



TO: Honorable Mayor and Members of the Common Council,
Members of Long Range Finance Committee,
Citizens of the City of Oshkosh, and
Mark Rohloff, City Manager

FROM: Russ Van Gompel, Director of Finance

DATE: June 30, 2022

RE: Manager Recommended Capital Improvement Plan

BACKGROUND

In 2022, the Long Range Finance Committee recommended and the City Council adopted the attached Capital Improvement Program (CIP) Policy. As part of the policy, the City Council directed the City Manager to include a criteria to assist with identifying Environmental Justice as part of the CIP process. The scoring criteria was modified to include not only "Populations Served", but was expanded to include "Underserved Population Served".

For the 2023 – 2032 CIP, staff continues to utilize a software program, Plan-It, to assist with the planning process. The Plan was also expanded from 5 years to 10 years. Previously only Public Works was planning projects 10 years out. Other Departments are in the process of including a converting to a 10-year window.

The first Council Workshop on July 6 will focus on the Capital Improvement Plan. To assist with the review on July 6, I have prepared and included the attached file. The file includes sections or tabs to include:

- 1) Copies of the CIP Policy and Blank Scoring Sheet
- 2) Administrative Parameters
- 3) A "Summary of Funding Sources" and a listing "By Funding Source and Departments"
- 4) A "Summary of Projects by Department" and a list of "Projects and Funding Source by Department"
- 5) A list of "Projects by Department" and the "2023 Project Detail" lists

----- We will provide you with a three-ring binder of the documents at the Workshop. -----

Finance Department

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ANALYSIS

While the workshop will be held to review and answer questions on the entire CIP, I would like the Council to focus on improvements planned for 2023 and 2024. The biggest decision point on which to reach consensus is the number of projects planned for 2023 and the ability to fund the desired projects.

For 2023, \$78,447,200 in capital projects are being recommended. The recommended projects are more than the amount approved in 2022 (\$64,393,250). Funding for the projects include the recommend borrowing of \$14,271,600. Please note that City Council previously borrowed \$7,300,500 in 2022 for 2023 projects. This leaves the request for new General Obligation borrowing at \$6,970,100. The recommended CIP includes funding through the tax of \$1,283,200, this is more than the \$1,100,000 funded by taxes in 2022. In addition, the CIP includes \$2,912,500 funded through the American Rescue Plan Act (ARPA). A "Summary of 2022 ARPA Projects" and a list of "Potential 2023 and 2024 ARPA Projects" are included with this memo.

The Recommended CIP also includes \$195,000 for projects with their funding "To Be Determined", as at this point, I have no recommendation for funding. If funding cannot be determined, the projects should be moved to 2024 or removed.

The major streets and utility work planned for 2023 include: West Lincoln, Wisconsin, Tyler, Arthur, and Bradley reconstructions. Staff will provide an update on these projects when the Council is ready to discuss the individual projects.

FISCAL IMPACT

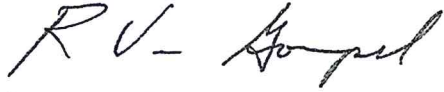
Previously, the City Council was willing to consider the ability to take on about \$18,000,000 in new General Obligation debt. For 2023, I would like the Council to consider financing just under \$7,000,000 in new General Obligation debt. After 2023, I would like the Council to consider a framework which would allow the issuance of General Obligation debt around \$18,000,000 per year for at least the next ten years. By considering this amount, it is anticipated that the City will be able to address its need for facilities investment. I will provide a breakdown of this request at the meeting. Assuming the issuance of \$18,000,000 in GO debt per year, with a projected growth of equalized value of 2.69%, the City will be at 42% of the State Limit by the year 2032. I will bring my Projection Model to the meeting if the members have any thoughts on various assumptions.

RECOMMENDATION

The 2023 Budget Preparation Calendar identifies that after the Workshop, the CIP will be reviewed by the Plan Commission on August 16, 2022. Afterwards, I would like the Council to consider adoption of the 2023 – 2032 CIP at the August 23, 2022 City Council meeting. If necessary, a final review of the CIP Budget is scheduled for November 2, 2022. Once finalized, it is my recommendation that the 2023 CIP projects be included with 2023 Operating Budget,

which is scheduled to be adopted on November 8, 2021. Please let me know if you have any questions that might require additional research prior to the Workshop.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "R V Gompel". The signature is written in a cursive style with a horizontal line under the "V".

Russ Van Gompel
Director of Finance

Potential ARPA Projects			
Award to City of Oshkosh		\$20,514,484	
Council Resolution for Infrastructure (75%)			\$15,385,863
			Amount Remaining
Projects Approved on October 26, 2021			
Server Upgrade	\$20,000		
WiFi Hardware	\$2,000		
Video Conferencing	\$5,800		
Surveillance Cameras	\$4,000		
Automatic Vehicle Location	\$19,100	\$50,900	\$15,334,963
Projects Approved in November 2021			
Projects from 2022 CIP			
Police Radios	\$1,200,000		
Fire Radios	\$689,400		
Menominee Beach House	\$150,000		
GOH Lighting	\$80,000		
Station 19 Parking Lot	\$36,500		
Library Generator	\$160,000		
City Hall Entrance Doors	\$65,700		
Concrete Repairs	\$250,000	\$2,631,600	\$12,703,363
2022 Levy Shortfall			
Museum Masonry	\$25,000		
Museum General Purpose Room	\$50,000		
Fire Dept Generator	\$60,000		
Fire Hose	\$51,450		
Fire Dept Mattresses	\$20,000		
Fire Nozzles	\$20,000		
Fire Dept Station Renovations	\$50,000		
Fire Dept Turnout Gear	\$71,000		
Senior Center North Front Area	\$20,000		
City Hall Security	\$80,000	\$447,450	\$12,255,913
IT and Security Projects			
Additional Laptops for Telecommuting (5)	\$6,000		
Computer Training Lab Desktops (17)	\$12,000		
Update Squad MDC	\$26,000	\$44,000	\$12,211,913
Repay Oshkosh Foundation		\$900,000	\$11,311,913
Projects For Future Consideration			
Potential IT and Security Projects		\$850,000	\$10,461,913
Future CIP Levy Projects			
Fire Dept Generators (3)	\$600,000		
Fire Hose (2023, 2024)	\$83,150		
Museum Masonry (2023)	\$175,000		
Museum General Purpose Room (2023)	\$150,000		
Fire Dept Station Renovations (2023, 2024)	\$100,000		
Fire Dept Turnout Gear (2023, 2024)	\$152,000	\$1,260,150	\$9,201,763
Reduce 2023 Debt Financing		\$5,948,180	\$3,253,583
Reduce 2024 Debt Financing		\$8,250,000	-\$4,996,417

Department	Project #	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
Sites												
TIF33 Riverway Dr Trail to Riverwalk	24 TIF33RVR		175,000	175,000								350,000
1040 - TIF Improvements Total		750,000	175,000	175,000								1,100,000
<i>1400-TID Cash</i>		400,000	175,000	175,000								750,000
<i>4208-ARPA Funding</i>		350,000										350,000
1040 - TIF Improvements Total		750,000	175,000	175,000								1,100,000
1040C - Convention Center												
OCC: Elevator Upgrade	23 OCC ELEV	120,000										120,000
OCC: Replace Exterior Electronic Sign	23 OCC SIGN	50,000										50,000
OCC: Wall Panels Replacement	23 OCC WALLS			150,000								150,000
OCC: Interior Updates	25 OCC UPDTS			500,000								500,000
1040C - Convention Center Total		170,000		650,000								820,000
<i>4402-Debt: State Trust Fund Loan</i>		120,000		650,000								770,000
<i>4700-Trust Proceeds</i>		50,000										50,000
1040C - Convention Center Total		170,000		650,000								820,000
1060 - Library												
LIB: Fire Alarm System	23 LIB ALARM	71,100										71,100
LIB: Elevator Modernization Upgrades	23 LIB ELEV5		115,000		105,100		117,300					337,400
1060 - Library Total		71,100	115,000		105,100		117,300					408,500
<i>4401-Debt</i>		71,100	115,000		105,100		117,300					408,500
1060 - Library Total		71,100	115,000		105,100		117,300					408,500
1070 - Museum												
MUS: Sawyer HM Chimneys & Gables	23 MUS CHMNY	350,000										350,000
MUS: Masonry Overhaul	23 MUS MSNRY	150,000										150,000
MUS: General Purpose Room	23 MUS ROOM	150,000										150,000