



## Request for City Council Committee Action From the Finance Department

Date: February 22, 2005  
To: Ways and Means Committee  
Referral to: None

**Subject: 2006 – 2010 CAPITAL PROCESS & CLIC INFORMATION**

### Recommendations

1. Adopt the attached 2005 CLIC Schedule and establish the capital budget submission deadline as noon on April 1, 2005.
2. Adopt the attached 2005 CLIC Capital Guidelines for use in evaluating 2006 – 2010 Capital requests.
3. Approve City Council Appointments of CLIC members for the new term of February 1, 2005 to January 31, 2007.
4. Provide tax supported resource direction to CLIC, city departments, independent boards & commissions as indicated in the letter below.

### Previous Directives

None

Prepared/Submitted by Michael Abeln, Director, Capital & Debt Management, 673-3496

Approved by: Patrick Born, City Finance Officer \_\_\_\_\_

John Moir, City Coordinator \_\_\_\_\_

Presenters in Committee: Michael Abeln, Director, Capital & Debt Management

### Financial Impact (Check those that apply)

- No financial impact - or - Action is within current department budget.  
(If checked, go directly to Background/Supporting Information)
- Action requires an appropriation increase to the Capital Budget
- Action requires an appropriation increase to the Operating Budget
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Other financial impact (Explain): Capital Funding direction to Departments, Independent Boards & Commissions for 2006 – 2010 Capital Process.
- Request provided to the Budget Office when provided to the Committee Coordinator

**Community Impact** (use any categories that apply)

- Neighborhood Notification
- City Goals
- Comprehensive Plan
- Zoning Code
- Other
- Not applicable

**Background/Supporting Information Attached**

The attached 2005 CLIC Schedule for the 2006 - 2010 Capital budget process has been developed and agreed to by the Executive Committee of CLIC.

CLIC staff support for the two primary task forces will be provided by William Schroeder and Ray Waaraniemi of the Finance Department. Pamela Miner of the Community Planning & Economic Development Department will also be assisting with the CLIC Process. The main body of CLIC and the overall capital process will be administered by Michael Abeln, Director, Capital and Debt Management/Executive Secretary of CLIC from the Finance Department.

**2005 CLIC SCHEDULE HIGHLIGHTS:**

CLIC will convene their first meeting on March 15<sup>th</sup>. Capital budget requests will be due at noon on Friday April 1st. A joint public hearing between CLIC and the Planning Commission will be held on June 16<sup>th</sup> at 5:05 p.m. The main body of CLIC will finalize their capital recommendations at the end of June and the Executive Committee of CLIC will present their recommendations to the Mayor on July 12th. The CLIC report will be distributed on July 22nd.

**CLIC 2005 CAPITAL GUIDELINES:**

Attached to this letter for your review and approval are the revised CLIC 2005 Capital Guidelines. The Executive Committee of CLIC met in January and has proposed changes to the rating guidelines to improve the 2006 – 2010 Capital process. Changes include removing the Program Objectives section which is no longer relevant due to increased emphasis on Goal Contributions. In addition, the highest project priority category was renamed from “essential” to “critical” to assist budget preparers in accurately classifying their capital requests. Finally, additional emphasis was added to projects receiving funding through the Neighborhood Revitalization Program (NRP) which indicates community support for the project as well as bringing forth resources to help with the cost of the improvements.

**CITY COUNCIL APPOINTMENTS TO CLIC:**

Attached to this letter for your review and approval is a listing of the new appointments and reappointments to the CLIC Committee for the February 1, 2005 through January 31, 2007 timeframe. At this time, there are 12 new appointments, 20 reappointments and 1 remaining vacancy. The seven mayoral appointments have already been approved and are included for your information.

## **2006 - 2010 CAPITAL DIRECTION FOR CITY TAX SUPPORTED RESOURCES:**

The new Capital System implemented in 2003 has been updated for 2006 – 2010 and will be available for use on February 18<sup>th</sup>. As a general rule, Capital projects previously submitted but not in the currently adopted five-year capital improvement program should be resubmitted as a 2010 project. If a submitting agency believes a request should receive funding sooner, they should suggest moving another project (from their group) of similar resource levels to 2010 to make room for the change.

### **Municipal Building Commission**

The Municipal Building Commission (MBC) is requested to submit capital proposals for the 2006-2009 period with City tax supported resources consistent with the adopted five-year capital program. For 2010, to ensure suitable projects are available, MBC may submit proposals totaling 120% of their 2009 approved city funding or approximately \$1,100,000.

### **Library Board**

The Library Board is requested to submit capital proposals for 2006 – 2010 at \$1,600,000 per year of City tax supported resources to be used in conjunction with the Community Library referendum dollars. Library Board is requested to submit community library proposals for the 2006 – 2010 timeframe showing utilization of both “referendum” funding and city tax supported funding. The Library Board submission to CLIC should also include an updated progress report for completed libraries, libraries in process and cost estimates for remaining infrastructure needs by facility.

### **Park and Recreation Board**

The Park and Recreation Board is requested to submit capital proposals for the 2006 - 2009 period with City tax supported and Park Board capital infrastructure levy resources consistent with the currently adopted five-year capital program. For 2010, to ensure suitable projects are available, the Park Board may submit proposals totaling 120% of their 2009 total approved tax supported funding or approximately \$2,500,000. The Park Board submission to CLIC should also include a report summarizing where capital expenditures were incurred by project for the prior year and location specific details about what projects are planned by year and by funding source for the 2006 – 2010 timeframe.

### **Public Works Department**

The Public Works department is requested to submit capital proposals for the 2006 – 2009 period with City tax supported resources consistent with the currently adopted five-year capital program. For 2010, to ensure suitable projects are available, Public Works may submit proposals totaling 120% of their 2009 tax supported funding or approximately \$14,000,000.

### **Municipal State Aid (MSA) Funding:**

Public Works is directed to align the 2006-2010 MSA program to accurately reflect the anticipated MSA funding level.

## BIS Department

The BIS department is requested to submit capital proposals for 2006 – 2009 with City tax supported resources consistent with the currently adopted five-year capital program. For 2010, BIS may submit proposals totaling 120% of their 2009 tax supported funding or approximately \$2,400,000. If BIS customer departments have included costs for capital technology improvements in their business plans, BIS may submit proposals for these items in cooperation with the departments but must include details of the funding arrangement. All capital requests submitted by the BIS Department regardless of funding source should be agreed to and be prioritized by the Technology Steering Committee.

## Other City Departments

Other city departments are requested to update their project information for proposals in the adopted five-year capital program and submit other proposals as appropriate for 2010. If projects are for City buildings or major space renovations, coordinate requests through the Public Works Property Services Division.

## CAPITAL LONG-RANGE IMPROVEMENT COMMITTEE (CLIC):

The City Council requests that CLIC:

- 1) Rate all capital proposals submitted for years 2006 – 2010.
- 2) Plan for 2006 – 2010 Property Tax Supported resources as detailed below:

### For Property Tax Supported Infrastructure Improvements

As approved by City Council for 2006 - 2009 and recommended for 2010

<b>Recommended Resources by Category</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>Totals</b>
					(In thousands)	
					+ 2%	
Net Debt Bond Authorizations	23,250	18,750	17,250	17,250	17,595	94,095
Park Board Capital Infrastructure Levy	860	1,075	1,290	1,500	1,500	6,225
	<u>24,110</u>	<u>19,825</u>	<u>18,540</u>	<u>18,750</u>	<u>19,095</u>	<u>100,320</u>
Adjustments made by Mayor and Council*	-176	64	144	144	0	176
<b>2006 - 2010 Resource Assumptions for CLIC</b>	<b><u>23,934</u></b>	<b><u>19,889</u></b>	<b><u>18,684</u></b>	<b><u>18,894</u></b>	<b><u>19,095</u></b>	<b><u>100,496</u></b>

Notes:

\* - Adjustments represent dollars advanced to or from projects in the Capital programs for prior years.

This resource summary represents the City's commitment for General Infrastructure assets. General Infrastructure includes public buildings, roads, bridges, bike trails, street lights, traffic signals, parks & libraries.