2013 - 2017

CAPITAL IMPROVEMENT PROGRAM CITY OF MARSHFIELD, WISCONSIN



CAPITAL IMPROVEMENT PROGRAM ADMINISTRATIVE COMMITTEE

Chris Meyer, Mayor Gordie Earll, Alderman Ed Wager, Alderman Gary Cummings, Alderman Tom Buttke, Alderman Karl Zimmermann, Citizen Member Dave Korth, Plan Commission Member City of Marshfield City Hall Plaza 630 S. Central Avenue P.O. Box 727 Marshfield, WI 54449



Steve Barg City Administrator (715) 387-6597 Fax (715) 384-9310

DATE: April 2, 2012

TO: Mayor Meyer, Common Council, Plan Commission

FROM: Steve Barg, City Administrator

RE: Proposed Capital Improvement Program (CIP)

Introduction

On behalf of the CIP Committee, I am pleased to provide the proposed 2013-2017 Capital Improvement Program (CIP) for your review. As a 5-year plan for the development of facilities, infrastructure and other capital projects, the CIP is an important financial planning tool. The Committee and City staff worked hard to go through the growing list of capital project needs, and to prioritize these items for your consideration.

Funding Sources

Funding for capital projects comes from a variety of sources, including the following:

- Operating funds from current year tax levies, primarily budgeted in the City's general fund
- · Special assessments levied against benefiting property owners, when deemed appropriate
- Borrowed funds secured from the use of long-term debt instruments, such as notes and bonds
- Room tax funds from a portion of the revenues generated by the City's 6% hotel/motel taxes
- Wastewater utility funds generated through customer fees and borrowing specific to this utility
- Non-local revenue received from other agencies, primarily the state or federal government
- Cemetery perpetual care funds from contributions made for future maintenance of grave sites
- Donations from the various civic and cultural groups, including the Wildwood Park Zoo Society
- TIF revenues from the incremental tax values generated on properties within active TIF districts

Financial Planning

The Committee began by establishing the following guidelines for the level of operating funds expected to be available for capital projects, and the maximum amount of borrowing deemed to be acceptable:

	Available from	Maximum
<u>Year</u>	operating funds	borrowing
2013	\$175,000	\$2,250,000
2014	175,000	2,500,000
2015	200,000	2,500,000
2016	225,000	2,500,000
2017	250,000	2,500,000

The planned issuance of long-term debt for recurring projects during the 5-year period is as follows:

<u>2013</u>

•	Lincoln Ave - Adler Road to McMillan- Resurface	\$400,000
	Asphalt Street Surfacing and Mill-in-Place - 2013	\$1,517,000
	26th St - Central to Wittman - Street Reconstruct	\$134,000
	Quiet Zone - Railroad Crossing Improvements	\$58,000
	26th St - Central to Wittman - Storm Sewer	\$10,000
	Replacement of gymnasium floor	\$43,000
	Phase II - Library Remodeling - HVAC & Lighting	\$88,000

2014

	City Hall Plaza Penthouse Roof Guardrail	\$90,000
•	City Hall Plaza Penthouse Roof Replacement	\$66,000
•	Asphalt Street Surfacing and Mill-in-Place - 2014	\$1,969,000
•	North St - St Joseph to Wood - Street Reconst	\$306,000
•	North St - St Joseph to Wood - Water Services	\$12,000
•	North St - St Joseph to Wood - Storm Sewer	\$57,000

<u>2015</u>

E 29th - Washington to Veterans Pkwy - Reconstruct	\$130,000
E 17th Street - Maple to Peach - Reconstruction	\$845,000
Asphalt Street Surfacing & Mill-in-Place - 2015	\$1,283,000
E 17th Street - Maple to Peach - New Sidewalk	\$93,000
E 17th Street - Maple to Peach - Water Services	\$16,000
E 17th Street - Maple to Peach - Storm Sewer w/Pav	\$133,000

2016

	E 29th - Washington to Veterans Pkwy - Reconstruct	\$1,330,000
	E 29th - Central to Washington - Reconstruction	\$150,000
•	Asphalt Street Surfacing & Mill-in-Place - 2016	\$809,000
	E 29th St - Butternut to Vets Pkwy - New Sidewalk	\$86,000
•	E 29th St - Washington to Vets Pkwy - Storm Recons	\$125,000

2017

	Asphalt Street Surfacing & Mill-in-Place - 2017	\$750,000
	Sidewalk Reconstruction - 2017 Ordered Repairs	\$17,000
•	E 29th St - Central to Washington - Storm Reconst	\$100,000
•	E 29th - Central to Washington - Reconstruction	\$1,650,000

The City may only borrow up to 5% of its total equalized value. Since the City's current equalized value is \$1,365,646,700, its debt limit is \$68,282,335. As of December 31, 2011, the City's outstanding debt is \$33,132,748 or 48.5% of what State law allows, which leaves \$35,149,587 of borrowing capacity available for new debt.

Unfortunately, due to the City's current tight financial condition, and its desire to limit its future debt, some capital projects were either deleted from the proposed CIP or moved into a "non-year" (sometime beyond 2017). Although these are important improvements, the Committee and staff focused its attention and the City's limited resources on projects deemed essential to public health and safety, and those that maintain our current facilities and infrastructure to the greatest degree possible.

Summary

As you can tell, the Committee had a challenging task in preparing this year's CIP. Hopefully you will find that this document represents the best possible attempt to finance important capital work, while still being financially prudent and responsible. Please let me know if you have any questions or concerns.

Respectfully submitted,

Steve Barg City Administrator