

How to Interpret the Capital Improvements Plan (CIP) Documents

The CIP consists of 2 reports that are intended to be used as accompanying documents. They are:

Narrative & Spreadsheet Nested by Program

The Narrative & Spreadsheet Nested by Program report is the most descriptive view of project information. It offers a project description, funding detail, cost detail, service impact, project justification and location description. A summary spreadsheet for each program's projects is followed by an individual report for each project. A Table of Contents is available on the last page of this report.

Spreadsheet by Fund

The Spreadsheet by Fund report organizes the projects by fund category and provides a spreadsheet of all projects that fall under each fund category and the funding allocation proposed over the next six years. It does not provide a description or any additional information for each project.

How do projects get added to the CIP?

Department Heads submit projects into the CIP program. In order to qualify for the CIP, a project must:

- Any capital improvement project or program plan or study that the cost is \$25,000 or more or construction or replacement of a new facility (i.e., a public building, water/sanitary sewer mains, storm sewers, major/local roadways, recreational facilities), an addition to, or extension of such a facility, provided that the cost is \$50,000 or more and that the improvement will have a useful life of three years or more.
- Any nonrecurring rehabilitation or replacement of all or a part of a building, its grounds, a facility, or component, provided that the cost is \$50,000 or more and the improvement will have a useful life of three years or more.
- Any new purchase, including land of major equipment to support community programs provided that the cost is \$50,000 or more and will be coded to a capital asset account.
- Any planning, feasibility, engineering, or design study costing \$25,000 or more that is not part of an individual capital improvements project or a program.

Qualifying projects are then coordinated between departments and City Administration to maximize cost savings, efficiencies, project collaboration, and funding opportunities. The projects are then program into one or more of the upcoming six years.

CIP Coding

Each project in the CIP has a Project ID, Project Name, Program, Category, Project Description, Funding Sources, Cost Detail, Service Impact, Project Justification and Location Description.

These are explained in more detail below.

Project ID

Each project has a unique project ID. This year, each project ID includes a unique number, year and the letters CIP. This unique numbering allows projects to be updated in future years, but the data would remain static for how the project was presented in FY18 versus future years. So if a project is in next year's CIP, it would have the same unique project number, year 19, -CIP.

Project Name

Projects are given a name by the project submitter. The name should briefly describe the project.

Program

There are 15 Programs in the CIP. Each project in the CIP is grouped into a Program in an effort to organize like projects together. The Programs are:

- Bridges
- Brown Bridge
- Cemetery
- Civic
- Facilities
- Fire
- Garage
- General Government
- Light and Power
- Parking
- Parks
- Streets
- Walkways
- Wastewater
- Water

If there are no projects in the next six years for a particular program, then it will not show up in the CIP.

Project Category

The categories are: Capital (C), Operations and Maintenance (M) or Visionary (V). Typically, Visionary projects are placed in the final year of the plan as they are placeholders. If they are not active projects, they may be pulled out of the CIP and placed in the Unfunded Projects report. The definitions for the Categories are as follows.

Capital Projects

Generally, this category includes sizable expenditures for items that are new, increases the value of an existing asset, extends the useful life of an asset beyond the original useful life, or increases the capability or capacity of an asset. The costs of these projects will be reported as a capital asset by the City.

Examples would include: building a new parking deck, a new street such as Jefferson Ave and Madison St, reconstruction of an existing street that changes its function, constructing a new bike path,

purchasing land for a park, or purchasing new playground equipment, etc. Other examples could include adding an additional floor to a parking deck, expanding a water treatment plant to provide more capacity for treating water, adding additional space to a municipal building, renovation of a municipal building that is already fully depreciated, or generally adding any functions that did not exist previously. (Note, this is not an exhaustive list.)

Operation and Maintenance Projects

Generally, this category includes expenditures that are made to maintain an asset to its original condition instead of extending the asset beyond its original useful life. The costs associated with these projects will be expensed by the City.

Examples would include replacing a deck on a parking deck, replacing fixtures in a building that are part of the original cost of the building, replacing a roof on a building, replacing an elevator or heating, ventilation, or air conditioning system in a building, resurfacing or restriping of a street, etc. These expenses do not extend the useful life of an asset but merely avoid shortening the current useful life of an asset. (Note: this is not an exhaustive list.)

Visionary Projects

Generally, this category includes projects that ultimately could be either Capital Projects or Maintenance Projects. However, since they are planned beyond the normal six years of a capital project plan and/or have no identifiable or secured source of funding, they are considered visionary until more certainty is obtained regarding specifics of the project.

Examples would include a civic square, an underpass, a new street where none currently exists, a roundabout, an amphitheater, etc. (Note, this is not an exhaustive list.)

Project Description

This field should include project details and offer context for the need for the project.

Funding Sources

These fields indicate the possible sources of funding and what fiscal years funding is needed for the project. For larger projects that anticipate grant and private funding, these funding sources are estimates.

Cost Detail

The project cost field can be based on engineer's estimates of project cost, costs based on similar projects completed by the city in the past, or broad cost estimates based on conceptual plans. Needless to say, these are cost estimates and actual project cost may vary when a project actually goes out for bid.

Service Impact

This field is meant to offer probable impacts to future City operations and maintenance. In addition, in the Cost Detail field, anticipated maintenance cost and maintenance start year are included.

Project Justification

This field is used to substantiate the project reasoning. In addition, if the project stems from an approved plan or guiding document, it should be stated in this field.

Location Description

This field should offer a project address, if there is one, or briefly describe the location.