Ten-Year Capital Improvement Program (CIP)
Introduction to CIP

• Buildings, infrastructure, technology, and major equipment are the physical foundation for providing services to constituents. Capital planning is critical to water, wastewater, transportation, sanitation, and other essential public services.
• Additionally, it is an important component of a community’s economic development program & strategic plan.
• Capital facilities & infrastructure are important legacies that serve current & future generations.
• It is extremely difficult for governments to address the current & long-term needs of their constituents without a sound multi-year capital plan that clearly identifies capital & major equipment needs, maintenance requirements, funding options and operating budget impacts.
Recommendation

• The Government Finance Officers Association (GFOA) recommends state & local governments prepare & adopt comprehensive multi-year capital plans to ensure effective management of capital assets.

• A prudent multi-year capital plan identifies & prioritizes expected needs based on a community’s strategic plan, establishes project scope & costs, details estimated amounts of funding from various sources, and projects future operating & maintenance costs.

• GFOA recommends the following process in developing a multi-year CIP plan:
  1. Identify Needs
  2. Determine Costs
  3. Prioritize Capital Needs
  4. Develop Financing Strategies
Town of Fairview’s CIP Process

• Within the Town Council’s Strategic Plan of fiscal year 2014-15, the Council identified a need for a Five-Year Capital Improvement Plan as part of the Capital Improvement Planning Initiative.

• In keeping with the “Focus Areas” (Infrastructure, Public Safety, Economic Development, Customer Needs, Fiscal Responsibility, and Community Development) of the Town’s Vision & Mission, Town staff has developed a Ten-Year Capital Improvement Program plan.
• The Ten-Year Capital Improvement Program (CIP) represents the capital budget for fiscal year 2016 along with a financial plan for infrastructure and other improvements through fiscal year 2026.

• These improvements are intended to further the vision and objectives of the Town Council and the community. Projects proposed in years after 2016 indicate suggested sources of funding and expenditure levels based on the needs of the Town and consistent with prudent fiscal management.
• This CIP includes a commitment to maintain and improve existing assets, as well as to move forward with new projects. This is a “living document,” designed to augment information available to the public and does not diminish the need for continued citizen involvement and refinement of the program.

• Many of the projects included in the CIP plan are based on demand caused by growth in the community and will be paid for through various development generated revenues.
Combined all this data to begin development of 10 Year CIP

- Form-based Code in CPDD
- Facility & Space Study
- Water, Wastewater & Roadway Impact Fees
- Water & Wastewater Master Plan
- Drainage Master Plan
- Tax Increment Financing (TIF) in CPDD
- Facility & Developer Agreements
December 11, 2015 – Town Staff began developing CIP plan

February 8 – Town Council Workshop on CIP Plan

February 25 – Town Council Workshop on CIP Plan

March 31 – Town Council Workshop on CIP Plan

May 9 – Town Council Workshop on CIP Plan

June 6 – Town Council Public Presentation of CIP Plan

TBD – Presentation at Future Town Hall Meeting
Ten-Year Capital Improvement Program Plan

Police Department Capital Equipment

Fire Department Capital Equipment

Public Works Department Capital Equipment

Street Capital Projects

Water Capital Projects
Ten-Year Capital Improvement Program

- Wastewater Capital Projects
- Parks & Trails Capital Projects
- Building & Facility Capital Projects
- Drainage Capital Projects
Source of Funds

Debt

- General Obligation Bonds (GO) are debt instruments authorized by a vote among registered voters.
- Certificates of Obligation Bonds (CO) are debt instruments authorized by the Town Council.
- Revenue Bonds are debt instruments; the repayment of which depends on the stream of revenue generated by municipal enterprise, such as water & wastewater system.

Intergovernmental

- Funds supplied through other governmental agencies such as TxDOT, Collin County, school district, state/federal government.
- These funds include loans, reimbursable grants, or programs requiring matching local funds.

Type A/B Taxes

- Funding authorized by the Community & Economic Development Corporations pursuant to the Development Corporation.

Operational Revenue

- Revenues generated in the General Fund through ad valorem taxes, sales tax or fees.
- Revenues generated by the enterprise of the Town, primarily water & wastewater revenues.
### Source of Funds (cont.)

#### Tax Increment Financing (TIF)
- (aka Tax Increment Reinvestment Zone – TIRZ) allows Town to invest tax revenue from new development within the “district” into infrastructure & public improvements needed in order to encourage future development.
- Only 75% of the M&O tax from the increase in the “district” value will go toward the TIF, while the remaining 25% will remain in the General Fund.
- The Town plans to pursue a partnership with Collin County, by which the county will contribute up to 50% of the M&O portion of the county tax rate to the TIF.

#### Impact Fees
- Revenues generated through impact fees.
- Park dedication fees, while specifically excluded from the definition of impact fees are included as a revenue source under “impact fees”.

#### Developer Contributions
- Infrastructure contributions made by development interests pursuant to adopted development and/or facilities agreements.

#### Fees
- Revenues generated through the stormwater ordinance requiring residents to contribute up to $5.75/month for stormwater management, while commercial businesses are required to contribute $1.10/impervious surface square footage per month for stormwater management.
Where Town of Fairview CIP Dollars Come From

Source of Funds (in thousands)

- Debt: $47,291 (47%)
- Intergovernmental: $13,542 (13%)
- Impact Fees: $17,727 (18%)
- TIF: $10,519 (11%)
- Operational Revenue: $7,388 (7%)
- Type A/B Taxes: $250 (0%)
- Developer Contributions: $589 (1%)
- Fees: $3,359 (3%)
- Other: $373 (0%)
Appropriations

Land/Right-of-Way

- Generally includes legal fees, title cost, appraisal and survey fees, and purchase price of property (land).

Architectural/Engineering

- Design and engineering costs.

Construction

- Actual cost of construction of infrastructure, facilities and/or improvement costs.

Equipment

- Equipment to be included as part of a project and/or heavy equipment purchases such as Fire Engine, Fire Ladder Truck, Dump Truck.

Other

- Includes cars and trucks of smaller size.
Where Town of Fairview CIP Dollars Go

<table>
<thead>
<tr>
<th>Appropriations (in thousands)</th>
<th>Amount</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Land/ROW</td>
<td>$7,861</td>
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<tr>
<td>Arch/Eng</td>
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<tr>
<td>Construction</td>
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<tr>
<td>Other</td>
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<tr>
<td>Equipment</td>
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Police Capital Equipment

• Replacement Radios
• Police Mobile Observation Tower
• New & Replacement Police Vehicles
Fire Capital Equipment

• Replacement Radios, Ladder Truck, Fire Marshal’s Ford F-250 Pickup, Engine for Fire Station #1, 2 Ambulances, SCBA, Fire Chief’s Chevy Tahoe, and Engine for Fire Station #2

• Replacement of Rescue Truck with Engine/Rescue unit

• Chevy 4WD Tahoe for future growth

• Vehicle for future Battalion Chief

• Ambulance for future growth
Public Works Capital Equipment

- Vermeer Vac Trailer
- Replacement 2000 Ford F750 Dump Truck
- Replacement 2011 Ford F750 Dump Truck
- Replacement of 1995 Backhoe
- Mini Excavator for future growth
- Ford F750 Dump Truck for future growth
- Replacement of 2008 Mini Excavator
Street Capital Projects

- TxDOT Stacy Road Widening
- Sharon Road Reconstruction
- East Stacy Road to Orr Road Reconstruction
- Orr Road Resurfacing
- Fairview Parkway & Frisco Road Design, ROW & Construction
- Hart Road Reconstruction
- Fairview Parkway Round-a-bout connection to Hwy 5
- TxDOT FM 1378 Widening from Summerhill Lane to Farmstead
- TxDOT Ridgeview Overpass Reconstruction
Water Capital Projects

- FM 1378 Water Pump Station Design & Construction
- SCADA & Flowmeter Improvements
- Fire Hydrant Installations
- 16” CPDD Water Main Loop
- Thin Walled Pipe Replacement
- Replacement of Hwy. 5 Water Pumps #1 & #2
Water Capital Project Location Identifier
Wastewater Capital Projects

• Heritage Ranch Flow Meter
• Sloan Creek Lift Station Pump #3
• Small Lift Station Removal
• 16” Parallel Force Main Design & Construction
• Sloan Creek Lift Station Pump Replacements
Parks & Trails Capital Projects**

- Monarch Park Irrigation
- Parkside Trail
- Chamberlain Place – Sloan Creek Sub-divisions Connector
- Sloan Creek to Fairview Parkway Trail Connector
- Oak Meadows to McKinney Trail Connector
- Park Resurfacing Improvements

**this portion of the CIP plan will be updated with the completion of the Parks & Trails Master Plan update that should be completed within the next year.
Parks & Trails Capital Project Location Identifier

LEGEND
1 PARK RESURFACING
2 PARKSIDE TRAIL
3 MONARCH PARK IRRIGATION
4 CHAMBERLAIN SLOAN CREEK CONNECTION
5 SLOAN CREEK TO FAIRVIEW PKWY
6 OAK MEADOWS MCKINNEY TRL
Building & Facility Capital Projects

• Wayfinding Design & Implementation
• Concept & Design for “Pearl” Area on US75
• Replacement & Expansion of Municipal Facilities including: Fire Station #1, Public Works Facilities, Police Facilities, and Administrative Facilities
Drainage Capital Projects

• Trunk Storm Sewer Lines
• Sloan Creek Stabilization & Detention Pond
To find out more about the Town of Fairview, visit us at:

www.fairviewtexas.org

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