

2019 - 2024

Capital Improvement Plan

PHILIP KEATING, PLANNING COMMISSION CHAIRMAN
BRENT MASON, ZONING ADMINISTRATOR

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Table of Contents

Acknowledgements	1
Table of Contents	1
List of Tables	1
Introduction	2
Mission Statement	2
CIP and Budget Process	2
CIP Definition	3
CIP Process	3
Project Analysis and Prioritization	3
Capital Improvement Approval	3
Appendix A 2019-2024 CIP Spreadsheet.....	8

List of Tables

Summary of Available Funds for each Budget Year	3
Summary of Capital Improvement Projects to be Funded.....	4
General Fund 2019-2024	4
Fire Fund 2019-2024	5
Road Fund 2019-2024.....	5
Sewer Fund 2019-2024.....	6
Water Department 2019-2024	7

Introduction

A Capital Improvement 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 Big Rapids Charter Township 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 is also utilized to ensure that capital improvements are fiscally sound and consistent with the goals and policies of the governing body and the residents of the community. 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 Big Rapids Charter Township residents and stakeholders on how the municipality plans to address significant capital needs over the next six years. The CIP can also influence growth because infrastructure can impact development patterns. Some of the many benefits that the CIP provides for the 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 community'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 Township Board of Trustees, Planning Commission and Administration. Plans and policies include:

- Big Rapids Township Master Plan
- Goals and Objectives of the Board of Trustees
- Administrative Policies

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 is also 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 debt strategy.

CIP and 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. Recommending approval of the CIP by the Planning Commission does not mean that they grant final approval of all projects contained within the plan. Rather, by recommending approval of the CIP, the planning commission acknowledges that these projects represent a reasonable interpretation of the upcoming needs for 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, whereas a 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. Big Rapids Charter Township 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.

Definition

For the purpose of developing a Capital Improvement Plan (CIP), the Township Board of Trustees has defined capital improvements as - facilities, structures, equipment, and improvements thereto having a useful life of at least five years and an acquisition cost of at least \$5,000.

CIP Process

The Planning Commission: reviews the policy, develops the project rating and weighting criteria, rates and weights project applications, conducts workshops (if necessary), reviews funding options, and presents the recommendation by bringing the CIP draft forward at the public hearing, receives public input, clarifies any issues, finalizes the ratings, adopts the plan, and makes recommendations to the Board of Trustees to consider incorporating funding for the first-year projects into the budget plan.

Board of Trustees: encouraged to use the CIP as a tool in the adoption of the annual budget process in accordance with the governing body goals and objectives.

Residents: encouraged to participate in plan development by working with various committees, at the planning commission workshops, the planning commission public hearings, and at the governing body’s budget workshops and public hearings. As always, communication is open between residents, governing body representatives, planning commission members, and staff.

Project Analysis and Prioritization

Upon receiving requests from various Departments for capital improvement funding, the Planning Commission shall engage in a process of project prioritization utilizing the following review criteria:

1. Is the project needed to comply with local, state, or federal law.
2. Does the project reduce future costs.
3. Does the project implement provisions of the Master Plan.
4. Does the project deliver a level of service desired by community.
5. Will the project result in Economic Development.

Projects will be ranked on a scale from 1-5, with 1 being the highest priority and 5 being the lowest priority.

Capital Improvement Approval

While the Planning Commission will play an important role in developing a CIP, recommendations coming from the Planning Commission to the Board of Trustees are purely advisory in nature. It is the sole responsibility of the Board of Trustees to approve and adopt a CIP for any given year. The Planning Commission held a Public Hearing on June 12, 2018 and unanimously recommended that the Board of Trustees adopt the 2019-2024 Capital Improvement Plan. **The Township Board of Trustees will take action on the Capital Improvement Plan at their regular meeting on July 3, 2018.**

Table 1. Summary of Available Funds for each budget year.

	Annual Summary of Funds Available						TOTAL
	Budget Year						
	2019	2020	2021	2022	2023	2024	
CIP Funds Budgeted	\$ 590,000	\$ 590,000	\$ 590,000	\$ 610,000	\$ 590,000	\$ 590,000	\$ 3,560,000
Total CIP Request	\$ 455,000	\$ 941,000	\$ 447,000	\$ 2,449,000	\$ 455,000	\$ 1,045,000	\$ 5,792,000
Over/Under	\$135,000	(\$351,000)	\$143,000	(\$1,839,000)	\$135,000	(\$455,000)	(\$2,232,000)

Table 2. Summary of CIP requests for each budget year.

Budget Years CIP Forecast							
CIP Projects	Budget Year					TOTAL	
	2019	2020	2021	2022	2023	2024	
Special Fund Items							
Fire Department		\$ 500,000					\$ 500,000
Roads	\$ 220,000	\$ 220,000	\$ 220,000	\$ 220,000	\$ 220,000	\$ 220,000	\$ 1,320,000
Sewer	\$ 20,000	\$ 20,000	\$ 5,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 165,000
Water				\$ 2,000,000		\$ 575,000	\$ 2,575,000
General Fund Items							
Cemetery	\$25,000	\$9,000	\$35,000	\$ 9,000	\$ 15,000	\$ 30,000	\$ 123,000
Clerk							\$ -
Elections							\$ -
Industrial Development							\$ -
Miscellaneous							\$ -
Parks	\$ 10,000	\$ 12,000	\$ 7,000				\$ 29,000
Streets	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 1,080,000
Street Lights							\$ -
Supervisor							\$ -
Township Board							\$ -
Township Hall and Grounds							\$ -
Treasurer							\$ -
TOTAL GENERAL FUND	\$ 215,000	\$ 201,000	\$ 222,000	\$ 189,000	\$ 195,000	\$ 210,000	\$ 1,232,000
TOTAL	\$ 455,000	\$ 941,000	\$ 447,000	\$ 2,449,000	\$ 455,000	\$ 1,045,000	\$ 5,792,000

GENERAL FUND

The General Fund is the fund that is responsible for many of the daily operations of Big Rapids Charter Township. The fund has two major revenue sources: property tax and state shared revenue. Collectively, these two revenue items are responsible for 88% of General Fund income.

Projects marked with ** indicate multiple years of funding.

Projects marked with *** indicate project funding through multiple funds.

GENERAL FUND FISCAL YEAR 2019

Cost	Department	Rank	Description
\$ 25,000	Cemetery	2	Purchase new ATV with Snowblower for sidewalk snow management.
\$ 10,000	Parks	3	Replace softball field fencing.
\$ 180,000	Streets***	1	Annual Road repair work.
\$ 215,000	TOTAL		

GENERAL FUND FISCAL YEAR 2020

Cost	Department	Rank	Description
\$ 9,000	Cemetery	2	Replace Zero-turn mower.
\$ 12,000	Parks	2	Replace Stairway to the river with a 20' landing along the riverbank.
\$ 180,000	Streets***	1	Annual Road repair work.
\$ 201,000	TOTAL		

GENERAL FUND FISCAL YEAR 2021

Cost	Department	Rank	Description
\$ 35,000	Cemetery	2	Purchase a new pick-up truck to replace 2006 Chevrolet.
\$ 7,000	Parks	4	Construct river overlook/fishing platform
\$ 180,000	Streets***	1	Annual Road repair work.
\$ 222,000	TOTAL		

GENERAL FUND FISCAL YEAR 2022

Cost	Department	Rank	Description
\$ 9,000	Cemetery	2	Replace Zero-turn mower.
\$ 180,000	Streets***	1	Annual Road repair work.
\$ 189,000	TOTAL		

GENERAL FUND FISCAL YEAR 2023

Cost	Department	Rank	Description
\$ 15,000	Cemetery	3	Repair Roads in Highland View Cemetery.
\$ 180,000	Streets***	1	Annual Road repair work.
\$ 195,000	TOTAL		

GENERAL FUND FISCAL YEAR 2024

Cost	Department	Rank	Description
\$ 30,000	Cemetery	4	Drainage Network for Cemetery.
\$ 180,000	Streets***	1	Annual Road repair work.
\$ 210,000	TOTAL		

FIRE DEPARTMENT FUND

The Big Rapids Township Fire Department provides Fire and Rescue services to the residents and visitors of Big Rapids Charter Township. The Fire Department responds to approximately 400 requests for service each year. The majority of the requests are for medical emergencies followed by vehicle accidents and other rescue related services. Structure fires have diminished significantly in the past decade due to improvements in building codes and other fire prevention related initiatives.

FIRE FUND FISCAL YEAR 2020

Cost	Department	Rank	Description
\$ 500,000	Fire Department	2	Purchase replacement for 1992 Ford Fire Engine
\$ 500,000	TOTAL		

ROADS AND STREETS

The Mecosta County Road Commission currently maintains all the public roadways in Big Rapids Charter Township. Township residents consistently rank roads and streets as their biggest concern. In 2015, the voters of Big Rapids Charter Township passed a millage request for 1.5 mils to provide for the repair and maintenance of the township roads. This millage generates approximately \$220,000 per year. The Township Board of Trustees also commits approximately \$180,000 from the general fund to supplement road repairs.

ROADS AND STREETS FISCAL YEAR 2019

Cost	Department	Rank	Description
\$ 220,000	Roads***	1	Annual Road repair work.
\$ 220,000	TOTAL		

ROADS AND STREETS FISCAL YEAR 2020

Cost	Department	Rank	Description
\$ 220,000	Roads***	1	Annual Road repair work.
\$ 220,000	TOTAL		

ROADS AND STREETS FISCAL YEAR 2021

Cost	Department	Rank	Description
\$ 220,000	Roads***	1	Annual Road repair work.
\$ 220,000 TOTAL			

ROADS AND STREETS FISCAL YEAR 2022

Cost	Department	Rank	Description
\$220,000	Roads***	1	Annual Road repair work.
\$220,000 TOTAL			

ROADS AND STREETS FISCAL YEAR 2023

Cost	Department	Rank	Description
\$220,000	Roads***	1	Annual Road repair work.
\$220,000 TOTAL			

ROADS AND STREETS FISCAL YEAR 2024

Cost	Department	Rank	Description
\$220,000	Roads***	1	Annual Road repair work.
\$220,000 TOTAL			

SEWER FUND

Big Rapids Charter Township provides a Wastewater Collection System to protect public health and preserve the aquatic environment, thereby enhancing the quality of life for area residents. The entire Wastewater system serves an eleven-square mile area, which encompasses three political entities. These three jurisdictions include Big Rapids Charter Township, the City of Big Rapids and Green Charter Township. Each of the three communities own and operate their own wastewater collection systems, including gravity sewers, pumping stations, and force mains. The City of Big Rapids owns and operates the Publicly-Owned Treatment Works (POTW), known as the Waste Water Treatment Plant (WWTP). Treatment agreements between the City of Big Rapids and the Townships allocate a specified portion of the trunk sewer and treatment plant capacity for use by the Townships. A population of approximately 20,000 is served by the wastewater collection and treatment system. The entire collection system consists of approximately 33 miles of gravity and force sewer mains, including 15 lift stations. The City of Big Rapids owns and operates 5 lift stations, Big Rapids Charter Township owns and operates 9 lift stations, and Green Charter Township owns and operates 1 lift station. The majority of users are domestic, in addition to approximately 465 non-domestic users, some significant users and one categorical user.

SEWER FUND FISCAL YEAR 2019

Cost	Department	Rank	Description
\$20,000	Sewer	2	Replace two pumps at the Sheridan Street Lift Station.
\$20,000 TOTAL			

SEWER FUND FISCAL YEAR 2020

Cost	Department	Rank	Description
\$20,000	Sewer	2	Replace two pumps at the High School Lift Station.
\$20,000 TOTAL			

SEWER FUND FISCAL YEAR 2021

Cost	Department	Rank	Description
\$5,000	Sewer	4	Update Software.
\$5,000 TOTAL			

SEWER FUND FISCAL YEAR 2022

Cost	Department	Rank	Description
\$40,000	Sewer	2	Replace one pump at the Perry Street Lift Station.
\$40,000 TOTAL			

SEWER FUND FISCAL YEAR 2023

Cost	Department	Rank	Description
\$40,000	Sewer	2	Replace 2nd pump at the Perry Street Lift Station.
\$40,000 TOTAL			

SEWER FUND FISCAL YEAR 2024

Cost	Department	Rank	Description
\$40,000	Sewer	2	Replace one pump at the 14 Mile Road Lift Station.
\$40,000 TOTAL			

WATER FUND

The Water Fund is responsible for the operation and maintenance of the Township’s Water Treatment Plant and the distribution lines from the plant. The Water Fund’s major revenue source is the rates for usage currently collected from 5 customers, which does not cover costs. Since the Water Treatment Plant is underutilized and needs many additional customers to generate sufficient revenue, the Water Fund is in a deficit, and therefore cannot provide for capital outlay related to the water system.

WATER FUND FISCAL YEAR 2022

Cost	Department	Rank	Description
\$ 2,000,000	Water	5	Run Water Line from 18 Mile Road Water Plant to Perry Street.
\$ 2,000,000 TOTAL			

WATER FUND FISCAL YEAR 2024

Cost	Department	Rank	Description
\$ 575,000	Water	5	Run Water Line from 18 Mile Road Water Plant to 19 Mile Road
\$ 575,000 TOTAL			