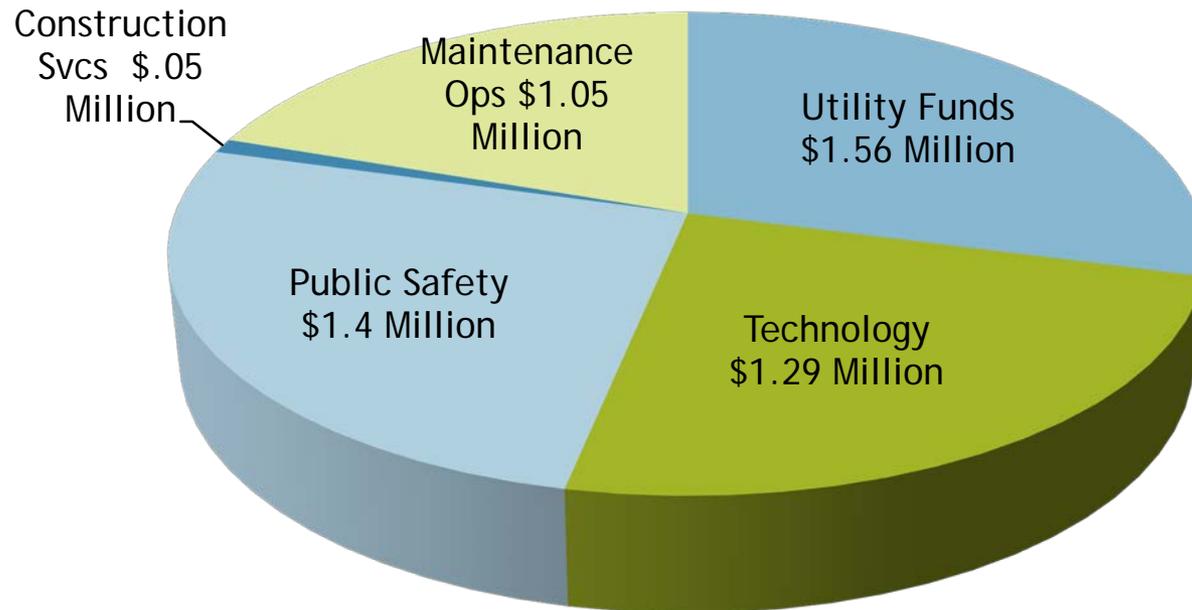


2017 Capital Equipment by Type



2017 Capital Equipment \$5.35 Million

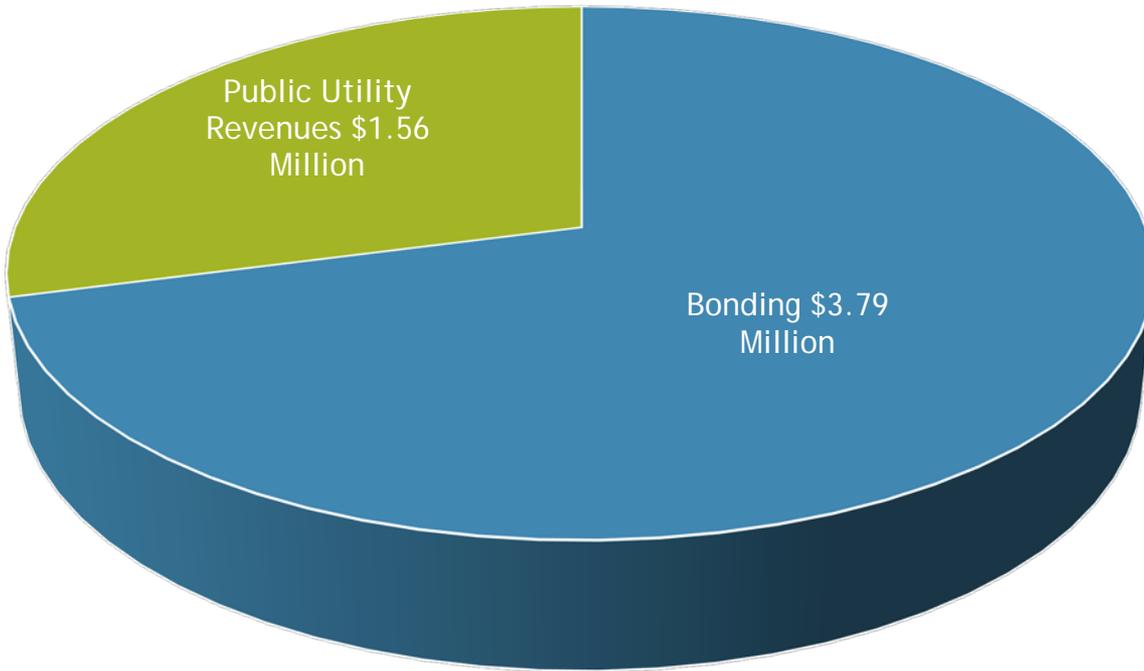
2017 Capital Equipment Plan by Department



2017 Capital Equipment \$5.35 Million

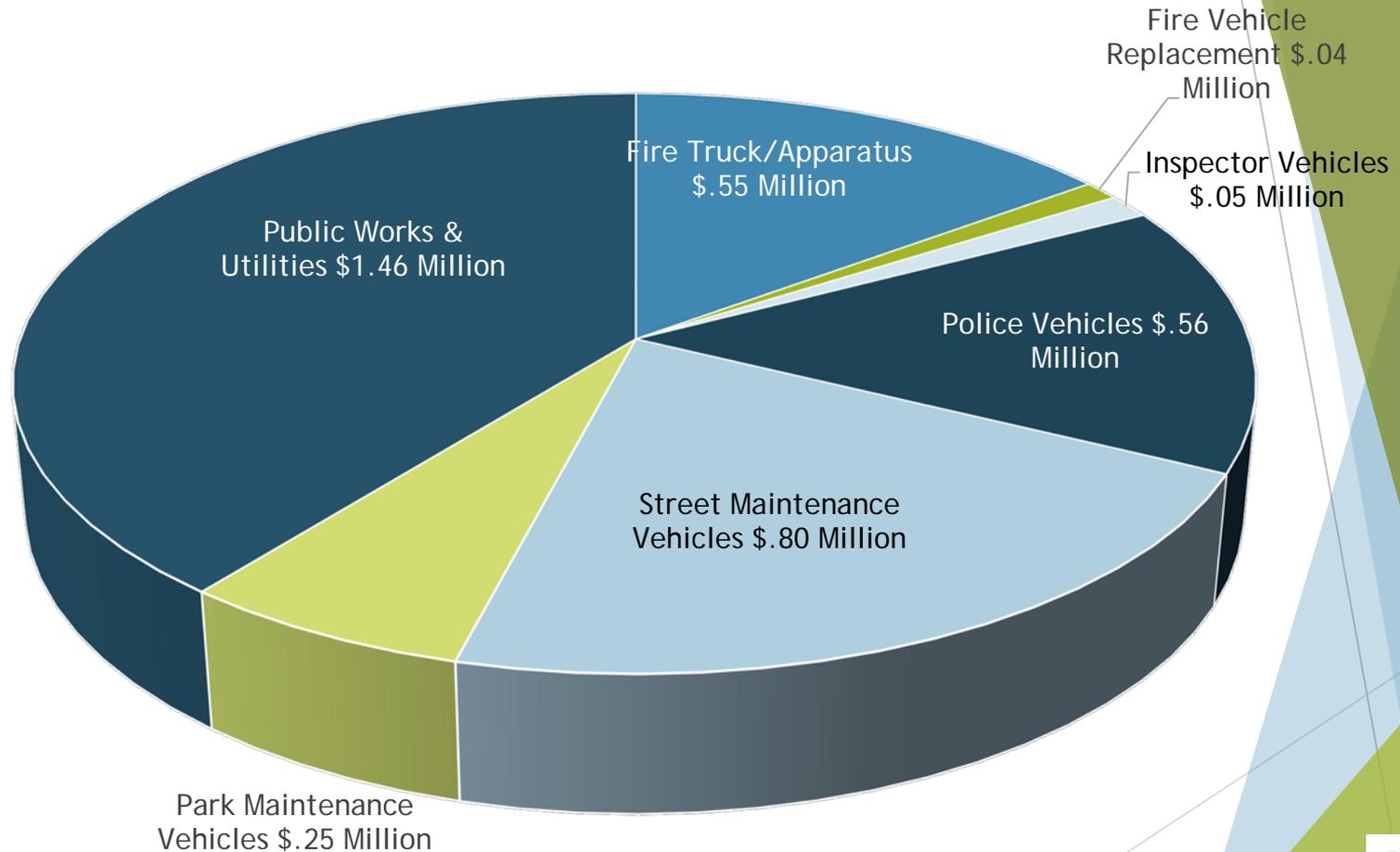


2017 Capital Equipment Funding Sources



2017 Capital Equipment Funding \$5.35 Million

2017 Rolling Stock Capital



Total 2017 Rolling Stock Capital \$3.71 Million



2017 Technology Capital Projects

Annual Maintenance

• Communication Systems	\$ 50,000
• PC / Peripheral Adds	\$ 15,000
• Library Microfilm Reader	\$ 12,000
• Microsoft Licensing	\$100,000
• Document Management	\$250,000
• Enterprise PC Replacements	\$150,000
• Network Equipment	\$155,000
• PCI Security Requirements	\$ 50,000
• Conference Room Technology	\$ 50,000

\$832,000

Steering Committee Projects

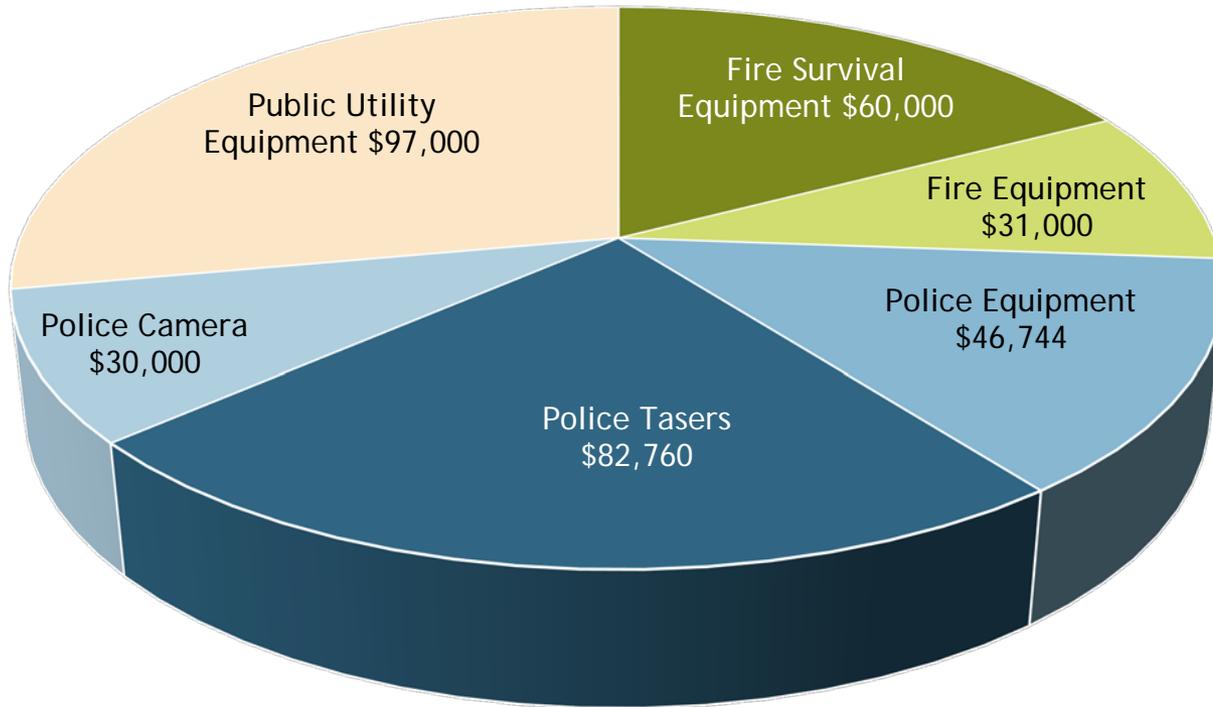
• Building Controls	\$ 85,000
• Digitize Clerks Microfilm	\$ 20,000
• Sign Inventory Conversion	\$ 10,000
• Lighting Controls	\$150,000
• Body Camera Expansion	\$150,000
• Library System	\$ 15,000
• Parking Ticket System	\$ 25,000

\$455,000

TOTAL \$ 1,287,000



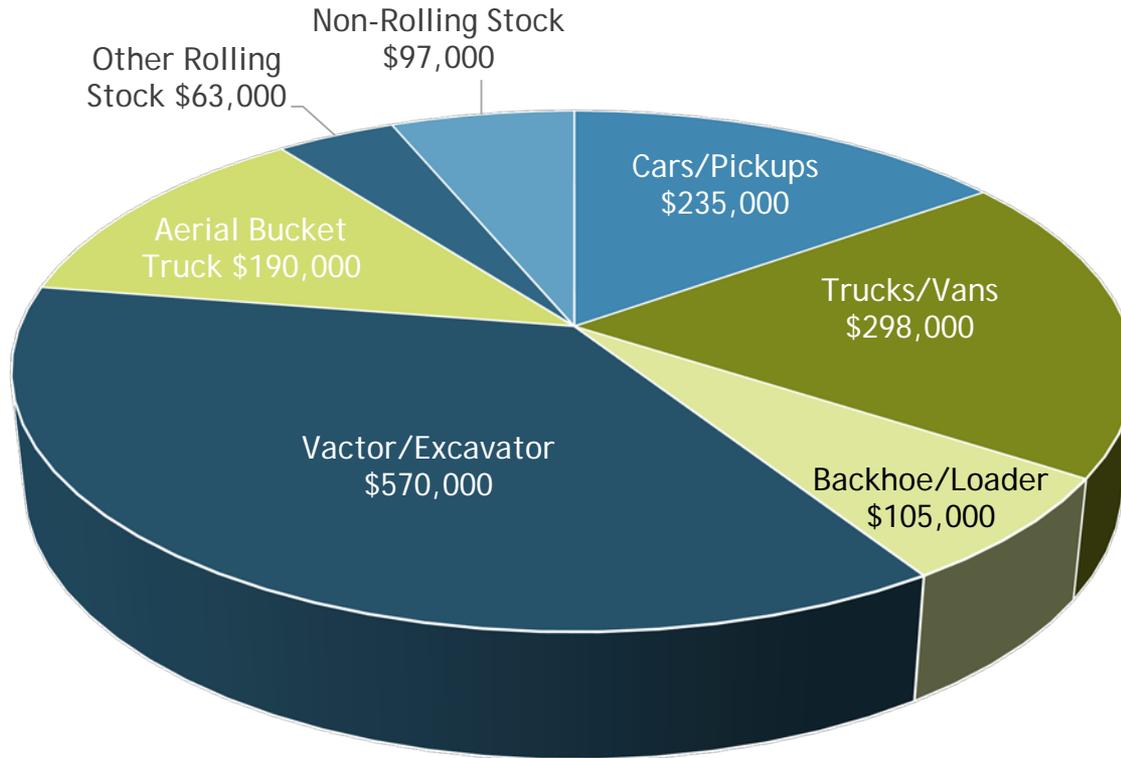
2017 Other Capital Equipment



Total Proposed Non-Rolling Capital \$347,504



2017 Utility Funds Capital Equipment



Total 2017 Proposed Utility Capital Equipment \$1,558,000



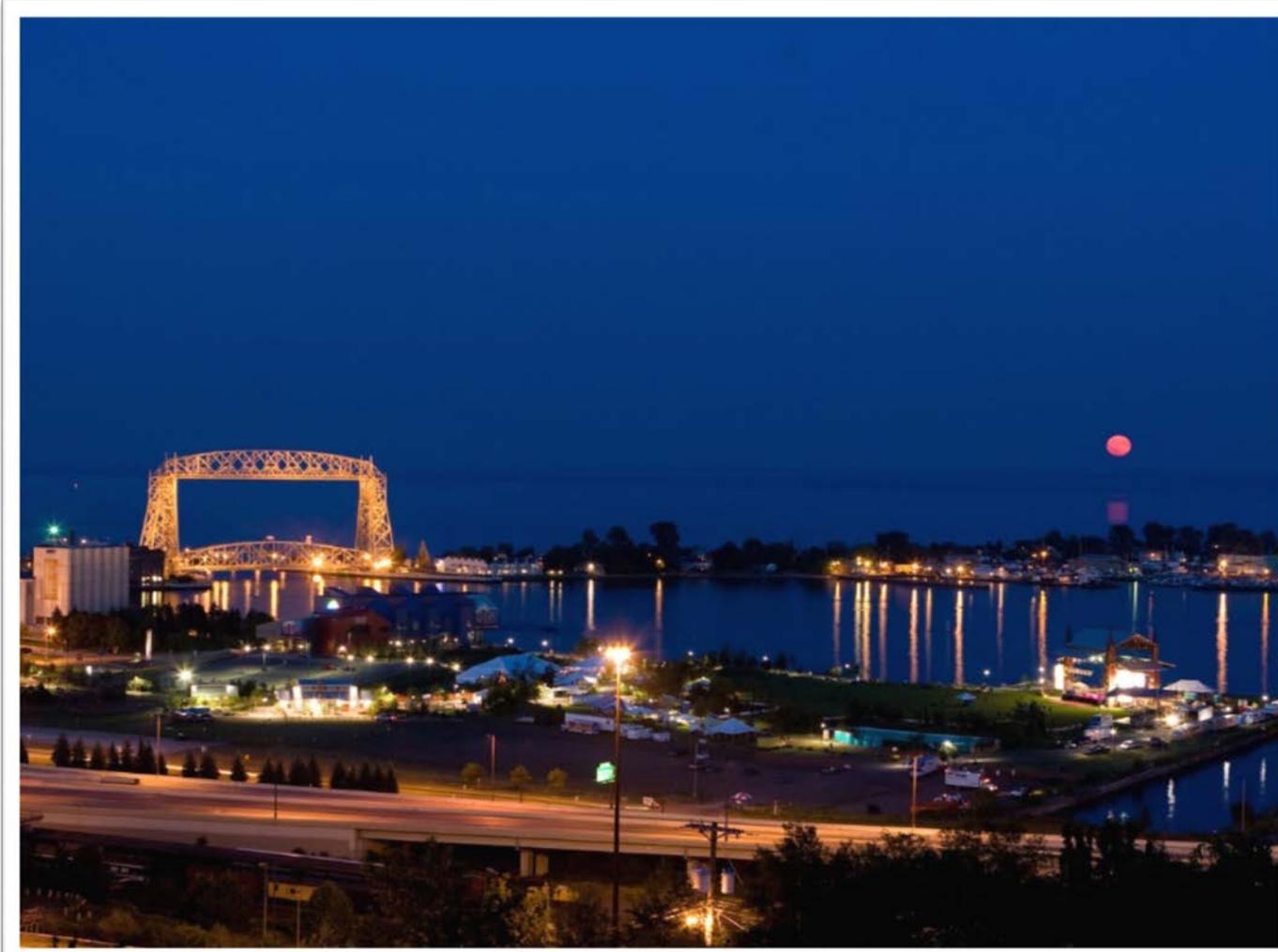
Levy Impact

Capital Improvement Debt	
CIP Bond Maturing 2017	\$1,600,000
Proposed Bond	\$1,600,000
Net CIP Debt Increase	\$0
Annual Levy Impact	\$0

Capital Equipment Debt	
CEP Bond Maturing 2017	\$3,275,000
Proposed Bond	\$3,788,404
Net CEP Debt Increase	\$513,404
Annual Levy Impact	\$ 80,000



Questions?



Presentation photos courtesy of: northernimages.com

