



City of Delray Beach

Public Works Department

www.mydelraybeach.com

A Capital Improvement Plan (CIP) is a community planning and fiscal management tool used to coordinate the location, timing and financing of capital improvements. Capital improvements refer to major, non-recurring physical expenditures such as land, buildings, public infrastructure and equipment. The CIP provides a working blueprint for sustaining and improving the community's infrastructure. The CIP includes a description of proposed capital improvement projects ranked by priority, a year-by-year schedule of expected project funding, and an estimate of project costs and financing sources. The CIP is a working document and is reviewed and updated annually to reflect changing community needs, priorities and funding opportunities. The following shall guide the preparation and management of the City's Capital Improvement Program:

Section 1. PURPOSE AND DESCRIPTION

The purpose is to outline the processes by which the City of Delray Beach (City) develops and implements its Capital Improvement Program (CIP). The CIP is a long-range plan used in the development of annual operating and capital budgets, strategic plans, and long-range financial plans. It provides a means for evaluating facility and infrastructure projects and the mechanism for reviewing projects.

The following will provide a guideline and methodology for the development of the City's five (5) year capital improvement program. The first year will identify projects with funding that will be included in the coming fiscal year's CIP budget scheduled for adoption each September. The projects with funding identified in the following four (4) years are those planned for implementation and reflect design and/or construction estimates.

Thoughtful planning is essential for all departments submitting CIP request.

Section 2. BENEFITS OF A CAPITAL IMPROVEMENT PROGRAM

- A platform for independent, critical evaluation of each project on its own merits and City priorities.
- A relationship between the Comprehensive Plan and a document which can include the scheduling of projects to be identified in elements of the Comprehensive Plan.
- A plan which balances public facility needs and City financial ability on both a short- and long-term basis.
- A communication tool to the public and other governmental agencies detailing the location and timing of improvements.



Section 3. DEFINITION OF A CAPITAL IMPROVEMENT PROJECT

Capital improvement projects having a useful life greater than five (5) years and meeting one (1) of the following criteria shall be included in the CIP process:

1. Real property acquisition.
2. Construction of new facilities or additions to existing facilities costing a minimum of twenty-five thousand dollars (\$25,000.00).
3. Remodeling/repair of the interior/exterior of any facility exceeding twenty-five thousand dollars (\$25,000.00).
4. New infrastructure project (including roads, bridges, sidewalks, neighborhood improvements, street lighting systems, information technology systems, water distribution systems, storm drainage systems, or sewer systems) costing a minimum of twenty-five thousand dollars (\$25,000.00).
5. Repair to existing infrastructure costing a minimum of twenty-five thousand dollars (\$25,000.00).
6. Capital equipment purchase costing a minimum of twenty-five thousand dollars (\$25,000.00).

Departments are required to complete and submit a Capital Improvement Program Request Form (Exhibit A) for each Capital Improvement Project. Phased projects may be submitted on a single form indicating the scheduled phase for each year.

Projects submitted in previous years must be resubmitted to be considered for inclusion in the CIP.

Section 4. DEFINITIONS

Addition - shall mean a modification of an existing facility, which changes the structural footprint of the facility.

Capital Asset - shall mean property, plant, equipment, and infrastructure with an initial useful life greater than five (5) years.

CIP Review Team - shall mean a cross-departmental team which participates in the review and recommendations of the CIP program to the City Manager. The team will review proposed capital projects in regard to accurate costing (design, construction and operating) and congruence with City objectives. The team will prioritize projects by a set of deterministic criteria. The team will also review proposed changes to the adopted capital program funding prior to submission to the Commission. The City Manager will designate the lead of the team. At a minimum the team will consist of the City Manager and the Directors of each department.

CIP Schedule - Annually the Finance Department will develop a schedule that will identify dates by which departments are to submit completed Capital Improvement Program Request Forms, Reviews are to be completed by the CIP Review Team and Program submission to the Commission.



Facility - shall mean a City fixed asset other than a road, bridge, traffic signal system, street lighting system, water distribution system, storm drainage system, or sewer system.

Infrastructure - shall mean a road, bridge, traffic signal system, street lighting system, information technology system, water distribution system, storm drainage system, or sewer system.

Project Budget - shall mean all estimated costs and components of the project.

Project Category - shall mean a method to identify projects by overall purpose.

New Construction and Additions - shall include construction of new facilities or major expansion of an existing facility's footprint.

Remodeling/Repair - shall include all projects that substantially change the existing structure and its uses, major restoration and/or replacement of existing structures and fixed equipment. Examples: roof repair or replacement, HVAC system replacement.

Razing - shall include only the demolition of existing structure.