

City of Duluth Capital Plan

2025 - 2029



Agenda

- Overview
- Capital Equipment Plan
 - Sustainable Rolling Stock Replacement Plan
 - Rolling Stock
 - Non-Rolling Stock
- Capital Improvement Plan
 - Public Works & Utilities
 - Property Parks and Libraries
 - Facilities
 - Parks and Trails
- Celebrations & Challenges
 - Fire Halls
 - Parks Facilities & Amenities
 - Streets
 - Library

An aerial photograph of a city and a large bridge structure over water, with a blue overlay. The bridge is a large, steel truss structure spanning across a wide body of water. The city is visible in the background, with numerous buildings and a dense urban area. The entire image is overlaid with a semi-transparent blue color.

Overview

What is a Capital Improvement?

- **Capital Improvements:** Expenditures related to the acquisition, expansion or rehabilitation of an element of the government's infrastructure
- **5-year plan:** identifies the most urgent needs in the coming year's budget *and* future capital needs with enough lead-time so decisions may be made to the City's best advantage.
- **Funding Sources:** Bonds, Federal Funds, Grants, Street System Maintenance Levy, ½ & ½ tax, Parks Fund, State Funding

What is Capital Equipment?

- Two Types in the City:
 - **Rolling Stock** – has wheels
 - **Non-rolling stock** – does not have wheels
 - IT/Software
 - Public Safety Equipment
- **3-year plan:** identify equipment needs, determine financial impacts, prioritize requests, and develop a comprehensive financial plan.
- **Funding Sources:** Bonds, Other Non-Bonded, Utilities, Street Lighting

Capital Planning and Bonding Process

Develop Capital Plan June to November 2024

- Part of internal budget process
- Identifies projects, equipment and technology priorities
- Alignment with Priority Based Budgeting

City Council Review November 25, 2024

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

Council Action December 9, 2024

- Public hearings are held
- Resolution establishing bonding plan for coming year
- Resolution to approve list of 2025 capital equipment and intent to issue bonds to fund the capital equipment
- Resolution to approve 2025 capital improvement plan and intent to issue bonds to fund the capital improvement plan

Equipment Purchased Improvements Completed throughout 2025

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

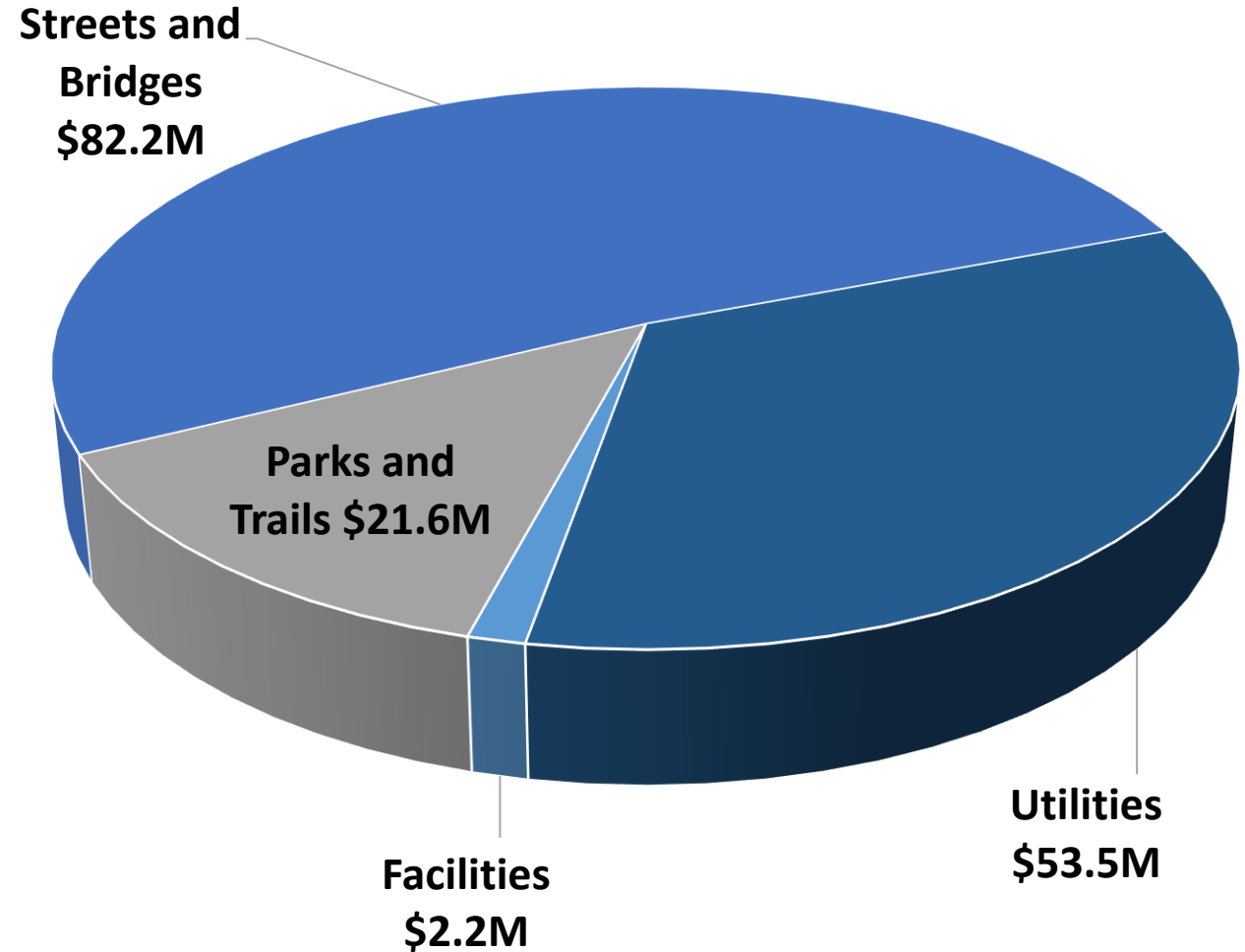
Bonds are Sold October/November 2025

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

Capital Improvement Bond Eligible Facilities

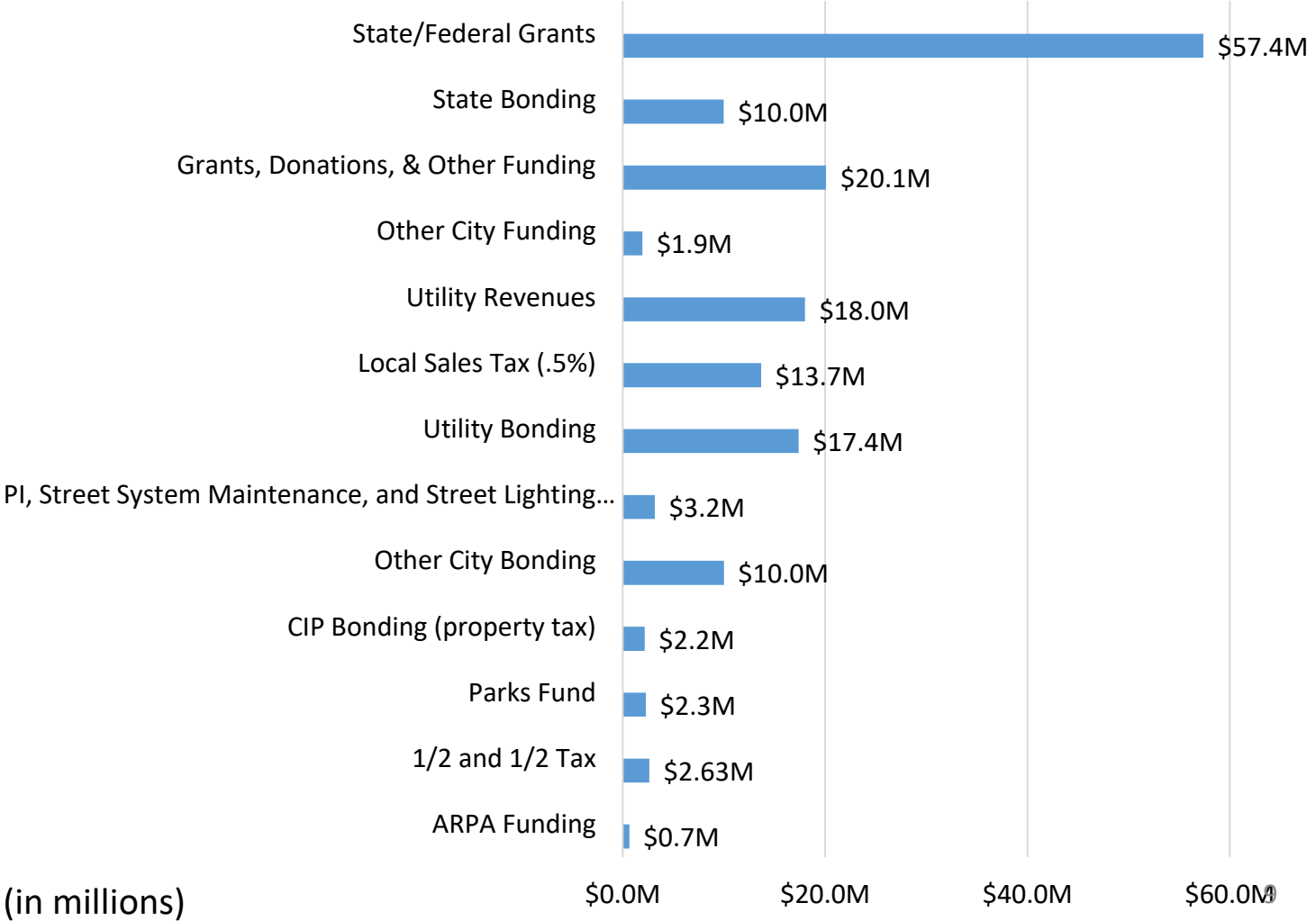
- **Eligible Facilities:** City Hall, Libraries, Public Safety Facilities, Public Works Facilities (Minnesota Statutes 475.521)
 - **NOT** Parks Facilities
- **5-year plan:** identifies the most urgent needs in the coming year's budget *and* future capital needs with enough lead-time so decisions may be made to the City's best advantage.
- **General Obligation Bonds:** 10 Year Reimbursable Bonds

2025 Capital Improvement Plan \$159.5 Million by Category



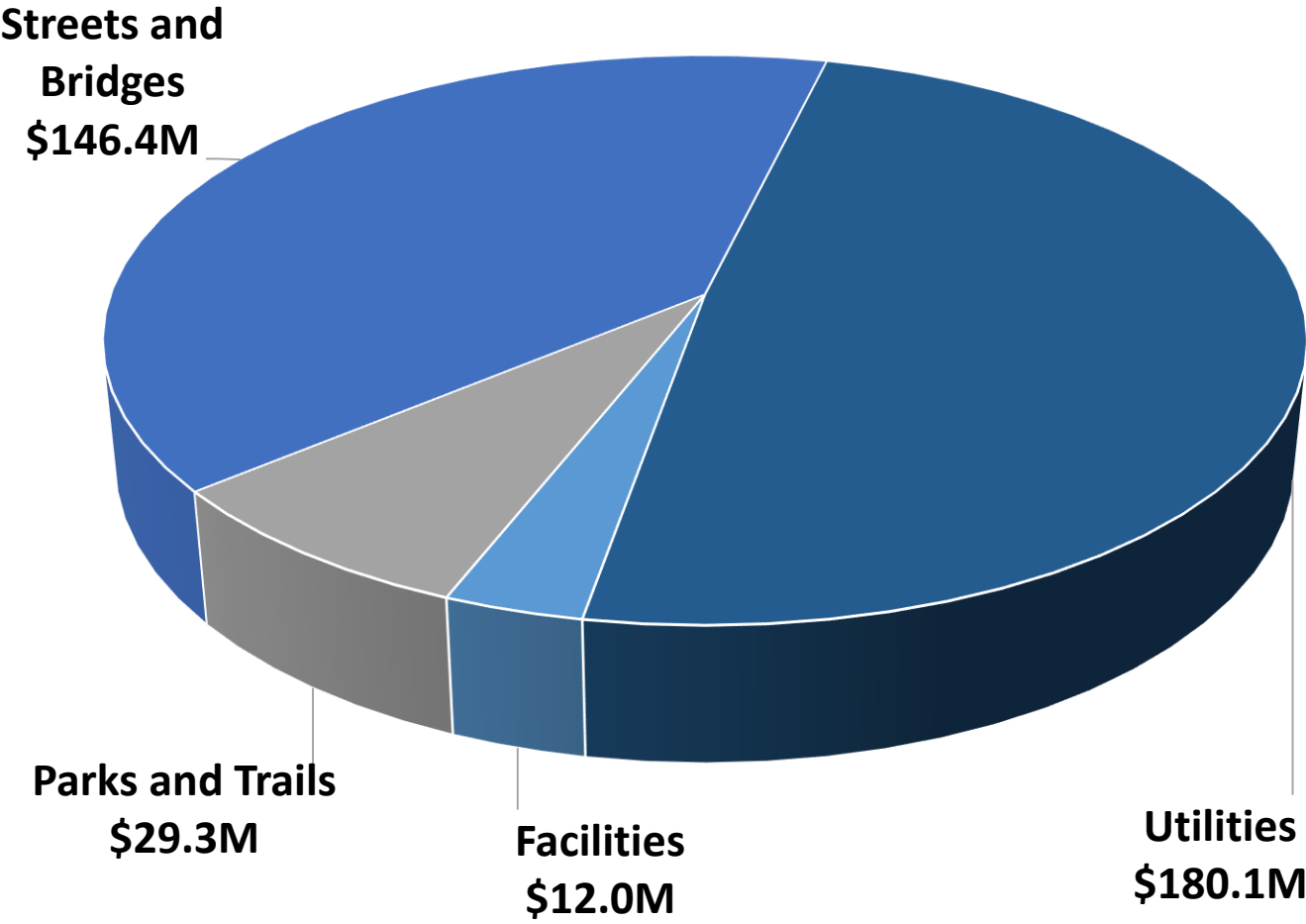
2025 Capital Improvement Plan

2025 Funding Sources as Follows:



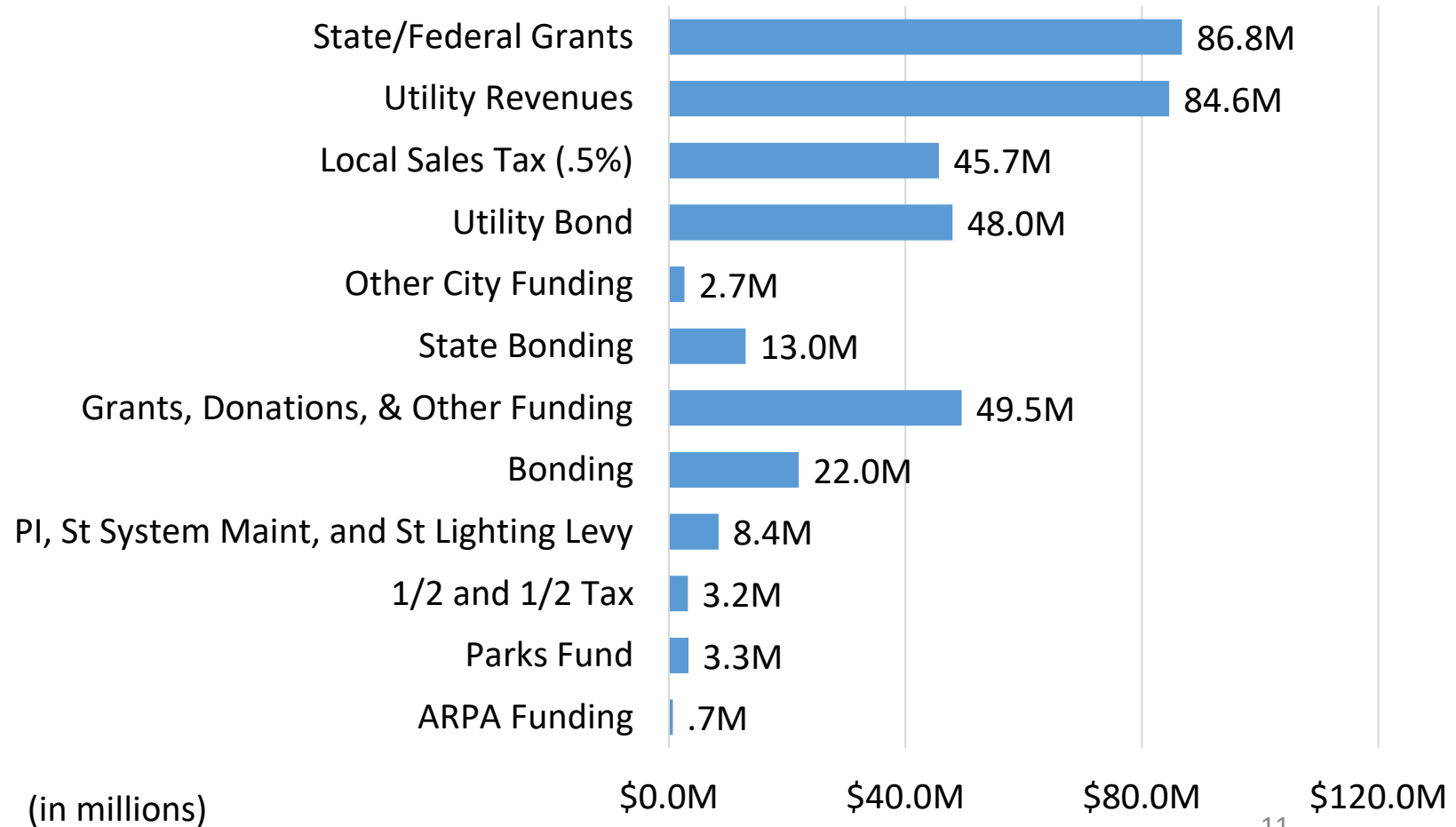
Five-Year Capital Improvement Plan

\$367.8 Million by Category



Five-Year Capital Improvement Plan

Five Year Plan has Funding Sources as Follows:



Bond Eligible Capital Equipment

- **Capital Equipment:**

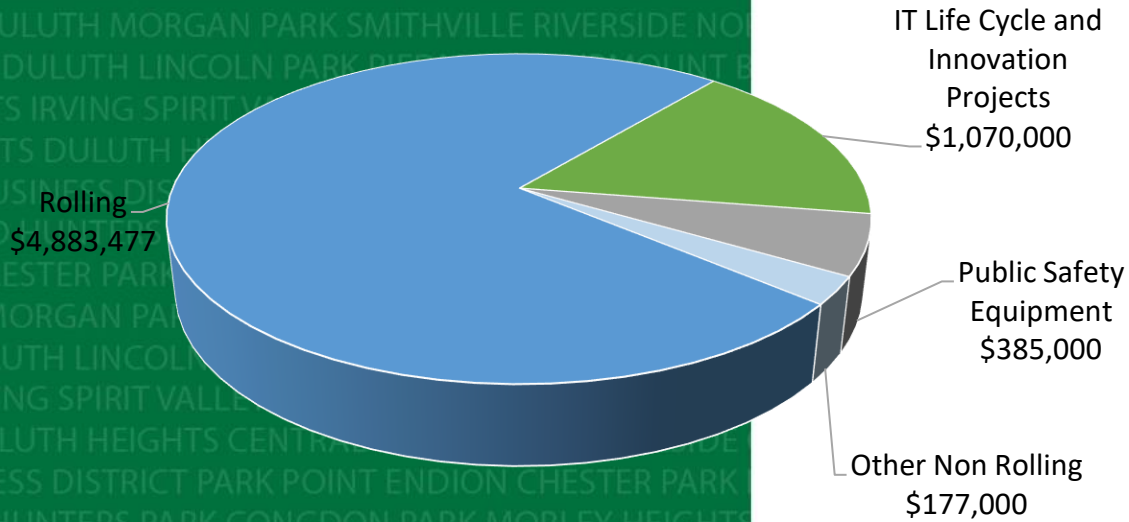
- (1) public safety equipment... road construction and maintenance equipment, and other capital equipment; and
 - (2) computer hardware and software
- (Minnesota Statutes 412.301)

- **3-year plan:** identify equipment needs, determine financial impacts, prioritize requests, and develop a comprehensive financial plan.

- **General Obligation Bonds:** 5 Year Reimbursable Bonds

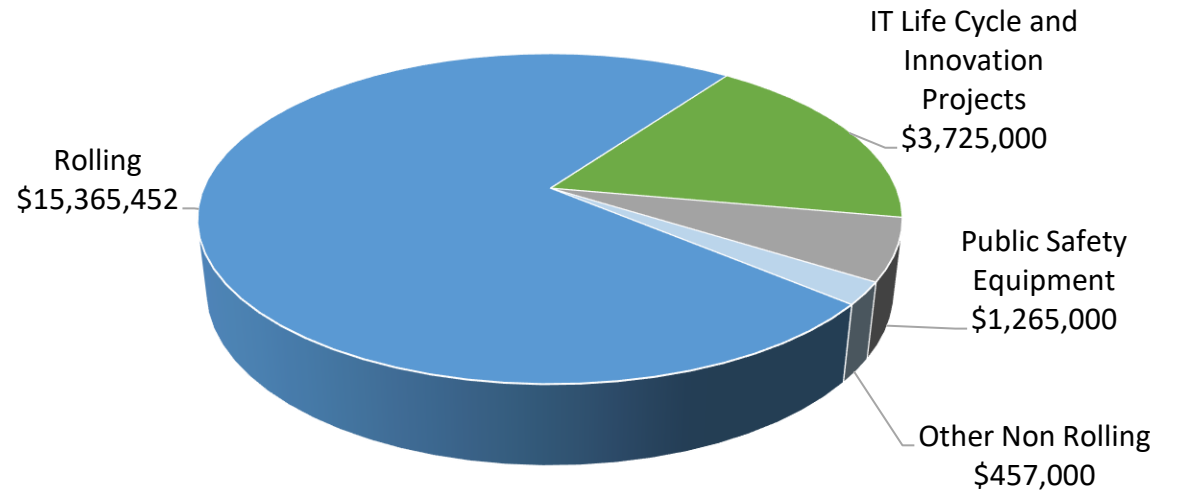
Capital Equipment Program

2025



Total Investment \$6,515,477

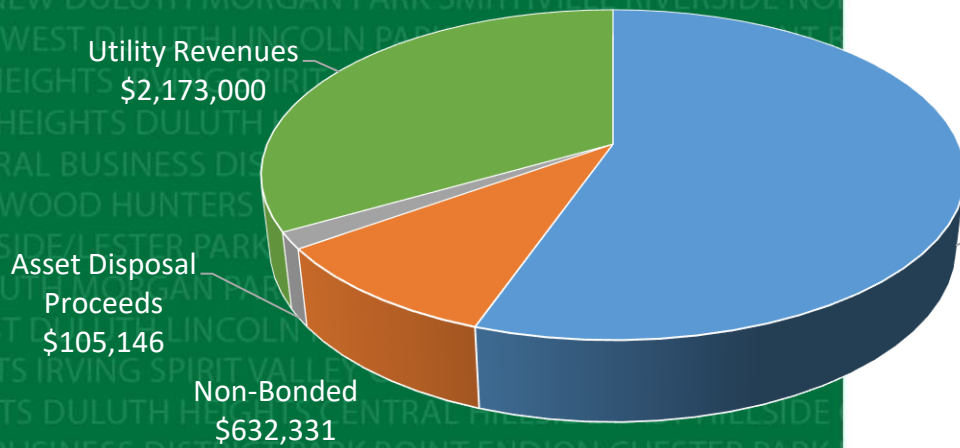
2025-2027



Total Investment \$20,812,452

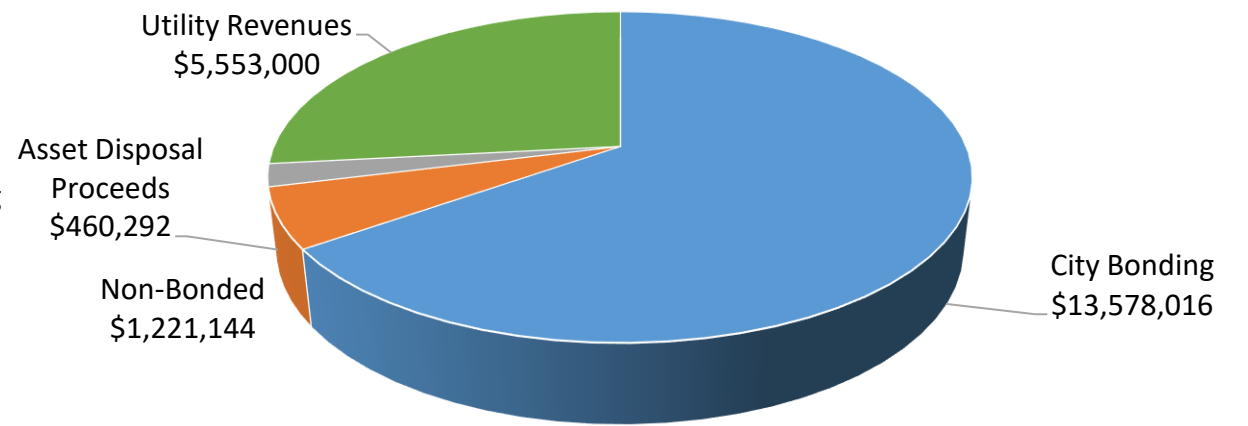
Capital Equipment Program Funding Plan

2025

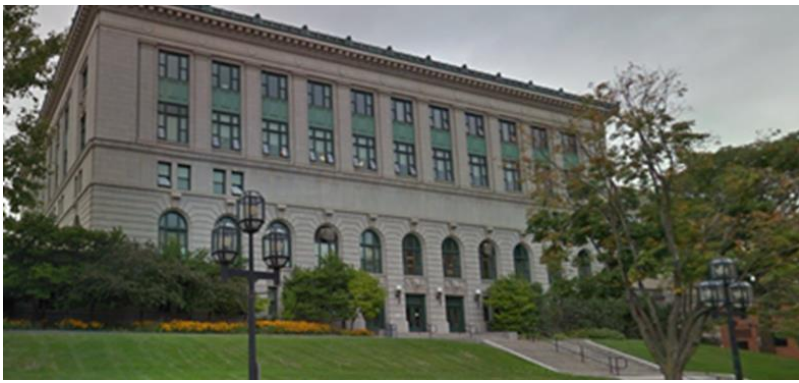


Total Investment \$6,515,477

2025-2027



Total Investment \$20,812,452



We are so grateful for your support!



Capital Equipment Plan



Rolling Stock Capital

Worked with the Council to modestly increase the levy and used the \$4.5M one-time investment wisely

2023 Approved Property Tax Levy

	2022 Approved Levy	2023 Approved Levy	Change In Levy	
General Operations Levy				
General Operations	\$ 25,237,726	\$ 28,114,076	\$ 2,876,350	
Provision for Tax Delinquency	\$ 150,000	\$ 150,000	\$ -	
Total General Operations Levy *	\$ 25,387,726	\$ 28,264,076	\$ 2,876,350	
Supplemental Parks Levy	\$ 280,000	\$ 280,000	\$ -	
Capital Projects Levy				
Debt Service	\$ 7,307,600	\$ 7,357,600	\$ 50,000	
Infrastructure Permanent Improvements	\$ 280,000	\$ 280,000	\$ -	
Total Capital Projects Levy	\$ 7,587,600	\$ 7,637,600	\$ 50,000	
Street Light Levy	\$ 2,447,200	\$ 2,547,200	\$ 100,000	
Street Maintenance Levy	\$ 2,300,000	\$ 2,300,000	\$ -	
Duluth Housing Trust Fund Levy	\$ 292,500	\$ 292,500	\$ -	
Total City Property Tax Levy	\$ 38,295,026	\$ 41,321,376	\$ 3,026,350	
General Operations Levy Increase			\$ 2,876,350	7.51%
Capital Projects Levy - Increased Interest Costs			\$ 50,000	0.13%
Street Light Levy - Increase in S&B + Materials			\$ 100,000	0.26%
2023 City Tax Levy Increase			\$ 3,026,350	7.90%
New Construction Growth			\$ 407,870	1.07%
Net Property Tax Impact After Growth			\$ 2,618,480	6.83%

2024 Approved Property Tax Levy

	2023 Approved	2024 Approved Levy	Change In Levy	
General Operations Levy				
General Operations	\$ 28,114,076	\$ 28,731,915	\$ 617,839	
Housing Inspector Levy		\$ 110,000	\$ 110,000	
Library Materials - Council Add		\$ 50,000	\$ 50,000	
Portion of Fire 8% Market Increase - Council Add		\$ 413,214	\$ 413,214	
Provision for Tax Delinquency	\$ 150,000	\$ 150,000	\$ -	
Total General Operations Levy	\$ 28,264,076	\$ 29,455,129	\$ 1,191,053	
Supplemental Parks Levy	\$ 280,000	\$ 280,000	\$ -	
Capital Projects Levy				
Debt Service	\$ 7,357,600	\$ 7,564,200	\$ 206,600	
Infrastructure Permanent Improvements	\$ 280,000	\$ 280,000	\$ -	
Total Capital Projects Levy	\$ 7,637,600	\$ 7,844,200	\$ 206,600	
Street Light Levy	\$ 2,547,200	\$ 2,547,200	\$ -	
Street Maintenance Levy	\$ 2,300,000	\$ 2,300,000	\$ -	
Duluth Housing Trust Fund Levy	\$ 292,500	\$ 182,500	\$ (110,000)	
Total City Property Tax Levy	\$ 41,321,376	\$ 42,609,029	\$ 1,287,653	
General Operations Levy Increase			\$ 617,839	1.50%
Housing Inspector Levy			\$ 110,000	0.27%
Library Materials - Council Add			\$ 50,000	0.12%
Portion of Fire 8% Market Increase - Council Add			\$ 413,214	1.00%
Capital Projects Levy - Capital Equipment needs			\$ 206,600	0.50%
Duluth Housing Trust Fund Levy			\$ (110,000)	-0.27%
2024 City Tax Levy Increase			\$ 1,287,653	3.12%
New Construction Growth			\$ 378,421	0.92%
Net Property Tax Impact After Growth			\$ 909,232	2.20%

Sustainable Funding Plan for Rolling Stock

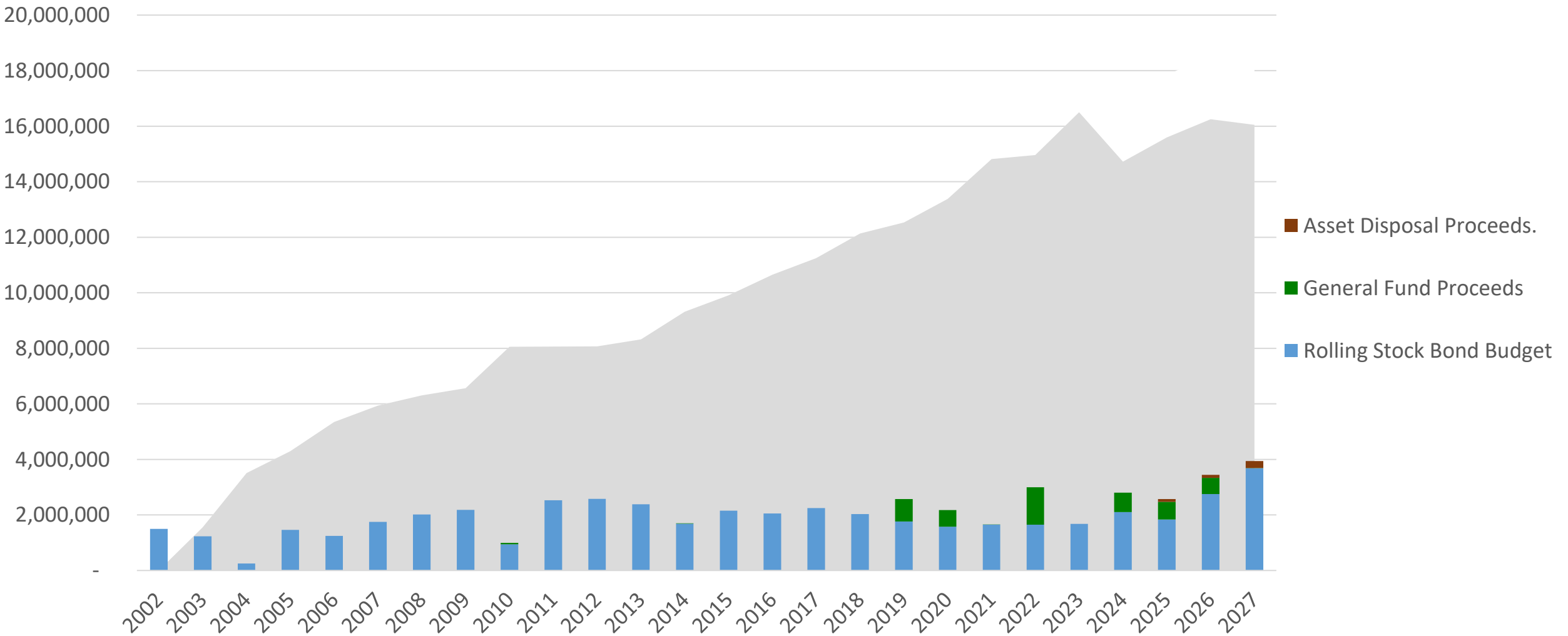
Before

- Stagnate CEP bond amounts and rising costs
- Very reactive
- Interdepartmental competition for scarce resources
- Retained underutilized equipment due to uncertainty around future resource availability
- Frequent major equipment failures
- Utilized the general fund for unforeseen emergency replacement costs
- Rising maintenance expenses putting pressure on general fund budgets
- Decentralized ordering process across departments
- Auction proceeds were allocated to the general fund in the absence of a replacement plan

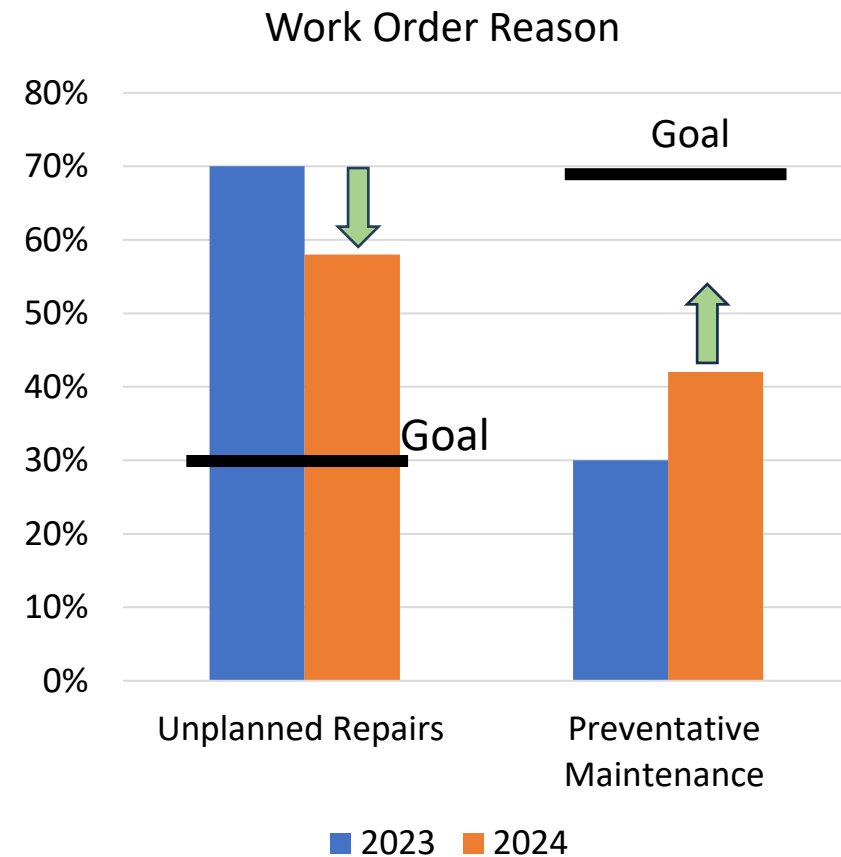
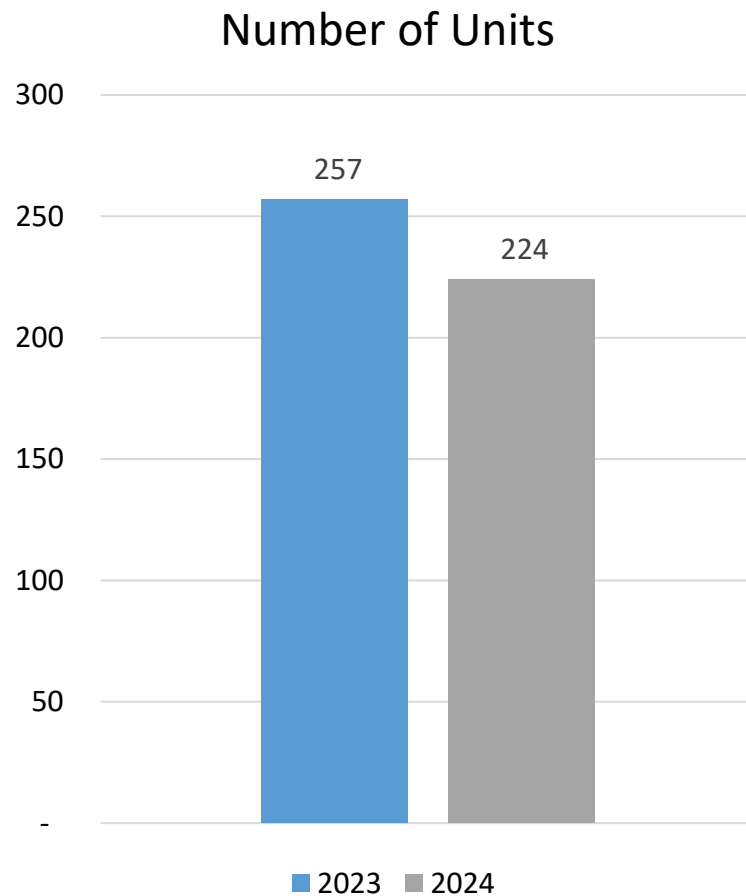
After

- Sustainable Funding Plan
- Proactive with replacements
- Coordination with Fleet for resources
- Eliminated 33 pieces of equipment and created a rental budget line
- Reduction in equipment failures by increasing preventative maintenance
- Have a plan to fund the replacement of large, expensive pieces of equipment
- Centralized ordering process in the Fleet division
- Auction proceeds are expected to increase with funds flowing back into the capital equipment program
- Reduced downtime, increased performance
- Lower maintenance costs, increased fuel efficiency, safer equipment
- Increased comfort and well-being for employees

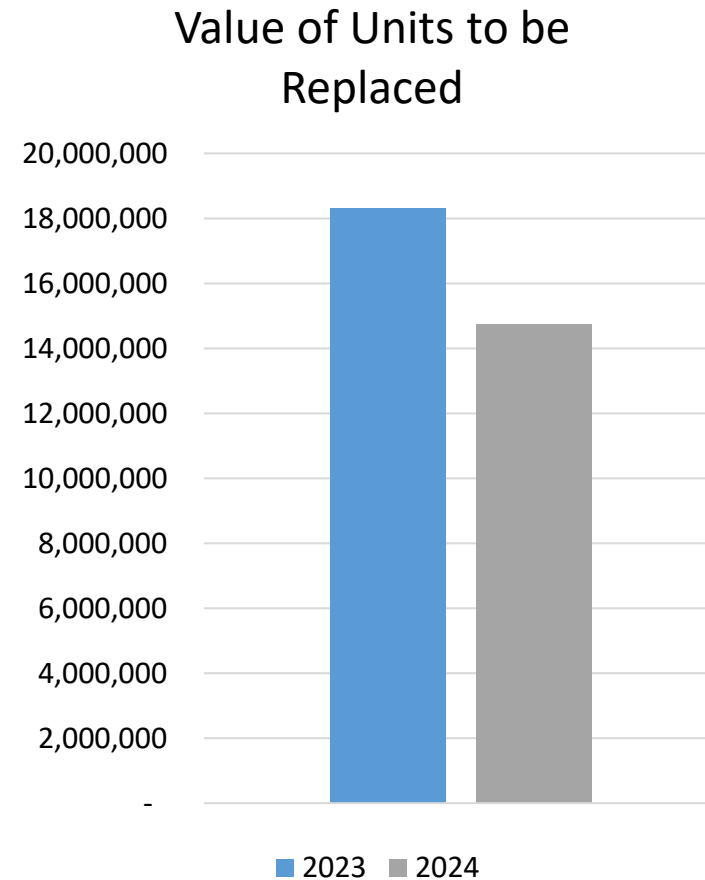
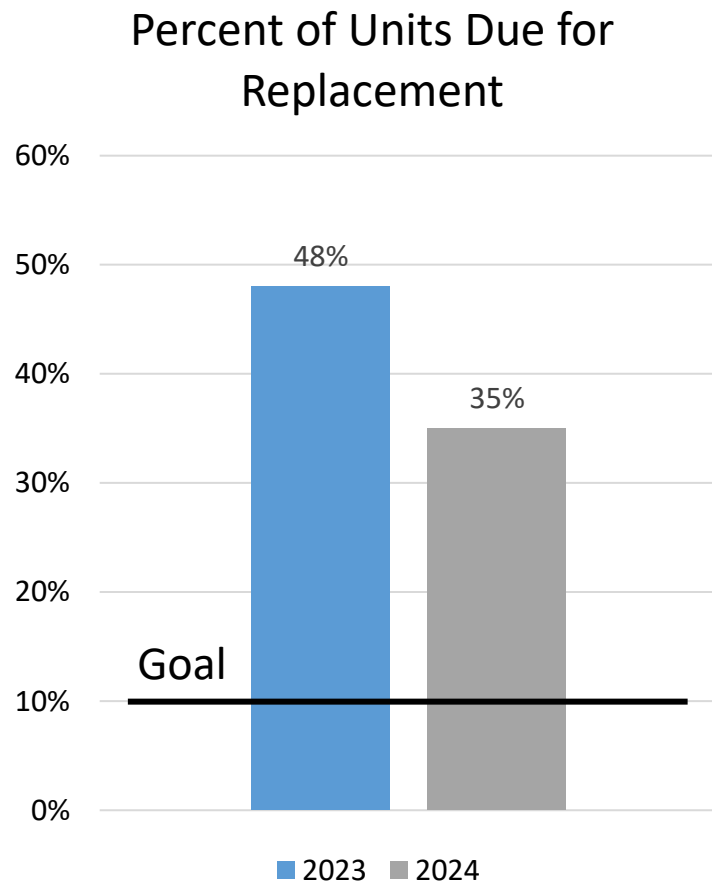
Impact of Investments



Right sized fleet to reduce the backlog list



Right sized fleet to reduce the backlog list



Established an Asset Replacement Schedule

2028

Asset	Year	Model	Purchase Cost	Purchase Date	Date	2028
3897	2018	100 4F NORDIC	\$274,900	11/29/2018	11/29/2028	447,783
3276	2020	PELICAN NP	\$230,092	4/8/2020	4/8/2028	395,341
3428	2017	108SD	\$83,649	10/12/2017	10/12/2028	363,286
3426	2017	108SD	\$83,649	11/21/2017	11/21/2028	338,081
3468	2016	Silverado 3500	\$51,637	2/17/2016	2/17/2028	103,904
9516	2023	DURANGO PURSUIT AWD	\$42,775	8/22/2023	8/22/2028	74,247
9517	2023	DURANGO PURSUIT AWD	\$42,775	8/22/2023	8/22/2028	74,247
9518	2023	DURANGO PURSUIT AWD	\$42,775	8/22/2023	8/22/2028	74,247
9519	2023	DURANGO PURSUIT AWD	\$42,775	8/22/2023	8/22/2028	74,247
9520	2023	DURANGO PURSUIT AWD	\$42,775	8/22/2023	8/22/2028	74,247
9521	2023	DURANGO PURSUIT AWD	\$42,775	8/22/2023	8/22/2028	74,247
9522	2023	DURANGO PURSUIT AWD	\$42,775	8/22/2023	8/22/2028	74,247
9523	2023	DURANGO PURSUIT AWD	\$42,775	8/22/2023	8/22/2028	74,247
9524	2023	DURANGO PURSUIT AWD	\$42,775	8/22/2023	8/22/2028	74,247
9525	2023	DURANGO PURSUIT AWD	\$42,775	8/22/2023	8/22/2028	74,247
9526	2023	DURANGO PURSUIT AWD	\$42,775	8/22/2023	8/22/2028	74,247
9530	2023	DURANGO PURSUIT AWD	\$42,775	8/22/2023	8/22/2028	74,247
9529	2023	DURANGO PURSUIT AWD	\$42,775	8/22/2023	8/22/2028	74,247
9527	2023	DURANGO PURSUIT AWD	\$42,775	8/22/2023	8/22/2028	74,247
9528	2023	DURANGO PURSUIT AWD	\$42,775	8/22/2023	8/22/2028	74,247
9446	2018	Silverado 2500	\$30,193	2/13/2018	2/13/2028	60,016
7351	2017	Sierra 1500	\$30,257	6/28/2017	6/28/2028	59,519
9532	2024	POLICE INTERCEPTOR	\$42,775	9/14/2023	9/14/2028	57,242
5023	2018	Equinox	\$23,577	4/27/2018	4/27/2028	43,092
5022	2018	Equinox	\$23,577	4/13/2018	4/13/2028	38,405
3190	2018	41240	\$17,700	6/25/2018	6/25/2028	28,831
3474	2016	72 SD MOWER	\$5,000	7/21/2016	7/21/2028	8,979
7403	2013	7712H	\$2,795	1/1/2013	1/1/2028	5,811

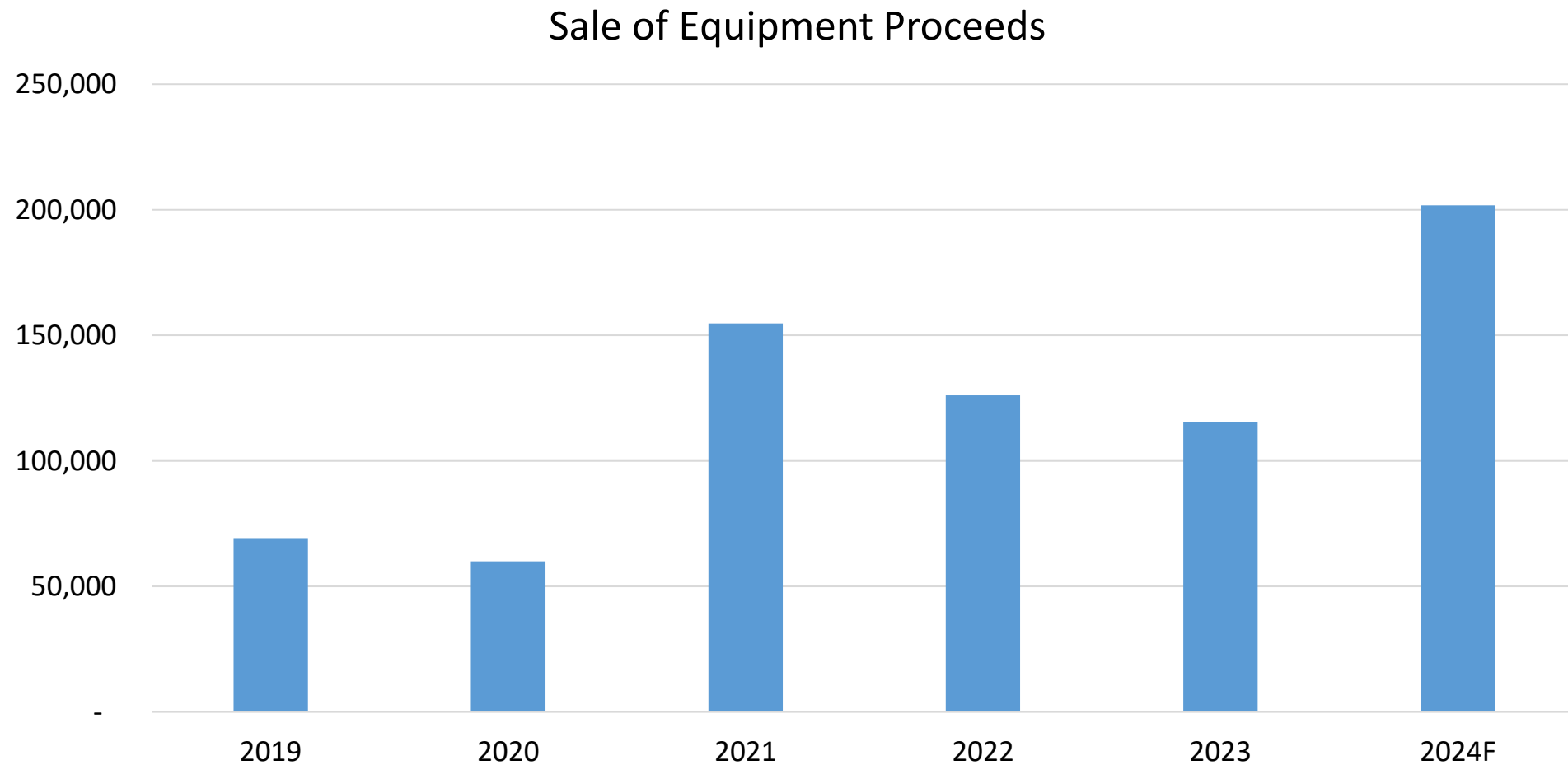
2029

Asset	Year	Model	Purchase Cost	Purchase Date	Date	2029
7381	2017	MPV	\$632,632	6/23/2017	6/23/2029	1,425,456
7379	2017	MPV	\$535,022	2/10/2017	2/10/2029	1,209,154
7380	2017	MPV	\$535,022	2/15/2017	2/15/2029	1,208,517
3427	2017	108SD	\$83,649	2/1/2017	2/1/2029	434,271
3470	2018	108SD	\$84,533	12/29/2017	12/29/2029	379,494
3463	2014	821F	\$172,044	6/26/2014	6/26/2029	357,667
9510	2022	Explorer Hybrid	\$38,135	4/24/2021	4/24/2029	74,666
7416	2021	Explorer	\$37,928	2/2/2021	2/2/2029	65,168
9533	2024	POLICE INTERCEPTOR	\$42,775	3/26/2024	3/26/2029	62,850
9535	2024	POLICE INTERCEPTOR	\$42,775	3/26/2024	3/26/2029	62,850
9536	2024	POLICE INTERCEPTOR	\$42,775	3/26/2024	3/26/2029	62,850
9537	2024	POLICE INTERCEPTOR	\$42,775	3/26/2024	3/26/2029	62,850
9538	2024	POLICE INTERCEPTOR	\$42,775	3/26/2024	3/26/2029	62,850
9539	2024	POLICE INTERCEPTOR	\$42,775	3/26/2024	3/26/2029	62,850
9534	2024	POLICE INTERCEPTOR	\$42,775	3/26/2024	3/26/2029	52,042
5025	2019	Edge	\$27,496	5/3/2019	5/3/2029	49,620
5026	2019	Edge	\$27,496	5/3/2019	5/3/2029	49,620
9475	2019	PACIFICA	\$24,984	4/1/2019	4/1/2029	44,742
9471	2019	Equinox	\$23,358	3/18/2019	3/18/2029	42,515
9472	2019	Equinox	\$23,358	3/18/2019	3/18/2029	42,515
9469	2019	Equinox	\$23,358	3/18/2019	3/18/2029	41,831
9470	2019	Equinox	\$23,358	3/18/2019	3/18/2029	41,831
9473	2019	Equinox	\$23,358	3/18/2019	3/18/2029	41,831
9474	2019	Equinox	\$23,358	3/18/2019	3/18/2029	41,831
7409	2019	FISH PRO	\$13,085	3/13/2019	3/13/2029	26,183
5829	2016	60" Broom	\$2,793	11/7/2016	11/7/2029	5,620

2030

Asset	Year	Model	Purchase Cost	Purchase Date	Date	2030
7382	2018	MPV	\$488,959	3/1/2018	3/1/2030	\$1,231,282
3464	2015	821F	\$218,327	5/7/2015	5/7/2030	\$453,886
3149	2019	GR64F	\$206,222	9/12/2018	9/12/2030	\$425,383
3279	2022	PEILCAN NP	\$266,429	3/2/2022	3/2/2030	\$424,647
3472	2018	108SD	\$84,533	1/25/2018	1/25/2030	\$371,908
3471	2018	108SD	\$84,533	1/24/2018	1/24/2030	\$371,445
3372	2019	108SD	\$163,462	12/11/2018	12/11/2030	\$334,276
3395	2018	544K-11	\$148,665	2/14/2018	2/14/2030	\$299,143
3139	2015	1600 TURBO	\$50,548	3/2/2015	3/2/2030	\$121,141
3865	2018	259 D	\$56,060	6/26/2018	6/26/2030	\$113,035
3425	2017	PATCHER II	\$54,052	5/23/2018	5/23/2030	\$108,762
3328	2018	259 D	\$50,820	6/25/2018	6/25/2030	\$102,491
8904	2018	Silverado 2500	\$44,236	2/13/2018	2/13/2030	\$95,940
3941	2021	5600T	\$52,597	11/2/2020	11/2/2030	\$94,193
3802	2018	4500P	\$29,396	11/27/2018	11/27/2030	\$61,284
3801	2018	4500P	\$28,354	11/27/2018	11/27/2030	\$59,073
3459	2018	Silverado 2500	\$29,203	6/28/2018	6/28/2030	\$56,130
3103	2018	1550	\$22,004	8/15/2018	8/15/2030	\$44,392
3104	2018	1550	\$22,004	8/15/2018	8/15/2030	\$44,276
3803	2018	KX523	\$4,637	11/27/2018	11/27/2030	\$10,292
3804	2018	KX523	\$4,637	11/27/2018	11/27/2030	\$10,292
3036	2022	UTV4	\$6,395	8/12/2022	8/12/2030	\$10,193
3808	2018	HB580 BROOM	\$3,799	11/29/2018	11/29/2030	\$7,992
3807	2018	HB580 BROOM	\$3,799	11/29/2018	11/29/2030	\$7,645
3809	2018	MS720	\$3,481	11/29/2018	11/29/2030	\$7,582
3810	2018	MS720	\$3,481	11/29/2018	11/29/2030	\$7,582
3805	2018	HQ680	\$3,323	11/27/2018	11/27/2030	\$7,382
3806	2018	HQ680	\$3,323	11/29/2018	11/29/2030	\$7,382

Increased effort around auctioning off equipment to repurpose proceeds to additional units



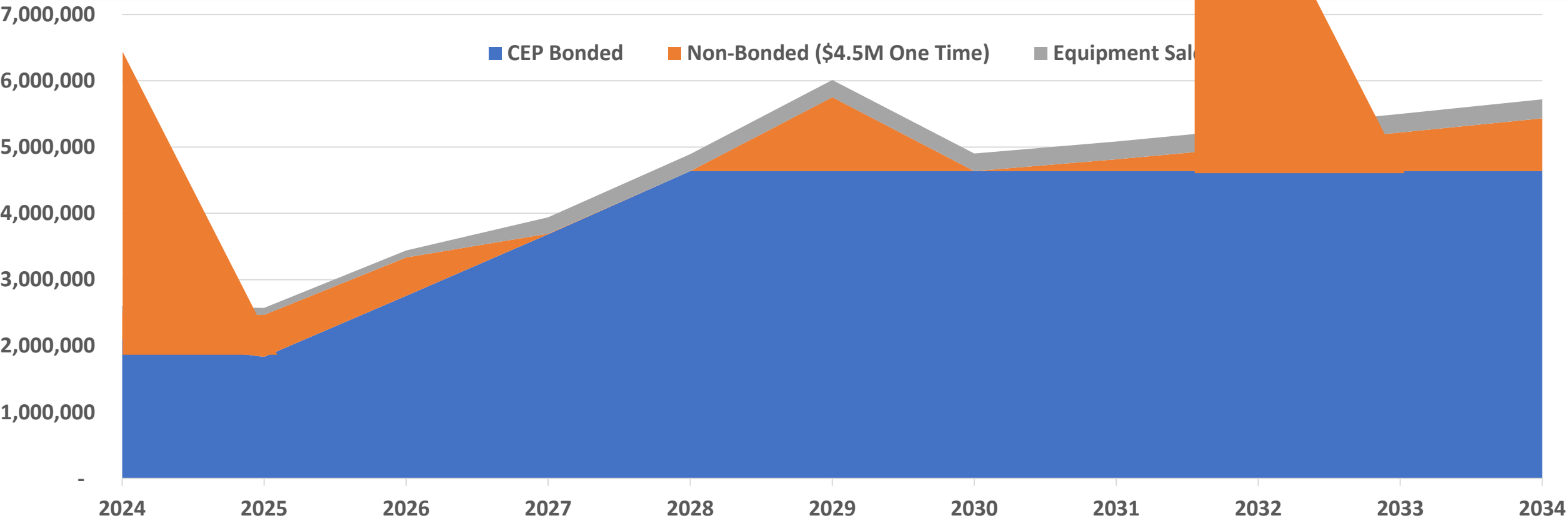
GPS Units

- First time ever have accurate vehicle usage
- Help with idle and CO2 reduction initiatives
- It will help prevent major failures
 - Sends info on check engine light
- Give us data for potential motor pool options especially with new facility
 - This would reduce even more units in the future

The screenshot shows a 'Diagnostics' page with a list of vehicle metrics. Each row includes a metric name, its current value, and the time it was last updated. Some metrics include visual indicators like progress bars for Fuel and DEF Level.

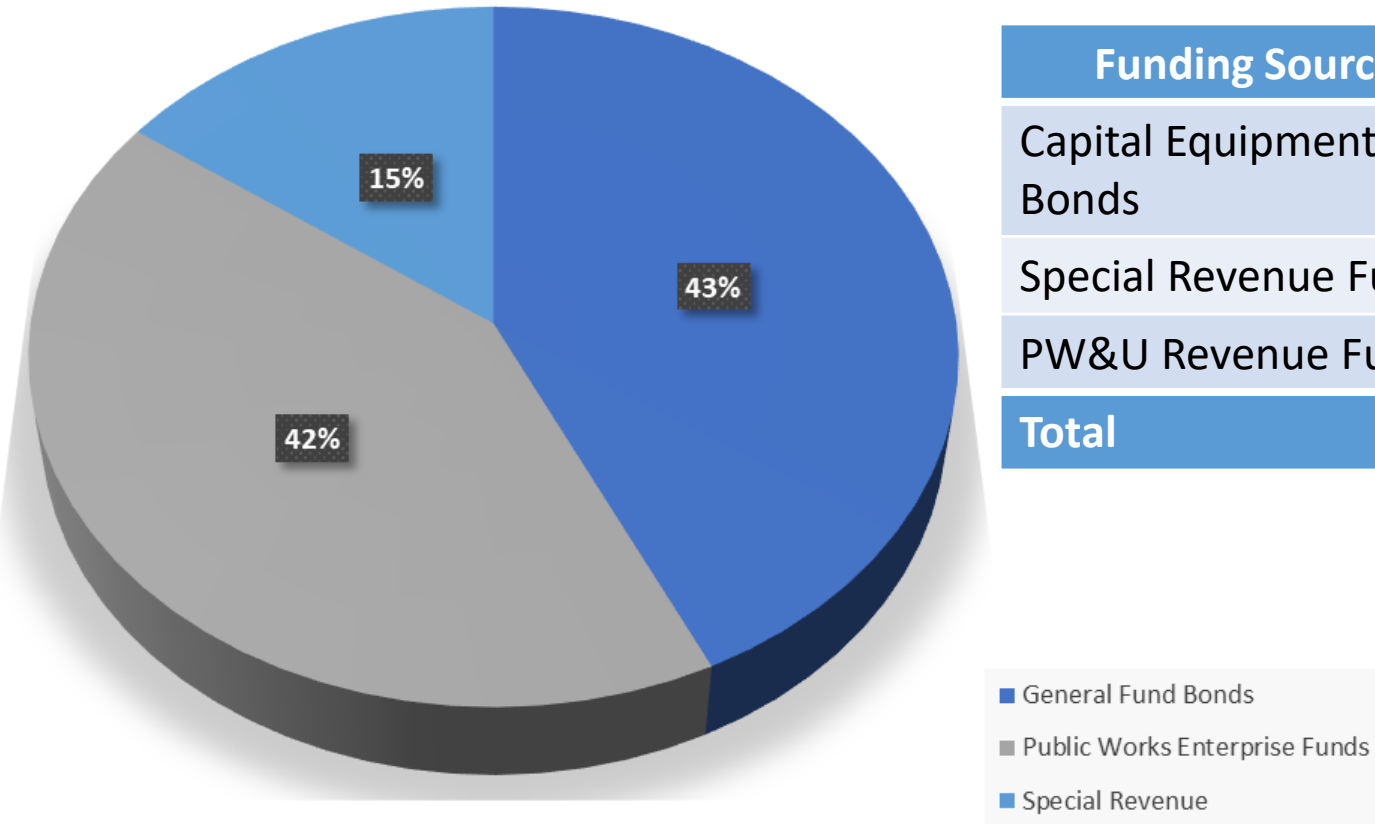
Metric	Value	Last Updated
Engine State	Idling	4 minutes ago
Engine Hours	5174h 51m	-
Engine Check Light	Off	-
Fuel	23%	-
DEF Level	92%	a few seconds ago
Engine Speed	648 RPM	a few seconds ago
Barometric Pressure	14.07 PSI	a few seconds ago
Engine Percent Load	15 %	a few seconds ago
Air Inlet (Ambient Air) Temp	46.4°F	a few seconds ago
Battery Voltage	13.986 V	a few seconds ago
Odometer	51,242 mi	25

Future Levy Increases



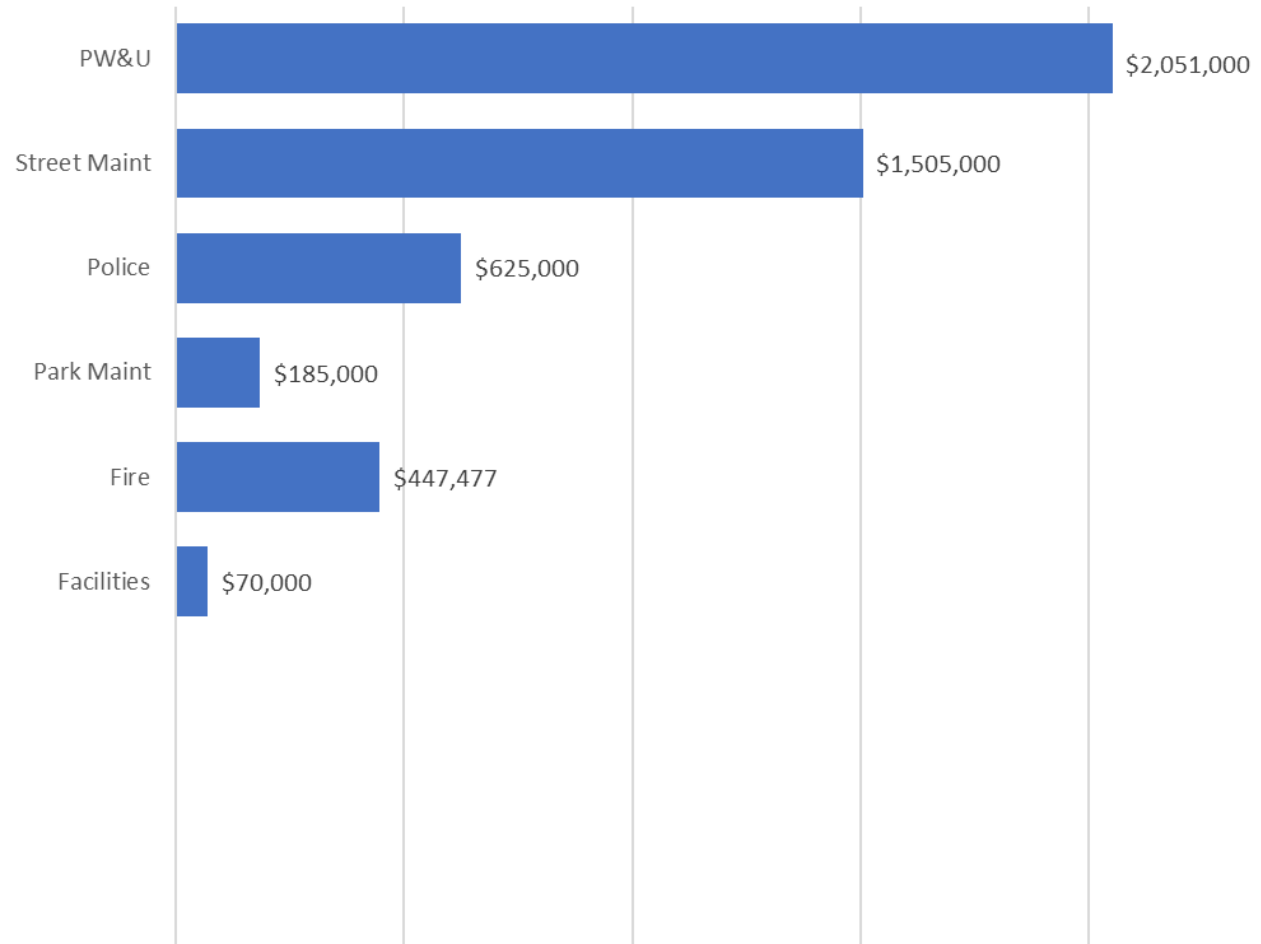
	2023	2024	2025	2026	2027	2028	2029
Levy Amount	0.13%	0.5%	0.0%	0.5%	0.5%	0.5%	?

2025 Rolling Stock Funding



Funding Source	Departments	Amount
Capital Equipment Bonds	General Fund Departments	\$2,095,000
Special Revenue Funds	General Fund Departments	\$ 737,477
PW&U Revenue Funds	PW&U Enterprise Divisions	\$2,051,000
Total		\$4,883,477

2025 CEP Rolling Stock Funding



2025 Planned Replacements

Department	Asset: Year Make Model	Meter	Age, Years	Maint Cost	Budget	Description
PW&U	1300: 2010 LINCOLN CLASSIC 300 D	899	12	\$2,000.00	\$30,000	PW&U Vehicles/Equipment
PW&U	1217:2002 CAT 315CL excavator	8633	22	\$81,431.00	\$300,000	PW&U Vehicles/Equipment
PW&U	1223: 2014 Case 580N	6210	10	\$110,648.00	\$130,000	PW&U Vehicles/Equipment
PW&U	2730: 2014 FORD F250	111642	10	\$51,919.00	\$85,000	PW&U Vehicles/Equipment
PW&U	1229: 2011 Felling FT12IT	0	13	\$16,081.00	\$14,000	PW&U Vehicles/Equipment
PW&U	1758: 2010 Ford F250	88130	13	\$9,016.00	\$150,000	PW&U Vehicles/Equipment
PW&U	1803: 2015 Chev 3500	105682	9	\$41,228.00	\$100,000	PW&U Vehicles/Equipment
PW&U	2719:2003 Felling FT14DE	0	20	\$24,659.00	\$14,000	PW&U Vehicles/Equipment
PW&U	2720: 2016 Freightliner M2	51360	8	\$44,694.00	\$175,000	PW&U Vehicles/Equipment

2025 Planned Replacements

Department	Asset: Year Make Model	Meter	Age, Years	Maint Cost	Budget	Description
PW&U	2878: 2013 Freightliner Vactor	139514	11	\$284,484.00	\$750,000	PW&U Vehicles/Equipment
PW&U	New Addition	0	0	\$0.00	\$65,000	PW&U Vehicles/Equipment
PW&U	1793: 2014 GMC 2500 van	37585	10	\$10,131.00	\$68,000	PW&U Vehicles/Equipment
PW&U	1781: 2013 Ford E350	63592	11	\$18,285.00	\$60,000	PW&U Vehicles/Equipment
PW&U	1783: 2013 Ford E350	80286	11	\$27,269.00	\$60,000	PW&U Vehicles/Equipment
PW&U	1799: 2015 GMC 1500	102622	10	\$18,023.00	\$50,000	PW&U Vehicles/Equipment
PW&U	2819: 2015 John Deere 135G excavator	3098	10	\$4,395.00	Remove	PW&U Vehicles/Equipment
PW&U	1240: 2014 CAT 308 excavator	3943	10	\$33,151.00	Remove	PW&U Vehicles/Equipment
PW&U	1290: 2002 Felling FT-10P	0	20	\$8,358.00	Remove	PW&U Vehicles/Equipment
PW&U	1083: 2006 Kent impactor	0	18	\$2,132.00	Remove	PW&U Vehicles/Equipment

2025 Planned Replacements

Department	Asset: Year Make Model	Meter	Age, Years	Maint Cost	Budget	Description
FACILITIES	5228: 2008 Ford F350	71123	17	23362	\$70,000	Facilities Dept Vehicles
FIRE	7368: 2013 CHEVROLET Tahoe	35501	11	15563	\$105,146	Fire Dept Vehicles
FIRE	7354: 2006 Freightliner Engine	12345	18	263943	\$342,000	Fire Dept Vehicles
PARK MAINT	3120: 2007 Toro Workman	1498	17	15602	\$30,000	Park Maint Vehicles/Equipment
PARK MAINT	3054: 2002 John Deere 1445	2801	22	68301	\$30,000	Park Maint Vehicles/Equipment
PARK MAINT	3914: 2001 John Deere 1445	3807	23	53081	\$30,000	Park Maint Vehicles/Equipment
PARK MAINT	3226: 2008 Ford F350	77146	16	47899	\$95,000	Park Maint Vehicles/Equipment
POLICE	10 Police Squads (Averages)	90000	5	19200	\$625,000	Police Dept Vehicles
STREET MAINT	3750: 1998 Chev Flusher	134269	26	257838	\$230,000	Street Maintenance Vehicles/Equipment
STREET MAINT	2 Plow Trucks (Averages)	57600	10	195100	\$340,300	Street Maintenance Vehicles/Equipment
STREET MAINT	3360: 2007 Mack CV713	110689	17	185184	\$320,000	Street Maintenance Vehicles/Equipment
STREET MAINT	3224: 2008 Ford F250	68518	16	40288	\$64,000	Street Maintenance Vehicles/Equipment
STREET MAINT	3396: 2007 Case 621D	10409	17	139577	\$210,000	Street Maintenance Vehicles/Equipment

Supply Chain Challenges

- Short ordering windows
- Extended delivery time
- Variety of manufacturing shortages
- Increasing costs



2025 Rolling Stock Replacement Highlights

Police Vehicles



2025 Rolling Stock Replacement Highlights

Streets Plow Trucks



2025 Rolling Stock Replacement Highlights

PWU Sewer Vac Truck



2025 Rolling Stock Replacement Highlights Fire Engine



2025 Rolling Stock Replacement Highlights

Street Maintenance Wheel Loader

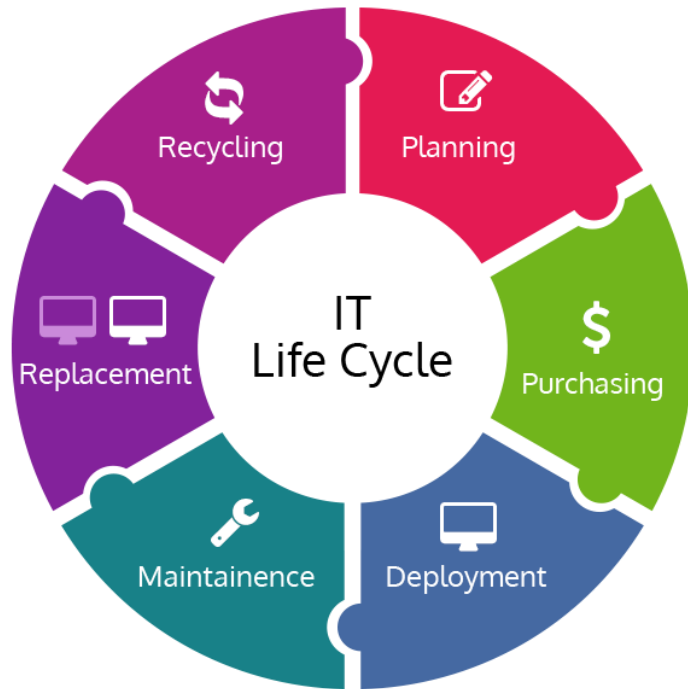




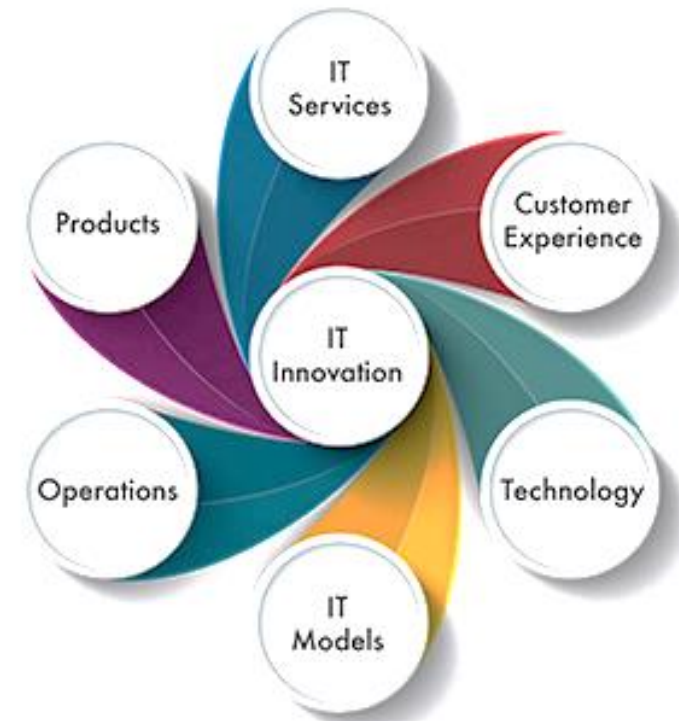
Non-Rolling Stock

2025 Capital Equipment: Non Rolling Stock

IT Projects \$1,070,000



\$870,000



\$200,000

2025 Capital Equipment: Non Rolling Stock

IT Life Cycle Projects- \$870,000 bond

Life cycle replacements are critical to maintain a functioning and secure environment that can keep pace with emerging technologies and the ever-changing technology security needs.

These projects consist of the replacement of outdated and obsolete equipment and technology solutions to further automate, improve efficiencies, and communications across the various departments.

Projects included in the Life Cycle category consist of the replacement of computers, public safety emergency radio equipment, network equipment, and the expansion or replacement of existing systems such as the Network Backup Solution in 2025.



2025 Capital Equipment: Non Rolling Stock IT Innovation Projects- \$200,000 bond

Innovation projects utilize emerging technologies to improve communications and provide services in the most effective, efficient, and secure manner possible.

Efficiency in local government is critical due to budget tightening and rising citizen expectations.

This funding provides for the implementation of new technology solutions such as wayfinding and security solutions for city hall.



2025 Capital Equipment: Non Rolling Stock

Public Safety and Engineering Equipment \$440,000 bond

These funds support the purchase of equipment required to keep Public Safety Staff safe and support emergency response, and Engineering equipment used for locating and recording above ground infrastructure

- Personal Protective Equipment (PPE) includes helmets, gloves, boots, hoods, turnout jacket and turnout pants.
- Fire Hose and Hose Appliances
- Thermal Imaging Camera
- Rescue Equipment
- Concrete Saw
- J-Barrier Picker
- GPS Units



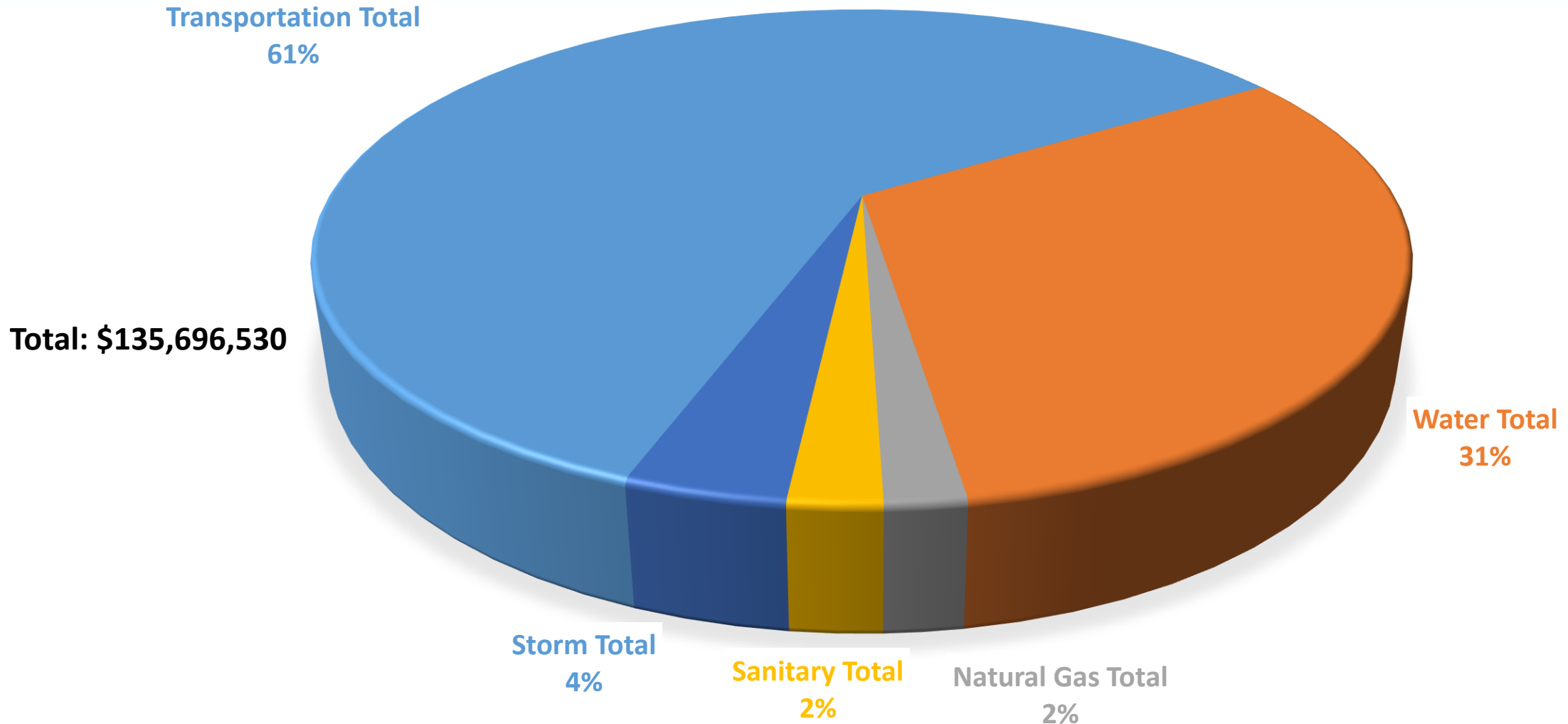
An aerial photograph of a school campus, including a large central building, a gymnasium, and a track, overlaid with a blue tint. The text "Capital Improvement Plan" is centered in white.

Capital Improvement Plan



Public Works & Utilities

Public Works & Utilities Capital Investment by fund



Public Works & Utilities Capital Project Summary

2025 Capital Projects Public Works & Utilities	Total	Funding Sources
Transportation Total	\$ 82,176,530	
Street Preservation Project 2025 : various locations	\$ 9,125,000	Sales Tax
Sidewalk	\$ 120,000	Perm Imp Fund & Levy
Patch Project	\$ 60,000	PI Fund
Retaining/Guard Rail Repair/Restriping/Bridge repair	\$ 150,000	Sales Tax
Railroad Street, from Canal Park Dr to 5th Ave W	\$ 2,100,000	Federal, State and Levy
W Superior Street, Michigan to Carlton St	\$ 37,203,530	Federal, State and Levy
Aerial Lift Bridge Painting and Misc Structural Repairs	\$ 19,833,000	Federal, State and City Bond
NHS Federal 2025 Project (including St. Louis County share)- Garfield Ave CPR	\$ 280,000	Federal & State
NHS Federal 2025 Project- 3rd Ave W, between Michigan and Superior Street reconstruct	\$ 410,000	Federal & State
Bardon's Peak Wall	\$ 2,700,000	Federal & Sales Tax
Bardon's Peak Wall Construction engineering	\$ 200,000	Sales Tax
Junction Ave/St. Marie reconditioning, 19th Ave E to Carver, Const and Engineering	\$ 2,200,000	State & Bridge Bond
Eklund Ave reconstruction	\$ 3,000,000	Sales Tax & Utility Revenue
Chester Park Dr Alley reconstruction	\$ 280,000	Levy & Utility Revenue
6th Ave E CPR and overlay- 2nd Street to Copper Top	\$ 1,850,000	Sales Tax & Levy
Northwest Passage Footing repairs	\$ 50,000	Permanent Improvement
Replace Br. L5931, Niagara St at Chester Creek Bridge	\$ 1,200,000	Bridge Bond & Levy
Skyline Safety Improvements, Enger Loop	\$ 600,000	State Safety Funds & Levy
Superior St (Downtown) MSA Bond Pmt	\$ 815,000	State Aid

Public Works & Utilities Capital Project Summary

Water Total	\$ 42,720,000	
**Northland Country Club Interconnect	\$ 1,400,000	Utility Revenue
Chambersburg Dead End	\$ 583,000	Utility Revenue
London Road R-A-B Relocations	\$ 1,500,000	Utility Revenue
Lead Service Replacement Project (49% Grant) if awarded	\$ 35,500,000	Water Bond, Water Grant
**WTP Building & Structural Repairs	\$ 1,500,000	Utility Revenue
**Flocculator & Sedimentation Tank Repairs	\$ 220,000	Utility Revenue
WTP Corrosion Optimization Construction	\$ 600,000	Utility Revenue
Patch Project	\$ 166,000	Utility Revenue
Eklund Ave reconstruction	\$ 750,000	Utility Revenue
Chester Park Dr Alley reconstruction	\$ 501,000	Utility Revenue
Natural Gas Total	\$ 2,600,000	
Gas Blanket Project	\$ 1,000,000	Utility Revenue
Meter relocations/bollards/EFV	\$ 1,150,000	Utility Revenue
Patch contract	\$ 70,000	Utility Revenue
Street projects	\$ 30,000	Utility Revenue
Inline Gas Heater Replacement - Great Lakes	\$ 200,000	Utility Revenue
Transmission Line CDA	\$ 150,000	Utility Revenue
Sanitary Total	\$ 3,000,000	
Citywide manhole adjustment project	\$ 75,000	Utility Revenue
Citywide sanitary sewer rehabilitation/lining	\$ 1,850,000	Utility Revenue
Lift station rehabilitation (LS 27-E. Superior St & LS 40-Port Terminal)	\$ 750,000	Utility Revenue
Chester Park Dr Alley reconstruction	\$ 72,000	Utility Revenue
Replace Br. L5931, Niagara St at Chester Creek Bridge	\$ 50,000	Utility Revenue
Patch Project	\$ 103,000	Utility Revenue
Misc street projects	\$ 100,000	Utility Revenue

Public Works & Utilities Capital Project Summary

Storm Total	\$ 5,200,000	
Annual CIPP lining	\$ 350,000	Utility Revenue
Annual street projects	\$ 900,000	Utility Revenue
Citywide culvert & ditch repairs, block long projects	\$ 175,000	Utility Revenue
Citywide manhole adjustments	\$ 78,500	Utility Revenue
Citywide pipe repairs & steep slope "down drains"	\$ 250,000	Utility Revenue
Creek tunnel repairs TBD	\$ 400,000	Utility Revenue
Critical culvert/crossing repairs	\$ 350,000	Utility Revenue
Green Infrastructure grant match - TMDL impaired watersheds	\$ 100,000	Utility Revenue
Storm SWPPP document update	\$ 25,000	Utility Revenue
Stream TMDL E.coli studies - MS4 permit compliance	\$ 150,000	Utility Revenue
TMDL Action Plans document - next permit cycle	\$ 150,000	Utility Revenue
Tioga	\$ 150,000	Utility Revenue
Non-capital storm projects	\$ 200,000	Utility Revenue
Irving Park Stormwater Filtration	\$ 175,000	Utility Revenue
Brewery Creek Pond Rehabilitation Project (10% grant match)	\$ 170,000	Utility Revenue
32nd Ave West Basins Storm Repairs (10% grant match)	\$ 775,000	Utility Revenue
Junction Ave/St. Marie reconditioning, 19th Ave E to Carver, Const and Engineering	\$ 315,000	Utility Revenue
Eklund Ave reconstruction	\$ 325,000	Utility Revenue
Chester Park Dr Alley reconstruction	\$ 120,000	Utility Revenue
Patch Project	\$ 41,500	Utility Revenue

West Superior Street



Revitalization of West Superior Street,
Michigan St to Carlton St.

Total Funding:	\$37,203,530
Federal Grant:	\$32,683,530
State Aid:	\$ 4,270,000
PI Fund:	\$ 150,000
Street Lighting:	\$ 100,000

Aerial Lift Bridge



Aerial Lift Bridge Rehabilitation and Maintenance

Total Funding: \$19,833,000

Federal Grant: \$ 1,500,000

State Bridge Bond: \$ 7,000,000

State Aid/Grant: \$ 1,333,000

City Funding: \$ 10,000,000



Facilities

Capital Planning Process for City Facilities

- **Annual CIP Facility Condition Assessment Process**

- Staff-consultant team completed building-by-building facility condition assessment for all PFM managed buildings (all but PWU facilities), and works to update the asset management system each year to include work performed and evolving capital improvement plans

- **Strategic Facility Planning**

- The PFM team is working to formulate and present strategies for adequately maintaining and updating City facilities through a combination of gradually increasing public investment, alternate funding sources, targeted demolition, facility consolidation, and renewal of critical facility assets



2025 Capital Facility Improvements



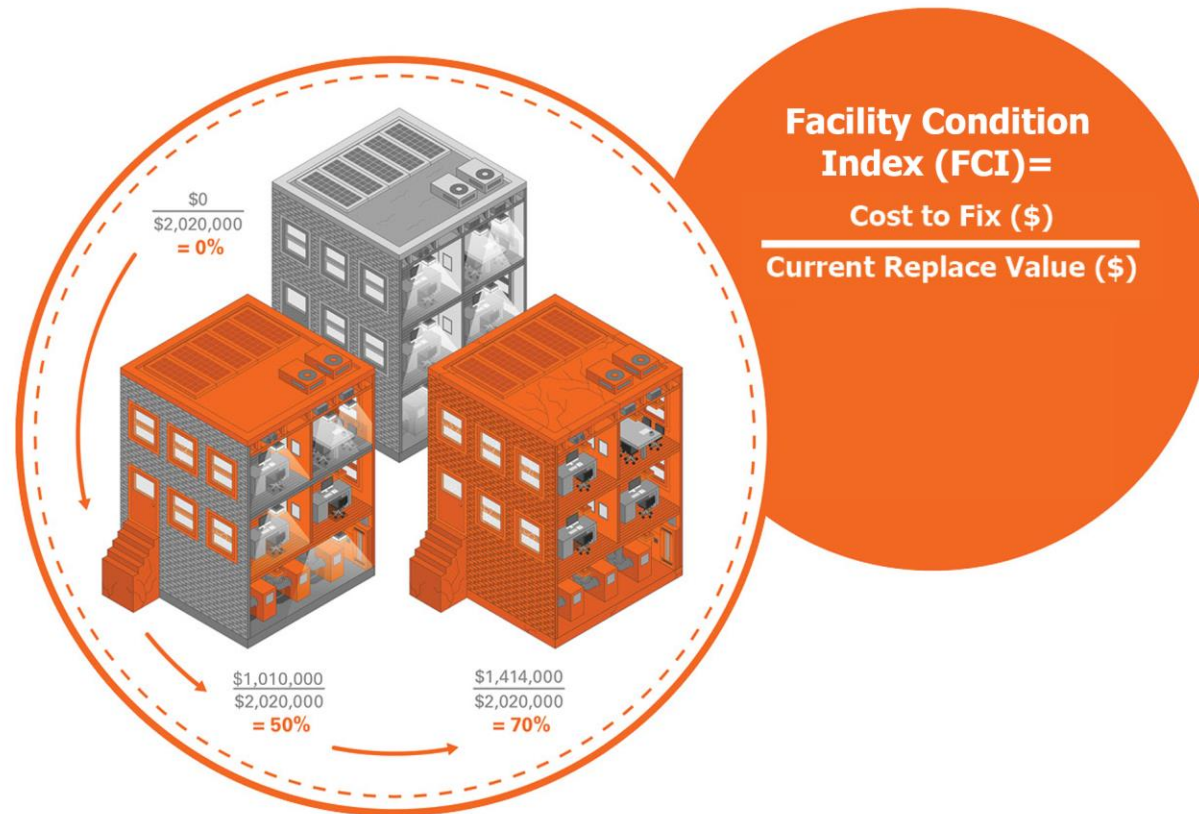
Main Library

Total Number of CIP Buildings	27 of 148 buildings*
Total Square Feet CIP Buildings	404,955**
Investment by Square Foot	\$5.38
Misc. CIP Facilities	\$998,000
Public Safety Facilities	\$80,000
Civic Buildings	\$1,100,000
TOTAL CAPITAL IMPROVEMENT BONDS FOR ELIGIBLE CIP FACILITIES	\$2,178,000

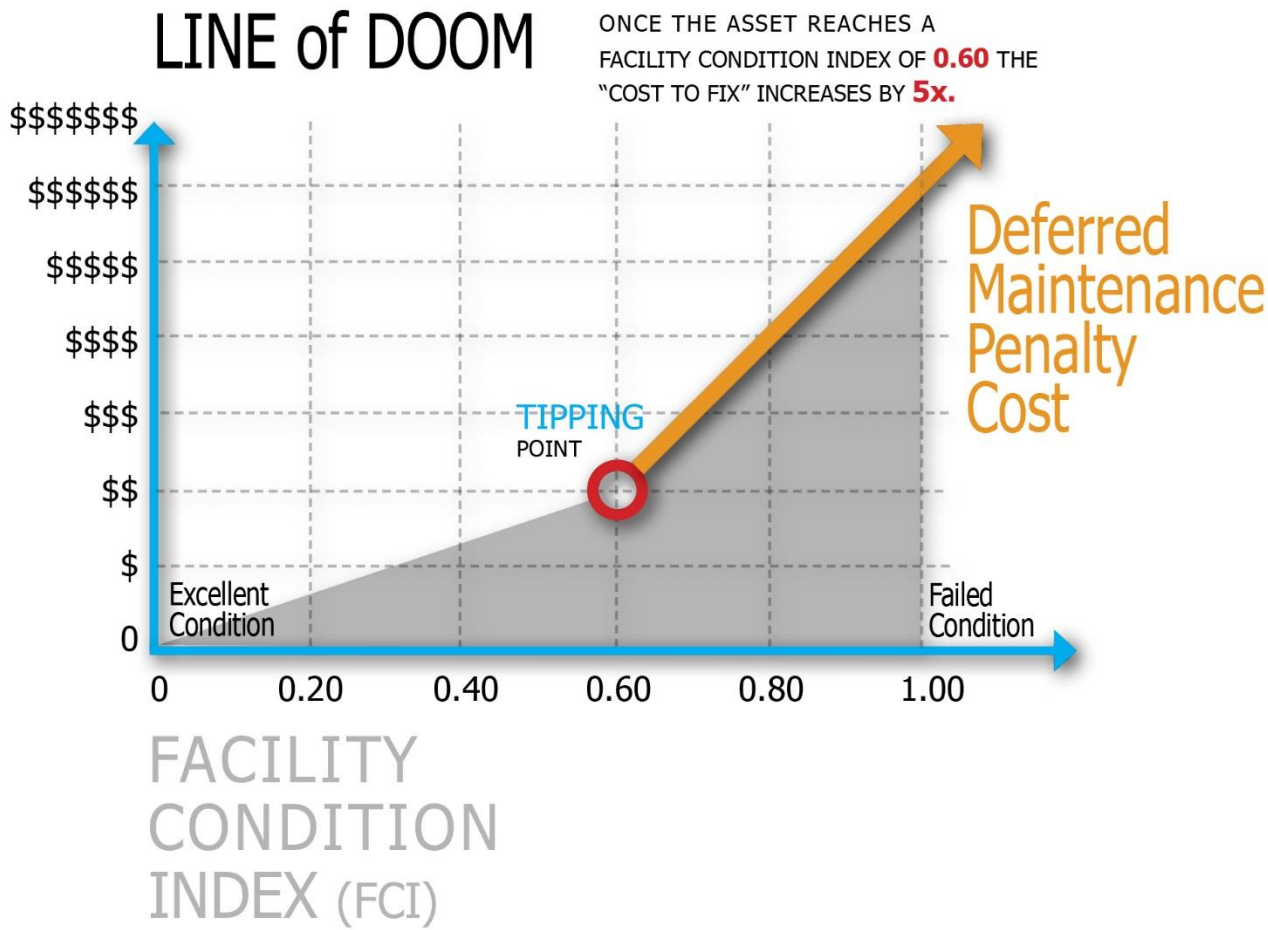
*The remaining 121 City Facilities are comprised of Parks and Recreation buildings and site amenities, and Public Works & Utilities' facilities

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

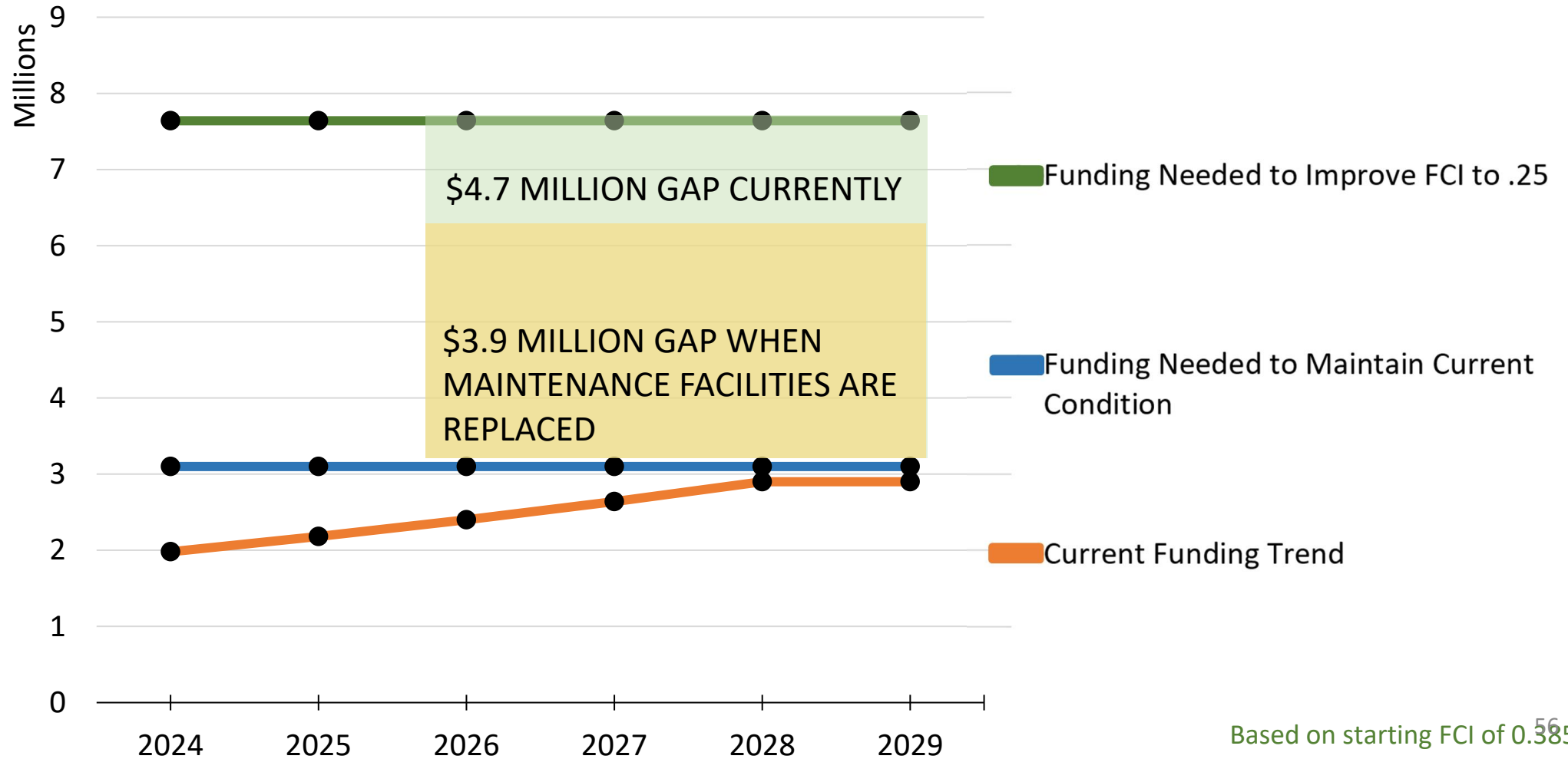
What is FCI?



Line of Doom Explained



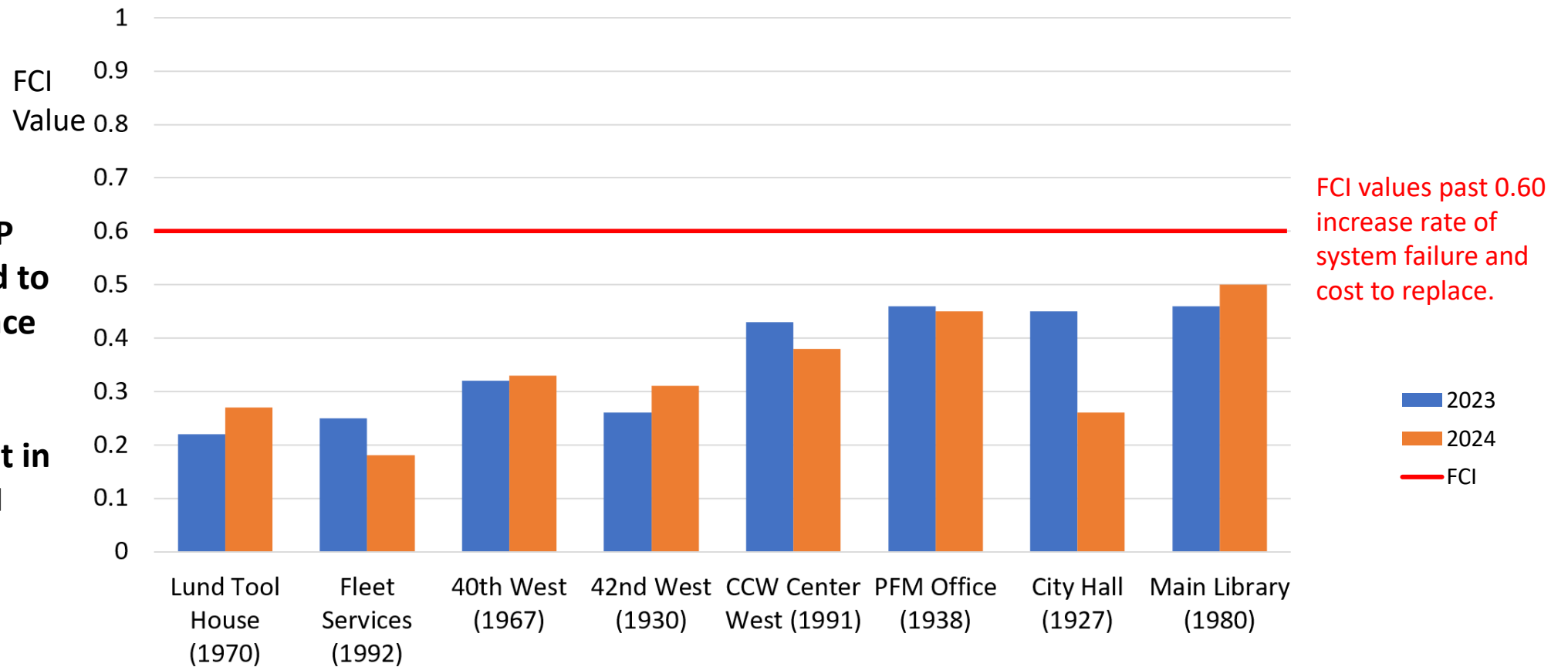
Funding Gap



FCI of Civic & Maintenance Buildings

-Majority of 2024 CIP funds were allocated to Civic and Maintenance Buildings.

-\$14.4mil investment in City Hall reduced FCI 43%



City Hall HVAC Renewal

- **Funding Sources**

- \$12 million from American Rescue Plan Act
- \$2.4 million from CIP allocations '22-'24

- **Project Scope**

- *Current HVAC system:* steam radiators for perimeter heating, air handling units providing ventilation air to minimal areas, exhaust systems
- *Replacement equipment:* Dedicated Outside Air Supply units with Energy Recovery Ventilators; Variable Refrigerant Flow technology for space dehumidification and temperature control

- **Construction**

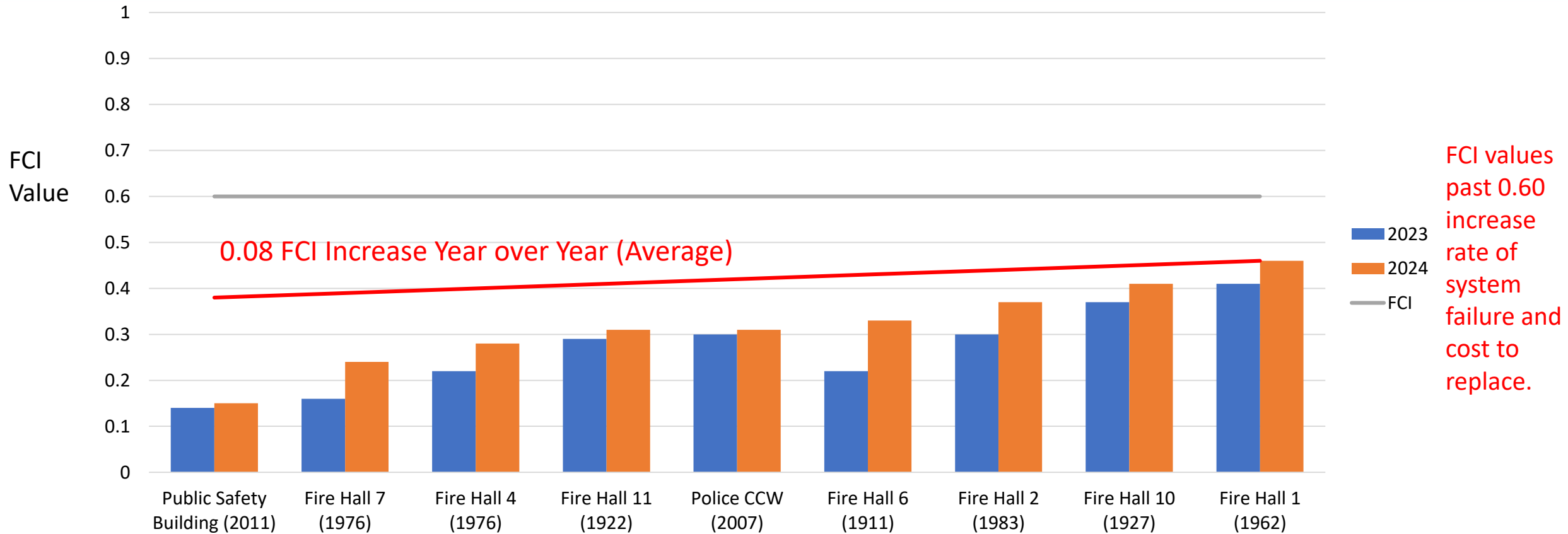
- Demolition and installation work completed Summer 2024

- **Benefits**

- Improved fresh air quality and distribution; control over building humidity levels for comfortable occupant working conditions and reduced interior maintenance needs; building controls regulate space usage and energy conservation
- **Major deferred maintenance reduction: decreased FCI from 0.45 to 0.26**



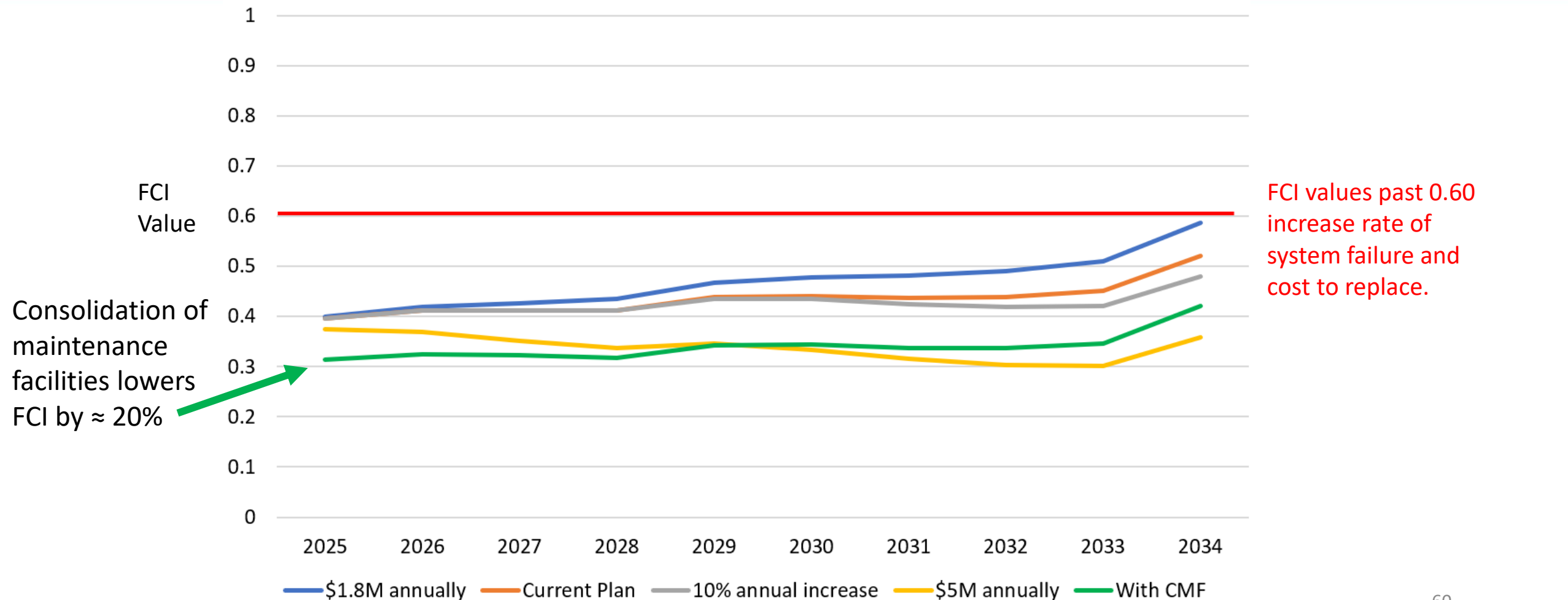
FCI of Public Safety Buildings



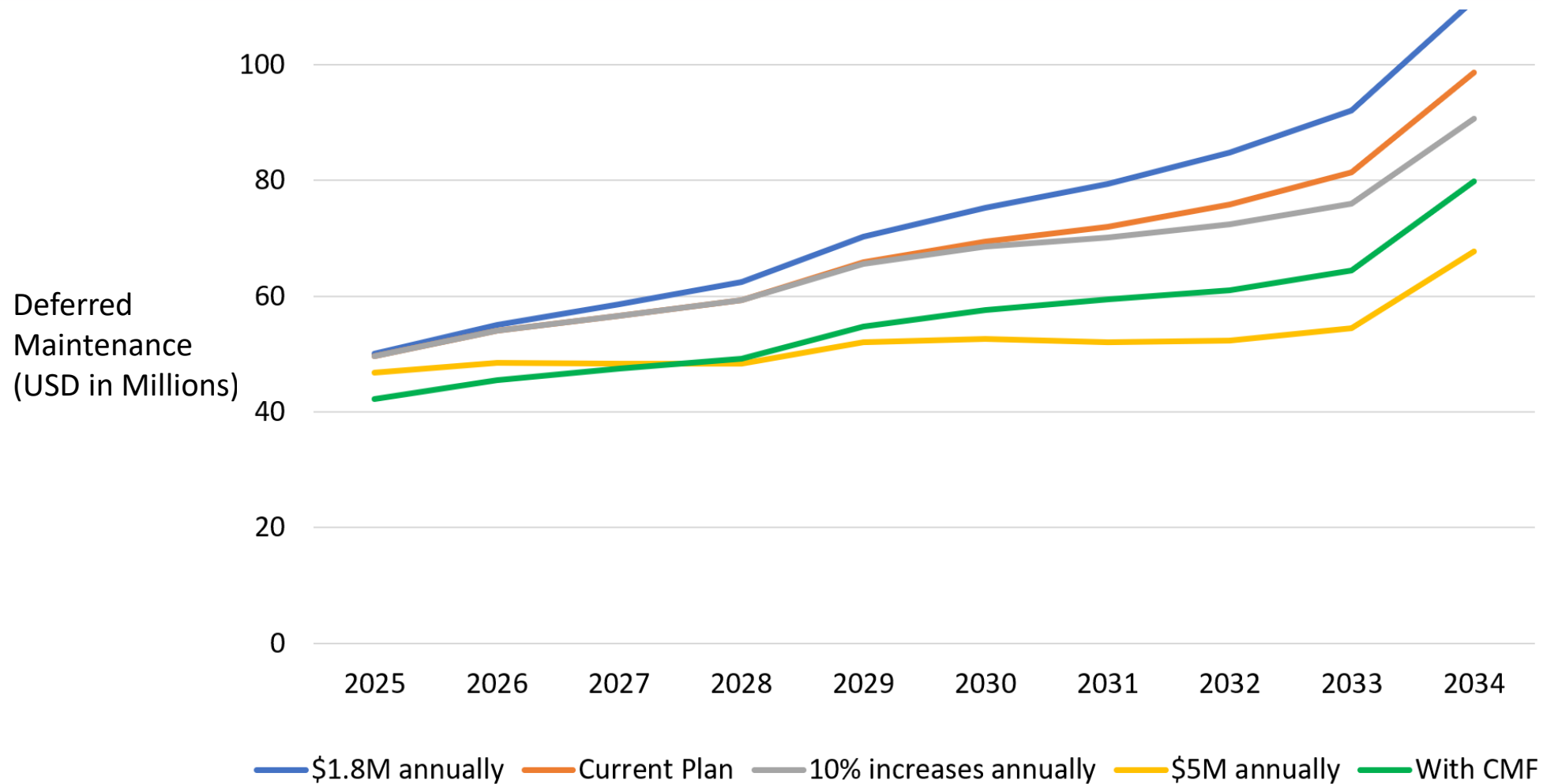
-Only miscellaneous maintenance 2024 CIP funds were allocated Public Safety Buildings.

-Fire Hall Master Plan project to start in 2025, will need to find funding beyond annual CIP

CIP Facilities: FCI Levels with Funding Plans

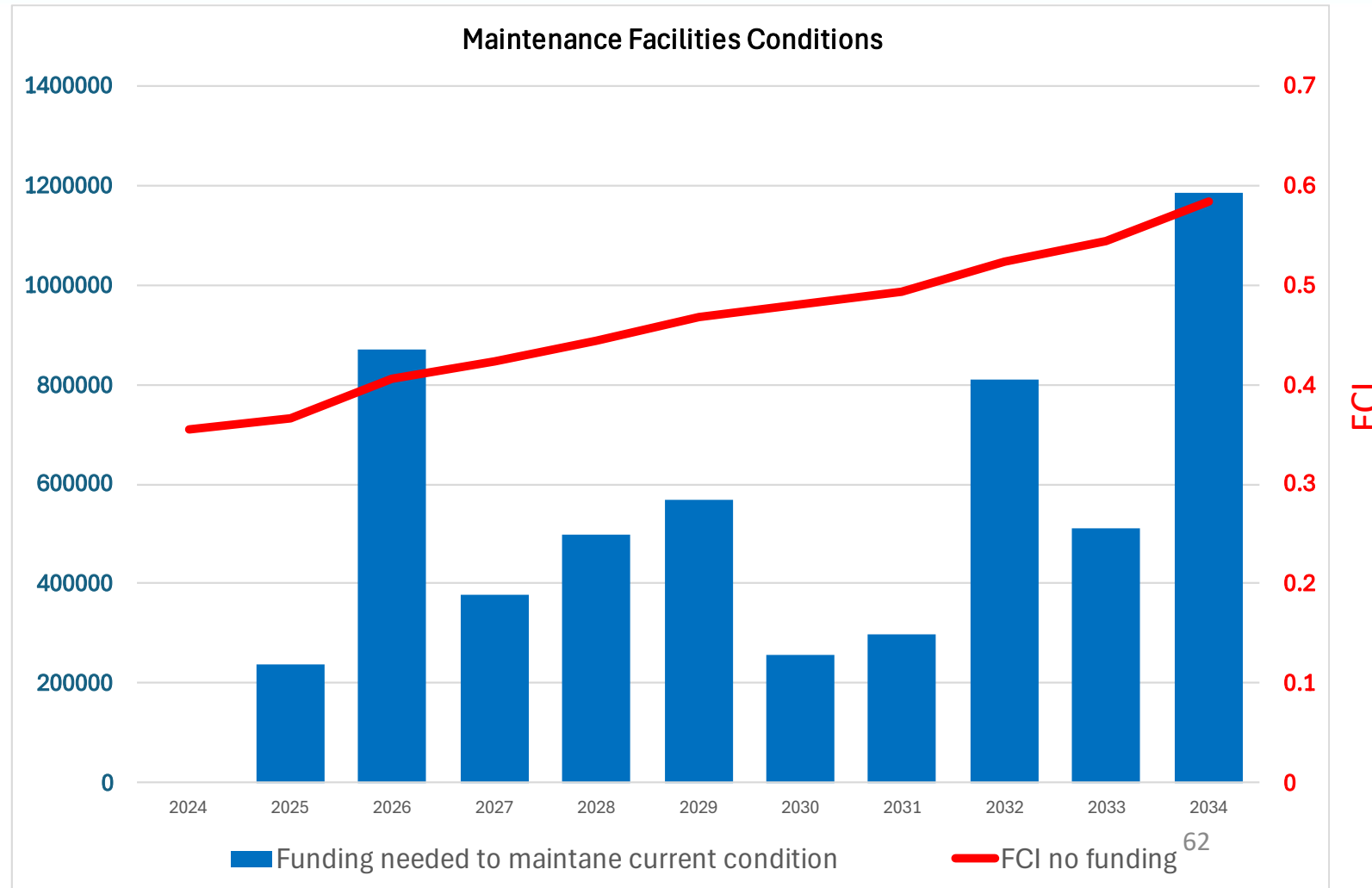


CIP Facilities: Deferred Maintenance Backlog with Funding Plans



Consolidated Maintenance Facility Benefits

- Cost just to maintain current Maintenance facilities conditions - \$560,000/yr
- \$5.6M total savings over 10 years
- Eliminates ≈\$19mil in deferred maintenance backlog over 10 years



CIP Facilities: Funding Plan Efficacy and Strategy

- CIP Facilities will have a deferred maintenance backlog of \$50M in 2025
 - This backlog accrues additional costs for increased system failures, with average annual penalty of \$50k - \$100k
 - Backlog decreases to \$44M after consolidating maintenance facilities, \$19M saved over 10 years.
- Funding plans shown on graphs can keep pace with yearly system renewals, but cannot make progress in decreasing deferred maintenance backlog over 10 years
- Requires a strategy of spending CIP dollars on low-level asset renewals at end of lifecycle, while pursuing large capital investments with non-CIP funds to significantly reduce FCI values
 - City Hall HVAC (ARPA)
 - Consolidated Maintenance Facility
 - Priley Circle (GSA & St. Louis County)
 - Main Library

Current Facilities

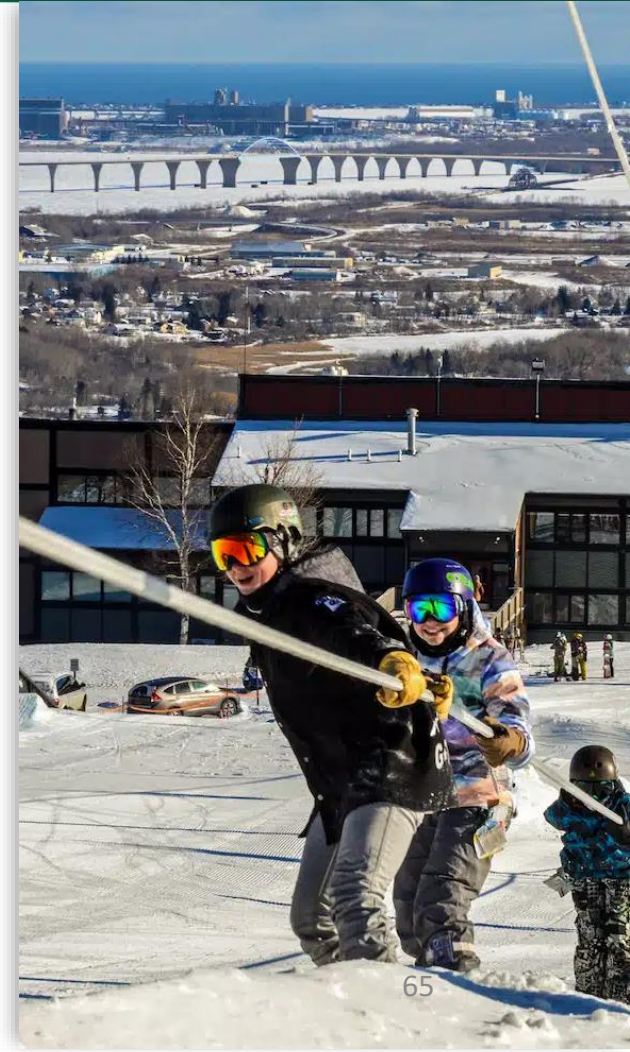


Spirit Mountain State Bonding Project

- Design and construct an updated Skyline Chalet, Improvements to site and landscape, and replacement of two aging chairlifts with a single new lift.
- **Total Cost:** \$26,000,000

- State Bonding: \$13,000,000
- City bonding: \$6,500,000
- Spirit Mountain: \$6,500,00

- **Total Funding:** \$26,000,000

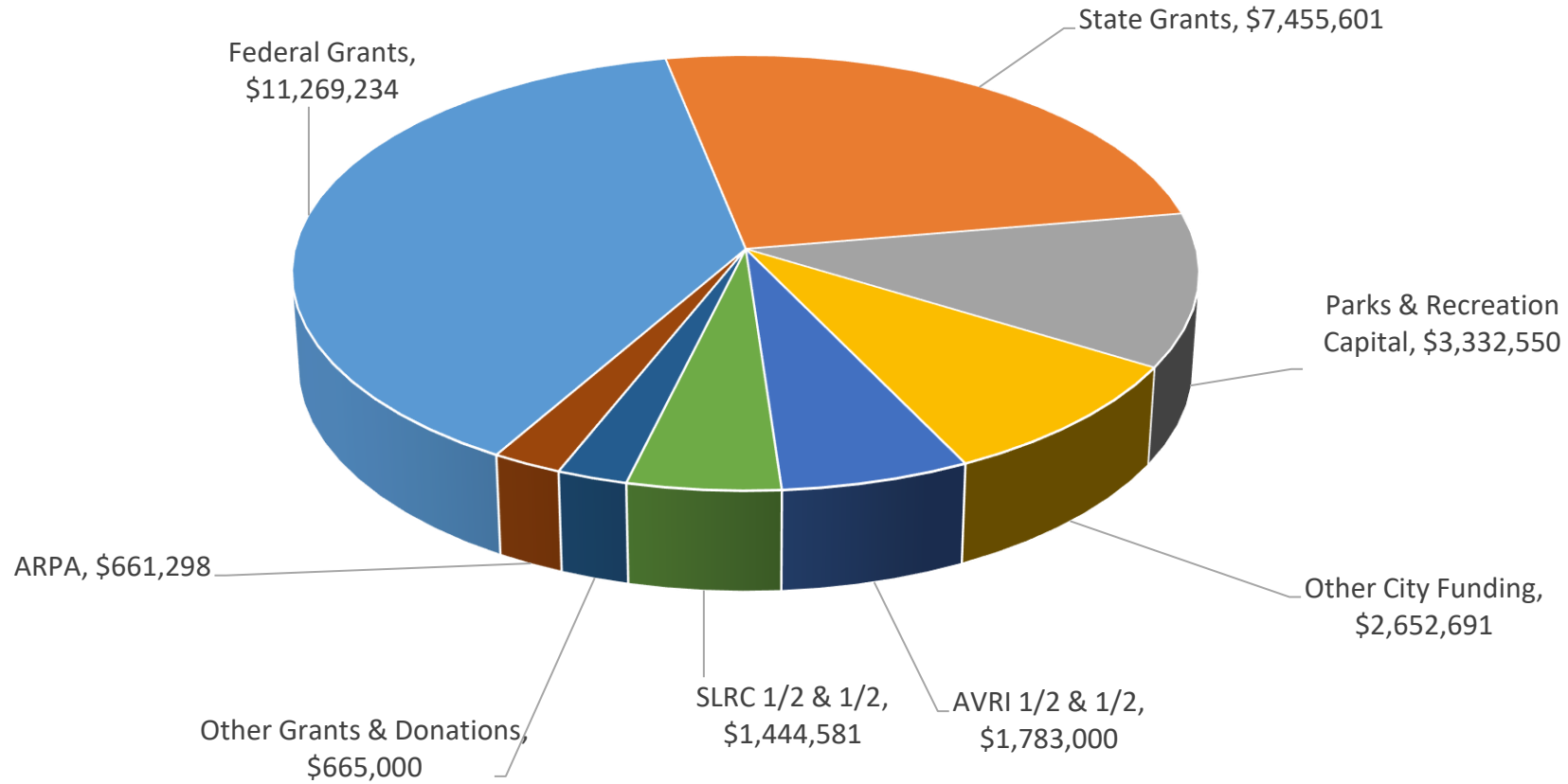


2025-2029 Parks and Trails Capital Projects & Funding Sources



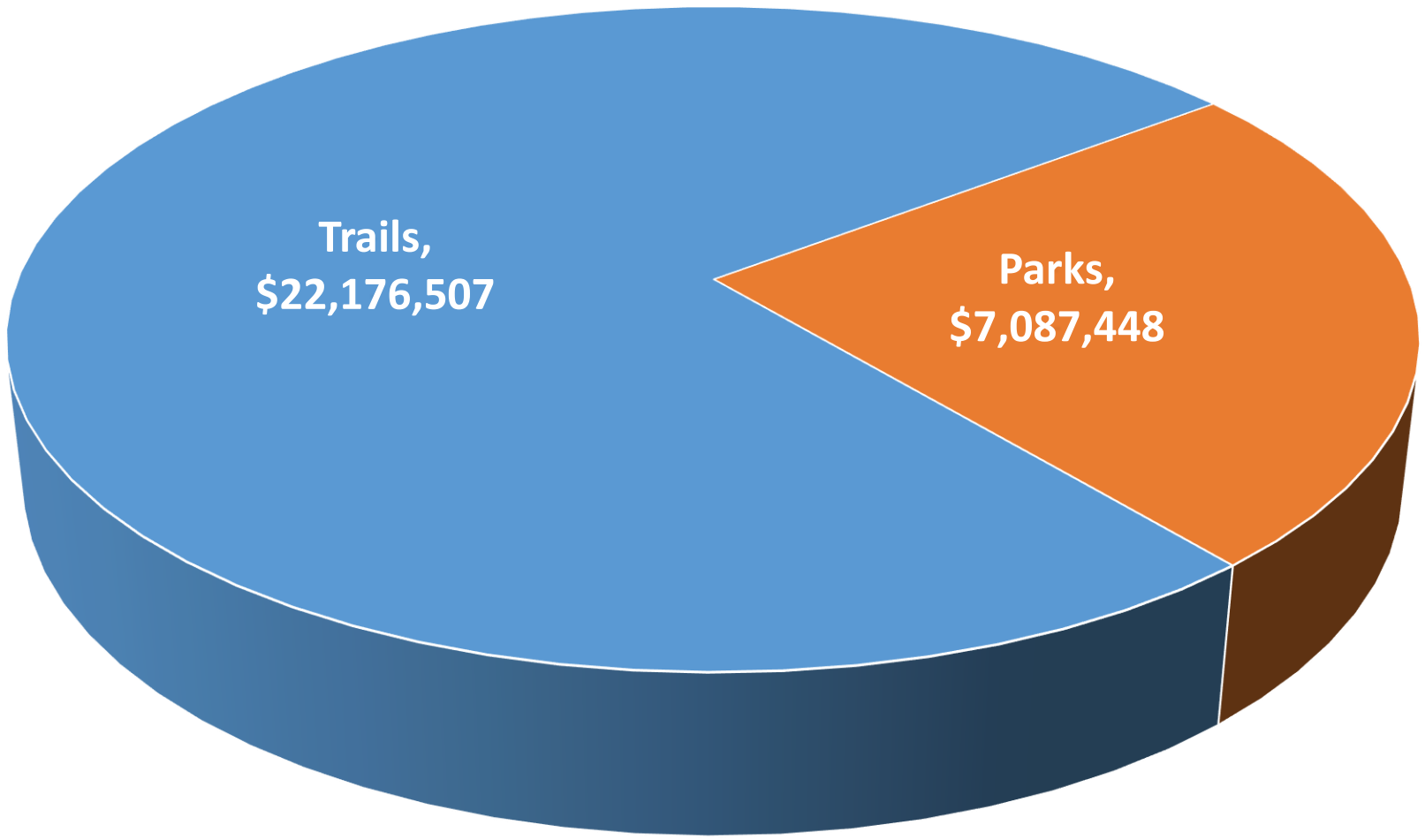


2025-2029 Parks and Trails Funding Sources - \$29,263,955





2025-2029 Parks and Trails \$29,263,955



2025-2029 Parks Budget – Park Fund Capital Process

1. Develop Parks and Recreation Division Operating Budget
2. Include transfer to Park Maintenance Division Operating Budget
3. Remainder of Park Fund is allocated to Capital
4. Project following years Park Fund-sourced capital to complete 5-year CIP budget
5. Capital Budget includes confirmed additional funding sources:
 - A. Other City Funds
 - B. Grants
 - C. Bonding
 - D. Half and Half Tourism Funds
 - E. Etc.

The Park Fund is capped at \$2,880,000 and remains flat. In 3 of the last 14 years, contributions from the General Fund have covered contractual wage/benefit increases for Parks personnel. In the other 11 years, Parks capital budgets have had to be cut to pay for increased Parks personnel costs.

2025-2029 Parks Budget – Annual Park Fund Capital Amount

The Park Fund, unlike the General Fund, can rollover unspent dollars. This can also happen intentionally to “save up” for larger capital expenses overtime. Thus, some years, it appears that the Park Fund is contributing large amounts of capital, while other years the amount is much smaller.

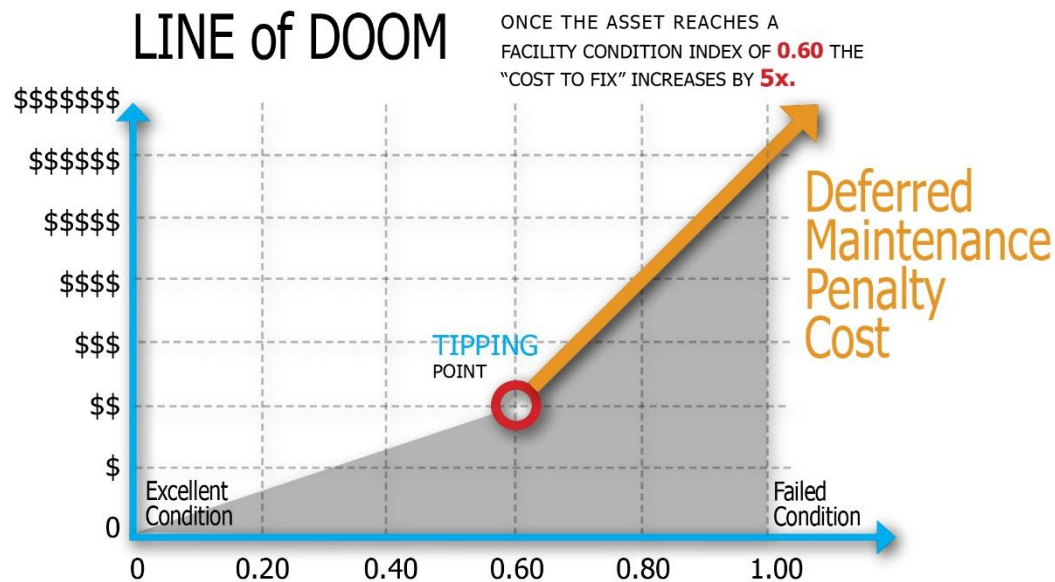
Projects	2025	2026	2027	2028	2029	Total
Parks	5,672,448	990,000	175,000	100,000	150,000	7,087,448
Trails	15,904,323	5,997,185	75,000	125,000	75,000	22,176,507
Total	21,576,771	6,987,185	250,000	225,000	225,000	29,263,955
Funding	2025	2026	2027	2028	2029	Total
Federal Grant	6,946,117	4,323,117	-	-	-	11,269,234
ARPA Funding	661,298	-	-	-	-	661,298
State Grant	6,430,725	1,024,876	-	-	-	7,455,601
Other Grants/Donations/Funding	665,000	-	-	-	-	665,000
Parks and Recreation Capital Budget	2,297,550	410,000	225,000	200,000	200,000	3,332,550
Athletic Venue Reinvestment Initiative 1/2 and 1/2 Tax	1,783,000	-	-	-	-	1,783,000
SLRC 1/2 and 1/2 Tax	849,581	595,000	-	-	-	1,444,581
Other City Funding	1,943,500	634,192	25,000	25,000	25,000	2,652,691
Total	21,576,771	6,987,185	250,000	225,000	225,000	29,263,955

Common Park Amenities – Quantity and Cost

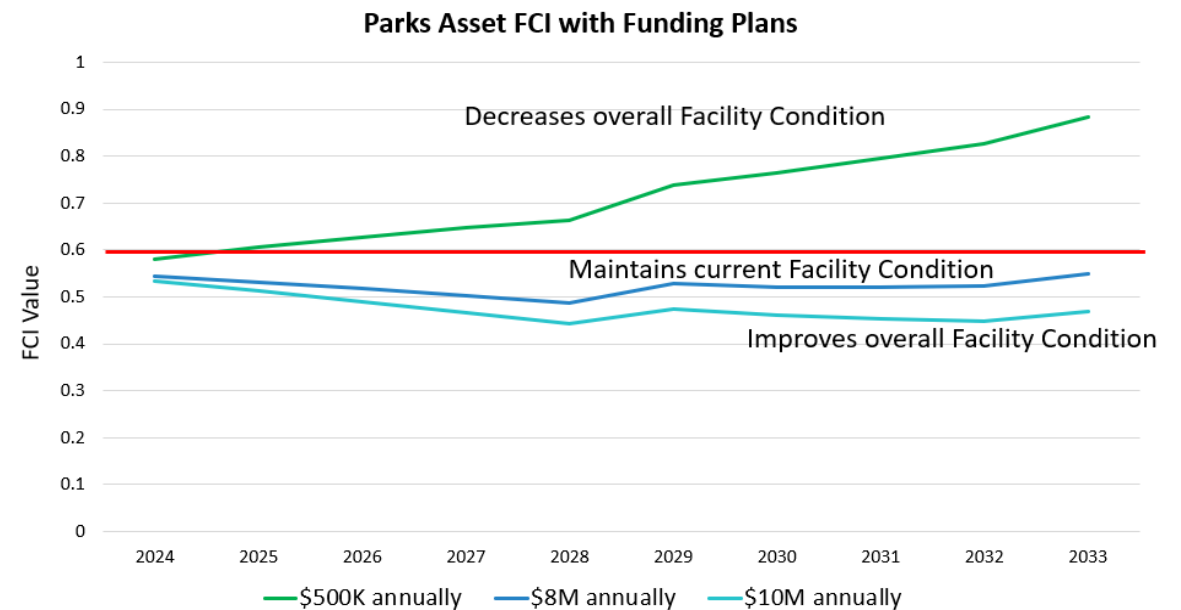
Other Grants/Donations/Funding	665,000	-	-	-	-	665,000
Parks and Recreation Capital Budget	2,297,550	410,000	225,000	200,000	200,000	3,332,550
Athletic Venue Reinvestment Initiative 1/2 and 1/2 Tax	1,783,000	-	-	-	-	1,783,000

- Playgrounds – 42 locations
 - Lincoln Park \$370,000
 - Hillside Sport Court \$322,000 (estimated)
 - Riverside Park ~\$75,000
- Sport Courts – 24 sites
 - Merritt ~\$87,000 + mobilization
 - Wheeler \$371,660
 - Hillside Sport Court \$328,000 (estimated)
- Bridges – 123 of varied type
 - Piedmont Wooden Pedestrian Bridge \$4,000 materials + 3 City staff for 3 days of work
 - Lester Stone Bridge \$148,802
- Parking Lots – So Many!
 - Responsibility is PPL, not Public Works
 - Thankful for PW support on patches and repairs when possible

Facility Condition Index and Park Facilities



An investment of \$80M over ten years is necessary to maintain the current FCI.



Based on starting FCI of 0.552 in 2023

Includes buildings and site amenities for 75 parks across Community, Destination, Neighborhood, and Special Use Parks

Future of Parks without Additional Capital Funds



In the absence of additional, routine annual capital funding for Duluth's park system, Duluth will face:

Consolidation

- Remove, do not replace
- Relocate to fewer sites, further apart

Further deterioration

- Safety and liability
- Lack of quality will deter visitors, tournaments, special events

Decline in property values

- Proximity to well-maintained park amenities increases home values

Climate impacts without resiliency

- Storm damage without ability to repair and improve resilience

2025-2029 Parks Budget - \$7,087,448

Hillside Sport Court Park	1,834,648
Wade Stadium Repairs	850,000
Memorial Park Design & Construction	595,000
Enger Golf Course Renovation	500,000
Enger Club House Design	100,000
Norton Park Design & Construction	390,000
Athletic Venue Reinvestment Initiative Planning & Pre-Design	350,000
Planning Processes: Lester Pk GC, Pk Pt Rec Area, Central Hillside, Leif Erikson Park	355,000
Miscellaneous Parks Infrastructure – Citywide	2,112,800

2025-2029 Trails Budget - \$22,176,507

Lakewalk Transportation & Resiliency	11,630,094
Waabizheshikana-The Marten Trail	7,253,115
Spirit Mountain Nordic Center	1,024,590
Cross City Trail	600,000
Park Point Beach Access-MN Point	383,708
National Water Trail Improvements	225,000
DT Trailhead Improvements	140,000
Trail Improvements	920,000

Hillside Sport Court Park Construction

Implementation of Hillside Sport Court Park Plan

Total funding: \$1,834,648

- Parks Fund: \$682,350
- ARPA: 494,298
- State Funding: \$350,000
- Other City Funding: \$278,000
- Federal Funding: \$30,000



HILLSIDE SPORT COURT PARK PLAN



Duluth, Minnesota



Approved by Duluth City Council - August 21, 2023



Wade Stadium Repairs

Address deferred maintenance
on Wade Stadium building

Total funding: \$850,000

- AVRI ½ & ½ Tax: \$850,000



Memorial Park Design & Construction



Development, design, and Phase I implementation of Memorial Park Mini-Master Plan

Total funding: \$595,000

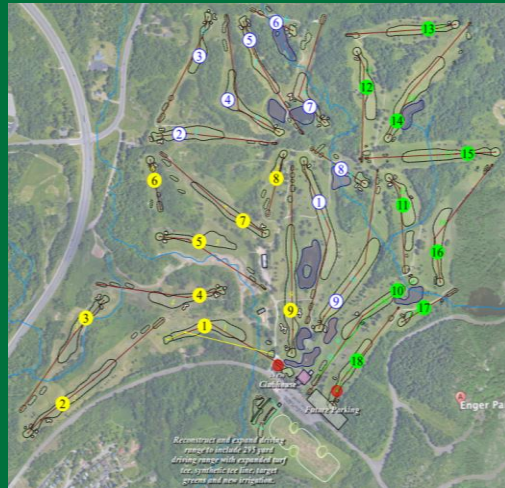
- SLRC ½ & ½ Tax: \$595,000

Enger Golf Course Renovation

Enger Golf Course renovation items include a new irrigation system, improvements to fairways and bunkers

Total funding: \$500,000

- ARPA: \$167,000
- AVRI ½ & ½ Tax: \$115,000
- Other City Funding: \$218,000



Enger Club House Design

Begin design of replacement clubhouse for Enger Park Golf Course

Total funding: \$100,000

- Parks Fund: \$100,000



Norton Park Design & Construction

Norton Park update design and construction

Total funding: \$390,000

- SLRC ½ & ½ Tax: \$180,000
- Parks Fund: \$210,000



Athletic Venue Reinvestment Initiative Planning & Pre-Design



Assessment to determine Citywide condition and repair or replacement needs of athletic facilities.

Total funding: \$350,000

- AVRI ½ & ½ Tax: \$350,000

Planning Processes



Conduct planning processes for the future use and/or improvement of park spaces.

Total funding: \$355,000

- Park Point Recreation Area: \$130,000
 - Federal Grant: \$75,000
 - Parks Fund: \$55,000
- Leif Erikson Park: \$100,000
 - Parks Fund: \$100,000
- Lester Park Golf Course: \$75,000
 - Parks Fund: \$75,000
- Central Hillside Design: \$50,000
 - Parks Fund: \$50,000



2025-2029 Miscellaneous Park Projects

Total funding: \$2,112,800

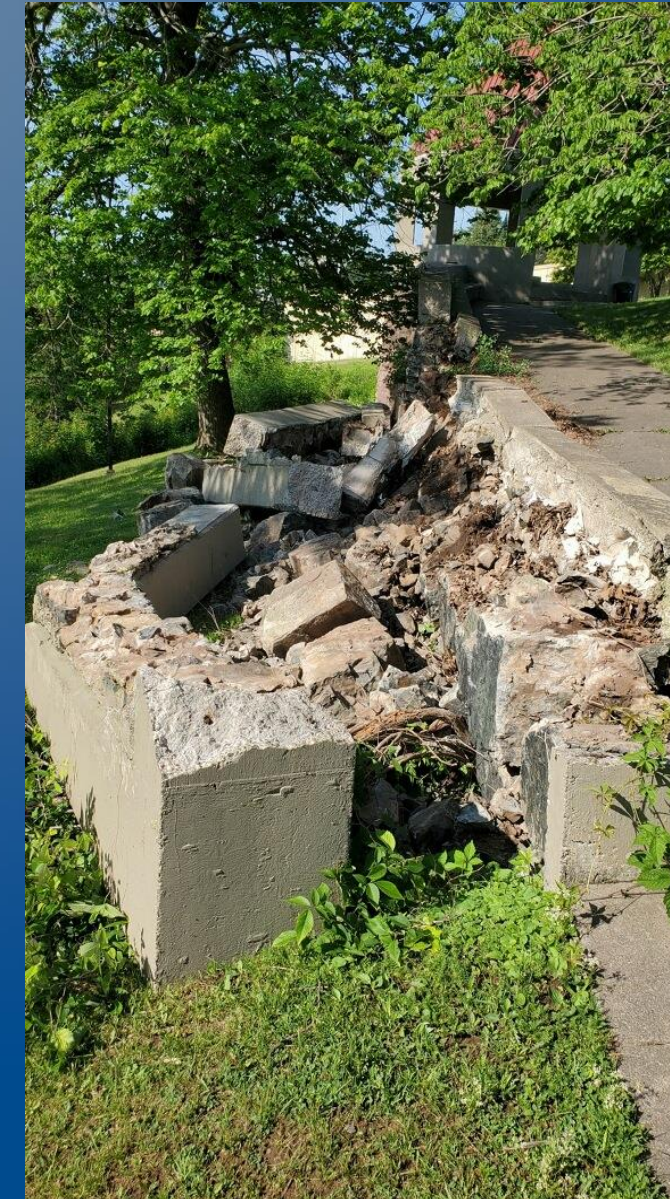
- Signage & Wayfinding: \$150,000
 - Brighton Beach Signage: \$50,000
 - CCT Wayfinding: \$50,000
 - Signage TBD: \$50,000

- Park Facility Maintenance: \$467,000
 - Indian Point Campground: \$267,000
 - Park Point Beach House: \$200,000

- Sustainable Infrastructure: \$1,495,800
 - Emergency Repairs & Studies: \$422,000
 - Old Main Park historical study \$50,000
 - Leif Erikson stage repairs \$372,000

 - Natural Resources (\$75k/yr): \$425,000
 - Invasives: \$75/yr x 5 yrs: \$375,000
 - Saving Our Great Lakes grant/match: \$50,000

 - Other (Deferred Maintenance, Asset Mgmt, etc.): \$648,800
 - Playground component replacements: \$350,800
 - Deferred Maintenance: \$165,000
 - Dune Restoration: \$53,000
 - Asset Management: \$20,000
 - Parks Youth on Trails Bike Fleet Grant: \$60,000



Improvements between the corner of the Lake to 27th Avenue East including trail reconstruction and accessibility improvements.

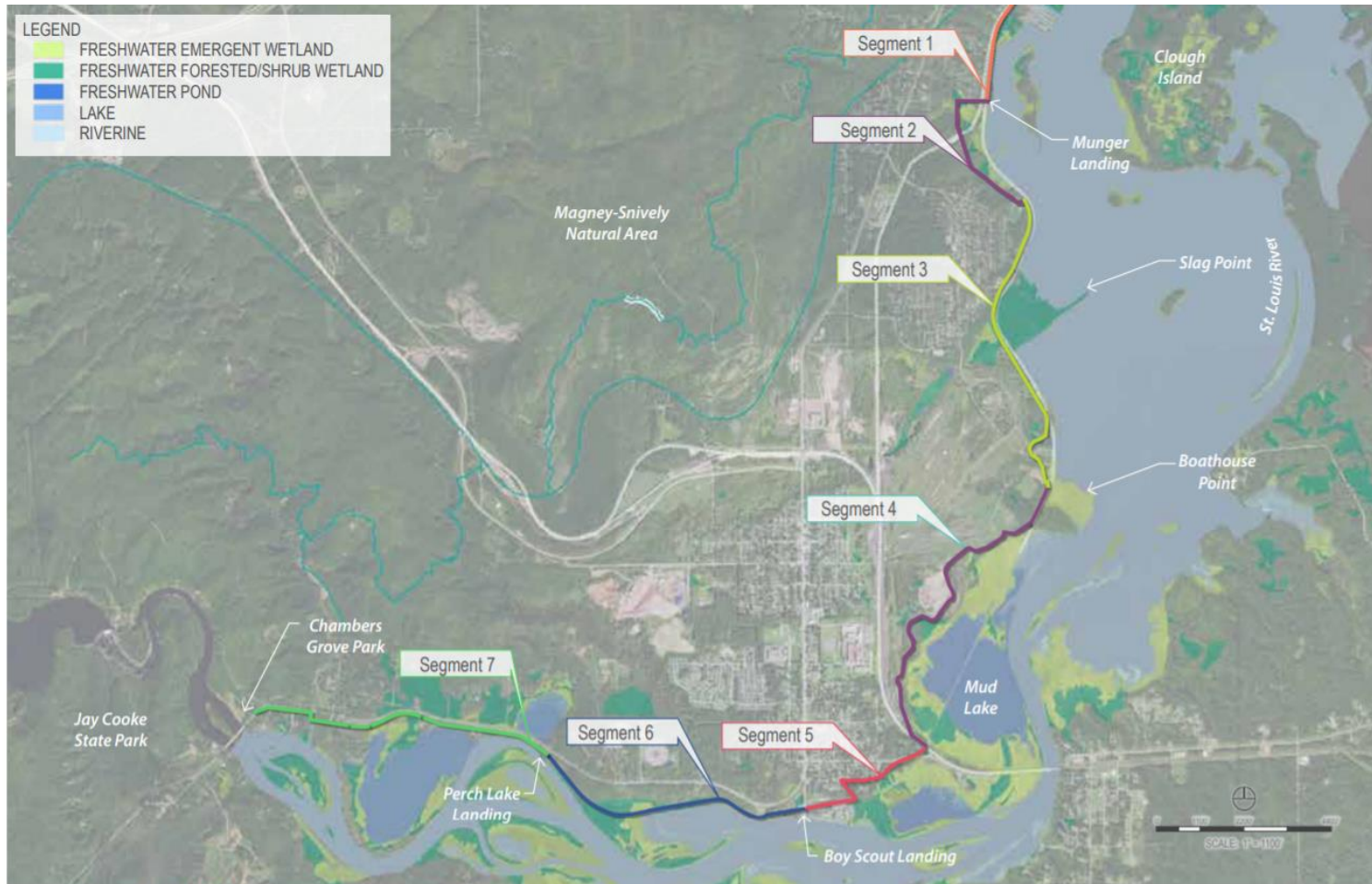
Total Funding: \$11,630,094

- Federal Grant: \$8,196,234
- State Grants: \$2,215,477
- Other City funding: \$1,218,383

Lakewalk Transportation & Resiliency



Waabizheshikana: The Marten Trail Implementation



Implementation of trailhead improvements at Munger Landing and Blackmer Park and connecting the existing segments of trail

Total Funding: \$7,253,115

- State Grants: \$3,498,534
- Federal Grant: \$2,445,000
- Other Grants: \$665,000
- SLRC ½ & ½ Tax: \$644,581

Spirit Mountain Facilities

Expanding the Duluth Traverse trail system at Spirit Mountain and expanding and completing the Spirit Mountain Nordic Center trails.

Total Funding: \$1,024,590

- AVRI ½ & ½ Tax: \$468,000
- State Grant: \$531,590
- SLRC ½ & ½ Tax: \$25,000





Cross City Trail

59th Ave W to 61st Ave W
Redruth St to 67th Ave W

Total Funding: \$600,000

- State Grant: \$300,000
- Federal Funding: \$150,000
- Parks Fund: \$150,000

Park Point Beach Access: Park Point Recreation Area

Replace deteriorated boardwalk, providing Architectural Barriers Act (ABA) beach access on MN Point, across Park Point sand dune, to the beach.

Total Funding: \$383,708

- Federal Grant: \$108,000
- Other City Funds: \$275,708



St. Louis River National Water Trail Improvements

Paddle launch and landing improvements, including accessibility and amenity improvements.

Total Funding: \$225,000

- Federal Funding: \$225,000

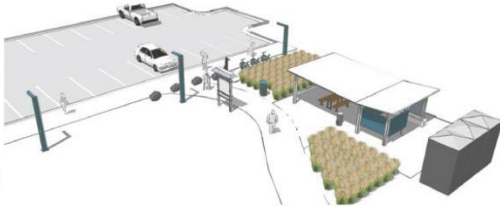


Duluth Traverse Trailhead Improvements

PROPOSED TRAILHEAD IMPROVEMENT TYPOLOGIES

T1 TYPE 1 TRAILHEAD

- Lighting
- Parking (20 vehicles)
- Signage / Kiosk - "Rules & Etiquette"
- Shelter/ Changing Room
- Portable Restroom
- Drinking Fountain
- Fix-It station
- Transit Stop (optional)
- Litter Receptacle (optional)
- Bollards (optional)
- Bike Racks (optional)
- "Landscape Identity" (optional)



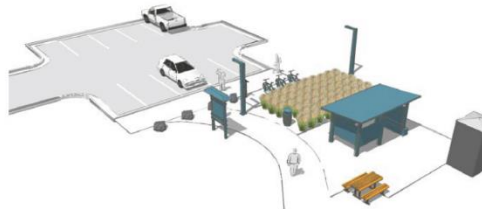
LOCATIONS

- Chambers Grove
- Spirit Mt - Upper
- Spirit Mt - Lower
- Lake Superior College
- Chester Park
- Lester / S 61st Ave
- Spirit Mountain
- Currently Unoccupied Central School Site on Ridgeline
- Arlington Soccer Complex
- Hartley Park

1
2
3
4
5

T2 TYPE 2 TRAILHEAD

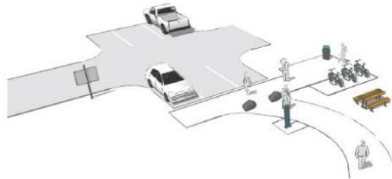
- Lighting
- Parking (10-16 vehicles)
- Signage / Kiosk - "Rules & Etiquette"
- Portable Restroom
- Changing Room
- Fix-It station
- Litter Receptacle (optional)
- Bollards (optional)
- Bike Racks (optional)
- "Landscape Identity" (optional)



- Fond du lac / 131st Ave
- Munger Trail
- Magney - Snively
- Hwy 2 / Keene Creek
- Haines Road
- Lincoln Park
- Piedmont / Skyline
- Hutchinson Rd.
- Old School / Victoria
- Becks Road
- Twin Ponds
- Oneota Park
- Quarry Park

T3 TYPE 3 TRAILHEAD

- Local Connector
- Parking (4-6 vehicles)
- Signage / Kiosk - "Rules & Etiquette"
- Litter Receptacle (optional)
- Bollards (optional)
- Bike Racks (optional)



- Haines Rd.
- UMD lots - summer
- Skyline / Snively
- Bellevue Park
- Oldenberg
- Oldenberg 2
- Chester Park - North

Design development for future improvements to two trailheads that serve the Duluth Traverse and other trails.

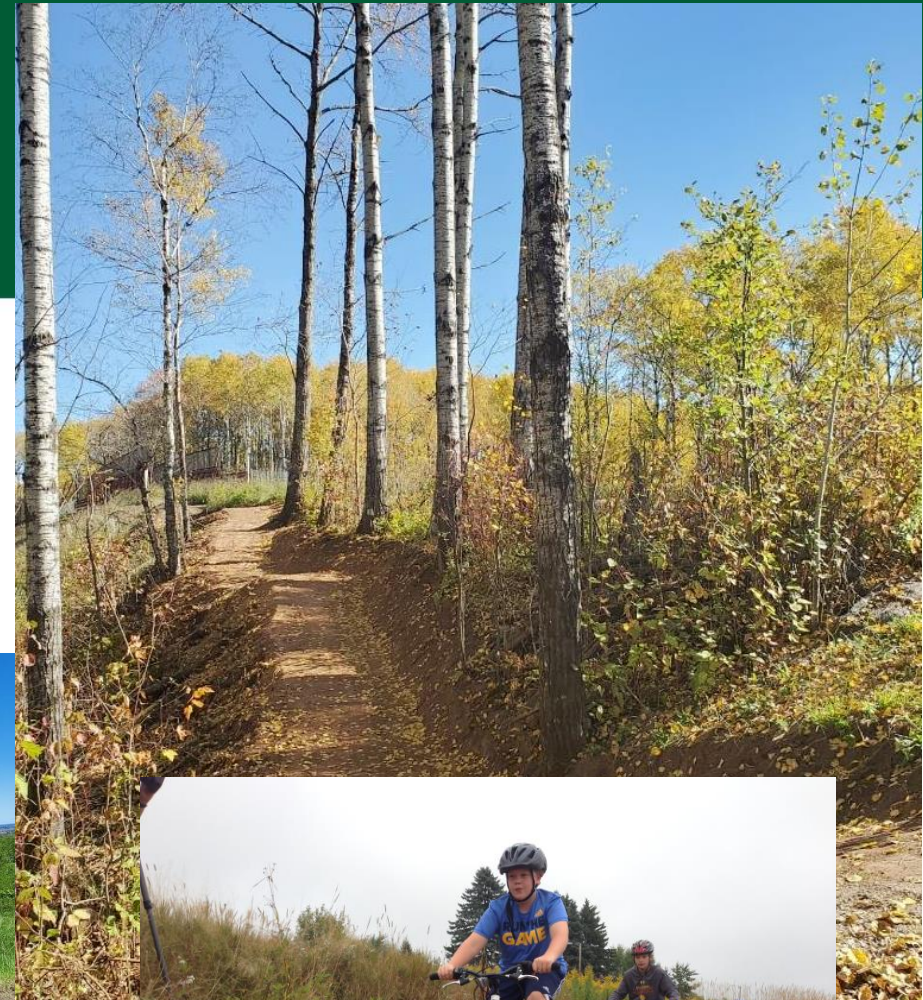
Total Funding: \$140,000

- Parks Fund: \$140,000

Other Trail Improvements

Total Funding: \$920,000

- Property Acquisition: \$550,000
 - State Funding: \$500,000
 - Parks Fund \$50,000
- DT Trail Maintenance, Bridge Maintenance, ADA Access, Other Improvements: \$370,000
 - Parks Fund \$370,000



A person wearing a helmet and a dark shirt is standing next to a bicycle on a grassy hillside. They are looking out over a vast landscape that includes a city, a large body of water, and a distant bridge. The sky is filled with dramatic, dark clouds. The entire scene is overlaid with a blue tint.

Celebrations & Challenges

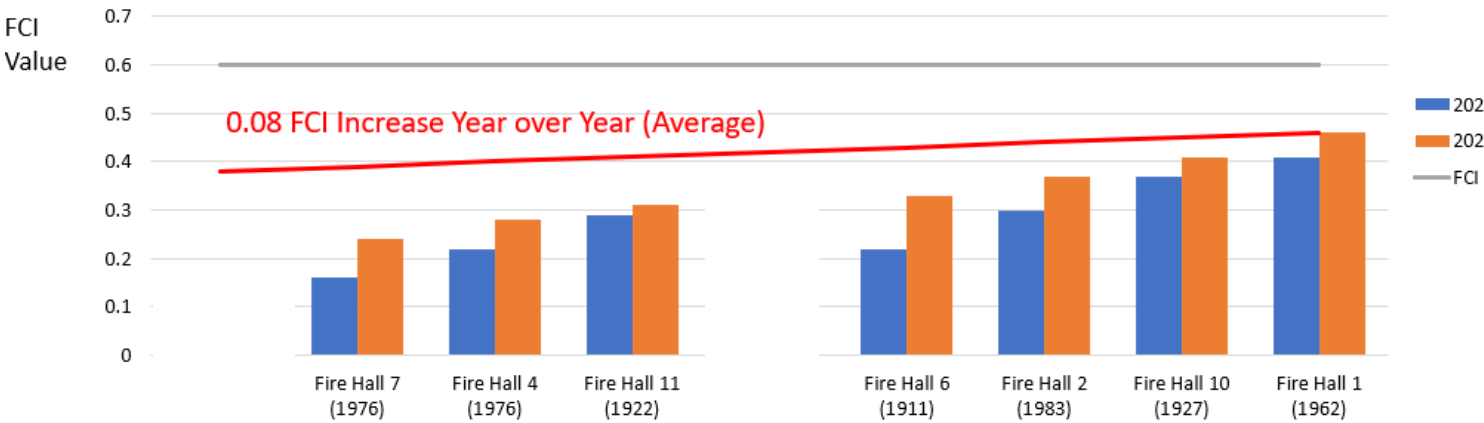
Celebrations

Celebrations

- Sustainable Capital Rolling Stock Replacement Plan!
- City Hall
 - Reduced Facility Condition Index score by 43%
- Consolidated Maintenance Facility Investments
 - 5.6M total savings over 10 years
 - Eliminates ≈\$19mil in deferred maintenance backlog over 10 years
 - Eliminates the need to replace 4 city-owned facilities & leased space at MNDOT

Continued Challenges

Firehalls will require funding outside of CIP



Park Facilities and Amenities

- In the absence of additional, routine annual capital funding for Duluth’s park system, Duluth will face:
- Consolidation
- Further deterioration
- Decline in property values
- Climate impacts without resiliency

Streets

- 55% of the City of Duluth’s 450 miles of local streets are in “poor” condition

Aerial Lift Bridge

- Still requires City Funding: \$ 10,000,000

Library

- \$80M replacement cost
- 0.5 FCI (Doom is 0.6)

Continued Support with Future Levy Increases:

- 2025: 0.0%
- 2026: 0.5%
- 2027: 0.5%
- 2028: 0.5%

THANK YOU!
For more information, etc.

