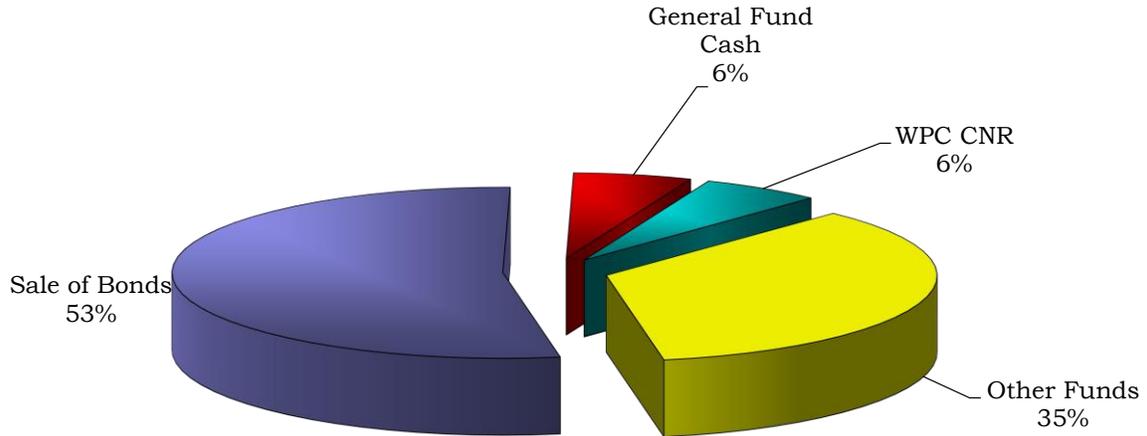


## **Capital Budget Summary The 2018 Approved Capital Budget**



The graph illustrates the approved funding sources for the 2018 Capital Budget of \$6,779,765. The funding sources include \$3,602,000 or 53% from the Sale of Bonds, \$392,765 or 6% from General Fund Cash, \$400,000 or 6% from the Water Pollution Control Capital Non-Recurring Fund, and \$2,385,000 or 35% from Other Funds which are comprised of Grants and the Equipment and Building Sinking Fund.

**Program Summaries-  
Capital Budget Summary**

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**Capital Budget - (continued)**

**CITY OF BRISTOL  
Fiscal Year 2018  
Capital Budget  
Department and Funding Summary**

	<b>Fiscal Year 2018 Capital Budget</b>
<b><u>Department</u></b>	
Board of Education	\$192,765
Fire Department	572,000
City Clerk	15,000
Parks Department	200,000
Public Works	5,400,000
Public Works - WPC	400,000
<b>Total All Departments</b>	<b><u><u>\$6,779,765</u></u></b>
<b><u>Funding</u></b>	
Sale of Bonds	\$3,602,000
General Fund Cash	392,765
WPC CNR	400,000
Other Funds	2,385,000
<b>Total All Funding</b>	<b><u><u>\$6,779,765</u></u></b>

**Capital Budget - (continued)**

**Overview**

The Capital Improvement Plan (CIP) addresses the City's needs relating to the acquisition, renovation, and construction of facilities and systems. It consists of a ten-year plan, which identifies capital projects to be funded in the planning period.

The Capital Budget (CB) represents the first year of the Capital Improvement Plan. The primary difference between the CB and CIP is that the Capital Budget is a legal document that authorizes expenditures for specific projects for the life of the project. The CIP, on the other hand, includes the first year projects as well as nine years of future projects for which financing has not been secured or legally authorized. The "out years" of the CIP are not binding and, therefore, are subject to change.

**Characteristics of Capital Expenditures**

Despite their close interrelationship with the operational General Fund budget, capital expenditures have special characteristics that justify their inclusion in a special Capital Budget. They include:

- Essential public purpose that enhances the quality of life in the City;
- Long useful life – capital facilities and equipment have a relatively long useful life, once capital expenditures are made, they cannot be easily modified;
- Infrequent and expensive – in their technical and physical nature, most capital projects involve large infrequent expenditures that must be made before the benefits are realized;
- Related to other government functions – capital investments made by the City to support infrastructure are interrelated and are a part of a system that provides the public with a set of goods or services;
- Local government's responsibility to provide capital expenditures – local governments shoulder the largest share of financial responsibility for providing, operating, and maintaining City infrastructure;
- To satisfy bond counsel legal requirements- all new appropriations approved with a debt service source of funding will have immediate Bond Resolutions prepared by counsel and approved shortly thereafter by the Board of Finance and Joint Board.

**Legal Requirements**

Connecticut General Statutes Section 8-24 requires all public improvement projects be referred to the Municipal Planning Commission for conformance with the approved plan of development before any specific action can be made by the community.

Section 8-24 states in part: "No municipal agency or legislative body shall locate, accept, abandon, widen, narrow or extend any street, bridge, parking or other public way, locate, acquire land for, abandon, sell or lease any airport, park, playground, school or other municipally owned property or public building, extend or locate any public housing project or redevelop, recondition or improve any specific area, or take action on any proposal involving the extent and location of public utilities and terminals

**Program Summaries-  
Capital Budget Summary**

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**Capital Budget - (continued)**

whether publicly or privately owned, for water, sewerage, light, power, transit and other purposes, until the proposal to take such action has been referred to the (Planning) Commission for a report”.

The City of Bristol’s Capital Budget and Capital Improvement Program (CIP) has a multiple approval process:

- Department submits "departmental requests", usually approved by their respective oversight Boards, Agencies and/or Commissions.
- After compilation by the Comptroller's Office, the program is submitted to the Mayor's 10 Year Capital Improvement Committee for discussion and preliminary approval.
- The Board of Finance holds a public hearing and appropriates the available funding for the individual projects during the regular budget approval process.
- The Joint Board adopts the Capital Budget at its annual adoption meeting.
- The Capital Budget is then referred to the Planning Commission for approval under Section 8-24 of the Connecticut General Statutes.

The City has been preparing and approving its CIP for many years. However, this is the eighth year the CIP was approved with the operating budget. Basically, it was the desire of the Board of Finance to have the CIP process mirror, as closely as possible, the operating budget process.

Bond Counsel and the City agreed that the following procedures would take place to assist in the issuance of short and long term debt:

1. The City should be able to obtain all of the approvals necessary to authorize the issuance of debt as part of the Capital Budget approval process.
2. By the time the City prepares its Capital Budget for any given year, projects will fall into two categories: (a) those for which the City has the detailed information needed in order to prepare the borrowing authorizations for approval at the same time as the Capital Budget; and (b) those for which the City does not have the necessary information at the time they are included in the Capital Budget.
3. In order for Bond Counsel to prepare authorization documents it is necessary to have detailed descriptions of the project, any preliminary plans, budgets segregated by general expense categories, and a listing of sources of funding other than borrowing, such as grants.
4. In cases where the City has adequate supporting information when the Capital Budget is prepared, the City will send the information to Bond Counsel, so that they can draft the appropriation and bond resolutions which must be approved in addition to the Capital Budget and the resolution for the Planning Commission. The resolutions will be forwarded along with related documents to the City so that they can be approved at the same time the Capital Budget is adopted.
5. In situations where the City does not yet have the information Bond Counsel needs to prepare the bond resolutions, the City can still include the projects in the Capital Budget. However, the City could only expend funds for preliminary planning expenses until the borrowing authorizations are in place.

**Capital Budget - (continued)**

6. The projects must then be approved by the Planning Commission under Section 8-24 of the General Statutes, and then the project appropriations and bond resolutions must be approved by the Board of Finance and Joint Board.

**Funding Sources**

Limited City resources are available to fund requested capital projects. Among the major sources of funding that are considered are:

- Pay-as-you-go financing – costs are paid directly from current City revenues, such as taxes and/or accumulated fund balances;
- Grants – from other governments (Federal and State);
- Loan proceeds - from other governments (Federal and State);
- Debt financing – external funding through the issuance of general obligation debt in the capital market.

There are no hard-and-fast rules for determining a “good mix” of financing sources. These decisions are based on the characteristics (cost, timing, location) of the capital expenditure proposal, as well as on the financial analysis (fiscal capacity, requirements for operating purposes, debt service, and limitations on the revenue system), and finally, on historical, economic, and political constraints operating within the City.

**Project Scheduling**

Urgency and feasibility dictate the initial field of projects for the Capital Budget. The end result is a sequential listing of projects that can be reasonably financed, designed, constructed, and implemented.

Capital planning and budgeting is an essential element of City financial management. The Capital Budget as well as the Capital Improvement Program represents the framework for decision making. It provides a forum to discuss and resolve the political choices that the City makes about what to build, where and when to build or buy it, and how much to spend for it.

**Capital Project Funds**

There are four Capital Project Funds used by the City to account for financial resources for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds or Trust Funds). As previously mentioned on page 345, the Capital Budget represents the first year of the Capital Improvement Plan. The various Capital Project Funds are summarized below:

- **School Renovations Fund** – The City determined the need to renovate and upgrade all schools to meet the State Building Code requirements. The fund was originally established to renovate the two High Schools.

**Program Summaries-  
Capital Budget Summary**

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**Capital Budget - (continued)**

- **Capital Projects** – This fund is used to account for most City road, bridge, and sidewalk projects. The major projects in this fund are the infrastructure improvements, and bridge and street reconstruction.
- **Capital and Nonrecurring Funds** – These two funds were established for future City Capital and Non-recurring projects as well as Water Pollution Control facilities.

**Capital Budget Highlights**



Public Works has a number of 2018 projects. The largest of these is the Centre Square Infrastructure project at \$4,000,000. This project continues the development of the 15 acre former mall site now known as Centre Square. The project consists of the construction of an interior access road with a traffic signal and bus stop, streetscape improvements along Main Street, Riverside Avenue and North Main Street, site restoration and landscaping of the existing pavement area and construction of surface lot municipal parking. Public Works is also planning to replace the undersized storm drainage system from Shrub Road to Ferraro Drive to stop flooding in the area of Sherwood Drive at a cost of \$340,000. The City owned section of railroad which crosses CT Route 6 in the area of Clark Avenue is deteriorated and will be replaced and re-aligned with the roadway pavement. The cost of this project is estimated to be \$150,000. The room on the ground floor in City Hall used as a firing range by the Bristol Police Department has been isolated and closed to prevent migration of lead particulate matter discovered in the range. This \$100,000 project will remove and dispose of all lead from the area and will remove and dispose of any remaining gun range equipment. Public Works also has a road reconstruction project planned for Brentwood Drive, \$360,000; replacement of the concrete floor at the Vincent P. Kelly facility, \$330,000; and replacement of the chiller at the Police/Court Complex, \$120,000. The railroad crossing, lead abatement and chiller projects, a total of \$370,000 are all being funded by the Equipment and Building Sinking Fund.



As part of its schedule to align apparatus replacement with current and future needs, the Fire Department is replacing one of its fire trucks in 2018 at a cost of \$572,000.

For 2018, The Board of Education only has one project; replace the aging BCHS underground heating oil fuel tank at an estimated cost of \$192,765.

**Program Summaries-  
Capital Budget Summary**

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**Capital Budget - (continued)**

The Water Pollution Control (WPC) Division is replacing existing sanitary sewer frames and covers that are deteriorated or broken, adjusted to roadway grade, for \$200,000. WPC is also applying waterproof coating to the inside of 6 concrete aeration tanks and 3 clarifier tanks and injecting sealant into exterior cracks to protect the integrity of the tanks and to maintain operational functionality at a cost of \$200,000. Both 2018 WPC projects, which total \$400,000, are being funded by WPC Capital Non-recurring funds.



The Parks Department needs to replace the existing 30 year old mobile bleachers at Muzzy Field which do not meet code and which are not in compliance with ADA regulations. The new units, costing \$200,000, come pre-assembled.

**Impact of 2018 Capital Budget  
On Operating Budget and Future**

The operating budget is directly impacted by the year-to-year Capital Budget and its project components. The 2018 budget has five projects approved for bonding for a total of \$3,602,000. In the chart on the next page, estimated debt principal payments are shown for the projects approved in 2018. The principal payments assume that long term debt would be issued for 15 years. Departments are asked to assess the impact that new projects may have on future operating costs. Not all projects will have quantitative measurements even if the expected result is greater efficiency or effectiveness and some projects are undertaken because they increase the safety of City employees and/or residents. The 2018 Capital Budget includes an apparatus replacement by the Fire Department, a chiller replacement by Public Works and other projects that could result in better energy efficiency or less maintenance costs but the respective City departments indicate that such cost savings are not readily determinable. The additional debt service will replenish the debt that is paid off, thus recycling the debt for these new projects. The impact, while showing \$373,467 in additional yearly debt, will be offset by the decline of debt service in the out years and will minimally impact the mill rate.

**Program Summaries-  
Capital Budget Summary**

**Capital Budget - (continued)**

FY 2018 Capital Budget			Annual Operating Budget Impact			
Project	Current Appropriation	Total Project Appropriation	Personnel Services	Other Operating Costs*	Debt Service Cost**	Total
<b>Public Works</b>						
WPC Repair Deteriorated Concrete in Treatment Tanks	\$200,000	\$200,000				\$0
WPC Manhole Rehabilitations and Frame Replacement	\$200,000	\$200,000				\$0
Centre Square Infrastructure Project	\$4,000,000	\$4,000,000			\$266,667	\$266,667
Storm Drainage Improvements - Shrub Road to Ferraro Drive	\$340,000	\$340,000			\$22,667	\$22,667
Railroad Crossing at Clark Ave	\$150,000	\$150,000				\$0
Brentwood Drive Reconstruction	\$360,000	\$360,000			\$24,000	\$24,000
DPW Vincent P. Kelly Facility Renovations - Phase II	\$330,000	\$330,000			\$22,000	\$22,000
Police / Court Complex Chiller Replacement	\$120,000	\$120,000				\$0
Lead Abatement - City Hall Police Firing Range	\$100,000	\$100,000				\$0
<b>Subtotal Public Works</b>	<b>\$5,800,000</b>	<b>\$5,800,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$335,333</b>	<b>\$335,333</b>
<b>Parks</b>						
Muzzy Field Bleacher Replacement - Movable Outfield	\$200,000	\$200,000				\$0
<b>Subtotal Parks</b>	<b>\$200,000</b>	<b>\$200,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Board of Education</b>						
BCHS- Heating Fuel Oil Tank Replacement	\$192,765	\$192,765				\$0
<b>Subtotal Board of Education</b>	<b>\$192,765</b>	<b>\$192,765</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Fire Department</b>						
Apparatus Replacement	\$572,000	\$572,000			\$38,133	\$38,133
<b>Subtotal Fire Department</b>	<b>\$572,000</b>	<b>\$572,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$38,133</b>	<b>\$38,133</b>
<b>City Clerk</b>						
Vault Expansion	\$15,000	\$225,000				\$0
<b>Subtotal City Clerk</b>	<b>\$15,000</b>	<b>\$225,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total</b>	<b>\$6,779,765</b>	<b>\$6,989,765</b>	<b>\$0</b>	<b>\$0</b>	<b>\$373,467</b>	<b>\$373,467</b>

\* There are no determinable operating cost relationships for FY 2018.

\*\* Cost for Debt service is estimated on a 15 year bond issue and only includes principal payments. This does not include debt that is coming off prior projects. This estimate is included for illustrative purposes only.

**Long-range Operating Financial Plans**

City officials recognize that Debt Service is closely aligned with the City's 10-year Capital Improvement (CIP) preparation.

The City's funding sources for its CIP are: (1) cash, by means of mill rate, (2) grants, (3) the issuance of debt through General Obligation bonds and notes and (4) other sources such as contingency balances in other funds.

When it comes to the issuance of debt, the City's long-range financial plan is to, generally, authorize no more than \$6-10 million of bondable capital projects per fiscal year. This range has been modified when individually significant projects such as a firehouse renovation (\$6,000,000 in 2014), or the City-wide radio system (\$10,000,000 in 2016) occur.

A conscious effort is made to not issue debt annually, but to issue new accumulated authorized debt every two to three years. The new debt issuance is then sized and structured to refill the new principal to a previous budgeted level. The net effect is to keep debt declining for up to three years, then issue new debt that equals the principal reduction.

**Program Summaries-  
Capital Budget Summary**

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**Capital Budget - (continued)**

**Project Profiles**

Individual project profiles which have funds appropriated in fiscal year 2018 are presented below.

<b>Project Number: 18-2 Project Name: BCHS - Heating Fuel Oil Tank Replacement</b>	
<b>Purpose:</b> Replace 28 year old heating fuel oil tank.	
<b>Funding Source:</b> General Fund Cash	
<b>Project Appropriations:</b> \$192,765 FY 2018, Total Cost \$192,765	

<b>Project Number: 18-3 Project Name: Apparatus Replacement</b>	
<b>Purpose:</b> Align apparatus replacement schedule with the current and future needs of the Fire Department.	
<b>Funding Source:</b> Bonding	
<b>Project Appropriations:</b> \$572,000 FY 2018, Total Cost \$572,000	

<b>Project Number: 18-4 Project Name: Vault Expansion</b>	
<b>Purpose:</b> The City Clerk land record vault is undersized for a city as large as Bristol. There are two options; increase the vault size or for a short term solution, add additional shelving. This year's capital request is for engineering to determine the best option.	
<b>Funding Source:</b> State Grant	
<b>Project Appropriations:</b> \$15,000 FY 2018, Total Cost \$225,000	

<b>Project Number: 18-6 Project Name: Muzzy Field Bleacher Replacement - Moveable Outfield</b>	
<b>Purpose:</b> Replace aging movable bleachers which do not meet current code or comply with ADA regulations.	
<b>Funding Source:</b> General Fund Cash	
<b>Project Appropriations:</b> \$200,000 FY 2018, Total Cost \$200,000	

**Program Summaries-  
Capital Budget Summary**

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**Capital Budget - (continued)**

<b>Project Number: 18-9</b>	
<b>Project Name: Repair Deteriorated Concrete in Treatment Tanks</b>	
<b>Purpose: Apply water proof coating to the inside of 6 concrete aeration tanks and 3 clarification tanks to protect the integrity of the tanks and maintain operational functionality.</b>	
<b>Funding Source:</b>	<b>WPC CNR Fund</b>
<b>Project Appropriations:</b>	\$200,000 FY 2018, Total Cost \$200,000

<b>Project Number: 18-10</b>	
<b>Project Name: Manhole Rehabilitations and Frame Replacement</b>	
<b>Purpose: Remove and replace existing deteriorated or broken manhole frames and covers adjusted to required roadway grade and pavement repair.</b>	
<b>Funding Source:</b>	<b>WPC CNR Fund</b>
<b>Project Appropriations:</b>	\$200,000 FY 2018, Total Cost \$200,000

<b>Project Number: 18-11</b>	
<b>Project Name: Centre Square Infrastructure Project</b>	
<b>Purpose: Further development of the Centre Square property with the construction of an interior access road with traffic signal and bus stop and streetscape improvements along Main Street, North Main Street and Riverside Avenue and site restoration, landscaping and municipal parking.</b>	
<b>Funding Source:</b>	<b>Bonding and State Grant</b>
<b>Project Appropriations:</b>	\$4,000,000 FY 2018, Total Cost \$4,000,000

<b>Project Number: 18-13</b>	
<b>Project Name: Storm Drainage Improvements - Shrub Road to Ferraro Drive</b>	
<b>Purpose: Replace the existing undersized storm drainage main line to relieve flooding in the Shrub Road, Ferraro Drive, Sherwood Road area.</b>	
<b>Funding Source:</b>	<b>Bonding</b>
<b>Project Appropriations:</b>	\$340,000 FY 2018, Total Cost \$340,000

**Program Summaries-  
Capital Budget Summary**

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**Capital Budget - (continued)**

<b>Project Number: 18-14</b>	
<b>Project Name: Railroad Crossing Clark Ave</b>	
<b>Purpose:</b> Reconstruct the City owned section of railroad crossing at Clark Avenue, reconstruct the existing roadway pavement and aligning the railroad section to the roadway pavement.	
<b>Funding Source:</b>	Equipment and Building Sinking Fund
<b>Project Appropriations:</b>	\$150,000 FY 2018, Total Cost \$150,000

<b>Project Number: 18-15</b>	
<b>Project Name: Brentwood Drive Reconstruction</b>	
<b>Purpose:</b> Reconstruct the existing roadway including installing new pavement, curbing, storm drainage improvements and loam and seeding of disturbed areas.	
<b>Funding Source:</b>	Bonding
<b>Project Appropriations:</b>	\$360,000 FY 2018, Total Cost \$360,000

<b>Project Number: 18-16</b>	
<b>Project Name: DPW Vincent P. Kelly Facility Renovations - Phase II</b>	
<b>Purpose:</b> Renovate the Vincent P. Kelly Public Works facility (Street and Solid Waste area) by removing and replacing the deteriorated concrete floor with a combination of new concrete overlaid with bituminous pavement and epoxy coating.	
<b>Funding Source:</b>	Bonding
<b>Project Appropriations:</b>	\$330,000 FY 2018, Total Cost \$330,000

<b>Project Number: 18-17</b>	
<b>Project Name: Police/Court Complex Chiller Replacement</b>	
<b>Purpose:</b> Replace the existing chiller unit at the Police/Court Complex. The unit, original to the building, has required increased maintenance and the new unit will be more energy efficient.	
<b>Funding Source:</b>	Equipment and Building Sinking Fund
<b>Project Appropriations:</b>	\$120,000 FY 2018, Total Cost \$120,000

<b>Project Number: 18-18</b>	
<b>Project Name: Lead Abatement - City Hall Police Firing Range</b>	
<b>Purpose:</b> Perform lead abatement procedures to remove all lead from a room on the ground floor of City Hall that had been used as a Police Department firing range, including the removal and disposal of remaining firing range equipment.	
<b>Funding Source:</b>	Equipment Building and Sinking Fund
<b>Project Appropriations:</b>	\$100,000 FY 2018, Total Cost \$100,000

**Program Summaries-  
Capital Budget Summary**

**Capital Budget - (continued)**

CITY OF BRISTOL 2017-2018 CAPITAL BUDGET  
MAYOR'S 10 YEAR CAPITAL IMPROVEMENT COMMITTEE - MARCH 15, 2017  
BOARD OF FINANCE APPROVED MAY 15, 2017, PLANNING COMMISSION APPROVED MAY 31, 2017, JOINT BOARD APPROVED MAY 31, 2017

1	2	3	REQUEST				FUNDING SOURCE						
			4	5	6	7	8	9	10	11	12	13	
Project #	Department	Project Name	Project Cost	Prior Appropriations	2017/2018 Request	2017/2018 Bonding	2017/2018 General Fund Cash	2017/2018 LOICP	2017/2018 WPC CNR	2017/2018 Grants	2017/2018 EB Sinking Fund	Future Costs	
18-2	BOE	BCHS- Heating Fuel Oil Tank Replacement	192,765	0	192,765		192,765					0	
18-3	Fire	Apparatus Replacement	572,000	0	572,000	572,000						0	
18-4	City Clerk	Vault Expansion	225,000	0	15,000					15,000		210,000	
18-6	Parks	Muzzy Field Bleacher Replacement - Movable Outfield	200,000	0	200,000		200,000					0	
18-9	PW- WPC	Repair Deteriorated Concrete in Treatment Tanks	200,000	0	200,000				200,000			0	
18-10	PW - WPC	Manhole Rehabilitations and Frame Replacement	200,000	0	200,000				200,000			0	
18-11	Public Works	Centre Square Infrastructure Project	4,000,000	0	4,000,000	2,000,000				2,000,000		0	
18-13	Public Works	Storm Drainage Improvements - Shirah Road to Ferraro Drive	340,000	0	340,000	340,000						0	
18-14	Public Works	Railroad Crossing at Clark Ave	150,000	0	150,000						150,000	0	
18-15	Public Works	Brentwood Drive Reconstruction	360,000	0	360,000	360,000						0	
18-16	Public Works	DPW Vincent P. Kelly Facility Renovations - Phase II	330,000	0	330,000	330,000						0	
18-17	Public Works	Police/Court Complex Chiller Replacement	120,000	0	120,000						120,000	0	
18-18	Public Works	Lead Abatement - City Hall Police Firing Range	100,000	0	100,000						100,000	0	
			<b>\$6,989,765</b>	<b>\$0</b>	<b>\$6,779,765</b>	<b>\$3,602,000</b>	<b>\$392,765</b>	<b>\$0</b>	<b>\$-100,000</b>	<b>\$2,015,000</b>	<b>\$370,000</b>	<b>\$210,000</b>	