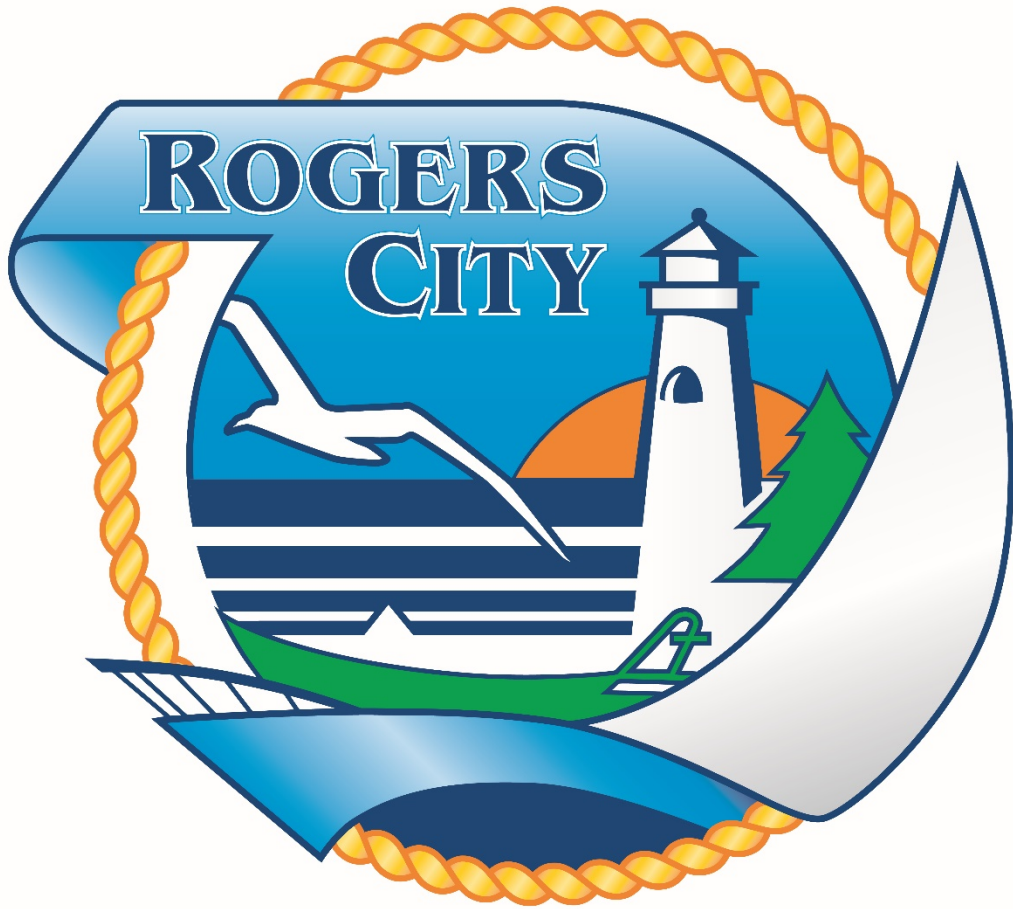


City of Rogers City Capital Improvements Plan



2023-24

Introduction

A Capital Improvements Plan (CIP) is a multi-year planning instrument used to identify needs and financing sources for public infrastructure improvements. The purpose of a CIP is to facilitate the orderly planning of infrastructure improvements; to maintain, preserve, and protect the City of Rogers City's existing infrastructure system; and to provide for the acquisition or scheduled replacement of equipment to ensure the efficient delivery of services to the community. The CIP also is utilized to ensure that capital improvements are fiscally sound and consistent with the goals and policies of the City Council and the residents of the City of Rogers City.

A comprehensive CIP is an essential tool for the planning and development of the social, physical, and economic wellbeing of the community. This process is a necessary step in an organized effort to strengthen the quality of public facilities and services; provide a framework for the realization of community goals and objectives; and provide a sound basis on which to build a healthy and vibrant community.

The CIP informs Rogers City residents and stakeholders on how the City plans to address significant capital needs over the next six years. The CIP provides visual representations of the community's needs including maps that detail the timing, sequence and location of capital projects. The CIP also can influence growth because infrastructure can impact development patterns.

Some of the many benefits that the CIP provides for residents and stakeholders include:

- Optimize the uses of revenue
- Focus attention on community goals, needs, and capabilities
- Guide future growth and development
- Encourage efficient government
- Improve intergovernmental and regional cooperation
- Help maintain a sound and stable financial program
- Enhance opportunities for the participation in federal and/or state grant programs

The projects identified in the CIP represent the City's plan to serve residents and anticipate the needs of a dynamic community. Projects are guided by various development plans and policies established by the planning commission, city council, and administration.

Plans and policies include:

- Comprehensive plan
- Long-term strategic plan
- Downtown development plan
- Community recreation plan
- Water system asset management plan
- Sanitary system asset management plan

Mission statement

Preparation of the CIP is done under the authority of the Michigan Planning Enabling Act (PA 33 of 2008). The goal of the CIP should be to implement the master plan and to assist in the community's financial planning.

The CIP is dynamic. Each year all projects included within the CIP are reviewed, a call for new projects is made, and adjustments are made to existing projects arising from changes in the amount of funding required, conditions, or time line. A new year of programming also is added each year to replace the year funded in the annual operating budget.

The CIP program should continue to develop over time by adding features to gradually improve quality and sophistication. Greater attention shall be devoted to provide more detailed information about individual project requests, program planning, fiscal analysis, fiscal policies, and developing dent strategy.

CIP and the budget process

The CIP plays a significant role in the implementation of a master plan by providing the link between planning and budgeting for capital projects. The CIP process precedes the budget process and is used to develop the capital project portion of the annual budget. Approval of the CIP by the planning commission does not mean that the planning commission grants final approval of all projects included therein. Rather, by approving the CIP, the planning commission acknowledges that all of these projects represent a reasonable interpretation of the upcoming needs of the community and that projects contained in the first year of the plan are suitable for inclusion in the upcoming budget.

Priority rankings do not necessarily correspond to funding sequence. For example, a road-widening project which is ranked lower than a park project may be funded before the park project because the road project has access to a restricted revenue source, while the park project may have to compete for funding from other revenue sources. A project's funding depends upon a number of factors – not only its merit, but also its location, cost, funding source, and logistics.

The City of Rogers City should strive to maximize resources by maintaining a balance between operating and capital budgets. A continuous relationship exists between the CIP and the annual budget. A direct link can be seen between the two documents, as there should be in a strategic planning environment. Budget appropriations lapse at the end of the fiscal year as the operating budget is funded with recurring annual revenues such as taxes, licenses, fines, user fees, and interest income.

CIP process

Project lead: identifies CIP process and roles; assembles background on policy, regulations, and budget projections, requests project applications from staff, board, and committees.

CIP review team: reviews the policy, develops the project rating and weighting criteria, rates and weights project applications, reviews funding options, and presents a draft CIP to the planning commission.

Planning commission: reviews draft CIP, solicits public comment at a public hearing, and adopts the CIP.

City Council: adopts the CIP as a tool in the adoption of the annual budget.

Residents: encouraged to participate in plan development by working with various boards and commissions, and commenting at the planning commission public hearing and the city council's budget workshops and budget hearings. As always, communication is open between residents, the planning commission, the city council, and staff.

CIP policy

As used in the City of Rogers City capital Improvements Program, a capital improvements project is defined as a major, nonrecurring expenditure that includes one or more of the following:

- 1) Any construction of a new facility (i.e., a public building, water/sanitary sewer mains, storm sewers, major/local roadways, recreational facilities), an addition to, or extension of such a facility, provided that the cost is \$10,000 or more and the improvement will have a useful life of three years or more.

- 2) Any rehabilitation of existing infrastructure (i.e., streets, sanitary sewer, storm sewer, etc.) that is intended to add at least 20 years of life to that infrastructure, provided that the cost of such rehabilitation is \$10,000 or more.
- 3) Any nonrecurring rehabilitation of all or part of a building, its grounds, a facility, or equipment, provided that the cost is \$10,000 or more and the improvement will have a useful life of three years or more.
- 4) Any purchase or replacement of major equipment to support community programs provided that the cost is \$10,000 or more and will be coded to a capital asset account.
- 5) Any planning, feasibility, engineering, or design study related to an individual capital improvements project or to a program that is implemented through individual capital improvements projects provided that the cost is \$10,000 or more and will have a useful life of three years or more.
- 6) Any planning, feasibility, engineering, or design study costing \$25,000 or more that is not part of an individual capital improvements project or a program that is implemented through individual capital improvements projects.
- 7) Any acquisition of land for a public purpose that is not part of an individual capital improvements project or a program that is implemented through individual capital improvements projects provided that the cost is \$25,000 or more.

Program funding

Because the capital improvements projects involve the outlay of substantial funds, numerous sources are necessary to provide financing over the life of the project. Most capital funding sources are earmarked for specific purposes and cannot be transferred from one capital program to another. For example, funds raised by a voter-approved millage must be used for the purposes that were stated when the voters approved the millage. The CIP has to be prepared with some projections as to the amount of money available. The following is a summary of funding sources that could be used for capital improvements.

Enterprise (reserve) funds: In enterprise financing, funds are accumulated in advance for capital requirements. Enterprise funds not only pay for capital improvements, but also for the day-to-day operations of community services and the debt payment on revenue bonds. The City can set levels for capital projects; however, increases in capital expenditures for water mains, for example, could result in increased rates.

Bonds: When the City of Rogers City sells bonds, purchasers are, in effect, lending the City money. The money is repaid, with interest, from taxes or fees over the years. The logic behind issuing bonds (or “floating a bond issue”) for capital projects is that the citizens who benefit from the capital improvements over a period of time should help the community pay for them. Rogers City issues bonds in two forms:

General obligation (G.O. bonds) – perhaps the most flexible of all capital improvement sources, G.O. bonds can be used for the design or construction of any capital project. These bonds are financed through property taxes. In financing through this method, the taxing power of the community is pledged to pay interest and principal to retire the debt. Voter approval is required if the City wants to increase taxes and the amount is included in its state-imposed debt limits. To minimize the need for property tax increases, the City makes every effort to coordinate new bond issues with the retirement of previous bonds. G.O. bonds are authorized by a variety of state statutes.

Revenue bonds – sold for projects that produce revenues, such as water and sewer system projects. Revenue bonds depend on user charges and other project-related income to cover their costs. Unlike G.O. bonds, revenue bonds are not included in the City’s state-imposed debt limits because the full faith and credit of the City back them. Revenue bonds are authorized by the Revenue Bond Act of 1933.

Weight and gas tax: Based on a formula set by the State of Michigan, the City of Rogers City receives a portion of the tax placed on motor fuel and highway usage in the state. The restrictions placed on the expenditure of these funds insure that they will be spent on transportation-related projects or operations or services. These are commonly called Act 51 funds.

Tax increment financing (TIF): TIF is a municipal financing tool that can be used to renovate or redevelop declining areas while improving their tax base. TIF applies the increase in various state and local taxes that result from a redevelopment project to pay for project-related public improvements. For purposes of financing activities within the City’s downtown district, the Downtown Development Authority operates under a 30-year TIF plan adopted in 2018. PA 281 of 1986, the Local Development Finance Authority Act, and PA 450 of 1980, the Tax Increment Financing Act, authorize TIF.

Millages: The property tax is a millage that is one of the most important sources of community revenue. The property tax rate is stated in mills (one dollar per \$1,000 in valuation). This rate is applied to a property’s net value, following the application of all exemptions and a 50 percent equalization ratio. Millages are voter-approved taxes that are specifically earmarked for a particular purpose. The City is authorized to utilize millages under PA 279 of 1909, the Home Rule Cities Act.

Federal and state funds: The federal and state governments make funds available to communities through numerous grants and aid programs. Some funds are tied directly to a specific program. The City has discretion (with certain guidelines) over the expenditure of others. For the most part, the community has no direct control over the amount of money received under these programs.

Special assessments: Capital improvements that benefit particular properties, rather than the community as a whole, may be financed more equitably by special assessment, i.e. by those who directly benefit. Local improvements often financed by this method include new street improvements (including pavement, curb and gutter, sidewalks, etc.), sanitary and storm sewers, and water mains.

Developer contributions: Sometimes capital improvements are required to serve new development. Where funding is not available for the community to construct the improvements, developers may agree to voluntarily contribute their share or install the facilities themselves so the development can go ahead.

Project summaries – water/sewer departments

Description:	Complete water meter replacement
CIP ID #:	WATSEW1
Projected completion date:	June 30, 2024
Fiscal years:	2023-24
Projected cost:	\$180,000
Source of funding:	Water, sewer sales revenues
Purpose:	Three-year replacement project; replace all before reading software is obsolete
Included:	Water general plan and reliability study

Description:	Lake/Orchard Street water/sewer replacement
CIP ID #:	WATSEW2
Projected completion date:	June 30, 2025
Fiscal year(s):	Design 2023-24; construction 2025-26
Projected cost:	\$2,000,000
Source of funding:	MEDC or USDA-RD grant; water/sewer sales revenues
Purpose:	Replace old water main; install new sewer main
Included:	Water asset management plan, water general plan & reliability study

Description:	Complete Drinking Water System Inventory
CIP ID #:	WAT1
Projected completion date:	June 30, 2024
Fiscal year:	2023-24
Projected cost:	\$450,000

Source of funding: EGLE grant
Purpose: Inventory drinking water services per EGLE guidelines
Included: Required by EGLE of all public water providers by 2025

Description: Test wells
CIP ID #: WAT2
Projected completion date: June 30, 2024
Fiscal years: 2023-24
Projected cost: \$50,000
Source of funding: Water repair, replacement, and investment set aside
Purpose: Determine location of next water well so prepared should an existing water well fail or need to be taken off line for repair; water asset management plan
Included:

Description: Paint and repair water tower
CIP ID #: WAT3
Projected completion date: June 30, 2028
Fiscal years: 2026-27; 2027-28
Projected cost: \$120,000
Source of funding: Water repair, replacement, and investment set aside
Purpose: Water well put on-line in 2012 will be ready for interior and exterior painting and other scheduled maintenance; water asset management plan
Included:

Description: Portable generator purchase
CIP ID #: WAT4
Projected completion date: June 30, 2028
Fiscal years: 2027-28
Projected cost: \$50,000
Source of funding: Water sales revenue
Purpose: Needed to operate City wells in case of power outage
Included: Water asset management plan; EGLE sanitary surveys

Description: Replacement of oldest AC water main
CIP ID #: WAT5
Projected completion date: June 30, 2029
Fiscal years: design 2026-27; construction 2028-29
Projected cost: \$120,000
Source of funding: MEDC or USDA grant; water sales revenues, water main replacement set-aside
Purpose: Replace main that has broken several times over past few years
Included: Is being added to water asset management plan

Description: Linden Street lift station pump and valve replacement
CIP ID #: SEW1
Projected completion date: June 30, 2024
Fiscal years: 2023-24
Projected cost: \$55,000
Source of funding: Sewer repair, replacement, and investment set aside; sewer sales revenues
Purpose: Pumps are not working properly and parts to repair are no longer available
Included: Sewer asset management plan

Description: WWT SCADA system replacement
CIP ID #: SEW2
Projected completion date: June 30, 2024

Fiscal years: 2023-24
Projected cost: \$46,000
Source of funding: Sewer repair, replacement, and investment set aside; sewer sales revenues
Purpose: Existing SCADA system is obsolete; not dialing employees during failures
Included: Sewer asset management plan

Description: Camera purchase
CIP ID #: SEW3
Projected completion date: June 30, 2024
Fiscal years: 2023-24
Projected cost: \$18,000
Source of funding: Sewer sales revenues
Purpose: See and address problem areas within sewer collection system
Included: Sewer asset management plan

Description: Sewer main replacement – Maple/Birch intersection
CIP ID #: SEW4
Projected completion date: June 30, 2024
Fiscal years: 2023-24
Projected cost: \$25,000
Source of funding: Sewer main replacement set-aside
Purpose: Main has failed and is beyond lining as a less expensive option
Included: Sewer asset management plan

Description: Sewer main replacement -300 block S. Sixth
CIP ID #: SEW5
Projected completion date: June 30, 2025
Fiscal years: 2024-25
Projected cost: \$22,000
Source of funding: Sewer repair, replacement, and investment set aside; sewer sales revenues
Purpose: Existing SCADA system is obsolete; not dialing employees during failures
Included: Sewer asset management plan

Description: WWTP secondary clarifier repair
CIP ID #: SEW6
Projected completion date: June 30, 2025
Fiscal years: 2024-25
Projected cost: \$150,000
Source of funding: Sewer repair, replacement, and investment set aside; sewer sales revenues
Purpose: Primary clarifier pulled and repaired a few years ago; this one is same age
Included: Sewer asset management plan

Description: WWTP 4WD pick-up (used)
CIP ID #: SEW7
Projected completion date: June 30, 2029
Fiscal years: 2028-29
Projected cost: \$40,000
Source of funding: Sewer vehicle replacement set aside
Purpose: General sewer operations
Included: Equipment replacement plan

Project summaries - streets

Description: Michigan (Third to south end)
CIP ID#: ST1
Projected completion date: June 30, 2024
Fiscal year(s): 2023-24
Projected cost: \$212,000
Source of funding: Act 51 street funds
Purpose: Crush, shape, and pave 1,500 feet of street
Included: 20-year street plan

Description: Wenonah (Erie-Bradley)
CIP ID#: ST2
Projected completion date: June 30, 2024
Fiscal year(s): 2023-24
Projected cost: \$90,000
Source of funding: Act 51 street funds
Purpose: Crush, shape, and pave 1,700 feet of street
Included: 20-year street plan

Description: Calcite (Woodward-St. Clair)
CIP ID #: ST 3
Projected completion date: June 30, 2025
Fiscal year(s): 2024-25
Projected cost: \$106,000
Source of funding: Act 51 street funds
Purpose: Crush, shape, and pave 1,400 feet of street
Included: 20-year street plan

Description: Doris (Erie-Ontario)
CIP ID #: ST 4
Projected completion date: June 30, 2025
Fiscal year(s): 2024-25
Projected cost: \$43,000
Source of funding: Act 51 street funds
Purpose: Crush, shape, and pave 600 feet of street
Included: 20-year street plan

Description: Lake (Ontario-Woodward; Orchard to east end)
CIP ID #: ST 5
Projected completion date: June 30, 2026
Fiscal year(s): 2025-26
Projected cost: \$121,000
Source of funding: MEDC or USDA grant; Act 51 street funds (part of water/sewer project)
Purpose: Crush, shape, and pave 2,400 feet of street
Included: 20-year street plan

Description: Orchard (Calcite-First)
CIP ID #: ST 6
Projected completion date: June 30, 2026
Fiscal year(s): 2025-26
Projected cost: \$72,000

Source of funding: MEDC or USDA grant; Act 51 street funds (part of water/sewer project)
Purpose: Crush, shape, and pave 600 feet of street
Included: 20-year street plan

Description: Fifth (Woodward-Brege)
CIP ID #: ST 7
Projected completion date: June 30, 2027
Fiscal year(s): 2026-27
Projected cost: \$55,000
Source of funding: Act 51 street funds
Purpose: Crush, shape, and pave 1,000 feet of street
Included: 20-year street plan

Description: Brege (all)
CIP ID #: ST 8
Projected completion date: June 30, 2027
Fiscal year(s): 2026-27
Projected cost: \$162,000
Source of funding: Act 51 street funds
Purpose: Crush, shape, and pave 2,300 feet of street
Included: 20-year street plan

Description: Ira (Third-Brege)
CIP ID #: ST 9
Projected completion date: June 30, 2027
Fiscal year(s): 2026-27
Projected cost: \$49,000
Source of funding: Act 51 street funds
Purpose: Crush, shape, and pave 700 feet of street
Included: 20-year street plan

Description: Sixth (Orchard-Park)
CIP ID #: ST 10
Projected completion date: June 30, 2028
Fiscal year(s): 2027-28
Projected cost: \$107,000
Source of funding: Act 51 street funds
Purpose: Crush, shape, and pave 1,500 feet of street
Included: 20-year street plan

Description: Forest (Bradley-Linden)
CIP ID #: ST 11
Projected completion date: June 30, 2028
Fiscal year(s): 2027-28
Projected cost: \$140,000
Source of funding: Act 51 street funds
Purpose: Crush, shape, and pave 2,800 feet of street
Included: 20-year street plan

Description: Birch (Larke-State)
CIP ID #: ST 12
Projected completion date: June 30, 2029
Fiscal year(s): 2028-29

Projected cost: \$74,000
Source of funding: Act 51 street funds
Purpose: Crush, shape, and pave 1,300 feet of street
Included: 20-year street plan

Description: Maple (Birch-State)
CIP ID #: ST 13
Projected completion date: June 30, 2029
Fiscal year(s): 2028-29
Projected cost: \$36,000
Source of funding: Act 51 street funds
Purpose: Crush, shape, and pave 600 feet of street
Included: 20-year street plan

Description: Superior
CIP ID #: ST 14
Projected completion date: June 30, 2029
Fiscal year(s): 2028-29
Projected cost: \$44,000
Source of funding: Act 51 street funds
Purpose: Crush, shape, and pave 900 feet of street
Included: 20-year street plan

Project summaries – public safety

Description: Police vehicle purchase
CIP ID#: PS1
Projected completion date: June 30, 2024
Fiscal year(s): 2023-24
Projected cost: \$38,000
Source of funding: General fund equipment replacement set-aside
Purpose: Law enforcement
Included: Equipment replacement plan

Description: Police vehicle purchase
CIP ID#: PS2
Projected completion date: June 30, 2026
Fiscal year(s): 2025-26
Projected cost: \$42,000
Source of funding: General fund equipment replacement set-aside
Purpose: Law enforcement
Included: Equipment replacement plan

Description: Police vehicle purchase
CIP ID#: PS3
Projected completion date: June 30, 2029
Fiscal year(s): 2028-29
Projected cost: \$46,000
Source of funding: General fund equipment replacement set-aside
Purpose: Law enforcement
Included: Equipment replacement plan

Project summaries – public works equipment

Description: Plow truck purchase #1
CIP ID#: PW1
Projected completion date: June 30, 2024
Fiscal year(s): 2023-24
Projected cost: \$250,000
Source of funding: Equipment fund set-aside; USDA grant & loan
Purpose: All utility and public works projects
Included: Equipment replacement plan

Description: Plow truck purchase #2
CIP ID#: PW2
Projected completion date: June 30, 2024
Fiscal year(s): 2023-24
Projected cost: \$250,000
Source of funding: Equipment fund set-aside; USDA grant & loan
Purpose: All utility and public works projects
Included: Equipment replacement plan

Description: Asphalt recycler & hotbox purchase
CIP ID#: PW3
Projected completion date: June 30, 2024
Fiscal year(s): 2023-24
Projected cost: \$27,000
Source of funding: Equipment fund set-aside
Purpose: Street, alley, and parking lot CPM
Included: Equipment replacement plan

Description: DPW 4WD pick-up
CIP ID#: PW4
Projected completion date: June 30, 2025
Fiscal year(s): 2024-25
Projected cost: \$60,000
Source of funding: Equipment fund set-aside
Purpose: All utility and public works projects
Included: Equipment replacement plan

Description: Plow truck purchase (used)
CIP ID#: PW5
Projected completion date: June 30, 2026
Fiscal year(s): 2025-26
Projected cost: \$100,000
Source of funding: Equipment fund set-aside
Purpose: All utility and public works projects
Included: Equipment replacement plan

Description: Plow truck purchase (used)
CIP ID#: PW6
Projected completion date: June 30, 2028
Fiscal year(s): 2027-28
Projected cost: \$112,500

Source of funding: Equipment fund set-aside
Purpose: All utility and public works projects
Included: Equipment replacement plan

Description: Loader purchase
CIP ID#: PW7
Projected completion date: June 30, 2028
Fiscal year(s): 2027-28
Projected cost: \$240,000
Source of funding: Equipment fund set-aside
Purpose: All utility and public works projects
Included: Equipment replacement plan

Description: DPW 2WD one-ton truck (used)
CIP ID#: PW8
Projected completion date: June 30, 2029
Fiscal year(s): 2028-29
Projected cost: \$30,000
Source of funding: Equipment fund set-aside
Purpose: All utility and public works projects
Included: Equipment replacement plan

Description: DPW 2WD pick-up
CIP ID#: PW9
Projected completion date: June 30, 2029
Fiscal year(s): 2028-29
Projected cost: \$30,000
Source of funding: Equipment fund set-aside
Purpose: All utility and public works projects
Included: Equipment replacement plan

Project summaries – parks & recreation

Description: Lakeside park playground equipment
CIP ID#: PR1
Projected completion date: June 30, 2024
Fiscal year(s): 2023-24
Projected cost: \$53,500
Source of funding: MNRTF grant, CFNEM grant, donations, general fund
Purpose: Park improvements
Included: Community recreation plan

Description: Lakeside park pavilion bathroom improvements
CIP ID#: PR2
Projected completion date: June 30, 2024
Fiscal year(s): 2023-24
Projected cost: \$211,500
Source of funding: MNRTF grant, CFNEM grant, donations, MS-DDA, general fund
Purpose: Park improvements; public restrooms to serve downtown
Included: Community recreation plan

Description: Relocation and reconstruction of Huron Sunrise Trail through PW Park
CIP ID#: PR3
Projected completion date: June 30, 2024
Fiscal year(s): 2023-24
Projected cost: \$40,000
Source of funding: Major street fund
Purpose: Park improvements; economic development
Included: Community recreation plan

Description: Install underground irrigation system at Sports Park
CIP ID#: PR4
Projected completion date: June 30, 2024
Fiscal year(s): 2023-24
Projected cost: \$12,000
Source of funding: General fund
Purpose: Park improvements; economic development
Included: Community recreation plan

Project summaries –Main Street/DDA

Description: Redevelopment of Avenue of Flags
CIP ID#: DDA1
Projected completion date: June 30, 2025
Fiscal year(s): 2024-25
Projected cost: \$600,000
Source of funding: MEDC grant; Major Street Fund
Purpose: Downtown gathering and event space
Included: Downtown development plan

Description: Erie Street parking lot/"nook" improvements
CIP ID#: DDA2
Projected completion date: June 30, 2026
Fiscal year(s): 2025-26
Projected cost: \$400,000
Source of funding: MEDC grant; DDA TIF
Purpose: Property improvements, public parking, downtown development
Included: Downtown development plan

Description: Third/Erie Street streetscape improvements
CIP ID#: DDA3
Projected completion date: June 30, 2027
Fiscal year(s): 2026-27
Projected cost: \$1,000,000
Source of funding: MEDC, USDA, DOT grants; DDA TIF; bond
Purpose: Downtown beatification; downtown development
Included: Downtown development plan

Description: Mariner's Mall parking lot paving
CIP ID#: DDA4
Projected completion date: June 30, 2028
Fiscal year(s): 2027-28
Projected cost: \$100,000

Source of funding: DDA TIF, bond
Purpose: Downtown beatification; downtown development
Included: Downtown development plan

Project summaries – marina

Description: Development of new visitor station/comfort area
CIP ID#: M1
Projected completion date: June 30, 2025
Fiscal year(s): 2024-25
Projected cost: \$1,400,000
Source of funding: MEDC grant, marina fund, DDA TIF
Purpose: Marina improvements; marketing and economic development
Included: Community recreation plan

Description: Paving of marina parking lot
CIP ID#: M2
Projected completion date: June 30, 2029
Fiscal year(s): 2028-29
Projected cost: \$150,000
Source of funding: Marina fund; loan from general fund
Purpose: Marina improvements; marketing and economic development
Included: Community recreation plan