

CAPITAL IMPROVEMENTS PROGRAM SUMMARY

The 10 Year Capital Improvement Program (CIP) involves identification, management, and implementation of CIP projects. The process includes input from City staff, citizens, and City Council. Recognition of the community needs and balancing the infrastructure demands with the funding available is the goal of the CIP.

HISTORY

In 2008, the City contracted with Freese and Nichols to assist with developing a sustainable CIP process for the City. The process included the development of a project database from existing half cent projects, master plans and department needs to reduce the dependency of staff members' individual and collective knowledge of projects. The evaluation process included input from City Council's strategic planning, the Tyler 21 Comprehensive Plan, a subcommittee of key leaders, and the Half Cent Board.

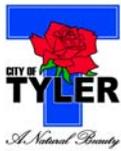
Tyler's comprehensive plan, which was referred to as Tyler 21, underwent a five-year update in 2013-2014 and has been renamed Tyler 1st to rebrand the plan with a name that better reflects Tyler. The Half Cent ranking criteria was also revised to incorporate additional principles from the Tyler 1st update.

The CIP process is only a tool to assist the City with implementing capital improvements. The future programs will incorporate changes in projects, community needs, funding, in addition to changes in the process to continually improve this dynamic tool.

PROJECT DATABASE

The CIP database allows a multitude of project information to be easily accessible and managed by the City. The database documents project information, justifications, cost estimates, and funding sources to help manage the capital improvements programs without the regrouping effort that is characteristic of many programs. In addition, the evaluation criteria weighted factors are calculated in the database and allow the City to prioritize projects based on other criteria weights. This tool assists with changing the weights for future programs to continually reflect the emphasis of the City Council and the community.

Another tool within the database is the 1-Page Report developed and generated to provide a snapshot of the pertinent information regarding each CIP project along with a map detailing the projects location and limits.



EVALUATION PROCESS

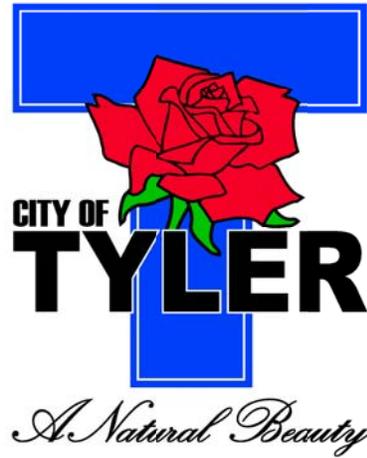
The evaluation process provides an objective way for the City to compare cross-departmental projects that compete for the same funding. The subjectivity of comparing projects is reduced and more reliance is placed on the weighted criteria created by the stakeholders. The project evaluation starts with the City reviewing evaluation criteria derived from community responses, City staff knowledge of citizen concerns, and City Council areas of emphasis.

CIP projects, including streets, drainage, public safety, fire, and parks were ranked by the CIP key leader team based on the selected criteria. In order to maintain consistency in how the projects were evaluated, the key leader team developed the Ranking System Summary to assist with the scoring and interpretation of the criteria. The evaluation method indicates CIP priorities based on the weighted evaluation criteria.

PROJECT PRIORITIZATIONS

The Capital Improvements Program based on the process developed and implemented as described above, represent balanced community and infrastructure needs of the City of Tyler.

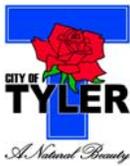
The CIP process is a tool to assist with determining CIP projects for the upcoming years; however, it is only a tool to help manage the needs of a growing community. It is consistent with other cities successful CIP implementation, that this tool be used in conjunction with oversight and support from the City Council. The project database, evaluation criteria, prioritizations, and project communication will continue to evolve with the growth of the community. A successful CIP includes a dynamic process that helps manage and implement growth in a changing environment with the community's needs at the forefront.



10 YEAR

CAPITAL IMPROVEMENTS PROGRAM

RANKING SYSTEM SUMMARY



CAPITAL IMPROVEMENTS PLAN RANKING SYSTEM SUMMARY

A. DEFINITION

A Capital Improvements Plan (CIP) is a multi-year flexible plan outlining the goals and objectives regarding public facilities for The City of Tyler. This plan includes the development, modernization, or replacement of physical infrastructure facilities. For a project to be defined as a capital project it should generally exceed \$50,000 in cost, be nonrecurring, provide at least 5 years of benefit and be an addition to the City's assets. Examples of capital improvement projects are roads, utilities, drainage structures, parks and other municipal facilities.

B. GOAL

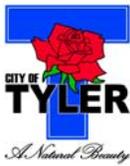
The goal from the development of a 10-yr CIP is a plan that outlines the projected infrastructure improvement needs of the city to assist in the planning and budgeting process. This plan will include a summary of the improvements, an estimated cost, a schedule for the improvements, and the source of funding for the project. The CIP will prioritize the identified projects into yearly plans based on principle and technical categories. Because the city's goals and resources are constantly changing, this plan is designed to be re-evaluated each year to reaffirm or reprioritize the capital improvement projects.

C. PRIORITIZATION

The prioritization of the eligible projects is done by a CIP ranking system. Each potential project must first be classified as a CIP project according to the definition above. If the above criteria are met, the project will be given a principle ranking and a technical ranking. These two rankings will be combined, producing a CIP score for the project. Based on this CIP score the projects will be grouped into yearly project groups for the next ten years. The components and scoring scale that make up the functional ranking and the project ranking are attached.

D. PROJECT TYPES

After the overall CIP score is assigned to each project the projects will be re-aligned based on the project type. These types would include water, sewer, paving, drainage, facilities, parks, airport and miscellaneous.



E. FUNDING

On an annual basis, funds for CIP projects will be limited based on the City's half cent sales tax generated. The projects will also be evaluated based upon any external source(s) of funding available.

F. SCHEDULING OF PROJECTS

Project schedules will be developed based on the available funding and project ranking. The schedules will determine where each project fits in the 10-yr plan. This will be based on the priority of the project, funding availability and how it correlates with other CIP projects. In any event, the City Council will retain full discretion to determine the final priorities, scheduling and funding of any projects.

G. PRODUCTION OF CIP PLAN

The final proposed CIP document will be produced based on the evaluation of the CIP Score, Project Type, Funding, and Schedule. Projects will be summarized in list format and most current ranking order, and then be programmed into the 10 year CIP financial forecast. The Half Cent Board and the City Council will have approval authority for the final CIP document. The CIP will be re-evaluated at least annually to align growth, needs and budgeting.

CIP RANKING CRITERIA

Project Ranking By Principles

1) Transportation and Circulation (25%) – Tyler 1st Principle: Connect people to one another and in community; Provide transportation options.

An excellent transportation system provides an efficient and effective balance between access and mobility. A project to improve traffic flow on S. Broadway would greatly impact transportation and circulation. Changing the appearance of City streets is an example of a project that does not directly affect transportation and circulation. The score could be based on answers to the following example question:

- A. Does the project incorporate access management?
- B. Will the project improve the public transportation system (mass transit)?
- C. Is the project part of the Master Street Plan?
- D. Does the project improve traffic safety?
- E. Does the project improve the level of service (LOS)?
- F. Does the project originate from the Tyler MPO 2030 plan?
- G. Will the project improve bicyclist and pedestrian access and mobility?

Scoring Scale:

1	3	5	7	10
The project does not affect the access or mobility for citizens of Tyler	↔	The project will improve access but not the mobility of the citizens of Tyler.	↔	The project greatly impacts the access and mobility for citizens of Tyler.

2) Public Safety (25%) – Tyler 1st Principle: Provide neighborhoods that are attractive centers of community; Maintain excellent municipal facilities and services.

Health/public safety includes fire service, police service, safe roads, safe drinking water, fire flow demand, sanitary sewer systems and flood control. A fire station or police station would directly impact the citizens, scoring high in this category. New softball fields may not directly affect the health/public safety of the citizens, therefore scoring low. The score could be based on answers to the following example questions:

- A. How does the proposed project directly impact the health/public safety of the citizens of Tyler?
- B. On what scale does this project indirectly affect the health/public safety of the community?
- C. Does the failure to do the project present a risk to personal and/or physical property?
- D. Does the failure to do the project present a risk to lives?

Scoring Scale:

1	3	5	7	10
The project does not impact the health/public safety of the citizens.	↔	The project is divided between the impacts it has on the citizens regarding health/public safety.	↔	The project directly impacts the health/public safety of the citizens

3) Existing Infrastructure (20%) – Tyler 1st Principle: Maintain excellent municipal facilities and services.

This term defines items relating to infrastructure needs for The City of Tyler. Items such as waterlines, sewer lines, wastewater treatment, streets, buildings, facilities, stormwater, and drainage. The score could be based on answers to the following example questions:

- A. Does the project provide additional capacity or upgrade an existing system?
- B. Is the facility exceeding its useful life?
- C. What is the degree of aging of the existing facility?
- D. Do the resources spent on maintenance justify replacement?
- E. Is the system outdated?

Scoring Scale:

1	3	5	7	10
The level of need to the system is low.	↔	The project is divided between the levels of need the project provides.	↔	The level of need is high; it has exceeded its useful life.

4) Revitalization and Balanced Growth (15%) – Tyler 1st Principle: Promote balanced growth; Provide neighborhoods that are attractive centers of community; Reinvigorate the city center to be the downtown of East Texas; Cultivate an environment friendly to business and Tyler’s medical and educational institutions; Maintain and enhance our strong community and regional partnerships.

Growth and revitalization relates to things the city can do to attract developers, businesses and corporations to call Tyler home. Providing the needed infrastructure to continue redevelopment of downtown would score high in this category. Reconstructing a storm drain line through a residential neighborhood would score low in the growth and economic development category. The score could be based on answers to the following example questions:

- A. Does the project have the potential to promote growth and revitalization in priority areas as identified in Tyler 1st?
- B. Does the project have the potential to promote higher education in priority areas as identified in Tyler 1st?
- C. Will the project attract retail and/or economic development?
- D. Will the project revitalize a historic or cultural area of resources?
- E. Will the project attract new residents and tourism to the City?
- F. Does the project collaborate with business entities to enhance educational efforts?
- G. Does the project develop Tyler as an educational destination?

Scoring Scale:

1	3	5	7	10
The project will not aid in revitalization and balanced growth.	↔	An equal portion of the project will promote revitalization as well as have some impact on balanced growth.	↔	The project will revitalize an area of Tyler and encourage future balanced growth.

5) Quality of Life (15%) – Tyler 1st Principle: Connect people to one another and in community; Provide neighborhoods that are attractive centers of community; Protect and enhance open spaces, parks and trees in a connected network for recreation and a healthy environment; Preserve, enhance and communicate Tyler’s historic heritage.

Quality of life is a characteristic that makes the city a favorable place to live. A lakeside park with amenities to satisfy all citizens would greatly impact the quality of life. A city maintenance building is an example of a project that does not directly affect the citizen’s quality of life. The score could be based on answers to the following example question:

- A. Does the project enhance the quality of life of the citizens?
- B. Does the project target the quality of life for all citizens or does it target only the specific project area?
- C. Does the project improve the appearance and image of the City?
- D. Does the project champion, support and partner with K-12 public schools, colleges and universities for excellence in academic achievement?
- E. Does the project encourage an environment of education and life-long learning in families?
- F. Will the project enhance the amenities offered by an educational institution?

Scoring Scale:

1	3	5	7	10
The project does not affect the quality of life for citizens of Tyler.	↔	A portion of the project will impact the quality of life for the citizens of Tyler.	↔	The project greatly impacts the quality of life for citizens of Tyler.

Project Ranking By Financial, Technical, and Regulatory Criteria

6) Regulatory Compliance (35%) – This criterion includes regulatory mandates such as sewer line capacity, fire flow/pressure demands, stormwater/creek flooding problems. These mandates could come from agencies such as EPA, TCEQ, ADA/TDLR, as well as address the ISO rating. The score could be based on answers to the following example questions:

- A. The project addresses an existing or future mandate?
- B. Will the future project impact foreseeable regulatory issues?
- C. Does the project promote long-term regulatory compliance?
- D. Does this project satisfy a Federal Mandate?
- E. Does this project satisfy a State Mandate?

Scoring Scale:

1	3	5	7	10
The project is not justified by regulatory compliance	↔	The project addresses future or foreseeable regulations.	↔	The project will satisfy current or scheduled regulatory compliance.

7) External Funding (25%) – Capital improvement projects can be funded through sources other than the City funds. Developer funding, grants through various agencies and donations can all be sources of external funding for a project. The percentage of total cost funded by an outside source will determine the score in this category.

Scoring Scale:

0	2	4	6	8	10
0% External Funding	1%-20% External Funding	21%-40% External Funding	41%-60% External Funding	61%-80% External Funding	81%-100% External Funding

8) Impact on Operational Budget (20%) – Some projects may affect the operating budget for the next few years or for the life of the facility. A fire station will need to be staffed and supplied, therefore having an impact on the operational budget for the life of the facility. Replacing a waterline will not require any additional resources from the operational budget. The score could be based on answers to the following example questions:

- A. Will the new facility require additional personnel to operate?
- B. Will the new facility require significant annual maintenance?
- C. Will the new facility require additional equipment not included in the project budget?
- D. Will the new facility reduce time and resources of city staff maintaining current outdated systems? This would free up staff and resources, having a positive affect on the operational budget.
- E. Will the efficiency of the project save money and is there a revenue opportunity?

Scoring Scale:

1	3	5	7	10
The project will require additional money to operate.	↔	The project will not affect the operating budget.	↔	The project will have significant savings in time and materials because of efficiency.

9) Timing/Location (20%) – The timing and location of the project is an important piece of a project. If the project is not needed for many years it would score low in this category. If the project is close in proximity to many other projects and/or if a project may need to be completed before another one can be started it would score high in this category. The score could be based on answers to the following example questions:

- A. When is the project needed?
- B. Do other projects require this one to be completed first?
- C. Does this project require others to be completed first?
- D. Can this project be done in conjunction with other projects? (ex. waterline/sanitary sewer/paving improvements all within one street)
- E. Will it be more economical to build multiple projects together (reduced construction costs)?
- F. Will it help in reducing overall neighborhood disruptions year after year?
- G. Does the project have a high degree of readiness to move the project towards completion?

Scoring Scale:

1	3	5	7	10
The project does not have a critical timing/location component.	↔	The project has one timing/location factor critical to it.	↔	Both timing and location are critical components of the project.