



Executive Department

**James H. Gailey
City Manager**

March 12, 2012

Patricia Smith, Mayor
City of South Portland
25 Cottage Road
South Portland, ME 04106

Re: FY 2013 to FY 2019 Capital Improvement Plan

Dear Mayor Smith:

In accordance with §514 and §515 of the City Charter, I am submitting the FY 2013 seven-year Capital Improvement Plan for the City of South Portland.

A capital improvement plan establishes the priorities and funding of capital infrastructure investment a community should make to assure its continued economic viability and to protect public health and safety. A strong capital improvement plan is an important element in a city's overall economic development program. The CIP program establishes the priorities and funding to provide safe and efficient roadway and transportation systems, capital-intensive environmental infrastructure projects such as wastewater collection and treatment facilities, as well as public safety equipment through a planned and continuous investment program. A capital improvement plan also establishes a plan to purchase, construct, and maintain public land and buildings that house educational, governmental, cultural or recreational activities to serve our citizens and students.

The seven-year Capital Improvement Plan for municipal infrastructure among major functional areas of the City includes:

Table I.

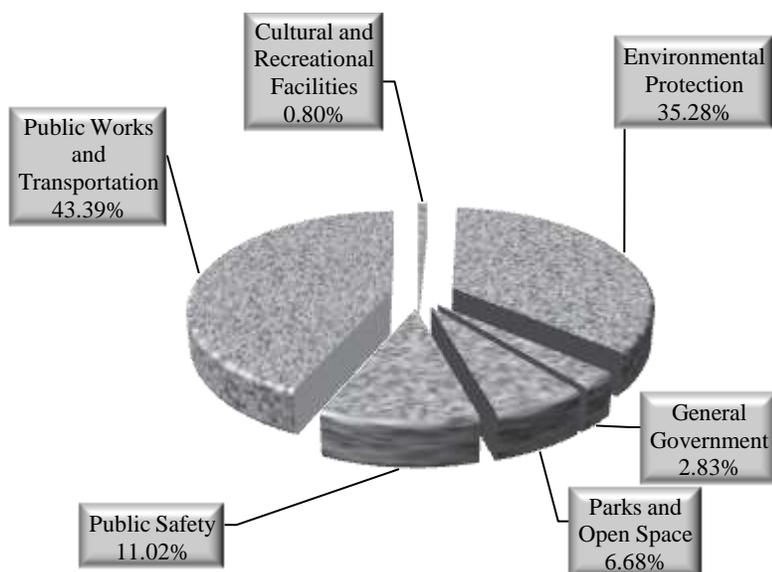
**Distribution of Capital Projects
Across Major Functional Areas
FY 2013 to FY 2019**

Cultural and Recreational Facilities	\$390,565
Environmental Protection	\$17,233,000
General Government	\$1,380,000
Parks and Open Space	\$3,261,718
Public Safety	\$5,384,000
Public Works and Transportation	\$21,191,880
Total	\$48,841,163

The following chart represents the distribution of capital investments across major functional areas of the City.

Chart I.

**Distribution of Capital Projects
Across Major Functional Areas
FY 2013 to FY 2019**



The City of South Portland utilizes a number of funding sources to fund major capital improvement projects. Those sources include the issuance of general obligation bonds (long-term debt), Tax Increment Financing (TIF) (public infrastructure fund reserves for eligible capital projects), General Fund Reserves (planned savings and investment program contained within the operating budget), Sewer User Fund Reserves/Surplus (funded through the Sewer User operating budget), state or

federal grants, impact fees, prior years' CIP balances and interest, the operating budget and/or fund balance.

The following table shows the distribution of funding sources proposed to be used to fund this seven-year Capital Improvement Plan.

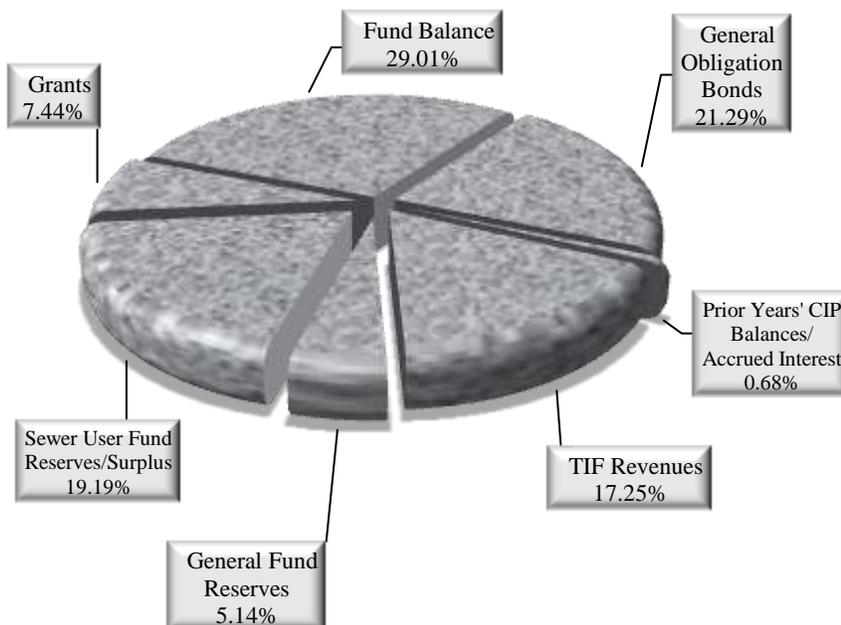
Table II

**Distribution of Funding Sources
For Capital Improvement Spending
FY 2013 to FY 2019**

General Obligation Bonds	\$10,400,000
Prior Years' CIP Balances/Accrued Interest	\$331,510
TIF Revenues	\$8,425,578
General Fund Reserves	\$2,512,532
Sewer User Fund Reserves/Surplus	\$9,373,000
Grants	\$3,631,481
Fund Balance	\$14,167,062
Total	\$48,841,163

Chart II.

**Distribution of Funding Sources
For Capital Improvement Spending
FY 2013 to FY 2019**



21.29% of the total seven-year Capital Improvement Program will be funded with long-term General Obligation Bonds through the City’s property tax supported General Fund. 78.71% will be funded through user fees, state or federal grants, TIF revenues, fund balance, prior years’ CIP balances/accrued interest or as a pay as you go basis through the establishment of annual contributions to reserve accounts to fund the replacement of capital infrastructure and equipment necessary. These investments provide the goods and services the public expects of a full service municipality.

FY 2013 Capital Improvement Requests

The FY 2013 Capital Improvement request of \$16.686 million is spread across the following six functional areas:

Table III.

**FY 2013 Capital Improvement Program
By Functional Area**

Cultural and Recreational Facilities	\$87,565
Environmental Protection	\$2,108,000
General Government	\$265,000
Parks and Open Space	\$242,718
Public Safety	\$503,000
Public Works and Transportation	\$13,479,880
Total	\$16,686,163

The source of funding of the FY 2013 Municipal Capital Improvement Plan comes from the following sources:

Table IV.

**FY 2013 Capital Improvement Program
By Funding Sources**

General Obligation Bonds	\$10,000,000
Prior Years' CIP Balances/Accrued Interest	\$331,510
TIF Revenues	\$2,365,578
General Fund Reserves	\$720,032
Sewer User Fund Reserves/Surplus	\$208,000
Grants	\$1,953,981
Fund Balance	\$1,107,062
Total	\$16,686,163

Cultural and Recreational Facilities

The proposed seven-year Capital Improvement Plan includes an investment of \$391,000 for projects at the Main and Branch Libraries and the Municipal Pool. FY 2013 includes the following projects totaling \$87,565:

Table V.

FY 2013 Cultural and Recreational Facilities Capital Improvement Projects

Branch Library - HVAC System Replacement	\$15,000
Main Library - Painting/Recoating	\$15,000
Recreation Division - Municipal Pool Filter Room Motor/Parts Replace	\$12,000
Recreation Division - Municipal Pool Lining Repairs	\$45,565
Total Cultural and Recreational Facilities	\$87,565

Environmental Protection

One of the most important obligations of a City is its role in environmental stewardship to protect the health and safety of its residents, protect its natural environment and meet the obligations of state and federal environmental law. The City Council has committed significant resources recently to meet this obligation.

The proposed seven-year Capital Improvement Plan includes an investment of \$17.233 million for Environmental Protection projects. The first year of the CIP, FY 2013, includes the following Environmental Protection projects totaling \$2,108,000.

Table VI.

FY 2013 Environmental Protection Capital Improvement Projects

The source of funds for these projects is the Sewer User Reserve /Surplus Accounts, TIF Reserves and Prior Year CIP Balances.

Water Resource Protection - CSO West High #019 - Mussey Street	\$200,000
Water Resource Protection - Grit Truck - Body Only	\$37,000
Water Resource Protection - Knightville Separation	\$1,700,000
Water Resource Protection - Pump Station Radio Telemetry	\$171,000
Total Environmental Protection	\$2,108,000

General Government

The next major functional area is General Government. This functional area includes municipal buildings, equipment and technology investment across all municipal departments. The proposed seven-year Capital Improvement Plan includes an investment of \$1.380 million for General Government capital expenditures.

The first year of the CIP includes the following General Government projects totaling \$265,000:

Table VII.

**FY 2013 General Government
Capital Improvement Projects**

City Hall - Façade/Roof	\$80,000
Information Technology - Computer Reserve	\$80,000
Land Bank Account	\$35,000
Planning and Development - Bike Racks - PACTS Local Share	\$50,000
Planning and Development -Electrical Inspector's and Engineer's Vehicles	\$20,000
Total General Government	\$265,000

Parks and Open Space

Historically, taxpayers have made a substantial commitment providing parks and open space for future generations of this City. With the continued growth of residential and commercial development, it is important provisions be made to provide for the livability and quality of life for our residents in South Portland by providing access to nature through the development of urban parks and open space.

The proposed seven-year Capital Improvement Plan includes an investment of \$3.261 million for Parks and Open Space projects. FY 2013 includes the following projects totaling \$242,718:

Table VIII.

**FY 2013 Parks and Open Space
Capital Improvement Projects**

Parks Division - Liberty Ship Monument Repairs	\$37,718
Parks Division - One Ton Dump Replacement #73	\$43,000
Parks Division - Out Front Mower Replacement	\$20,000
Parks Division - Reelmaster 3100-D Sidewinder Mower	\$42,000
Parks Division - Wainwright Complex: Playscape	\$50,000
Parks Division - Wilkinson Park Building Improvements	\$50,000
Total Parks and Open Space	\$242,718

Public Safety

The proposed seven-year Capital Improvement Plan includes an investment of \$5.384 million for public safety buildings and equipment. The first year of the CIP, FY 2013 includes three Public Safety projects totaling \$503,000.

Table IX

**FY 2013 Public Safety
Capital Improvement Projects**

Fire Department - Command Vehicle	\$38,000
Fire Department - Fire Engine	\$450,000
Police Department - Parking Lot Improvements	\$15,000
Total Public Safety	\$503,000

Public Works and Transportation

The last major functional area is Public Works and Transportation. This includes programs and activities of the Public Works and Public Transportation and the Waterfront Departments.

The proposed seven-year Capital Improvement Plan includes an investment of \$21.192 million for Public Works and Transportation projects.

The FY 2013 includes the following projects totaling \$13,479,880:

Table X

**FY 2013 Public Works and Transportation
Capital Improvement Projects**

Bus Service - Garage Replacement/Renovation	\$715,000
Bus Service - Transit Bus Reserve	\$50,000
Public Works - Garage	\$10,000,000
Public Works - Knightville Streets, Sidewalks, and Utility Infrastructure	\$1,435,000
Public Works - MDOT Paving Match (Dartmouth, Rumery, East Broadway)	\$136,010
Public Works - Sidewalk Plow with Blower Attachment	\$175,000
Public Works - Sidewalk Program	\$100,000
Public Works - Street Paving Program	\$500,000
Public Works - Traffic/Bicycle/Pedestrian Projects	\$368,870
Total Public Works and Transportation	\$13,479,880

Sources of funding include \$10,000,000 from General Obligation Bond, \$175,056 from Prior Years' CIP Balances, \$603,000 from TIF Reserves, \$188,931 from General Fund Reserves, \$1,911,481 from state and federal grants and \$601,412 from Fund Balance.

Educational Facilities

With the awarding of a Contractor bid in March, our targeted timeline is to start construction on the renovation and addition to South Portland High School in April 2012. Phase I of construction is anticipated to be completed in December 2013. We are currently working closely with Greg L'Heureux to secure bonding for Phase I of the project.

Capital Improvement Projects being considered throughout the district are as follows:

- Memorial Middle School

Oil Tank Removal	10,420
Gym Bleacher repair and code upgrade	11,475
Roof Repair/Replace Central Office, Locker Rooms, Cafeteria and Hallway	69,000
Rooftop Ventilation System Repair	15,000
Tile Abatement	<u>5,000</u>
<i>Funding Source – FY10 CIP Reserve</i>	\$110,895

Phone System Replacement in Conjunction with City Tech. Consolidation	
<i>Funding Source – E-Rate Grant Funds</i>	\$90,000

- Mahoney Middle School

Roof Ventilation Hoods (9) Repair	7,500
Clean and Inspect inside of Oil Tank	6,000
Refurbish fixtures and floors Basement Girl's Room	10,500
Boy's and Girl's Locker Room updates	<u>19,563</u>
<i>Funding Source – FY10 CIP Reserve</i>	\$33,563

- Skillin Elementary School

Oil Tank Cleaning and Removal	8,898
Elevator repair and code upgrade	<u>26,548</u>
<i>Funding Source – Elementary CIP Reserve</i>	\$35,446

- District Wide

Elementary Building Painting and Window Caulking	
<i>Funding Source – Elementary CIP Reserve</i>	\$20,000

Elementary Classroom Door/Window Shades and Room Number Plates	
<i>Funding Source – Elementary CIP Reserve</i>	\$57,750

Middle School Building Painting and Window Caulking	
<i>Funding Source – FY10 CIP Reserve</i>	\$10,000

Middle School Classroom Door/Window Shades and Room Number Plates	
<i>Funding Source – FY10 CIP Reserve</i>	\$37,560

Central Office Reconfiguration and Ventilation System Repair

Funding Source – Maintenance Reserve \$28,000

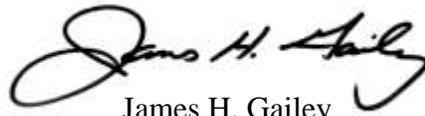
HVACR Mechanical Heating and Cooling Service Agreement
Funding Source – Maintenance Reserve \$75,825

Conclusion

The City Council has approved and/or completed a number of important capital improvement projects to repair, replace or in some cases expand the quality of public facilities that serve our residents, businesses and visitors. These investments will assure the health and safety of our residents and visitors to our City and to the quality of life in South Portland.

I look forward to presenting this plan for the future to the City Council and the public.

Sincerely,



James H. Gailey
City Manager

cc: South Portland School Board
Suzanne Godin, Superintendent of Schools
Department Heads
South Portland Legislative Delegation

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