

## 2 CAPITAL IMPROVEMENT PLAN PROCESS

The planning process is critical in addressing years of deferred maintenance and ensuring that financial resources are being utilized in a manner that maximizes effectiveness. It is through this process that all critical needs can be addressed. As this plan matures, policies should be reviewed and adjusted that streamline the way ~~the plan is managed and how~~ projects are incorporated into ~~this the plan, and how the plan is managed.~~

### 2.1 CIP ADVISORY COMMITTEE

~~A-The~~ Capital Improvement Plan (CIP) Advisory Committee was established at the beginning of ~~theis~~ planning process and ~~will serves~~ to review ~~the plan and make recommendations to the Administration for changes and modifications to the plan. on a regular basis and make necessary modifications- The plan will be presented to City Council for annual adoption or when changes and modifications to the plan require supplemental appropriations by City Council.~~ The committee is made up of the Mayor, Council President, Finance Committee Chairperson, ~~one~~ Council Representative (as designated by Council President), Senior Director of Administrative Services, Senior Director of Operations, and the Director of Finance. Stakeholders from the Departments of Finance, Engineering, Public Service, Public Safety, Parks & Recreation, and Economic Development will ~~make presentation to serve in the an advisory role to the~~ committee. This group will meet, at a minimum, quarterly, ~~to gather information regarding the -update the status and priority of projects, -establish priorities, and to identify the need make recommendations for supplemental appropriations -when necessary.~~ This group will ~~also be responsible -make recommendations to the Administration that will assist in for~~ establishing the annual capital budget. ~~The Administration, based on the adopted CIP, will make recommendations -and recommend to City Council for annual capital appropriations. to be authorized.~~

The Senior Director of Operations, Senior Director of Administrative Services, and the Finance Director or their designees will serve as staff to the advisory committee and be responsible for the overall management of the Capital Improvement Plan process.

### 2.2 ASSESSING AND PRIORITIZING

Projects being brought forward for incorporation into the plan will be assessed for readiness. The following will be completed by the department requesting the improvement and reviewed by the committee prior to the project being included in the plan:

- Department has assessed the project for inclusion in the CIP.
- Department completed the project worksheet and justification.
- Project materials are delivered to the staff of the ~~CIP a~~Advisory ~~e~~Committee.
- Staff ~~have assessed~~ the project, ~~project timelines~~, and resource allocations.
- ~~Project is presented and approved by to~~ the CIP Advisory Committee
- ~~CIP Advisory Committee recommends changes and modification to the Administration~~

Adopted: August 21, 2023

Last Revised: ~~August 2023~~March 2024

- ~~Project presented to City Council, if~~When supplemental appropriations are needed ~~the modifications are presented to Council~~
- ~~Project is~~Modifications are incorporated into the plan document for annual adoption.
- ~~All P~~projects follows the procurement and legislative processes as required.

Active projects that require supplemental appropriations based on additional information shall complete a similar process as outlined above. It is critical that the allocation of all capital resources is done following a standardized process to ensure these resources are used efficiently and effectively.

## 2.3 CAPITAL MAINTENANCE ALLOCATIONS

A portion of the capital budget will be allocated annually for the maintenance and replacement of capital assets. The amount allocated for capital maintenance shall not exceed 25% of the entire capital budget. This will help shift the City to a proactive versus reactive model when addressing capital needs. The planning process will help projects and associated expenditures be more predictable. However, the City also has a need to address emergency maintenance quickly. When assets become damaged and emergency maintenance is required, it is critical the City have a mechanism to address these items without having to return to the legislative process. A process will be adopted that follows the City's adopted procurement policy.

## 2.4 PROJECT EXPIRATIONS

While this planning process will greatly enhance how projects are budgeted and performed, extenuating circumstances may cause a project to become stalled. To avoid a situation where capital resources become unavailable for long periods of time without producing results, projects that have been placed on hold for longer than 24 months will have their allocations returned to the appropriate funding source to be used to address other priorities. Projects that are in an active implementation and drawdown state are not subject to this provision.

The following measures should be in place:

- All projects are subject to a periodic review by the CIP ~~A~~advisory ~~C~~committee.
- Proper notification should be made when a project falls into inactive status.
- Upon project close, all related purchase orders shall be closed, and funds redirected.

## 2.5 PLAN UPDATES AND ANNUAL ADOPTION

The ~~CIP Advisory Committee Administration~~ will provide to Council updates on the plan on a quarterly basis. These updates will be an overview of plan status, highlight any changes to projects listed in the plan, and be the time supplemental appropriations could be requested.

The plan will also go through an annual adoption process prior to the Capital Budget being formally presented to Council. The annual adoption process will begin at the start of the 3<sup>rd</sup> quarter each year and run for a period of no less than 8 weeks. Keeping this annual timeline will provide the public a consistent timeframe in which to participate in the plan process.

**Schedule for Annual Adoption:**

- Week 1 – Draft plan published
- Week 2 – Presentation of draft plan
- Week 3 – Public Comment
- Week 4 – Continued Discussion
- Week 5 – Public Comment
- Week 6 – Final Plan Introduced
- Week 7 – Public Hearing and 1<sup>st</sup> Reading
- Week 8 – Committee Discussion
- Week 9 – Public Hearing and 2<sup>nd</sup> Reading

### 3 PLAN TIMELINE

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The intent of this plan is to establish accurate scope and cost estimates for projects that are scheduled to be completed in the next 5 years. The uncertainty of projects beyond five years is very high and can only be considered preliminary. Project scope, potential solutions, and cost estimates would only be accurate at the beginning of the process established by this plan. It is important to have a comprehensive list of projects that can be reviewed and assessed as part of the capital planning process. This plan is divided into the 4 categories described below.

#### 3.1 CURRENT 5 YEAR BUDGET PROJECTION

Year one of this 3-year interval would be considered the current year capital budget as discussed in section 1.5 above. Projects established in this interval are;

- Ready for and/or undergoing implementation
- Project alternatives have been considered and solution selected
- Scope of the project is properly identified
- A firm budget and contingencies established, and
- The ~~advisory committee~~Administration has recommended appropriations be included in the capital budget.

#### 3.2 NEXT 5 YEAR PHASE I

The next 5-Year phase of the plan, years 4-8, are projects that are on the horizon and the feasibility of conducting this specific project is under consideration. Projects established in this interval are;

- Pending planning and assessment work to establish feasibility
- General cost estimates are based on best known information
- Project listed on a summary worksheet, but a detailed worksheet is only in draft form

#### 3.3 NEXT 5 YEAR PHASE II

The next 5-Year phase of the plan, years 9-13, are projects that have been identified and are considered on-deck for feasibility and assessment. Projects established in this interval are;

- Being considered for incorporation in the long-term plan
- Cost estimates are preliminary and lack certainty
- Project listed on a summary worksheet only

#### 3.4 NEXT 5 YEAR PHASE III

The final 7-Year phase of the plan, years 14-20, are long-term visionary projects that have been identified but have not been established. Projects established in this interval are;

- Lacking in a fully defined scale, scope, and approach.
- Projects are listed in a conceptual manner

