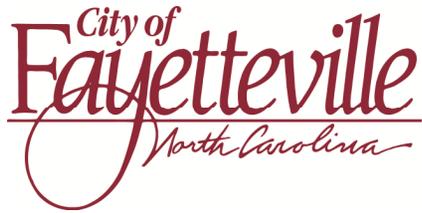


# **Recommended Capital and Technology Improvement Plans FY20 – FY24**

**Tracey Broyles, Budget & Evaluation Director  
Dwayne Campbell, Chief Information Officer**

February 4, 2019



# Overview

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## Process for Capital Planning

### Capital Improvement Plan

- CIP Defined
- CIP Project Initiatives

### Technology Improvement Plan

- TIP Defined
- TIP Goals & Benefits
- TIP Project Initiatives

### Capital Funding Plan

# Process for Capital and Technology Planning

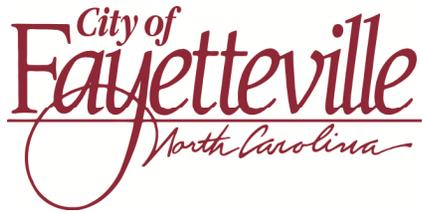
- Update and evaluate existing projects
- Engage departments to identify major capital projects or equipment needs to support strategic goals
- Committee review and ranking of projects based upon established ranking and weighting criteria
- Develop project schedule in consideration of organizational capacity and available funding
- Communicate the recommended plan



# Capital Improvement Plan Project Definition

- Specific facility or infrastructure improvement projects with a total cost of \$50,000 or greater
- Significant maintenance projects (e.g., roof replacements, HVAC systems, etc.) meeting the \$50,000 threshold
- Vehicle and equipment purchases (new and replacement) are NOT included in CIP

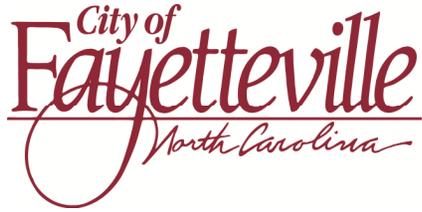




## FY 2020 - 2024 CIP Highlights

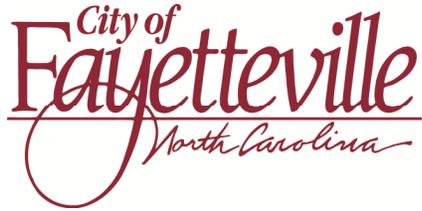
Project	FY20	FY21-FY24
<b>Economic Development</b>		
Murchison Rd. Redevelopment/Cat Site 1 & 1A	\$ 375 K	\$ 100 K
Replacement Parking for Employees	\$ 264 K	
Hope VI City Contributions	\$ 75 K	
<b>Total Economic Development</b>	<b>\$ 714 K</b>	<b>\$ 100 K</b>

- Capital Funding Plan includes capacity for additional stadium expenditures of \$1.5 M for 'worst case' scenario
- \$7.25 M balance of City's funding commitment for the NC Civil War History Center unfunded at this time



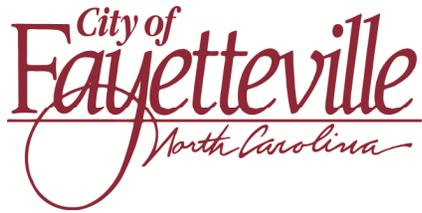
## FY 2020 - 2024 CIP Highlights

Project	FY20	FY21-FY24
<b>General Government</b>		
City Hall and Other Facility Renovations	\$ 2.2 M	
Other Building Maintenance Projects	\$ 140 K	\$ 202 K
Parking Lot Resurfacing	\$ 94 K	\$ 210 K
Lamon St. Facility Repairs	\$ 109 K	
Alexander St. Facility Repairs and Needs Study	\$ 305 K	
Automated Truck Wash		\$ 437 K
Bulk Fuel Tank Replacement		\$ 275 K
<b>Total General Government</b>	<b>\$ 2.8 M</b>	<b>\$ 1.1 M</b>



# FY 2020 - 2024 CIP Highlights

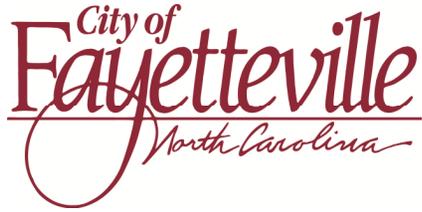
Project	FY20	FY21-FY24
<b>Parks &amp; Recreation</b>		
Cape Fear River Trail – Phase 2/Botanical Garden Conn.	\$ 258 K	
Concrete & Walking Trail Repairs/Repaving	\$ 105 K	
NC Veterans Park – Phase 2	\$ 857 K	
Playground Repairs / Refurbishment	\$ 100 K	\$ 250 K
Big Cross Creek Multi Use Trail		\$ 205 K
Indoor Aquatic Center		\$ 12.0 M
Cape Fear River Park (Bond Project)		\$ 3.5 M
Jordan Soccer Complex (Bond Project)	\$ 3.3 M	
Senior Center East (Bond Project)	\$ 590 K	\$ 2.8 M
Sports Field Complex (Bond Project)	\$ 4.9 M	
Tennis Center (Bond Project)		\$ 6.0 M
<b>Total Parks &amp; Recreation</b>	<b>\$ 10.1 M</b>	<b>\$ 24.7 M</b>



## FY 2020 - 2024 CIP Highlights

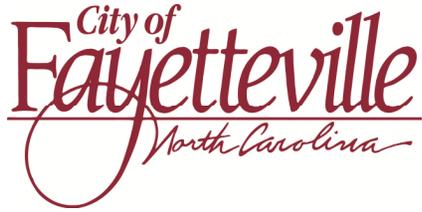
Project	FY20	FY21-FY24
<b>Public Safety</b>		
Fire Station 1 Generator Replacement	\$ 62 K	
<b>Total Public Safety</b>	<b>\$ 62 K</b>	

- Study currently underway to identify, estimate and prioritize facility needs for Police, Fire and Emergency Communications
- None of the potential projects are reflected in the CIP at this time
- Results of the study will provide data to support recommended Public Safety Bond Referendum



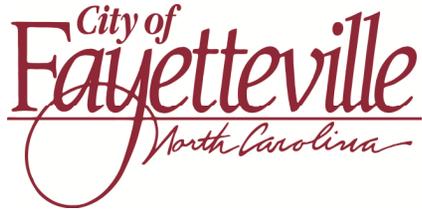
# FY 2020 - 2024 CIP Highlights

Project	FY20	FY21-FY24
<b>Transportation</b>		
Pavement Preservation (formerly Street Resurfacing)	\$ 4.4 M	\$ 19.0 M
NCDOT Muni-Agreements (primarily Sidewalks, Landscaping)	\$ 350 K	\$ 4.0 M
Sidewalks	\$ 752 K	\$ 3.9 M
Intersection Improvements	\$ 131 K	\$ 650 K
Multi-Use Lane Markings	\$ 50 K	\$ 200 K
Bridge Preservation Program	\$ 100 K	\$ 400 K
Dam Safety and Preservation Program	\$ 50 K	\$ 140 K
Thoroughfare Street Lighting	\$ 50 K	\$ 200 K
Downtown Streetscape	\$ 75 K	\$ 300 K
Ray Avenue Repair	\$ 334 K	\$ 999 K
Sykes Pond Road Repair	\$ 1.0 M	
Hinsdale Road Reconstruction		\$ 1.4 M
Blanton Road Extension		\$ 5.4 M
Pedestrian/Bike Study Implementation		\$ 900 K
<b>Total Transportation</b>	<b>\$ 7.3 M</b>	<b>\$ 37.4 M</b>



# FY 2020 - 2024 CIP Highlights

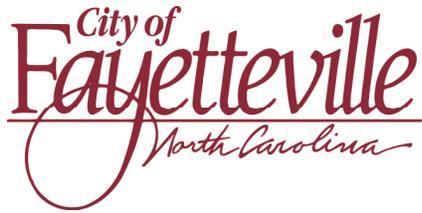
Project	FY20	FY21-FY24
<b>Stormwater</b> Drainage Improvements and Studies	\$ 6.0 M	\$ 19.6 M
<b>Transit</b>		
Shelters & Benches	\$ 68 K	\$ 248 K
Sidewalk & ADA Accessibility Improvements	\$ 79 K	\$ 326 K
<b>Total Transit</b>	\$ 147 K	\$ 574 K
<b>Airport</b>		
Airline Terminal Improvements	\$ 21.3 M	
Airport Public Art		\$ 50 K
Perimeter Road Pavement & Fencing Replacement		\$ 4.5 M
Taxiway F Pavement & Lighting Rehab.		\$ 1.3 M
Avigation Easement Runway 4 Protection Zone		\$ 1.3 M
<b>Total Airport</b>	\$ 21.3 M	\$ 7.1 M



## Additional FY 2019 Project Funding

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- Additional funding projected in the current fiscal year for four projects:
  - Downtown Stadium (Potential for worst case \$1.5 M)
  - Downtown Replacement Parking \$147 K
  - Cape Fear River Trail \$242 K
  - Land Acquisition for Fire Station 4 \$200 K



## Significant Unfunded Projects

Funding not identified during the five-year period for:

- Civil War History Center
  - \$7.25 Million
- Transportation Improvements
  - \$1.75 M for Hay/Hillsboro Road Diet
  - \$930 K for Mike Street Extension
  - \$155 K for B Street Parking Improvements
- Affordable Housing Fund
  - \$500 K

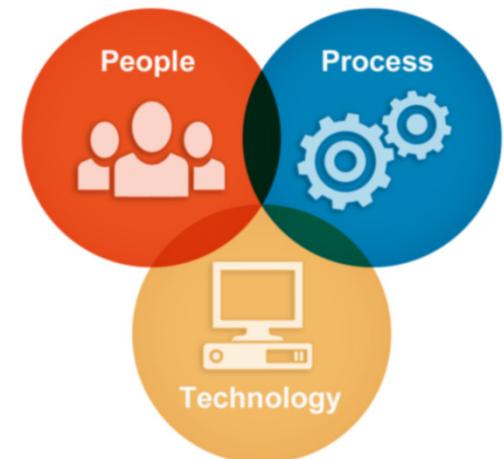
# Technology Improvement Plan Project Definition

- Replacement, upgrade or new technology purchases with a combined implementation cost of \$25,000 or greater (e.g., hardware, software, communication devices, etc.)
- Expansion, renovation, or replacement of an existing system if the cost is greater than \$10,000
- Multi-year technology project
- Project with enterprise-wide impacts (e.g., server virtualization)



## TIP Goals & Benefits

- Technology project alignment with City's strategic plan
- Project prioritization (Technology Review Committee)
- Enhanced Project Governance
  - Better enterprise technology capacity planning
  - Better coordination and monitoring of technology projects
- Disaster Recovery/Business Continuity
- Continuous Review/Update of Enterprise Security Posture
- Coordination of Enterprise Application Implementation





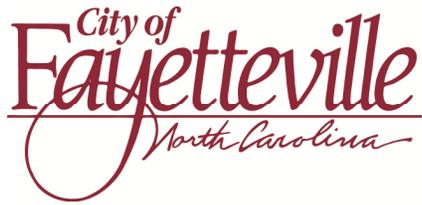
## FY 2020 - 2024 TIP Highlights *Security / Infrastructure*

Project	FY20	FY21-FY24
Enterprise Wide Radio Replacements	\$ 1.5 M	
Computer Replacement Plan	\$ 498 K	\$ 1.5 M
Desktop Virtualization Infrastructure	\$ 160 K	\$ 224 K
City Domain Migration	\$ 305 K	\$ 225 K
Direct Fiber Connection for Remote Sites	\$ 114 K	\$ 203 K
MS Email Exchange Active Directory Upgrade	\$ 20 K	\$ 55 K
Public Safety Security Compliance	\$ 20 K	\$ 210 K
Airport Termination Renovations (Data Infrastructure)	\$ 45 K	\$ 40 K
Internet Phone (City Wide VOIP)		\$ 312 K
Server Room Uninterruptible Power Supply Repl.		\$ 132 K
Information Technology Disaster Recovery Initiative	\$ 70 K	\$ 210 K
Virtual Server Expansion Equipment		\$ 320 K
<b>Total Security/Infrastructure</b>	<b>\$ 2.7 M</b>	<b>\$ 3.4 M</b>



## FY 2020 - 2024 TIP Highlights *Business Intelligence / Data Analysis*

<b>Project</b>	<b>FY20</b>	<b>FY21-FY24</b>
Enterprise Data Warehouse	\$ 100 K	\$ 25 K
Enterprise GIS Environment	\$ 103 K	
FleetMind Solid Waste "Smart Truck" System	\$ 25 K	\$ 247 K
Time & Attendance/Payroll System (Kronos)	\$ 52 K	
<b>Total Business Intelligence/Data Analysis</b>	<b>\$ 280 K</b>	<b>\$ 272 K</b>



## FY 2020 - 2024 TIP Highlights *Application / Software Services*

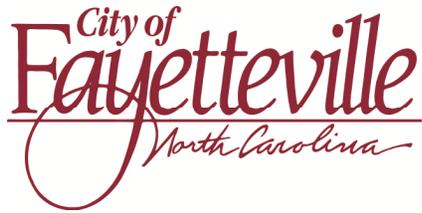
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<b>Project</b>	<b>FY20</b>	<b>FY21-FY24</b>
Access Control System (Proxy Card)	\$ 24 K	
ERP Replacement Initiative	\$ 4.3 M	\$ 1.2 M
IVR (Interactive Voice Response) for FASTTrac!	\$ 40 K	
Replace Transit Fare Collection System		\$ 880 K
<b>Total Application/Software Services</b>	<b>\$ 4.4 M</b>	<b>\$ 2.1 M</b>



## FY 2020 - 2024 TIP Highlights *Citizen Engagement / Mobility*

<b>Project</b>	<b>FY20</b>	<b>FY21-FY24</b>
City Wireless Network Expansion	\$ 150 K	\$ 112 K
Enterprise Digital Accessibility Program	\$ 55 K	
FayTV Streaming	\$ 20 K	
Rec Trac Upgrades	\$ 17 K	
<b>Total Citizen Engagement/Mobility</b>	<b>\$ 242 K</b>	<b>\$ 112 K</b>
<b>Grand Total TIP</b>	<b>\$ 7.7 M</b>	<b>\$ 5.9 M</b>

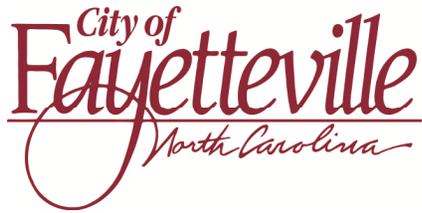


# CIP/TIP Funding Sources

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## Proposed General Obligation Bond Referendum

- Schedule
  - Referendum with November 2019 General Election
  - Requires Council decision/first actions in June 2019
  - Two Proposed Bond Authorizations
- Streets and Sidewalks Bonds
  - Total of \$10.5 M to support recommended CIP plan, plus \$19.5 M for projects after FY2024
  - Could be funded using existing capital funding plan resources
  - Proposed Issuances: FY2021 \$3.8 M, FY 2023 \$6.7 M, FY2025 \$19.5 M
- Public Safety Bonds
  - Estimate of \$60 M in bonds over three issuances would require a tax rate increase nearing 3.5 cents for debt service and operating costs
  - Study currently underway to identify, estimate and prioritize facility needs for Police, Fire and Emergency Communications, potentially to include:
    - 2 Fire Station Relocations
    - 2 New Fire Stations
    - Emergency Communications Center
    - Renovations of Aging Stations
    - Public Safety Training Center



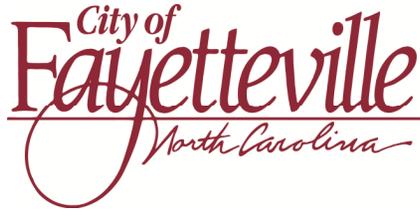
# CIP/TIP Funding Sources

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## Capital Funding Plan (CFP)

### Current Resources:

- Tax rate equivalent contribution of 5.43 cents
- Hope VI incremental tax revenues through 2021 to repay an interfund loan for the project
- Incremental City, County and MSD tax revenues from CBTD property to pay debt service on the Franklin St. Parking Deck
- Payments from Greyhound over 6 fiscal years to repay loan for up fit expenses at the MMTC

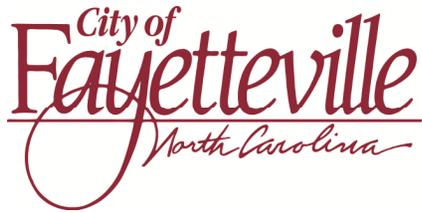


# CIP/TIP Funding Sources

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## **Non-CFP Resources**

- Parks & Recreation Bond Funding
  - March 2016 referendum for \$35 million in bonds
  - 1.42 cent tax rate dedication
- Stadium Funding
  - Astros Annual Lease Payments
  - TIF Contributions from County, City and MSD Taxes on Redevelopment Site
  - PWC Economic Development Funding (\$1.2M per year, FY19-FY21)
  - Event parking revenues
  - Contributions from the CFP and Interfund Loan from RM Funds
- Stadium and P & R Bonds Funds tracked in separate plans

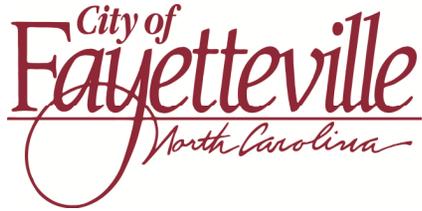


# CIP/TIP Funding Sources

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## **Non-CFP Resources**

- Recurring Operating Budget Funding
  - FY20 through FY24 annual pay-go funding increasing from \$5.0 million to \$5.5 million
- Available Project Funding
  - Balance from Fire Station 12 Funding ~ \$300 K
  - Balances from various transportation projects ~ \$400 K
  - Cancellation of Revenue Management System ~ \$270 K
- Other Funding Sources
  - Includes Airport, Stormwater, FEMA/State Recovery Funding, State Bridge Funding, Grants, etc.
  - Use of General Fund Fund Balance



## CIP/TIP Funding Sources

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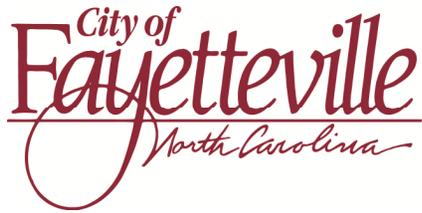
### Fund Balance Available in General Fund

Balance over 12% fund balance target at 6/30/18	(\$ 237,420)
Unusual Interfund Receivables Repaid in FY19	3,874,302
Appropriated during FY19 for other purposes*	<u>( 1,275,000)</u>
F/B available for CIP/ITP/Other items	\$ 2,361,882

### Recommended Use of F/B for CIP/TIP

FY2019 Project Funding *	(\$1,200,000)
FY2019 Transfer to Capital Funding Plan	2,600,000
FY2020	\$ 639,000
FY2021	\$ 50,000
FY2022	<u>\$ 50,000</u>
Total	\$ 2,139,000

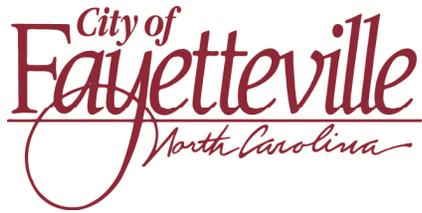
\* Reflects the planned return of \$1.25 M General Fund transfer to the stadium due to proposed second financing



# CIP/TIP Funding Plan

## Pay As You Go

- General Fund/Taxes – Use of fund balance, annual revenues, existing project funding and capacity created from vehicle financing – \$38.7 M including:
  - Annual Street Resurfacing \$23.4 M
  - Various Street/Sidewalk Improvements \$ 6.4 M
  - Computer Replacement Plan \$ 2.2 M
  - Playgrounds and Parks/Trail Projects \$ 1.2 M
  - Facility Maintenance/Renovation Projects \$ 1.1 M
  - Land for Fire Station 4 and Indoor Aquatic Center \$ 0.6 M
  - Various Other TIP Projects \$ 2.8 M
  - Various OtherCIP Projects \$ 1.0 M



# CIP/TIP Funding Plan

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## Pay As You Go

- Other Funds – Includes Airport, Stormwater, E911 and County Revenues, Grants, etc. - \$63.0 M including:
  - Airport Revenues & Grants \$ 28.5 M
  - Stormwater Funding \$ 24.9 M
  - State Bridge Funding Request \$ 3.3 M
  - Federal/State Hurricane Reimbursements \$ 2.6 M
  - Transit Grants \$ 1.4 M
  - State TAP Grant Funding \$ 1.1 M
  - Solid Waste Funding \$ 0.4 M
  - Other Misc. Funding \$ 0.8 M

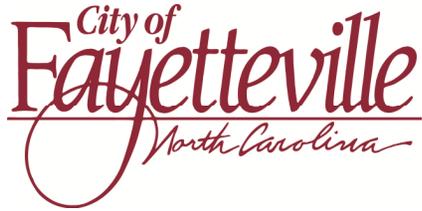


# CIP/TIP Funding Plan

## Debt Issuance

- General Obligation Bonds - \$45.5 M, including:
  - Parks & Recreation \$14.0 M FY2019 20 yr.
  - Parks & Recreation \$11.5 M FY2021 20 yr.
  - Streets & Sidewalks \$ 3.8 M FY2021 20 yr.
  - Parks & Recreation \$ 9.5 M FY2023 20 yr.
  - Streets & Sidewalks \$ 6.7 M FY2023 20 yr.
  
- Installment Financing - \$24.9 M, including:
  - Lake Rim Pool \* \$ 3.1 M FY2019 20 yr.
  - Downtown Stadium \$ 2.3 M FY2019 19 yr.
  - City Hall Renovations\* \$ 1.4 M FY2020 15 yr.
  - Radio Replacements \$ 1.4 M FY2020 4 yr.
  - ERP System \$ 5.1 M FY2020 4 yr.
  - Indoor Aquatic Center \$ 11.6 M FY2024 20 yr.

\* Planned financing proceeds included in current projection appropriations



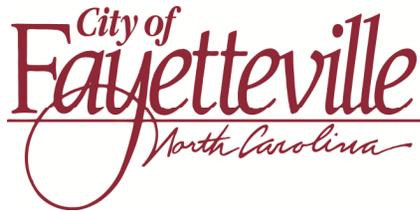
# CIP/TIP Funding Plan

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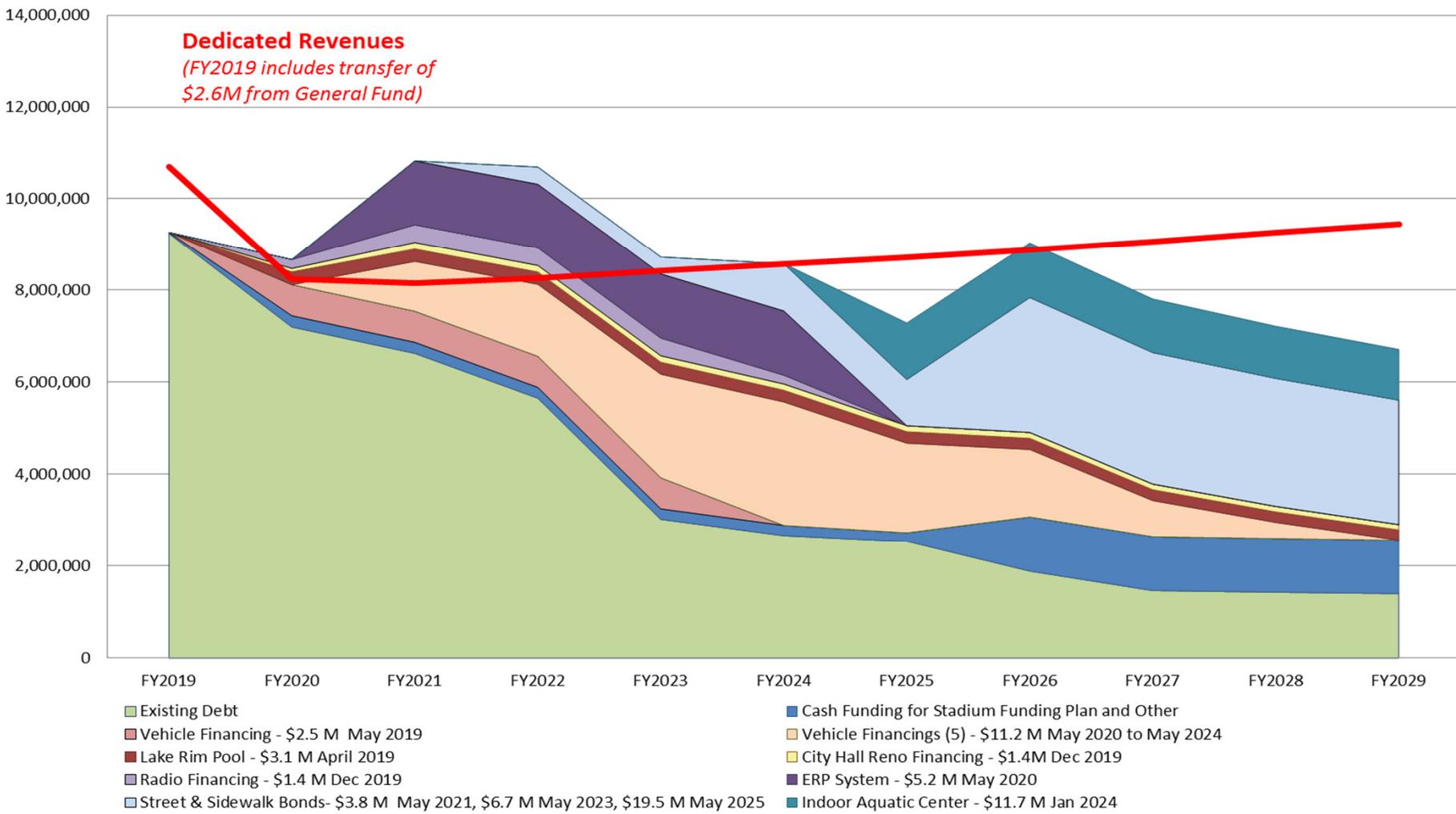
## Debt Issuance

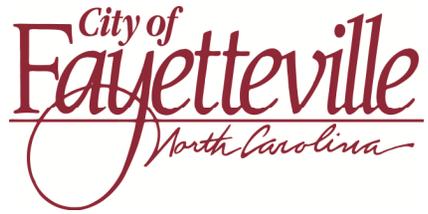
- Installment Financing for Vehicles - \$13.7 M, including:
  - FY2019 \* \$ 2.5 M 4 yr.
  - FY2020 \$ 4.0 M 4 yr.
  - FY2021 \$ 1.8 M 4 yr.
  - FY2022 \$ 2.5 M 4 yr.
  - FY2023 \$ 1.6 M 4 yr.
  - FY2024 \$ 1.3 M 4 yr.

\* Financing proceeds appropriated in adopted FY2019 budget



# CIP/TIP Funding Plan





# CIP/TIP FY 2019 - 2023

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