



Capital Improvement Plan (CIP)

CIP/Debt

GF CIP Funding Plan

(established FY17)

- Create multi-year CIP recommendations.
- Maintain a contingency reserve of approx. \$1.5 million each year.
- Plan is subject to annual review and reprioritization to accurately reflect current/future needs and changing circumstances.

2021 CIP Process

- **October:** Departments submitted CIP prelist
- **December 17, 2019:** CIP Kickoff
- **January 31, 2020:** CIP requests due
- **February:** Departments present recommendations to internal scoring committee
- **April:** Recommendation submitted to City Manager
- **May:** Recommendations presented to City Council.

General Fund FY21 Project Updates

	Project	Department	FY21 Request	Total Project Cost
1	Motorola SUA II Upgrade	Emergency Communicator	351,912	2,153,292
2	Radio Coverage Expansion	Emergency Communicator	3,000,000	4,500,000
3	Cultural and Public Art	General Services	125,000	125,000
4	Sustainability Projects Duke Energy Small Business Energy Saver Program (Lime Energy)	General Services	165,000	165,000
5	Sustainability Projects Solar Array on GSD Building	General Services	143,000	143,000
6	Trail System Repair	General Services/DPR	1,000,000	3,200,000
7	<i>Athletic Court Resurfacing (revised)</i>	<i>General Services/DPR</i>	<i>230,000</i>	<i>560,000</i>
8	Land Purchase - Long Meadow Pool Replacement	General Services/DPR	6,600,000	32,234,782
9	River Parks Playgrounds	General Services/DPR	150,000	650,000
10	<i>Old Chapel Road Park Artificial Turf Replacement (revised)</i>	<i>General Services/DPR</i>	<i>750,000</i>	<i>750,000</i>
11	Lyon Park Recreation	General Services/DPR	500,000	500,000
12	LED Lights DPR Courts/Fields	General Services/DPR	500,000	1,754,000
13	Annual Repaving and Pavement Preservation *	Public Works/Engineering	20,000,000	100,000,000
14	<i>Sidewalk Repair (revised)</i>	<i>Public Works/Engineering</i>	<i>2,500,000</i>	<i>12,500,000</i>
15	Unpaved Roads Program	Public Works/Engineering	1,200,000	6,000,000
16	<i>New Sidewalks (revised)</i>	<i>Transportation</i>	<i>4,983,110</i>	<i>16,552,938</i>
17	Signalized Pedestrian Upgrades	Transportation	800,000	1,881,815
18	New Traffic Signal Installation (City Intersection)	Transportation	175,000	175,000
19	Accessible Pedestrian Signal Improvements	Transportation	618,000	747,218
20	Inter-departmental Coordinated Delivery of Complete Street	Transportation	125,000	625,000
21	Bicycle Facilities	Transportation	775,000	1,045,000
22	NC 811 Durham Signal System Fiber Optic Cable Location Su	Transportation	500,000	500,000
23	Pavement Marking Grinding and Traffic Signal On-Call Servi	Transportation	500,000	500,000
24	Downtown Wayfinding Phase II	Transportation	725,000	725,000
25	New Traffic Signal Installations (NCDOT Intersections)	Transportation	240,000	1,274,192
		TOTAL	\$46,656,022	\$189,261,237



Bold indicates new request. (*Revised*) indicates projects requesting funding changes.

Current Debt Model

- Fixed tax rate to pay debt service and cash funded capital
- Assumes interest only draw programs followed by fixed rate take out financing
- Assumes 10% cash funded capital
- Pays for General Fund capital, General Fund fleet and debt service for non-self supporting enterprise funds (Ballpark & Parking)

Tax Rate for Capital (Debt/Cash Funded)

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Total Capital	57,974,394	44,703,650	12,418,575	14,248,788	11,919,389	20,816,178	28,127,674	39,731,475	15,439,269	11,373,847	7,071,618
Cash Funded	5,276,561	4,470,365	1,241,858	1,424,879	1,191,939	2,081,618	2,812,767	3,973,147	1,543,927	1,137,385	707,162
Debt Funded	52,697,833	40,233,285	11,176,718	12,823,909	10,727,450	18,734,560	25,314,907	35,758,327	13,895,342	10,236,462	6,364,456
Tax Rate for Capital	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00
Revenues	39,988,467	40,462,082	40,569,925	41,782,458	43,073,104	44,327,282	45,681,408	47,043,409	48,433,088	49,918,851	51,410,139
Debt Service / Spending	39,331,975	43,637,098	44,439,171	43,681,881	44,030,004	49,102,835	45,463,519	43,343,342	46,130,099	45,851,123	45,577,612
Annual Surplus/Deficit	656,492	(3,175,016)	(3,869,246)	(1,899,423)	(956,899)	(4,775,554)	217,888	3,700,066	2,302,989	4,067,728	5,832,527
Ending Fund Balance	19,327,532	16,152,517	12,283,271	10,383,848	9,426,949	4,651,395	4,869,283	8,569,350	10,872,339	14,940,068	20,772,595

Options for Capital Capacity

- 1 cent on tax rate = debt service on \$44 million (Fixed rate, single debt issuance, current interest rates, 20 years)
- One-Time use of accumulated fund balance to cash fund capital = \$5 million
- Maximum borrowing capacity within current tax rate and fund balance = \$10 million

Other Debt Activity

- Established \$263 million line of credit for Water/Sewer capital needs
- Borrowed \$21 million to fund FY19 & FY20 fleet replacement
- Evaluating timing and sizing of next line of credit for General CIP program

Enterprise Fund: New CIP Requests

FY21 Projects with other funding sources			
<u>Project</u>	<u>Department</u>	<u>FY21 Request</u>	<u>Total Cost</u>
1 Materials Recycling Facility (MRF)	Solid Waste Fund	75,000	3,975,000
2 Stormwater Infrastructure	Stormwater Fund	1,700,000	11,700,000
3 Private Property Drainage Projects	Stormwater Fund	500,000	2,500,000
4 Water Extensions and Improvements	Water and Sewer Fund	2,000,000	10,000,000
5 Sewer Extensions and Improvements	Water and Sewer Fund	1,000,000	5,000,000
6 Water Management Road Rebuilding	Water and Sewer Fund	6,000,000	6,000,000
7 Doentown East-West Reinforcing Main	Water and Sewer Fund	4,000,000	4,000,000
8 Jordan Lake	Water and Sewer Fund	2,000,000	2,000,000
9 Future Water Supply Protection	Water and Sewer Fund	500,000	500,000
10 Wastewater Facilities Rehabilitation	Water and Sewer Fund	53,000,000	53,000,000
Total		70,775,000	98,675,000

FY 2021 Fleet Requests

<u>Fleet</u>	<u>FY21 Request</u>	<u>Funding Source</u>
1 General Fund	6,507,003	Debt Fund
2 Solid Waste	2,924,231	SW Fund
3 Stormwater	534,000	Pay-Go
4 Water & Sewer	854,000	Pay-Go
Totals:	\$ 10,819,234	