

# FISCAL YEAR 2019

## Proposed Capital Budget: April 23, 2018

# Fiscal Year 2019 Proposed Capital Budget

## Agenda

1. Council Priorities
2. Stormwater Management Fund
3. Speed Camera Fund
4. Special Revenue Funds
5. General Fund
  - a. Equipment Replacement Reserve
  - b. Facilities Maintenance Reserve
  - c. General Fund Capital Items
6. Flower Avenue Green Street & Ethan Allen Gateway Projects
7. Library Project
8. Bonding
9. Budget Schedule



# Council Priorities

## *Capital Items Included in Budget*

- A Livable Community for All
  - Sidewalks – retrofit existing sidewalks to meet ADA requirements; sidewalk design improvements (some grant funded)
  - Public Transit/Bike/Pedestrian Safety projects – including continuation of the Safe Routes to School Program and bike improvements
- Environmentally Sustainable Community
  - Continue work toward achievement of all Green Team priorities, including those related to water quality (stormwater)
  - Flower Avenue Green Street
  - Implement stormwater management projects to meet State and Federal mandates for 2017 and 2025



# Council Priorities

## *Capital Items Included in Budget*

- Engaged, Responsive, Service-oriented Government
  - Implications of policy review and revisions related to traffic calming and sidewalk requests/repair
  - Police Department renovation – filling in atrium; concept design
  - IT Projects – IT Switches, Next Generation Firewall
- Community Development for an Improved & Equitable Quality of Life
  - Library – complete detailed design and begin renovation and expansion
  - New Hampshire Ave Bikeway Design (some grant funded)
  - Complete Ethan Allen Gateway Project
  - Flower Avenue Green Street



# Council Priorities

## *Capital Items Included in Budget*

- Racial Equity
  - Flower Avenue Green Street: Improve aesthetics, pedestrian safety, stormwater quality, lighting and transportation options for residents of Ward 5 (72.4% people of color) and others
  - Ethan Allen Gateway: Improve aesthetics, pedestrian and bicycle safety, stormwater quality, lighting and transportation options for residents of Ward 6 (81.5% people of color) and others



# Stormwater Management Fund

All property owners in the City pay a fee that is based on the amount of impervious surface on their property. Each single family residential dwelling unit is billed at a flat rate equal to the average amount of impervious surface on a single family lot (1,228 square feet). For FY19, the rate is proposed to remain at \$92 per ERU.



*Photos: Grant Avenue Bio-Retention features*



# Stormwater Management Fund

## Stormwater Management Fund Projects for FY19

- Devonshire & Glazewood Bio-Retention - \$40,000
- Glenside & Anne - \$35,000
- Jackson and Glenside Bio-Retention - \$30,000
- Takoma Branch Stream Restoration Design - \$102,450
- Flower Avenue Green Street Bio-Retention - \$168,750 (grant funded)

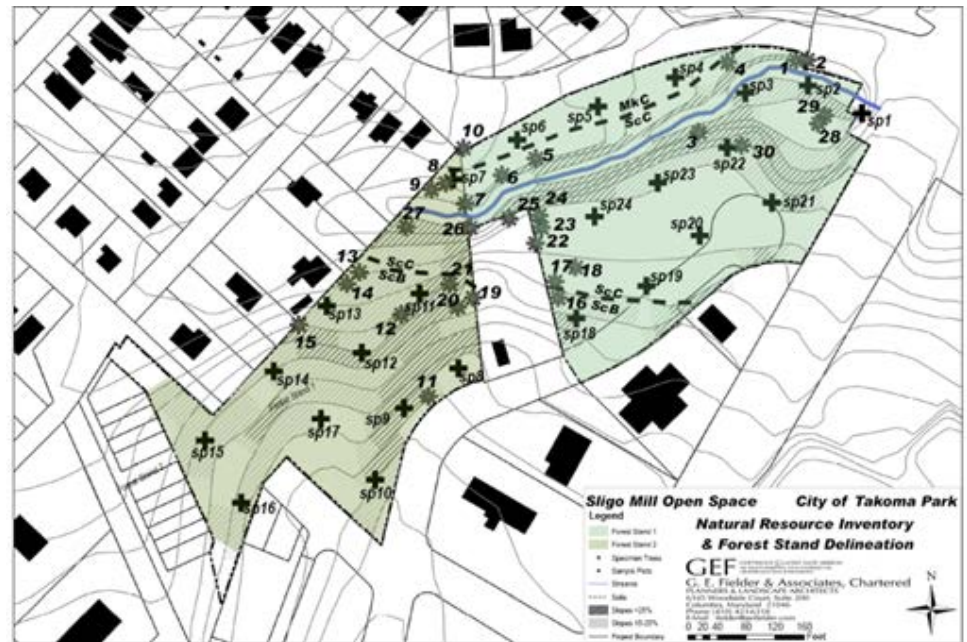
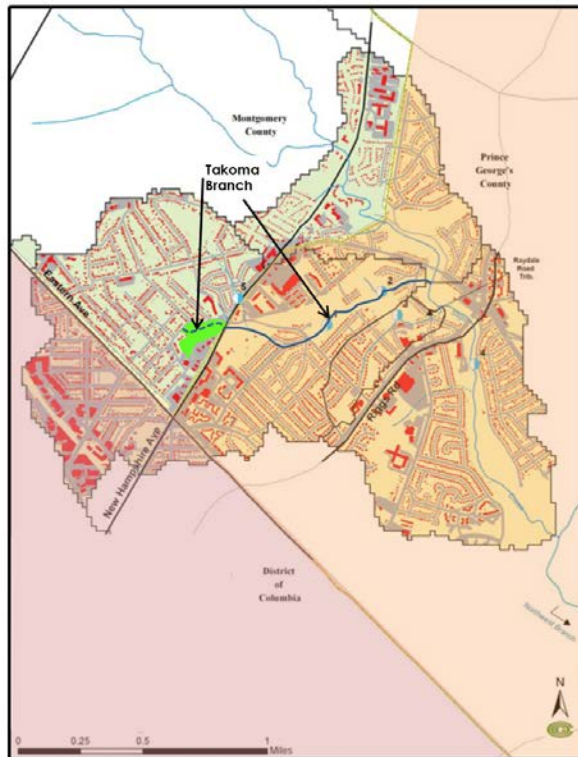
These projects, plus inspection and maintenance work, are essential to meeting State and Federal laws (Chesapeake Bay Clean Up Program; Clean Water Act). The City's goal is to provide stormwater treatment for run-off from 20% of existing impervious area not currently provided treatment.



# Stormwater Management Fund

## Stormwater Management Fund Projects for FY19

### Takoma Branch Stream Restoration Design



# Stormwater Management Fund

## Stormwater Management Fund Projects for FY19

### Takoma Branch Stream Restoration Design Completion

- \$102,450 to be used to develop the stream restoration design for the Takoma Branch (\$360,000 for construction in FY20-21)
- Approximately 700 feet of the stream is in Takoma Park before continuing into Prince George's County
- The stream exhibits bank failure and erosion, depositing a large amount of sediment to the stream bed; the goal is restoring Takoma Branch to its natural conditions
- Project will provide a significant amount of equivalent impervious area reduction (approx. 7 acres) needed for the City's Watershed Implementation Plan



# Speed Camera Fund

## Capital Expenditures for FY19

The Speed Camera Fund was established in FY09 to account for financial transactions related to the City's speed camera program. The goal of the program is to reduce speeding in an effort to prevent accidents and reduce injuries and fatalities. By State law, program revenues are restricted and cannot be used to fund general City operations. They may be used for purposes that improve public safety.

- Field Radio Equipment - \$59,000
- Mobile Computers - \$15,000
- Replacement of In-Car Camera System - \$84,000
- Retro-fit of Property/Evidence Storage Room - \$44,800
- Mobile Camera Trailer - \$33,000



# Special Revenue Funds

## Special Revenue Fund Projects for FY19

The City receives a variety of grants that provide funding for law enforcement, community revitalization, parks development, and infrastructure improvements. The City utilizes Special Revenue Funds to account for revenue and expenditure activity attributable to the specific projects funded by these grants. Some grants require a funding match, which is reflected as an operating transfer from the General Fund to the Special Revenue Funds.

- ADA Sidewalk Retrofits: \$91,000 in CDBG funds
- Ethan Allen Gateway
  - \$66,000 in MD Bikeway funds
  - \$627,750 in TAP funds
- Flower Ave Green Street
  - \$200,000 from Montgomery County
  - \$2,522,363 from WSSC
  - \$1,040,331 in TAP funds
- New Hampshire Ave Bikeway Design: \$240,000 in grant funds
- Auditorium Digital Video and Touch Panel System for City TV: \$200,000 in Cable Grant funds



# General Fund

## Capital Expenditures for FY19

1. Equipment Replacement Reserve
2. Facilities Maintenance Reserve
3. General Fund Capital Items



# General Fund

## Equipment Replacement Reserve (ERR)

The ERR is a reserve fund with an associated list that specifies vehicles and large pieces of equipment that the City expects to replace. Funds are set aside each year so that we can afford to replace the items at the end of their expected lives.

Example: A \$100,000 dump truck is expected to last ten years. Each year \$10,000 is contributed to the ERR so that \$100,000 is available when replacement is needed.



# General Fund

## Equipment Replacement Reserve (ERR)

The ERR spreadsheet is adjusted each year by removing items that were purchased, deducting the actual amounts spent, adjusting expected lives of the items, adjusting expected future costs, removing items that we may no longer need to replace (due to change in practice or technology), adding in new items, etc.

The spreadsheet includes items with expected lives from 5 to 30 years and purchases prices of \$5,000 or more.



# General Fund

## Equipment Replacement Reserve (ERR)

The Equipment Replacement Reserve Fund is expected to have a balance of \$4,042,595 at the end of FY18, a contribution from the General Fund of \$700,000 is budgeted for FY19, expenditures of \$1,023,704 are expected in FY19, and the balance at the end of FY19 is expected to be \$3,718,891. The average expenditures for the five year period covered by the CIP are about \$699,000 per year.

Items to be purchased are listed in the CIP chart in the Proposed Budget. Items included for FY19 are:

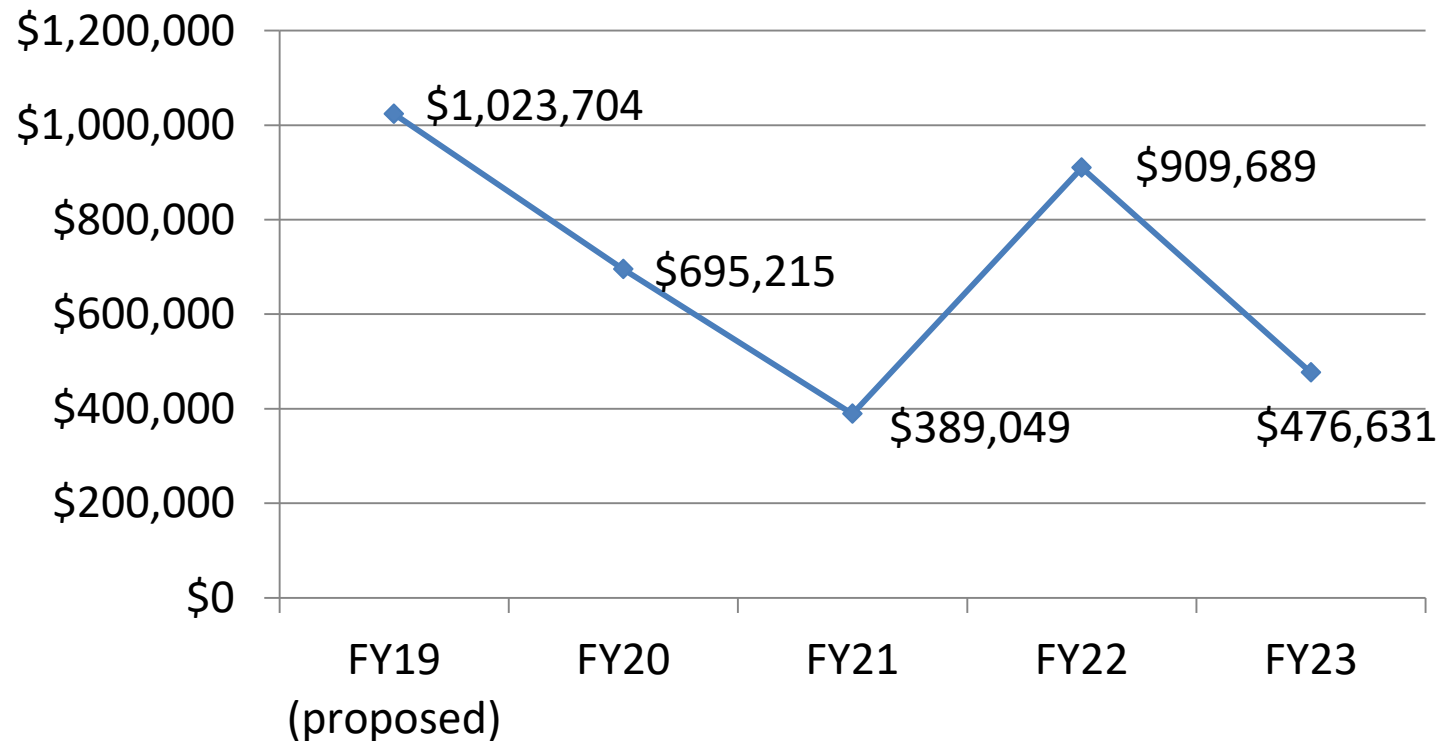
- Police Vehicles (\$152,020)
- Recycling Truck (\$249,600)
- Trash Truck (\$247,600)
- Leaf Box (\$5,400)
- Treadmill for Rec Center (\$6,300)
- Closed Circuit TV and Video Cameras for Comm Center (\$40,000)
- IT Network Switches (\$75,000)
- Chiller Water Pump (\$6,000)
- HVAC Control System (\$25,000)
- Comm Center Rear Elevator Upgrade (\$216,700)



# General Fund

## Equipment Replacement Reserve (ERR)

Expected ERR expenditures for the next five years are:



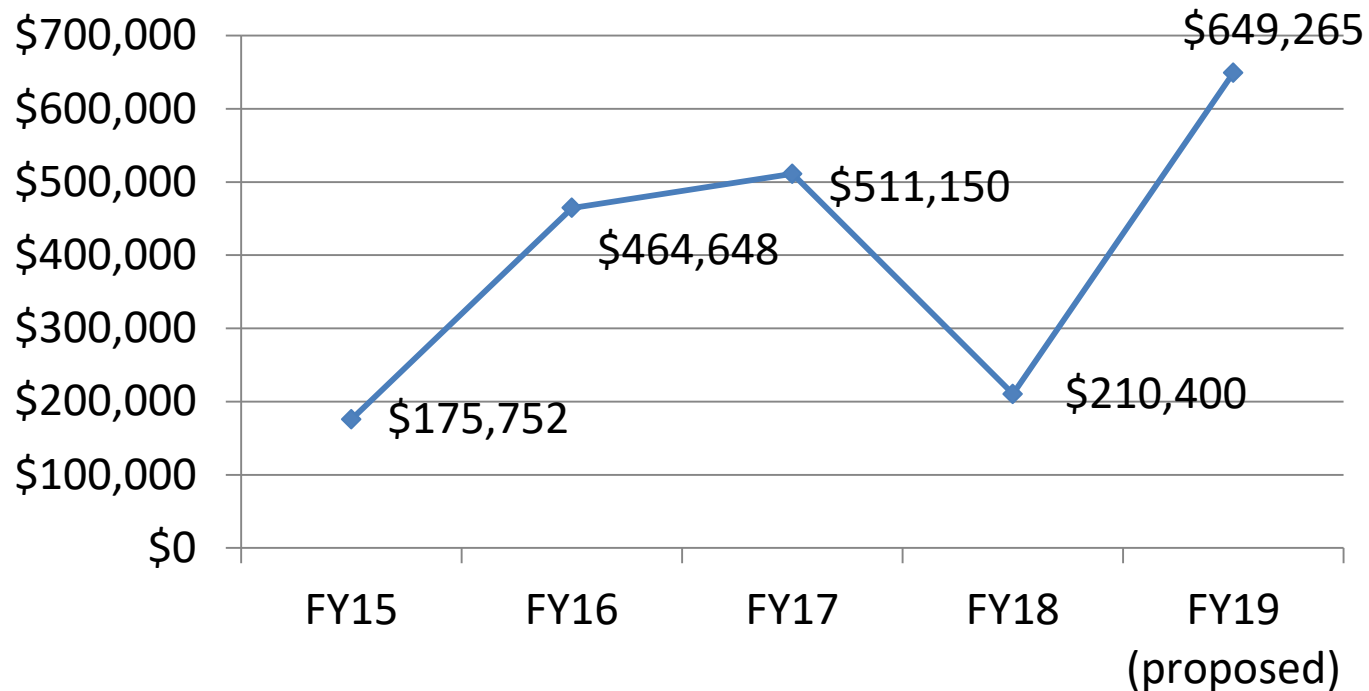
5-Year Average: ~\$699,000



# General Fund

## Equipment Replacement Reserve (ERR)

Expected ERR expenditures on vehicles for the last five years are:



# Capital Budget

## Facilities Maintenance Reserve (FMR)

- The FMR, created in FY12, is used to pay for special facilities projects such as building rehabilitation, renovations and improvements, including to walkways, pedestrian areas, and parking lots around facilities.
- In the future, we plan to transition to a system similar to the ERR for facilities-related items that will need to be replaced cyclically, where various components covered by the reserve fund are assigned a useful lifespan and their major component replacement costs are amortized over that useful life. These items will include things such as replacement of windows, flooring, carpeting, roofing, etc.

FY	Contribution	Expenditures
2012	\$250,000	0
2013	\$250,000	0
2014	\$250,000	0
2015	\$0	\$92,251
2016	\$0	\$64,450
2017	\$0	\$136,411
2018	\$250,000	\$167,500
2019 (proposed)	\$200,000	\$426,000



# Capital Budget

## Facilities Maintenance Reserve (FMR)

- For FY19, FMR funds are proposed to be allocated for:
  - Atrium floor construction - \$325,000
  - Minor Office Renovations (to accommodate new Econ Dev staff) - \$10,000
  - Install Duct Heater in Auditorium - \$10,000
  - Carpet Replacement on 3<sup>rd</sup> Floor and in Atrium Room - \$15,000
  - Replace Flooring in Council Conference Room - \$8,000
  - Replace Window in Teen Room and Dance Room - \$20,000
  - Pedestrian Bridge Refurbishment - \$30,000
  - Install Exterior Foyer at Heffner - \$8,000



# Capital Budget

## General Fund Capital Items for FY19

- On-going Items:
  - Street Rehabilitation - \$300,000
    - Tentative list of streets: Auburn Avenue (Ward 2), Crescent Place (ward 1), Greenwood Avenue (Ward 5), Linden Alley (Ward 2), Winding Hill Way (Ward 5), Montgomery Avenue (Ward 3), Pine Avenue (Ward 3)
  - ADA Sidewalk Retrofit - \$409,000 + Along State Highways - \$200,000
    - Tentative list of projects: Maple Ave between DC line and Lincoln Ave (odd side), Willow Ave, Spruce Ave, and Park Ave.
  - Bike Improvements - \$10,000
  - Bus Shelter Improvements - \$15,000



# Capital Budget

## General Fund Capital Items for FY19

- On-going Items Continued:
  - New Sidewalk Design/Construction & Traffic Calming - \$500,000
    - Tentative list of projects (if approved by affected residents):  
Glenside Dr, 900 block of Larch Ave, Kansas Lane between Allegheny Ave and Cockerille Ave, 8000 Maple Ave
    - Additionally, Lincoln Ave sidewalk construction will begin this summer and be completed in FY19
  - Public Art - \$60,000
  - Streetlight Upgrades - \$20,000
  - Open Space Management Plan Implementation - \$25,000



# Capital Budget

## General Fund Capital Items for FY19

- Non-ongoing Items:
  - Spring Park Improvements - Basketball Court - \$27,000
  - Next Generation Firewall - \$85,000
  - Microsoft Office Licenses - \$30,000
  - Video Surveillance for Rec Center and Heffner - \$23,000



# Capital Budget

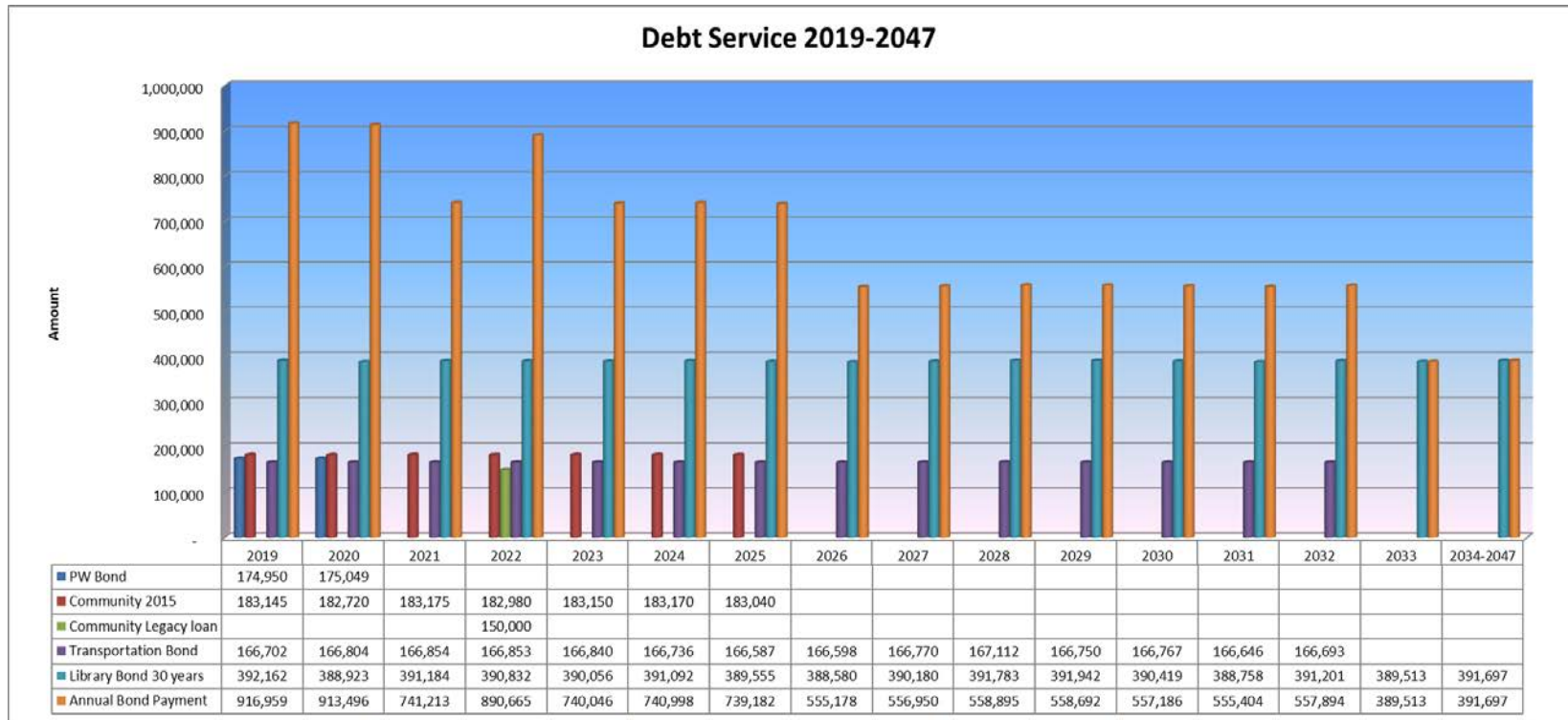
## General Fund Capital Items for FY19

- Non-ongoing Items Continued:
  - New Ave Bikeway Design - \$60,000
  - Flower Avenue Green Street Project (Total FY19 - \$5,020,205)
    - City funds (bond) - \$875,176
    - City match (GF) - \$353,742
    - To be Reimbursed by SHA - \$28,593
  - Ethan Allen Gateway Project (Total FY19 - \$1,256,162)
    - City funds (bond) - \$562,412
  - Library (bond) - \$1,375,000 (FY19-21 Total - \$7,000,000)



# Bonds

## Chart of Debt Service by Type and Total Amount



# Budget Schedule

- ~~Wednesday, April 4 – City Manager's Presentation~~
- ~~Saturday, April 7 – Budget Open House from 2-5 pm~~
- ~~Wednesday, April 11 – Public Hearing~~
- ~~Monday, April 16 – Budget Work Session on Items Advancing Council Goals~~
- ~~Monday, April 23 – Budget Work Session on Capital Items~~
- Wednesday, April 25 – Public Hearing on Constant Yield Tax Rate and Proposed Budget (6:30PM Start Time!)
- Monday, April 30 – Budget Work Session on Departmental and Non-Departmental Budgets; Budget Reconciliation Discussion
- Wednesday, May 2 – Final Budget Reconciliation
- Wednesday, May 9 – First Reading of Budget Ordinances
- Wednesday, May 16 – Second Reading of Budget Ordinances



# Fiscal Year 2018 Proposed Budget Presentation

## QUESTIONS?

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City Manager

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