

# **Public Works-Capital Projects Fund**

## **Mission Statement**

It is the mission of the Capital Projects Division to provide community facilities and services through a planned program of infrastructure replacements and additions.

**Primary Functions** → The primary functions of the Capital Projects Division include:

- Planning, development, and management of the City's five-year Capital Improvement Program. This includes setting priorities for infrastructure repair, replacement, and expansion of various facilities, including parking facilities, surface transportation, storm water management, sanitary sewers, and water distribution and production.
- Meeting with various local, state, and federal agencies to secure funding for major projects. This includes preparing grant applications for grant funding to reduce the local public financing burden.
- Implementing projects through negotiation of professional engineering and architectural contracts, preparation of bid specifications for competitive public bidding, administration of consultant and contractor payments, and preparing capital project information to the general public.
- Coordinating administrative activities associated with capital improvement projects, including the development of intergovernmental agreements, the acquisition of right-of-way, the conducting of public meetings, the notification of residents and businesses, the preparation and approval of final project plans and specifications, the recommending of contract awards, and the approval of project related payments and contract change orders.

## **2008 Accomplishments**

- Completed installation of final landscaping and lighting for the Harrison Avenue project (lighting: 20<sup>th</sup> to Mulford; landscaping Alpine to Mulford).
- Continued construction on the two-year Harrison Avenue bridges project (over the CN/UP Railroad) located approximately one mile west of Alpine.
- Continued land acquisition and demolition activities for the West State Corridor project.
- The City has initiated the preparation of right-of-way plats and easement for the second phase of the Harrison Avenue project, spanning 20<sup>th</sup> Street to 11<sup>th</sup> Street.
- The design engineering for the North Main & Auburn Roundabout continued.
- The bulk of the Arterial Collector program was completed.
- Initiated the Kishwaukee Bridge Project (15<sup>th</sup> Avenue to 10<sup>th</sup> Avenue). This project includes the widening of Kishwaukee to match the State's project (Harrison to 15<sup>th</sup> Avenue), the

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installation of a new bridge over Keith Creek, reconstruction of a new entrance into the Joseph Behr scrap yard, and the expansion of 10<sup>th</sup> Avenue Park.

- Logistics Parkway design engineering was completed and right-of-way was acquired.
- The City entered into an agreement with the U.S. Army Corps of Engineers to initiate the Keith Creek Watershed Feasibility Study. This study will provide an essential component of both our short term and long range storm water / flood control investment throughout the life of the 5-Year CIP.
- The City made great strides in storm water / flood control projects in 2008, including progress on the Storm water Management Master Plan, Harmon Park Drainage project, Alpine Dam – Emergency Repairs, and several nuisance and regional drainage initiatives.
- The City partnered with the Museum campus stakeholders and Rockford Park District to create and approve a Riverwalk Master Plan for the area in and around the Museum park campus.
- Completed approximately 150 blocks of residential resurfacing.
- The 2009-2013 CIP will include several new programs, including the following:
  - Urban forestry program (restoration of the urban canopy, and funds to create a canopy inventory).
  - A stand alone sidewalk construction program (primarily for arterials without sidewalks, such as East State Street, but also to fill in gaps in neighborhoods where total sidewalk replacement or development are warranted).
- An Economic Development category has been established to provide limited funds for infrastructure development / improvements in areas where job creation / retention are a priority.

### **2009 Goals and Objectives**

- Implement aggressive Capital Program, including the resurfacing or reconstruction of important arterials/collectors as portions of Kishwaukee (South of Harrison), 20<sup>th</sup> Street, Charles Street, Colorado Avenue, Auburn Street, and Rockton Avenue. The program also includes focused repairs to the Whitman interchanges and other point repairs of key neighborhood collectors.
- Continued advancement of design and permitting in support of both the Major Bridge and Local Bridge Programs.
- Seek Major Bridge funding for the rehabilitation of the Harrison Avenue Bridge and the complete replacement of the Jefferson Street Bridge. Funding is targeted for the FY 2014.

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- Move Neighborhood Program which includes approximately 150 blocks of resurfacing and reconstruction to the bidding phase.
- Implement the legacy investment into the 6<sup>th</sup> Ward through major improvements to Alton, Sawyer, Potter, and Wills.
- Initiate the project feasibility of converting the downtown one-way pair system (Church Street & Main Street); and, the US 251 one-way pair system one-way pair system (2<sup>nd</sup> Stret & 3<sup>rd</sup> Street), including the potential reconfiguration of the Whitman interchanges, through the eastern portion of downtown.
- Begin work with IDOT on the feasibility analysis of future analysis of future construction of an interchange at Bypass 20 and Kishwaukee Street (US 251).
- Continue work on regional transportation issues through active participation in the Rockford Metropolitan Agency for Planning (RMAP).
- Continue work with IDOT on land acquisition and planning for the implementation of the West State Street Corridor project.
- Continue the progress in aesthetic and operational improvements within the Kishwaukee corridor through the relocation of the overhead utilities, design and installation of a new lighting system, and improvements to the parkways through landscaping and streetscape elements.
- Work collectively with the Engineering Department to implement and construct the Kishwaukee Bridge project.
- Advance the Riverwalk-Museum Campus project through the design and permitting process, with a goal of construction in late 2009.
- Move the Downtown Streetscape project through the design and permitting phase and implement construction within the pedestrian mall section in 2009.
- The 2009-2013 CIP will include several new programs, including the following:
  - Urban forestry program (restoration of the urban canopy, and funds to create a canopy inventory).
  - A stand alone sidewalk construction program (primarily for arterials without sidewalks, such as East State Street, but also to fill in gaps in neighborhoods where total sidewalk replacement or development are warranted).
- Work cooperatively with Community Development and other City Departments to implement the Kishwaukee Corridor and previously completed Focus Area Plans.
- Continue program support for the Water Division, including analysis of existing system facilities within the design cycle of road projects.

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## Budget Summary

PUBLIC WORKS CAPITAL PROJECTS DIVISION BUDGET SUMMARY					
APPROPRIATION	2007 <u>ACTUAL</u>	2008 <u>BUDGET</u>	2008 <u>ACTUAL</u>	2009 <u>BUDGET</u>	INCREASE (DECREASE)
PERSONNEL	\$991,524	\$1,340,330	\$1,152,203	\$1,302,931	(\$37,399)
CONTRACTUAL	4,865,990	197,010	8,407,296	191,380	(5,630)
SUPPLIES	9,081	5,300	15,531	5,460	160
OTHER	1,144,552	1,152,940	1,067,780	725,650	(427,290)
CAPITAL	<u>22,048,422</u>	<u>19,290,960</u>	<u>29,515,142</u>	<u>49,674,579</u>	<u>30,383,619</u>
TOTAL	<u>\$29,059,569</u>	<u>\$21,986,540</u>	<u>\$40,157,952</u>	<u>\$51,900,000</u>	<u>\$29,913,460</u>
ACTUALS EXCLUDE WATER AND PARKING PROJECTS; THESE ARE TRANSFERRED TO THEIR RESPECTIVE FUNDS.					
STAFFING REVIEW	2006	2007	2008	2009	INCREASE (DECREASE)
ENGINEERING	4.70	4.50	4.50	10.20	5.70
CAPITAL PROJECTS	<u>12.80</u>	<u>15.80</u>	<u>15.80</u>	<u>16.30</u>	<u>0.50</u>
TOTAL	17.50	20.30	20.30	26.50	6.20
FUNDING SOURCE	2008 <u>AMOUNT</u>	2008 <u>PERCENTAGE</u>	2009 <u>AMOUNT</u>	2009 <u>PERCENTAGE</u>	
BOND & CERTIFICATE PROCEEDS					
GENERAL OBLIGATION BONDS	\$0	0.0	\$0	0.0	
GENERAL OBLIGATION-ALTERNATE	0	0.0	0	0.0	
WATER REVENUE BONDS	<u>9,000,000</u>	<u>30.0</u>	<u>12,000,000</u>	<u>28.6</u>	
SUBTOTAL	9,000,000	30.0	12,000,000	28.6	
CURRENT REVENUE					
STATE MOTOR FUEL TAX	4,000,000	13.1	4,200,000	10.0	
LOCAL SALES TAX	16,000,000	52.5	16,000,000	38.2	
OTHER GOVERNMENTS/PRIVATE	0	0.0	7,500,000	17.9	
INTERFUND TRANSFERS	<u>1,500,000</u>	<u>4.9</u>	<u>2,200,000</u>	<u>5.3</u>	
SUBTOTAL	<u>21,500,000</u>	<u>70.5</u>	<u>29,900,000</u>	<u>71.4</u>	
TOTAL	<u>\$30,500,000</u>	<u>100.0</u>	<u>\$41,900,000</u>	<u>100.0</u>	
APPROPRIATIONS AND REVENUES MAY NOT MATCH DUE TO MULTIPLE YEAR FINANCING OF CAPITAL PROJECTS.					

## Budget Analysis

For the City, the first year of the five-year capital improvement program becomes part of the current year's budget. Accordingly, the City Council annually determines the composition of the program and includes it when considering the current year's total resources and need. The capital improvement effort is funded by a mix of current revenues from a variety of sources and bond proceeds that are repaid from property taxes, water revenues, and abatements.

In 2006, the City submitted a referendum question to the voters to determine whether or not they would, rather than financing streets and drainage improvements through voter approved bond issue referendums and the resulting property tax financed debt service, rather pay for infrastructure improvements through a one percent sales tax on a pay as you go basis. While the voters defeated that proposal, they approved the same proposal, but with a five year limitation, in the spring 2007 election. Effective July 1, 2007, receipts for the first twelve months exceeded the \$16 million estimate.

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Currently, the City is in the midst of a four year \$75 million water improvement program that is being financed by bond issues and participation in a state loan program. These borrowings will be repaid by water revenues. When this program is complete at the end of 2010, the City will finance future water improvements on a cash basis.

The 2009 work program consists of \$29.9 million for transportation and economic development and \$22.0 million for water for new projects. Ongoing projects, already funded in previous years, will continue and incur expenses in 2009 as well.

The proposed water system improvements, \$22.0 million in 2009 work, include construction of 10 treatment plants at various well sites, installation of two wells, and construction of about 15 miles of trunkline water main. The project is being done to address several problems including low water pressure, discolored water, and the requirement to remediate radium levels at five wells.

For 2009, the City will draw down \$10.0 million in State EPA funding which will be converted to twenty year debt at the conclusion of the project. The remaining \$12.0 million is funded from the proceeds of the 2007 (\$3.0 million) and 2008 (\$9.0 million) water bond issues.

The current program revenues for 2009 are at \$29.9 million, which is 71.4% of the total revenues. A new local sales tax replaces the annual street bond referendum and provides \$16.0 million in revenue. State motor fuel tax revenues remain stagnant.

The CIP Fund will purchase \$225,650 in direct services from other City departments such as Legal, Community Development, and Finance.

In 2008, the CIP Fund spent \$40,157,954 or 180.2% of its budgeted allocation. In the past several years, 68% to 180% of the budget has been spent.

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## Five Year Financial Forecast

The 2010-2014 five-year forecast assumes that the City will continue to have a balanced capital replacement and construction program funded by a variety of resources, both long and short term.

### CAPITAL PROJECTS FUND 2010-2014 FINANCIAL FORECAST (IN 000'S)

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Revenues	\$43,157	\$44,452	\$45,786	\$47,160	\$48,575
Expenses	<u>43,157</u>	<u>44,452</u>	<u>45,786</u>	<u>47,160</u>	<u>48,575</u>
Excess (Deficit)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Beginning Balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Ending Balance	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

## Personnel Review

<b>PUBLIC WORKS CAPITAL PROJECTS DIVISION</b>				
<b>BENEFITS AND SALARIES</b>		<b>2008</b>	<b>2009</b>	<b>INCREASE/ (DECREASE)</b>
<b>SALARY</b>		<b><u>BUDGET</u></b>	<b><u>BUDGET</u></b>	
PERMANENT		\$848,171	\$884,484	\$36,313
TEMPORARY		26,400	22,000	(4,400)
OVERTIME		17,000	20,000	3,000
MERIT PAY		16,051	0	(16,051)
SALARY ADJUSTMENT		<u>19,575</u>	<u>(18,247)</u>	<u>(37,822)</u>
<b>TOTAL SALARIES</b>		<b><u>\$927,197</u></b>	<b><u>\$908,237</u></b>	<b><u>(\$18,960)</u></b>
<b>BENEFITS</b>				
IMRF RETIREMENT		\$157,317	\$160,958	\$3,641
UNEMPLOYMENT TAX		995	1,027	32
WORKMEN'S COMPENSATION		5,976	7,365	1,389
HEALTH INSURANCE		241,925	218,205	(23,720)
LIFE INSURANCE		1,232	1,271	39
PARKING BENEFITS		<u>5,688</u>	<u>5,868</u>	<u>180</u>
<b>TOTAL BENEFITS</b>		<b><u>\$413,133</u></b>	<b><u>\$394,694</u></b>	<b><u>(\$18,439)</u></b>
<b>TOTAL COMPENSATION</b>		<b><u>\$1,340,330</u></b>	<b><u>\$1,302,931</u></b>	<b><u>(\$37,399)</u></b>
<b>POSITION TITLE</b>	<b>POSTION RANGE</b>	<b>2008 <u>EMPLOYEES</u></b>	<b>2009 <u>EMPLOYEES</u></b>	<b>INCREASE/ (DECREASE)</b>
CITY ENGINEER-ENGINEERING SERVICES	E-11	0.30	0.30	0.00
CITY ENGINEER-CAPITAL PROJECTS	E-11	0.50	0.50	0.00
CONSTRUCTION PROGRAM MANAGER	E-11	1.00	1.00	0.00
SENIOR CIVIL ENGINEER	E-10	1.00	0.00	(1.00)
WATER PROGRAM MANAGER	E-8	1.00	1.00	0.00
STORM WATER PROJECT MANAGER	E-8	0.50	0.50	0.00
PROJECT MANAGER	E-8	2.00	3.00	1.00
ENVIRONMENTAL PROJECT COORDINATOR	E-7	0.00	0.50	0.50
SENIOR CONSTRUCTION TECHNICIAN	E-6	1.00	1.00	0.00
SENIOR ENGINEERING TECHNICIAN	E-6	4.00	4.00	0.00
ENGINEERING TECHNICIAN	E-5	2.00	2.00	0.00
SENIOR ACCOUNT CLERK	A-21	0.50	0.50	0.00
SENIOR CLERK	A-19	<u>2.00</u>	<u>2.00</u>	<u>0.00</u>
<b>TOTAL PERSONNEL</b>		<b><u>15.80</u></b>	<b><u>16.30</u></b>	<b><u>0.50</u></b>