

Mebane

Positively Charming



Capital Improvement Plan FY 2023 – 2027

Contents

SECTION 1: OVERVIEW OF THE CAPITAL IMPROVEMENT PLAN	3
RELATIONSHIP TO THE ANNUAL OPERATING BUDGET	4
CIP STRUCTURE	4
CAPITAL IMPROVEMENT FUNDING	5
THE CIP PROCESS	6
CIP PRACTICES.....	6
PLANNING BY FUND.....	7
SECTION 2: GENERAL FUND	8
TRANSPORTATION ELEMENT PROJECTS.....	9
PARKS, RECREATION, AND CULTURAL RESOURCES ELEMENT	14
PUBLIC SAFETY ELEMENT.....	18
PUBLIC FACILITIES ELEMENT	23
PUBLIC WORKS AND ENVIRONMENTAL SERVICES ELEMENT	27
GENERAL FUND SUMMARY	31
SECTION 3: CIP FINANCIAL IMPACT ANALYSIS ON THE GENERAL FUND	33
PROJECTIONS AND ESTIMATES	33
DEBT RATIOS	33
TAX RATE ANALYSIS	36
SECTION 4: WATER AND SEWER UTILITY.....	38
WATER AND SEWER UTILITY ELEMENT	39
WATER AND SEWER FUND SUMMARY	46
SECTION 4: CIP FINANCIAL IMPACT ANALYSIS ON THE WATER AND SEWER FUND.....	47
PROJECTIONS AND ESTIMATES	47
DEBT SERVICE COVERAGE RATIO.....	47
SECTION 6: PROJECT FUNDING DETAIL	49
GENERAL FUND	49
WATER AND SEWER FUND.....	52

SECTION 1: OVERVIEW OF THE CAPITAL IMPROVEMENT PLAN

The Capital Improvement Plan (CIP) is the planning mechanism by which the City Council allocates limited financial resources to implement long-term goals as defined in the Comprehensive Land Development Plan, Comprehensive Transportation Plan, Bicycle and Pedestrian Transportation Plan, Mebane Downtown Vision Plan, Recreation and Parks Master Plan, Long Range Utility Master Plan, and other similar planning documents. The purpose of the CIP is to forecast and match projected revenues and significant capital needs over five years. Capital planning is an important management tool that strengthens the linkage between community infrastructure needs and the City's financial capacity.

The CIP is a multi-year plan for significant capital expenditures such as the acquisition of land, construction or considerable renovation of public facilities (i.e., buildings and parks), construction of new transportation infrastructure (i.e., roads, sidewalks, multi-use paths), expansion or significant renovation of water, wastewater, or stormwater infrastructure, capital equipment to support operations, or any combination of the above. Projects eligible for inclusion in the CIP are those with an asset value of greater than \$25,000 and useful life of greater than three years.

When identifying new projects, staff looks to the long-term priorities and direction set by City Council and submits formal requests through the CIP process. A formal request includes a description of the project, the estimated cost, and an estimate of the recurring expenses associated with a completed project (i.e., additional staff, additional utilities, etc.). The formal request also includes alternative solutions, if any, and a statement on the effect on services and programs if the project is not funded.

Once adopted by the City Council, the CIP becomes a statement of City policy regarding the need, priority, timing, and funding of future capital projects. The Capital Improvement Plan is simply that – a plan. As such, projects and funding mechanisms are subject to change based on new or shifting service needs, unique financing opportunities, emergency needs, or other directives or priorities established by the City Council. Future needs and financial constraints may result in changes in priority over the five-year period. Because priorities can change, projects included in outward planning years are not guaranteed funding. The CIP represents the City Administration and City Council's best judgment when the Plan is adopted. Priorities established in the CIP subsequently guide decisions made by City Administration and the various boards and commissions appointed by City Council.

RELATIONSHIP TO THE ANNUAL OPERATING BUDGET

Some CIP projects are funded through annual operating funds, such as the General Fund and the Water and Sewer Fund. In these cases, the CIP and the Annual Operating Budget are directly linked as CIP projects become authorized through the adoption of the Annual Operating Budget. Projects funded through debt financing also impact the operating budget through ongoing debt service expense. Finally, some completed CIP projects will directly impact the operating budget as they will require ongoing expenditures for staff and other operating costs.

CIP STRUCTURE

The CIP is organized into six functional categories, called "elements," in order to group projects with similar items.

1. **Transportation Element:** funds the construction of new roadways, improvements to existing roadways, sidewalks, bicycle, and pedestrian facilities, transit projects, and railroad crossing improvements. The Bike and Pedestrian Plan is funded in this element.
2. **Parks, Recreation, and Cultural Resources Element:** funds land acquisition for new park and greenway facilities, the construction of park and recreation amenities, and significant renovations of current facilities. Implementation of the Parks and Recreation Master Plan is funded in this element.
3. **Public Safety Element:** funds the acquisition of capital equipment to support the operations of the two public safety departments in the City (Fire and Police). Public safety facilities are considered in the public facilities element.
4. **Public Facilities Element:** funds construction and significant renovation of general government and public safety facilities and infrastructure. This element also funds improvements to communications and technology infrastructure.
5. **Public Works & Environmental Services Element:** funds projects designed to manage and mitigate the effects of stormwater runoff, manage the collection and disposal of solid waste, and maintain streets. These projects include structural improvements, Stormwater Control Measure (SCM) construction, and infrastructure replacement. They also include the equipment needed to manage solid waste collection and maintain City streets.
6. **Water and Sewer Utility Element:** funds the construction and improvement of water and sewer infrastructure. These projects include main additions and replacements, water/wastewater treatment plant renovations/expansions, filter rehabilitation, pump station additions, infrastructure replacement, and the equipment necessary to maintain the system

CAPITAL IMPROVEMENT FUNDING

The funding sources used to execute the Plan are as important as the capital projects contained in the Plan. Capital Improvements for the City of Mebane are funded using a variety of sources that are broadly categorized as cash, grants, or debt financing.

Cash, or pay-as-you-go (PAYGO), funds come from sources such as tax revenue, development-related fees, program fees, State revenue, and interest earnings. Some of these sources, such as State revenue from the Powell Bill, and certain others, may only be spent to meet particular needs. Other revenue sources come with no restriction on the needs they may be used to address. Major funding sources for the CIP are as follows:

General Fund: General Fund revenue, such as ad valorem taxes, sales taxes, utility taxes, and other similar revenues, are used to fund City operations and may be used to fund capital projects such as facility improvements, transportation system improvements, and other similar projects. Compared to other sources, General Fund resources are a flexible revenue source without restrictions on their use.

Enterprise Funds: Enterprise funds, such as the water/sewer fund, collect user fees as part of their operations, then invest a portion of that revenue into capital projects. The City uses these funds only for corresponding enterprise projects.

Water/Sewer Capital Reserve Fees: These fees are charged, based upon a City Council-approved System Development Fee Schedule, to developers of land within the City of Mebane to pay for the capital facility burden created by new development. Revenue from these fees is restricted for capital improvements to the water/sewer system or to fund debt service payments for improvements to these systems.

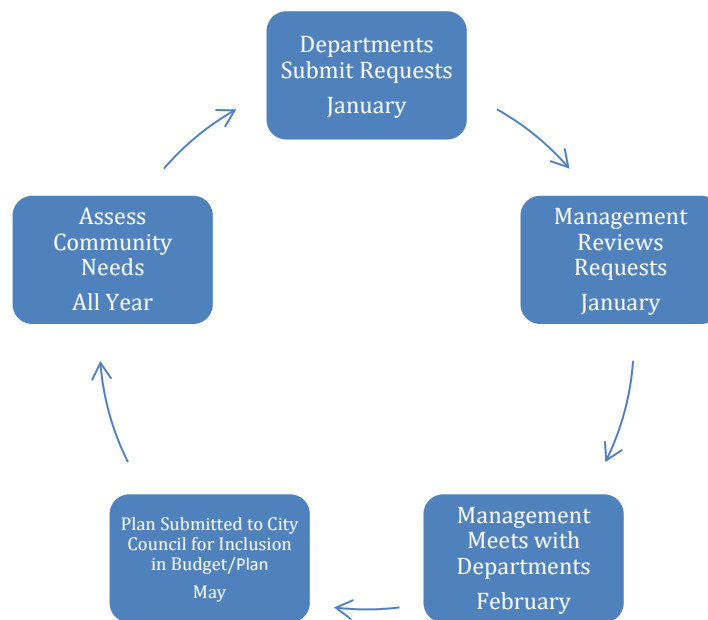
Debt Financing: For debt financing, the City uses several types of debt mechanisms, including revenue bonds and traditional lease-purchase or installment financing. The tool selected varies depending on the level of funding needed, the term of the need, and current debt market conditions. The City does not currently have general obligation bonds; however, they require approval by voters and are backed by the City's taxing authority to repay the bonds. Revenue bonds pledge the revenue generated by specific enterprise (water and sewer) charges.

Grants: The City actively searches out local, state, and federal grant opportunities. Expenditures are normally restricted to the purpose of the grant and, at times, will require a matching contribution from the City.

Reserve from Prior Years: As projects are completed, unspent budgeted amounts accumulate into reserves, available for future projects. Reserves can also build up when the City collects revenue in excess of the amount budgeted.

THE CIP PROCESS

The process for developing the CIP, as illustrated below, begins shortly after the beginning of a new fiscal year (July 1) as staff considers unmet capital needs in the recently adopted budget and other emerging needs. For each project, staff in the requesting department complete a CIP project request form and compile supporting documentation. All CIP project requests are due by the beginning of January of each year.



CIP PRACTICES

Long-Range Cost Estimates: Using the upcoming fiscal year as the base, staff consult the City Engineer to estimate future construction costs better.

Closing Projects: Projects are closed when the approved scope of work is complete. Staff reviews project statuses periodically to identify finished projects that can be closed. If the budget for a completed project is not fully expended, generally, the budget is closed, and the remaining balance accumulates in the fund balance. The accumulated fund balance is available to pay for future projects.

Horizon Issues: The proposed CIP funds the City's highly prioritized needs. Staff reviews and analyzes the project details supporting these projects and considers them ready to move forward.

However, in many situations, the City has identified a future need but has not yet completed a detailed analysis, weighed options, or designed a specific facility. These projects include facilities, capital infrastructure, and business systems needed in the future, often beyond the CIP's five-year timeframe.

PLANNING BY FUND

The following sections represent a description of the projects submitted, by element, for the five-year planning timeframe under consideration. Each element begins with a brief description of what types of projects are funded and includes a tabular summary of all projects considered and the proposed revenue source to fund the projects each year. At the end of each section, there is a summary table showing the total cost of the projects in each year and the total of each revenue source. More details regarding the cost of borrowing are provided in each summary section. The reference to "Local Revenue" in the revenue portion of the tables is indicative of the need for current year funding for some projects/purchases in each year. This could include appropriation of reserve funds from one or both of the major funds: General and Water and Sewer.

SECTION 2: GENERAL FUND

A majority of projects included in the CIP are housed in the General Fund. This revenue is generated in large part by ad valorem taxes, along with sales taxes, utility taxes, and other similar revenues.

The types of capital projects that qualify for this fund include facility improvements, transportation system improvements, and other similar projects.

Compared to other sources, General Fund resources are a flexible revenue source without restrictions on their use.

The icons below signify each element within the General Fund. They are located on the top right corner of the pages that are associated with their projects.



Transportation Element



Parks, Recreation, and Cultural Resources Element



Public Safety Element



Public Facilities Element



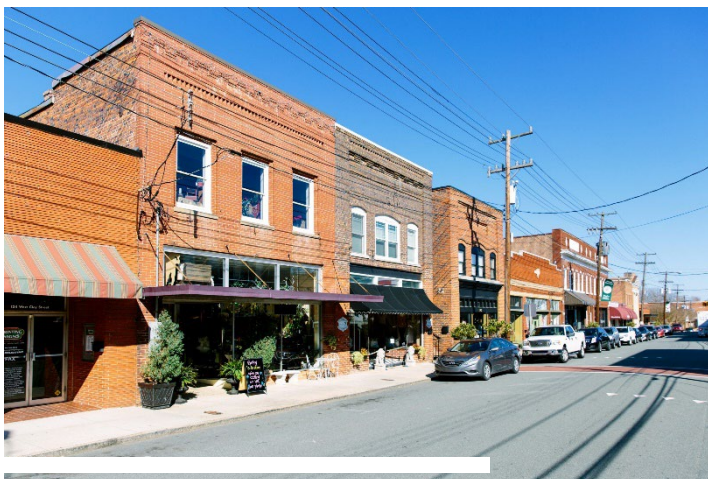
Public Works and Environmental Services Element

TRANSPORTATION ELEMENT PROJECTS



Projects Funded: Construction of new roadways, improvements to existing roadways, sidewalks, bicycle, and pedestrian facilities, transit projects, and railroad crossing improvements.

Transportation infrastructure, like Clay Street shown on the right, is the location of a charming collection of cafes, restaurants, and unique shops and the site of outdoor music events in the summer.



The table below shows each of the projects submitted for consideration in this year's CIP process and the project's estimated cost in each fiscal year in the Plan. In addition, Section 6 of this document contains detailed information regarding the proposed funding source for each project.

Transportation Element	Total	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27
Holt Street Greenway.....	\$ 900,000	900,000	-	-	-	-
Sidewalk Projects.....	\$ 1,370,000	109,000	210,000	206,000	400,000	445,000
Downtown Stamped Asphalt Crosswalk Refurbishing.....	\$ 70,000	70,000	-	-	-	-
Dead-end Street Reconstruction*.....	\$ 30,000	30,000	-	-	-	-
Signal Light and Control Box Replacement.....	\$ 50,000	-	50,000	-	-	-
Community Park Gravel Lot.....	\$ 130,000	-	130,000	-	-	-
Third-Fifth Street Connector Greenway.....	\$ 290,000	-	-	40,000	-	250,000
Repave Old Rec Parking Lot.....	\$ 50,000	-	50,000	-	-	-
Repave MACC Parking Lot.....	\$ 380,000	-	-	380,000	-	-
Element Total	\$ 3,270,000	\$ 1,109,000	\$ 440,000	\$ 626,000	\$ 400,000	\$ 695,000

* Cost to be determined for the year highlighted.



Holt Street Greenway

\$900,000

The design and permits for the Holt Street Greenway are complete, and the City is currently in the process of obtaining its last easement. The cost of this project includes a \$250,000 donation from Impact Alamance. This greenway will begin with the MACC serving as a trailhead extending easterly along MoAdams Creek to South Mebane Elementary School.



Sidewalk Projects

\$109,000

- S. Third St. Extension from Corporate Park Drive to Augusta Drive (Governors Greene Subdivision) – engineering design \$55,000
- W. Carr St./ Yoder Elementary School – final design and construction: \$54,000

Downtown Stamped Asphalt Crosswalk Refurbishing

\$70,000

This project will result in the refurbishment of sixteen crosswalks at the intersections of W. Clay St. and Second St., Third St., Fourth St., and Fifth St.

Dead-end Street Reconstruction

\$30,000

Preliminary engineering design for turnarounds for six dead-end streets in the City that cause issues for the sanitation trucks and neighborhoods.



Sidewalk Projects \$210,000

- N. Second St.(W. Graham St. to Second St.) and Crawford St. (Second St. to First St.) – construction: \$125,000
- Crawford St. from N. Charles St. to N. First St. – preliminary engineering design: \$30,000
- S. Third St. Extension from Augusta Drive to Gibson Rd (Cooperstone Subdivision) – engineering design \$55,000

Dead-end Street Reconstruction TBD

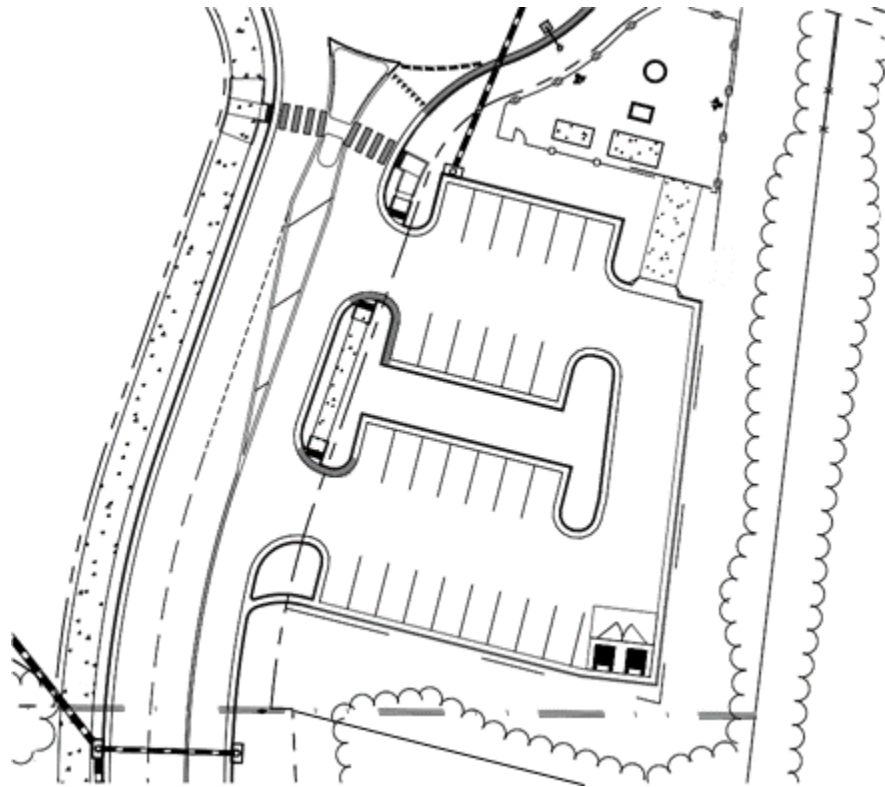
Construction of turnarounds for six dead-end streets in the City that cause issues for the sanitation trucks.

Signal Light and Control Box Replacement \$50,000

This is a scheduled replacement of Fourth & Clay or Third & Clay intersection signal light/control box. A consultant will be inspecting all City operated signal lights/control boxes in FY 22-23 to report estimated duration.

Community Park Gravel Lot \$130,000

The project would include the conversion of the current gravel parking lot to a paved curb & gutter parking lot. This will result in the reduction of total parking spaces from 40 gravel spaces to 28 paved curb & gutter spaces.



Repave Old Rec Parking Lot \$50,000

In 2020, the City painted the Old Rec parking lot. Currently, the asphalt condition makes repainting and filling cracks unfeasible, and repaving is the most efficient path forward.

2024 – 2025

Sidewalk Projects \$206,000

- Sidewalk Connection/Extension to Asbury Blvd. – preliminary engineering design: \$30,000
- Crawford St. from N. Charles St. to N. First St. – construction: \$176,000

Third-Fifth St. Connector Greenway \$40,000

This greenway will serve as both an extension of the Holt Street Greenway and a pedestrian connection between South Third and Fifth Streets. City staff is in communication with Duke Energy regarding an easement for construction along their transmission line. Cost includes easements and preliminary engineering design.



Repave Mebane Arts and Community Center (MACC.) Parking Lot \$380,000

In 2020, the City repainted and crack filled the MACC parking lot, understanding it was the last time this option for repair would be recommended. Repaving is recommended to maintain the parking lot.

2025 – 2026

Sidewalk Projects \$400,000

- Third St. Extension from Corporate Park Dr. to Augusta Dr. (Governors Greene Subdivision) – construction
 - Easement costs will be added after preliminary engineering design.

2026 – 2027

Sidewalk Projects \$445,000

- Connection to Collington Farm Subdivision – preliminary engineering design: \$45,000
- Third St. Extension from August Dr. to Gibson Rd. (Copperstone Subdivision) – construction \$400,000
 - Easement costs will be added after preliminary engineering design

Third-Fifth St. Connector Greenway \$250,000

This greenway will serve as both an extension of the Holt Street Greenway and a pedestrian connection between South Third and Fifth Streets. This cost includes construction.



PARKS, RECREATION, AND CULTURAL RESOURCES ELEMENT

Projects Funded: The construction of park and recreation amenities, expansion of existing parks, and significant renovations of current facilities.



Community Park Splash Pad



Mebane Baseball/Softball Complex

The City of Mebane is proud to have over 350 acres in its nine beautiful parks for its citizens, including many amenities that satisfy the community's wants and needs. These amenities include twelve ball fields, nine tennis courts, five playgrounds, over four miles of trails and multi-use paths, two pocket parks, and many other recreation opportunities within these parks.

The table below shows each of the projects submitted for consideration in this year's CIP process and the project's estimated cost in each fiscal year of the Plan. In addition, Section 6 of this document contains detailed information regarding each project's proposed funding source.

Parks, Recreation, and Cultural Resources Element	Total	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27
Lake Michael Dam Spillway.....	\$ 6,000,000	-	6,000,000	-	-	-
Lake Michael Lebanon Rd. Connector.....	\$ 121,000	121,000	-	-	-	-
Community Park Fiddler Stage.....	\$ 75,000	75,000	-	-	-	-
Shade Cover for Fitness Court.....	\$ 55,000	-	55,000	-	-	-
Lake Michael Remaining Trail*.....	\$ 45,000	-	45,000	-	-	-
Maintenance Truck.....	\$ 35,000	35,000	-	-	-	-
Pickle Ball Courts*.....	\$ -	-	-	-	-	-
Youth Walker Field Repurpose*.....	\$ -	-	-	-	-	-
Shade for Farmer's Market*.....	\$ -	-	-	-	-	-
Community Park Expansion*.....	\$ -	-	-	-	-	-
Lake Michael Pier Replacements.....	\$ 150,000	-	-	-	150,000	-
Element Total	\$ 481,000	\$ 231,000	\$ 6,100,000	\$ -	\$ 150,000	\$ -

* Cost to be determined for the year(s) highlighted.



FY 2022 – 2023

Lake Michael Lebanon Rd. Connector \$121,000

This connector will complete the pedestrian gap between the private sector construction pedestrian routes to the immediate west and east. Of the \$165,000 budget in FY 21-22, \$36,000 was spent on the preliminary design, leaving \$129,000 to roll over to FY 2022 – 2023 and combine with the current request.

Community Park Fiddler Stage \$75,000

The Mebane Community Park Fiddler Stage will improve residents' health and wellbeing by providing movies, concerts, and other programs related to arts in a safe environment. The stage cover will provide an aesthetically pleasing shade structure for the residents and a sound barrier to nearby homeowners during performances at the Mebane Community Park.

Maintenance Truck \$35,000

This truck is only needed if the Park Superintendent position is approved. The Plan is to purchase a Chevy Silverado 1500 or a comparable truck.

FY 2023 – 2024

Lake Michael Dam Spillway \$4,000,000 to \$6,000,000

Construction will occur after the preliminary engineering design, permitting, and debt service/bonding is completed. The construction cost and resulting debt service/bonding will be determined once DEQ approval is authorized.

Shade Cover for Fitness Court \$55,000

Adding a shade cover for the fitness court will increase use during hot weather due to the cooling effect. A three-pole system and shade sails are the best options based on the size of the footers required.

Lake Michael Remaining Trail \$45,000

The Lake Michael Trail extension will provide an excellent trail completing the loop entirely around Lake Michael. In addition, the trail will provide another wonderful active amenity for the residents of Mebane and eventually tie into the Mebane Greenway from a nearby subdivision. City Council approved the application for a \$100,000 NC Trails Grant to help with the cost of this project. Once



the final design and engineering are complete, the City will submit the grant. The bulk of the funds will be associated with bridges and boardwalks. This cost is for preliminary engineering design.

Pickle Ball Courts **TBD**

Pickleball is a growing sport that the City only offers to residents indoors at the MACC. As a result, many residents have requested outside courts. The Parks and Recreation Master Plan Update will determine the location for the courts. The completion of the Plan is expected in FY 2022- 2023. Therefore, a cost estimate is not feasible at this time.

Youth Walker Field Repurpose **TBD**

The Plan is to repurpose this field based on the outcome of the Parks and Recreation Master Plan. This year the focus will be on engineering design.

FY 2024 – 2025

Lake Michael Remaining Trail **TBD**

The Lake Michael Trail extension will provide an excellent trail completing the loop entirely around Lake Michael. In addition, the trail will provide another wonderful active amenity for the residents of Mebane and eventually tie into the Mebane Greenway from a nearby subdivision. City Council approved the application for a \$100,000 NC Trails Grant to help with the cost of this project. Once the final design and engineering are complete, the City will submit the grant. The bulk of the funds will be associated with bridges and boardwalks. This cost is for construction.

Shade for Farmers Market **TBD**

The goal is to make the Farmers Market a regional destination by creating a robust and convenient location for our vendors. Additionally, the site may be used for small concerts, movies, and programs. This endeavor will be considered in the Parks and Recreation Master Plan update.

Community Park Expansion **TBD**

The feasibility for this expansion will be evaluated during the Parks and Recreation Master Plan Update. This is the year for engineering design.



FY 2025 - 2026

Youth Walker Field Repurpose

TBD

The Plan is to repurpose this field based on the outcome of the Parks and Recreation Master Plan. This is the year for construction.

Lake Michael Pier Replacements

\$150,000

Install a floating dock system for the deck and dock area at Lake Michael. This cost estimate includes the removal of the current piers that are not in service.

FY 2026 - 2027

Community Park Expansion

TBD

The feasibility for this expansion will be evaluated during the Parks and Recreation Master Plan Update. This is the year for construction.



PUBLIC SAFETY ELEMENT

Projects Funded: Acquisition of capital equipment to support the operations of the two public safety departments in the City. (Note: Public safety *facilities* are considered in the *public facilities* element.)



The table below shows each of the projects submitted for consideration in this year's CIP process and the project's estimated cost in each fiscal year of the Plan. In addition, Section 6 of this document contains detailed information regarding the proposed funding source for each project.

Public Safety Element	Total	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27
Police Vehicles.....	\$ 976,921	260,006	171,362	176,503	181,798	187,252
Fire Engines.....	\$ 1,950,000	650,000	650,000	650,000	-	-
Fire Prevention Vehicle.....	\$ 90,000	45,000	45,000	-	-	-
Life Safety Education Vehicle.....	\$ 35,000	35,000	-	-	-	-
Training Simulator.....	\$ 75,000	-	75,000	-	-	-
Quint Truck.....	\$ 1,300,000	-	-	1,300,000	-	-
Replace Fire Chief's Vehicle.....	\$ 50,000	-	-	50,000	-	-
Platform Truck.....	\$ 1,800,000	-	-	-	1,800,000	-
Command Vehicle.....	\$ 55,000	-	-	-	55,000	-
Rescue Truck.....	\$ 1,300,000	-	-	-	-	1,300,000
Element Total	\$ 7,631,921	\$ 990,006	\$ 941,362	\$ 2,176,503	\$ 2,036,798	\$ 1,487,252



CONTINUOUS REPLACEMENTS

Annual Police Vehicle Replacements \$976,921 over 5 years

Police vehicles are in constant use in city traffic and therefore experience more wear and tear in a shorter period of time than privately owned vehicles. Police officers must be ready at a moment's notice to respond to any situation, so it is vital the police department have vehicles that are well-equipped and up to date to keep officers prepared and safe. The department plans to replace four vehicles in FY 2022-2023 and three vehicles for the remaining four years of the Plan.

FY 2022 – 2023

Fire Engine \$650,000

The replacement of Engine 32 is necessary to maintain a responsive and capable fleet of fire apparatus. Since 2002, call volume has increased 43%, and an ever-expanding fire district has placed a burden on these engines, ultimately limiting their service as frontline engines. Once retired, the City will sell Engine 32. Due to supply chain issues, engine delivery is expected two years from the order date.

Fire Prevention Vehicle \$45,000

A replacement vehicle is needed to support updated division systems and to meet the requirements outlined in the NC Fire Code for the frequency of inspections. In addition, the City's population growth makes it necessary to maintain a fleet of fire prevention vehicles capable of supporting staff members responsible for the safety of all City residents and visitors. Due to supply chain issues, vehicle delivery is expected one year from the order date.

Life Safety Education Vehicle \$35,000

Fire and life safety education has become a key part of the fire department's mission. Each year the Mebane Fire Department educates approximately 5,000 children within the city limits of Mebane. Additionally, the Mebane Fire Department is requested multiple times a year to educate businesses and their staff on the use of fire safety equipment, as well as hosting a car seat safety program once a month. These programs are vital to the safety of our community and the success of the fire department. Staff travel required to provide life safety education programs has more than doubled in recent years. Presently, the staff relies on their personal vehicles to attend classes, transport materials, and support the City's public education programs.



FY 2023 – 2024

Fire Engine **\$650,000**

The replacement of Engine 35 is necessary to maintain a responsive and capable fleet of fire apparatus. Since 2002, call volume has increased 43%, and an ever-expanding fire district has placed a burden on these engines, ultimately limiting their service as frontline engines. Once retired, the City will use Engine 35 as a reserve tanker. Due to supply chain issues, engine delivery is expected two years from the order date.

Fire Prevention Vehicle **\$45,000**

A replacement vehicle is needed to support updated division systems and to meet the requirements outlined in the NC Fire Code for the frequency of inspections. In addition, the City's population growth makes it necessary to maintain a fleet of fire prevention vehicles capable of supporting staff members responsible for the safety of all City residents and visitors.

Training Simulator **\$75,000**

This simulator will allow for required courses for Fire Fighter certification to be given locally. More importantly, this mandatory class requires burning a vehicle, an LP tank, and a flammable fuel spill to complete the course successfully. This simulator allows for real-world scenarios with next to no detrimental impacts on the environment. Due to the NFPA standard changes for firefighter training, these scenarios are required for certification.

FY 2024 – 2025

Quint Truck **\$1,300,000**

An increase in commercial growth warrants an additional elevated master stream on the City's south side. Although many buildings on the south side contain sprinkler systems, the mechanical components associated with these facilities are not protected and are generally on the roof. Additionally, the height of many residential homes in the district renders ground ladders insufficient for rescue access. Therefore, an additional aerial device is needed to improve deployment analysis citywide.



Fire Engine **\$650,000**

Engine 35 was replaced as a frontline engine and became a reserve tanker in FY 2023-2024. However, Engine 35 does not comply with the updated safety standards outlined in the National Fire Prevention Association 1901. In 2009, new safety measures were implemented, including, but are not limited to, rollover safety systems, seatbelt warning alarms, slip-resistant surfaces, scene lighting, and reflectivity. Therefore, a new fire engine needs to be purchased so that one of the older but compliant fire engines in the fleet can replace engine 35 as a reserve tanker.

Fire Chief's Vehicle **\$50,000**

This vehicle is projected for replacement in FY 2024-2025 based on existing to date mileage and the average miles driven each year. In addition to the high mileage projected, fire service vehicles accrue copious amounts of engine hours since the vehicle is often required to operate in an idle position. Based on the projected engine hours and mileage, the vehicle is anticipated to have significant equipment failures.

FY 2025 – 2026

Platform Truck **\$1,800,000**

The current platform truck will reach 25 years of age in 2027. The existing platform truck has seen significant mechanical failures that are often costly and impactful. Platform 38 has seen an enormous amount of time out of service due to these mechanical failures leaving the City without the protection of a ladder truck.

Command Vehicle **\$55,000**

With the addition of two fire stations and the personnel needed to staff those stations, the current managerial span of control will be exceeded. Therefore, a supervisory position to manage shift personnel and provide an incident command to all daily responses will be necessary. This position will require a mobile presence throughout the City based upon the job requirements.

FY 2026 – 2027

Rescue Truck **\$1,300,000**

In FY 2026-2027, the rescue and service truck will have reached the 20 years of age mark. This

truck responds to incidents citywide and in mutual aid districts providing heavy rescue services. The truck is a specialty vehicle with many dedicated technical capabilities. Based on the type of responses, the long travel distances, and the amount of interstate commerce that this vehicle protects, it must remain as a constant frontline piece of fire apparatus. This vehicle has experienced significant mechanical failures removing it from service for an extended time. This vehicle is a stand-alone vehicle with no support from any other vehicle in the fleet.



PUBLIC FACILITIES ELEMENT

Projects Funded: Construction and significant renovations of general government and public safety facilities and infrastructure, including upgrades to existing City facilities, new public safety facilities, and additional public works facilities.



In FY 2020-2021, the Planning and Inspection Departments' building, sidewalk, and parking lot expanded. The facility grew by 750 square feet, and the repaired parking lot has four new spaces, including an Americans with Disabilities Act (ADA) compliant space. In addition, the new sidewalk is compliant with the North Carolina Building Codes.

The table below shows each of the projects submitted for consideration in this year's CIP process and the project's estimated cost in each fiscal year of the Plan. Section 6 of this document contains detailed information regarding each project's proposed funding source.

Public Facilities Element	Total	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27
New Police Station.....	\$ 16,500,000	-	1,750,000	14,750,000	-	-
Fire Station 4.....	\$ 5,110,000	110,000	5,000,000	-	-	-
Training Classroom.....	\$ -	-	-	-	-	-
Upgrade door systems at Fire stations.....	\$ 30,000	30,000	-	-	-	-
Old Rec Building Improvements.....	\$ 72,000	72,000	-	-	-	-
Public Works Office Renovation.....	\$ 35,000	-	35,000	-	-	-
Fire Station 1 Bay Door Replacement.....	\$ 47,500	-	47,500	-	-	-
Police Station HVAC Replacement.....	\$ 40,000	-	40,000	-	-	-
Two-Bay Addition to Public Works Storage Building.....	\$ 150,000	-	150,000	-	-	-
MACC Roof Restoration and New Lights.....	\$ 328,000	-	168,000	160,000	-	-
Lake Michael Building Renovation/Removal*.....	\$ -	-	-	-	-	-
Police Station Roof Replacement.....	\$ 300,000	-	-	300,000	-	-
Fire Station 5.....	\$ 5,110,000	-	-	110,000	5,000,000	-
Public Works New Equipment Shed.....	\$ 200,000	-	-	200,000	-	-
Public Works Salt Shed with Brining Station.....	\$ 150,000	-	-	-	150,000	-
Element Total	\$ 28,072,500	\$ 212,000	\$ 7,190,500	\$15,520,000	\$ 5,150,000	\$ -

* Cost to be determined for the year highlighted.



FY 2022 – 2023

Fire Station 4 \$110,000

The site for the new station is located on Buckhorn Road and will be donated. This area of the City has experienced an increase in response times for both fire and medical incidents. Additionally, this area has seen tremendous commercial and residential growth, with future development already projected to occur. The new station will improve response times, proper fire load management, adequate water distribution, and comply with the International Organization for Standardization's (ISO) 1.5-mile engine company districts. In addition, the projected population density warrants a fire station to provide adequate fire protection and medical services and provide coverage for voluntary annexations of the rated district. The cost estimate includes a preliminary engineering design.

Upgrade Door Systems at Fire Stations \$30,000

The City has replaced the City Hall and Planning and Inspections door control system, so this project will allow the City to be uniform across the board and eliminate the need for multiple platforms to control the doors at City locations.

Old Rec Building Improvements \$72,000

The floor in the Train Room is sagging and needs renovation, and the roof needs extensive work.

FY 2023 – 2024

New Police Station \$16,500,000 over 2 years.

The City is looking for land to build a new police station to accommodate its growing police force for decades to come. The new station will increase staff efficiency, provide a wide range of new opportunities for both the public and the police department, and assist in attracting and retaining quality staff. The station will also serve the City during natural disasters and public emergencies. The cost estimate includes the purchase of land and preliminary engineering design.



Fire Station 4

\$5,000,000

The site for the new station is located on Buckhorn Road and will be donated. This area of the City has experienced an increase in response times for both fire and medical incidents. Additionally, this area has seen tremendous commercial and residential growth, with future development already projected to occur. The new station will improve response times, proper fire load management, adequate water distribution, and comply with the International Organization for Standardization's (ISO) 1.5-mile engine company districts. In addition, the projected population density warrants a fire station to provide adequate fire protection and medical services and provide coverage for voluntary annexations of the rated district. The cost estimate includes a preliminary engineering design. Construction is expected to begin in FY 2023-2024.

Public Works Office Renovation

\$35,000

This renovation will include the creation/construction of entryway for the general public within the Public Works & Public Utilities Building and the construction of an office within the Fleet Maintenance area.

Fire Station 1 Bay Door Replacement

\$47,500

This project includes the replacement of the two station vehicle doors at Station # 1.

Police Station HVAC Replacement

\$40,000

This is a recommended maintenance item from the 2021 CPL Facilities study.

Two-Bay Addition to Public Works Storage Building

\$150,000

This is a referenced space item from the 2021 CPL Facilities study.

MACC Roof Restoration

\$168,000

This is a recommended item from the 2021 CPL Facilities study.

Lake Michael Building Renovation/Removal

TBD

Renovation is a recommended item from the 2021 CPL Facilities study. An additional physical/financial analysis of renovation versus removal/new construction is being conducted.



FY 2024 – 2025

Old Police Station Roof Replacement \$300,000

This is a recommended item from the 2021 CPL Facilities study.

Fire Station 5 \$110,000

This station would be located on the western side of the City. A site location is being analyzed, but has not been determined yet. Cost estimates and construction processes from Station 4 have been utilized but will need to be updated with site specific estimates.

Public Works New Equipment Shed \$200,000

This is a referenced space item from the 2021 CPL Facilities study.

MACC Lights \$160,000

This is a recommended item from the 2021 CPL Facilities study.

FY 2025 – 2026

Fire Station 5 5,000,000

This station would be located on the western side of the City. A site location is being analyzed, but has not been determined yet. Cost estimates and construction processes from Station 4 have been utilized but will need to be updated with site specific estimates.

Public Works Salt Shed with Brining Station \$150,000

This project is the construction of a specific purpose facility for salt shed and brining station operations.



PUBLIC WORKS AND ENVIRONMENTAL SERVICES ELEMENT

Projects Funded: Projects designed to manage and mitigate the effects of stormwater runoff, manage the collection and disposal of solid waste, and maintain streets. These projects include structural improvements, construction, and significant infrastructure expansion. They also include the equipment needed to manage solid waste collection and maintain City streets.



The table below shows each of the projects submitted for consideration in this year's CIP process and the project's estimated cost in each fiscal year of the Plan. Section 6 of this document contains detailed information regarding each project's proposed funding source.

Public Works & Environmental Services Element	Total	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27
Leaf Truck.....	\$ 975,000	320,000	325,000	-	-	330,000
Garbage Truck.....	\$ 535,000	210,000	-	325,000	-	-
Pick-up Trucks.....	\$ 372,000	120,000	120,000	44,000	44,000	44,000
Pull-behind Leaf Vacuum and Box.....	\$ 110,000	-	110,000	-	-	-
Vehicles.....	\$ 56,000	56,000	-	-	-	-
FEMA Area at Public Works Facility.....	\$ 60,000	60,000	-	-	-	-
Brine Mount System and Body.....	\$ 50,000	50,000	-	-	-	-
East Graham St. Stormwater Project.....	\$ 25,000	25,000	-	-	-	-
Fleet Services - Service Truck.....	\$ 200,000	-	200,000	-	-	-
Bucket Truck.....	\$ 175,000	-	175,000	-	-	-
Ventrac Tractor w/edger and mowing deck.....	\$ 45,000	-	45,000	-	-	-
Dump Truck.....	\$ 325,000	-	325,000	-	-	-
Salt and Sand Spreader.....	\$ 75,000	-	75,000	-	-	-
Tractor.....	\$ 60,000	-	-	60,000	-	-
New fuel station and pumps.....	\$ 30,000	-	-	-	30,000	-
Swap Loader.....	\$ 350,000	-	-	-	350,000	-
Element Total	3,443,000	841,000	1,375,000	429,000	424,000	374,000



FY 2022 - 2023

Leaf Truck **\$320,000**

This leaf truck will replace the City's 1999 Mack Leaf Truck with a 2022 Xtreme Vac DCL700CB (or another comparable model) with a chassis mount automated one-person leaf and debris vacuum system, 25 cubic yard capacity self-dumping hopper.

Garbage Truck **\$210,000**

This garbage truck will replace the City's 2002 rear loader garbage truck with a 2022 25 yard New Way Cobra Magnum on a Freightliner M2 106 chassis (or another comparable model).

Pickup Trucks **\$120,000**

Three pickup trucks need replacing. The model years being replaced range from 1997 to 2002. The new trucks will be three 2022 Chevrolet Silverado's 2500HD, 4WD Double Cab 162" work trucks with a snowplow added.

Vehicles **\$56,000**

This cost represents two-vehicle replacements. The two replacements are for the Inspections Department to purchase Chevy Traverse AWD vehicles for staff.

FEMA Area at the Public Works Facility **\$60,000**

This includes site surveying, environmental determination & flagging, soil evaluation, and permitting to allow a temporary FEMA debris facility.

Brine Mount System and Body **\$50,000**

This will be the purchase of a new system and body for the existing swap loader.

East Graham St. Stormwater Project **\$25,000**

This project addresses the drainage pipe condition on E. Graham St. between N. Fourth St. and N. Fifth St. This cost is for the City's portion of design and construction; there is also a private property portion of the project that has been piped.



FY 2023 - 2024

Leaf Truck **\$325,000**

This leaf truck will replace the City's 2002 Mack Leaf Truck with a 2023 Xtreme Vac by ODB (or another comparable model) with a chassis mount automated one-person leaf and debris vacuum system, 25 cubic yard capacity self-dumping hopper.

Pull-behind Vacuum and Leaf Box **\$110,000**

The goal is to purchase a new trailer mount leaf and debris loader and collector box before the 2022 leaf collection season. This will supplement our leaf collection trucks/process & efficiency by utilizing non CDL drivers in residential streets/neighborhoods.

Pickup Trucks **\$120,000**

Three pickup trucks need replacing. The model years being replaced range from 2000 to 2007. The new trucks will be three 2023 Chevrolet Silverado's 2500HD, 4WD Double Cab 162" work trucks with a snowplow added.

Fleet Services – Service Truck **\$200,000**

Fleet services does not currently have a service truck and thereby utilizes other divisions trucks when necessary or a 1998 Dodge Van.

Bucket Truck **\$175,000**

Replacement of ST 60 Bucket Truck.

Ventrac Tractor with Edger and Mowing Deck **\$45,000**

This is a new equipment purchase to assist with mowing operations and sidewalk edging.

Dump Truck **\$325,000**

This is to replace SAN 42 Dump Truck with a plow. This truck will allow for the use of a sand & salter spreader.



Salt and Sand Spreader

\$75,000

This will be the purchase of a new salt and sand spreader for the existing swap loader.

FY 2024 – 2025

Garbage Truck

\$325,000

This garbage truck will replace the City's 2007 garbage truck with a side-arm collection model or another comparable model).

Pickup Trucks

\$44,000

A 1998 van will be replaced with a pick-up truck.

Tractor

\$60,000

Purchase of an additional tractor to the Public Works fleet as City continues to grow.

FY 2025 – 2026

Pickup Truck

\$44,000

A 2007 pick-up truck will be replaced.

New fuel station and pumps

\$30,000

Upgrade to the existing fuel station and pumps.

Swap Loader

\$350,000

This is a purchase of an additional swap loader with a dump body, plow, and salt/sand spreader.

FY 2026 – 2027

Leaf Truck

\$330,000

This will replace SAN 35 Leaf Truck.

Pickup Truck

\$44,000

A pick-up truck will be replaced.

GENERAL FUND SUMMARY

The table below shows the total of the capital needs in each of the CIP elements supported by the General Fund and the revenue sources proposed to support these needs. The grant and fee revenues are explained in the capital improvement funding section. Local revenue is indicative of the need for current year revenue supported funding for some projects/purchases in each year. Section 6 of this document contains detailed information regarding the proposed funding source for each individual project.

The level of capital need reflected in this document necessitates the issuance of additional debt to meet these needs. In the table below, the new debt service is shown as a total amount proposed in each fiscal year. Installment purchase is the preferred method to fund projects. If there is a significant difference between installment purchase and bond interest rates, the City will consider issuing bonds. For the purpose of the estimates shown, we have used an interest rate of 2 percent for FY 2022-2023, with the exception of the financing for the fire engine for which 1 percent was used, and added a half percent for each year afterward.

For items such as minor renovations and sidewalks, we generally use "PAYGO" financing to avoid interest costs and use accumulated fund balance for these one-time purchases. For all other issues in the General Fund, financing terms are routinely tied to the life cycle of the underlying asset as well as current interest rates.

General Fund Element Total	Total	2023	2024	2025	2026	2027
Transportation.....	\$ 3,270,000	\$ 1,109,000	\$ 440,000	\$ 626,000	\$ 400,000	\$ 695,000
Parks, Recreation and Cultural Resources..	\$ 6,481,000	231,000	6,100,000	-	150,000	-
Public Safety.....	\$ 7,631,921	990,006	941,362	2,176,503	2,036,798	1,487,252
Public Facilities.....	\$ 28,072,500	212,000	7,190,500	15,520,000	5,150,000	-
Public Works & Environmental Services....	\$ 3,443,000	841,000	1,375,000	429,000	424,000	374,000
Total.....	\$ 48,898,421	\$ 3,383,006	\$ 16,046,862	\$ 18,751,503	\$ 8,160,798	\$ 2,556,252
Funding Source	Total	2023	2024	2025	2026	2027
Local Revenue.....	\$ 5,160,500	\$ 917,000	\$ 1,340,500	\$ 1,390,000	\$ 774,000	\$ 739,000
Grants.....	-	-	-	-	-	-
Installment Financing Principal.....	43,737,921	2,466,006	14,706,362	17,361,503	7,386,798	1,817,252
Subtotal.....	\$ 48,898,421	\$ 3,383,006	\$ 16,046,862	\$ 18,751,503	\$ 8,160,798	\$ 2,556,252
Installment Financing Interest.....	\$ 12,346,257	\$ 194,554	\$ 3,261,510	\$ 6,015,445	\$ 2,508,273	\$ 366,474
Total Cost.....	\$ 61,244,678	\$ 3,577,560	\$ 19,308,372	\$ 24,766,948	\$ 10,669,071	\$ 2,922,726

After acquiring or constructing capital assets, most will entail ongoing expenses for routine operation, repair, and maintenance. These operations, repair, and maintenance costs are accounted for annually in each year's operating budget.

Transportation Element: New road and parking lot construction will necessitate future maintenance work, including pothole repair, crack sealing, road marking repair, sweeping, and resurfacing.

Sidewalk construction will involve regular pavement repair, repainting crosswalk markings, and performing maintenance work on crosswalk signals.

Parks, Recreation, & Cultural Arts Element: New greenway connections will necessitate future maintenance work, including brush clearing, sign and bench replacement, and trail reconstruction. Once constructed and operational, the Community Park Fiddler Stage and shade cover for the fitness court will necessitate ongoing maintenance costs. New park construction will require regular annual costs such as landscaping, irrigation system maintenance, restroom, public facility cleaning, and wages for park maintenance and programming staff.

Public Safety Element: The replacement police vehicles, replacement fire engines, replacement fire prevention, and life safety education vehicles will incur regular costs such as repair and maintenance. Once acquired, the training simulator will necessitate annual repair and maintenance costs.

Public Facilities Element: New police and fire stations will incur future costs, including staff wages, building cleaning and maintenance, and utility services. A new training classroom will incur future costs, including building cleaning and maintenance and utility services. In addition, the Old Rec building improvements will need repairs and maintenance in future years.

Public Works & Environmental Element: New and replacement vehicles and equipment such as leaf trucks, garbage trucks, and pickup trucks will incur regular maintenance and repair costs throughout their useful lives.

SECTION 3: CIP FINANCIAL IMPACT ANALYSIS ON THE GENERAL FUND

A vital element of the CIP is the financial impact analysis that discusses the effects of capital spending on the City's operation costs, debt capacity, and other important debt ratios. It is crucial to understand how capital spending affects these indicators because the Local Government Commission (LGC) and bond rating agencies use them to evaluate the City's financial condition and issue ratings. Mebane currently has a bond rating of AA+ with Standard & Poor's Corporation. This rating represents a robust financial standing and is the third highest-ranking attainable.

PROJECTIONS AND ESTIMATES

Proper financial planning requires projections and estimates for expenditures, revenues, and other economic indicators. Expenditure and revenue estimates require forecasts for changes in population, assessed property value, and other factors such as changes in the economy. The CIP projections represent a four percent growth factor for operations expenditures throughout the five-year scope. This estimate is in line with current trends. The City has benefited from sustained growth in property values with a four-year rolling average of 4.94 percent, not including revaluation years. Alamance County will perform a revaluation in 2023, and Orange County will do so in 2025, which will affect the assessed value and the revenue-neutral tax rate for Mebane. The CIP includes an adjustment in 23-24 for a potential revenue-neutral rate in response to the revaluation. Orange County is a smaller portion of the City's tax base, and therefore a revaluation is not factored into this model. Apart from gains in property tax revenues and sales tax revenues, estimates indicate growth in other revenues collectively is primarily flat or nominal. The CIP includes a revenue growth rate of approximately nine percent for 22-23, ten percent for 23-24, and five percent for the final three years of the Plan. For projects subject to financing in 22-23, an interest rate of 2 percent is accurate based on other recent financings by the City. A half percent has been added to the interest rate per year for future years beginning in 23-24. That rate may vary depending on the size of the project and the length of the term. Financing recommendations in this CIP include installment financing in the General Fund and revenue bonds in enterprise funds.

DEBT RATIOS

The significant costs associated with capital projects may require financing, which results in debt obligation for the City. The LGC and lending institutions assess the City's ability to incur and repay debt through various debt capacity ratios and indicators. In the General Fund, the City evaluates debt as a percentage of the total assessed value of taxable property, the aggregate ten-year principal payout ratio, and the ratio of debt service expenditures as a percent of total fund expenditures.

Debt per assessed valuation is an important indicator because it considers the City's largest

revenue source and greatest means for repaying debt. This ratio is a measure of debt capacity as well as debt burden and is more practical than the legal debt margin. This ratio divides the City's debt by its total assessed value, where debt is defined as all tax-supported debt. Mebane's expected debt-to-assessed valuation ratio for 22-23 is 0.33 percent. Mebane is well within the legal limit set forth by NCGS 159-55, limits debt to eight percent or less of a local government's total property valuation. Mebane's legal debt limit, based on the June 30, 2021, audited valuation, is \$190,098,152. The CIP includes a maximum debt obligation of \$43,835,289 in FY23-24.

The 10-year payout ratio measures the amount of principal being retired in the next ten years. As an indicator, it determines if debt is back-loaded, which can cause concern for long-term financial stability. The CIP includes the issuance of previously authorized and new installment purchase financing. The new debt brings the payout ratio to 99.33 percent in FY22-23, which is the highest ratio in the five-year forecast. A ratio no lower than 55 percent is desirable.

Debt service as a percentage of total expenditures measures annual debt service payments of non-self supporting projects as a portion of the City's General Fund expenditures. Debt service payments can become a large portion of a city's budget and should be monitored to ensure acceptable levels. Too much debt service may indicate excessive debt and fiscal strain. Bond rating agencies consider a net debt service percentage between 15 and 20 percent to be high. A ratio below five (5) percent indicates the capacity for significant new debt. For FY22-23, the General Fund debt service ratio is 6.8 percent and reaches a high of 12.91 percent in FY26-27. Without significant changes to the CIP, the debt service ratio will be above 10 percent in the final two years of the CIP. The goal is to keep this ratio below 10 percent providing the city with opportunities to finance more projects.

PAYGO financing and grants can help keep key debt ratios in an acceptable range by eliminating new debt obligations and annual debt service payments. The proposed CIP indicates differences from year to year in PAYGO financing over the five-year period. This is due to the significant costs associated with some larger projects such as a new police station and a new fire station. If debt ratios begin to approach unacceptable ranges, delaying projects or using PAYGO financing should be considered to keep the City in good financial standing and reduce fiscal strain.

Other factors bond rating agencies consider when assessing a city's financial condition may include the community's wealth, tax base, sources of revenues, and the overall economy.

Summary of CIP Impact on General Fund Debt Ratios and Fiscal Indicators

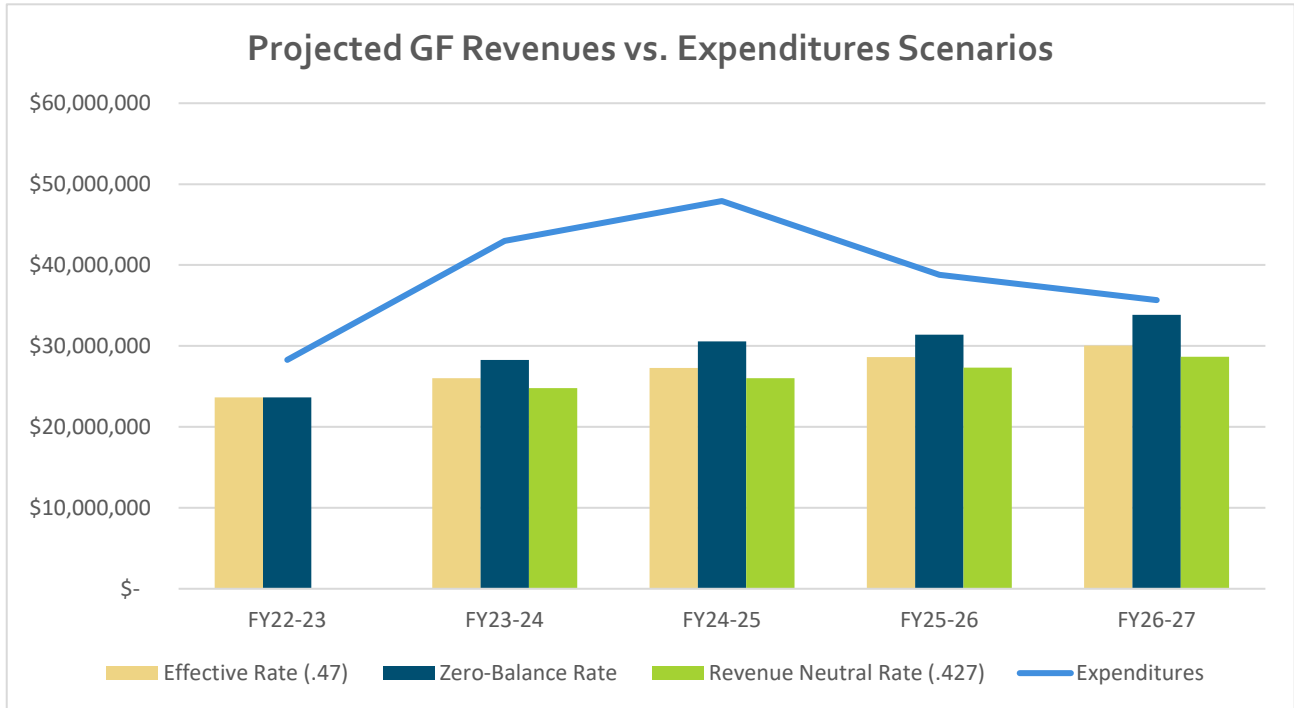
Debt Obligations	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27
General Obligation (GO) Bond Debt	\$ -	\$ -	\$ -	\$ -	\$ -
Installment Purchase Debt	\$ 8,779,896	\$ 43,835,289	\$ 42,271,659	\$ 40,904,759	\$ 38,980,355
Total Net Debt Obligations	\$ 8,779,896	\$ 43,835,289	\$ 42,271,659	\$ 40,904,759	\$ 38,980,355
Debt Service	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27
Installment Purchase Principal	\$ 1,751,336	\$ 2,645,589	\$ 3,237,216	\$ 3,684,571	\$ 3,920,302
Installment Purchase Interest	\$ 173,022	\$ 422,246	\$ 622,355	\$ 604,026	\$ 685,967
Total General Fund Debt Service	\$ 1,924,358	\$ 3,067,835	\$ 3,859,571	\$ 4,288,597	\$ 4,606,269
General Fund Debt Ratios & Fiscal Indicators	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27
Fund Balance Projection	\$ 17,014,615	\$ 14,857,537	\$ 14,857,537	\$ 14,857,537	\$ 14,857,537
Projected Unassigned Fund Balance	\$ 16,299,872	\$ 14,142,794	\$ 14,142,794	\$ 14,142,794	\$ 14,142,794
Revenue per Capita	\$ 1,330	\$ 1,332	\$ 1,283	\$ 1,284	\$ 1,289
% Property Tax Revenue to Total Revenue	55.55%	55.55%	55.08%	54.61%	54.14%
10-Year Principal Payout	99.33%	94.87%	94.27%	95.24%	94.74%
Debt Per Assessed Valuation	0.33%	1.52%	1.41%	1.31%	1.20%
Debt Service to Expenditures less transfers-in	6.80%	7.14%	8.06%	11.06%	12.91%
PAYGO Percent of capital expenditures	42.31%	38.86%	42.30%	36.29%	42.63%

TAX RATE ANALYSIS

One method of assessing the CIP impact on the operating budget is to illustrate the effects in terms of the tax rate. The table and graphs below depict the potential tax rate needed to generate enough revenue to account for General Fund (GF) CIP project costs beyond the City's typical capital and operating expenditures. This calculation is dependent on the City's assessed value and the revenue generated by a penny on the tax rate. The formula does not take into account substantial increases or decreases in revenues from other sources such as sales tax or service fees. In addition, it does not address changes in operational needs for the City unless addressed in the CIP. The FY22-23 Recommended Budget includes a tax rate of \$.470, which reflects no change in the current rate. Alamance County will undergo another revaluation in 2023, and the projections for FY23-24 use a revenue-neutral tax rate of \$.427. For this analysis, the City's capital expenditures do not include grant-funded projects except for the required local contributions.

If projections are accurate, CIP projects will create a funding gap each year beginning in FY22-23, with potential shortfalls ranging from \$2.1 million in FY22-23 to \$3.8 million in FY26-27. These funding gaps represent potential policy decisions for the City Council regarding the use of fund balance, setting the tax rate, delaying projects, and consideration of operational cuts. The funding gap is noticeable for all years due to large capital projects that will require financing, such as the construction of a Police Station and Fire Stations 4 and 5, the Holt Street Greenway development, and the Lake Michael Dam Spillway renovation. Additionally, the new Fire Stations have a substantial impact on the operating budget with the addition of two full engine companies upon completion of Fire Station 4 in FY24-25 and Fire Station 5 in FY26-27. The CIP includes \$3.3 million in transportation projects over the next five years. Public Works and Environmental Element projects total \$3.4 million over the next five years. How to finance these projects presents another policy decision for the City Council. The CIP includes installment loans beginning in FY22-23 to cover the following projects totaling \$43.7 million over five years: the Holt Street Greenway, the Lake Michael dam spillway, the new police station, two fire stations, six fire apparatus and 43 rolling stock trucks and vehicles. The Manager's Recommended budget includes appropriating \$2,157,078 of fund balance and issuing \$2,466,006 of debt to bridge the funding gap in FY 22-23

The five-year tax rate assessment table indicates the change in tax rate needed to account for the potential funding gaps. Estimated expenditures and tax rate scenarios are depicted in the chart below. This does not account for any significant increases in other revenues sources or cuts in the operating budget that may offset the gap. The effective rate bar reflects revenues with no change. The zero-balance rate line reflects revenues with the tax rate adjusted to offset the funding gap.



5-Year Tax Rate Assessment

Forecasted Expenditures (Including CIP Projects)	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27
Operating	\$22,602,997	\$23,507,117	\$24,941,265	\$25,979,301	\$28,146,391
Capital Outlay	\$2,848,971	\$3,646,862	\$4,351,503	\$3,510,798	\$2,906,252
Debt Service	\$1,924,358	\$3,067,835	\$3,859,571	\$4,288,597	\$4,606,269
Transfers Out to Capital Project Ordinances	900,000	12,750,000	14,750,000	5,000,000	\$0
Total Expenditures	\$28,276,326	\$42,971,813	\$47,902,338	\$38,778,696	\$35,658,912
Total Capital & Debt	\$5,673,329	\$19,464,697	\$22,961,074	\$12,799,395	\$7,512,521
Capital & Debt Expenditures %	20%	45%	48%	33%	21%
Forecasted Funding Sources					
Property Tax	\$13,144,770	\$14,459,247	\$15,037,617	\$15,639,122	\$16,264,686
Other Taxes, Fees, Charges	\$10,500,165	\$11,550,182	\$12,243,192	\$12,977,784	\$13,756,451
Transfers In	\$0	\$0	\$0	\$0	\$0
Total Revenues	\$23,644,935	\$26,009,429	\$27,280,809	\$28,616,905	\$30,021,137
Debt Proceeds	2,466,006	14,706,362	\$17,361,503	\$7,386,798	\$1,817,252
Grant Proceeds	\$0	\$0	\$0	\$0	\$0
Total Funding Sources	\$26,110,941	\$40,715,791	\$44,642,312	\$36,003,703	\$31,838,389
Fund Balance Appropriation	\$2,165,385	\$0	\$0	\$0	\$0
Difference	\$0	(\$2,256,023)	(\$3,260,026)	(\$2,774,993)	(\$3,820,522)
Projected Fund Balance	\$17,014,615	\$14,849,230	\$14,849,230	\$14,849,230	\$14,849,230
Projected Unassigned Fund Balance	\$16,299,872	\$14,134,487	\$14,134,487	\$14,134,487	\$14,134,487
Fund Balance Policy					
Unassigned Fund Balance is a minimum of 50% of Expenditures	\$14,138,163	\$21,485,907	\$23,951,169	\$19,389,348	\$17,829,456
Fund Balance Available for Appropriation	\$2,161,709	(\$7,351,420)	(\$9,816,682)	(\$5,254,861)	(\$3,694,969)
Assessed Property Value	\$2,622,918,349	\$2,885,210,184	\$3,000,618,591	\$3,120,643,335	\$3,245,469,068
\$.01 Property Tax Increase =	\$261,243	\$287,367	\$298,862	\$310,816	\$323,249
Tax Rate	\$0.47	\$0.47	\$0.47	\$0.47	\$0.47
Change in Tax Rate Needed for Difference	\$0.00	\$0.08	\$0.11	\$0.09	\$0.12
Zero-Balance Tax Rate	\$0.47	\$0.55	\$0.58	\$0.56	\$0.59
Projected Fund Balance with Tax Rate Adjustment	\$17,014,615	\$14,849,230	\$14,849,230	\$14,849,230	\$14,849,230
Projected Fund Balance Available for Appropriation with Tax Rate Adjustment	\$16,299,872	\$14,134,487	\$14,134,487	\$14,134,487	\$14,134,487

SECTION 4: WATER AND SEWER UTILITY

Projects assigned to the Water and Sewer Utility element are funded through the Water and Sewer Enterprise Fund. This fund only pays for projects related to the water and sewer system and not for the General Fund.

The capital projects that qualify for this fund include main additions and replacements, water/wastewater treatment plant renovations/expansions, filter rehabilitation, pump station additions, and significant infrastructure. They also include the equipment necessary to maintain the system.

The icon below signifies the Water and Sewer Utility element and is located on the top right corner of the pages that are associated with these projects.





WATER AND SEWER UTILITY ELEMENT

Projects Funded: Construction and improvement of water and sewer infrastructure. These projects include main additions and replacements, water/wastewater treatment plant renovations/expansions, filter rehabilitation, pump station additions, and major renovations to infrastructure.



Our water and sewer utilities face increasing maintenance, improvements, and expansion demands to serve current and future needs.

The table shows each of the projects submitted for consideration in this year's CIP process and the project's estimated cost in each fiscal year of the Plan. Section 6 of this document contains detailed information regarding each project's proposed funding source.

Water and Sewer Utility Element	Total	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27
Inflow and Infiltration (I&I)	2,000,000	-	500,000	500,000	500,000	500,000
Oversize Reimbursement	600,000	200,000	100,000	100,000	100,000	100,000
City of Graham Water Treatment Plant Improvements	830,000	30,000	200,000	200,000	200,000	200,000
Elevated Storage Tank	4,025,000	185,000	3,840,000	-	-	-
Jones Road Outfall (Arbor Creek)	1,000,000	-	-	112,500	887,500	-
Outfall Tractor Replacement	60,000	60,000	-	-	-	-
Aeration Basins Electrical Upgrade	50,000	50,000	-	-	-	-
City of Graham Waste Water Treatment Plant Improvements	261,575	53,575	52,000	52,000	52,000	52,000
Xylem Influent Monitoring	26,198	26,198	-	-	-	-
Water Resource Recovery Facility (WRRF) 1.5 MGD Expansion**	47,500,000	-	47,500,000	-	-	-
WRRF Flood Wall	2,000,000	-	2,000,000	-	-	-
Water Line Replacements	320,000	-	195,000	-	125,000	-
Backhoe Replacement	150,000	-	150,000	-	-	-
Vehicle Replacement	199,000	-	65,000	32,000	62,000	40,000
Sewer Jetter Replacement	70,000	-	-	70,000	-	-
Utility Oversizing	200,000	-	50,000	50,000	50,000	50,000
Vac Truck Replacement	450,000	-	-	-	450,000	-
Water Rehabilitation	400,000	-	-	-	200,000	200,000
Rotary Drum Thickener Rebuild	100,000	-	-	100,000	-	-
Aqua Guard Influent Screen Rehab	100,000	-	-	-	-	100,000
Mini Excavator Replacement	100,000	-	-	-	-	100,000
Total	\$ 60,441,773	\$ 604,773	\$ 54,652,000	\$ 1,216,500	\$ 2,626,500	\$ 1,342,000

**A Capital Project Ordinance was created in FY21-22, and \$3.5M was funded for engineering design.



FY 2022 – 2023

Oversize Reimbursement **\$200,000**

This amount represents payments to increase the size of water and sewer mains on development projects to allow for future growth. The expected projects include Oakwood for \$125,000, Buckhorn for \$15,000, Cambridge for \$25,000, Tupelo for \$25,000, and Meadowstone for \$10,000.

City of Graham Water Treatment Plant Improvements **\$30,000**

Mebane has a 50% ownership interest in Graham’s water treatment plant and has agreed to pay a corresponding share of the capital improvements to the plant.

Elevated Storage Tank **\$185,000**

A new 1 million gallon (MG) elevated storage tank is necessary because the existing elevated storage tank is too small to equalize projected water demands and sustain fire flows. Currently, the water system compensates for the lack of storage capacity by taking advantage of surplus pumping capacity at the water plant using ground storage at the clear wells. However, this strategy will only work until the projected max day demand exceeds the firm pumping capacity at the plant, which is expected to happen by 2030. This cost includes engineering design.

Outfall Tractor Replacement **\$60,000**

The existing outfall tractor is a 1993 model with approximately 2,300 operating hours. The high range is not working on the tractor, and the estimated repair cost is in excess of the current value of the tractor.

Aeration Basins Electrical Upgrade **\$50,000**

Electrical upgrade project to replace 1992-93 electrical system, while ensuring compliance with current electrical & industry standards.

City of Graham Wastewater Treatment Plant (WWTP) Improvements **\$53,575**

Mebane has a 21.43% ownership interest in Graham’s wastewater treatment plant and has agreed to pay a corresponding share of the capital improvements to the plant.



Xylem Influent Monitoring

\$26,198

This equipment will allow the plant to continuously monitor wastewater entering the plant and alert staff to understable contaminants.

FY 2023 - 2024

WRRF 1.5 MGD Expansion

\$47,500,000

This project is the increase of the current WRRF via expansion and conversion to a 4MGD facility.

Inflow and Infiltration (I&I)

\$500,000

The City conducted I&I studies for multiple drainage areas within the city limits. Several areas were identified as needing rehabilitation. Completion of these projects will reduce the wet weather flows received at the Water Resource Recovery Facility (WRRF).

Elevated Storage Tank

\$3,840,000

A new 1 million gallon (MG) elevated storage tank is necessary because the existing elevated storage tank is too small to equalize projected water demands and sustain fire flows. Currently, the water system compensates for the lack of storage capacity by taking advantage of surplus pumping capacity at the water plant using ground storage at the clear wells. However, this strategy will only work until the projected max day demand exceeds the firm pumping capacity at the plant, which is expected to happen by 2030. This cost includes construction.

WRRF Flood Wall

\$2,000,000

This project includes the construction of a concrete wall along MoAdams Creek to protect WRRF plant equipment and personnel from potentially damaging flood events.

Oversize Reimbursement

\$100,000

This amount represents payments to increase the size of water and sewer mains on development projects to allow for future growth.



City of Graham Water Treatment Plant Improvements \$200,000

Mebane has a 50% ownership interest in Graham’s water treatment plant and has agreed to pay a corresponding share of the capital improvements to the plant.

Water Line Replacements \$195,000

The replacement of galvanized water mains.

Backhoe Replacement \$150,000

Replacement of a 2002 Backhoe with 7,600 hours.

Vehicle Replacement \$65,000

Purchase a pickup truck to replace a 2007 Ram 3500 with 106,000 miles.

City of Graham Waste Water Treatment Plant (WWTP) Improvements \$52,000

Mebane has a 21.43% ownership interest in Graham’s wastewater treatment plant and has agreed to pay a corresponding share of the capital improvements to the plant.

Utility Oversizing \$50,000

Utility oversizing will allow the system to allow for land development and future services.

FY 2024 – 2025

Inflow and Infiltration (I&I) \$500,000

The City conducted I&I studies for multiple drainage areas within the city limits. Several areas were identified as needing rehabilitation. Completion of these projects will reduce the wet weather flows received at the Water Resource Recovery Facility (WRRF).

Oversize Reimbursement \$100,000

This amount represents payments to increase the size of water and sewer mains on development projects to allow for future growth..



City of Graham Water Treatment Plant Improvements \$200,000

Mebane has a 50% ownership interest in Graham’s water treatment plant and has agreed to pay a corresponding share of the capital improvements to the plant.

Jones Road Outfall (Arbor Creek) \$112,500

This project consists of the installation of approximately 3,000 linear feet (LF) of ten-inch gravity sewer from the existing Arbor Creek pump station to the existing sewer outfall for Cambridge Park at Jones Road. This project will allow for the elimination of the Arbor Creek pump station. This cost represents design.

Rotary Drum Thickener Rebuild \$100,000

Reconstruction of 1993 RDT (will serve a backup device in new WRRF expansion).

Sewer Jetty Replacement \$70,000

Replacement of 2001 jetter trailer with 1,200 hours.

City of Graham Waste Water Treatment Plant (WWTP) Improvements \$52,000

Mebane has a 21.43% ownership interest in Graham’s wastewater treatment plant and has agreed to pay a corresponding share of the capital improvements to the plant.

Utility Oversizing \$50,000

Utility oversizing will allow the system to allow for land development and future services.

Vehicle Replacement \$32,000

Purchase a pickup truck to replace a 2012 Ram 1500 with 121,000 miles.

FY 2025 – 2026

Jones Road Outfall (Arbor Creek) Construction \$887,500

This project consists of the installation of approximately 3,000 linear feet (LF) of ten-inch gravity sewer from the existing Arbor Creek pump station to the existing sewer outfall for Cambridge Park at Jones Road. This project will allow for the elimination of the Arbor Creek pump station.



Inflow and Infiltration (I&I) **\$500,000**

The City conducted I&I studies for multiple drainage areas within the city limits. Several areas were identified as needing rehabilitation. Completion of these projects will reduce the wet weather flows received at the Water Resource Recovery Facility (WRRF).

Vac Truck Replacement **\$450,000**

The 2004 Clean Air Sewer Vac will be replaced.

Oversize Reimbursement **\$100,000**

This amount represents payments to increase the size of water and sewer mains on development projects to allow for future growth.

City of Graham Water Treatment Plant Improvements **\$200,000**

Mebane has a 50% ownership interest in Graham's water treatment plant and has agreed to pay a corresponding share of the capital improvements to the plant.

Water Rehabilitation **\$200,000**

This project is water lining projects in the downtown area and under neath railroad tracks.

Water Line Replacements **\$125,000**

The replacement of galvanized water mains.

Vehicle Replacement **\$62,000**

Purchase vehicles to replace a 2008 Ram 1500 with 106,000 miles and a 2008 Ford Escape with 126,000 miles.

City of Graham Waste Water Treatment Plant (WWTP) Improvements **\$52,000**

Mebane has a 21.43% ownership interest in Graham's wastewater treatment plant and has agreed to pay a corresponding share of the capital improvements to the plant.

Utility Oversizing **\$50,000**

Utility oversizing will allow the system to allow for land development and future services.



FY 2026 – 2027

Inflow and Infiltration (I&I)	\$500,000
The City conducted I&I studies for multiple drainage areas within the city limits. Several areas were identified as needing rehabilitation. Completion of these projects will reduce the wet weather flows received at the Water Resource Recovery Facility (WRRF).	
Oversize Reimbursement	\$100,000
This amount represents payments to increase the size of water and sewer mains on development projects to allow for future growth. The expected projects include Oakwood for \$125,000, Buckhorn for \$15,000, Cambridge for \$25,000, Tupelo for \$25,000, and Meadowstone for \$10,000.	
City of Graham Water Treatment Plant Improvements	\$200,000
Mebane has a 50% ownership interest in Graham’s water treatment plant and has agreed to pay a corresponding share of the capital improvements to the plant.	
Water Rehabilitation	\$200,000
This project is water lining projects underneath railroad tracks and interstates.	
Mini Excavator Replacement	\$100,000
Replacement of 2015 mini-excavator with 1,800 hours.	
Aqua Guard Influent Screen Rehab	\$100,000
City of Graham Waste Water Treatment Plant (WWTP) Improvements	\$52,000
Mebane has a 21.43% ownership interest in Graham’s wastewater treatment plant and has agreed to pay a corresponding share of the capital improvements to the plant.	
Utility Oversizing	\$50,000
Utility oversizing will allow the system to allow for land development and future services.	
Vehicle Replacement	\$40,000
Purchase a vehicle to replace a 2011 Ram 2500 with 104,000 miles.	

WATER AND SEWER FUND SUMMARY

The table below shows the total capital needs in the Water and Sewer Fund, which is supported by fees in exchange for services. Enterprise fees and grant revenues are explained in the capital improvement funding section. Enterprise funds are, by definition, self-supporting. Section 6 of this document contains detailed information regarding each project's proposed funding source.

The level of capital need reflected in this document necessitates the issuance of additional debt to meet these needs. In the table below, the new debt service is shown as a total amount proposed in each fiscal year. Revenue bonds are the preferred method to fund projects. For the purpose of the estimates shown, we have used an interest rate of 2.5 percent for FY 2023-2024 and added a half percent for each year afterward.

For items such as minor renovations and infrastructure, we generally use "PAYGO" financing to avoid interest costs and use accumulated fund balance or capital reserve funds for these one-time purchases. For all other issues in the Water and Sewer Fund, financing terms are routinely tied to the life cycle of the underlying asset as well as current interest rates.

Water and Sewer Fund Element Total	Total	2023	2024	2025	2026	2027
Water Element.....	\$ 10,154,000	\$ 475,000	\$ 5,100,000	\$ 944,500	\$ 2,494,500	\$ 1,140,000
Sewer Element.....	\$ 50,287,773	\$ 129,773	\$ 49,552,000	\$ 272,000	\$ 132,000	\$ 202,000
Total Water and Sewer Element.....	\$ 60,441,773	\$ 604,773	\$ 54,652,000	\$ 1,216,500	\$ 2,626,500	\$ 1,342,000
Revenues						
Water and Sewer Utility Fund Revenues.	7,636,751	604,773	3,184,478	1,216,500	1,289,000	1,342,000
Capital Reserve Funds.....	3,600,000	-	3,600,000	-	-	-
Grants.....	-	-	-	-	-	-
Installment Purchase.....	450,000	-	-	-	450,000	-
Revenue Bonds.....	48,755,022	-	47,867,522	-	887,500	-
Subtotal.....	60,441,773	604,773	54,652,000	1,216,500	2,626,500	1,342,000
Financing Interest.....	20,134,866	-	\$19,864,138	-	\$270,728.30	-
Total.....	\$ 80,576,639	\$ 604,773	\$ 74,516,138	\$ 1,216,500	\$ 2,897,228	\$ 1,342,000

After acquiring or constructing capital assets, most will entail ongoing expenses for routine operation, repair, and maintenance. These operations, repair, and maintenance costs are accounted for annually in each year's operating budget.

SECTION 4: CIP FINANCIAL IMPACT ANALYSIS ON THE WATER AND SEWER FUND

A vital element of the CIP is the financial impact analysis that discusses the effects of capital spending on the enterprise funds operation costs and debt coverage ratio. It is crucial to understand how capital spending affects these indicators because the City is required to comply with the debt covenants related to the 2021 revenue bond issue. Additionally, the Local Government Commission (LGC) and bond rating agencies use financial indicators to evaluate the Water and Sewer Fund's financial condition and issue ratings. Mebane currently has a bond rating of AA+ with Standard & Poor's Corporation. This rating represents a robust financial standing and is the third highest-ranking attainable.

PROJECTIONS AND ESTIMATES

Proper financial planning requires projections and estimates for expenditures, revenues, and other economic indicators. Expenditure and revenue estimates require forecasts for changes in the utility customer base and changes in the economy. The CIP projections represent a four percent growth factor for operations expenditures throughout the five-year scope. This estimate is in line with current trends. The City has benefited from sustained growth in the customer base. The growth assumptions used in the projections below are 400 new water and sewer accounts in FY22-23 and 500 for each subsequent year, with estimated usage at 4,000 gallons per month. Additionally, a 6% increase in rates is included for FY22-23, with a 1.5 percent increase each of the next three years with a 6.5 percent increase in the fifth year. For projects subject to financing, an interest rate of 2.5 percent was used for FY23-24 and 3.5 percent for FY25-26. These projected rates are based on recent financings. Actual rates may vary depending on the size of the project and the length of the term.

DEBT SERVICE COVERAGE RATIO

The Master Trust Agreement for the City's revenue bonds requires a 1.20 debt service coverage ratio for senior or parity debt and a 1.0 debt service coverage ratio for all debt. A debt service coverage ratio indicates the financial margin required to meet the current total annual debt service with current revenues available for debt service. As shown below, the 1.20 and 1.0 debt service coverage is met for each year in the Plan.

Debt Service Coverage Ratio Calculation	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27
Operating Revenues	\$ 10,471,591	\$11,569,568	\$12,066,515	\$12,576,400	\$13,587,368
Operating Expenses	\$7,862,442	\$8,176,940	\$8,504,017	\$8,844,178	\$9,197,945
Non-Operating Revenues	\$ 23,000	\$ 23,000	\$ 23,000	\$ 23,000	\$ 23,000
Net Revenue Available for Debt Service	\$2,632,149	\$3,415,629	\$3,585,497	\$3,755,222	\$4,412,423
Senior Lien Debt Service Coverage Test					
Net Revenue Available for Senior-Lien Debt Coverage	\$2,632,149	\$3,415,629	\$3,585,497	\$3,755,222	\$4,412,423
Series 2021 Revenue Bond	\$1,183,839	\$1,184,225	\$1,183,356	\$1,182,238	\$1,183,849
Series 2023 Revenue Bonds - Expansion		-		\$1,307,439	\$2,007,855
Series 2023 Revenue Bonds - Flood Wall		14,147	\$128,294	\$128,294	\$128,294
Series 2023 Revenue Bonds - Elevated Water Tank		27,162	\$246,325	\$246,325	\$246,325
Series 2026 Revenue Bond - Jones Road Outfall				\$8,982	\$106,714
Total Annual Senior-Lien Debt Service	\$1,183,839	\$1,225,535	\$1,557,976	\$2,873,278	\$3,673,038
Calculated Senior-Lien Debt Service Coverage (Required 1.20)	2.22	2.79	2.30	1.31	1.20
Total All Debt Service Coverage Test					
Net Revenue Available for Debt Service	\$2,632,149	\$3,415,629	\$3,585,497	\$3,755,222	\$4,412,423
Total Senior Lien Debt Service (including proposed)	\$1,183,839	\$1,225,535	\$1,557,976	\$2,873,278	\$3,673,038
Other Outstanding Debt	\$318,979	\$318,980	\$318,980	\$373,089	\$354,703
Total Annual Debt Service	\$1,502,818	\$1,544,515	\$1,876,955	\$3,246,367	\$4,027,741
Calculated All Debt Service Coverage (Required 1.0)	1.75	2.21	1.91	1.16	1.10
Other Expenses Not Included in the Calculation					
Cash and Grant Funded Capital	\$816,473	\$8,659,478	\$1,216,500	\$1,289,000	\$1,342,000

SECTION 6: PROJECT FUNDING DETAIL

GENERAL FUND

Transportation						
Project Cost	Total	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27
Holt Street Greenway	900,000	900,000				
- Installment Loan	900,000	900,000				
Sidewalk Projects	1,370,000	109,000	210,000	206,000	400,000	445,000
-General Fund	1,370,000	109,000	210,000	206,000	400,000	445,000
Downtown Stamped Asphalt Crosswalk Refurbishing	70,000	70,000				
-General Fund	70,000	70,000				
Dead-end Street Reconstruction	30,000	30,000	TBD			
-General Fund	30,000	30,000	TBD			
Signal Light and Control Box Replacement	50,000		50,000			
-General Fund	50,000		50,000			
Community Park Gravel Lot	130,000		130,000			
-General Fund	130,000		130,000			
Third-Fifth Street Connector Greenway	290,000			40,000		250,000
-General Fund	290,000			40,000		250,000
Repave Old Rec Parking Lot	50,000		50,000			
-General Fund	50,000		50,000			
Repave MACC Parking Lot	380,000			380,000		
-General Fund	380,000			380,000		

Parks, Recreation, and Cultural Resources Element						
Project Cost	Total	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27
Lake Michael Dam Spillway	6,000,000		6,000,000			
- Installment Loan	6,000,000		6,000,000			
Lake Michael Lebanon Rd. Connector	121,000	121,000				
-General Fund	121,000	121,000				
Community Park Fiddler Stage	75,000	75,000				
-General Fund	75,000	75,000				
Shade Cover for Fitness Court	55,000	-	55,000			
-General Fund	55,000	-	55,000			
Lake Michael Remaining Trail	45,000	-	45,000	TBD		
-General Fund	45,000	-	45,000	TBD		
Maintenance Truck	35,000	35,000				
-General Fund	35,000	35,000				
Pickle Ball Courts	-		TBD			
TBD	-		TBD			
Youth Walker Field Repurpose	-		TBD		TBD	
TBD	-		TBD		TBD	
Shade for Farmer's Market	-			TBD		
TBD	-			TBD		
Community Park Expansion	-			TBD		TBD
- Installment Loan	-			TBD		TBD
Lake Michael Pier Replacements	150,000				150,000	
-General Fund	150,000				150,000	

Public Safety Element						
Project Cost	Total	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27
Police Vehicles	976,921	260,006	171,362	176,503	181,798	187,252
-Installment loan	976,921	260,006	171,362	176,503	181,798	187,252
Fire Engines	1,950,000	650,000	650,000	650,000		
-General Fund	130,000	130,000				
- Installment Loan	1,820,000	520,000	650,000	650,000		
Fire Prevention Vehicle	125,000	80,000	45,000			
-General Fund	45,000		45,000			
-Installment loan	45,000	45,000				
Life Safety Education Vehicle	35,000	35,000				
- Installment Loan	35,000	35,000				
Training Simulator	75,000		75,000			
-General Fund	75,000		75,000			
Quint Truck	1,300,000			1,300,000		
- Installment Loan	1,300,000			1,300,000		
Replace Fire Chief's Vehicle	50,000			50,000		
-Installment loan	50,000			50,000		
Platform Truck	1,800,000				1,800,000	
- Installment Loan	1,800,000				1,800,000	
Command Vehicle	55,000				55,000	
-Installment loan	55,000				55,000	
Rescue Truck	1,300,000					1,300,000
- Installment Loan	1,300,000					1,300,000

Public Facilities Element						
Project Cost	Total	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27
New Police Station	16,500,000	-	1,750,000	14,750,000		
- Installment Loan	16,500,000	-	1,750,000	14,750,000		
Fire Station 4	5,110,000	110,000	5,000,000			
-General Fund		110,000				
- Installment Loan	5,000,000		5,000,000			
Upgrade door systems at Fire stations	30,000	30,000				
-General Fund	30,000	30,000				
Old Rec Building Improvements	72,000	72,000				
-General Fund	72,000	72,000				
Public Works Office Renovation	35,000		35,000			
-General Fund	35,000		35,000			
Fire Station 1 Bay Door Replacement	47,500		47,500			
-General Fund	47,500		47,500			
Police Station HVAC Replacement	40,000		40,000			
-General Fund	40,000		40,000			
Two-Bay Addition to Public Works Storage Building	150,000		150,000			
-General Fund	150,000		150,000			
MACC Roof Restoration and New Lights	328,000		168,000	160,000		
-General Fund	328,000		168,000	160,000		
Lake Michael Building Renovation/Removal	-		TBD			
-TBD	-		TBD			
Police Station Roof Replacement	300,000			300,000		
-General Fund	300,000			300,000		
Fire Station 5	5,110,000			110,000	5,000,000	
- Installment Loan	5,110,000			110,000	5,000,000	
Public Works New Equipment Shed	200,000			200,000		
-General Fund	200,000			200,000		
Public Works Salt Shed with Brining Station	150,000				150,000	
-General Fund	150,000				150,000	

Public Works & Environmental Services Element						
Project Cost	Total	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27
Leaf Truck	975,000	320,000	325,000			330,000
-Installment Loan	975,000	320,000	325,000			330,000
Garbage Truck	535,000	210,000		325,000		
- Installment Loan	535,000	210,000		325,000		
Pick-up Trucks	372,000	120,000	120,000	44,000	44,000	44,000
-Installment Loan	120,000	120,000				
-General Fund	252,000		120,000	44,000	44,000	44,000
Pull-behind Leaf Vacuum and Box	110,000		110,000			
- Installment Loan	110,000		110,000			
Vehicles	56,000	56,000				
-Installment Loan	56,000	56,000				
FEMA Area at Public Works Facility	60,000	60,000				
-General Fund	60,000	60,000				
Brine Mount System and Body	50,000	50,000				
-General Fund	50,000	50,000				
East Graham St. Stormwater Project	25,000	25,000				
-General Fund	25,000	25,000				
Fleet Services - Service Truck	200,000		200,000			
-Installment Loan	200,000		200,000			
Bucket Truck	175,000		175,000			
- Installment Loan	175,000		175,000			
Ventrac Tractor w/edger and mowing deck	45,000		45,000			
-General Fund	45,000		45,000			
Dump Truck	325,000		325,000			
- Installment Loan	325,000		325,000			
Salt and Sand Spreader	75,000		75,000			
-General Fund	75,000		75,000			
Tractor	60,000			60,000		
-General Fund	60,000			60,000		
New fuel station and pumps	30,000				30,000	
-General Fund	30,000				30,000	
Swap Loader	350,000				350,000	
- Installment Loan	350,000				350,000	

WATER AND SEWER FUND

Water and Sewer Utility Element						
Project Cost	Total	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27
Inflow and Infiltration (I&I)	2,000,000	-	500,000	500,000	500,000	500,000
-Water and Sewer Fund	2,000,000	-	500,000	500,000	500,000	500,000
Oversize Reimbursement	600,000	200,000	100,000	100,000	100,000	100,000
-Utility Fund	600,000	200,000	100,000	100,000	100,000	100,000
City of Graham Water Treatment Plant Improvements	830,000	30,000	200,000	200,000	200,000	200,000
-Water and Sewer Fund	830,000	30,000	200,000	200,000	200,000	200,000
Elevated Storage Tank	4,025,000	185,000	3,840,000			
-Water and Sewer Fund	185,000	185,000				
- Revenue Bonds	3,840,000		3,840,000			
Jones Road Outfall (Arbor Creek)	1,000,000	-		112,500	887,500	
-Water and Sewer Fund	112,500	-		112,500		
- Revenue Bonds	887,500				887,500	
Outfall Tractor Replacement	60,000	60,000				
-Water and Sewer Fund	60,000	60,000				
Aeration Basins Electrical Upgrade	50,000	50,000				
-Water and Sewer Fund	50,000	50,000				
City of Graham Waste Water Treatment Plant Improvements	261,575	53,575	52,000	52,000	52,000	52,000
-Water and Sewer Fund	261,575	53,575	52,000	52,000	52,000	52,000
Xylem Influent Monitoring	26,198	26,198				
-Water and Sewer Fund	26,198	26,198				
Water Resource Recovery Facility (WRRF) 1.5 MGD Expansion	42,027,522		42,027,522			
-Water and Sewer Fund	1,872,478		1,872,478			
- Capital Reserve Funds	3,600,000		3,600,000			
-Revenue Bonds	42,027,522		42,027,522			
WRRF Flood Wall	2,000,000		2,000,000			
-Revenue Bonds	2,000,000		2,000,000			
Water Line Replacements	320,000		195,000		125,000	
-Water and Sewer Fund	320,000		195,000		125,000	
Backhoe Replacement	150,000		150,000			
-Water and Sewer Fund	150,000		150,000			
Vehicle Replacement	199,000		65,000	32,000	62,000	40,000
-Water and Sewer Fund	199,000		65,000	32,000	62,000	40,000
Utility Oversizing	200,000		50,000	50,000	50,000	50,000
-Water and Sewer Fund	200,000		50,000	50,000	50,000	50,000
Sewer Jetter Replacement	70,000			70,000		
-Water and Sewer Fund	70,000			70,000		
Vac Truck Replacement	450,000				450,000	
-Water and Sewer Fund	450,000				450,000	
Water Rehabilitation	400,000				200,000	200,000
-Water and Sewer Fund	400,000				200,000	200,000
Rotary Drum Thickener Rebuild	100,000			100,000		
-Water and Sewer Fund	100,000			100,000		
Aqua Guard Influent Screen Rehab	100,000					100,000
-Water and Sewer Fund	100,000					100,000
Mini Excavator Replacement	100,000					100,000
-Water and Sewer Fund	100,000					100,000