



CAPITAL IMPROVEMENT PROGRAM

Find Your Florida



This page intentionally left blank

Capital Improvement Program

PROCEDURE

Each year the Capital Improvement Program (CIP) is prepared from project requests submitted by the various departments. The requests require a project description, justification, cost estimates, statement of impact on the City's annual operating budget and an implementation schedule. After compilation of the requests, projects are reviewed by staff members from the City's Infrastructure Team. This team consists of project managers, planners, division managers, and the Finance Director. This team reports directly to the City Manager.



10 YEAR LOOKOUT

The infrastructure team prepares a “Ten-Year Capital Project Lookout” annually. This “lookout” is presented to City Council and allows staff to receive direction on future capital project needs.

5 YEAR ADOPTED CAPITAL IMPROVEMENT PROGRAM (CIP)

As an integral component of the annual budget process, each year a five-year CIP is adopted by City Council. Chapter 163 of the Florida Statutes requires the City to adopt a five-year schedule of capital improvements that includes publicly funded federal, state, or local projects, and may include privately funded projects for which the City has no fiscal responsibility. Projects necessary to ensure that any adopted level-of-service standards are achieved and maintained for the 5-year period must be identified as either funded, or unfunded and given a level of priority for funding. The five year schedule and the level of service standards are established in the Capital Improvements Element (CIE) of the City's Comprehensive Plan. Project review, along with available funding and CIE requirements, forms the basis of the program compiled by the Infrastructure Team. The recommended program is then reviewed by the Mayor and City Council in conjunction with their review of the annual operating budget. The City is required to review the CIE of the Comprehensive Plan on an annual basis and modify it as necessary to maintain a five-year schedule of capital improvements. Modifications to update the 5-year capital improvement schedule may be accomplished by Resolution and are not considered amendments to the Growth Management Plan.

1 YEAR PROJECT TIMELINE

At the start of the fiscal year, a one-year project timeline is presented to City Council. The timeline is updated quarterly to show changes throughout the year. The first year of the five-year Capital Improvement Program is the Capital Budget. The Capital Budget is adopted by the City Council with the adoption of the annual operating budget. There is no commitment to expenditures or appropriations beyond the first year of the Capital Improvement Program.

DEFINITION OF CAPITAL IMPROVEMENTS

Capital Improvements are defined as physical assets, constructed or purchased, that have a minimum cost of \$10,000 and a minimum useful life of three years. Only projects that meet this definition of a capital improvement are included in the program, such as:

- a. New and expanded physical facilities for the community.
- b. Large scale rehabilitation or replacement of existing facilities.
- c. Major pieces of equipment which have a relatively long period of usefulness.
- d. Equipment for any public facility or improvement when first erected or acquired.
- e. The cost of engineering or architectural studies and services relative to the improvement.
- f. The acquisition of land for a community facility such as a park, highway, sewer line, etc.

Normal replacement equipment and normal recurring renovations which are funded in departmental operating budgets and cost less than \$10,000 are generally excluded from the Capital Improvement Program. Exceptions will occur for projects where the project contains multiple phases, or the current year CIP project is the planning phase of a construction project.

The 2013/2014 Adopted Capital Budget Summary by Fund schedule indicates which fund and corresponding revenue sources will pay for the associated project. The Summary by Department schedule indicates which department has functional responsibility for the project.

FUNDING SOURCES FOR CAPITAL PROJECTS

General Revenue – CIP

General revenue consists of a variety of sources, including Property (Ad Valorem) taxes, Federal and State funding through grants, and other fees. Property tax revenue is based on a millage rate (one mill is equivalent to \$1 per \$1,000 of assessed value), which is applied to the total assessed property value. The City of Palm Coast's 2014 millage rate for capital projects totals .0773.

Federal Aid – Community Development Block Grant Funds

Under the Housing and Community Development Act of 1974, recipients of funds may undertake a wide range of activities directed toward neighborhood revitalization, economic development and provision of improved community facilities and services. Specific CIP activities that can be carried out include acquisition of real property and demolition, acquisition, construction, reconstruction, rehabilitation, relocation or installation of public facilities.

Local Option Gas Tax Funds

Per State Statute, the revenue received can only be used for transportation related expenditures. Proceeds must be used toward the cost of establishing, operating and maintaining a transportation system and related facilities and the cost of acquisition, construction, reconstruction and maintenance of roads.

Small County Surtax

This tax replaced the Local Government Infrastructure Surtax which expired on December 31, 2012. This revenue is in the form of an additional county-wide sales tax of .5%.

Water and Wastewater Charges

Monthly service charges are assessed for the use of services and facilities of the City's water and wastewater system. Service charges are used to pay for operating expenses, maintenance, construction and debt service.

Stormwater Utility Fee

The City enacted a stormwater utility fee in 2005. Funds from this revenue source can only be used for the operation, maintenance, replacement, and construction of the City's stormwater management system. Each year a portion of the funding will be allocated for capital improvements, while the remainder will be used for operating and maintenance expenses.

Tax Increment Financing

A Community Redevelopment Agency may be established per Chapter 163 of the Florida Statutes to address blight conditions in a specified area. A base year is established and a base taxable valuation is determined for the property within the designated area. The tax increment above the base year valuation is then utilized in an effort to eliminate the blight conditions. Capital improvement projects, such as redevelopment projects or infrastructure improvements, maybe undertaken utilizing these funds. Tax Increment Financing is used to fund projects in the SR100 CRA Fund.

Impact Fees

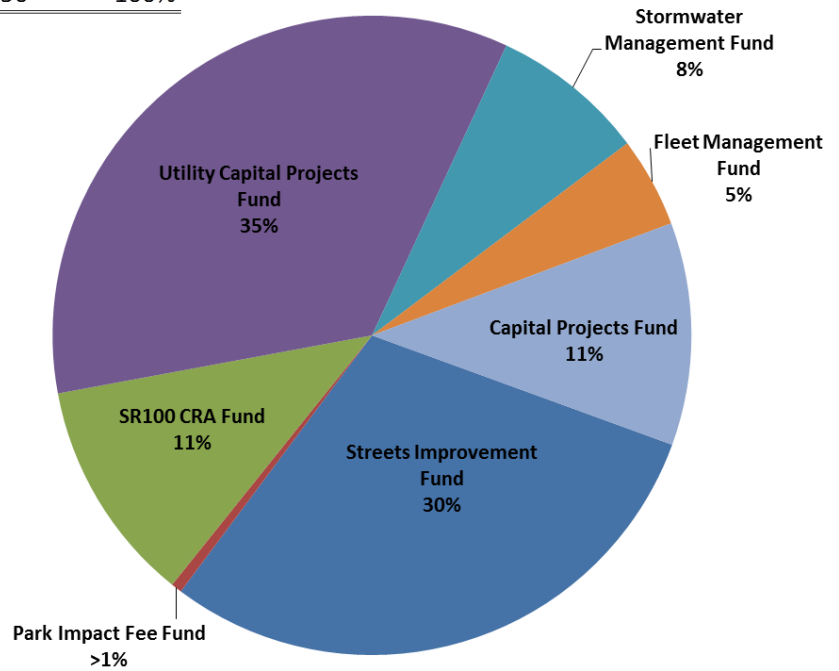
The City adopted a Water, Wastewater, Transportation, Fire and Park Impact Fee Ordinance that allows the City to charge a fee for new construction projects to ensure that development pays its fair share of the cost of new and/or expanded facilities necessary to accommodate that growth. Impact fee revenue can only be used for growth and development related to capacity improvements.

Other Funds

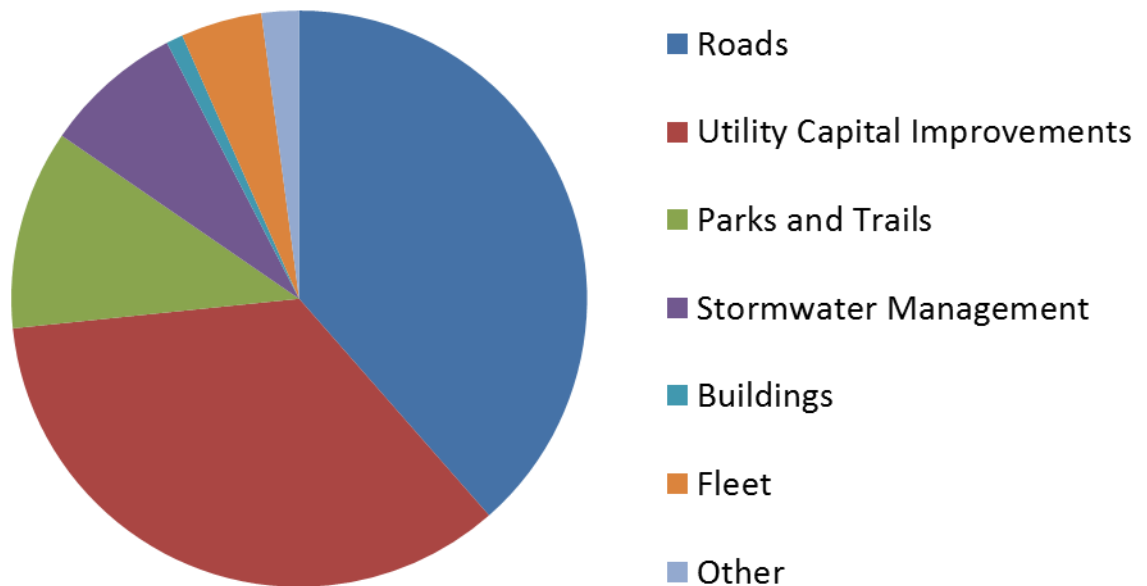
Other Funds may include public and private contributions, developer commitments, transportation authority and agency commitments and other government participation.

Capital Projects by Funding Source

FUNDING SOURCE	AMOUNT	% of TOTAL
Streets Improvement Fund	\$13,582,000	30%
Park Impact Fee Fund	250,000	1%
SR100 CRA Fund	5,187,250	11%
Utility Capital Projects Fund	15,945,000	35%
Stormwater Management Fund	3,582,906	8%
Fleet Management Fund	2,087,900	5%
Capital Projects Fund	5,155,000	11%
Total Capital Budget	\$45,790,056	100%



Capital Projects by Category



Summary by Funding Source

PROJECT	PROJECT#	FY 14	FY 15	FY 16	FY 17	FY 18	TOTAL
Wetland Mitigation Land Purchases		-	1,000,000	-	-	-	1,000,000
Sidewalks and Bike paths	51005	160,000	160,000	160,000	160,000	160,000	800,000
Parkway Beautification	52003	450,000	200,000	200,000	200,000	200,000	1,250,000
Street Paving and Resurfacing	54104	1,000,000	1,100,000	1,200,000	1,300,000	1,400,000	6,000,000
Royal Palms Parkway Phase III	54404	1,000,000	-	-	-	-	1,000,000
Traffic Signals	54405	420,000	145,000	430,000	15,000	15,000	1,025,000
Intersection/Turn Lane Improvements	54409	-	-	-	55,000	353,000	408,000
Palm Coast Parkway 6-Laning	54501	5,750,000	4,320,000	1,144,000	-	-	11,214,000
Old Kings Road Extension	54502	150,000	-	-	-	3,274,000	3,424,000
Palm Harbor Extension	54505	2,285,000	15,000	15,000	25,000	-	2,340,000
North Old Kings Road 4-Laning	54507	1,060,000	1,000,000	-	-	-	2,060,000
Belle Terre Lane - PCP to Pine Lakes		-	-	150,000	500,000	500,000	1,150,000
Matanzas Woods 4 Lane - Ph 2		-	-	-	-	1,903,000	1,903,000
Bridge Rehabilitation	54602	1,307,000	1,000,000	150,000	1,000,000	150,000	3,607,000
Total Streets Improvement Fund		\$ 13,582,000	\$ 8,940,000	\$ 3,449,000	\$ 3,255,000	\$ 7,955,000	\$ 37,181,000
Graham Swamp Trail	61014	-	-	-	-	500,000	500,000
Indian Trails Sports Complex	61505	150,000	-	-	-	-	150,000
Lehigh/Belle Terre Trailhead	66009	100,000	300,000	100,000	100,000	-	600,000
Neighborhood Park TBD		-	-	-	-	250,000	250,000
Total Park Impact Fee Fund		\$ 250,000	\$ 300,000	\$ 100,000	\$ 100,000	\$ 750,000	\$ 1,500,000
Fire Station #26 - Seminole Woods	49008	-	-	-	-	250,000	250,000
Total Fire Impact Fee Fund		\$ -	\$ -	\$ -	\$ -	\$ 250,000	\$ 250,000
Land Acquisition - SR100 Frontage	31011	512,250	500,000	-	-	-	1,012,250
Bulldog Drive	35001	4,675,000	-	-	-	-	4,675,000
Total SR100 CRA Fund		\$ 5,187,250	\$ 500,000	\$ -	\$ -	\$ -	\$ 5,687,250
Long Creek Nature Preserve	61015	1,395,000	-	-	1,725,000	1,300,000	4,420,000
Seminole Woods Path	51005	1,450,000	500,000	-	-	-	1,950,000
Holland Park Renovation	66006	1,730,000	1,570,000	2,400,000	-	-	5,700,000
Park Renovation	66008	150,000	150,000	150,000	150,000	150,000	750,000
Trails & Trail Signs		-	25,000	25,000	25,000	-	75,000
Community Center Replacement/Design	61530	430,000	670,000	-	-	-	1,100,000
Total Capital Projects Fund		\$ 5,155,000	\$ 2,915,000	\$ 2,575,000	\$ 1,900,000	\$ 1,450,000	\$ 13,995,000
Water Treatment Plant #3	81010	1,000,000	380,000	-	225,000	1,725,000	3,330,000
Wellfield and Wells	81019	850,000	1,800,000	1,750,000	2,000,000	1,850,000	8,250,000
Water Mains	81020	900,000	1,250,000	-	-	1,400,000	3,550,000
PEP System	82001	400,000	400,000	400,000	400,000	400,000	2,000,000
Wastewater Treatment Plant #1	82002	170,000	400,000	500,000	5,122,000	878,000	7,070,000
Force Mains	82003	250,000	1,000,000	350,000	350,000	-	1,950,000
Reclaimed Water	82004	100,000	-	600,000	2,950,000	650,000	4,300,000
Wastewater Treatment Plant #2	82007	-	-	300,000	-	11,000,000	11,300,000
Beachside Sewer System	82009	-	-	-	-	1,000,000	1,000,000
Water Treatment Plant #1	84002	-	500,000	-	-	-	500,000
Water Treatment Plant #2	84003	9,300,000	-	-	-	-	9,300,000
General Plant R & R - Water	84004	500,000	500,000	500,000	500,000	500,000	2,500,000
Distribution System Improvements	84005	100,000	100,000	75,000	75,000	100,000	450,000
Lift Stations and Pump Stations	85003	1,875,000	405,000	525,000	255,000	625,000	3,685,000
General Plant R & R - Wastewater	85005	500,000	500,000	500,000	500,000	500,000	2,500,000
Total Utility Capital Projects Fund		\$ 15,945,000	\$ 7,235,000	\$ 5,500,000	\$ 12,377,000	\$ 20,628,000	\$ 61,685,000

Pipe Replacement	55003	831,142	836,765	842,500	848,350	854,317	4,213,074
Weir Replacements	55001	467,500	330,000	335,000	330,000	385,000	1,847,500
Swale Rehabilitation Program	55105	1,492,564	1,522,415	1,552,864	1,583,921	1,615,599	7,767,363
Valley Gutter Improvements	55205	75,000	75,000	75,000	75,000	75,000	375,000
Major Crossing	55232	-	345,000	-	350,000	-	695,000
Canal and Seawall Replacements	55230	50,000	95,000	95,000	95,000	95,000	430,000
Electronic Monitoring Systems		-	40,000	40,000	40,000	40,000	160,000
Modeling Improvements	55231	459,700	325,000	265,000	-	360,200	1,409,900
Water Tower Road Structure		-	-	220,000			220,000
Land Acquisitions	55400	20,000	15,000	15,000	15,000	15,000	80,000
Fresh Water Dredging	55500	-	-	50,000	165,000	165,000	380,000
Fresh Water Bank Clearing		-	-	-	75,000		75,000
Lehigh Access and Dredge at Old Kings Road		-	-	110,000			110,000
New Equipment		187,000	-	-	-	-	187,000

Total Stormwater Management Fund		\$ 3,582,906	\$ 3,584,180	\$ 3,600,364	\$ 3,577,271	\$ 3,605,116	\$ 17,949,837
----------------------------------	--	--------------	--------------	--------------	--------------	--------------	---------------

Fleet - Community Relations	Fleet	-	13,500	-	-	-	13,500
Fleet - Financial Services	Fleet	-	20,000	-	-	-	20,000
Fleet - Planning	Fleet	-	34,000	19,000	-	-	53,000
Fleet - Code Enforcement	Fleet	17,300	215,000	50,000	-	-	282,300
Fleet - Fire	Fleet	437,000	437,842	20,100	20,487	259,254	1,174,683
Fleet - Streets	Fleet	680,200	1,563,441	908,000	837,000	42,000	4,030,641
Fleet - Facilities Maintenance	Fleet	-	26,000	-	-	-	26,000
Fleet - Parks/Facilities	Fleet	40,000	239,000	76,000	71,000	59,000	485,000
Fleet - Engineering	Fleet	-	45,000	-	-	-	45,000
Fleet - Stormwater Engineering	Fleet	-	19,000	-	-	-	19,000
Fleet - Parks & Recreation	Fleet	-	-	-	-	-	-
Fleet - Utility Administration	Fleet	-	100,000	26,000	-	28,000	154,000
Fleet - Utility Maintenance	Fleet	70,000	69,000	-	-	30,000	169,000
Fleet - Wastewater Collection	Fleet	448,100	1,189,000	70,000	30,000	80,000	1,817,100
Fleet - Wastewater Treatment	Fleet	-	80,000	12,000	12,000	-	104,000
Fleet - Water Plant #1	Fleet	-	28,800	-	-	-	28,800
Fleet - Water Plant # 2	Fleet	24,400	15,000	-	-	-	39,400
Fleet - Water Plant # 3	Fleet	-	58,315	-	-	-	58,315
Fleet - Water Quality	Fleet	-	57,000	-	-	21,000	78,000
Fleet - Water Distribution	Fleet	88,800	631,000	97,000	160,000	45,000	1,021,800
Fleet - Stormwater Operations	Fleet	233,300	157,900	-	660,000	220,000	1,271,200
Fleet - Building Permits and Inspections	Fleet	48,800	76,000	-	-	-	124,800
Fleet - Golf Course	Fleet	-	100,000	220,000	-	-	320,000
Fleet - Information Technology & Communications	Fleet	-	44,000	-	-	-	44,000
Fleet - Fleet Management	Fleet	-	54,000	-	-	-	54,000

Total Fleet Management Fund		\$ 2,087,900	\$ 5,272,798	\$ 1,498,100	\$ 1,790,487	\$ 784,254	\$ 11,433,539
-----------------------------	--	--------------	--------------	--------------	--------------	------------	---------------

Grand Total		\$ 45,790,056	\$ 28,746,978	\$ 16,722,464	\$ 22,999,758	\$ 35,422,370	\$ 149,681,626
-------------	--	---------------	---------------	---------------	---------------	---------------	----------------

Summary by Department

PROJECT	DEPARTMENT	PROJECT#	FY 14	FY 15	FY 16	FY 17	FY 18	TOTAL
City Hall	Administration	99003						
Fleet - Community Relations	Administration	Fleet	-	13,500	-	-	-	13,500
Total Administration			\$ -	\$ 13,500	\$ -	\$ -	\$ -	\$ 13,500
Fleet - Financial Services	Financial Services	Fleet	-	20,000	-	-	-	20,000
Total Financial Services			\$ -	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000
Sidewalks and Bike paths	Community Development	51005	160,000	160,000	160,000	160,000	160,000	800,000
Parkway Beautification	Community Development	52003	450,000	200,000	200,000	200,000	200,000	1,250,000
Palm Coast Parkway Six Lane Design & Royal Palms Parkway Phase III	Community Development	54501	5,750,000	4,320,000	1,144,000	-	-	11,214,000
Traffic Signals	Community Development	54404	1,000,000	-	-	-	-	1,000,000
Intersection/Turn Lane Improvements	Community Development	54405	420,000	145,000	430,000	15,000	15,000	1,025,000
Old Kings Road Extension	Community Development	54502	-	-	-	55,000	353,000	408,000
Palm Harbor Extension	Community Development	54505	150,000	-	-	-	3,274,000	3,424,000
North Old Kings Road 4-Laning	Community Development	54505	2,285,000	15,000	15,000	25,000	-	2,340,000
Matanzas Woods 4 Lane - Ph 2	Community Development	54507	1,060,000	1,000,000	-	-	-	2,060,000
Belle Terre Lane - PCP to Pine Lakes	Community Development		-	-	-	-	1,903,000	1,903,000
Wetland Mitigation Purchases	Community Development		-	-	150,000	500,000	500,000	1,150,000
Bridge Rehabilitation	Community Development		-	1,000,000	-	-	-	1,000,000
Land Acquisition - SR100 Frontage	Community Development	54602	1,307,000	1,000,000	150,000	1,000,000	150,000	3,607,000
Bulldog Drive	Community Development		512,250	500,000	-	-	-	1,012,250
Fleet - Planning	Community Development	35011	4,675,000	-	-	-	-	4,675,000
Fleet - Code Enforcement	Community Development	Fleet	-	34,000	19,000	-	-	53,000
Fleet - Building Permits and Inspections	Community Development	Fleet	17,300	215,000	50,000	-	-	282,300
Total Community Development			\$ 17,835,350	\$ 8,665,000	\$ 2,318,000	\$ 1,955,000	\$ 6,555,000	\$ 37,328,350
Fire Station #22 Replacement	Fire	49008	-	-	-	-	250,000	250,000
Fleet - Fire	Fire	Fleet	437,000	437,842	20,100	20,487	259,254	1,174,683
Total Fire			\$ 437,000	\$ 437,842	\$ 20,100	\$ 20,487	\$ 509,254	\$ 1,424,683
Major Crossings	Stormwater & Engineerin	55232	-	345,000	-	350,000	-	695,000
Weir Replacements	Stormwater & Engineerin	55001	467,500	330,000	335,000	330,000	385,000	1,847,500
Valley Gutter Improvements	Stormwater & Engineerin	55205	75,000	75,000	75,000	75,000	75,000	375,000
Canal and Seawall Replacements	Stormwater & Engineerin	55230	50,000	95,000	95,000	95,000	95,000	430,000
Modeling Improvements	Stormwater & Engineerin	55231	459,700	325,000	265,000	-	360,200	1,409,900
Land Acquisitions	Stormwater & Engineerin	55400	20,000	15,000	15,000	15,000	15,000	80,000
Fresh Water Dredging	Stormwater & Engineerin	55500	-	-	50,000	165,000	165,000	380,000
Fresh Water Bank Clearing	Stormwater & Engineering		-	-	-	75,000	-	75,000
Lehigh Access and Dredge at Old Kings	Stormwater & Engineering		-	-	110,000	-	-	110,000
Water Tower Road Structure	Stormwater & Engineering		-	-	220,000	-	-	220,000
Electronic Monitoring	Stormwater & Engineering		-	40,000	40,000	40,000	40,000	160,000
New Equipment	Stormwater & Engineering		187,000	-	-	-	-	187,000
Fleet - Stormwater Engineering	Stormwater & Engineerin	Fleet	-	19,000	-	-	-	19,000
Fleet - Engineering	Stormwater & Engineerin	Fleet	-	45,000	-	-	-	45,000
Total Engineering & Stormwater			\$ 1,259,200	\$ 1,289,000	\$ 1,205,000	\$ 1,145,000	\$ 1,135,200	\$ 6,033,400
Graham Swamp Trail	Parks & Recreation	61014	-	-	-	-	500,000	500,000
Long Creek Nature Preserve	Parks & Recreation	61015	1,395,000	-	-	1,725,000	1,300,000	4,420,000
Indian Trails Sports Complex	Parks & Recreation	61505	150,000	-	-	-	-	150,000
Holland Park Renovation	Parks & Recreation	66006	1,730,000	1,570,000	2,400,000	-	-	5,700,000
Park Renovation	Parks & Recreation	66008	150,000	150,000	150,000	150,000	150,000	750,000
Lehigh/Belle Terre Trailhead	Parks & Recreation	66009	100,000	300,000	100,000	100,000	-	600,000
Trails & Trail Signs	Parks & Recreation		-	25,000	25,000	25,000	-	75,000
Community Center Replacement/Design	Parks & Recreation	61530	430,000	670,000	-	-	-	1,100,000
Seminole Woods Path	Parks & Recreation	51005	1,450,000	500,000	-	-	-	1,950,000
Neighborhood Park TBD	Parks & Recreation		-	-	-	-	250,000	250,000
Fleet - Parks & Recreation	Parks & Recreation	Fleet	-	-	-	-	-	-
Fleet - Golf Course	Parks & Recreation	Fleet	-	100,000	220,000	-	-	320,000
Total Parks & Recreation			\$ 5,405,000	\$ 3,315,000	\$ 2,895,000	\$ 2,000,000	\$ 2,200,000	\$ 15,815,000

Swale Rehabilitation Program	Public Works	55105	1,492,564	1,522,415	1,552,864	1,583,921	1,615,599	7,767,363
Pipe Replacement	Public Works	55003	831,142	836,765	842,500	848,350	854,317	4,213,074
Water Treatment Plant #3	Public Works	81010	1,000,000	380,000	-	225,000	1,725,000	3,330,000
Wellfield and Wells	Public Works	81019	850,000	1,800,000	1,750,000	2,000,000	1,850,000	8,250,000
Water Mains	Public Works	81020	900,000	1,250,000	-	-	1,400,000	3,550,000
PEP System	Public Works	82001	400,000	400,000	400,000	400,000	400,000	2,000,000
Wastewater Treatment Plant #1	Public Works	82002	170,000	400,000	500,000	5,122,000	878,000	7,070,000
Force Mains	Public Works	82003	250,000	1,000,000	350,000	350,000	-	1,950,000
Reclaimed Water	Public Works	82004	100,000	-	600,000	2,950,000	650,000	4,300,000
Wastewater Treatment Plant #2	Public Works	82007	-	-	300,000	-	11,000,000	11,300,000
Beachside Sewer System	Public Works	82009	-	-	-	-	1,000,000	1,000,000
Water Treatment Plant #1	Public Works	84002	-	500,000	-	-	-	500,000
Water Treatment Plant #2	Public Works	84003	9,300,000	-	-	-	-	9,300,000
General Plant R & R - Water	Public Works	84004	500,000	500,000	500,000	500,000	500,000	2,500,000
Distribution System Improvements	Public Works	84005	100,000	100,000	75,000	75,000	100,000	450,000
Lift Stations and Pump Stations	Public Works	85003	1,875,000	405,000	525,000	255,000	625,000	3,685,000
General Plant R & R - Wastewater	Public Works	85005	500,000	500,000	500,000	500,000	500,000	2,500,000
Street Paving and Resurfacing	Public Works	54104	1,000,000	1,100,000	1,200,000	1,300,000	1,400,000	6,000,000
Fleet - Fleet Management	Public Works	Fleet	-	54,000	-	-	-	54,000
Fleet - Streets	Public Works	Fleet	680,200	1,563,441	908,000	837,000	42,000	4,030,641
Fleet - Stormwater Operations	Public Works	Fleet	233,300	157,900	-	660,000	220,000	1,271,200
Fleet - Facilities Maintenance	Public Works	Fleet	-	26,000	-	-	-	26,000
Fleet - Parks/Facilities	Public Works	Fleet	40,000	239,000	76,000	71,000	59,000	485,000
Fleet - Utility Administration	Public Works	Fleet	-	100,000	26,000	-	28,000	154,000
Fleet - Utility Maintenance	Public Works	Fleet	70,000	69,000	-	-	30,000	169,000
Fleet - Wastewater Collection	Public Works	Fleet	448,100	1,189,000	70,000	30,000	80,000	1,817,100
Fleet - Wastewater Treatment	Public Works	Fleet	-	80,000	12,000	12,000	-	104,000
Fleet - Water Plant #1	Public Works	Fleet	-	28,800	-	-	-	28,800
Fleet - Water Plant # 2	Public Works	Fleet	24,400	15,000	-	-	-	39,400
Fleet - Water Plant # 3	Public Works	Fleet	-	58,315	-	-	-	58,315
Fleet - Water Quality	Public Works	Fleet	-	57,000	-	-	21,000	78,000
Fleet - Water Distribution	Public Works	Fleet	88,800	631,000	97,000	160,000	45,000	1,021,800
Total Public Works			\$ 20,853,506	\$ 14,962,636	\$ 10,284,364	\$ 17,879,271	\$ 25,022,916	\$ 89,002,693
Fleet - Information Technology	Information Technol	Fleet	-	44,000	-	-	-	44,000
Total Information Technology			\$ -	\$ 44,000	\$ -	\$ -	\$ -	\$ 44,000
Grand Total			\$ 45,790,056	\$ 28,746,978	\$ 16,722,464	\$ 22,999,758	\$ 35,422,370	\$ 149,681,626

The balance of this page intentionally left blank.

Revenue and Expense Projections by Fund

STREETS IMPROVEMENT FUND	FY 14	FY 15	FY 16	FY 17	FY 18
Prior Year Carry-over	\$ 4,541,700	\$ 413,757	\$ 260,287	\$ 976,425	\$ 515,417
Revenues					
Gas Tax	1,683,000	1,716,700	1,751,000	1,786,000	1,821,700
State Revenue Sharing	693,600	707,500	721,700	736,100	750,800
Intergovernmental Revenue	6,802,000	6,091,000	1,421,262	-	5,177,000
Fines & Forfeitures	361,200	361,200	361,200	361,200	361,200
Interest on Investments	4,557	430	276	992	531
Total Revenues	9,544,357	8,876,830	4,255,438	2,884,292	8,111,231
Total Available Funds	14,086,057	9,290,587	4,515,725	3,860,717	8,626,648
Expenditures					
Operating Expenditures	90,300	90,300	90,300	90,300	90,300
Capital Improvement Program	13,582,000	8,940,000	3,449,000	3,255,000	7,955,000
Transfers to Other Funds	-	-	-	-	-
Total Expenditures	13,672,300	9,030,300	3,539,300	3,345,300	8,045,300
Available Funds End of Year	\$ 413,757	\$ 260,287	\$ 976,425	\$ 515,417	\$ 581,348
PARK IMPACT FEE FUND	FY 14	FY 15	FY 16	FY 17	FY 18
Prior Year Carry-over	\$ 608,000	\$ 624,080	\$ 600,721	\$ 787,928	\$ 988,207
Revenues					
Grants	-	-	-	-	-
Park Impact Fees	260,000	270,400	281,200	292,400	304,100
Interest on Investments	6,080	6,241	6,007	7,879	9,882
Total Revenues	266,080	276,641	287,207	300,279	313,982
Total Available Funds	874,080	900,721	887,928	1,088,207	1,302,189
Expenditures					
Capital Improvement Program	250,000	300,000	100,000	100,000	750,000
Total Expenditures	250,000	300,000	100,000	100,000	750,000
Available Funds End of Year	\$ 624,080	\$ 600,721	\$ 787,928	\$ 988,207	\$ 552,189
FIRE IMPACT FEE FUND	FY 14	FY 15	FY 16	FY 17	FY 18
Prior Year Carry-over	\$ 155,800	\$ 204,158	\$ 254,900	\$ 308,049	\$ 363,729
Revenues					
Fire Impact Fees	46,800	48,700	50,600	52,600	54,700
Interest on Investments	1,558	2,042	2,549	3,080	3,637
Total Revenues	48,358	50,742	53,149	55,680	58,337
Total Available Funds	204,158	254,900	308,049	363,729	422,066
Expenditures					
Capital Improvement Program	-	-	-	-	250,000
Total Expenditures	-	-	-	-	250,000
Available Funds End of Year	\$ 204,158	\$ 254,900	\$ 308,049	\$ 363,729	\$ 172,066

DEVELOPMENT SPECIAL PROJECTS FUND	FY 14	FY 15	FY 16	FY 17	FY 18
Prior Year Carry-over	\$ 580,000	\$ 580,000	\$ 580,000	\$ 580,000	\$ 580,000
Revenues					
Developer Contributions	-	-	-	-	-
Interest on Investments	-	-	-	-	-
Total Revenues	-	-	-	-	-
Total Available Funds	580,000	580,000	580,000	580,000	580,000
Expenditures					
Capital Improvement Program	-	-	-	-	-
Total Expenditures	-	-	-	-	-
Available Funds End of Year	\$ 580,000	\$ 580,000	\$ 580,000	\$ 580,000	\$ 580,000

TRANSPORTATION IMPACT FEE FUND	FY 14	FY 15	FY 16	FY 17	FY 18
Prior Year Carry-over	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues					
Transportation Impact Fees	748,800	778,800	810,000	842,400	876,100
Grants	-	-	-	-	-
Interest on Investments	-	-	-	-	-
Transfers from Other Funds	-	-	-	-	-
Appropriated Fund Balance	-	-	-	-	-
Total Revenues	748,800	778,800	810,000	842,400	876,100
Total Available Funds	748,800	778,800	810,000	842,400	876,100
Expenditures					
Capital Improvement Program	598,800	628,800	660,000	692,400	726,100
Transfers to Other Funds	150,000	150,000	150,000	150,000	150,000
Total Expenditures	748,800	778,800	810,000	842,400	876,100
Available Funds End of Year	\$ -	\$ -	\$ -	\$ -	\$ -

OKR SPECIAL ASSESSMENT FUND	FY 14	FY 15	FY 16	FY 17	FY 18
Prior Year Carry-over	\$ -	\$ -	\$ 150,000	\$ 300,000	\$ 450,000
Revenues					
Special Assessments	240,000	239,435	239,435	327,030	327,030
Proceeds from Debt	-	-	-	-	-
Transfers from Other Funds	150,000	150,000	150,000	150,000	150,000
Total Revenues	390,000	389,435	389,435	477,030	477,030
Total Available Funds	390,000	389,435	539,435	777,030	927,030
Expenditures					
Capital Improvement Program	-	-	-	-	-
Debt Service	-	-	-	-	-
Transfers to Other Funds	390,000	239,435	239,435	327,030	327,030
Total Expenditures	390,000	239,435	239,435	327,030	327,030
Available Funds End of Year	\$ -	\$ 150,000	\$ 300,000	\$ 450,000	\$ 600,000

SR100 CRA FUND	FY 14	FY 15	FY 16	FY 17	FY 18
Prior Year Carry-over	\$ 4,905,768	\$ 332,951	\$ 474,616	\$ 1,146,664	\$ 1,850,756
Revenues					
Intergovernmental Revenue	960,543	979,800	999,400	1,019,400	1,039,800
Interest on Investments	3,000	666	949	2,293	3,702
Proceeds from Debt	-	-	-	-	-
Transfers from Other Funds	513,391	523,700	534,200	544,900	555,800
Total Revenues	1,476,934	1,504,166	1,534,549	1,566,593	1,599,302
Total Available Funds	6,382,702	1,837,117	2,009,165	2,713,257	3,450,058
Expenditures					
Operating Expenditures	50,000	50,000	50,000	50,000	50,000
Capital Improvement Program	5,187,250	500,000	-	-	-
Debt Service	812,501	812,501	812,501	812,501	812,501
Total Expenditures	6,049,751	1,362,501	862,501	862,501	862,501
Available Funds End of Year	\$ 332,951	\$ 474,616	\$ 1,146,664	\$ 1,850,756	\$ 2,587,557

CAPITAL PROJECTS FUND	FY 14	FY 15	FY 16	FY 17	FY 18
Prior Year Carry-over	\$ 3,387,470	\$ 954,477	\$ 394,277	\$ 217,937	\$ 761,334
Revenues					
Ad Valorem Taxes	-	-	-	-	-
Small County Surtax	2,150,000	2,193,000	2,236,860	2,281,597	2,327,229
Grants	568,007	160,000	160,000	160,000	160,000
Interest on Investments	4,000	1,800	1,800	1,800	1,800
Transfers from Other Funds	-	-	-	-	-
Total Revenues	2,722,007	2,354,800	2,398,660	2,443,397	2,489,029
Total Available Funds	6,109,477	3,309,277	2,792,937	2,661,334	3,250,363
Expenditures					
Capital Improvement Program	5,155,000	2,915,000	2,575,000	1,900,000	1,450,000
Debt Service	-	-	-	-	-
Transfers to Other Funds	-	-	-	-	-
Total Expenditures	5,155,000	2,915,000	2,575,000	1,900,000	1,450,000
Available Funds End of Year	\$ 954,477	\$ 394,277	\$ 217,937	\$ 761,334	\$ 1,800,363

UTILITY CAPITAL PROJECTS FUND	FY 14	FY 15	FY 16	FY 17	FY 18
Prior Year Carry-over	\$ 20,323,542	\$ 9,404,568	\$ 6,757,880	\$ 5,957,194	\$ 16,471,554
Revenues					
Impact Fees	986,000	1,075,400	1,168,400	1,265,100	1,365,700
Grant	494,000	-	-	-	-
Developer Contributions	-	-	-	-	-
Interest on Investments	266,800	333,481	307,014	299,007	404,151
Interfund Loan Repayment	150,000	-	-	87,595	91,975
Proceeds from Debt	-	-	-	18,000,000	-
R & R Transfer	3,160,226	3,223,431	3,287,900	3,353,658	3,420,731
Total Revenues	5,057,026	4,632,312	4,763,314	23,005,360	5,282,557
Total Available Funds	25,380,568	14,036,880	11,521,194	28,962,554	21,754,111
Expenditures					
Operating Expenditures	31,000	44,000	64,000	114,000	45,000
Capital Improvement Program	15,945,000	7,235,000	5,500,000	12,377,000	20,628,000
Transfers to Other Funds	-	-	-	-	-
Total Expenditures	15,976,000	7,279,000	5,564,000	12,491,000	20,673,000
Available Funds End of Year	\$ 9,404,568	\$ 6,757,880	\$ 5,957,194	\$ 16,471,554	\$ 1,081,111

STORMWATER MANAGEMENT FUND	FY 14	FY 15	FY 16	FY 17	FY 18
Prior Year Carry-over	\$ 64,340	\$ 64,340	\$ 63,079	\$ 45,385	\$ 56,142
Revenues					
Ad Valorem Taxes	275,133	316,403	363,863	418,443	481,209
Stormwater Fees	7,500,000	7,542,500	7,580,213	7,618,114	7,656,204
Interest on Investments	1,100	1,210	1,331	1,464	1,611
Total Revenues	7,776,233	7,860,113	7,945,407	8,038,021	8,139,024
Total Available Funds	7,840,573	7,924,453	8,008,486	8,083,406	8,195,166
Expenditures					
Operating Expenses/Debt Service	4,193,327	4,277,194	4,362,737	4,449,992	4,538,992
Capital Improvement Program	3,395,906	3,584,180	3,600,364	3,577,271	3,605,116
New Equipment	187,000	-	-	-	-
Total Expenditures	7,776,233	7,861,374	7,963,101	8,027,263	8,144,108
Available Funds End of Year	\$ 64,340	\$ 63,079	\$ 45,385	\$ 56,142	\$ 51,058

The balance of this page intentionally left blank.

Impact of Capital Projects on the Operating Budget

The Capital Improvement Program is a crucial component of the City's annual budgeting process. Costs associated with new and expanded infrastructure are normally included in the operating budget at the time at which the item becomes operational. It is possible, in certain cases that impacts may be phased in during the construction or acquisition period. An example of this would be the construction of a Fire Station. Given the time-frame for recruiting, hiring and training, some personnel costs may be added to the budget prior to the official opening of the Station. Operating costs, such as utilities, would then be budgeted for the time the Station actually opens.

Some capital projects may require debt financing, resulting in scheduled annual debt service payments. Any applicable debt service on debt issued for capital projects is also included in the operating budget. Although the issuance of debt may be the most feasible way to fund capital improvements, debt service will reduce the amount of funds available for other uses. The ratio of debt service to the size of the budget as a whole, and particularly to operating costs, must be maintained at appropriate levels.

TRANSPORTATION

New transportation infrastructure normally does not have specific additional operating costs, other than material and supplies for maintenance. However, roads, sidewalks, pedestrian crossing, pavement marking, signals and signs must be kept up to City and other required standards. As more miles are brought on line, additional staff and equipment may be needed at some point in the future in order to maintain desired service levels. No additional staff or equipment is being added this fiscal year.

RECREATION

New recreation infrastructure can have a significant impact on operating costs. These could include personnel, operating costs, materials and supplies. No additional staff or operating costs are being added for this year.

STORMWATER

New stormwater infrastructure normally does not have specific additional operating costs, other than material and supplies for maintenance. In addition, infrastructure must be kept clear of debris. Maintenance of new and improved infrastructure included in the Capital Budget is included in the operating budget of the Stormwater operations and is funded from Stormwater Utility Fees accounted for in an Enterprise Fund. Funds from this revenue source can only be used for the operation, maintenance and construction of the City's stormwater management system. Each year, a portion of the funding is allocated for capital improvements, while the remainder is used for operating and maintenance expenses. Additional staff and equipment may be needed at some point in the future in order to keep the infrastructure maintained at an optimum level. No additional staff or is being added this fiscal year.

WATER & WASTEWATER

A significant portion of the City's water and wastewater infrastructure is over 20 years old and deteriorating and declining in reliability and efficiency. Replacing equipment with current technology will assuredly generate energy savings. At this time the exact amount of savings is unknown. The pending expansion of Water Treatment Plant #2 will require additional costs for personnel, operating and maintenance.

CAPITAL EFFECTS ON THE OPERATING BUDGET

	Estimated Annual Operating Cost	Description
<u>Utility Capital Projects Fund</u>		
Water Treatment Plant #2	\$200,000	Personnel, Operations, and Maintenance
	500,000	Debt Service Payments
Utility Fund Total	700,000	
<u>SR100 CRA Fund</u>		
Bulldog Drive Expansion	37,000	Debt Service Payments
SR100 CRA Fund Total	37,000	
Total Operating Cost Impact	<u>\$737,000</u>	



Detail of Major Capital Projects

Project	Project #	Department	Project Detail	Budgeted Amount	Funded By	Future Operating Expenses Funded by
Water Treatment Plant #2	84003	Public Works	This project will increase the Water Plant's capacity by 1.2 MGD and will eliminate a need for a discharge permit and associated sampling costs. It also incorporates the City's green initiatives by conserving water, recovering and using a byproduct water while providing an environmentally sustainable solution. In addition this project will delay costs associated with future expansion.	\$ 9,300,000	Utility Capital Projects	Utility Fund
Palm Coast Parkway Six Lane Design & Construction	54501	Community Development	The widening of Palm Coast Parkway from a 4-lane divided, rural typical section to a 6-lane divided, urban typical section will consist of adding one travel lane along the outside lane in each direction, a distance of approximately 1.23 miles. This 6-laning will extend from Cypress Point Pkwy/Boulder Rock Dr east to Florida Park Dr. The City is expecting to receive a significant amount of FDOT grants to complete this project.	\$ 5,750,000	Streets Improvement Fund	General Fund, Streets & Drainage Division
Bulldog Drive	35001	Community Development	This project encompasses the realignment and expansion of Bull Dog Drive, stormwater drainage improvements, SR 100 turn lane improvements, as well as changing the traffic pattern within the nearby high school. Phase II of the project is for adding additional lanes to Bull Dog Drive.	\$ 4,675,000	SR 100 CRA Fund	General Fund, Streets & Drainage Division
Palm Harbor Extension	54505	Community Development	This project includes the construction phase of the extension of Palm Harbor Parkway from South of Forest Grove Drive to Old Kings Road. This project is an integral part of the Matanzas Wood I-95 interchange project expected to be completed by the FDOT by 2015.	\$ 2,285,000	Streets Improvement Fund	General Fund, Streets & Drainage Division
Lift Stations and Pump Stations	85003	Public Works	This project includes the Old Kings Road master pump station budgeted at \$1,250,000 and also includes other pump station upgrades as well as odor controls systems.	\$ 1,875,000	Utility Capital Projects	Utility Fund
Holland Park Renovation	66006	Parks & Recreation	This project will include the replacement of the utility infrastructure and will correct drainage issues. It will also enhance traffic circulation, add parking, correct ADA issues, and repair/renovate existing structures. Also included in the project is a new enlarged dog park, a bocce ball court covering, two new horseshoe pits, a new and enlarged playground, a new splash park, roadway and parking lot lighting, sports activity lighting, a perimeter walking trail, new fitness stations and new landscaping as well as irrigation.	\$ 1,730,000	Capital Projects Fund	General Fund, Parks Maintenance Division
Swale Rehabilitation Program	55105	Public Works	This is the cost of materials needed to rehabilitate the swales in the City. The goal is to regrade at least 25 miles of swales each year. The labor is included in the personal services in the Stormwater Management Fund.	\$ 1,492,564	Stormwater Management Fund	Stormwater Management Fund
Seminole Woods Path	51005	Parks & Recreation	These amounts are to begin a multi-purpose path along Seminole Woods Parkway. This includes design, permitting, environmental clearance and construction of this multi-phase project. The project will be completed in annual phases.	\$ 1,450,000	Streets Improvement Fund	General Fund, Streets & Drainage Division
Long Creek Nature Preserve	61015	Parks & Recreation	This project was previously known as Long's Landing and includes a boat launch (non-motorized), shoreline stabilization, a fishing pier/boardwalk and entry road as well as parking for site access.	\$ 1,395,000	Capital Projects Fund	General Fund, Parks Maintenance Division
Bridge Rehabilitation	54602	Community Development	The City has a bridge rehabilitation program based on FDOT ratings. The plan is to design for the rehab in one year, then for construction the following year. This year will include the rehabilitation of bridge #734062 located at Palm Harbor at College Waterway	\$ 1,307,000	Streets Improvement Fund	General Fund, Streets & Drainage Division
North Old Kings Road 4-Laning	54507	Community Development	This project includes a section of Old Kings Road from Palm Coast Parkway to Forest Grove Drive. Old Kings Road North will be connected directly to the Old Kings Road Extension. The current road is a two lane rural road that will need to be upgraded to handle additional traffic from the planned Matanzas Woods I-95 interchange which is expected to be completed in 2015. This amount is for design and is funded through an FDOT grant.	\$ 1,060,000	Streets Improvement Fund	General Fund, Streets & Drainage Division
Royal Palms Parkway Phase III	54404	Community Development	This multi-year project includes paved shoulders from Belle Terre Pkwy to Rymfire Dr with turn lanes at Rickenbacker and Rymfire. Phase 1 will be from Rickenbacker to Belle Terre Pkwy. The second phase is from Rymfire Drive to Rickenbacker.	\$ 1,000,000	Streets Improvement Fund	General Fund, Streets & Drainage Division
Street Paving and Resurfacing	54104	Public Works	The City of Palm Coast has over 550 miles of streets which it maintains. This amount is for the annual appropriation for the resurfacing program.	\$ 1,000,000	Streets Improvement Fund	General Fund, Streets & Drainage Division
Water Treatment Plant #3	81010	Public Works	This project relates to water plant #3 concentrate disposal. Treatment of the concentrate will allow for reduction of iron levels as well as color reduction. The iron reduction will comply with the current requirement of the FDEP.	\$ 1,000,000	Utility Capital Projects	Utility Fund

Fleet Replacement Program

The initial purchase of new fleet is charged to the requesting department and is approved by the City Manager during that department's budget approval process. The fiscal year following the year the initial purchase was made, an internal allocation begins being charged to the department for the expected cost to replace the equipment in the future. This allocation includes an inflationary estimate. The length of time the allocation is collected is based on the expected life of the equipment. For example the replacement cost of a vehicle expected to last 5 years will be split into 5 annual allocation amounts. The allocations are charged to the department monthly based on that annual amount. The future replacement purchase is made by the fleet department and is charged to the fleet fund, an internal service fund, where the annual allocations are credited. In addition to the fleet replacement allocation, the departments are also charged a maintenance allocation. This allocation is determined by the previous year's operating costs for the Fleet Division and a percentage of this cost is allocated to each department based on the age and condition of each piece of machinery. As equipment ages the maintenance costs increase and therefore the departments maintenance allocation increases as well. This "pay as you go" program eliminates the need to borrow. The allocations serve as the largest revenue source for the Fleet Fund.

All City vehicles and equipment are evaluated on an annual basis in order to prioritize replacements and repairs needed in the upcoming year. During the evaluation the Fleet Supervisor takes into consideration the age, condition, maintenance cost and expected life of each piece of equipment and prepares a recommendation for management. Each year, the total cost of the annual replacement program is approved by City Council during the budget process. In addition, all purchases are later approved by City Council prior to the actual purchase being made.

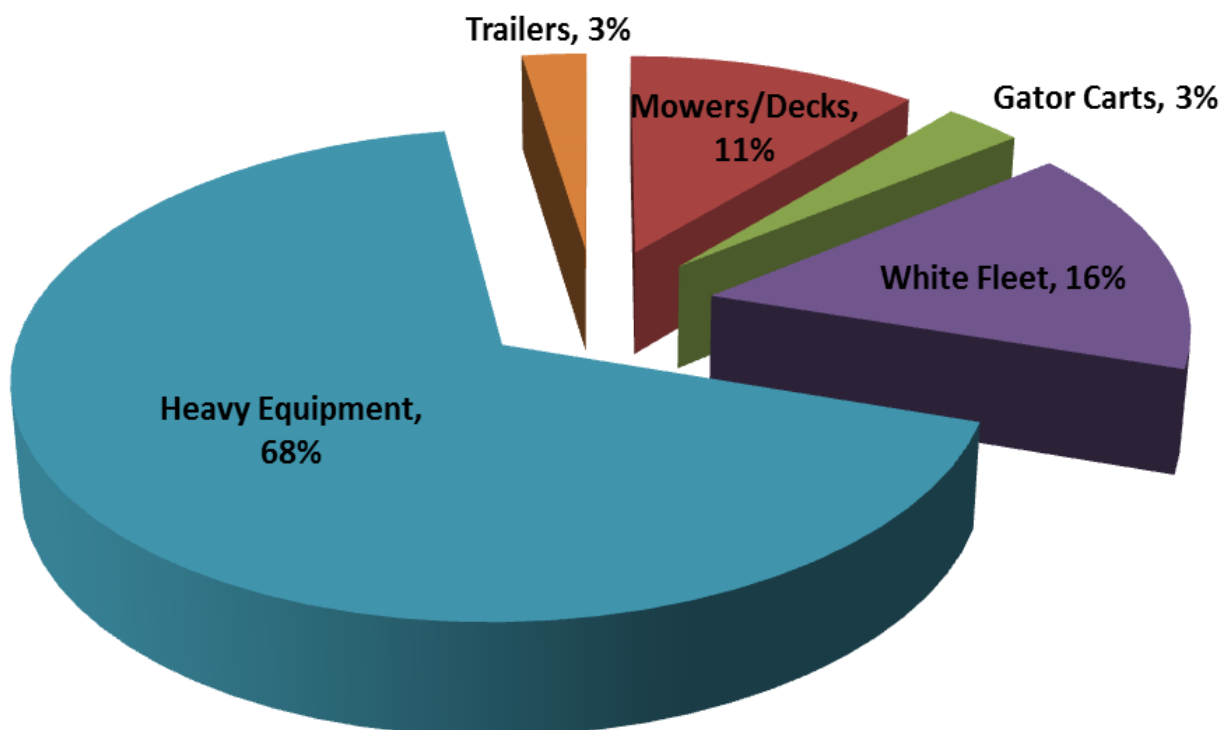
5 Year Replacement Plan

FLEET MANAGEMENT FUND	FY 14	FY 15	FY 16	FY 17	FY 18
Prior Year Carry-over	4,137,337	4,124,865	3,772,046	3,557,891	3,490,061
Revenues					
Fleet Lease Charges	1,727,977	1,814,376	1,905,095	2,000,349	2,100,367
Fleet Maintenance Charges	1,289,364	1,353,832	1,421,524	1,492,600	1,567,230
Fuel Charges	1,059,850	1,086,346	1,113,504	1,141,342	1,169,876
Interest on Investments	5,000	37,875	37,875	37,875	37,875
Transfers from Other Funds	292,500	-	-	-	-
Total Revenues	4,374,691	4,292,429	4,477,998	4,672,166	4,875,348
Total Available Funds	8,512,028	8,417,294	8,250,044	8,230,057	8,365,409
Expenditures					
Operating Expenses	2,299,263	2,345,248	2,392,153	2,439,996	2,488,796
Capital Outlay	292,500	-	-	-	-
Capital Improvement Program	1,795,400	2,300,000	2,300,000	2,300,000	2,300,000
Total Expenditures	4,387,163	4,645,248	4,692,153	4,739,996	4,788,796
Available Funds End of Year	\$ 4,124,865	\$ 3,772,046	\$ 3,557,891	\$ 3,490,061	\$ 3,576,613

2014 Fleet Replacements

In fiscal year 2014 the City will invest \$1,795,400 to replace existing fleet that has been determined to have a high maintenance cost and where replacement has been recommended. A majority of the cost for these replacements is related to heavy equipment which is used primarily by the utility divisions and stormwater maintenance. In addition to replacements, \$292,500 will be invested in new fleet. The initial cost of these new purchases will be charged to the requesting departments.

Type	Estimated Cost	As a Percentage of Total Estimated Cost for Replacements
Mowers/Decks	\$ 203,200	11%
Gator Carts	55,000	3%
White Fleet (Trucks, vans etc...)	279,800	16%
Heavy Equipment	1,212,400	68%
Trailers	45,000	3%
Total Estimated Cost for Replacements	1,795,400	
New Equipment	292,500	
Total Estimated Cost of New & Replacements	\$ 2,087,900	





This page intentionally left blank