
 CAPITAL IMPROVEMENT PROGRAM OVERVIEW & PROCEDURES

All Capital Equipment purchases are governed by Capital Procedures. Preparing and maintaining the Capital Budget is an imperative part of the City's management effort. Central to this management effort is providing accurate and thorough justifications for proposed capital projects, making the capital budgeting cycle transparent and straightforward. Specific criteria that guide Capital budgeting decisions are outlined below:

- 1) The City administration will develop a process for ensuring that capital investments provide the maximum community benefit and that appropriate supporting policies are implemented.
- 2) The City shall allocate a percentage of its general operating revenue for capital investment for the next five (5) fiscal years.
- 3) The City shall budget an increasing percentage of its CDBG allocations for the next five (5) years for capital.
- 4) All redevelopment and economic development projects shall include plans for specific returns (investment and leverage).
- 5) Priority will be given to those investments/projects that foster achievement of City Executive Committee goals and objectives, aid in the implementation of approved City plans, and conform to the following ideals:
 - Foster Economic Growth;
 - Foster Neighborhood Growth;
 - Foster Urban Conservation;
 - Conform to the City's five (5) year plan;
 - Replace or renovate existing obsolete or deteriorated elements of the City's property rather than providing additional facilities;
 - Reduce the cost of operations or result in a net increase in general revenues;
 - Are mandated by governmental agencies;
 - Do not duplicate other public and/or private services;
 - Reduce energy consumption;
 - Benefit low and moderate income persons and/or slow economic blight;
 - Are located in targeted neighborhoods and economic development areas, i.e. (enterprise zone); and
 - Improve the safety and security of citizens.

 DEFINING CAPITAL EQUIPMENT & CAPITAL PROJECTS

Capital Equipment is defined as any item that has an expected life of five (5) years or more and a purchase price in excess of \$500.00. Items costing less than \$500.00 and lasting less than five (5) years are to be purchased from material and supply accounts. The purchase price includes any costs of acquisition or transportation of the item or other costs associated with the installation or placing it into service. The expected life for a piece of equipment is that period of time for which it will be useful in carrying out operations without major repair to its physical condition. Generally, capital equipment includes, but is not limited to, furniture and fixtures, machinery and motor vehicles.

Capital equipment *excludes* commodities that are converted in the process of construction, or that are used to form a minor part of equipment or fixed property. In addition, repairs will normally not be capitalized regardless of the cost of repair or the extent of repair relative to the cost of a new item. The following examples occur frequently and are intended to serve as a guide in deciding whether or not to capitalize an item.

- Calculators - will not be capitalized.
- All furniture costing more than \$500.00 *will* be capitalized.

The **Capital improvement program** is defined as a plan for capital expenditures over a multi-year period to meet identified improvements in the infrastructure.

GENERAL FUND BUDGET

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The **Capital Budget** is the first year of a five year plan for capital expenditures to be incurred over a given fiscal year from funds appropriated by the City Council for project scheduled in the same year.

Capital Projects are the improvements that make up the capital budget. Each project has a specific purpose, justification and cost. Projects propose physical improvements in different elements of the City's infrastructure. Improvements include but are not limited to: construction, reconstruction, rehabilitation, modification, renovation, expansion, replacement, extension of streets, bridges, buildings, sidewalks, playgrounds, traffic signals, ramps, lights and acquisition of land, buildings with associated relocation, demolition and improvements such as landscaping, fencing and paving.

CAPITAL IMPROVEMENT PROGRAM REQUESTS

All Capital Projects Under Consideration must be accompanied by a description including the following detail and descriptive information:

- 1) **PROJECT TITLE:** Enter the title best describing the project. Be concise, but as descriptive as possible.
- 2) **SUBMITTED BY:** Enter the Department, and division, if applicable.
- 3) **CONTACT PERSON:** Enter the name and telephone number of the person who can best answer detailed questions about this project.
- 4) **PROJECT DESCRIPTION:** Give a full, detailed description of the project. The description must contain enough information to allow for a detailed project cost estimate. If the project is construction of a building, specify the following: size; use; type of building; utility type; etc. If it is a street project, specify the following: length; width; whether it is new construction, reconstruction or resurfacing; whether it involves new signals, sewers, and/or sidewalks; etc. Any project with insufficient information to develop a cost estimate will not be considered.
- 5) **PROJECT JUSTIFICATION:** Support the need for this project. Some of the questions you might want to consider follow:
 - Does the project meet established standards and/or codes?
 - Does it eliminate a health, fire or safety hazard?
 - Does it serve a segment of the community not currently served?
 - Does it foster private investment? How much?
 - Does it create jobs? How many? What type?
 - What will happen if the City does not undertake this project?
 - Use the above and the Capital Allocation Checklist as a guide in submitting justifications.
- 6) **PROJECT LOCATION AND SERVICE AREA:** Give a brief description of the community impact the project will have as well as the area it will serve.
- 7) **SIGNATURE:** The Department Director must sign the bottom of the form and date it. The signature indicates that the director approves of the submission of the project and agrees with the information provided.

PROJECT COST ESTIMATE INSTRUCTIONS

- 1) **PROJECT TITLE:** The name of the project for which the estimate is being prepared.
- 2) **PROJECT COST:** Enter the cost estimate for each line item of the project for the upcoming fiscal year. All costs must be detailed by line item.
- 3) **TOTAL PROJECT COSTS:** Use this column *only* if the project requires multi-year financing and the total cost is not reflected in the one (1) year column.
- 4) **ESTIMATE PREPARED BY:** Enter the name, department and division of the preparer.
- 5) **COMMENTS:** Enter any comments the department preparing the cost estimate may have regarding this estimate or this project itself.

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CAPITAL EQUIPMENT REPLACEMENT SCHEDULE

<u>ITEM</u>	<u>SCHEDULE</u>	<u>MAXIMUM</u>
Street Sweepers	Every 5 years	1 per year
Dump Trucks	Every 7 years	1 per year
Loaders	Every 12 years	1 per year
Tractors	Every 10 years	1 every 5 years
Sanitation trucks	Every 7 years	2 per year
Police Cruisers	Every 5 years	21 per year
Passenger Vehicle	Every 7 years	depending on condition
Light Trucks - Vans	Every 7 years	depending on condition
Specialized Large Equipment	As needed	
Fire Engines		
Front Line	Every 15 years	
Reserve	Every 20 years	1 per year
Fire Trucks		
Front Line	Every 20 years	
Reserve	Every 25 years	1 per year

The following policies have been established to encourage the replacement of outdated capital equipment, realizing limitations of funding. In all cases, the equipment requested shall be of the type and quality necessary for the efficient accomplishment of the departments' service functions.

- EQUIPMENT FOR EQUIPMENT REPLACEMENT Example: Two-for-one trades will have preference over one-for-one trades.
- EQUIPMENT FOR DIRECT COST SAVINGS Example: Capital equipment proposals that offer direct cost savings to the City will have preference.
- EQUIPMENT FOR POSITION(S) REPLACEMENT Example: Proposals from departments for abolishing position(s) in return for equipment will have preference.

All capital equipment rollovers will be monitored for performance as the City expects increased turnover to dramatically reduce manpower time and equipment idle (repair) time.

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PROCESS

Who decides: the City Council, through the budget and appropriation committee, provides the final approval of all Capital Improvement Programs, budgets and projects. The Mayor recommends the Capital Program by way of two committees:

Technical Review Committee: Reviews department submissions for priority ranking and capability.

Capital Finance Committee: Reviews the recommendations of the Technical Review Committee and determines the project need by evaluating the following:

- Technical Review Committee priority;
- Economic & community need/impact;
- and Financial accessibility.

HOW DO PROJECTS GET CONSIDERED?

STEP I - SUBMISSION

Per the budget schedule, the Office of Policy and Management requests capital project proposals from the Department Directors. These proposals contain a project description, its justification and location. The Capital Allocation Checklist must be used by departments and review boards in developing and justifying capital submissions.

STEP II - TECHNICAL EVALUATION

After projects are submitted, the Office of Policy and Management will convene the Technical Review Board. This committee, made up of the City Engineer, City Planning Director, Public Works Director and two representatives of the Office of Policy & Management (OPM), evaluate the impact of each project based on the provided description and justification. Impacts are measured against the approved technical criteria. During this process, projects which are similar are consolidated, projects already financed or which should be requested as part of an operating budget are eliminated. This results in a final recommended priority list.

STEP III - CAPITAL FINANCE COMMITTEE SELECTION

The prioritized list of submissions is presented to the Capital Finance Committee for an initial cut. Using the technical evaluation as the basis of the decision, this committee will select those projects which merit further consideration and eliminate those with lower priorities.

STEP IV - NOTIFICATION TO DEPARTMENTS

Once the Capital Finance Committee selects the projects, OPM sends a letter to all departments informing them of the decisions. The notification letter contains several items:

- A list of projects that will be considered. Each department is responsible for preparing the cost estimate;
- A list of projects that have been eliminated;
- A description of the appeal process;
- Cost estimate forms;
- And copies of all project descriptions still in consideration.

Departments are to provide any updated information on the project descriptions and develop a cost estimate to be submitted to OPM.

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STEP V - APPEAL

Each department is given one (1) week to review the disposition of each project they originally submitted. They may appeal any of those projects. This is done by submitting a written letter of justification that they wish to be reconsidered or a program that should be eliminated. All justifications are reviewed by the Capital Finance Committee and the department director will be invited to a meeting to answer any questions members may have. Based on the justifications presented the Capital Finance Committee will make a final determination. Departments will be notified the following week.

STEP VI - COST ESTIMATES

For all projects still in consideration, a cost estimate will be developed. These will be submitted to Office of Policy and Management.

STEP VII - FINAL EVALUATION OF PROJECTS

The Executive Committee, appointed by the Mayor, reviews all of the recommended projects and evaluates those for final presentation to the City Council. The final list will be evaluated from the priority list and available resources.

STEP VIII - FINAL APPROVAL

Final approval to proceed will be given by the City Council. This is done through the voting of the council at a meeting scheduled for February preceding the fiscal year start.

STEP IX - NOTIFICATION OF SELECTED PROJECTS

After the Capital Improvement Plan is developed, the Office of Policy and Management will notify departments whose Capital Projects were adopted and will publish the Capital Budget. The document will contain the details of the selected projects as follows:

- Project descriptions;
- Funded amounts;
- Funding sources;
- and the Responsible agency.

AMENDING THE CAPITAL IMPROVEMENT PROGRAM

From time to time during the year changes must be made in the Capital Improvement Program (CIP). These changes are made through a CIP Amendment request. A CIP Amendment is required under the following conditions:

- Financing a project not previously considered. This may result from emergencies that may occur during the year, or a change as needed.
- Increasing the funded amount of an existing project. These may arise from unanticipated inflation, change in the original project description or bids which come in higher than the original cost estimate.

A CIP Amendment is processed as follows:

- 1) The department responsible for the project makes an initial determination that additional funds are required for a specific purpose.
- 2) A written request by the Director is submitted to OPM. The request will include:
 - A) Name of Project;
 - B) Additional funds requested;
 - C) Total current cost of the project; and
 - D) Justification of request.
- 3) The Office of Policy and Management will make a recommendation to the Capital Finance Committee which approves or disapproves the request.

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- 4) If the request is approved, OPM will prepare a report and resolution for approval from the City's City Council. The report will be placed on the earliest possible agenda of the City Council.
- 5) Upon approval of the City Council, OPM will request the Comptroller's Office to establish an account number or increase the original appropriation.
- 6) The Department proceeds with the project after steps 1-5 have been performed. They will be notified by OPM.

ACCOUNTING PROCEDURES

After all of the projects have been approved by City Council the Comptroller's Office will begin the process of establishing accounts for the approved programs. All appropriations will be established based upon the approved project cost and prepared by using the line item criteria established by the cost estimate forms.

In addition, the Comptroller's Office will be responsible for the following:

- 1) Maintaining grant agreements;
- 2) Maintaining audit records;
- 3) Receiving and recording revenues;
- 4) Distributing payments;
- 5) Reconciling the general ledger;
- 6) Reconciling bank statements and investments; and
- 7) Monitoring department performance.

The Department Director or Project Manager will be responsible for the following:

- 1) Creating monthly project status reports;
- 2) Creating and maintaining project timetables;
- 3) Explaining project changes and/or cost overruns;
- 4) Providing updates to the City Council;
- 5) Presenting projects to committee and the City Council;
- 6) Completing data detail for the Comptroller's Office; and
- 7) Estimating costs and/or staffing requirements.

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CAPITAL BUDGET DETAIL

PROJECT DESCRIPTION	FY 2013 Capital Plan MODIFIED	FY 2014 Capital Plan PROPOSED	FY 2015 Capital Plan PROPOSED	FY 2016 Capital Plan PROPOSED	FY 2017 Capital Plan PROPOSED	TOTAL Capital Plan 2013-2017
Board of Education						
Park City/Skane renovations	13,076,000					13,076,000
Roosevelt School Modification	3,281,725					3,281,725
Longfellow School Modification	5,921,337					5,921,337
Marin Roof	3,000,000					3,000,000
John Winthrop Renovation	7,126,120					7,126,120
High Horizons Multicultural Asbestos Abatement	800,000					800,000
JK Improvements	727,000					727,000
TOTAL BOE	33,932,182					33,932,182
Economic Development						
City / Neighborhood Beautification	500,000	500,000	500,000	500,000		2,000,000
South End Traffic Corridor	1,650,000					1,650,000
Land management / Acquisition Steel Point	6,349,873					6,349,873
Knowlton/Barnum Waterfront Development	3,140,146	2,606,460	2,519,000			8,265,606
Blight Removal / Demolition Clean Up		1,000,000	1,000,000	1,000,000		3,000,000
TOTAL OPED	11,640,019	4,106,460	4,019,000	1,500,000		21,265,479
Public Facilities						
Roadway Paving, Culverts, Intersections	500,000	2,500,000	2,500,000	2,500,000	2,500,000	10,500,000
Public Facilities Equipment	4,058,272	200,000	350,000	350,000		4,958,272
Muni Bldg. HVAC / Heating / Elec / Facilities	2,633,919	500,000	500,000	500,000		4,133,919
City Wide Building & Security Improvements	18,618,337	250,000	250,000	250,000		19,368,337
Facilities Assessments / Planning Studies	400,000					400,000
Beardsley Zoo Improvements	1,700,000					1,700,000
Energy Conservation / Conversion Program		200,000	200,000	200,000	200,000	800,000
Skorsky Plow/Dump	200,000					200,000
Runway Crack Seal Machine	60,000					60,000
IP based access control system		200,000				200,000
Multi-purpose tractor		50,000				50,000
Runway Sweeper and VacuumTruck			210,000			210,000
FAA AARF index rapid response fire truck				400,000		400,000
Maintenance Garage Apron Paving					100,000	100,000
Lincoln Boulevard Esplanades	880,000					880,000
Police Howard Avenue Fit-Up	85,000					85,000
Construction Management	500,000					500,000
Kennedy Stadium Improvements	150,000					150,000
Parks Maintenance Equipment	1,163,106	275,000	50,000	50,000		1,538,106
Various Park Improvement Projects	16,415,204	3,000,000	3,000,000	5,835,236		28,250,440
Pleasure Beach Water and Park Accessibility	3,628,830	4,000,000	1,759,909			9,388,739
TOTAL PUBLIC FACILITIES	50,992,668	11,175,000	8,819,909	10,085,236	2,800,000	83,872,813
Other Departments						
EOC Capital Maintenance Program	225,000	225,000				450,000
Archives Scan Pro Microform Scanner	9,685					9,685
Vital Statistics Scan Pro Microform Scanner & shelving	12,453					12,453
Police Records Management System	500,000					500,000
Police Final Phase of Car Replacement (41 vehicles)	1,089,459					1,089,459
Fire Apparatus Replacement Program/Vehicles	1,260,000		650,000	735,000	640,000	3,285,000
Modular Training Structure & Smoke House			275,000			275,000
Technology Enhancements / Systems Improvement	500,000					500,000
WPCA Sewer Separation Program	250,000	125,000				375,000
IT Telephony & Computer Replacement Program	250,000	250,000				500,000
TOTAL OTHER	4,096,597	600,000	925,000	735,000	640,000	6,996,597
TOTAL ALL DEPARTMENTS	100,661,466	15,881,460	13,763,909	12,320,236	3,440,000	146,067,071

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CAPITAL IMPROVEMENT PROJECTS

BOARD OF EDUCATION

BOARD OF EDUCATION REVISED PROJECTS: \$33,932,182 for renovations and rebuilding of various schools within the district. *Under state statute for Construction of Facilities, applications for projects must be made before June 30th of each year. For application to be made, it is necessary for the local legislative body to authorize the projects even though state approval and bonding are not obtained until the following year. The amounts for these projects are the estimated City Share of the projects.*

ECONOMIC DEVELOPMENT

CITY BEAUTIFICATION - Continued program support for plantings and signage around streetscape and roadscape projects.

SOUTH END TRAFFIC COORIDOR – Road and streetscape project from I-95 corridor, down to South Avenue, and to the entrance of west beach in Seaside Park.

LAND MANAGEMENT STEEL POINT - Final land acquisition and remediation costs for the SteelPointe peninsula project.

KNOWLTON/BARNUM WATERFRONT DEVELOPMENT – Continuation of waterfront reclamation initiative throughout waterfront corridors.

BLIGHT REMOVAL - Ongoing demolition of structures condemned through the regulatory process due to blight and safety conditions.

PUBLIC FACILITIES

ROADWAY PAVING - Annual paving program based upon Road Management Condition Program.

PUBLIC FACILITIES EQUIPMENT - Continued commitment to fleet replacement program with more efficient vehicles and retiring of obsolete fleet.

BUILDING HVAC, CODE, SECURITY and ENERGY CONSERVATION PROJECTS - Continued upgrade of city owned municipal buildings for energy efficiencies and green solutions.

FACILITIES ASSESSMENT & PLANNING STUDIES - Phase II of the City's assessment and planning program.

CITY WIDE BUILDING & SECURITY UPGRADES : City of Bridgeport's annual commitment to the annual plan to rehabilitate various aging and inefficient structures. The success of this program's impact is measured in the Building Maintenance Department's services budget, as the City is able to avoid the additional operational costs that inefficient and outdated buildings yield. Additionally, the maintenance efforts have been to repair and re-engineer the design and functionality of departments most in need of office upgrades. This funding will continue these efforts in in downsizing the number of city facilities and placing property back on the tax rolls. Also included here, but funded separately are airport and police building improvements.

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VARIOUS PARK IMPROVEMENT PROJECTS: Local effort to complete park improvements to 9-14 park areas throughout the City. All these programs are consistent with projects contained within the Park's Master Plan. Also included here, but are separately funded, are Beardsley Zoo Improvements and Kennedy Stadium Improvements

PARK MAINTENANCE EQUIPMENT: Continued commitment to fleet replacement program with more efficient vehicles and retiring of obsolete fleet.

PLEASURE BEACH WATER AND PARK ACCESSIBILITY: Local effort to complete the next phases and provide additional match to federal and state earmarks for dormant park accessibility.

OTHER DEPARTMENTS

EOC MAINTENANCE PROGRAM - Continued upgrade improvements to City's Emergency Operation Center per building maintenance study.

FIRE APPARATUS - Replacement of the Fire Rescue Vehicle, a Pumper Truck and an Safety Officer Vehicle.

WPCA CAPITAL PLAN - Local share for sewage separation upgrades at the Water Pollution Control Authority (WPCA) plants. Improvements to the separation system will improve local water quality and will improve the health of Long Island Sound. The WPCA will make the debt payments on the borrowed funds, but the City must bond on their behalf.

IT TELEPHONY/COMPUTER REPLACEMENT and TECHNOLOGY ENHANCEMENTS- Continuation of voice over replacement system, annual upgrade of desktop computers and overall server/software enhancements.

POLICE RECORDS MANAGEMENT and FLEET REPLACEMENT: Last phase of conversion of police fleet to Dodge Charger vehicles. The records management system is to automate the records division of the department and reduce personnel needed for record management.

CAPITAL IMPROVEMENT PROJECT BORROWING HISTORY

PROJECT DESCRIPTION	1997	2000	2001	2003	2004	2006	2007	2009	2010	1997-10
	Bonds/Notes Amount	Total Bonds/Notes Amount								
	6.75%	26.29%	17.76%	50.39%	51.37%	46.27%	59.42%	47.61%	0.00%	31.54%
Board of Education	2,510,000	26,473,360	16,849,565	15,904,136	16,104,322	26,273,612	27,754,881	18,947,778	-	131,869,876
	33.61%	50.65%	53.45%	3.62%	25.20%	26.87%	6.48%	6.58%	27.73%	35.11%
Economic Development	12,500,000	51,000,000	50,701,481	1,141,864	7,900,000	15,255,000	3,026,500	2,620,000	5,269,500	146,794,345
	50.44%	16.23%	25.52%	29.82%	13.99%	9.41%	26.18%	26.50%	66.61%	24.71%
Public Facilities	18,760,000	16,340,000	24,211,200	9,410,500	4,385,000	5,344,650	12,231,000	10,546,063	12,655,200	103,337,550
	5.71%	0.00%	1.28%	0.00%	2.17%	1.32%	1.23%	0.00%	2.11%	1.37%
Fire Department	2,125,000	-	1,210,000	-	680,000	751,000	575,000	-	400,000	5,741,000
	0.00%	0.63%	-0.53%	1.66%	1.59%	12.15%	1.23%	0.00%	0.00%	2.07%
Police Department	-	635,000	(500,000)	525,000	500,000	6,900,000	575,000	-	-	8,635,000
	2.55%	-0.40%	0.15%	1.60%	2.11%	0.18%	0.23%	0.00%	0.00%	0.49%
Libraries	950,000	(400,000)	140,000	505,000	660,000	100,000	106,000	-	-	2,061,000
	0.94%	6.60%	2.37%	12.91%	3.57%	3.80%	5.23%	19.30%	3.55%	4.71%
Other Departments	350,000	6,641,000	2,250,000	4,075,000	1,120,000	2,159,250	2,442,000	7,681,159	675,300	19,712,550
	37,195,000	100,689,360	94,862,246	31,561,500	31,349,322	56,783,512	46,710,381	39,795,000	19,000,000	418,151,321
	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

CITY OF BRIDGEPORT, CONNECTICUT
APPENDIX

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