

Proposed 2025 CIP

Finance and Budget Meeting



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Update on 2024 Challenges

Challenge 1 - Fund Lead Service Line and Increased Water Main Replacement

City Council approved 2024 water rate increase, with a proposed water rate increase under consideration for 2025.

Challenge 2 - Need to completely renovate 11 legacy parks while funding investment and modernization efforts in the others.

Two legacy parks are under construction. Funding is proposed for investment and modernization.

Update on 2024 Challenges

Challenge 3 - Need to address 6 legacy facilities while funding investment and modernization efforts in the other City-owned facilities.

Two legacy facilities are under construction:

- New Animal Shelter to be complete this fall.
- Ecology Center is undergoing a significant renovation to be complete early 2025.

Master plans completed for two facilities:

- Service Center
- Noyes Cultural Arts Center

Discussions continuing for two facilities:

- Civic Center
- Police Fire Headquarters

Proposed 2025 CIP Challenge 1 - Special Assessment Alley Improvements

The community demand for alley improvements via special assessment far exceeds the City's funding level. With 2-3 alleys improved annually, the wait list is currently 86.

Alley Improvements - Why?

An unimproved alley has a driving surface of recycled asphalt grindings. There is no sewer or drainage system.

Why improve the alley?

- Unimproved alleys are regraded by maintenance staff 2-3 years, a significant amount of staff time
- The uneven surface creates wear and tear on vehicles, both private and city sanitation trucks
- Stormwater flows off the alleys into the properties, contributing to backyard flooding.

Special Assessment Alley Improvements

Using the special assessment process, the City pays 50% of the cost with residents paying the other 50%. The City historically funds its annual share with \$500,000 of general obligation bonds.

In recent years, the amount of funding for the City has been increased by spending down the cash balance in the Special Assessment Fund, but that is now exhausted.

Special Assessment Alley Improvements

Staff proposes that this year, \$1M of General Fund cash balance be used to supplement the City's share. This would improve an additional 4-6 alleys.

In 2025, staff will develop a more comprehensive plan for alley improvements.

Proposed 2025 CIP Challenge 2 - Sidewalk Improvement Needs in the Downtown

While the City has been converting business district sidewalks to a new standard of concrete with a brick ribbon, a significant number of paver block sidewalk remain. These can create an uneven surface that is difficult to maintain and can be non-compliant with ADA.

Downtown Sidewalk Improvement

Staff is proposing to spend \$750,000 in 2025 for the first downtown sidewalk project:

- Benson, Clark to Davis
- Clark, Benson to Sherman

In 2025, staff will develop a more detailed plan to replace the remaining paver block sidewalks in 3-5 years.

Proposed 2025 CIP Challenge 3 - Fountain Square Repairs/Replacement

Put into service in 2019, the existing fountain experienced a failure in 2021 that rendered it inoperable. Feedback from City Council is to move forward with rebuilding the fountain.

Fountain Square Repairs/Replacement

Staff will develop an estimate for engineering and to be included in the proposed 2025 CIP. Meanwhile, next steps include:

- Consider improvements to the contract mechanism in order to engage an appropriate contractor
- Contract for engineering services
- Develop a construction schedule

Proposed 2025 CIP Development

Based on feedback from previous years, staff has developed two lists of projects:

1. Projects that began pre-2025 and are ongoing.
2. Projects that are new in 2025.

Proposed 2025 CIP Development - Ongoing Projects

Because investments have already been made, ongoing projects are expected to be funded. As always, individual projects are open for discussion.

Proposed 2025 CIP Development - New Projects

New projects have not yet started. For these projects, funding and staff time for implementation exceeds available resources.

The following criteria will be used to prioritize these projects into a more manageable list:

- Immediate life safety
- Regulatory requirements
- Annual investment
- Projects requiring general obligation bond funding

Proposed 2025 CIP Development - Funding

Funding Source	Ongoing	New
2025 Project Bond Funds	\$ 7.2M	\$ 16.4M
Water Fund (WIFIA, IEPA, SRF, Bonds)	\$ 29.6M	\$ 12.4M
Sewer Fund	\$ 0.8M	\$ 1.9M
Motor Fuel Tax	\$ 2.6M	\$ 1.6M
Parking Fund		\$ 2.6M
TIF (Five-Fifths, West Evanston)	\$ 0.6M	\$ 1.0M
Transfer from General Fund	\$ 1.0M	
Other Funding Sources	\$ 4.7M	\$ 3.8M
Total	\$ 46.7M	\$ 39.7M

Proposed 2024 CIP Status

- Proposed CIP reviewed previously with Parks and Recreation Board (7/25/24)
- **Proposed CIP reviewed with Finance and Budget (9/10/24)**
- Proposed CIP to be presented to:
 - ADA Advisory Committee - 9/26/24
 - Environment Board - 10/10/24
 - City Council - 10/14/24