



Town of Johnstown

TOWN COUNCIL WORK SESSION

450 S. Parish, Johnstown, CO

Monday, November 14, 2022 at 6:00 PM

MISSION STATEMENT: Enhancing the quality of life of our residents, businesses, and visitors through community focused leadership.

AGENDA

CALL TO ORDER

AGENDA ITEMS

- [1.](#) 2023 - 2032 Capital Improvement Plan
- [2.](#) Enterprise Fund Pro Forma Review

ADJOURN

AMERICANS WITH DISABILITIES ACT NOTICE

In accordance with the Americans with Disabilities Act, persons who need accommodation in order to attend or participate in this meeting should contact Town Hall at (970) 587-4664 within 48 hours prior to the meeting in order to request such assistance.

The Community That Cares

johnstown.colorado.gov

P: 970.587.4664 | 450 S. Parish Ave, Johnstown CO 80534 | F: 970.587.0141



Town of Johnstown

TOWN COUNCIL WORKSESSION COMMUNICATION

AGENDA DATE: November 14, 2022

SUBJECT: Capital Improvement Plan

ATTACHMENTS: 1. 2023 – 2032 Capital Improvement Plan

PRESENTED BY: Mitzi McCoy, Deputy Town Manager

WORKSESSION ITEM DESCRIPTION:

As required by Town Code, included for your review and discussion is the Proposed FY 2023 - 2032 Capital Improvement Plan (CIP). The document which was required by October 15 was delayed due to submittal reviews requested by the Town Manager to ensure inflationary aspects were considered in the programming of this document. The CIP includes projects that are funded by impact fees, general operation revenues, and a combination of both revenue sources. The specific sources are identified at the time the expenditures occur based on impact fee and fund balances respectively. For the FY 2023 CIP items, these proposed expenditures are represented in the proposed FY 2023 Proposed Budget. It is important to note that this is a dynamic document, updated on an annual basis. As priorities and obligations of the Community, the Council, and needs of the Staff change to provide and deliver services the CIP changes. A great example of this is the establishment of the police department vehicles which are being replaced on a regular interval of approximately every 5-6 years to ensure vehicles are in good working condition rather than waiting for them to completely fail.

Compared to the FY 2022 CIP document approved by Council, the 10 Year CIP has increased by \$92.9 million, or 35.8%. Roughly 89% of the increase can be directly attributed to the water and wastewater improvements planned over the next 3 fiscal years as financial estimates are becoming clearer as the planning and design components progress in their respective stages. Following these capital improvements, we anticipate capital project spending to decline and level off at a more reasonable rate compared to FY 2023 – FY 2025 assuming the projects are completed in these years as anticipated.

The Community That Cares

www.TownofJohnstown.com

P: 970.587.4664 | 450 S. Parish Ave, Johnstown CO | F: 970.587.0141

Staff looks forward to the discussion of the CIP with Council to help understand other needs of the Community expressed from the Council as we continue to look forward and plan financially.

Reviewed and Approved for Presentation,



Town Manager



DECEMBER 2022

Table of Contents

Introduction	1
Funding Summaries	3
By Fund	3
By Project Type	5
By Department	7
Capital Improvement Plan	9

Introduction

Capital Improvement Plan Overview

The Town of Johnstown's 2023-2032 Capital Improvement Program (CIP) contains information on how the Town plans to invest available resources into key infrastructure and facilities between 2023 and 2032. The plan provides a working blueprint for sustaining and improving the community's assets by coordinating strategic planning, financial capacity, and physical development. The goals of the CIP are to provide sustainable funding sources for essential capital needs; improve the resiliency of essential services; and save the Town money over time by not deferring necessary improvements.

The CIP is a living document and as such, it is reviewed and updated annually to reflect changing community needs, priorities, and funding opportunities to ensure that the infrastructure exists to advance the strategic and long-term goals and objectives.

The Town has chosen to utilize a 10-year plan, because while the Town continues to make significant capital investments on an annual basis, the amount of resources available in one year are not sufficient to fund all identified capital needs, and there are future needs that have been identified that do not make sense to fund today. Although the Town has a 10-year CIP, the Town Council approves only the first year of the capital plan in the annual adoption of the budget.

The continued investment in the Town's public infrastructure is key to ensuring the high quality of life for our residents.



Introduction

Introduction

The Town of Johnstown's Capital Improvement Program (CIP) is a comprehensive, ten-year plan for capital investment in maintaining and enhancing public infrastructure. The CIP provides a list of all capital projects and their estimated costs over the ten-year period. The CIP serves as a guide that provides the framework for meeting current and future goals related to the physical assets of the community.

The Town of Johnstown invests in community facilities and infrastructure and provides a high-level of municipal services. The Town owns and maintains 9 public buildings including the Recreation and Senior Center, 31 acres of parks and open space, 3.7 miles of trails, 96 lane miles of roadways, 5 bridges, one water treatment plant and its distribution water infrastructure, two wastewater treatment plants and its sewer collection infrastructure, and drainage infrastructure.

Recommended 2023 – 2032 Capital Improvement Plan

The 2023 – 2032 CIP is based on a steady revenue picture as the Johnstown economy has remained stable despite a number of recent challenges, including the COVID pandemic. With that, the 2023 – 2032 CIP has \$130 million recommended for 2023, and approximately \$352 million recommended for years 2023 – 2032. It is important to remember that unlike an operating budget, the capital budget may fluctuate widely between years due to the timing of projects and the availability of funds.

The Town is spending the majority, about 79.90%, of its 2023 – 2032 capital funds on new infrastructure with the bulk of that being on water and sewer infrastructure. In addition to new infrastructure, 15.68% of the funds are planned for enhancement and maintenance of assets the Town already owns. The Town recognizes the importance of taking care of our assets. Capital enhancements involve upgrades to existing facilities that may include upgraded technologies, materials and equipment that can be more efficient, effective, and less costly to operate over time.



Funding Summaries

Overview

The Funding Summary section provides detail of the Town's CIP budget needs from 2023 – 2032 by fund, department, and project type.

By Fund:

The Town of Johnstown utilizes fund accounting for budgeting and accounting purposes. Each fund is established for a specific purpose and is considered a different accounting entity.

Currently the Town maintains 12 different funds, including the following:

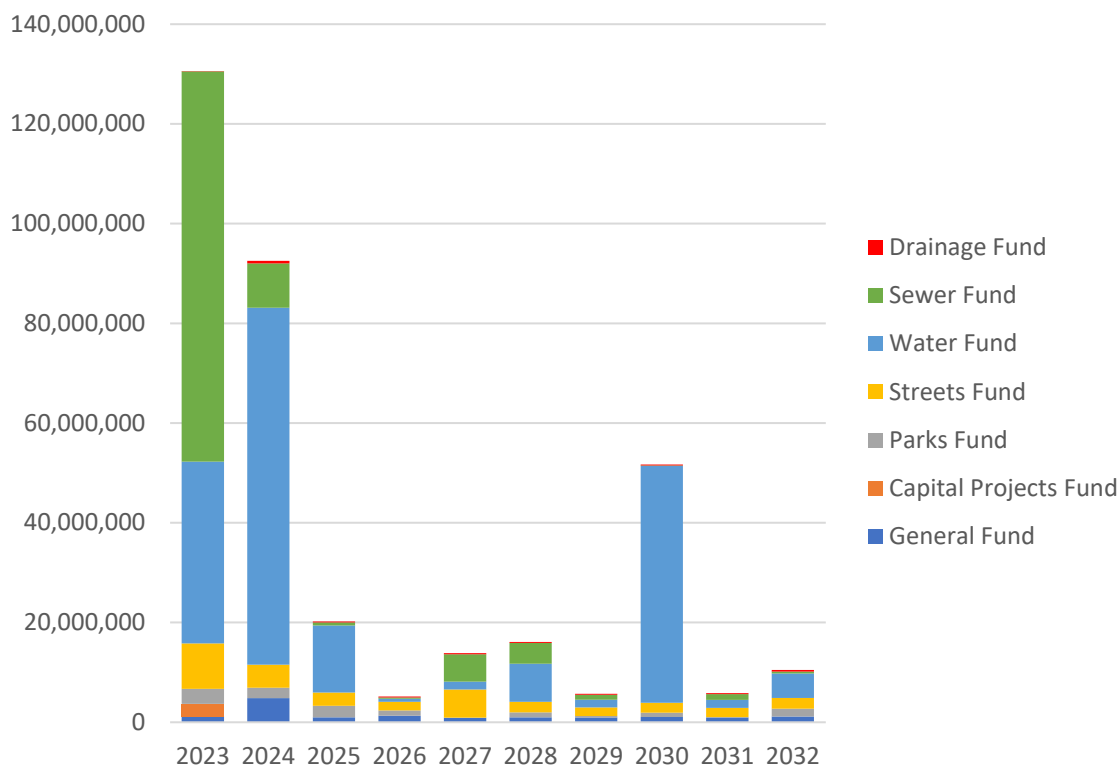
- General Fund
- Conservation Trust Fund
- Parks and Open Space Fund
- Street and Alley Fund
- Capital Improvement Fund
- Tax Allocation Fund
- Water Fund
- Sewer Fund
- Drainage Fund
- Cemetery Perpetual Fund
- Library Fund
- Recreation Center Fund

Detailed descriptions of the funds are available in the Town of Johnstown budget document. Because a number of the funds have restrictions on the use of funds, the Town must provide consistency in planning for project types and timing in order to allocate resources to maintain existing priorities.

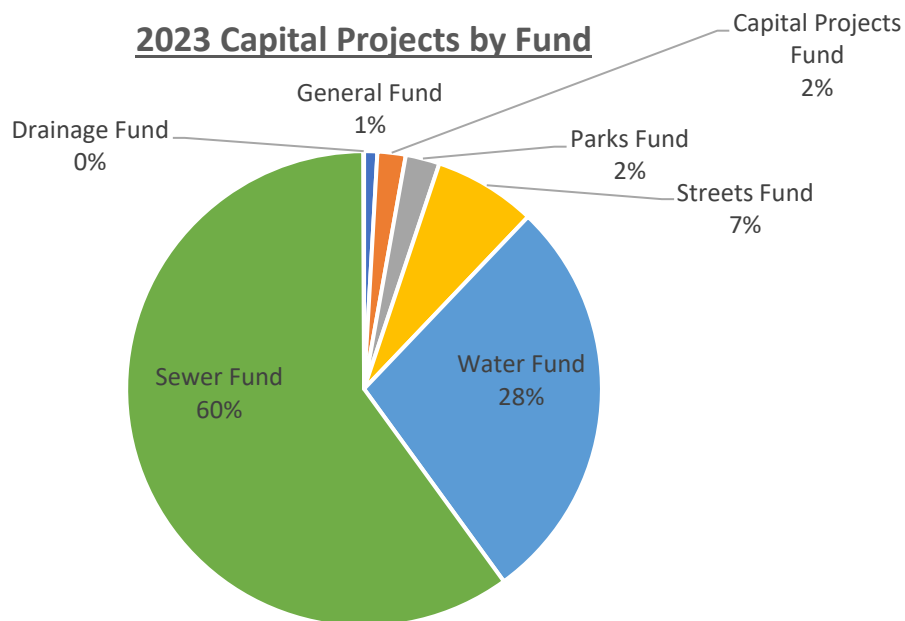
The charts below show the distribution of the ten-year CIP by fund and by year and show a breakdown of the planned capital expenditures in 2023 alone.

Funding Summaries

2023 - 2032 Capital Projects by Fund



2023 Capital Projects by Fund



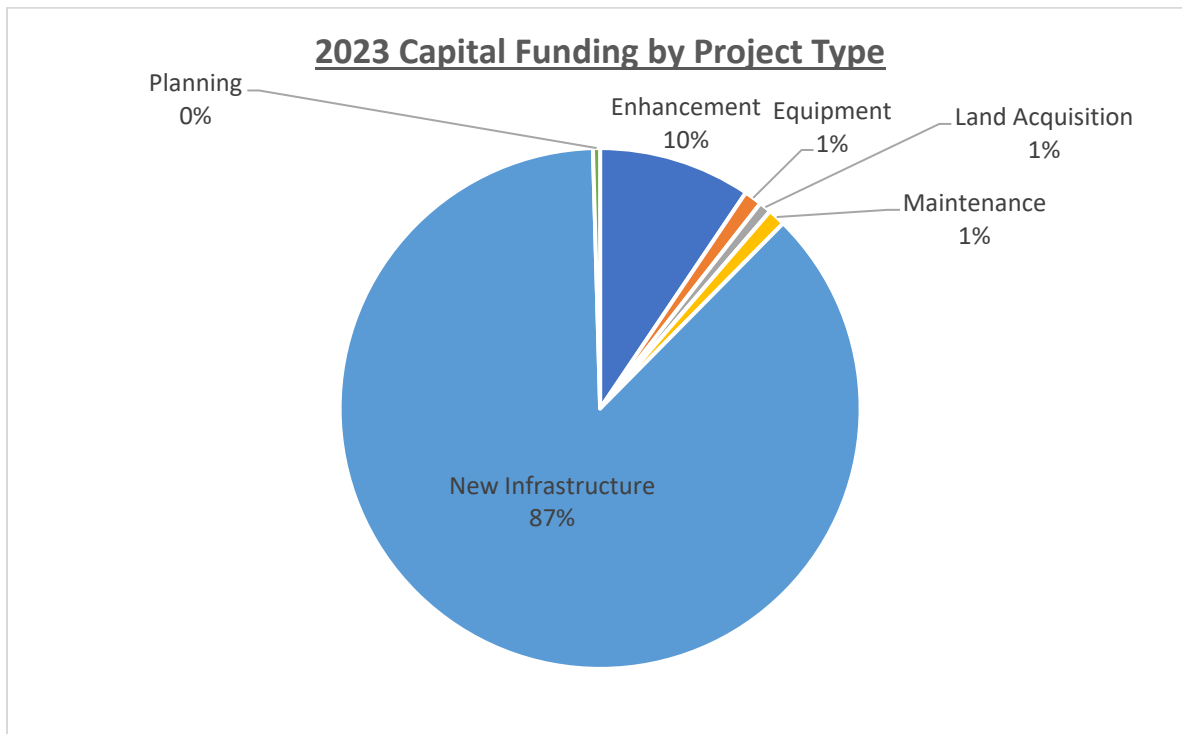
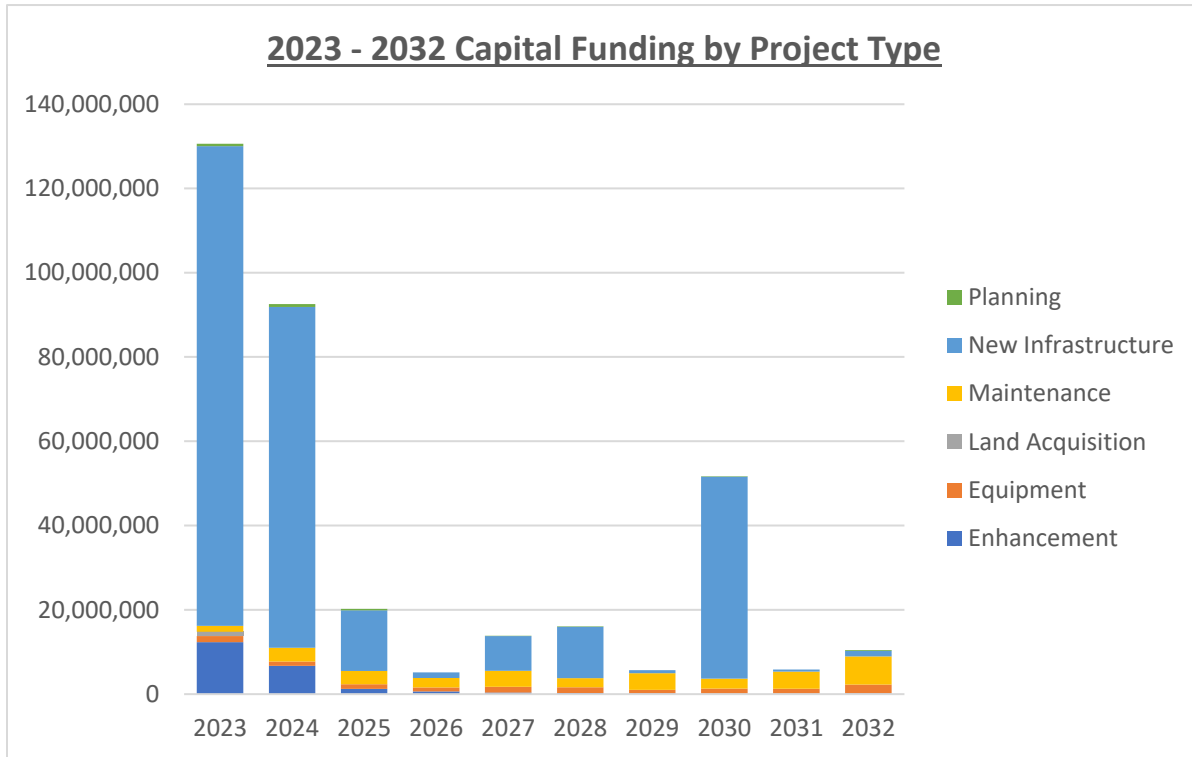
By Project Type:

Each CIP project has been classified as a Town investment in one of six project types: Enhancement, Maintenance, Planning, Land Acquisition, New Facility/Infrastructure, and Equipment.

1. Enhancement
 - Construction results in the expansion or significant improvement of an existing asset.
 - Projects have a discrete start and end date.
 - Projects are location specific.
 - Projects results in a durable, long-lasting asset with a useful life of more than 5 years.
2. Maintenance
 - Project results in the repair, replacement, or renovation of an existing asset.
 - Projects may or may not have a discrete start and end date.
 - Projects are location specific or include programs that cover a specific area.
3. Planning
 - Project results in the development of a study or plan which is intended to identify, plan, or prepare for the construction or acquisition of capital assets or a capital program.
 - Projects have a discrete start and end date.
4. Land Acquisition
 - Project or program that results in the acquisition of real property such as land, mineral, water rights or easements.
 - Projects may or may not have discrete start and end dates or may be programmatic.
 - Projects or programs may be location specific or may be Town wide.
5. New Facility/Infrastructure
 - Project results in the construction or acquisition of a new asset.
 - Construction results in additional square footage of an existing asset.
 - Projects have discrete start and end dates.
 - Projects are location specific.
 - Project results in a durable, long-lasting asset with a useful life of at least 10 years.
6. Equipment
 - Project results in the acquisition of vehicles, equipment, or significant improvement/addition to an existing equipment asset.
 - Projects may or may not have a discrete start and end dates or may be programmatic.
 - Projects may be location specific or may be Town wide.

Funding Summaries

The charts below show the funding by project type, broken down by year and a summary for 2023.

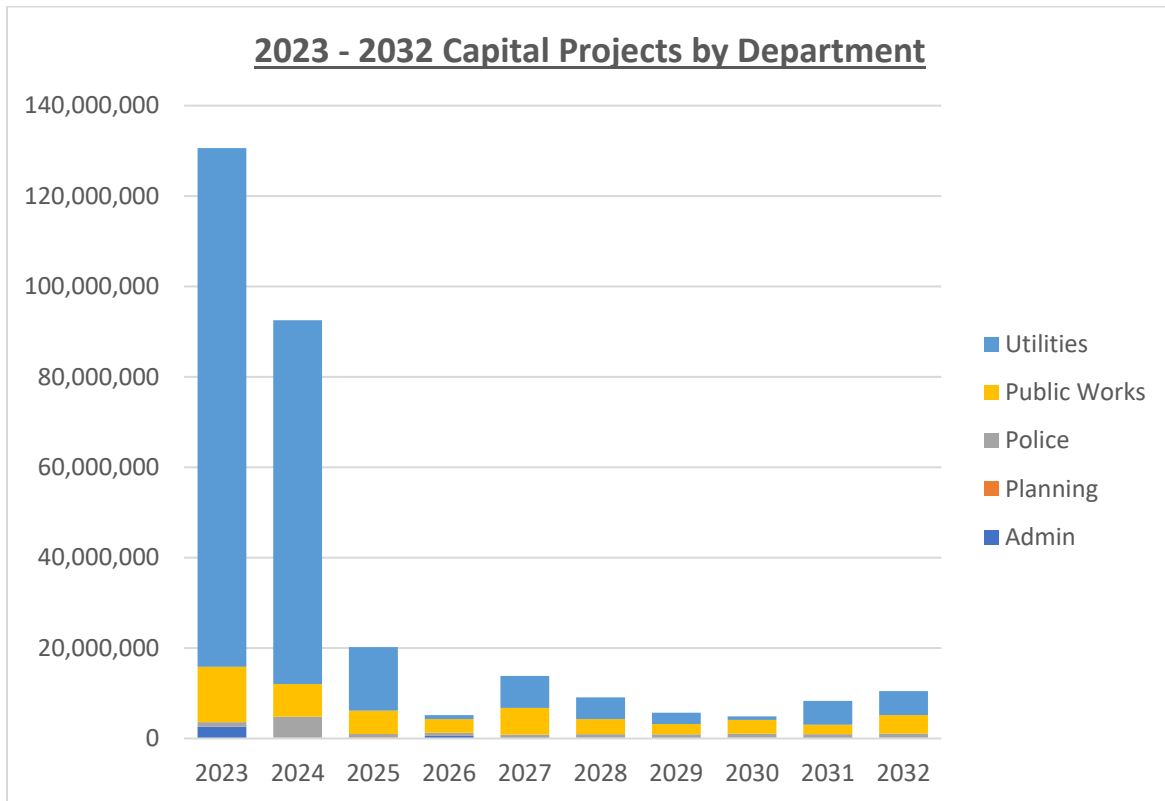


Funding Summaries

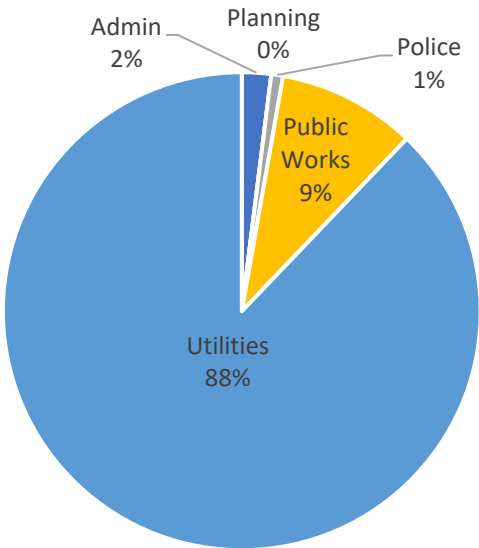
By Department:

Many departments have dedicated revenue sources that impact their CIP funding. For example, the Public Works Department manages funds that come from a 0.5% sales tax that was approved by voters to be used to fund street and sidewalk maintenance and repairs and for transportation related capital improvement projects. In recent years, sales tax revenues have increased, thus increasing the potential use of those funds.

The charts below show the CIP funding broken down by department and by year and show the breakdown for just the 2023 budget year.



2023 Capital Projects by Department



Capital Request	Category	Fund	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
			Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	
Downtown Branding & Wayfinding- carryover FY22	Enhancement	General	55,000	60,000	70,000	500,000							685,000
Networks & IT	Maintenance	General	20,000	20,000	70,000	20,000	20,000	20,000	75,000	25,000	25,000	55,000	350,000
Town Hall Vehicle	Equipment	General				32,000				34,000			66,000
Financial software	Enhancement	General						150,000					150,000
Comp Plan updates	Planning	General			60,000					60,000			120,000
Land Use Code audit and revisions	Planning	General					50,000					80,000	130,000
Housing Needs Assessment & Strategy Plan	Planning	General			80,000					40,000			120,000
Sign Code Design - Corridor Plans	Planning	General		60,000									60,000
Police vehicles - 8 cars per year	Equipment	General	600,000	660,000	693,000	727,650	764,033	802,234	842,346	884,463	928,686	975,121	7,877,533
PD expansion	Enhancement	General	450,000	4,000,000									4,450,000
Keyless access/Cameras	Enhancement	General		30,000									30,000
Aerial photography	Maintenance	General	25,000			35,000			35,000			40,000	135,000
Church roof replacement	Maintenance	General	25,000										25,000
General Fund Total			1,175,000	4,830,000	973,000	1,314,650	834,033	972,234	952,346	1,043,463	953,686	1,150,121	14,198,533
Entryway improvements - I-25	Enhancement	Capital Projects	2,200,000										2,200,000
Downtown Branding & Wayfinding Sign Design/Construction	Enhancement	Capital Projects	300,000										300,000
Capital Fund Total			2,500,000	0	0	0	0	0	0	0	0	0	2,500,000
Cemetery irrigation	Enhancement	Parks & OS				50,000							50,000
Cemetery expansion	New Infrastructure	Parks & OS		175,000	1,200,000								1,375,000
Columbarium	New Infrastructure	Parks & OS						100,000				100,000	200,000
Equipment - mowers, tanks, etc.	Equipment	Parks & OS	80,000		25,000			25,000		75,000		25,000	230,000
Parks vehicles	Equipment	Parks & OS	45,000		45,000		45,000						135,000
Tree program	Maintenance	Parks & OS	65,000	30,000	30,000	35,000	35,000	40,000	40,000	45,000	45,000	450,000	815,000
Letford Park	New Infrastructure	Parks & OS		1,200,000	1,000,000								2,200,000
Outdoor recreation courts	New Infrastructure	Parks & OS	300,000	100,000		120,000		100,000		100,000			720,000
Playground improvements/replacements	Maintenance	Parks & OS	60,000	120,000		150,000		150,000		150,000		150,000	780,000
Park development	New Infrastructure	Parks & OS	80,000			200,000			250,000			250,000	780,000
Trail development	New Infrastructure	Parks & OS	1,150,000	450,000		500,000		500,000		500,000		500,000	3,600,000
Trail development - Larimer	Land Acquisition	Parks & OS	1,000,000										1,000,000
Parks, Trails, OS Master Plan	Planning	Parks & OS	250,000					100,000				100,000	450,000
Parks and Open Space Total			3,030,000	2,075,000	2,300,000	1,055,000	80,000	1,015,000	290,000	870,000	45,000	1,575,000	12,335,000
Streets Maintenance program	Maintenance	Streets	1,100,000	1,200,000	1,200,000	1,300,000	1,300,000	1,400,000	1,400,000	1,500,000	1,600,000	1,600,000	13,600,000
RRX upgrade agreements	Enhancement	Streets	175,000		75,000		80,000		85,000			90,000	505,000
Major construction projects	New Infrastructure	Streets					3,750,000						3,750,000
Bridge maintenance	Maintenance	Streets		150,000	30,000	20,000	25,000	25,000	25,000	25,000	25,000	25,000	350,000
Charlotte construction	Enhancement	Streets					100,000						100,000
LCR3 D&C	Enhancement	Streets		2,500,000	1,000,000		100,000						3,600,000
Alley overlay program	Enhancement	Streets		100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	900,000
Curb/gutter/sidewalk replacement	Maintenance	Streets		115,000	115,000	115,000	125,000	125,000	125,000	135,000	135,000	135,000	1,125,000
Parking lot overlays	Maintenance	Streets		150,000			75,000			60,000			285,000
Roller	Equipment	Streets		65,000									65,000
Sweeper	Equipment	Streets						285,000					285,000
Plow Trucks	Equipment	Streets		60,000	175,000	125,000		175,000		125,000		175,000	835,000
Gator	Equipment	Streets	30,000										30,000
Tractor	Equipment	Streets	85,000										85,000
Water truck	Equipment	Streets	150,000										150,000
Streets vehicles	Equipment	Streets	48,000			50,000				55,000			153,000
Variable message boards	Equipment	Streets	40,000										40,000
Crack seal machine	Equipment	Streets	65,000										65,000
Transportation Master Plan Update	Planning	Streets		300,000									300,000
Colorado half-street improvements	Enhancement	Streets	1,500,000										1,500,000
Iron Horse	Enhancement	Streets	150,000										150,000
Design Colo & Hwy 60	Enhancement	Streets	140,000										140,000
Pedestrian bridge	Enhancement	Streets	225,000										225,000

<u>Capital Request</u>	<u>Category</u>	<u>Fund</u>	<u>2023</u> <u>Projected</u>	<u>2024</u> <u>Projected</u>	<u>2025</u> <u>Projected</u>	<u>2026</u> <u>Projected</u>	<u>2027</u> <u>Projected</u>	<u>2028</u> <u>Projected</u>	<u>2029</u> <u>Projected</u>	<u>2030</u> <u>Projected</u>	<u>2031</u> <u>Projected</u>	<u>2032</u> <u>Projected</u>	<u>Total</u>
Thompson PKWY Redesign	Enhancement	Streets	250,000										250,000
Charlotte St	Enhancement	Streets	4,600,000										4,600,000
SH 60/Carlson Blvd. Traffic Signal	New Infrastructure	Streets	550,000										550,000
Street and Alley Total			9,108,000	4,640,000	2,695,000	1,710,000	5,655,000	2,110,000	1,735,000	2,000,000	1,860,000	2,125,000	33,638,000
Water Dist - 4 PRV's	Maintenance	Water	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	200,000
Valve exerciser	Equipment	Water		20,000									20,000
WTP Pilot project	Planning	Water	261,280										261,280
Raw Water - 24" CIPP Town Lake Lining	Enhancement	Water	550,000										550,000
WTP - 34 Tank Chlorine Injection	Enhancement	Water	350,000										350,000
WTP - Generator Town Lake	Equipment	Water	300,000										300,000
Water Dist - SH60 CWWTP Water Line-	Enhancement	Water	1,000,000										1,000,000
Water Dist - Annual Waterline Replacement	Maintenance	Water	-			100,000	1,000,000	100,000	1,000,000	100,000	1,000,000	100,000	3,400,000
WTP Storage Tanks Rehab	Maintenance	Water										4,000,000	4,000,000
Equip - Crew Vehicles (3/4 Ton Truck)	Equipment	Water		45,000			47,000			49,000			141,000
Equip - 1/3 Vac Truck (Water, Sewer, Storm)	Equipment	Water										300,000	300,000
Water Shares	New Infrastructure	Water	350,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	4,850,000
Water Dist - SH60 Water Line	New Infrastructure	Water	1,000,000										1,000,000
South Tank Construction Carry over	New Infrastructure	Water	850,000										850,000
Equip - Vac Trailer & Valve Exerciser	Equipment	Water									100,000		100,000
Equip - 1/2 - Tandum Dump Truck	Equipment	Water		100,000									100,000
Equip - Fork Lift (WTP)	Equipment	Water			45,000								45,000
Raw Water - Flushing Line to Town Lake	Maintenance	Water		600,000									600,000
Raw Water - Hillsbourough Transmission	Maintenance	Water		300,000									300,000
Water Dist - Bulk Water Fill Station	Maintenance	Water			1,000,000								1,000,000
Water Dist - Master Plan & Model (CIP & Dev Reimb)	Planning	Water			200,000								200,000
Water Tank	New Infrastructure	Water						7,000,000					7,000,000
WTP Exp (D&C)	New Infrastructure	Water	30,000,000	40,000,000	8,390,000					46,800,000			125,190,000
Raw Water - Transmission Line	New Infrastructure	Water	1,750,000	30,000,000	3,275,000								35,025,000
Water Fund Total			36,431,280	71,585,000	13,430,000	620,000	1,567,000	7,620,000	1,520,000	47,469,000	1,620,000	4,920,000	186,782,280
Sewer Coll - Sewer Inspection & Cleaning	Maintenance	Sewer	100,000	150,000	150,000	150,000							550,000
Sewer Coll - Central Interceptor Project	New Infrastructure	Sewer	20,000,000	8,450,000									28,450,000
Central Ph 2 Granary connection	New Infrastructure	Sewer	500,000										500,000
WWTP - Central Plant (D&C)	New Infrastructure	Sewer	45,000,000										45,000,000
WWTP - Low Point Retrofit (D&C)	New Infrastructure	Sewer	12,300,000										12,300,000
WWTP - West of I-25	New Infrastructure	Sewer					4,000,000	4,000,000					8,000,000
Sewer Coll - Annual Sewer Rehab Project	Maintenance	Sewer		200,000	350,000	100,000	1,000,000	100,000	1,000,000	100,000	1,000,000	100,000	3,950,000
Equip - 1/3 Vac Truck (Water, Sewer, Storm)	Equipment	Sewer										300,000	300,000
Equip - Crew Vehicles (3/4 Ton Truck)	Equipment	Sewer			45,000			47,000			49,000		141,000
Sewer Coll - HWY 60 Rehab (D&C)	Enhancement	Sewer	400,000										400,000
Equip - Grounds Mowers	Equipment	Sewer			25,000			25,000					50,000
Equip - 1/2 - Vac Trailer & Valve Exerciser	Equipment	Sewer									100,000		100,000
Equip - 1/2 - Tandum Dump Truck	Equipment	Sewer		100,000									100,000
Equip - Fork Lift (WWTP)	Equipment	Sewer			45,000								45,000
Equip - Sewer CCTV Inspection Truck	Equipment	Sewer					500,000						500,000
Sewer Fund Total			78,300,000	8,900,000	615,000	250,000	5,500,000	4,172,000	1,000,000	100,000	1,149,000	400,000	100,386,000
Storm Drainage Master Plan	Planning		55,000	300,000									355,000
Storm drain maintenance	Maintenance			200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000		1,600,000
Vactruck	Equipment											300,000	300,000
Drainage Fund Total			55,000	500,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	300,000	2,255,000
Total Capital Improvement Costs:			130,599,280	92,530,000	20,213,000	5,149,650	13,836,033	16,089,234	5,697,346	51,682,463	5,827,686	10,470,121	352,094,813



Town of Johnstown

TOWN COUNCIL WORKSESSION COMMUNICATION

AGENDA DATE: November 14, 2022

SUBJECT: Water and Sewer Pro Forma

ATTACHMENTS: None

PRESENTED BY: Mitzi McCoy, Deputy Town Manager

WORKSESSION ITEM DESCRIPTION:

The Town maintains pro forma financial statements for the Water Fund and the Sewer Fund. Pro forma financial statements are financial reports that use assumptions or possible conditions about events that may occur in the future. The Town uses pro forma statements as a financial forecasting tool to assist with decision-making and strategic planning by allowing side by side comparisons of possible outcomes. The statements are updated and reviewed by staff and Council regularly. Staff will be walking through the pro formas with Council during the work session to discuss in more detail the various elements of the outlooks.

Reviewed and Approved for Presentation,

Town Manager

The Community That Cares

www.TownofJohnstown.com

P: 970.587.4664 | 450 S. Parish Ave, Johnstown CO | F: 970.587.0141