

CITY OF DULUTH

-2013 through 2017-

CAPITAL IMPROVEMENT BUDGET AND FIVE YEAR PLAN

NOVEMBER 2012



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CAPITAL BUDGET AND PLAN

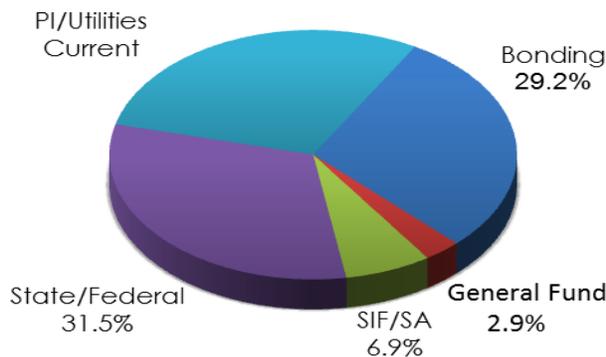
The City of Duluth's Capital Improvement Plan (CIP) is a plan for the development and maintenance of the city's "physical plant" covering items thought of as infrastructure – street, water, gas and sewer lines, bridges etc. as well as city facilities and property. Also included in this plan are the city's rolling stock equipment plan and budget, and the capital outlay budget items. Not included in the CIP at this time are non-street Community Development Block Grant projects; new development; Duluth Economic Development Authority (DEDA) projects; or projects of the city authorities of Spirit Mountain, Duluth Airport Authority, Duluth Transit Authority, or the Duluth Entertainment and Convention Center.

The City's Capital Improvement Budget and Plan addresses current and future improvements to the City's infrastructure, facilities, and properties by combining elements of both budgeting (current year needs) and planning (five year plan). The purpose of the CIP is two-fold: first, to prioritize and fund the most urgent needs in the coming year's budget; and secondly, to identify future capital needs with sufficient lead time so decisions may be made to our best advantage. This section presents a summary of the 2013 Capital Budget and the 2014 through 2017 Capital Improvement Plan, as well as a summary of the Capital Equipment Budget and Plan.

2013 Proposed Improvements

The 2013 CIP outlines projects funded in the Capital Projects Funds of Special Assessment, Permanent Improvement, Capital Improvement and Street Improvements. Also included are projects for the Water, Gas, Sewer and Stormwater utilities. The total proposed budget is \$27,657,800 consisting of an array of projects and funding sources. The chart below shows the breakdown of funding for the 2013 program.

Capital improvements are funded by issuing a capital improvement bond in the amount of \$1,825,000; a federal grant of \$3,526,100; a state grant for \$1,019,000; a matching grant bond of \$1,262,800; prior year PI for \$529,000; and general fund for \$815,400 for a combined program total of \$8,977,300.



The Street and Bridge Reconstruction and Preservation program for 2013 totals \$7,290,500. Funding sources include aids and grants; special assessments; street improvement Funds; and current year utility revenue.

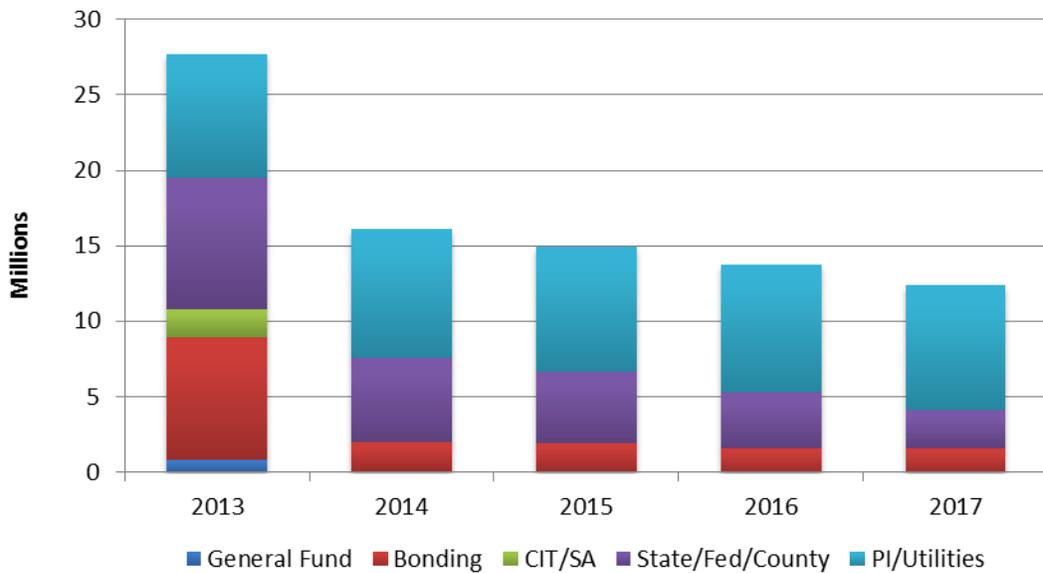
2013 Capital Utility Projects will be funded through utility bonds in the amount of \$5,000,000; and current year utility revenue of \$6,390,000 for a total of \$11,390,000.

PI/Current Year Revenue	\$ 8,134,500
General Fund	\$ 815,400
Bonding	\$ 8,087,800
SIF/SA	\$ 1,900,000
State/Fed	<u>\$ 8,720,100</u>
Total 2012 Plan	<u>\$27,657,800</u>

Five Year Improvement Plan

The City has identified \$84.770 million in improvements along with funding sources over the course of the next five years. The General Fund contribution will total \$955,400 over the five year period. In addition, the City will bond for certain types of improvements as allowed in State Statute, as well as for trail improvements using grant money as the required match. For 2013, the City is proposing to bond \$1.825 million for capital improvements and \$1,262,800 for trails; for 2014, the figures are \$1.635 million and \$270,000; for 2015 the figures are \$1.540 million and \$270,000 respectively. The proposed bond amounts for the remaining two years are \$1.530 in 2016 and \$1.535 million in 2017 for a combined five year total of \$9.868 million for improvements and trail bonds. Other sources include property tax dollars levied in the Permanent Improvement Fund for trails and street and bridge projects totaling \$2.107 million with \$1.578 million to come from current year property tax revenues and the balance from prior year balances. The Utility Funds will finance \$39.5 million utilizing current year operating revenues, with an additional \$5 million to be financed with bonds over the five year period for a combined total of \$44.5 million for utilities.

Shown in the chart below are the various funding sources by year for the plan.



	2013	2014	2015	2016	2017	Total
General Fund	815,400	70,000	70,000	0	0	955,400
Bonding	8,087,800	1,905,000	1,810,000	1,530,000	1,535,000	14,867,800
SIF/SA	1,900,000	50,000	50,000	50,000	50,000	2,100,000
State/Federal	8,720,100	5,543,000	4,710,000	3,742,000	2,530,000	25,245,100
PI & Utilities	8,134,500	8,512,500	8,265,000	8,405,000	8,285,000	41,602,000
Total Plan	27,657,800	16,080,500	14,905,000	13,727,000	12,400,000	84,770,300

City of Duluth 2013-2017 Capital Improvement Plan

2013 CAPITAL IMPROVEMENTS PROGRAM FUNDING SOURCES

	CIP/Grant Bond	General Fund	PI/ Prior Yr PI	Aids/ Grants	SIF/ SA	Utility Bond	Utility Revenue	Total
Capital Improvement Program								
Buildings City-Wide	985,000							985,000
City Hall	260,000							260,000
Fire Department	580,000							580,000
Lakewalk & Munger Trails	1,262,800	815,400	529,000	4,545,100				7,152,300
	3,087,800	815,400	529,000	4,545,100				8,977,300
Street & Bridge Reconstruction and Preservation Program								
Misc Annual Infrastructure			207,500		50,000			257,500
Carver Avenue				240,000			25,000	265,000
Downtown Area Brick Reconstruction				300,000			200,000	500,000
Intersection @ Arrowhead & Kenwood				300,000				300,000
Oxford/Livingston/Glenwood				1,455,000			633,000	2,088,000
Ridgeview Road				1,440,000				1,440,000
Riverside					1,850,000		120,000	1,970,000
Skyline Parkway				440,000			30,000	470,000
			207,500	4,175,000	1,900,000		1,008,000	7,290,500
Capital Utility Projects								
Water Main Replacement							1,320,000	1,320,000
Lakewood Sludge Removal							400,000	400,000
West Duluth Reservoir						5,000,000		5,000,000
Copper Risers							750,000	750,000
Bollard Contract							50,000	50,000
First St Gas Project							500,000	500,000
Third St Gas Project							500,000	500,000
Michigan St Gas Project							120,000	120,000
Gas Main Extensions							700,000	700,000
Lift Station Improvements							300,000	300,000
Manhole Adjustments							100,000	100,000
Sanitary Sewer Rehab/Reline							750,000	750,000
Miscellaneous Stormwater Projects							400,000	400,000
Storm Sewer Replacement							250,000	250,000
Brewery & Gray's Creek							250,000	250,000
						5,000,000	6,390,000	11,390,000
	3,087,800	815,400	736,500	8,720,100	1,900,000	5,000,000	7,398,000	27,657,800

City of Duluth 2013-2017 Capital Improvement Plan

2013-2017 Capital Improvement Program Project Summary

	2013	2014	2015	2016	2017	TOTAL
Capital Improvement Program						
ADA Compliance	100,000	100,000	100,000	200,000	200,000	700,000
Carpet at West Library Branch	35,000					35,000
Citywide Overhead Door Replacement	100,000	50,000	50,000	50,000	50,000	300,000
Energy Measures	100,000	100,000	100,000	100,000	100,000	500,000
Facilities Needs Priorities				300,000	500,000	800,000
Furnace Replacements	100,000	100,000	100,000	100,000	100,000	500,000
Masonry Repair	150,000	150,000	150,000	150,000	150,000	750,000
Modernization/Remodeling	110,000	110,000	110,000	110,000	110,000	550,000
Roof Replacements	400,000	250,000	250,000	250,000	250,000	1,400,000
Steps Tuckpointing & Stone Repair @ City Hall	150,000	150,000				300,000
Firehall #1 Air conditioner replacement			100,000			100,000
Firehall #1 Driveway		100,000				100,000
Firehall #1 Masonry		50,000				50,000
Firehall #1 Remodel	125,000					125,000
Firehall #2 Roof Replacement		250,000				250,000
Firehall #2 Tuck Pointing					75,000	75,000
Firehall #2 Window Replacement				120,000		120,000
Firehall #4 & 7 Brick Repair		100,000				100,000
Firehall #6 Drainage and driveway			100,000			100,000
Firehall #8 Drainage and driveway				150,000		150,000
Firehall #10 & # 6 Remodel for staffing plan	100,000					100,000
Firehall #10 Apparatus Bay Floor & Upgrade	130,000					130,000
Firehall Furnace Replacements			50,000			50,000
Firehall Overhead Doors	75,000	75,000	120,000			270,000
Firehall Roof Replacements			250,000			250,000
Firehall Structural Access Approaches	50,000					50,000
Firehall Ventilation	100,000	50,000	60,000			210,000
Lakewalk	3,192,300					3,192,300
Cross City Trail	3,960,000	840,000	840,000			5,640,000
Capital Improvement Program Total	8,977,300	2,475,000	2,380,000	1,530,000	1,535,000	16,897,300
Street & Bridge Reconstruction and Preservation Program						
Misc Annual Infrastructure	257,500	330,000	330,000	330,000	330,000	1,577,500
10TH Ave East		3,242,000				3,242,000
Carver Avenue	265,000					265,000
Downtown Area Brick Reconstruction	500,000	1,650,000	4,780,000	4,810,000	4,810,000	16,550,000
Intersection @ Arrowhead & Kenwood	300,000					300,000
Oxford Street Bridge L9419			500,000			500,000
Oxford/Livingston/Glenwood	2,088,000					2,088,000
Ridgeview Road	1,440,000					1,440,000
Riverside	1,970,000					1,970,000
Skyline Parkway	470,000	1,030,000		1,302,000		2,802,000
West Superior Street		848,500				848,500
Woodland Avenue			1,460,000			1,460,000
Street, Bridge and Preservation Total	7,290,500	7,100,500	7,070,000	6,442,000	5,140,000	33,043,000

City of Duluth 2013-2017 Capital Improvement Plan

2013-2017 Capital Improvement Program Project Summary

	2013	2014	2015	2016	2017	TOTAL
Capital Utility Projects						
Backwash MCC at Water Plant			630,000			630,000
Building & Structure Repairs					900,000	900,000
Pump Station upgrade			75,000			75,000
Pump House Roof					650,000	650,000
Switch Gear				280,000		280,000
Water Main Replacement	1,320,000	2,100,000	1,300,000	600,000	1,000,000	6,320,000
Water Plant electrical upgrades				1,600,000		1,600,000
Lakewood Sludge Removal	400,000					400,000
West Duluth Reservoir	5,000,000					5,000,000
Copper Risers	750,000	750,000				1,500,000
Flow Meters		150,000				150,000
Bollard Contract	50,000	50,000	50,000	50,000		200,000
First St Gas Project	500,000		500,000			1,000,000
Third St Gas Project	500,000					500,000
Michigan St Gas Project	120,000					120,000
London Road Gas Project				300,000		300,000
Woodland Gas Project				500,000		500,000
Gas Capital Project		530,000	200,000	200,000	700,000	1,630,000
Gas Main Extensions	700,000	700,000	500,000	500,000	500,000	2,900,000
First Street Sanitary Project		500,000				500,000
Lift Station Improvements	300,000	200,000	675,000	450,000	450,000	2,075,000
Manhole Adjustments	100,000	100,000	100,000	100,000	100,000	500,000
Sanitary Sewer Rehab/Reline	750,000	750,000	750,000	750,000	1,000,000	4,000,000
Miscellaneous Stormwater Projects	400,000	175,000	175,000	175,000	175,000	1,100,000
Storm Sewer Replacement	250,000	250,000	250,000	250,000	250,000	1,250,000
Brewery & Gray's Creek	250,000	250,000	250,000			750,000
Capital Utility Projects Total	11,390,000	6,505,000	5,455,000	5,755,000	5,725,000	34,830,000
GRAND TOTAL	27,657,800	16,080,500	14,905,000	13,727,000	12,400,000	84,770,300

City of Duluth 2013-2017 Capital Improvement Plan

5 YEAR CAPITAL IMPROVEMENTS PROGRAM BY FUNDING SOURCE

	2013	2014	2015	2016	2017	TOTAL
Capital Improvement Bond	1,825,000	1,635,000	1,540,000	1,530,000	1,535,000	8,065,000
Matching Grant Bond	1,262,800	270,000	270,000			1,802,800
General Fund - In Kind	815,400	70,000	70,000			955,400
Permanent Improvement Fund Prior Year PI	207,500 529,000	280,000	530,000	280,000	280,000	1,577,500 529,000
Federal Grants	4,966,100	1,450,000	1,420,000	1,000,000		8,836,100
State Funding MSA	2,735,000	4,093,000	3,040,000	2,742,000	2,530,000	15,140,000
State Bonding DNR	1,019,000		250,000			250,000 1,019,000
Street Improvement Fund	1,850,000					1,850,000
Special Assessment	50,000	50,000	50,000	50,000	50,000	250,000
Utilities - Bonding Water	5,000,000					5,000,000
Utilities - Current Year Revenue Water	2,235,500	2,817,500	3,010,000	3,485,000	3,550,000	15,098,000
Gas	2,690,000	2,280,000	1,250,000	1,580,000	1,230,000	9,030,000
Sewer	1,385,000	2,200,000	2,475,000	2,250,000	2,500,000	10,810,000
Stormwater	1,087,500	935,000	1,000,000	810,000	725,000	4,557,500
TOTAL ALL FUNDING SOURCES	27,657,800	16,080,500	14,905,000	13,727,000	12,400,000	84,770,300

Capital Improvement Program Summary

The Capital Improvement Program is the principal funding program the City uses to make large, planned improvements and corrections to its building inventory and infrastructure. It traditionally consists of issuing general obligation bonds for city hall, public safety facilities, libraries and public works facilities. The City maintains 150 structures with an average age of over 40 years. These structures require continued accessibility and code compliance efforts.

Projects	2013	2014	2015	2016	2017	Total
Buildings City-Wide	985,000	750,000	750,000	1,150,000	1,350,000	4,985,000
City Hall	260,000	260,000	110,000	110,000	110,000	850,000
Fire	580,000	625,000	680,000	270,000	75,000	2,230,000
Lakewalk & Cross City Trail	7,152,300	840,000	840,000			8,832,300
Total	8,977,300	2,475,000	2,380,000	1,530,000	1,535,000	16,897,300

Funding	2013	2014	2015	2016	2017	Total
Capital Improvement Bond	1,825,000	1,635,000	1,540,000	1,530,000	1,535,000	8,065,000
Matching Grant Bond	1,262,800	270,000	270,000			1,802,800
Federal Grants	3,526,100	500,000	500,000			4,526,100
State Grants	1,019,000					1,019,000
General Fund In-kind	815,400	70,000	70,000			955,400
Prior Year PI Fund	529,000					529,000
Total	8,977,300	2,475,000	2,380,000	1,530,000	1,535,000	16,897,300

Buildings City-Wide

Description:

It is important to maintain a city-wide program of furnace/boiler replacement and accessibility compliance for structures . structures. Many remote sites need masonry tuck pointing; this is our primary point of water migration into finished spaces. We have damaged window heads, sills and parapets which also need repairs. Additionally, many remote sites are being heated with boilers or furnaces which are 20 years old and beyond. Replacing these with modern, high efficient units with electronic controls can realize 15% annual energy savings over the continued life of the structure.

Project	2013	2014	2015	2016	2017	Total
ADA Compliance	100,000	100,000	100,000	200,000	200,000	700,000
Carpeting - West Duluth	35,000					35,000
Energy Measures	100,000	100,000	100,000	100,000	100,000	500,000
Furnace/Boiler Replacements	100,000	100,000	100,000	100,000	100,000	500,000
Masonry Repair	150,000	150,000	150,000	150,000	150,000	750,000
Overhead Door Replace	100,000	50,000	50,000	50,000	50,000	300,000
Roof Replacements	400,000	250,000	250,000	250,000	250,000	1,400,000
Facility Needs Priorities				300,000	500,000	800,000
Total	985,000	750,000	750,000	1,150,000	1,350,000	4,985,000

Funding	2013	2014	2015	2016	2017	Total
Capital Improvement Bond	985,000	750,000	750,000	1,150,000	1,350,000	4,985,000

City Hall

Description:

The City Hall exterior stairway stones have shifted, with some cracking and breaking, creating a potential safety hazard. First Street stairs are to be fixed in 2013, with the Civic Center stairs repaired in 2014.

A modest amount is budgeted annually to accommodate reorganizations and department consolidations.

Project	2013	2014	2015	2016	2017	Total
Modernization/Remodeling	110,000	110,000	110,000	110,000	110,000	550,000
Tuckpoint/repair steps	150,000	150,000				300,000
Total	<u>260,000</u>	<u>260,000</u>	<u>110,000</u>	<u>110,000</u>	<u>110,000</u>	<u>850,000</u>

Funding	2013	2014	2015	2016	2017	Total
Capital Improvement Bond	260,000	260,000	110,000	110,000	110,000	850,000

Fire Department

Description:

Over the next five years, the City is proposing to invest \$2.33 million in capital maintenance projects at firehalls throughout the City. There are remodeling projects to accommodate staff reorganizations as part of the Fire Department consolidation plan. Energy improvements consist of installing new windows and overhead doors, and replacing furnaces and roofs. Repair and maintenance projects consist of masonry and brick repair, as well as resolving drainage issues and replacing driveways.

Project	2013	2014	2015	2016	2017	Total
Firehall #1 Air conditioning			100,000			100,000
Firehall #1 Driveway		100,000				100,000
Firehall #1 Masonry		50,000				50,000
Firehall #1 Remodel	125,000					125,000
Firehall #2 Roof		250,000				250,000
Firehall #2 Tuckpointing					75,000	75,000
Firehall #2 Windows				120,000		120,000
Firehall #4 & 7 Brick Repair		100,000				100,000
Firehall #6 Drainage/Driveway			100,000			100,000
Firehall #8 Drainage/Driveway				150,000		150,000
Firehall #10 & 6 Remodel	100,000					100,000
Firehall #10 Floor & Upgrade	130,000					130,000
Furnace Replacements			50,000			50,000
Roof Replacements			250,000			250,000
Overhead Doors	75,000	75,000	120,000			270,000
Access Approaches	50,000					50,000
Ventilation	100,000	50,000	60,000			210,000
Total	580,000	625,000	680,000	270,000	75,000	2,230,000

Funding	2013	2014	2015	2016	2017	Total
Capital Improvement Bond	580,000	625,000	680,000	270,000	75,000	2,230,000

Lakewalk and Cross City Trails

Description:

Lakewalk is a combination of a \$1.18 million federal transportation enhancement grant, a \$456,000 state grant, \$529,000 from the Permanent Improvement Fund, and the City's match for engineering, right of way acquisition, and construction. This continues the successful extension of this vital recreation and commuting trail from 60th Avenue East to Brighton Beach.

The 2013 Cross City Trail project is a combination of \$2.35 million federal grants, \$563,000 in state grants and the City's match for construction from Tank Top Park to Central Avenue.

Project	2013	2014	2015	2016	2017	Total
Lakewalk	3,192,300					3,192,300
Cross City Trail	3,960,000	840,000	840,000			5,640,000
Total	<u>7,152,300</u>	<u>840,000</u>	<u>840,000</u>	<u>-</u>	<u>-</u>	<u>8,832,300</u>

Funding	2013	2014	2015	2016	2017	Total
Federal Grant	3,526,100	500,000	500,000			4,526,100
State Grant	1,019,000					1,019,000
Matching Grant Bond	1,262,800	270,000	270,000			1,802,800
Prior Year PI Fund	529,000					529,000
General Fund In-kind	815,400	70,000	70,000			955,400
Total	<u>7,152,300</u>	<u>840,000</u>	<u>840,000</u>	<u>-</u>	<u>-</u>	<u>8,832,300</u>

Street Reconstruction & Bridge Projects Summary

Description:

These projects include street reconstruction and bridge maintenance that have funding sources other than the Community Investment fund. These other funding sources include municipal state aid, state bridge bond, federal or permanent improvement funds. A portion of these projects will be special assessed to the residents according to City policy.

Project	2013	2014	2015	2016	2017	Total
Misc Annual Infrastructure	257,500	330,000	330,000	330,000	330,000	1,577,500
10th Avenue East		3,242,000				3,242,000
Carver Avenue	265,000					265,000
Downtown Area Reconstruct	500,000	1,650,000	4,780,000	4,810,000	4,810,000	16,550,000
Intersection Arrowhead/Kenwood	300,000					300,000
Oxford Street Bridge L9419			500,000			500,000
Oxford/Livingston/Glenwood	2,088,000					2,088,000
Ridgeview Road	1,440,000					1,440,000
Riverside	1,970,000					1,970,000
Skyline Parkway	470,000	1,030,000		1,302,000		2,802,000
West Superior Street		848,500				848,500
Woodland Avenue			1,460,000			1,460,000
Total	7,290,500	7,100,500	7,070,000	6,442,000	5,140,000	33,043,000

Funding	2013	2014	2015	2016	2017	Total
Federal	1,440,000	950,000	920,000	1,000,000		4,310,000
State	2,735,000	4,093,000	3,290,000	2,742,000	2,530,000	15,390,000
SIF/SA	1,900,000	50,000	50,000	50,000	50,000	2,100,000
Utilities	1,008,000	1,727,500	2,280,000	2,370,000	2,280,000	9,665,500
Permanent Improvement	207,500	280,000	530,000	280,000	280,000	1,577,500
Total	7,290,500	7,100,500	7,070,000	6,442,000	5,140,000	33,043,000

Miscellaneous Annual Infrastructure

Description:

Miscellaneous annual infrastructure projects include those that are funded by the permanent improvement property tax levy and limited use of special assessments to the affected property owner. Permanent improvement projects are generally limited to intersections, bridges and other items that are not eligible for other funding sources. These projects include repair or replacement of the brick streets and sidewalks, a portion of the utility trench patch program, one way street conversions, retaining wall and guard rail repair.

Project	2013	2014	2015	2016	2017	Total
Permanent Improvements	127,500	200,000	200,000	200,000	200,000	927,500
Patch & Sidewalks	130,000	130,000	130,000	130,000	130,000	650,000
Total	<u>257,500</u>	<u>330,000</u>	<u>330,000</u>	<u>330,000</u>	<u>330,000</u>	<u>1,577,500</u>

Funding	2013	2014	2015	2016	2017	Total
PI Fund	207,500	280,000	280,000	280,000	280,000	1,327,500
Special Assessment	50,000	50,000	50,000	50,000	50,000	250,000
Total	<u>257,500</u>	<u>330,000</u>	<u>330,000</u>	<u>330,000</u>	<u>330,000</u>	<u>1,577,500</u>

Street Reconstruction & Bridge Projects

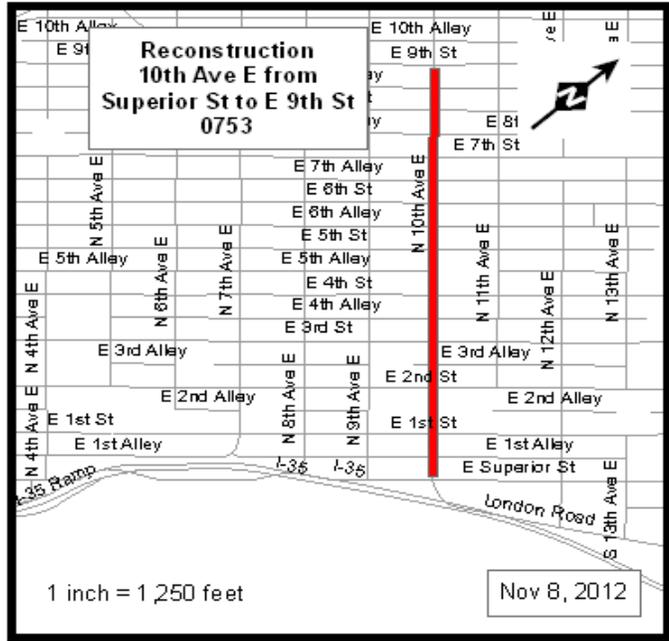
Project Title:

10th Avenue East: Superior to 9th Street

Funding Source:

	FY 2014
Federal	950,000
MSA	1,317,000
Sewer	400,000
Storm	125,000
Water	400,000
Gas	50,000

PROJECT TOTAL: 3,242,000



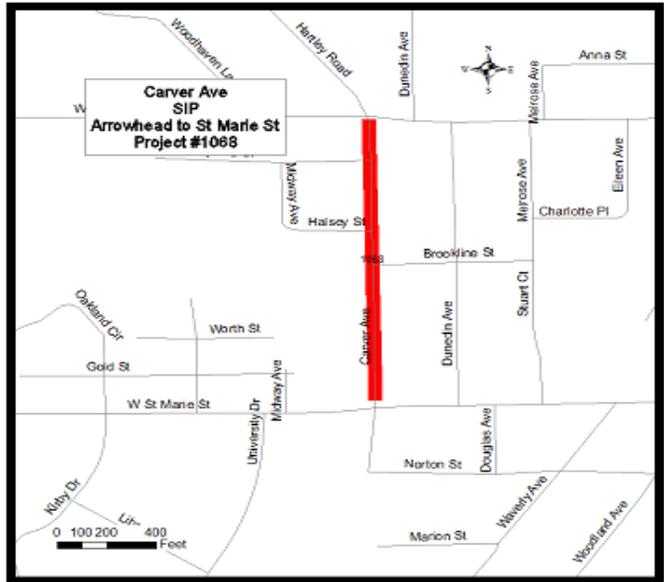
Project Title:

Carver Avenue

Funding Source:

	FY 2013
MSA	240,000
Storm	12,500
Water	12,500

PROJECT TOTAL: \$265,000



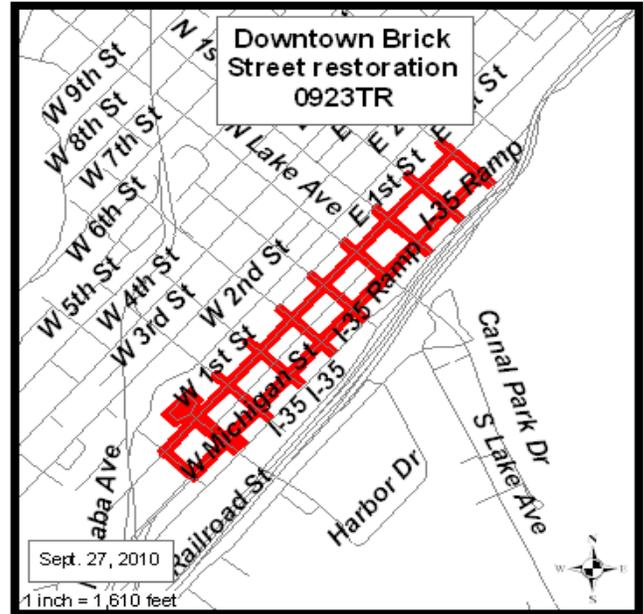
Street Reconstruction & Bridge Projects

Project Title:

Downtown Area Brick Reconstruction

Funding Source:

	<u>FY 2013-2017</u>
Federal	1,920,000
MSA	6,970,000
Sewer	3,400,000
Storm	750,000
Water	3,400,000
Gas	110,000
PROJECT TOTAL:	\$16,550,000

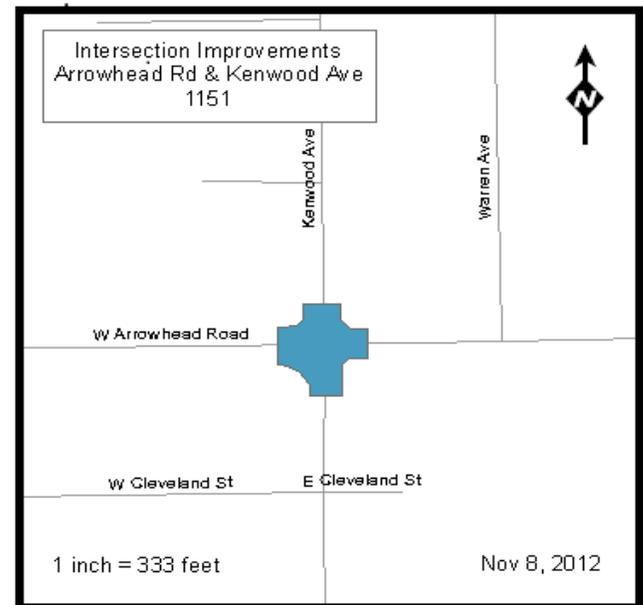


Project Title:

Intersection at Arrowhead & Kenwood

Funding Source:

	<u>FY 2013</u>
MSA	300,000
PROJECT TOTAL:	\$300,000



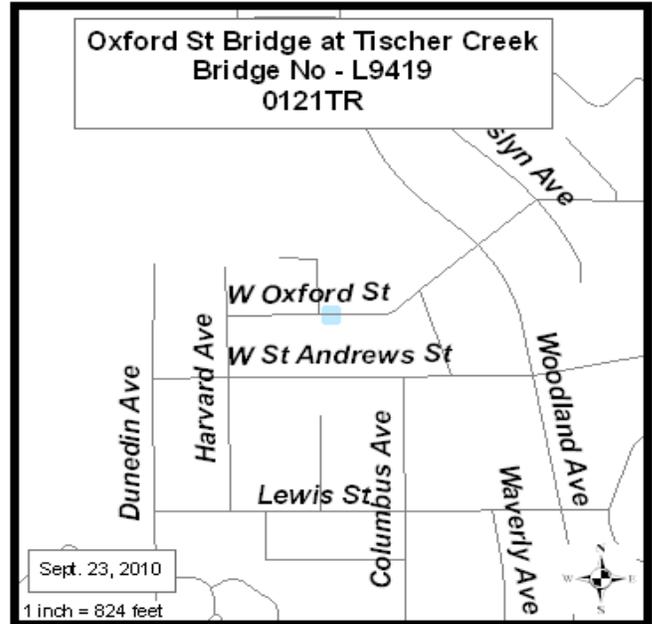
Street Reconstruction & Bridge Projects

Project Title:

Oxford Street: Bridge L9419

Funding Source:

	FY 2015
State Bond	250,000
PI	250,000
PROJECT TOTAL:	\$500,000



Project Title:

Oxford/Livingston/Glenwood Streets

Funding Source:

	FY 2013
MSA	1,455,000
Sewer	185,000
Storm	50,000
Water	398,000
PROJECT TOTAL:	\$2,088,000



Street Reconstruction & Bridge Projects

Project Title:

Ridgeview Road

Funding Source:

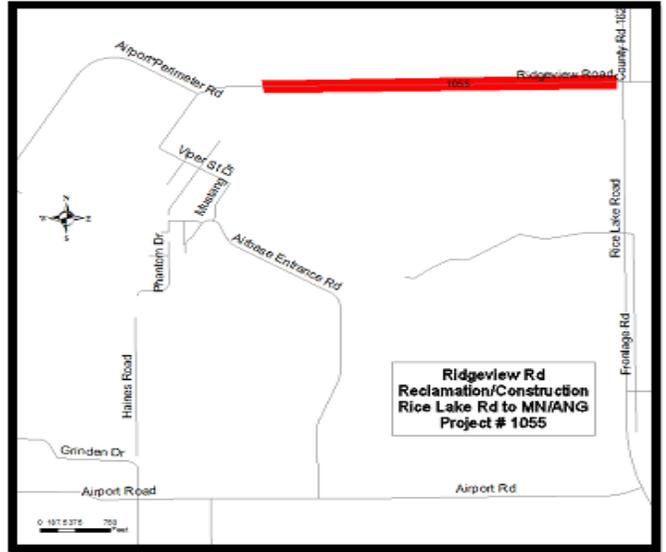
FY 2013

Federal/ANG

1,440,000

PROJECT TOTAL:

\$1,440,000



Project Title:

Riverside

Funding Source:

FY 2013

SIF

1,850,000

Storm

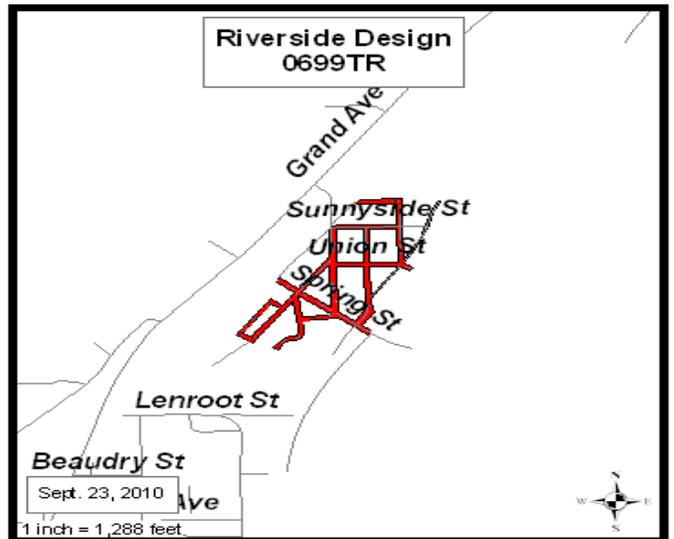
50,000

Gas

70,000

PROJECT TOTAL:

\$1,970,000



Street Reconstruction & Bridge Projects

Project Title:

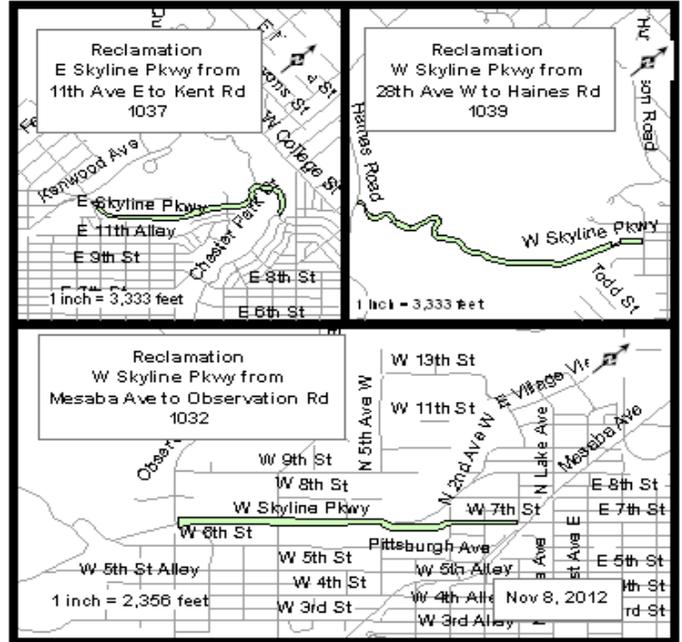
Skyline Parkway

Funding Source:

FY 2013,2014,2016

MSA	2,602,000
Storm	185,000
Water	15,000

PROJECT TOTAL: \$2,802,000



Project Title:

West Superior Street

Funding Source:

FY 2014

MSA	826,000
Storm	10,000
Water	12,500

PROJECT TOTAL: \$848,500



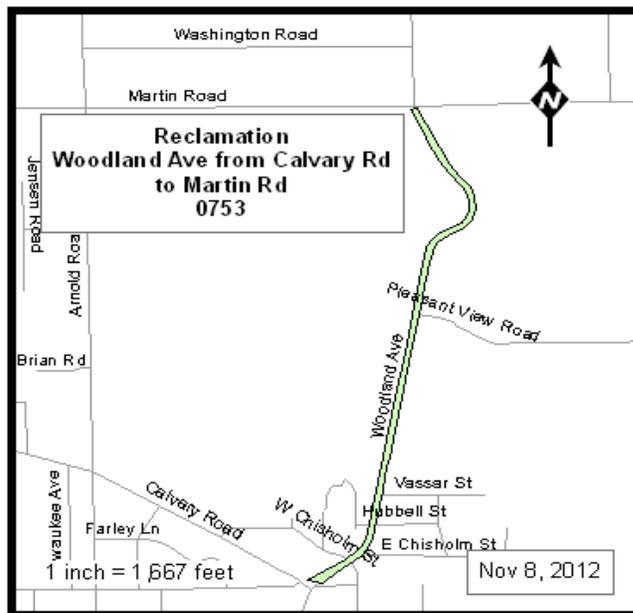
Street Reconstruction & Bridge Projects

Project Title:

Woodland Avenue

Funding Source:

	FY 2015
MSA	1,430,000
Storm	25,000
Water	5,000
PROJECT TOTAL:	\$1,460,000



Capital Utility Projects Summary

Utility projects included within the five year capital improvement plan primarily focus on the continued rehabilitation and replacement of aging infrastructure, consent decree compliance, as well as the continued extension of the city's natural gas system.

Projects	2013	2014	2015	2016	2017	Total
Water	6,720,000	2,100,000	2,005,000	2,480,000	2,550,000	15,855,000
Gas	2,620,000	2,180,000	1,250,000	1,550,000	1,200,000	8,800,000
Sewer	1,100,000	1,500,000	1,475,000	1,250,000	1,500,000	6,825,000
Stormwater	950,000	725,000	725,000	475,000	475,000	3,350,000
Total	11,390,000	6,505,000	5,455,000	5,755,000	5,725,000	34,830,000

Funding	2013	2014	2015	2016	2017	Total
Water Improvement Bonds	5,000,000	-	-	-	-	5,000,000
Water - Current Revenue	1,720,000	2,100,000	2,005,000	2,480,000	2,550,000	10,855,000
Gas - Current Revenue	2,620,000	2,180,000	1,250,000	1,550,000	1,200,000	8,800,000
Sewer - Current Revenue	1,100,000	1,500,000	1,475,000	1,250,000	1,500,000	6,825,000
Stormwater - Current Revenue	950,000	725,000	725,000	475,000	475,000	3,350,000
Total	11,390,000	6,505,000	5,455,000	5,755,000	5,725,000	34,830,000

Capital Utility Projects

Description: Water Annual Infrastructure

The proposed water projects over the next five years include updating the aging infrastructure by replacing those distribution mains with a high number of recurring leaks. Rehabilitation of primary transmission lines along with pump station upgrades and reservoir improvements will increase system reliability to meet water demand.

Project	2013	2014	2015	2016	2017	Total
Backwash MCC at Water Plant			630,000			630,000
Building & Structure Repairs					900,000	900,000
Pump Station upgrade			75,000			75,000
Lakewood Sludge Removal	400,000					400,000
Pump House Roof					650,000	650,000
Switch Gear				280,000		280,000
Water Main Replacement	1,320,000	2,100,000	1,300,000	600,000	1,000,000	6,320,000
Water Plant electrical upgrades				1,600,000		1,600,000
West Duluth Reservoir	5,000,000					5,000,000
Total	6,720,000	2,100,000	2,005,000	2,480,000	2,550,000	15,855,000

Funding	2013	2014	2015	2016	2017	Total
Water - Current Revenue	1,720,000	2,100,000	2,005,000	2,480,000	2,550,000	10,855,000
Water Improvement Bond	5,000,000					5,000,000
Total	6,720,000	2,100,000	2,005,000	2,480,000	2,550,000	15,855,000

Capital Utility Projects

Description: Gas Annual Infrastructure

The proposed gas projects over the next five years include funding the continued extension of the system into unserved areas and replacement of older steel mains where leaks occur.

Project	2013	2014	2015	2016	2017	Total
Copper Risers	750,000	750,000				1,500,000
Flow Meters		150,000				150,000
Bollard Contract	50,000	50,000	50,000	50,000		200,000
First Street Gas Project	500,000		500,000			1,000,000
Third Street Gas Project	500,000					500,000
Michigan Street Gas Project	120,000					120,000
London Road Gas Project				300,000		300,000
Woodland Ave Gas Project				500,000		500,000
Gas Capital Project		530,000	200,000	200,000	700,000	1,630,000
Gas Main Extensions	700,000	700,000	500,000	500,000	500,000	2,900,000
Total	2,620,000	2,180,000	1,250,000	1,550,000	1,200,000	8,800,000

Funding	2013	2014	2015	2016	2017	Total
Gas - Current Revenue	2,620,000	2,180,000	1,250,000	1,550,000	1,200,000	8,800,000

Capital Utility Projects

Description: Sanitary Sewer Annual Infrastructure

The proposed sanitary sewer projects over the next five years include a focus of updating two of the city's 48 sanitary lift stations per year and continued lining or rehabilitation of leaking pipes.

Project	2013	2014	2015	2016	2017	Total
First Street Sanitary Project		500,000				500,000
Lift Station Improvements	300,000	200,000	675,000	450,000	450,000	2,075,000
Manhole Adjustments	50,000	50,000	50,000	50,000	50,000	250,000
Sanitary Sewer Rehab/Reline	750,000	750,000	750,000	750,000	1,000,000	4,000,000
Total	<u>1,100,000</u>	<u>1,500,000</u>	<u>1,475,000</u>	<u>1,250,000</u>	<u>1,500,000</u>	<u>6,825,000</u>

Funding	2013	2014	2015	2016	2017	Total
Sewer Current Revenue	1,100,000	1,500,000	1,475,000	1,250,000	1,500,000	6,825,000
Total	<u>1,100,000</u>	<u>1,500,000</u>	<u>1,475,000</u>	<u>1,250,000</u>	<u>1,500,000</u>	<u>6,825,000</u>

Capital Utility Projects

Description: Stormwater Annual Infrastructure

The proposed storm water projects over the next five years include continued replacement of failing storm sewer lines and large culverts. Reconstruction of Brewery and Grays Creek is planned to relocate these streams from underneath existing buildings to public right of ways.

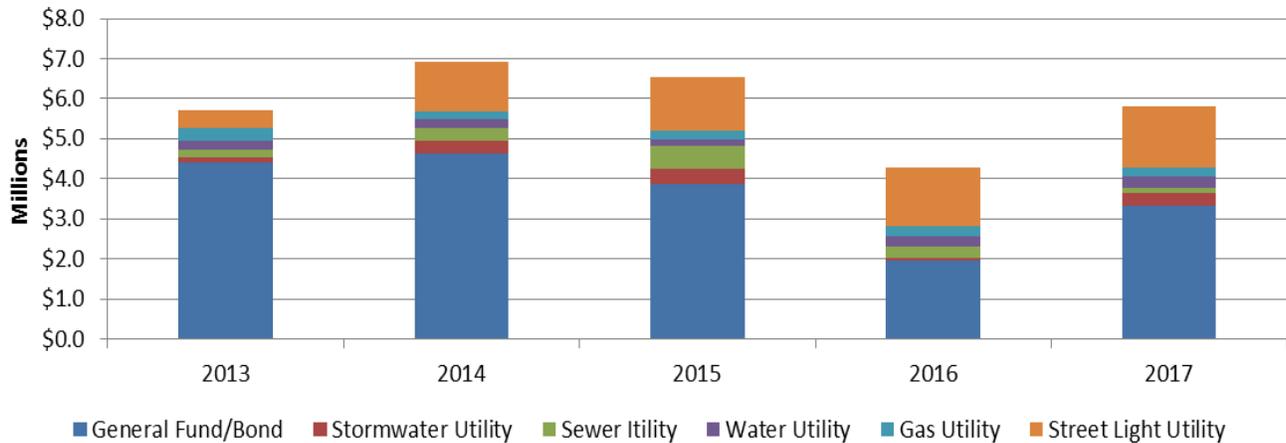
Project	2013	2014	2015	2016	2017	Total
Manhole Adjustments	50,000	50,000	50,000	50,000	50,000	250,000
Miscellaneous Projects	400,000	175,000	175,000	175,000	175,000	1,100,000
Storm Sewer Replacement	250,000	250,000	250,000	250,000	250,000	1,250,000
Brewery & Gray's Creek	250,000	250,000	250,000			750,000
Total	950,000	725,000	725,000	475,000	475,000	3,350,000

Funding	2013	2014	2015	2016	2017	Total
Stormwater - Current Revenue	950,000	725,000	725,000	475,000	475,000	3,350,000

CAPITAL EQUIPMENT BUDGET AND PLAN

Five Year Equipment Plan

The objective of the City's five year equipment plan is to maintain city equipment by budgeting an adequate dollar amount annually for replacement on a timely basis. \$29.28 million is proposed in this plan for the period of 2013 through 2017. Of that total, equipment for the General Fund is \$18.18 million to be financed with bonds. The balance of \$11.10 million is proposed for the combined utility funds of Water, Gas, Stormwater, Sewer, and Street Lighting. Shown in the chart below are the various funding sources by year for the plan.



	2013	2014	2015	2016	2017	Total
General Fund/Bond	4,419,300	4,631,000	3,870,000	1,944,800	3,311,000	18,176,100
Stormwater	115,000	331,400	367,100	63,400	326,000	1,202,900
Sewer	187,800	315,600	578,300	293,800	142,000	1,517,500
Water	224,300	211,900	177,600	261,600	270,300	1,145,700
Gas	318,100	182,100	199,000	266,200	220,600	1,186,000
Street Light	450,000	1,250,000	1,350,000	1,450,000	1,550,000	6,050,000
Total Plan	5,714,500	6,922,000	6,542,000	4,279,800	5,819,900	29,278,200

2013 Proposed Equipment

The City is proposing a total of \$5.71 million in capital equipment expenditures for 2013. This includes equipment for General Fund operating departments and the five city utilities named above. The General Fund portion is \$4.42 million to be financed with bonds and \$1.29 million for equipment for the utilities to be paid for out of current year revenues.

For General Fund departments, the City is proposing the purchase of \$2.38 million in rolling stock vehicles – the largest purchase being Maintenance equipment totaling \$1,236,300; fire apparatus totaling \$585,000; police vehicles totaling \$500,000; and Engineering vehicles totaling \$61,000. The non-rolling stock equipment plan of \$2.04 million proposed by City for 2013 includes \$1.415 million for technology improvements and replacements; \$390,000 for voting equipment; \$115,000 for a pavement management system for Engineering; \$72,000 for dragon speech software to aid police in report writing; plus \$45,000 for speaker and technology upgrades for the Fire Department.

The breakdown of equipment for the utility funds is \$333,200 for non-rolling stock equipment and the balance of \$0.96 million for rolling stock vehicles for a total of \$1.29 million for 2013.

City of Duluth 2013 - 2017 Capital Equipment Program

General Fund Rolling Stock Vehicles

	2013	2014	2015	2016	2017
Fire Department					
Fire Truck Apparatus/Trucks	585,000	100,000	600,000	95,000	1,500,000
Subtotal Fire Department	585,000	100,000	600,000	95,000	1,500,000
Construction Services					
Cars for Inspectors	0	25,000	50,000	25,000	25,000
Subtotal Constructive Services	0	25,000	50,000	25,000	25,000
Police Department					
Police Vehicles	500,000	600,000	600,000	600,000	600,000
Subtotal Police Department	500,000	600,000	600,000	600,000	600,000
Maintenance Operations					
Facilities Management					
1 Ton w/Service Body	40,000	80,000		40,000	80,000
1 Ton Cargo Van		76,000	38,000	38,000	
Trailers and Tampers	6,000		5,000		
Subtotal Facilities Management	46,000	156,000	43,000	78,000	80,000
Traffic Maintenance					
4 x 4 Pick up	30,000	68,000		40,000	40,000
Trailers, Paint Striper	5,000		25,000		
Subtotal Traffic Maintenance	35,000	68,000	25,000	40,000	40,000
Street Maintenance					
Tandem Dump Truck		145,000	145,000	290,000	290,000
Sander Trucks	530,000	280,000			340,000
Sander with RDS	165,000	330,000	330,000		
Pick-up 3/4-Ton Ext Cab 4x4	60,000		35,000	160,000	
Trailer, Compactor	18,000	45,000	18,000	16,000	
Truck Snowblower			160,000		
3 yard Loader	185,000	185,000		185,000	185,000
Step/Cube Van		83,000			
Backhoe		95,000	95,000		
Flusher Retrofits			160,000		
Highway Mower				80,000	
1 Ton Dump Truck	60,000				60,000
Subtotal Street Maintenance	1,018,000	1,163,000	943,000	731,000	875,000
Park Maintenance					
4x4 Crew Cab					45,000
Cat 257B Loader		52,000			
Utility Van	17,300	51,500	27,000	19,300	
1 Ton w/Plow	68,000	70,000	33,000	71,000	71,000
Various Mowers	32,000	16,500	33,000	63,000	
Trailer, Sand Spreader			68,000	10,500	
Trail Groomer	20,000			212,000	
Chipper					58,000
Sidewalk Cleaner		148,000	142,000		
Subtotal Park Maintenance	137,300	338,000	303,000	375,800	174,000
Subtotal Maintenance Operations	1,236,300	1,725,000	1,314,000	1,224,800	1,169,000
Public Works					
Transportation Engineering					
Engineering Vehicles	61,000		21,000		17,000
Subtotal Transportation Engineering	61,000		21,000		17,000
Rolling Stock Bond Total	\$ 2,382,300	\$ 2,450,000	\$ 2,585,000	\$ 1,944,800	\$ 3,311,000

City of Duluth 2013 - 2017 Capital Equipment Program
General Fund Non-Rolling Stock Equipment

	2013 Bond	2014 Bond	2015 Bond
MIS			
Software Implementation	100,000	100,000	100,000
VoIP Phone Replacements		50,000	50,000
Enterprise Wide PC replacements (desktop)	200,000	200,000	200,000
Enterprise Wide PC replacements (laptop)	100,000	100,000	100,000
Desktop Re-cabling Project		200,000	100,000
Disaster Recovery - New Police Station	200,000	200,000	
Conference Room Technology Needs (7 rooms)	70,000	50,000	50,000
Document Management		200,000	100,000
Network Infrastructure Upgrades (expand wireless)	300,000	200,000	200,000
Web and Email Filtering Software	200,000		
Radio - Convert system to digital	125,000		
Radio Shop/MIS - Communications Group	120,000	240,000	240,000
MIS Asset/Inventory Mgmt Software		100,000	
High Speed WAN expansion		100,000	50,000
Internal Emergency Notification		50,000	
Public Emergency Notification			50,000
Virtualization/Standardized Desktops		150,000	
PCI Compliancy Regulation Enhancement		100,000	
Intrusion Detection System		70,000	
City Clerk			
40 Voting Tabulators	260,000		
60 Electronic Poll book Rosters	120,000		
Election Software upgrade	10,000		
Maintenance			
Emergency Generators		50,000	35,000
Library			
1 Self checkout machine			10,000
1 Digital microform reader printer		11,000	
Fire			
Station Speaker System Replacement (6)	30,000		
Technology upgrade for Training Room	15,000		
Police			
Dragon Speech Recognition software	72,000		
Complaint Tracking Software		10,000	
Engineering			
Pavement Management System II	115,000		
Total Proposed Non-Rolling Stock	2,037,000	2,181,000	1,285,000
TOTAL EQUIPMENT BOND PROPOSAL	4,419,300	4,631,000	3,870,000

City of Duluth 2013 - 2017 Capital Equipment Program

Utility Funds Equipment

	2013	2014	2015	2016	2017
Water Fund					
Cars/Pick-ups	48,700	53,700	17,000	0	24,300
Trucks/Vans	22,900	136,200	33,900	160,050	127,300
Dump Trucks	0	0	108,700	0	108,800
Backhoe/Loader	48,300	0	0	78,750	0
Excavator/Vactor	58,000	0	0	0	0
Other Rolling Stock	6,400	12,000	8,000	12,800	0
Non-Rolling Capital Equipment	40,000	10,000	10,000	10,000	10,000
Subtotal Water Fund	224,300	211,900	177,600	261,600	270,400
Gas Fund					
Cars/Pick-ups	30,500	51,300	36,200	0	2,700
Trucks/Vans	80,900	120,800	116,500	229,950	171,700
Dump Trucks	0	0	36,300	0	36,200
Backhoe/Loader	34,500	0	0	26,250	0
Excavator/Vactor	145,000	0	0	0	0
Other Rolling Stock	9,600	0	0	0	0
Non-Rolling Capital Equipment	17,600	10,000	10,000	10,000	10,000
Subtotal Gas Fund	318,100	182,100	199,000	266,200	220,600
Sewer Fund					
Cars/Pick-ups	76,900	20,600	11,700	0	0
Trucks/Vans	5,600	0	97,600	48,800	42,000
Dump Trucks	0	0	0	145,000	0
Backhoe/Loader	34,500	0	0	0	0
Excavator/Vactor	58,000	200,000	345,000	0	0
Other Rolling Stock	0	85,000	114,000	90,000	90,000
Non-Rolling Capital Equipment	12,800	10,000	10,000	10,000	10,000
Subtotal Sewer Fund	187,800	315,600	578,300	293,800	142,000
Stormwater Fund					
Cars/Pick-ups	46,900	16,400	4,100	0	0
Trucks/Vans	5,600	0	0	50,200	0
Dump Trucks	0	0	145,000	0	0
Backhoe/Loader	20,700	105,000	0	0	0
Excavator/Vactor	29,000	200,000	200,000	0	300,000
Other Rolling Stock	0	0	8,000	3,200	16,000
Non-Rolling Capital Equipment	12,800	10,000	10,000	10,000	10,000
Subtotal Stormwater Fund	115,000	331,400	367,100	63,400	326,000
Street Light Utility Fund					
Led/Induction Luminaire Conversions	100,000	1,100,000	1,200,000	1,300,000	1,400,000
Bucket Truck	200,000				
Non-Rolling Capital Equipment	150,000	150,000	150,000	150,000	150,000
Subtotal Street Light Utility	450,000	1,250,000	1,350,000	1,450,000	1,550,000
Utility Funds Equipment Total	\$ 1,295,200	\$ 2,291,000	\$ 2,672,000	\$ 2,335,000	\$ 2,509,000