

# DRAFT FY 2013-14 CIP Plan

PC - CIP Committee

May 14, 2013

# PC & CIP Committee Roles

- Planning Commission Role:
  - Make an annual recommendation on the proposed CIP Plan
- CIP Committee Role:
  - Make a recommendation to Planning Commission
  - Draft PC letter for inclusion in CIP Plan
  - Provide oversight/review of draft CIP Plan
  - Provide strategic feedback/guidance to staff for incorporation into this year's CIP plan and/or future CIP plans

# FY 2012-13 CIP Plan Outline

## Volume One: CIP Planning

- PC Recommendation Letter
- Introduction
- FY 2013-14 Highlights
- Capital Funding & Spending Overview
- How to Read this Document
- Spending & Appropriation Plan summaries by Dept.
- Department Narratives

## Volume Two: Financial Info

- Dept. Spending & Appropriation Plan summaries by Project
- Dept. Project Plan Pages

**Appendix** - GO Bond Appropriations and Sale Schedule

**Appendix** - General Obligation Debt History

# FY 2013-14 CIP Plan

- Purpose of the CIP Plan
  - Identifies City's projected major capital improvements over the next five+ years
    - Funded and unfunded requests
  - Planning and budgeting tool
    - Identifies how we are planning on appropriating and spending capital funds
    - Identifies expected capital needs
    - Based on reasonably anticipated revenues
  - Communication tool for public transparency

# Key Principles for the City's Capital Investments

- ***Provide adequate infrastructure*** and facilities to maintain City services
- Support ***investments reflecting Imagine Austin Vision*** and City Council policy directives
- Promote a ***sustainable community*** and high quality of life
- ***Balance community priorities***
- Encourage ***cross-departmental coordination*** and planning
- Seek ***cost-effectiveness*** in planning and delivery
- Abide by ***City financial policies***

# Factors Affecting the CIP

- Rate of growth, demand for City services
- Maintaining existing facilities, infrastructure
- Economic conditions affect costs
- Focus on regional partnerships
- New Strategic Facilities Roadmap
- New comprehensive plan for the City
- Other factors affecting project completion: unknown site conditions; special events, weather, etc.



# Imagine Austin and the CIP Plan



- Many existing capital projects/programs are already in alignment with *Imagine Austin*.
- *Imagine Austin* is an important tool for considering new capital investment
  - **Note:** *Imagine Austin* priority programs and actions do not specifically address all City operations (e.g. renovation/repair of existing infrastructure) and should not be taken as the sole determinant of capital investment
- Provides the framework for enhanced coordination
- FY 2013-14 CIP Plan contains information on how each department's capital program supports *Imagine Austin* priority programs

# *Imagine Austin* and the CIP Plan



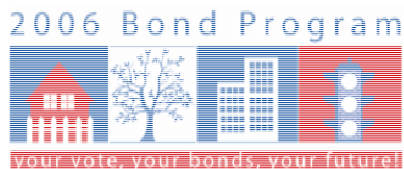
CIP Plan reflects *Imagine Austin* through:

- Continuation of on-going CIP programs that further priority programs, policies and actions
- Integration of sustainability elements throughout the CIP
- Larger-scale and transformative CIP projects
- Cross-departmental partnering on CIP projects



# Voter-Approved GO Bond Programs

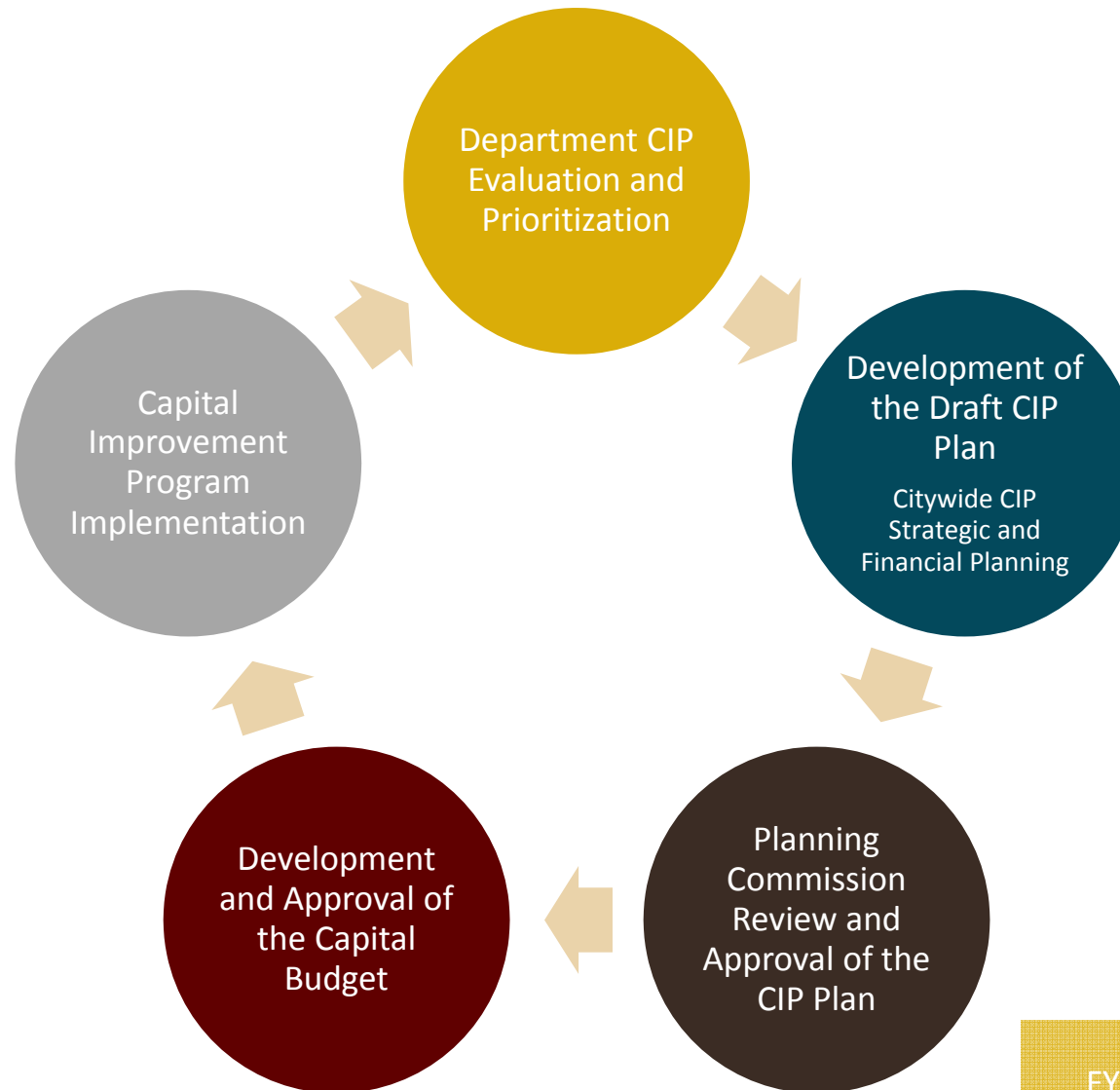
- Significant portion of General Government CIP funded by voter-approved GO bond programs
- CIP Plan reflects progress on
  - completing prior-year bond programs
  - initiating projects for 2012 bond program



2010 Mobility Bond Program



# Capital Improvement Program Overview



# Departmental and Organizational CIP Prioritization

- Occurs on an ongoing basis throughout the year
- Departments use technical assessments of infrastructure need and public input
- Each department's prioritization process is different based on its service responsibilities
- All address one or more organizational CIP priorities
  - ***Urgent Needs, Planning Priorities, Council Policy Directives, and/or Department Business Priorities***
  - City also considers positive ***sustainability and cost impacts*** for CIP projects

# FY 2013-14 Strategic Priorities

- Continuation of on-going improvement programs
- Renovation and replacement of existing facilities
- Projects in support of Imagine Austin
- GO bond program implementation

# Department Narratives

- Department Overview
- Prior Year Accomplishments
- FY 2013-14 Work Plan
- Dept. Project Selection and Prioritization Process
- Imagine Austin
- CIP Funding Sources
- Unfunded Capital Needs

# Financial Information included in the CIP Plan

- CIP Funding and Spending Overview
  - CIP Financing Mechanisms
  - Historical and current capital spending charts provided  
(FY 2010-11 actual, FY 2011-12 actual, FY 2012-13 planned)
  - City Financial Policies and the CIP
- Spending & Appropriation Plan Summaries
  - Spending & Appropriation Plan summaries by Dept.
  - Dept. Spending & Appropriations Plan summaries  
by Project
  - Dept. Project Plan Pages
- Appendix - GO Bond Appropriations and Sale Schedule
- Appendix - General Obligation Debt History



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- Budget Office presentation on FY2013-14  
CIP Plan Financial Information



# CIP Plan Financial Information

- General Government CIP
  - Financial Policies
  - Appropriation and Spending Summaries
  - Bond Programs
  - Project Highlights
  
- Enterprise CIP
  - Financial Policies
  - Appropriation and Spending Summaries
  - Project Highlights



# General Government CIP



# Financial Policies

- General Government Capital Contingency
  - 3% of capital expenditures, but not less than \$2M budgeted annually
  
- Extensive debt financing policies
  - Expected useful life
  - Reimbursement Resolutions
  - Priority to fund capital expenditures with cash or voter approved debt
  - Non-voter approved debt used when:
    - Urgent, unanticipated, necessary to prevent economic loss, results in an economic gain, most cost effective



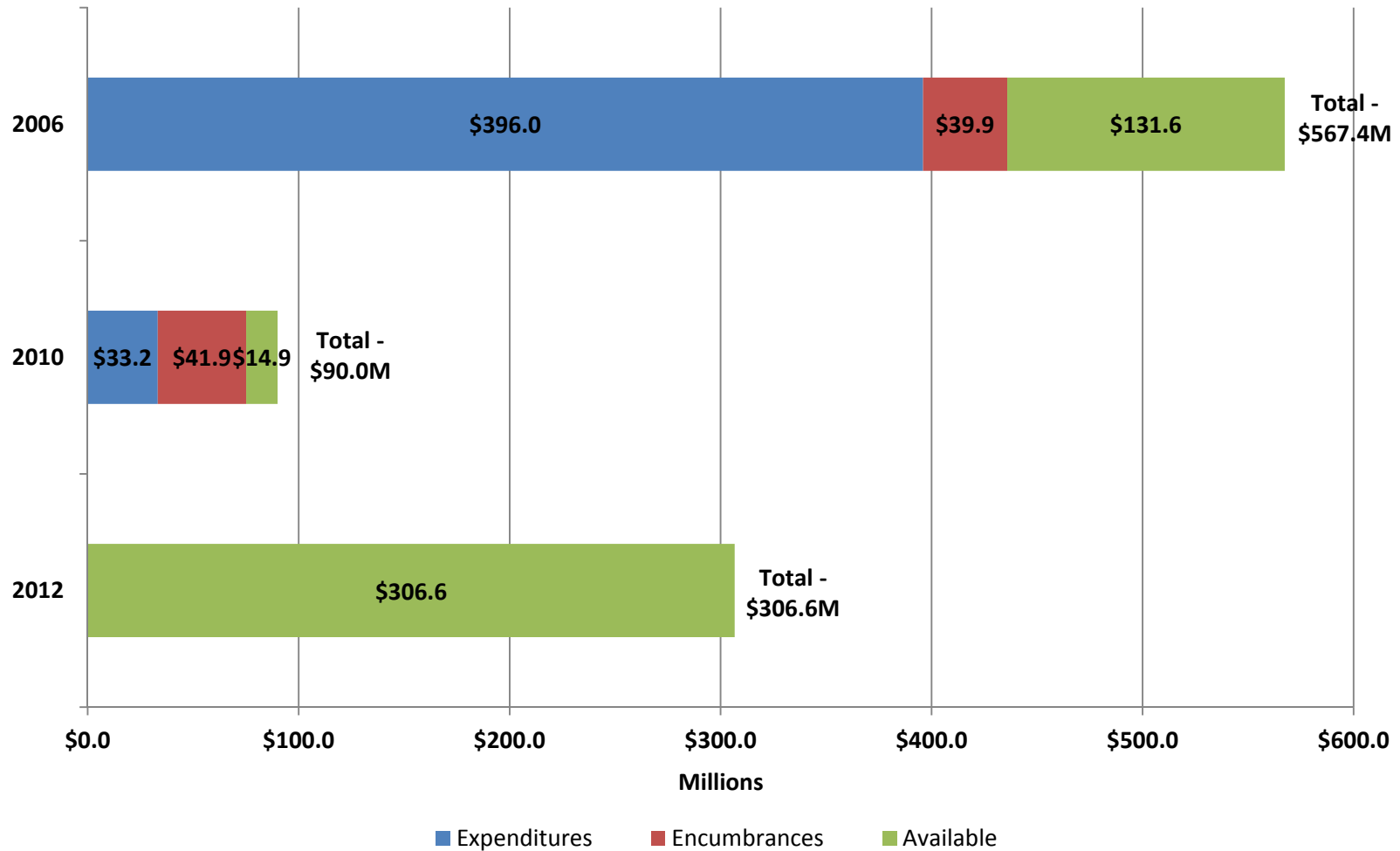
# Spending and Appropriation Summary

- FY14 Estimated Spending Plan: \$256M
- Total actual and estimated spending for FY13-FY18: \$1.25B
- Requested new FY14 appropriation: \$207.3M
- Total actual and new appropriation requests for FY13-FY18: \$1.45B
- Notes:
  - General Govt. project appropriation requests/spending plan include funding from some enterprise departments because of enterprise department roles in those projects. (Ex. AWU funds included in requests for Public Works street reconstruction projects)
  - Austin Transportation and Public Works Departments are combined
  - Figures do not include Communications and Technology Management



# Bond Program Summary

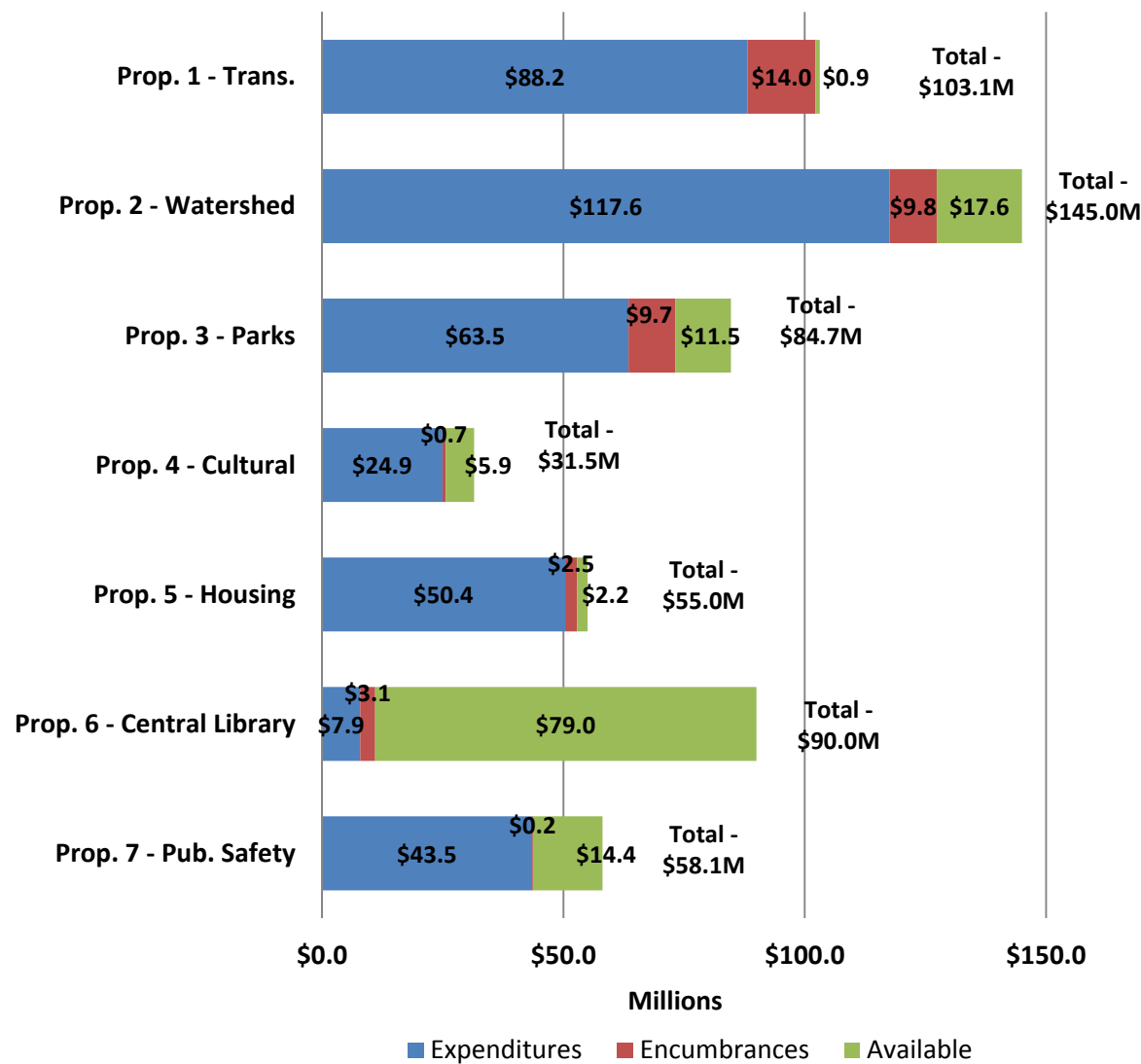
## 2006, 2010, and 2012 Bond Programs







# 2006 Bond Program – \$567.4 Million



## Projected 5-Year Spending Plan

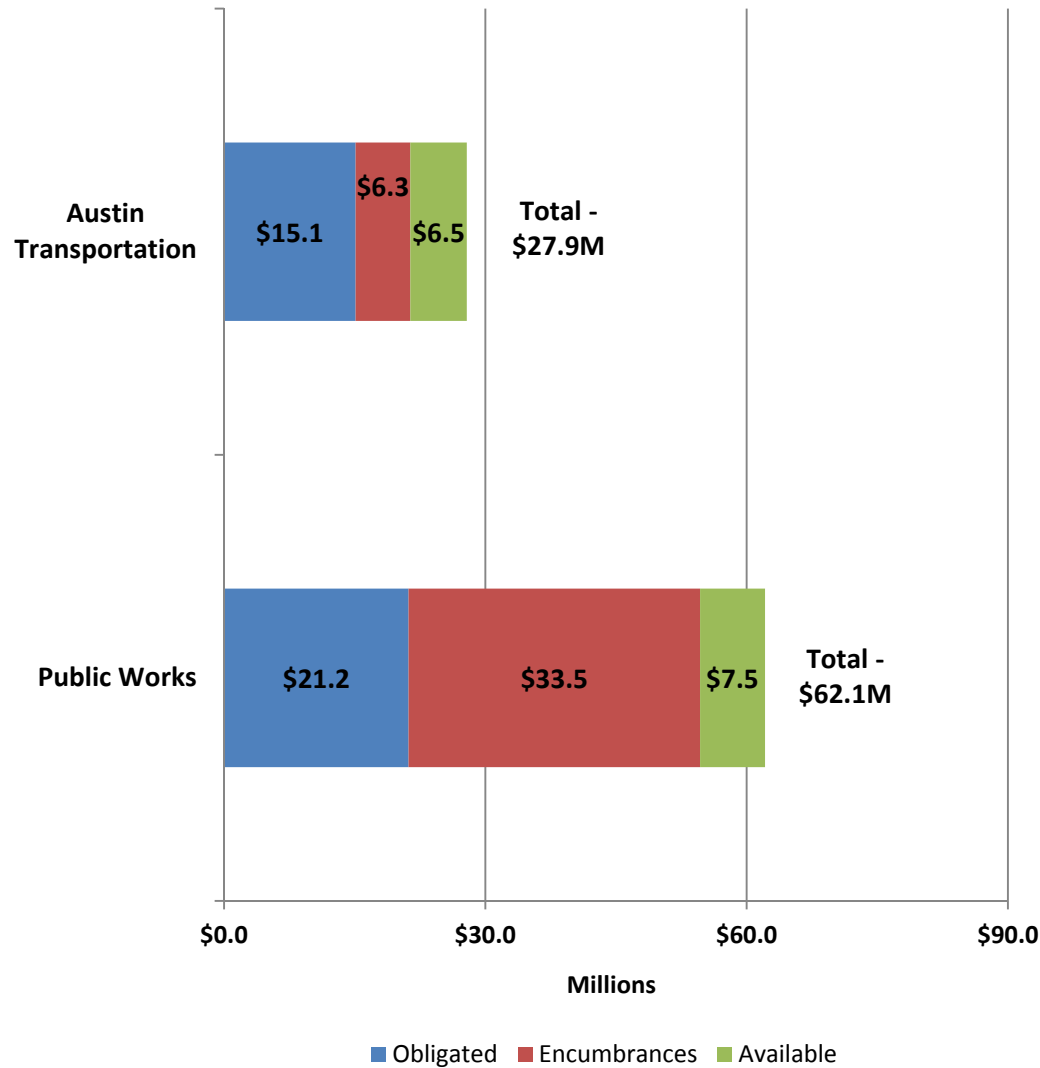
- \$175.5M
- Substantially complete by FY16

## FY 14 Spending Highlights

- New Central Library - \$44.0M
- Street Reconstruction - \$5.2M
- Parks Facilities - \$2.0M
- Trails - \$2.3M
- Bartholomew Pool - \$3.6M
- Drainage - \$19.6M



# 2010 Bond Program – \$90 Million



## Projected 5-Year Spending Plan

- \$56.8M
- Substantially complete by FY16

## FY 14 Spending Highlights

- Boardwalk Trail at Lady Bird Lake - \$9.5M
- Street Reconstruction - \$2.2M
- Bikeways/ADA/Pedestrian - \$3.3M
- Mobility Enhancement - \$5.25M
- Signals - \$571K



# 2012 Bond Program – \$306.6 Million

- First installment of appropriation approved by Council on May 9<sup>th</sup>
- FY14 Project Highlights include:
  - P12 Transportation (Total authorization - \$143.3M)
    - IH-35 Corridor, East 51<sup>st</sup> Street signals, MoPac Bicycle Bridge, Shoal Creek restoration, sidewalks, Colorado and Rio Grande street reconstruction
  - P13 Open Space (Total authorization - \$30.0M)
    - Various acquisitions
  - P14 Parks and Recreation (Total authorization - \$77.7M)
    - Cemetery renovations, Montopolis Community Center, Elisabet Ney Museum, West Enfield Pool, various improvements to parks, playscapes, trails, and aquatic facilities



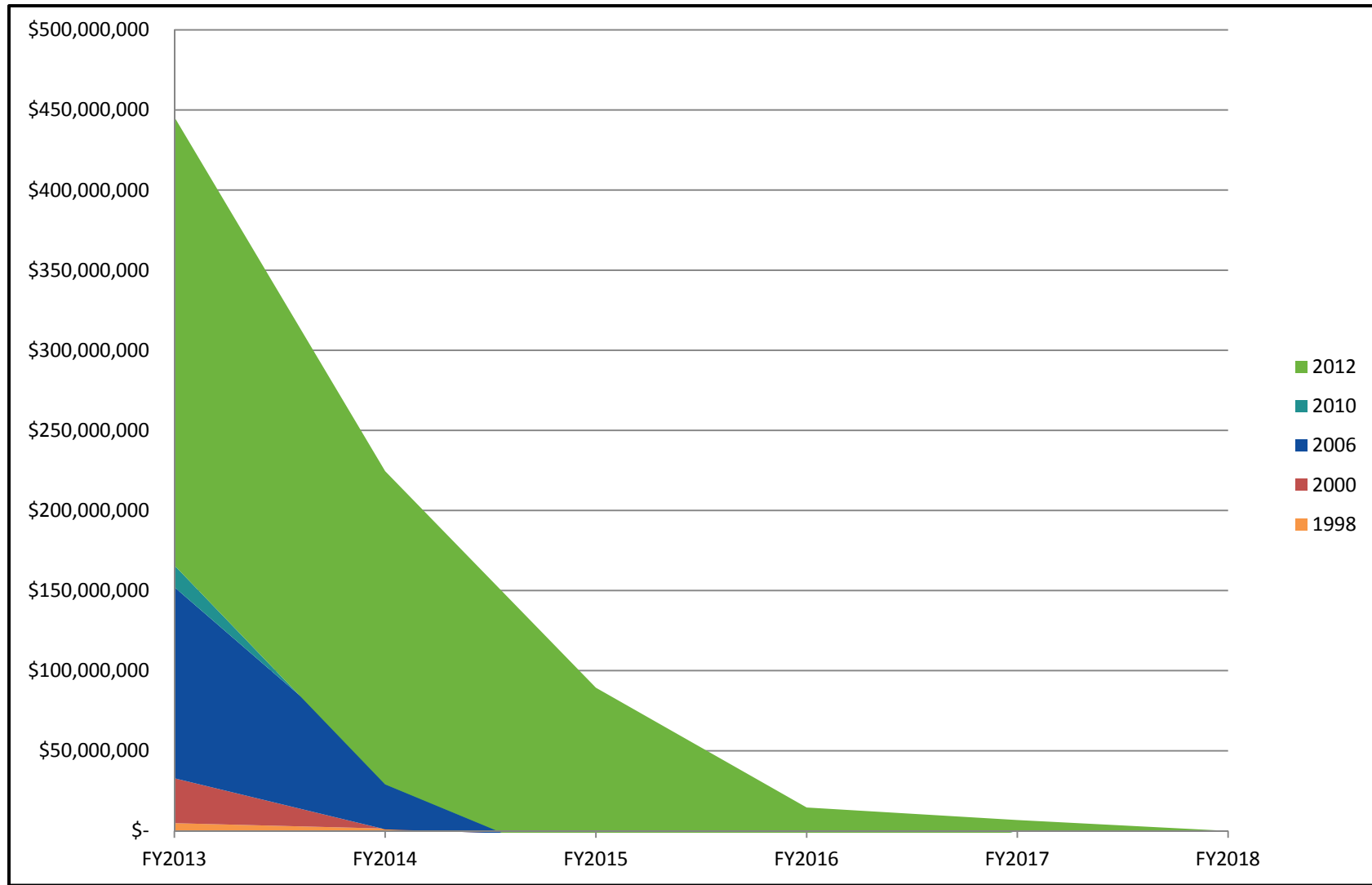
# 2012 Bond Program – \$306.6 Million

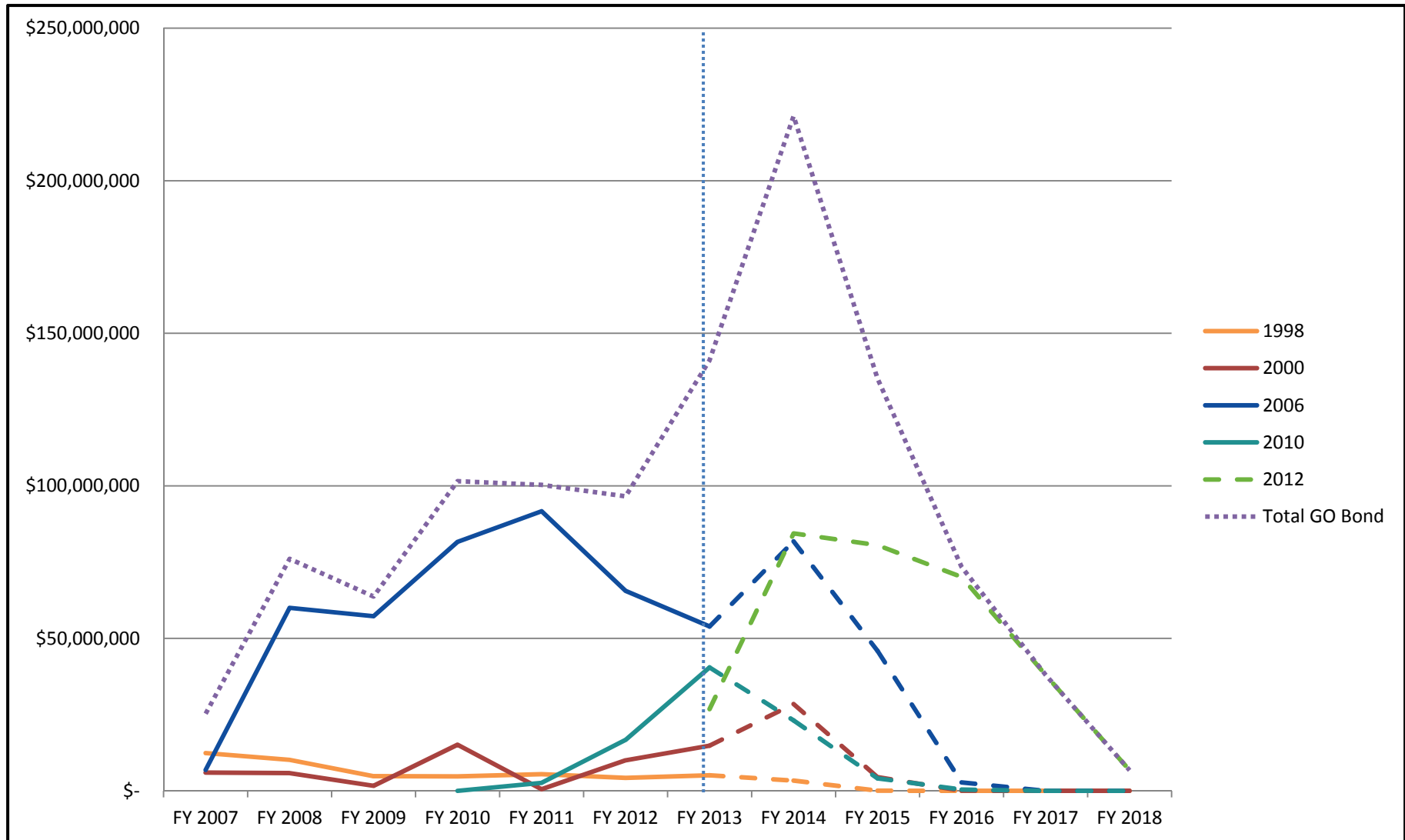
➤ FY14 Highlights include:

- P16 Public Safety (Total authorization - \$31.1M)
  - AFD: Onion Creek Fire Station and women's locker rooms
  - APD: Northwest Substation, Mounted Patrol facility, and Park Patrol facility
  - EMS: Ambulance bay expansions
- P17 Health and Human Services (Total authorization - \$11.1M)
  - Betty Dunkerley Campus infrastructure improvements and Women and Children's Shelter renovation/expansion
- P18 Library and Cultural (Total authorization - \$13.4M)
  - Branch library improvements (Milwood, Pleasant Hill, and University Hills) and Austin Film Studios



# Spend Down of Bond Programs









## Other Project Highlights

- Fire station structural improvements (FY14 SP = \$200K)
- GATRRS replacement (FY14 SP = \$5.3M)
- Seaholm District (FY14 SP = \$26.7M)
- Fleet facility improvements (FY14 SP = \$1.2M)
- Land Development Code Revision (FY14 SP = \$700K)
- Affordable housing investments (FY14 SP = TBD)
- Art in Public Places (FY14 SP included in various project budgets)
- Municipal Court Case Management System upgrade to AMANDA (FY14 SP = TBD)



# Enterprise CIP



# Financial Policies

## ➤ Austin Energy

- Finance capital projects through a combination of cash and debt
- Equity contribution ratio between 35% and 60%
- Spending and appropriation figures are not included in CIP Plan for proprietary reasons

## ➤ Austin Water Utility

- Finance capital projects through a combination of cash and debt
- Equity contribution ratio of at least 20%



# Spending and Appropriation Summary

- FY14 Estimated Spending Plan: \$438.4M
- Total actual and estimated spending for FY13-FY18 : \$5.3B
- Requested new FY14 appropriation: \$288M
- Total actual and new appropriation requests for FY13-FY18 : \$5.3B
- Notes:
  - Austin Water Utility appropriation request in capital budget will not match CIP Plan
  - Figures do not include Austin Energy



# Project Highlights

- Convention Center facility improvements, including escalator replacement (FY14 SP = \$5.8M)
- System upgrades at Decker Power Station, Sand Hill Energy Center, and Fayette Power Project (AE projects)
- Streetlight monitoring system and Dark Sky streetlight infrastructure upgrades (AE projects)
- Eco-Industrial Park (FY14 SP = \$2.5M)
- ARR fleet conversion from diesel to alternative fuels (FY14 SP = \$15.5M)



# Project Highlights

- Annexation Water/Wastewater Service Extension (FY14 SP = \$12.4M)
- Water Treatment Plant #4 (FY14 SP = \$54.4M)
- Replacement Of Deteriorated AWU Infrastructure (FY14 SP = \$38.1M)
- Terminal East Infill construction (FY14 SP = \$3M)
- Consolidated Rental Car Facility (P3 Effort; FY14 SP = \$30M)
- Waller Creek Tunnel (FY14 SP = \$53.6M)

# Comparison with last year's (FY 2012-13) CIP Plan

Document changes this year:

- Two volumes - Vol. One: CIP Planning, Vol. Two: CIP Financial Info
- Enhanced focus on CIP plan as a communications document for the public
  - Re-formatted to improve readability for the public
  - CIP 101 - more description of CIP processes, guiding principles and factors
  - Includes Dept. Spending Plan summaries by Dept. and by Project in addition to Appropriation Plan summaries.
  - \$ estimates provided in full numbers – not in \$1,000's.
- Communicated how Imagine Austin considered in Dept. CIPs
- Identified Dept's on-going CIP programs in narratives
- More cross-referencing between dept. narratives on coordinated projects

# Comparison with last year's (FY 2012-13) CIP Plan

- Project comparison handout provided
- Reflects continued implementation of Dept. CIP programs and major projects
  - Departments have been assessing their capital programs to ensure they support and align with Imagine Austin
  - Multi-year program based on reasonably anticipated revenues
- Majority of new projects are 2012 bond-funded



## Next Steps

- **May 20:** PC-CIP Committee mtg: Discuss Draft CIP Plan
  - **June 3:** PC-CIP committee mtg: Discuss Draft CIP Plan and potential recommendation to PC; draft letter
  - **June 11:** *Tentative:* Planning Commission recommendation (posting due June 5)
  - **June 17:** *If needed:* PC-CIP committee mtg: draft letter for PC
  - **By June 25:** *If needed:* Planning Commission recommendation (posting due June 19)
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- **Aug. 1:** Proposed capital budget presentation to Council
  - **Late Aug:** FY 2013-14 bond sale
  - **Aug. 22/29:** FY 2013-14 Budget Hearings
  - **Sept. 9-11:** Budget Readings/Approval
  - **Oct. 1:** FY 2013-14 appropriation of approved funds



# Questions?