



Capital Improvements & Preservation Plan (CIPP)

July 11, 2016

Purpose

- Provide background on the 2017 Budget and Capital Improvements & Preservation Plan (CIPP)
- Provide information on available CIPP funding sources
- Share current submittals and scoring criteria
- Discuss proposed five year CIPP philosophy
- Identify next steps/seek input



Characteristics of Good Budget Process

- Incorporates a long-term perspective
- Establishes linkages to broad organizational goals
- Focuses budget decisions on results and outcomes
- Involves and promotes effective communication with stakeholders
- Provides incentives to management and employees



Key Considerations for 2017

- Complete 2K projects within program goals:
 - Build high quality facilities to lower their long-term maintenance costs
 - Spend taxpayer dollars wisely and transparently
 - Complete projects on time
- Balancing capital investment while maintaining operations and service levels in expanding community
- Managing, Budgeting to Outcomes

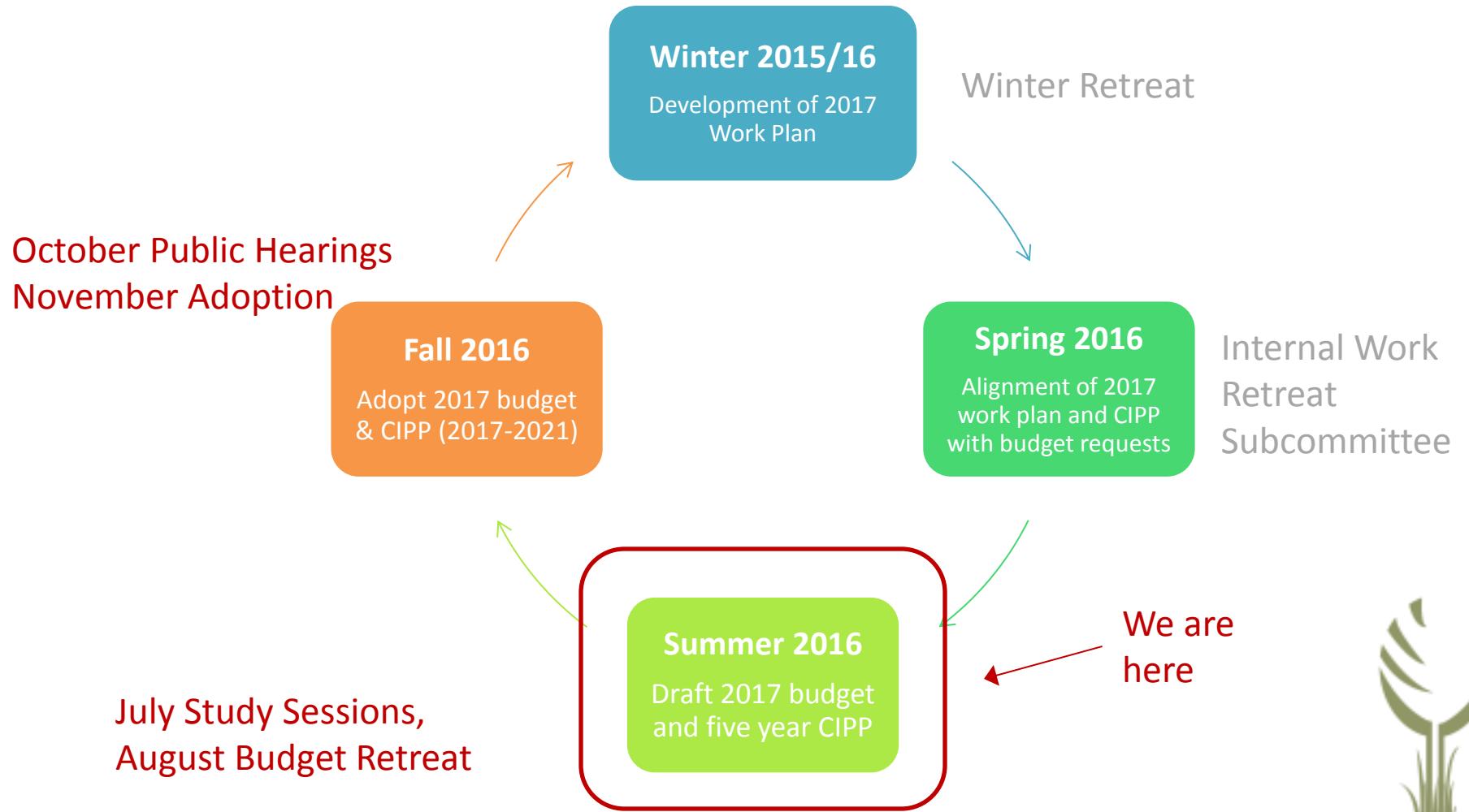


Key Considerations for 2017

- Organizational Development to improve service delivery
- Meeting council, community expectations
- Further alignment with council goals
- More public engagement on CIPP process (CIPPCAC)



2017 Work Plan, CIPP & Budget Cycle



2017 Budget Calendar

- June 27, 2016: Council retreat subcommittee
- July 11, 2016: background on the CIPP process, presentations on 2017 priorities
- July 25, 2016: Preliminary Budget Session: overview, revenue and CIPP discussion
- August 8, 2016: Department budget presentations
- August 22, 2016: Budget Retreat



Five Year CIPP History

- Genesis of 2015 winter city council retreat
- Sustainable way to implement needed investments
- Established project evaluation criteria in 2015
- Annual program confirmed, additional project funding discussed during 2016 winter retreat



Definitions

- A capital improvement project will add value or extend the life of a capital asset. Capital improvement projects, which may include capital construction and capital maintenance projects, for the purposes of this program, are defined as “non-recurring major projects.”
- Generally, projects include building improvements and any public infrastructure improvements costing \$50,000 or more.



Definitions

- Does not include vehicles and equipment acquired and funded through the Fleet Management Internal Service Fund or the routine acquisition of computers, related equipment, or software applications, funded through the Information Technology Internal Service Fund.
- Facility capital projects in excess of \$50,000 funded through the Facility Services Internal Services Fund and the Information Technology Internal Service Fund shall be treated as Capital Expenditures in a “Special Fund” under Section 12.10 “Lapse of Appropriation” provisions of the City Charter, without having to be budgeted within the Capital Improvement and Preservation Plan Fund.
- Capital projects and fixed assets costing between \$5,000 and \$50,000 continue to be budgeted under the department’s capital outlay



CIPP Funding Sources

- Variety of sources, most of which are restricted
- Restrictions complicate the project funding and scheduling
- Multi-year sources and uses spreadsheets help show trade-offs for council discussion and actions at retreat

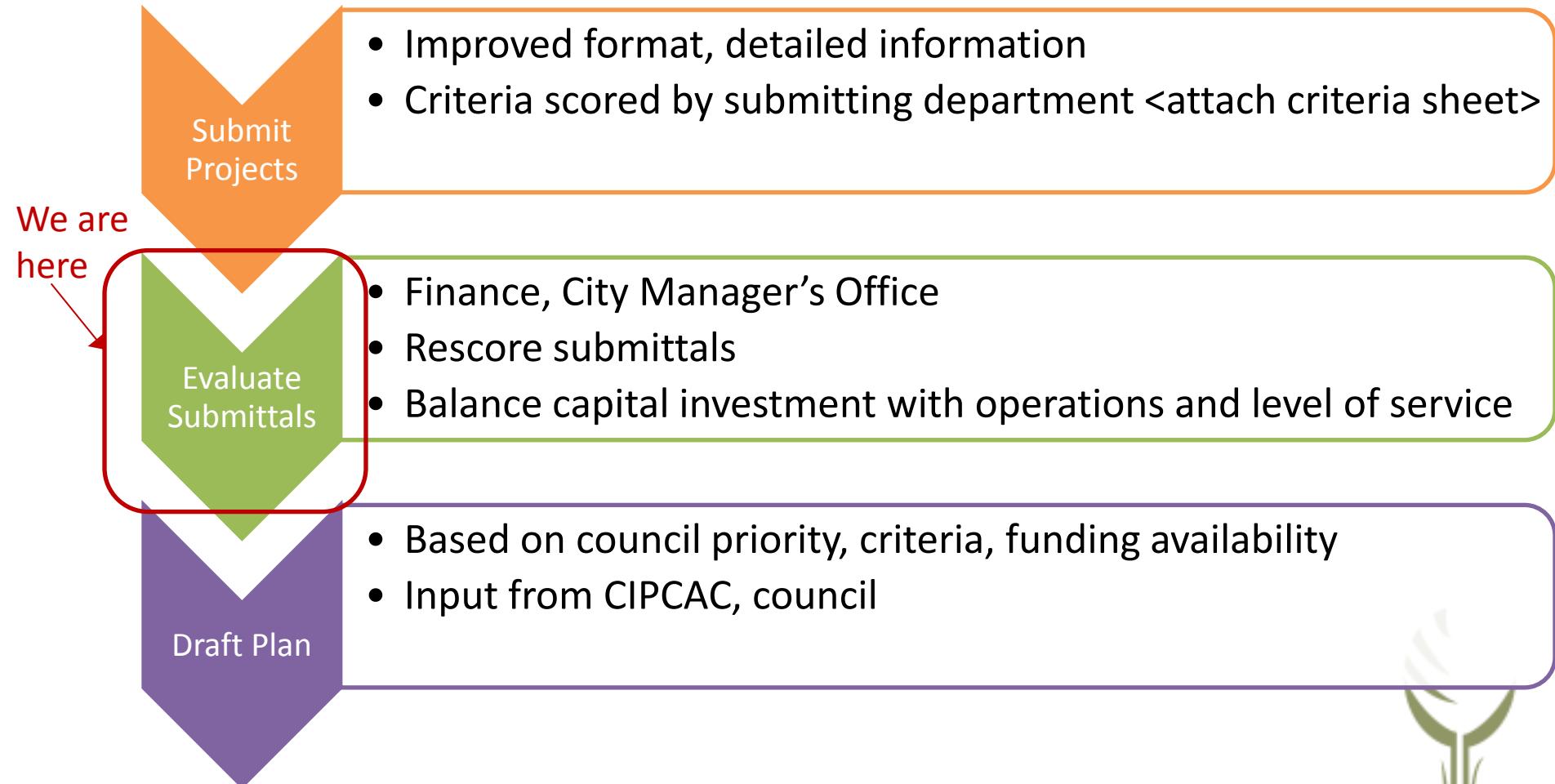


CIPP Funding Sources

- General Fund
- Highway Users Tax
- Motor Vehicle Registration
- Solid Waste
- Open Space (Adams County)
- Lottery
- Park Impact Fee
- Road Impact Fee
- Drainage Basin
- Fleet Retained Earnings
- IT Retained Earnings
- All GIDs (future)
- Airport revenue (future)
- AdCo Road & Bridge (future)



Five Year CIPP



Refined Form



Capital Improvement Project Request Form

(To be completed for all individual expenditures/projects in accordance with the Capital Expenditure Policy)

[Print Form](#)

1. Project Details

Project Name:	Life (years):
Project Originator (Name):	Department Priority <input type="text"/> of <input type="text"/>
Department:	Project Type: <input type="text"/>
Desired project timing:	Start Date: <input type="text"/> Completion Date: <input type="text"/>

2. Project Description/Justification Include a detailed description of the project and justification. Attach add'l documentation as necessary.

3. Project Cost Estimate Attach detailed breakdown of costs. Use the Budget template

Included in current Fiscal Year Budget:	<input type="checkbox"/> YES	<input type="checkbox"/> NO	Amount: \$ <input type="text"/>																		
5 YEAR CIPP																					
Project Cost Estimate:	<table border="1" style="display: inline-table; vertical-align: middle;"> <tr><td>FY</td><td><input type="text"/></td><td>Amount \$ <input type="text"/></td></tr> <tr> <td></td><td><input type="text"/></td><td>Total <input type="text"/></td> </tr> </table>			FY	<input type="text"/>	Amount \$ <input type="text"/>	FY	<input type="text"/>	Amount \$ <input type="text"/>	FY	<input type="text"/>	Amount \$ <input type="text"/>	FY	<input type="text"/>	Amount \$ <input type="text"/>	FY	<input type="text"/>	Amount \$ <input type="text"/>		<input type="text"/>	Total <input type="text"/>
FY	<input type="text"/>	Amount \$ <input type="text"/>																			
FY	<input type="text"/>	Amount \$ <input type="text"/>																			
FY	<input type="text"/>	Amount \$ <input type="text"/>																			
FY	<input type="text"/>	Amount \$ <input type="text"/>																			
FY	<input type="text"/>	Amount \$ <input type="text"/>																			
	<input type="text"/>	Total <input type="text"/>																			
Total Project Cost: \$ <input type="text"/>																					
Year of Cost Estimate <input type="text"/>																					

*Inflation not considered in total cost

4. Project Funding Sources Please attach any funding agreements/grant agreements that impact funding. Prior funding should only include funds from prior years. Funding sources are for current or future funds.

Prior Funding <input type="text"/>	GL Account <input type="text"/>	Amount: \$ <input type="text"/>
Funding Source <input type="text"/>	GL Account <input type="text"/>	Amount: \$ <input type="text"/>
Funding Source <input type="text"/>	GL Account <input type="text"/>	Amount: \$ <input type="text"/>
Funding Source <input type="text"/>	GL Account <input type="text"/>	Amount: \$ <input type="text"/>

5. Annual Operating Cost Impact Provide cost estimates relating to the annual impact of this project on the operating budget. For example, estimate increased maintenance or energy costs associated with new facilities. If this project is related to a new or expanded program, provide cost data, including costs for increased staff. Estimate the annual savings to the operating budget such as reduced energy costs or reduced staff associated with an IT project. Also estimate the increased revenue to be generated, if any.

	Annual Increase In Operating Costs	Annual Operating Savings
Maintenance Costs:	<input type="text"/>	<input type="text"/>
Salary Costs:	<input type="text"/>	<input type="text"/>
Outside Services Costs:	<input type="text"/>	<input type="text"/>
Other: <input type="text"/>	<input type="text"/>	<input type="text"/>
Other: <input type="text"/>	<input type="text"/>	<input type="text"/>
Total: <input type="text"/>	<input type="text"/>	<input type="text"/>

Additional Estimated Revenue to be Generated \$ Internal Rate of Return

*Approval of this form does not indicate approval of increases to any department operating budget. Any increase in operating budget must be approved through the normal budgeting process.

6. Council Goals

Council Goal <input type="text"/>
Work Plan Objective <input type="text"/>
Project Total Weighted Points <input type="text"/>

7. Authorization

Signature <input type="text"/>	Printed Name <input type="text"/>	Date <input type="text"/>
Department Director <input type="text"/>	<input type="text"/>	<input type="text"/>
City Manager <input type="text"/>	<input type="text"/>	<input type="text"/>

8. Finance Use Only

Date Received <input type="text"/>	Amount: \$ <input type="text"/>	Approved in Activity <input type="text"/>
------------------------------------	---------------------------------	---

Scoring Criteria

Criteria	Maximum Points	Weight	Total Maximum Weighted Score
Regulatory Mandate (No=0, Yes=3)	3	25	75
City Council Goal Alignment (1 goal=1, 2 goals =2, 3+ goals =3)	3	20	60
Eco Development Return on Investment (Low =1, Medium=2, High=3)	3	20	60
Priority in Plan Documents (No=0, Yes=3)	3	15	45
Deferred Maintenance (Low =1, Medium= 2, High= 3)	3	10	30
Impacted Population (< 5,000=1, 5,000-10,000=2, 10,000+=3)	3	10	30
Impacted Businesses (<1,000=1, 1,000-3,000=2, 3,000+=3)	3	10	30
Window of Opportunity (No=0, Yes=3)	3	10	30
Operational Return on Investment (Low=1, Medium=2, High=3)	3	10	30
Timing of Community Benefit (Long-term=1, mid-term=2, short-term=3)	3	5	15
2K Funding Eligible (No=0, Yes=3)	3	10	30
Funding Sources (GenFund=0, GF+Grants=1, NonGF=2, NonGF+Grants=3)	3	10	30
	TOTALS	36	465

2017-2021 CIPP requests

- 57 projects submitted for the five-year period
- Themes
 - Multi-million projects
 - Capital maintenance
 - Growth management
- Current CIPP program is \$100+ million
- Includes current/ongoing projects as well as new requests (* denotes previous funding)



Proposed Projects & Initial Scores

Project Request	CMO Score	Department Score
Highway 2 Widening*	420	250
Tower Road Widening*	410	280
Pena/Tower On-Ramp*	400	280
Recreation Center Expansion*	390	190
Second Creek Recreation Center Infrastructure*	385	185
New Recreation Center*	375	285
RTD Station Area Improvements*	310	235
120th Ave/US 85 Construction	295	210
112 th Ave Widening – Chambers to Tower roads	255	245
104 th Ave Widening – Brighton Rd to US 85	240	215
Traffic Signal Maintenance Program	235	165
88 th Ave Widening – I-76 to Hwy 2	230	215
Comprehensive Plan Update	230	25
Northern Range Loop & Connections*	225	245

Proposed Projects & Initial Scores



Project Request	CMO Score	Department Score
Sand Creek Natural Resource Damages*	225	245
Railroad Quiet Zone Installation Program	225	125
96 th Ave Street Lighting*	225	105
RTD North Metro Enhancements	220	145
Rosemary Street Widening	210	215
General Park Improvements*	210	210
Pavement Management Program*	205	165
96 th Ave Widening, Hwy 2 to Buckley Rd	200	205
96 th Ave Widening, I-76 to Heinz Way	200	205
Bridge Replacement, Brighton Road over Fulton Ditch	200	125
Ralston House Design	200	0
Parks, Recreation & Golf Master Plan Update	190	240
Radio Upgrade*	190	240
Golf Equipment Replacement*	190	235

Proposed Projects & Initial Scores



Project Request	CMO Score	Department Score
Outdoor Warning Tower*	190	185
Belle Creek Blvd*	190	115
Buffalo Run Improvements*	180	225
Bridge Maintenance Program	180	145
Sidewalk Connectivity Program*	175	115
Derby Area Improvements	170	130
Concrete Flatwork Program*	165	165
Buffalo Run Irrigation & Drainage*	160	240
Central Park Boulevard Connection*	160	205
Brighton Road Reconstruction, 104 th to 112 th Aves	155	160
ACSD Ball field Improvements*	150	175
56 th Ave Reconstruction	145	165
Kearney St Drainage Improvements	135	135
Vehicle Wash Facility	130	120

Proposed Projects & Initial Scores

Project Request	CMO Score	Department Score
Outdoor Warning Tower*	190	185
Belle Creek Blvd	190	115
Buffalo Run Improvements*	180	225
Bridge Maintenance Program	180	145
Sidewalk Connectivity Program*	175	115
Derby Area Improvements	170	130
Concrete Flatwork Program*	165	165
Buffalo Run Irrigation & Drainage*	160	240
Central Park Boulevard Connection*	160	205
Brighton Road Reconstruction, 104 th to 112 th Aves	155	160
ACSD Ball field Improvements*	150	175
56 th Ave Reconstruction	145	165
Kearney St Drainage Improvements	135	135
Vehicle Wash Facility	130	120

Proposed Projects & Initial Scores

Project Request	CMO Score	Department Score
Aquatic Facilities Repair & Replacement	125	205
Irondale Regional Drainage Improvements	125	115
Railroad Crossing Replacement Program*	120	120
Regional Drainage Improvements – Maul Reservoir	115	120
Second Creek Regional Drainage Ponds	115	120
Traffic Calming Program*	115	115
Bridge Replacement – Potomac St over O'Brian Canal*	110	125
Parking Lot Maintenance	110	110
Traffic Signal Installation Program	110	100
HVAC Energy Management System	100	100
Traffic Signal – Brighton Rd at 104 th Ave	95	105
Property & Evidence Facility*	90	135
MSC Facilities Expansion	85	110
MSC Emergency Generator	85	100
MSC Security Enhancements	125	100

Five Year CIPP Philosophy

- Significant commitments to implement 2016, 2017 and 2018
- Focus on project management and completion of existing projects
- Limit “new” projects – focus on maintaining service levels and existing commitments
- Public input prior to winter retreat
- Proposed CIPP focuses more on 2018 - 2022



Next Steps

- Introduce 2017 priorities presentations – guidance will be informative in developing draft five-year CIPP and budget recommendation
- Review project list with CIPCAC July 13
- Draft 2017-2021 CIPP presented for discussion at retreat



2017 Council Priorities

- 120th Avenue and U.S. 85 grade separation
- Senior Housing
- Competitive Youth Fields – North
- Police Department – Assessment (July 18)
- Economic Development Project TBD

Subsequent presentations will discuss priorities and seek policy guidance on how to proceed, informing the 2017 budget and CIPP process





Questions

Turn over to 2017 priorities presentation