Capital Improvement Planning

Policy, Process, and Prioritization
Community Development Office

DWS Housing and Community Development Division

- Community Impact Board (CIB)
- Community Development Block Grant (CDBG)
- Rural Planning
- Uintah Basin Revitalization Fund (UBRF)
- Navajo Revitalization Fund (NRF)
- Regional Planning Program (RPP)
Agenda

1. What?
2. Why?
3. How?
4. When?
5. What next?
Capital Asset

*High-cost asset with an intended lifespan greater than one year*
Capital Improvement

Addition, restoration, or repair of some aspect of a capital improvement that will enhance the asset’s overall value, increase its useful life, or adapt it to a new use.
Capital Improvement Plan

Short range plan that identifies capital projects/purchases, establishes a schedule, and identifies funding

<table>
<thead>
<tr>
<th>CAPITAL IMPROVEMENT PLAN</th>
</tr>
</thead>
<tbody>
<tr>
<td>GENERAL FUND (1000)</td>
</tr>
<tr>
<td>Fiscal Years 2017 - 2021</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year 1 FY 2017</th>
<th>Year 2 FY 2018</th>
<th>Year 3 FY 2019</th>
<th>Year 4 FY 2020</th>
<th>Year 5 FY 2021</th>
<th>Total</th>
<th>Not Scheduled</th>
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<tbody>
<tr>
<td>Pool</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pool Cover</td>
<td>9,180</td>
<td></td>
<td></td>
<td></td>
<td>9,180</td>
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<tr>
<td>Diving Board Replacement</td>
<td>5,000</td>
<td></td>
<td></td>
<td></td>
<td>5,000</td>
<td></td>
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<tr>
<td>Replace Guard Stands at Pool</td>
<td>12,000</td>
<td></td>
<td></td>
<td></td>
<td>12,000</td>
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</tr>
<tr>
<td>Sandblast and Repaint pool</td>
<td>15,000</td>
<td></td>
<td></td>
<td></td>
<td>15,000</td>
<td></td>
</tr>
<tr>
<td>Parks</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sprinklers</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td>10,000</td>
<td>35,000</td>
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<tr>
<td>Carpenter Tools</td>
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<td></td>
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<tr>
<td>Bathrooms (Katie Bonnell Park)</td>
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<td></td>
<td>11,000</td>
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<td>22,000</td>
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<tr>
<td>Trencher Attachment for Bobcat</td>
<td>6,000</td>
<td></td>
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<tr>
<td>Garbage Receptacles</td>
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<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td>25,000</td>
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<tr>
<td>Pool Chemicals</td>
<td>7,500</td>
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<tr>
<td>Tennis Courts Maint. split with LSD, LTA &amp; PC</td>
<td>12,000</td>
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<td></td>
<td></td>
<td>24,000</td>
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<tr>
<td>Animal Control</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Animal Waste Stations and Signage</td>
<td>4,000</td>
<td>4,000</td>
<td></td>
<td></td>
<td>8,000</td>
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<tr>
<td>Miscellaneous Equipment and Waste bags</td>
<td>4,000</td>
<td></td>
<td></td>
<td>4,000</td>
<td>4,000</td>
<td></td>
</tr>
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Why?

- All municipalities own items that age and need maintenance, repair, and replacement
- Rural Utah is planning for 839 capital projects worth over $1.5 billion over the next five years
## Benefits of Planning

<table>
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<tr>
<th>What</th>
<th>Why</th>
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<td>Synchronize budget to projects</td>
<td>Match financial capacity to community needs</td>
</tr>
<tr>
<td>Prioritize projects with objective criteria</td>
<td>Focus attention on goals, needs, finances</td>
</tr>
<tr>
<td>Avoid waste of resources</td>
<td>Improve financial security</td>
</tr>
<tr>
<td>Reduce emergencies</td>
<td>Adequate service provision</td>
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<tr>
<td>Increase transparency</td>
<td>Support economic development</td>
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Planning Process

1. What?
2. Why?
3. How?
4. When?
5. What next?

Establish process and policy
Create existing asset inventory

Identify capital asset needs
Prioritize needs according to criteria
Match projects with financing

Implement the plan
Incorporate plan into budget
Present CIP to legislative body
Planning Process

Establish process and policy
Step 1: Establish process and policy

*Describe how, when, and by whom the plan will be created*

Define:

– What constitutes a capital project?
– Who is responsible for creating the plan?
– What prioritization criteria will be used?
– When will the plan be created and adopted?
– What is the plan’s relationship to the annual operating and capital budget?
Planning Process

1. What?
2. Why?
3. How?
4. When?
5. What next?

Establish process and policy
Create existing asset inventory
Step 2: Create existing asset inventory

Identify condition, repairs or replacement, and location

List:

- Current condition of each asset
- Cost to replace the asset
- Timeline for major repair or replacement
- Location of the asset
Step 2: Create existing asset inventory

Identify condition, repairs or replacement, and location

http://www.ruralplanning.org/assets/community-asset-inventory_final.xlsx
Planning Process

1. What? Establish process and policy
2. Why? Create existing asset inventory
3. How? Identify capital asset needs
Step 3: Identify capital asset needs

Identify assets that will make general & master plans a reality

Consider:

- Status of last year’s projects
- Community needs
  - Repairs, replacements, purchases
- Community wants
- How projects can be tied together to optimize funding and impact
Planning Process

1. What?
2. Why?
3. How?
4. When?
5. What next?

- Establish process and policy
- Create existing asset inventory
- Identify capital asset needs
- Prioritize needs according to criteria
Step 4: Prioritize needs using criteria

Use objective data to further goals and identify best projects

Create:

- Scoring/rating system
- Prioritization committee
- Prioritized list

Criteria should:

- Be objective
- Match community priorities
- Withstand political changes
Step 4: Prioritize needs according to criteria

*Use objective data to further goals and identify best projects*

**Example criteria:**

- *Is the project needed to protect health, safety, and welfare?*
- *Does the project directly improve the tax base?*
- *Does the project contribute to revenue generation?*
- *Is the project consistent with the general plan?*
- *Will the project help meet future demand?*
Planning Process

1. **What?**
   - Establish process and policy
2. **Why?**
   - Create existing asset inventory
3. **How?**
   - Identify capital asset needs
   - Prioritize needs according to criteria
   - Match projects with financing
4. **When?**
5. **What next?**
Step 5: Match projects with financing

Identify financial capacity and potential funding sources

Identify:

- Status of previous projects
- Revenue and expense projections
  - Next year & next 5 years
- Debt capacity
- Outside funding sources
- Operation & maintenance costs
Planning Process

1. What?
2. Why?
3. How?
4. When?
5. What next?

- Establish process and policy
- Create existing asset inventory
- Identify capital asset needs
- Prioritize needs according to criteria
- Match projects with financing
- Present CIP to legislative body
Step 6: Present CIP to legislative body

Get leadership and public approval in public meeting

Ask:

- How will elected officials adjust the CIP to better meet community needs?
- What adjustments should be made based on public input?
- What are the final 1-year and 5-year capital improvement lists?
Planning Process

1. **What?**
   - Establish process and policy

2. **Why?**
   - Create existing asset inventory

3. **How?**
   - Identify capital asset needs
   - Prioritize needs according to criteria
   - Match projects with financing
   - Incorporate plan into budget

4. **When?**
   - Present CIP to legislative body

5. **What next?**
   - Incorporate plan into budget
Step 7: Incorporate plan into the budget

Plan for the projects in the annual budget

Budget for:

- Purchase, construction, and maintenance costs
- Generated revenue
- Personnel
- Bonding and procurement expenses
Planning Process

1. What?
2. Why?
3. How?
4. When?
5. What next?

Establish process and policy
Create existing asset inventory

Identify capital asset needs
Prioritize needs according to criteria
Match projects with financing

Implement the plan
Incorporate plan into budget
Present CIP to legislative body
Step 8: Implement the plan

*Follow procurement process and begin projects*

Understand:

- Procurement policy
- Who will manage each project on list
- What conditions will cause list to change
- Debt obligations
Timing

The time to start is NOW!

Give yourself time, especially if this is the first experience with a formal process

Do your homework

April 1\textsuperscript{st}- CIB & CDBG lists due to program staff

June 22\textsuperscript{nd}- Annual budgets due
Timing

*The time to start is NOW!*

‘*If it’s to be, it’s up to me*’
Roles and Responsibilities

Work on putting the plan into action

Assign a project manager to each project on the list

Secure funding
  Bond elections, grant proposals, rate changes

Procurement

Plan for next year!

1 What?
2 Why?
3 How?
4 When?
5 What next?
Resources
www.ruralplanning.org

1 What?
2 Why?
3 How?
4 When?
5 What next?

- Capital Improvement Planning
- Capital Asset Inventory
- Operations & Maintenance
- Procurement
# Resources

## Regional Planner Program (RPP)

<table>
<thead>
<tr>
<th>Bear River AOG</th>
<th>Six County AOG</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Brian Carver</strong></td>
<td><strong>Travis Kyhl</strong></td>
</tr>
<tr>
<td>435-713-1420/435-881-1420</td>
<td>435-893-0701</td>
</tr>
<tr>
<td><a href="mailto:brianc@brag.utah.gov">brianc@brag.utah.gov</a></td>
<td><a href="mailto:tkyhl@sixcounty.com">tkyhl@sixcounty.com</a></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Five County AOG</th>
<th>Southeast Utah ALG</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gary Zabriskie</strong></td>
<td><strong>Michael Bryant</strong></td>
</tr>
<tr>
<td>435-673-3548</td>
<td>435-637-5444 ext. 414</td>
</tr>
<tr>
<td><a href="mailto:gzabriskie@fivecounty.utah.gov">gzabriskie@fivecounty.utah.gov</a></td>
<td><a href="mailto:mbryant@seualg.utah.gov">mbryant@seualg.utah.gov</a></td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Uintah Basin AOG</th>
<th>Mountainland AOG</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Kevin Yack</strong></td>
<td><strong>Robert Allen</strong></td>
</tr>
<tr>
<td>435-722-4518</td>
<td>801-229-3801</td>
</tr>
<tr>
<td><a href="mailto:keviny@ubaog.com">keviny@ubaog.com</a></td>
<td><a href="mailto:rallen@mountainland.org">rallen@mountainland.org</a></td>
</tr>
</tbody>
</table>

### Wasatch Front Regional Council

Val John Halford  
801-363-4250/801-773-5559 
vhalford@wfrc.org
Contact
State of Utah Community Development Office

Flint Timmins
801-468-0143
ftimmins@Utah.gov
www.ruralplanning.org
https://Jobs.Utah.gov/housing