

TOWN OF BETHLEHEM 10-YEAR CAPITAL PLAN

INTERIM STATUS REPORT

December 23, 2009



Background of Capital Plan

- Next step in development of a long-term Community Vision
- Comprehensive Plan
- Facility Needs Analysis
- 20/20 Advisory Committee
- Office of New York State Comptroller Audit
- Establishment of Internal Capital Planning Committee
- Office of New York State Comptroller Capital Planning Guidance



Purpose of a Capital Plan

- **Blueprint for Community's Capital Expenditures**
- **Facilitates coordination between Capital Needs & Operating Budgets**
- **Identifies most economical means of financing capital projects**
- **Increases opportunities for obtaining federal and state aid**
- **Focuses attention on community objectives and fiscal capacity**
- **Keeps the public informed about future needs and projects**
- **Encourages careful project planning to avoid costly mistakes**
- **Enhances the community's credit rating, control of our tax rate, and avoids sudden changes in our debt service requirements.**



Need for Capital Plan





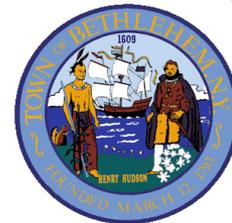
Need for Capital Plan



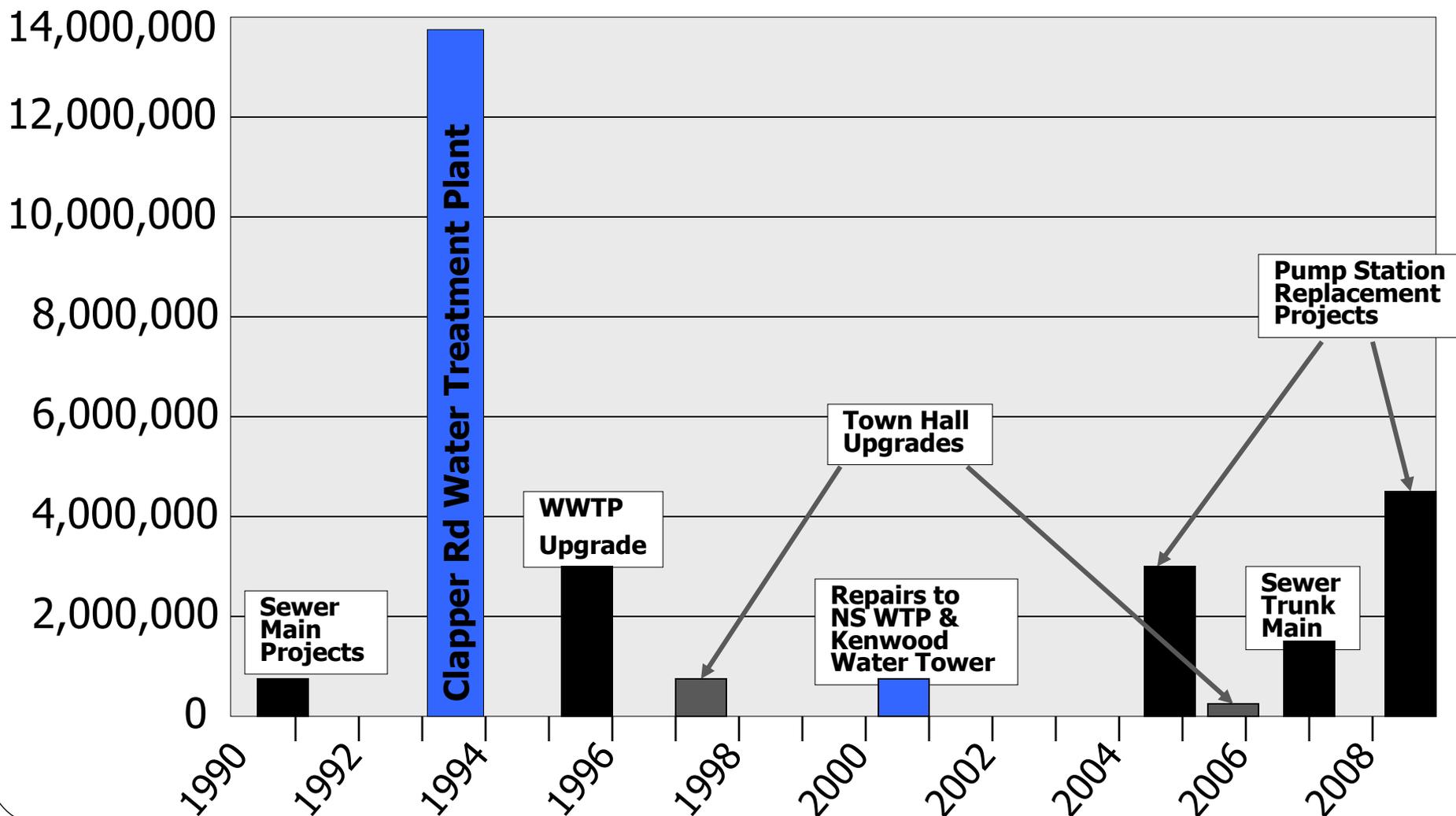


Need for Capital Plan





Capital Program Expenditures





Capital Planning Committee

- Jack Cunningham – Town Supervisor
- Josh Cansler – Commissioner of Public Works
- Suzanne Traylor – Town Comptroller
- Erik Deyoe – Deputy Commissioner DPW
- Gregg Sagendorph – Highway Superintendent
- Lou Corsi – Chief of Police
- Mike Morelli – Director of Planning & Economic Development
- Gil Boucher – Building Inspector
- Nan Lanahan – Director of Parks and Recreation
- Jeff Dammeyer – Director of Information Management
- Howard Hyer – Director of Administrative Services
- Rick Webster – Deputy Comptroller/Facility Manager



Capital Planning Process

1. Determine Goals and Objectives of Initial Capital Plan.
2. Establishing Criteria for Capital Expenditures (facilities, equipment, vehicles, roads, furniture, etc)
3. Establish Planning Milestones:
 - Prepare an Inventory of Existing Capital Facilities
 - Condition Assessment of Capital Assets and Facilities
 - Determine Town's Financial Funding Capability
 - Solicit, Compile, and Evaluate Project Requests
 - Prioritize Capital Projects
 - Develop a Long-Term Funding Strategy
 - Presentation of Plan to Town Board and Public
 - Town Board Adoption of Capital Plan & Associated Funding Strategy
 - Monitor Capital Projects and Update Capital Plan Annually



Progress to Date

- Prepared a complete Inventory of Existing Buildings and Facilities
- Completed Assessment of Capital Assets and Facilities
- Analyzed the Town's Financial Funding Capability
- Solicited and Evaluated Capital Project Requests



Capital Plan Format

- Parts 1 -3: Introductory Sections
 - Purpose & Intent
 - Development Process
 - Committee Accomplishments
 - Report Format
- Part 4: Facilities Portfolio
- Part 5: Fleet & Heavy Equipment Inventory
- Part 6: Capital Plan Summary All Funds
- Part 7: Capital Plan for Each Fund Group
- Part 8: Funding
- Part 9: Recommendations
- Appendix: Facility Needs Analysis Revisited



Facilities Portfolio

- Inventorying first step in assessing conditions and needs of assets
- Compiled lists of Town-owned buildings/sites from GIS, Department lists
- Developed two lists - Buildings and Other Structures & Facilities (e.g., pump stations, parks, tanks, etc.)
- Linear facilities not included (e.g., highways, sewer mains, etc.)
- Replacement value of facilities (not including land) is in excess of \$1 billion



Fleet Inventory

- Fleet inventory compiled from Highway Department and Fleet Management Records
- Listing provided shows fleet vehicle and equipment assignments by department and fund with make, year and mileage/hours
- Due to type and intensity use equipment experience varying replacement rates
- 5-year fleet replacement plan for each fund included with Capital Plan



Capital Plan Example – By Fund

All costs in thousands of dollars

Location/Equipment	Description	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Total
Adams Street Garage	Complete replacement of three roof areas. Cold applied built up roof on office area and BPD garage, TPO over barrel.	\$385										\$385
Adams Street Garage	Repaving site	\$85										\$85
Town Hall	Parapet repairs & capstone pointing	\$55										\$55
Elm Ave Park	Replacement of pool filter system and improvements to pool filter building	\$750										\$750
Elm Ave Park	Installation of sanitary sewer service to site.					\$600						\$600
Elm Ave Park	Bath House Improvements: Roof replacement and parapet, fascia and beam end repairs, bird screening, secondary containment for fuel oil tanks, electrical distribution improvements				\$750							\$750



Capital Plan Summary

All costs represented in thousands of dollars

Fund	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Total
General	\$2,092	\$1,401	\$853	\$2,698	\$2,655	\$1,425	\$910	\$840	\$0	\$0	\$12,874
Highway	\$492	\$516	\$1,245	\$715	\$750	\$1,300	\$10,000	\$7,000	\$0	\$0	\$22,018
Water	\$2,570	\$24,090	\$11,993	\$5,294	\$2,875	\$5,206	\$3,556	\$2,711	\$2,322	\$2,438	\$63,054
Sewer	\$724	\$3,825	\$4,363	\$3,826	\$5,637	\$11,164	\$8,458	\$3,458	\$3,615	\$2,924	\$47,992
Annual Total	\$5,878	\$29,832	\$18,454	\$12,533	\$11,917	\$19,095	\$22,923	\$14,009	\$5,937	\$5,362	\$145,938



Recommendations

- Continued Development of Capital Plan
 - Database to manage capital requests and details
 - Develop prioritization method – top priorities of Town not just programs; essential/discretionary
 - Evaluation to establish available funding for capital projects in each fund
 - Right-sizing levels of service as a budget-neutral funding opportunity
 - Public outreach and communication
- Asset Management Approach



Recommendations (cont'd)

- Facility Needs Analysis
 - 2006 report proposed \$24 MM construction project
 - Costs were not all-inclusive budget estimates
 - True program budget would over \$41 MM
 - No Town Board decision & not included in proposed CIP
- Water & Sewer Rate Study
 - Correct imbalance between fixed cost and highly variable revenue structure
 - Support capital improvement needs
 - Support water plant improvements



Next Steps

- Further Define Capital Project Requests
- Establish Capital Project Priority Lists
- Develop a Capital Financing Plan
- Present Capital Plan to Town Board and Public
- Monitor Approved Projects
- Update Capital Plan Annually

Questions?

