



DRAFT
CAPITAL IMPROVEMENT PLAN
2019 – 2023

CITY OF REHOBOTH BEACH
229 Rehoboth Ave
Rehoboth Beach, DE 19971

Draft Capital Improvement Plan 2019 – 2023

Revised: 10/2017

Description

This document aims to be a fiscal management tool that is used to coordinate the location, timing, and financing of capital improvement projects, over a multi-year period, for the City of Rehoboth Beach. This Draft Capital Improvement Plan (CIP) is a fluid document and thus will be reviewed and updated annually to reflect changing community needs, priorities, and funding opportunities.

Table of Contents

Section 1: About the Capital Improvement Plan.....	2
How the CIP was Prepared	2
Department Head Role	3
City Managers Role.....	3
Commissioners Role.....	4
Section 3: Criteria for Prioritization of Projects.....	5
Section 4: Capital Project Requesters.....	6
Section 5: Capital Improvement Projects	8
Section 6: Year Totals.....	76
Section 7: Funding Strategies	86
Section 8: Process Calendar	89
Section 9: Conclusions.....	90

Section 1: About the Capital Improvement Plan

A Capital Improvement Plan (CIP) is a multi-year plan used to coordinate the financing and timing of proposed capital improvements. It contains a list of capital projects proposed for the City of Rehoboth Beach within the next five years (2019-2023) and reflects the recommendations of Department Heads, the Board of Commissioners, City Staff, and the City Manager. The CIP provides a summary description, estimated cost, methods of financing, and a scheduled implementation for each capital improvement project. It is anticipated that the completed document will be utilized as a tool for the development of annual capital expenditure budgets.

Common categories of capital improvement projects include, but are not limited to:

- 1.) Purchase of major equipment
- 2.) Acquisition of land for a public purpose
- 3.) Construction, expansion or major renovation of public buildings, facilities, or roads
- 4.) Related planning, engineering, design, appraisal or feasibility costs of a project

How the CIP was Prepared

To prepare this report, the City Manager met with Department Heads and City Staff to discuss current and future capital needs. Upon collecting these capital requests, the City Manager then analyzed the details of each capital project and prioritized them based upon six criteria mentioned in the following section. After the projects were prioritized, the Board of Commissioners was consulted to discuss further project prioritization and funding. This document represents the collaborative effort of all the individuals listed above and should be updated annually to accurately depict the completion and estimated completion of identified capital projects.

Department Head Role

Since Department Heads are most knowledgeable of the condition of their department's capital equipment, as well as the tasks and services that they must provide, the identification of specific capital items that need to be replaced or added during the term of the plan should begin with them. The initial department head request forms containing proposed capital expenditures included:

- a) A title of the project
- b) Detailed project description justifying the capital expenditure for the period proposed
- c) Range in which the project will need completed (1-3 years, 3-5 years or beyond 5 years)
- d) Project priority (essential, desirable, or deferrable)
- e) Estimated cost(s) of the project
- f) Annual recurring cost(s) (maintenance contracts, etc.)
- g) Proposed funding source

Follow up meetings with the City Manager and/or Board of Commissioners may be scheduled as required to clarify and justify identified proposed capital expenditures.

City Managers Role

The City Manager initiates updating the five-year CIP concurrent with initiating development of the annual budget by requesting updates from the Department Heads. After receiving department submittals of their long-range capital expenditure requests, the City Manager compiles the submittals as a "Proposed Capital Expenditures as Requested by each Department, Years XXXX-XXXX (i.e. 2019-2023)." After review and additional meetings with Department Heads, if necessary, and after evaluation and validation of submittals, the City Manager will produce a draft five-year CIP that contains, at a minimum, the following:

- a) Project descriptions
- b) Estimated cost(s)
- c) Proposed fiscal year expenditure
- d) Priority designations (i.e. Essential, Desirable, Deferable)

Commissioners Role

Following the completion of the draft five-year CIP, the City Manager shall submit the documentation to the Board of Commissioners for discussion at their workshops and/or meetings at periodic intervals designated by the Mayor. It is anticipated that the review and discussion of the planning documentation will produce requests for additional information relating to specific capital expenditures. The City Manager shall obtain the requested information and submit it, along with updated and revised planning documents and schedules to the Commissioners for review and discussion at their workshops and/or meetings. The development of the multiple-year plan for capital expenditures must be coordinated with discussion of revenue sources that will fund the expenditures. However, the capital expenditure plan should be zero based and not based upon a specific revenue level that precedes the development of a capital expenditure plan.

Section 3: Criteria for Prioritization of Projects

The City of Rehoboth Beach's CIP contains many proposals, and so capital projects need to be prioritized based upon a set of criteria adopted to reflect the immediate needs of the City and its residents. The criteria used to evaluate the capital projects are listed below. These criteria have been adopted from two sources: The City of Green, Ohio's Capital Improvement Plan and the Montana Community Development Division's "Capital Improvements Planning Manual."

Capital Project Prioritization Criteria:

1. Improves public health and/or safety
2. Improves the efficiency or effectiveness of City-provided services
3. Complies with mandates from the federal or state government
4. Impacts the entire City population
5. Requires further study about cost, longevity, etc.
6. Encourages economic development and growth

These six criteria are chosen with the intent of reflecting both the technical aspects of capital projects, such as their impact on public safety, as well as public opinion and concern.

Section 4: Capital Project Requesters

The Board of Commissioners seeks to ensure that the quality of life for the residents of Rehoboth Beach is kept as high as possible. To this end, the capital project requesters listed below provide a wide array of services and thus have submitted project requests to aid in the provision of their services. This section includes a summary of each requester and the services they provide:

911 Dispatch Center: Answers all 911 and non-emergency calls for the City and surrounding area. Operates 24 hours a day, seven days a week.

Bandstand: An open-air entertainment venue hosting a series of summer concerts, shows, and movies since 1963.

Beach Patrol: Provides the highest degree of public safety to users of the entire 1.5-mile area of beach within the City limits.

Building & Grounds: Maintains and cleans all City public buildings, including the Rehoboth Beach Convention Center and comfort stations.

Building & Licensing: Provides professional services in the areas of plan review, field inspections, code enforcement and administration. Responsible for enforcement of the City Municipal Code.

Information Technology: Services and maintains all City technology including: computers, printers, software, and communications equipment. Provides reports to the City Manager, Mayor and Board of Commissioners as needed to forecast City revenues and expenses when items of technology are involved.

Parking Services: Issues parking permits and enforces the City's parking ordinances.

Police Department: Provides enforcement of all Federal, State, and Local laws in an impartial manner, and maintains a safe and peaceful environment for the residents and guests of the City.

Parks Department: Helps maintain the playgrounds, lawns, and trees throughout the City's parks.

Recreation Department/Tennis: Oversees day and night recreation areas, tennis courts at Deauville Beach, and a summer arts & crafts program.


Streets Department and Refuse: Provides refuse collection, carpentry, painting, welding, cleaning, and general maintenance for the City.

Water: Ensures the consistent flow of clean drinking water that meets all Federal and State guidelines. Provides timely repair of water system breaks and failures, and supplies City

administration with the water usage readings and commercial locations. Performs daily water quality checks.

Wastewater: Provides safe and reliable collection, treatment and disposal of municipal wastewater.

Section 5: Capital Improvement Projects

Project Title: Roll-off Trash Truck						
Department: Streets Department				Priority: Essential		
<p><u>Description and Justification:</u> The Streets Department will need to replace their 1999 Volvo trash truck. This truck features a roll-off bed used to transport containers that hold recycle and yard waste. The current truck requires routine maintenance that is no longer feasible.</p> <p><u>Annual Budget Impact:</u> Less expenditures for annual maintenance.</p>						
PROPOSED FINANCING						
	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product		\$170,000				
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$170,000	\$170,000				
<p>Funding Source(s): _____</p> <ul style="list-style-type: none"> - Operating Revenues - General Obligation Bond - Bank Loan - Grant 						

Project Title: Trash Truck

Department: Streets Department

Priority: Essential

Description and Justification:

The Streets Department will need to replace their current 2003 model year Sterling trash truck and current 2000 model year GMC trash truck. Rather than replacing both trucks, the Streets Department is proposing a Cobra truck that is narrower and would allow for adequate capacity to handle boardwalk trash. The narrower body would provide more clearance for people walking around the truck.



Annual Budget Impact:

Routine maintenance.

PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product		\$151,000				
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$151,000	\$151,000				

Funding Source(s): _____

- Operating Revenues
- General Obligation Bond
- Bank Loan
- Grant

Project Title: **Beach Rake Refurbishment**

Department: **Streets Department**

Priority: **Essential**

Description and Justification:

Rather than replacing the 2001 model year beach rake, the Streets Department is proposing a refurbishment to save on the expense of purchasing a new machine. The current rake frequently requires maintenance and is often out of service due to necessary repairs on various components. The estimated cost of purchasing a new beach rake is roughly \$70,000, therefore refurbishing the machine would be more feasible.



Annual Budget Impact:

Less expenditures for annual maintenance.

PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product		\$30,000				
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$30,000	\$30,000				

Funding Source(s): _____

- Operating Revenues
- General Obligation Bond
- Bank Loan
- Grant

Project Title: **Roof Replacement**

Department: **Streets Department**

Priority: **Essential**

Description and Justification:

The roof at the Streets Department is flat, which can trap water and eventually leak into the bays. During heavy rain, the roof is leaking water onto the main electrical supply panel in the break room, creating a safety concern.



Annual Budget Impact:

TBD

PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product						
Design						
Maintenance						
Construction		\$25,000				
Feasibility Study						
Contingency						
Other						
TOTAL	\$25,000	\$25,000				

Funding Source(s): _____

- Operating Revenues
- General Obligation Bond
- Bank Loan
- Grant

Project Title: Office Trailer

Department: Streets Department

Priority: Essential

Description and Justification:

The Streets Department would like to replace their office trailer. The new trailer would provide a larger space to accommodate staff and would also ensure adequate supply of power to avoid service overload.



Annual Budget Impact:


TBD

PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product		\$15,000				
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$15,000	\$15,000				

Funding Source(s): _____

- Operating Revenues
- General Obligation Bond
- Bank Loan
- Grant

Project Title: Concrete Pad						
Department: Streets Department				Priority: Essential		
<u>Description and Justification:</u> A concrete pad, like the one located at the Streets Department, is needed at the new recycle center. Currently, asphalt and concrete that has been torn up is taken to the recycle facility and put on the ground before being separated and recycled. The proposed pad would be 30' x 30' and would be used as an area to place torn up asphalt and concrete before being sorted and recycled.						
<u>Annual Budget Impact:</u> N/A						
PROPOSED FINANCING						
	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product						
Design						
Maintenance						
Construction		\$17,000				
Feasibility Study						
Contingency						
Other						
TOTAL	\$17,000	\$17,000				
Funding Source(s): _____ <ul style="list-style-type: none"> - Operating Revenues - General Obligation Bond - Bank Loan - Grant 						

Project Title: **Elgin Broom Badger**

Department: **Streets Department**

Priority: **Desirable**

Description and Justification:

The current 2014 model year Elgin Broom Badger is in need of replacement. This current sweeper is used so often that it requires frequent maintenance. Furthermore, this sweeper is a smaller truck performing tasks required by that of a larger truck.



Annual Budget Impact:


Routine maintenance.

PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product			\$230,000			
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$230,000		\$230,000			

Funding Source(s): _____

- Operating Revenues
- General Obligation Bond
- Bank Loan
- Grant

Project Title: Trash Truck						
Department: Streets Department				Priority: Essential		
<u>Description and Justification:</u> The Streets Department will need to replace their 2008 model year Sterling L7500 trash truck used to collect trash and yard waste City-wide. The current truck is frequently in for repairs and maintenance.						
<u>Annual Budget Impact:</u> Routine maintenance.						
PROPOSED FINANCING						
	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product			\$150,000			
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$150,000		\$150,000			
Funding Source(s): _____ - Operating Revenues - General Obligation Bond - Bank Loan - Grant						

Project Title: **Ford F-350 Fleet Vehicle**

Department: **Streets Department**

Priority: **Desirable**

Description and Justification:

The Streets Department would like to replace the current 2008 model year Ford F-350 with a similar make and model. This vehicle is used by the City's carpenter to haul equipment, materials, and a trailer when performing City-wide repairs. By this time, it is expected that the current vehicle will have reached its useful life. State contract pricing is not out until mid-October.




Annual Budget Impact:
Routine maintenance.

PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product			\$55,000			
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$55,000		\$55,000			

- Funding Source(s):** _____
- Operating Revenues
 - General Obligation Bond
 - Bank Loan
 - Grant

Project Title: Ford F-250 Fleet Vehicle						
Department: Streets Department				Priority: Desirable		
<u>Description and Justification:</u> The Streets Department would like to replace their 2008 model year Ford F-250 that is used daily by staff for numerous tasks. By this time, it is expected that the current vehicle will have reached its useful life. State contract pricing is not out until mid-October.						
<u>Annual Budget Impact:</u> Routine maintenance.						
PROPOSED FINANCING						
	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product			\$35,000			
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$35,000		\$35,000			
Funding Source(s): _____ - Operating Revenues - General Obligation Bond - Bank Loan - Grant						

Project Title: Trash Truck

Department: **Streets Department**

Priority: **Essential**

Description and Justification:

The Streets Department will need to replace their 2005 model year Sterling trash truck used to collect trash and yard waste City-wide. The current truck is frequently in for repairs and maintenance.



Annual Budget Impact:

Routine maintenance.

PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product				\$150,000		
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$150,000			\$150,000		

Funding Source(s): _____

- Operating Revenues
- General Obligation Bond
- Bank Loan
- Grant

Project Title: John Deere Tractor						
Department: Streets Department				Priority: Essential		
<u>Description and Justification:</u> The Streets Department will need to replace their 2005 model year John Deere tractor used to pull the beach rake and trash wagon. This tractor is used daily for operations and is expected to reach its useful life by this time.						
<u>Annual Budget Impact:</u> Routine maintenance.						
PROPOSED FINANCING						
	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product				\$80,000		
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$80,000			\$80,000		
Funding Source(s): _____ - Operating Revenues - General Obligation Bond - Bank Loan - Grant						

Project Title: **Vacuum Trailer**

Department: **Streets Department**

Priority: **Essential**

Description and Justification:

The 2001 model year Vacuum Trailer used by the Streets Department will need to be refurbished due to frequent maintenance needs and rust. The container is used to collect leaves in the Fall and can also be used for cleaning out sewers. The rust has resulted in holes within the container and will leak material when used.



Annual Budget Impact:


Less expenditures for annual maintenance.

PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product				\$25,000		
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$25,000			\$25,000		

Funding Source(s): _____

- Operating Revenues
- General Obligation Bond
- Bank Loan
- Grant

Project Title: Ford F-250 Fleet Vehicle						
Department: Streets Department				Priority: Desirable		
<p><u>Description and Justification:</u> The current 2001 model year Dodge pickup truck used by the maintenance shop is reaching the end of its useful life. The Streets Department would replace this vehicle with one from state contract. The truck is used to transport parts for the maintenance shop. State contract pricing is not out until mid-October.</p> <p><u>Annual Budget Impact:</u> Routine maintenance.</p>						
PROPOSED FINANCING						
	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product				\$30,000		
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$30,000			\$30,000		
Funding Source(s): _____ - Operating Revenues - General Obligation Bond - Bank Loan - Grant						

Project Title: **Ford F-250 Fleet Vehicle**

Department: **Streets Department**

Priority: **Desirable**

Description and Justification:

The Streets Department would like to replace their 2005 model year Ford F-250 that is used daily by staff for numerous tasks. By this time, it is expected that the current vehicle will have reached its useful life. State contract pricing is not out until mid-October.

Annual Budget Impact:

Routine maintenance.



PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product					\$45,000	
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$45,000				\$45,000	

Funding Source(s): _____

- Operating Revenues
- General Obligation Bond
- Bank Loan
- Grant

Project Title: Ford F-350 XL Fleet Vehicle

Department: Streets Department

Priority: Desirable

Description and Justification:

The Streets Department would like to purchase a new Ford F-350 XL with dump bed to replace their existing vehicle. This truck is used to haul many heavy loads. The current dump bed truck would be given to the Parks Department if a new vehicle is purchased. State contract pricing is not out until mid-October.



Annual Budget Impact:

Routine maintenance.

PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product					\$55,000	
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$55,000				\$55,000	

Funding Source(s): _____

- Operating Revenues
- General Obligation Bond
- Bank Loan
- Grant

Project Title: First Street Drainage Improvement Project

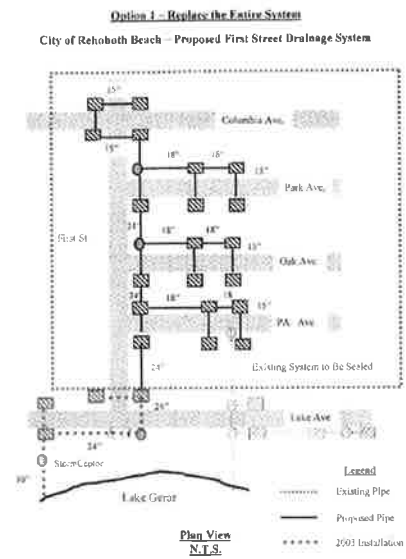
Department: Streets Department

Priority: Essential

Description and Justification:

A preliminary investigation done by Kercher Engineering, Inc. indicated that the existing piping system draining the area bounded by Columbia Avenue to Lake Avenue, and from Surf Avenue to First Street, was grossly inadequate. The new piping system would start with the replacement of existing inlets and piping at the intersection of Columbia Avenue and First Street and would include the installation of new piping along the length of First Street.

Annual Budget Impact:
TBD



PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product						
Design						
Maintenance						
Construction		\$390,000				
Feasibility Study						
Contingency		\$78,000				
Other						
TOTAL	\$468,000	\$468,000				

- Funding Source(s):** _____
- Operating Revenues
 - General Obligation Bond
 - Bank Loan
 - Grant

Project Title: Bayard Avenue Stormwater Improvements

Department: Streets Department

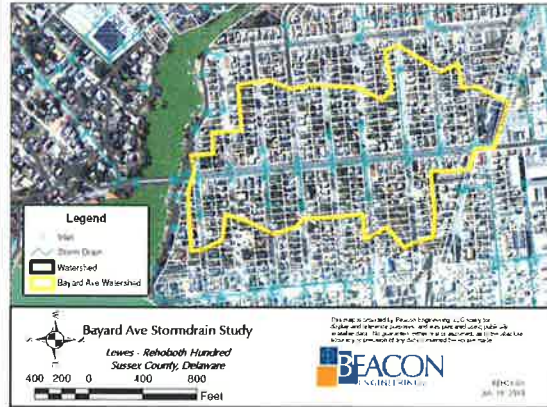
Priority: Highly Desirable

Description and Justification:

After the Bayard Avenue Storm Drain Study is completed, maintenance will need to be performed on storm drains/pipes due to ongoing property damage to homes along Munson Street and Philadelphia Street. The flooding issues on these streets goes back to 2012 and a more comprehensive approach is needed to resolve these issues.

Annual Budget Impact:

TBD



PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product						
Design		\$75,000				
Maintenance						
Construction			\$925,000			
Feasibility Study						
Contingency						
Other						
TOTAL	\$1,000,000	\$75,000	\$925,000			

Funding Source(s): _____

- Operating Revenues
- General Obligation Bond
- Bank Loan
- Grant

Project Title: Wilmington Avenue Stormdrains

Department: Streets Department

Priority: Essential

Description and Justification:

This project would involve either Cured in Place Pipe (CIPP) or a complete replacement of the stormdrains along Wilmington Avenue. The bottom portion of the pipe has disintegrated and the pipe will either need to be repaired through a CIPP process or be completely replaced with new pipe.



Annual Budget Impact:

TBD

PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product						
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	TBD					

Funding Source(s): _____

- Operating Revenues
- General Obligation Bond
- Bank Loan
- Grant

Project Title: Prospect Street Drainage Improvement

Department: Streets Department

Priority: Essential

Description and Justification:

This project is located at the intersection of East Lake Drive and Prospect Street. It would include removing and replacing the existing culvert and catch basin, extending the storm drainage system to the northeast corner of the intersection, and evaluating the viability to install a stormceptor to trap sand and sediment. In the Winter, this portion of the street will freeze over due to a lack of proper drainage.



Annual Budget Impact:


TBD

PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product						
Design		\$23,000				
Maintenance						
Construction		\$83,000				
Feasibility Study						
Contingency						
Other						
TOTAL	\$106,000	\$106,000				

Funding Source(s): _____

- Operating Revenues
- General Obligation Bond
- Bank Loan
- Grant

Project Title: City-wide Paving	
Department: Streets Department	Priority: Essential
<u>Description and Justification:</u> This project involves performing City-wide paving using the \$250,000 set aside every year. <u>Annual Budget Impact:</u> N/A	

PROPOSED FINANCING						
	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product						
Design						
Maintenance		\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$1,250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
Funding Source(s): _____ - Operating Revenues - General Obligation Bond - Bank Loan - Grant						

Project Title: Second Street Sidewalk Improvement

Department: Streets Department **Priority: Essential**

Description and Justification:
 The purpose of the project would be to replace an existing sidewalk on 2nd Street, north of Baltimore Ave. This sidewalk has a very steep cross slope which is impossible for disabled persons with wheelchairs to navigate. Pedestrians with wheelchairs and child strollers will walk in the busy street because the sidewalk is so steep. With the new City Hall Pedestrian Connector that is about to begin construction on the opposite side of 2nd Street, it is important that the City complete this work now so that our disabled citizens and visitors be provided with a safe, accessible route to and access City Services. The City is partnering with the property owner who is planning to fund the sidewalk replacement on Baltimore Avenue in front of his building. His share of the cost will be \$17,000. The City is funding the professional services for this work from its operating budget. When completed, approximately 150 feet of City sidewalks would become fully compliant with the Americans with Disabilities Act.

Annual Budget Impact:
 TBD




PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product						
Design						
Maintenance						
Construction		\$93,785				
Feasibility Study						
Contingency		\$18,757				
Other						
TOTAL	\$112,500	\$112,500				

Funding Source(s): _____

- Operating Revenues
- General Obligation Bond
- Bank Loan
- Grant

Project Title: Boardwalk Replacement						
Department: Streets Department				Priority: Desirable		
<u>Description and Justification:</u> The Streets Department recommends replacement of the boardwalk decking boards. The current substructure is still in good condition and will not need to be replaced. Consider a phasing approach to this project.						
<u>Annual Budget Impact:</u> TBD						
PROPOSED FINANCING						
	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product						
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	TBD					
Funding Source(s): _____ - Operating Revenues - General Obligation Bond - Bank Loan - Grant						

Project Title: Deauville Tennis Court Maintenance

Department: Recreation Department

Priority: Essential

Description and Justification:

The Deauville Tennis Courts will require complete court repair and upkeep roughly every five (5) years to maintain the quality of the courts. Re-painting of the lines should also be done every five (5) years.



Annual Budget Impact:

TBD

PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product						
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	TBD					

Funding Source(s): _____

- Operating Revenues
- General Obligation Bond
- Bank Loan
- Grant

Project Title: Grove Park Storage Shed

Department: Recreation Department

Priority: Desirable

Description and Justification:

A new storage shed is needed for recreation equipment and arts & craft supplies stored at Grove Park. The existing shed was custom built in 1990-91 and is 10' x 18'.



Annual Budget Impact:

N/A

PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product		\$5,000				
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$5,000	\$5,000				

Funding Source(s): _____

- Operating Revenues
- General Obligation Bond
- Bank Loan
- Grant

Project Title: Police Vehicle Replacement

Department: Police Department

Priority: Essential

Description and Justification:

The Police Department will need to replace fleet vehicles annually as the vehicles reach the end of their useful life. The current replacement vehicles will be Ford Explorers. The annual replacements will alternate between purchasing one vehicle one year and two vehicles the following year. Vehicles are \$30,000 with essential equipment & installation costing an additional \$15,500. Total cost for one vehicle is \$45,500.



Annual Budget Impact:

Routine maintenance.

PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product		\$91,000	\$45,500	\$91,000	\$45,500	\$91,000
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$364,000	\$91,000	\$45,500	\$91,000	\$45,500	\$91,000

Funding Source(s): _____

- Operating Revenues
- General Obligation Bond
- Bank Loan
- Grant

Project Title: **Portable Radios**

Department: **Police Department**

Priority: **Essential**

Description and Justification:

The Police Department will need to replace their 3000/5000 series radios, which are no longer available or supported, with APEX 6000 series. Radios will cost \$2,360 each and a total of seven (7) will be replaced each year for four (4) years. Total cost will be \$16,520 per year.



Annual Budget Impact:

TBD

PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product		\$16,520	\$16,520	\$16,520	\$16,520	
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$66,080	\$16,520	\$16,520	\$16,520	\$16,520	

Funding Source(s): _____

- Operating Revenues
- General Obligation Bond
- Bank Loan
- Grant

Project Title: Force on Force Training Materials

Department: Police Department

Priority: Desirable

Description and Justification:

The Delaware Council on Police Training mandates that municipal Police Departments conduct force on force training. The Rehoboth Beach Police Department is considering the use of airsoft weapons and equipment to conduct this training. Grant funding may become available for this project.



Annual Budget Impact:

N/A

PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product				\$6,500		
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$6,500			\$6,500		

Funding Source(s): _____

- Operating Revenues
- General Obligation Bond
- Bank Loan
- Grant

Project Title: **Equipment Trailer**

Department: **Police Department**

Priority: **Desirable**

Description and Justification:

The Police Department would like to construct a custom trailer to store barricades, cones, barrels, etc. for special events. The price listed includes the purchase of a trailer, 40 barricades, 100 cones, and 20 traffic barrels. The trailer is estimated to be \$10,500 with \$2,000 used to fabricate a rack system to hold cones. The trailer would be kept within the Police Department fence when not being used.



Annual Budget Impact:
TBD

PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product						\$23,500
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$23,500					\$23,500

- Funding Source(s):** _____
- Operating Revenues
 - General Obligation Bond
 - Bank Loan
 - Grant

Project Title: Painting of the Bandstand

Department: Building & Grounds

Priority: Essential

Description and Justification:

The Rehoboth Beach Bandstand was last painted seven (7) years ago and portions of the Bandstand are starting to rust due to the salt air. The process would involve cleaning, sand blasting and painting the entire Bandstand so that the rust doesn't continue to spread.



Annual Budget Impact:

N/A

PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product						
Design						
Maintenance		\$35,000				
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$35,000	\$35,000				

Funding Source(s): _____

- Operating Revenues
- General Obligation Bond
- Bank Loan
- Grant

Project Title: **Bandstand HVAC**

Department: **Building & Grounds**

Priority: **Essential**

Description and Justification:

The HVAC system for the Bandstand has been fixed many times per year and the City has been advised that the unit will not last much longer. Heating and air conditioning is vital to keep equipment working properly and within equipment warranties as well as providing a welcoming environment for bands, military personnel, and City employees. The HVAC unit is usually serviced 3-4 times a year and service technicians have mentioned to City staff that it needs replacement. Estimate includes complete removal and disposal of existing equipment and reinstallation of new equipment to existing ductwork, piping and electrical work.



Annual Budget Impact:


Less expenditures for annual maintenance.

PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product						
Design						
Maintenance		\$7,200				
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$7,200	\$7,200				

Funding Source(s): _____

- Operating Revenues
- General Obligation Bond
- Bank Loan
- Grant

Project Title: Service Van	
Department: Building & Grounds	Priority: Desirable
<p><u>Description and Justification:</u> The Building & Grounds Department would like to replace their current van, which is old and past its useful life. A van is needed to keep janitorial supplies for restrooms, etc. inside along with tools. It is recommended that this vehicle be replaced with a used vehicle, either a 2014 Ford E-150 (shown) or 2014 Chevy Express.</p> <p><u>Annual Budget Impact:</u> Less expenditures for annual maintenance.</p>	

PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product		\$19,000				
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$19,000	\$19,000				

Funding Source(s): _____

- Operating Revenues
- General Obligation Bond
- Bank Loan
- Grant

Project Title: Convention Center Stage Lighting

Department: Building & Grounds

Priority: Desirable

Description and Justification:

The Convention Center currently uses a lighting system that is out of date and requires colors to be manually changed by switching out “gels”. New LED fixtures would provide more efficient lighting and would allow for colors to be changed remotely.



Annual Budget Impact:


N/A

PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product				\$43,000		
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$43,000			\$43,000		

Funding Source(s): _____

- Operating Revenues
- General Obligation Bond
- Bank Loan
- Grant

Project Title: Convention Center Audio	
Department: Building & Grounds	Priority: Desirable
<p><u>Description and Justification:</u> The current audio equipment in the Convention Center is out of date. An upgraded sound system with new digital equipment would allow for improved quality and reliability of audio throughout the Convention Center.</p> <p><u>Annual Budget Impact:</u> TBD</p>	

PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product					\$28,000	
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$28,000				\$28,000	

- Funding Source(s):** _____
- Operating Revenues
 - General Obligation Bond
 - Bank Loan
 - Grant

Project Title: Audio/Visual in Conference Suite and Caucus Room 1

Department: Building & Grounds

Priority: Desirable

Description and Justification:

Current audio/visual equipment in both the Conference Suite and Caucus Room 1 are out of date. Upgrading to a modern digital system would improve quality and reliability. Upgrading the audio/visual in the Conference Suite is estimated to be \$15,000. Upgrading the audio/visual in the caucus Room #1 is estimated to be \$8,000.

Shown is the Conference Suite



Highlighted in yellow is the TV mount, projector mount, and speakers.


Annual Budget Impact:
TBD

PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product						\$23,000
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$23,000					\$23,000

Funding Source(s): _____

- Operating Revenues
- General Obligation Bond
- Bank Loan
- Grant

Project Title: Bandstand Elevator Maintenance						
Department: Rehoboth Beach Bandstand				Priority: Essential		
<p><u>Description and Justification:</u> The Bandstand elevator is used to move heavy equipment on and off stage. The elevator frequently requires maintenance and the main metal doors used for safety are the highest priority due to rust and old age. The mechanical equipment has also reached the end of its useful life. A new elevator is estimated to be \$29,560 for installation, painting and adjusting equipment. There are two options for maintenance; four (4) visits a year plus a yearly safety test for \$1,100 per year, or, 12 visits a year plus a yearly safety test for \$1,620 per year.</p> <p><u>Annual Budget Impact:</u> Less expenditures for annual maintenance.</p>						
PROPOSED FINANCING						
	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product		\$31,180				
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$31,180	\$31,180				
Funding Source(s): _____						
<ul style="list-style-type: none"> - Operating Revenues - General Obligation Bond - Bank Loan - Grant 						

Project Title: **Public Announcement (P.A.) System**

Department: **Beach Patrol** Priority: **Desirable**

Description and Justification:
 The Rehoboth Beach Patrol is requesting a P.A. system that would involve speakers being placed along the boardwalk to provide public information related to beach safety, storms, beach closures, lost children, beach rules, ordinances, City functions, etc. These announcements would be prerecorded and last for only 30 seconds at most.

Annual Budget Impact:
 TBD



PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product		\$10,000				
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$10,000	\$10,000				

Funding Source(s): _____

- Operating Revenues
- General Obligation Bond
- Bank Loan
- Grant

Project Title: Polaris Emergency Vehicle

Department: Beach Patrol

Priority: Desirable

Description and Justification:

The Rehoboth Beach Patrol would like to replace their 2012 and 2014 Polaris emergency vehicles used for medic purposes. The Polaris vehicle allows for quick and easy transportation on and off the beach. The 2012 Polaris would be replaced in 2020-21 and the 2014 Polaris would be replaced in 2022-23.



Annual Budget Impact:

No increase in annual maintenance.

PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product				\$18,000		\$18,000
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$36,000			\$18,000		\$18,000

Funding Source(s): _____

- Operating Revenues
- General Obligation Bond
- Bank Loan
- Grant

Project Title: **Observation Deck**

Department: **Beach Patrol**

Priority: **Desirable**

Description and Justification:

The Rehoboth Beach Patrol is requesting the construction or placement of an observation deck or tower on the top or along the side of the Beach Patrol headquarters. This observation deck would allow the Captain of the Beach Patrol to better observe and monitor swimmers and beach visitors.



Annual Budget Impact:


TBD

PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product					\$20,000	
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$20,000				\$20,000	

Funding Source(s): _____

- Operating Revenues
- General Obligation Bond
- Bank Loan
- Grant

Project Title: Fleet Replacement	
Department: Building & Licensing	Priority: Essential
<p><u>Description and Justification:</u> The Building & Licensing Department would like to purchase two (2) 2018 Chevy Cruze vehicles, one (1) for Code Enforcement and one (1) for the Building Inspector. The Building & Licensing Department would transfer their existing Ford Ranger vehicle to the Parks Department. State contract pricing is not out until mid-October. Vehicles are roughly \$23,000 each.</p> <p><u>Annual Budget Impact:</u> TBD</p>	

PROPOSED FINANCING


	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product		\$46,000				
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$46,000	\$46,000				

Funding Source(s): _____

- Operating Revenues
- General Obligation Bond
- Bank Loan
- Grant

Project Title: Pay & Display Stations						
Department: Parking Department				Priority: Essential		
<u>Description and Justification:</u> The Parking Department will need to install two (2) pay & display stations on the East side of the new City Hall parking lot.						
<u>Annual Budget Impact:</u> Routine maintenance.						
PROPOSED FINANCING						
	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product		\$14,000				
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$14,000	\$14,000				
Funding Source(s): _____ - Operating Revenues - General Obligation Bond - Bank Loan - Grant						

Project Title: Refurbish Change Machines						
Department: Parking Department				Priority: Essential		
<p><u>Description and Justification:</u> The project would include the refurbishment of #1 (Boardwalk), #2 (1st Street), #3 (City Hall) and #4 (306 Rehoboth Ave) change machines on Rehoboth Avenue. Machines are old and worn out. Refurbishment will include replacement of cables, harness wiring, hopper funnels, audit printers, and placement of surge protectors on each machine. Exterior of machines will be repainted and all refurbishment work will be performed by in-house staff.</p> <p><u>Annual Budget Impact:</u> Less expenditures for annual maintenance.</p>						
PROPOSED FINANCING						
	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product						
Design						
Maintenance		\$7,000				
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$7,000	\$7,000				
Funding Source(s): _____						
<ul style="list-style-type: none"> - Operating Revenues - General Obligation Bond - Bank Loan - Grant 						

Project Title: Van for Technician						
Department: Parking Department				Priority: Desirable		
<u>Description and Justification:</u> The Parking Department would like to replace their current technician van with a smaller van used for meter repairs and maintenance. Replacement would likely be a 2018 Ford Transit Connect. State contract pricing not out until mid-October.						
<u>Annual Budget Impact:</u> TBD						
PROPOSED FINANCING						
	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product			\$27,500			
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$27,500		\$27,500			
Funding Source(s): _____ - Operating Revenues - General Obligation Bond - Bank Loan - Grant						

Project Title: Walking Trails with ADA Compliance

Department: Parks Department

Priority: Desirable

Description and Justification:

The Parks Department proposes the installation of permeable & ADA compliant walking trails along Lake Gerar and Stockley Street Parks. A study would need to be conducted to determine the feasibility of the walking trails.




Annual Budget Impact:
TBD

PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product						
Design		\$7,500				
Maintenance						
Construction		\$92,000				
Feasibility Study						
Contingency						
Other						
TOTAL	\$100,000	\$100,000				

Funding Source(s): _____

- Operating Revenues
- General Obligation Bond
- Bank Loan
- Grant

Project Title: Skidsteer with Attachments						
Department: Parks Department				Priority: Desirable		
<p><u>Description and Justification:</u> The Parks Department is proposing the purchase of a skidsteer with auger, angle broom, forks and bucket. The skidsteer would be used by both the Parks Department and the Streets Department for a variety of different tasks around the City. The skidsteer would help eliminate the mobilization of larger equipment and would improve efficiency.</p> <p><u>Annual Budget Impact:</u> TBD</p>						
PROPOSED FINANCING						
	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product				\$53,800		
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$53,800			\$53,800		
Funding Source(s): _____						
<ul style="list-style-type: none"> - Operating Revenues - General Obligation Bond - Bank Loan - Grant 						

Project Title: **Surfside Park Renovation**

Department: **Parks Department**

Priority: **Desirable**

Description and Justification:

The Parks Department is considering a renovation to Surfside Park, which would include a concept plan and renovation of the existing landscape, foundation, lighting, and possible irrigation.



Annual Budget Impact:


Estimated \$2,000 annually to maintain.

PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product						
Design					\$3,750	
Maintenance						
Construction					\$46,250	
Feasibility Study						
Contingency						
Other						
TOTAL	\$50,000				\$50,000	

Funding Source(s): _____

- Operating Revenues
- General Obligation Bond
- Bank Loan
- Grant

Project Title: Enhancement of Playgrounds						
Department: Parks Department				Priority: Desirable		
<p><u>Description and Justification:</u> This project would include purchasing new equipment, surfacing (rubber or mulch), and adding/replacing fencing at Lake Gerar, Stockley Street, and Italian Garden play areas. The playgrounds are about 10 years old and should last another 5-10 years. Enhancements would extend the useful lives of these parks</p> <p><u>Annual Budget Impact:</u> No increase beyond current maintenance.</p>						
PROPOSED FINANCING						
	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product						\$200,000
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$200,000					\$200,000
<p>Funding Source(s): _____</p> <ul style="list-style-type: none"> - Operating Revenues - General Obligation Bond - Bank Loan - Grant 						

Project Title: Vehicle Replacement Truck #42

Department: Wastewater Department

Priority: Desirable

Description and Justification:

The Wastewater Department would like to replace their current 2006 model year pickup with 129,000 miles. This vehicle is used daily and for plowing snow in the winter



Annual Budget Impact:


Less expenditures on annual maintenance.


PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product		\$38,000				
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$38,000	\$38,000				

Funding Source(s): _____

- Operating Revenues
- General Obligation Bond
- Bank Loan
- Grant

Project Title: Sewer System CCTV						
Department: Wastewater Department				Priority: Essential		
<p><u>Description and Justification:</u> This project would involve having a CCTV Camera capture images and video of the City's sewer system. By capturing images and video footage, the City would be better informed of the condition of these pipes and what areas require maintenance. Total estimated cost is \$277,000, however, this project could be done in phases.</p> <p><u>Annual Budget Impact:</u> TBD</p>						
PROPOSED FINANCING						
	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product						
Design						
Maintenance		\$277,000				
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$277,000	\$277,000				
<p>Funding Source(s): _____</p> <ul style="list-style-type: none"> - Operating Revenues - General Obligation Bond - Bank Loan - Grant 						

Project Title: Sewer Line Replacement Program						
Department: Wastewater Department				Priority: Desirable		
<u>Description and Justification:</u> The Wastewater Department proposes a reoccurring annual program to begin the replacement of sewer lines in the City. This project should be pursued following the CCTV inspection.						
<u>Annual Budget Impact:</u> TBD						
PROPOSED FINANCING						
	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product						
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	TBD					
Funding Source(s): _____ - Operating Revenues - General Obligation Bond - Bank Loan - Grant						

Project Title: Replacement of Newbold Square Pump #2

Department: Wastewater Department

Priority: Essential

Description and Justification:

The Wastewater Department needs to replace a 30-year-old submersible pump. The current pump has exceeded its life expectancy and this pump would be one of the last ones needing replacement in the Department's pump replacement program. This sewage pump is designed to transfer raw sewage from the sewer system to the treatment plan.



Annual Budget Impact:

N/A

PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product		\$13,000				
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$13,000	\$13,000				

Funding Source(s): _____

- Operating Revenues
- General Obligation Bond
- Bank Loan
- Grant

Project Title: Sewer Vacuum Truck

Department: Wastewater Department

Priority: Essential

Description and Justification:
 The Wastewater Department will need to replace their 2003 Sterling Vac-con sewer vacuum truck. This truck is currently used by both the Wastewater and Water Departments. It is used daily for catch basins, storm drains, and excavation. It is recommended by the City Mechanic that this truck be purchased new because a refurbishment would not be economical. Current repair costs to date: \$22,500.

Annual Budget Impact:
 Less expenditures for annual maintenance.





PROPOSED FINANCING


	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product			\$390,000			
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$390,000		\$390,000			

Funding Source(s): _____

- Operating Revenues
- General Obligation Bond
- Bank Loan
- Grant

Project Title: Bucket Truck #55 Replacement						
Department: Wastewater Department				Priority: Essential		
<p><u>Description and Justification:</u> The Wastewater Department will need to replace their 2000 model year bucket truck used City-wide for lighting repair. It is getting difficult for the City Mechanic to find replacement parts for this truck. Although no refurbished truck could be found, a used 2012 model year bucket truck is available for \$67,000. Price listed below is for a new bucket truck.</p> <p><u>Annual Budget Impact:</u> Less expenditures for annual maintenance.</p>						
PROPOSED FINANCING						
	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product				\$102,000		
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$102,000			\$102,000		
Funding Source(s): _____						
<ul style="list-style-type: none"> - Operating Revenues - General Obligation Bond - Bank Loan - Grant 						

Project Title: Hickman Street Pump #1 Replacement						
Department: Wastewater Department				Priority: Essential		
<u>Description and Justification:</u> The Wastewater Department will need to replace the Hickman Street pump to complete the last phase of the Department's pump replacement program. This pump is designed to handle raw unscreened sewage, mild industrial waste and slurries containing entrained solids.						
<u>Annual Budget Impact:</u> N/A						
PROPOSED FINANCING						
	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product						\$15,000
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$15,000					\$15,000
Funding Source(s): _____ - Operating Revenues - General Obligation Bond - Bank Loan - Grant						

Project Title: Copier Replacements						
Department: Information Technology				Priority: Essential		
<p><u>Description and Justification:</u> The IT Department will need to replace numerous copiers as maintenance agreements with ACSI expire every seven (7) years. After this time, the City will have to pay full service costs for these copiers. In 2018-19 the Administration Department will need a copier in the reception area and the Police Department will need to replace their copier. In 2019-20, the general use Administration copier will need replaced along with the Parking Department copier and the Streets Department copier.</p> <p><u>Annual Budget Impact:</u> TBD</p>						
PROPOSED FINANCING						
	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product		\$20,000	\$32,000			
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$52,000	\$20,000	\$32,000			
<p>Funding Source(s): _____</p> <ul style="list-style-type: none"> - Operating Revenues - General Obligation Bond - Bank Loan - Grant 						

Project Title: Cluster Equipment Refresh

Department: Information Technology

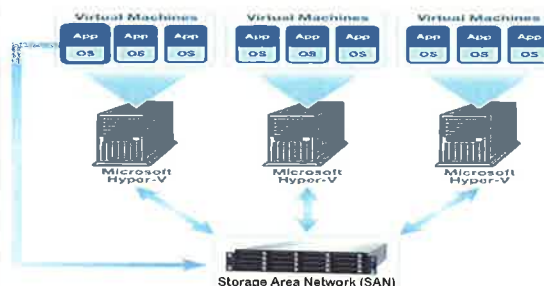
Priority: Essential

Description and Justification:

Refreshing cluster equipment involves replacing high availability cluster servers and storage as they reach the end of their production life cycle (typically 5 years).

Annual Budget Impact:

TBD




PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product		\$18,400	\$18,400	\$18,400		
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$55,200	\$18,400	\$18,400	\$18,400		

Funding Source(s): _____

- Operating Revenues
- General Obligation Bond
- Bank Loan
- Grant

Project Title: Fiber Installation						
Department: Information Technology				Priority: Desirable		
<u>Description and Justification:</u> To increase the reliability of communications between the WWTP/Water site and Lincoln water tower, the IT Department proposes to run fiber and eliminate the need for wireless point-to-point antennas.						
<u>Annual Budget Impact:</u> TBD						
PROPOSED FINANCING						
	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product		\$20,000				
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$20,000	\$20,000				
Funding Source(s): _____ - Operating Revenues - General Obligation Bond - Bank Loan - Grant						

Project Title: Additional Data Storage

Department: Information Technology

Priority: Essential

Description and Justification:

Date storage requirements for the City continues to grow with processes. As the City continues to adopt current business strategies (Document Management Systems, MUNIS, video storage, etc.), production data storage requirements and business continuity/disaster recovery systems will require even more.



Annual Budget Impact:


TBD

PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product		\$25,000	\$25,000	\$25,000		
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$75,000	\$25,000	\$25,000	\$25,000		

Funding Source(s): _____

- Operating Revenues
- General Obligation Bond
- Bank Loan
- Grant

Project Title: Computer Lifecycle Replacements						
Department: Information Technology				Priority: Essential		
<p><u>Description and Justification:</u> The City's computers have a typical three (3) year lifecycle. As such, the City replaces 1/3 of the client computer inventory every year. Currently, this is approximately 80 computers total, which requires a replacement of roughly 26 per year. Computers are estimated at \$1,000/per computer.</p> <p><u>Annual Budget Impact:</u> TBD</p>						
PROPOSED FINANCING						
	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product		\$26,000	\$26,000	\$26,000	\$26,000	\$26,000
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$130,000	\$26,000	\$26,000	\$26,000	\$26,000	\$26,000
Funding Source(s): _____						
<ul style="list-style-type: none"> - Operating Revenues - General Obligation Bond - Bank Loan - Grant 						


Project Title: GIS Maintenance & Staff Training	
Department: Information Technology	Priority: Essential
<p><u>Description and Justification:</u> An update to the GIS system used by City Staff will need to be performed. Additionally, staff training will also need to take place so they can more efficiently and effectively use this updated information when performing a variety of tasks.</p> <p><u>Annual Budget Impact:</u> N/A</p>	

PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product		\$10,000				
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$10,000	\$10,000				

Funding Source(s): _____

- Operating Revenues
- General Obligation Bond
- Bank Loan
- Grant

Project Title: IT Vehicle						
Department: Information Technology				Priority: Desirable		
<p><u>Description and Justification:</u> The IT Department is requesting a Ford Explorer to be used by the three (3) staff members. Currently the department has one (1) vehicle, which sometimes results in staff needing to use their personal vehicles for work purposes. When personal vehicles are not used, the staff must put work into a queue until the Department's vehicle is available.</p> <p><u>Annual Budget Impact:</u> Routine maintenance.</p>						
PROPOSED FINANCING						
	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product				\$30,000		
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$30,000			\$30,000		
<p>Funding Source(s): _____</p> <ul style="list-style-type: none"> - Operating Revenues - General Obligation Bond - Bank Loan - Grant 						

Project Title: Software for Emergency Fire/Police Dispatch

Department: 911 Communications Center

Priority: Essential

Description and Justification:

This project would include the purchase of software for installation on all Dispatch PC's used for dispatching Fire and Police calls. The 911 Communications Center has been advised that EFD and EPD could become mandated just as the EMD is by the State. Funding is from 911 Funds



Annual Budget Impact:

PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product						
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	N/A					

Funding Source(s): 911 Funds

- Operating Revenues
- General Obligation Bond
- Bank Loan
- Grant

Project Title: Desktop Computers

Department: 911 Communications Center

Priority: Essential

Description and Justification:

Purchase four (4) Dell Optiplex desktop computers with dual monitors. Funding is from 911 Funds.

Annual Budget Impact:

N/A



PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product						
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	N/A					

Funding Source(s): 911 Funds

- Operating Revenues
- General Obligation Bond
- Bank Loan
- Grant

Project Title: Mobile and Portable Radios for Dispatch Center

Department: 911 Communications Center

Priority: Essential

Description and Justification:

Replace all mobile and portable radios in the Dispatch Center. The portable radios are priced at \$2,358.22 and the center will purchase four (4) at a total of \$9,432.88. The desktop mobiles are priced at \$2,622.30 and the center will purchase four (4) for a total of \$10,489.20. Funding is from 911 Funds



Annual Budget Impact:

N/A

PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product						
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	N/A					

Funding Source(s): 911 Funds

- Operating Revenues
- General Obligation Bond
- Bank Loan
- Grant

Project Title: SCADA Upgrades

Department: Water Department

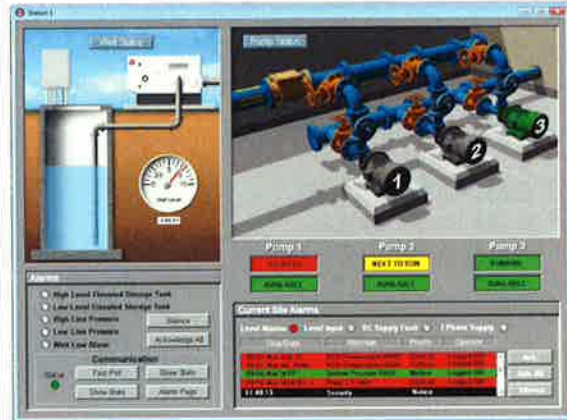
Priority: Desirable

Description and Justification:

This project would involve upgrades to the City’s Supervisory Control and Data Acquisition (SCADA) control system for water well monitoring. This system gathers and analyzes real time data.

Annual Budget Impact:

TBD



PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product				\$25,000		
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$25,000			\$25,000		

Funding Source(s): _____

- Operating Revenues
- General Obligation Bond
- Bank Loan
- Grant

Project Title: Replacement Vehicle

Department: Water Department

Priority: Desirable

Description and Justification:

The Water Department would like to replace their current 2002 model year Dodge pickup with a F-250 or F-350 with utility body from state contract. During the last service, this vehicle had 83,000 miles. State contract pricing is not out until mid-October.




Annual Budget Impact:
Routine maintenance.

PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product			\$45,000			
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$45,000		\$45,000			

Funding Source(s): _____

- Operating Revenues
- General Obligation Bond
- Bank Loan
- Grant

Project Title: Backhoe						
Department: Water Department				Priority: Desirable		
<p><u>Description and Justification:</u> The Water Department would like to replace their current backhoe with a new Case backhoe. The current piece of equipment is expected to reach the end of its useful life by this time.</p> <p><u>Annual Budget Impact:</u> Routine maintenance.</p>						
PROPOSED FINANCING						
	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product					\$125,000	
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$125,000				\$125,000	
Funding Source(s): _____ - Operating Revenues - General Obligation Bond - Bank Loan - Grant						

Project Title: Census Reading Equipment

Department: Water Department

Priority: Desirable

Description and Justification:

The Water Department would like to purchase Census reading equipment for performing water meter readings. These devices are hand held allowing for portability and improved efficiency.



Annual Budget Impact:

TBD

PROPOSED FINANCING

	Total Cost	Estimated Expenditures by Fiscal Year				
		2018-19	2019-20	2020-21	2021-22	2022-23
Equipment or Product						\$70,000
Design						
Maintenance						
Construction						
Feasibility Study						
Contingency						
Other						
TOTAL	\$70,000					\$70,000

Funding Source(s): _____

- Operating Revenues
- General Obligation Bond
- Bank Loan
- Grant

Section 6: Year Totals

2018-19 Project Totals	
STREETS DEPARTMENT	
Roll-off Trash Truck	\$ 170,000
Trash Truck	\$ 151,000
Beach Rake Refurbishment	\$ 30,000
Roof Replacement	\$ 25,000
Office Trailer	\$ 15,000
Concrete Pad	\$ 17,000
First Street Drainage Improvement Project	\$ 468,000
Bayard Avenue Stormwater Improvements	\$ 1,000,000
Wilmington Avenue Stormdrains	TBD
Prospect Street Drainage Improvement	\$ 106,000
City-wide Paving	\$ 250,000
Second Street Sidewalk Improvement	\$ 112,500
Boardwalk Replacement	TBD
Total Streets Department	\$ 2,344,500
RECREATION DEPARTMENT	
Grove Park Storage Shed	\$ 5,000
Deauville Tennis Court Maintenance	TBD
Total Recreation Department	\$ 5,000

BUILDING & GROUNDS	
Painting the Bandstand	\$ 35,000
Bandstand HVAC	\$ 7,200
Replacement Service Van	\$ 19,000
Total Building & Grounds	\$ 61,200
WASTEWATER DEPARTMENT	
Vehicle Replacement Truck #42	\$ 38,000
Replacement of Newbold Square Pump #2	\$ 13,000
Sewer System CCTV	\$ 277,000
Sewer Line Replacement Program	TBD
Total Wastewater Department	\$ 328,000
POLICE DEPARTMENT	
Police Vehicle Replacement	\$ 91,000
Portable Radios	\$ 16,508
Total Police Department	\$ 107,508
REHOBOTH BEACH BANDSTAND	
Bandstand Elevator Maintenance	\$ 31,180
Total Rehoboth Beach Bandstand	\$ 31,180
BEACH PATROL	
Public Announcement (P.A.) System	\$ 10,000
Total Beach Patrol	\$ 10,000

PARKS	
Walking Trails with ADA Compliance	\$ 100,000
Total Parks	\$ 100,000
PARKING DEPARTMENT	
Pay & Display Stations	\$ 14,000
Refurbish Change Machines	\$ 7,000
Total Parking Department	\$ 21,000
911 COMMUNICATIONS CENTER	
Software for Emergency Fire/Police Dispatch	\$ -
Total 911 Communications	\$ -
BUILDING & LICENSING	
Fleet Replacement	\$ 46,000
Total Building & Licensing	\$ 46,000
IT	
Copier Replacements	\$ 20,000
Cluster Equipment Refresh	\$ 18,400
Fiber Installation	\$ 20,000
Additional Data Storage	\$ 25,000
Computer Lifecycle Replacements	\$ 26,000
GIS Maintenance & Staff Training	\$ 10,000
Total IT Department	\$ 119,400

Grand Total \$ 3,173,788

2019-2020 Project Totals	
STREETS DEPARTMENT	
Elgin Broom Badger	\$ 230,000
Trash Truck	\$ 150,000
Ford F-350 Fleet Vehicle	\$ 55,000
City-wide Paving	\$ 250,000
Total Streets Department	\$ 685,000
POLICE DEPARTMENT	
Police Vehicle Replacement	\$ 45,500
Portable Radios	\$ 16,508
Total Police Department	\$ 62,008
WATER DEPARTMENT	
Replacement Vehicle	\$ 45,000
Total Water Department	\$ 45,000
PARKING DEPARTMENT	
Van for Technician	\$ 27,500
Total Parking Department	\$ 27,500
WASTEWATER DEPARTMENT	
Sewer Vacuum Truck	\$ 390,000
Sewer Line Replacement Program	TBD

Total Wastewater Department		\$ 390,000
IT		
Copier Replacements	\$	32,000
Cluster Equipment Refresh	\$	18,400
Additional Data Storage	\$	25,000
Computer Lifecycle Replacements	\$	26,000
Total IT Department		\$ 101,400

Grand Total	\$ 1,310,908
--------------------	---------------------

2020-21 Project Totals		
STREETS DEPARTMENT		
Ford F-250 Fleet Vehicle	\$	35,000
Trash Truck	\$	150,000
John Deere Tractor	\$	80,000
Vacuum Trailer	\$	25,000
Ford F-250 Fleet Vehicle	\$	30,000
City-wide Paving	\$	250,000
Total Streets Department		\$ 570,000
BUILDING & GROUNDS		
Convention Center Stage Lighting	\$	43,000
Total Building & Grounds		\$ 43,000
POLICE DEPARTMENT		

Police Vehicle Replacement	\$ 91,000
Portable Radios	\$ 16,508
Force on Force Training Materials	\$ 6,500
Total Police Department	\$ 114,008
WATER DEPARTMENT	
SCADA Upgrades	\$ 25,000
Total Water Department	\$ 25,000
BEACH PATROL	
Polaris Emergency Vehicle	\$ 18,000
Total Beach Patrol	\$ 18,000
PARKS	
Skidsteer with Attachments	\$ 53,800
Total Parks	\$ 53,800
WASTEWATER DEPARTMENT	
Bucket Truck #55 Replacement	\$ 102,000
Sewer Line Replacement Program	TBD
Total Wastewater Department	\$ 102,000
IT	
Cluster Equipment Refresh	\$ 18,400
Additional Data Storage	\$ 25,000
Computer Lifecycle Replacements	\$ 26,000

IT Vehicle	\$ 30,000
Total IT Department	\$ 99,400

Grand Total	\$ 1,025,208
--------------------	---------------------

2021-22 Project Totals	
STREETS DEPARTMENT	
Ford F-250 Fleet Vehicle	\$ 45,000
Ford F-350 XL Fleet Vehicle	\$ 55,000
City-wide Paving	\$ 250,000
Total Streets Department	\$ 350,000
BUILDING & GROUNDS	
Convention Center Audio	\$ 28,000
Total Building & Grounds	\$ 28,000
POLICE DEPARTMENT	
Police Vehicle Replacement	\$ 45,500
Portable Radios	\$ 16,508
Total Police Department	\$ 62,008
WATER DEPARTMENT	
Backhoe	\$ 125,000
Total Water Department	\$ 125,000
BEACH PATROL	
Observation Deck	\$ 20,000

Total Beach Patrol		\$ 20,000
PARKS		
Surfside Park Renovation		\$ 50,000
Total Parks		\$ 50,000
911 COMMUNICATIONS CENTER		
Replace 4 Desktop Computers in Dispatch Center		\$ -
Total 911 Communications Center		\$ -
IT		
Computer Lifecycle Replacements		\$ 26,000
Total IT Department		\$ 26,000
WASTEWATER DEPARTMENT		
Sewer Line Replacement Program		TBD
Total Wastewater Department		TBD
Grand Total		\$ 661,008

2022-23 Project Totals		
STREETS DEPARTMENT		
City-wide Paving		\$ 250,000
Total Streets Department		\$ 250,000
BUILDING & GROUNDS		
Audio/Visual in Conference Suite		\$ 15,000
Audio/Visual in Caucus Room 1		\$ 8,000

	Total Building & Grounds	\$ 23,000
WASTEWATER DEPARTMENT		
Hickman Street Pump #1 Replacement		\$ 15,000
	Total Wastewater Department	\$ 15,000
POLICE DEPARTMENT		
Police Vehicle Replacement		\$ 91,000
Equipment Trailer		\$ 23,500
	Total Police Department	\$ 114,500
WATER DEPARTMENT		
Census Reading Equipment		\$ 70,000
	Total Water Department	\$ 70,000
BEACH PATROL		
Polaris Emergency Vehicle		\$ 18,000
	Total Beach Patrol	\$ 18,000
PARKS		
Enhancement of Playgrounds		\$ 200,000
	Total Parks	\$ 200,000
911 COMMUNICATIONS CENTER		
Purchase Mobile and Portable Radios for Dispatch Center		\$ -
	Total 911 Communications Center	\$ -

IT	
Computer Lifecycle Replacements	\$ 26,000
Total IT Department	\$ 26,000
Grand Total \$ 716,500	

Section 7: Funding Strategies

The City of Rehoboth Beach desires to utilize the most effective funding strategies for capital improvements within the City. The financing of projects must consider the City's overall financial position and projected budgets for the years covered by this Capital Improvement Plan. This section lists possible funding strategies.

Proposed Source: *Operating Revenue*

Operating revenue is primarily raised through recurring taxes, intergovernmental sources, and user fees. The annual Operating Budget provides funding for general municipal service delivery, including personnel service costs, supplies and other contractual services, and certain capital equipment (less than \$5,000). An annual appropriation is typically included in the Operating Budget for capital expenditures as one of several funding sources for capital improvement projects.

Proposed Source: *General Obligation Bonds (Municipal Bond)*

General obligation bonds are more commonly known as municipal bonds backed by the credit and taxing power of the issuing jurisdiction. Bonds are ideal for long-term repayment (typically 15+ years) and are relatively low-risk because it is believed that a municipality will be able to repay its debt obligation through taxation or revenue from the provision of services. Bonds are issued by the City through a broker/underwriting firm who can purchase municipal bonds then typically sell them to the public (retail), money market funds, life insurance companies and other institutional investors. The bond holders generally expect to receive interest payments on a semiannually or quarterly basis whereas the principal is due by its maturity date.

When looking to purchase bonds, bond purchasers review the issuer's risk portfolio, which includes information on the issuer's finances, cash flows, demographics, and more specifically, what the money will be used for. An independent company called a rating agency, typically Moody's or S&P, assigns issuers a rating, which ultimately helps determine the creditworthiness of the issuer to payback the debt. Additionally, the interest paid on a bond depends on the rating that has been assigned to the bond issuer, the better the rating, the lower the interest.

One of the advantages of utilizing a municipal bond is that it can spread out the cost of a capital project over a longer period rather than requiring a lump sum up front. This typically frees up cash that can be added to the reserve account or used for other capital projects. Another advantage of utilizing a municipal bond is that interest rates are generally fixed until the bond's maturity date. This means that the City would have certainty for budgeting purposes rather than paying a different amount from year to year.

Proposed Source: *General Obligation Note (Bank Loan)*

Many banks offer loans, called general obligation notes, to government bodies. These loans offer two types of interest rates: fixed and variable. Fixed interest rates are rates where the interest is locked into a certain percentage and cannot change. Variable interest rates are interest rates that can change from year to year. Banks are typically willing to hold fixed interest rates for a certain amount of time, making bank loans ideal for short-term projects (typically 10 years or less depending on market conditions).

When a municipality goes to a bank for a loan, the bank, like bondholders, must evaluate the municipality based upon their ability to raise revenue to pay back debt. This may involve reviewing a municipality's ability to set a budget and account for debt as well as the overall strength of the municipal balance sheet. Banks also look at the demographics of a municipality to determine its ability to service debt. For example, if a municipality is serving short-term residents, they may not be able to service their debt quite like other municipalities who have longer-term residents. One of the benefits of utilizing a bank loan is that a municipality can draw down an amount of money from a loan and only pay interest on what has been drawn down. This allows the municipality to use portions of a loan and only pay interest on what has been used, rather than paying interest on the full amount. Municipalities can also use interim financing for construction projects. Upon or near the completion of a project, the municipality will first pay back the interim financing before establishing more permanent financing.

Proposed Source: *Grants*

Grants are funds available to municipalities to run programs within specified guidelines. Funding sources may include federal and state government agencies, foundations or trusts. Funds provided to a municipality via grants are nonrepayable and help to fund ideas, services, and projects that can improve the quality of life for residents, stimulate the economy or solve

City of Rehoboth Beach, DE 87 | P a g e

specific local problems. Most grants require compliance to guidelines and reporting. Applying for a grant involves defining the project, identifying the right funding sources, contacting grant funders, acquiring proposal guidelines, and writing the grant proposal. A grant proposal should include a narrative that describes the purpose, goals and parameters of the project and how they relate to the priorities of the funding source. The narrative should establish the need for the project, lay out an approach for accomplishing it and discuss the expected outcomes. The grant proposal should include a timeline of completion, the credentials or past-related experience of the applicant, and a detailed budget of planned financial outlays. Additionally, some grants require a description as to how the project will be sustained after grant funds have been used.

The City of Rehoboth Beach utilizes a variety of grant funds from different sources. These sources include, but are not limited to:

- Federal Emergency Management Agency (FEMA)/Delaware Emergency Management Agency (DEMA)
- Municipal Street Aid Fund (MSAF)
- Parks and Recreation Grant
- Revenue Sharing Sussex County Grant
- Sidewalk Grants
- Special Law Enforcement Assistance Fund (SLEAF)
- State Aid to Local Law Enforcement (SALLE)
- Stormwater Outfall Grant
- Transportation Alternatives Program (TAP)

Section 8: Process Calendar

The City is required to have a given year's budget completed and passed by the end of the preceding year. For example, the Annual Budget 2018-2019 must be approved no later than 11:59 PM on March 31, 2018. The process of creating this Draft Capital Improvement Plan began in July, 2017 in anticipation of having it prepared for 2018-2019 budget discussions. The Draft CIP was presented to the Board of Commissioners on Monday, October 2, 2017.

Section 9: Conclusions

This report has provided a basic overview of the City of Rehoboth Beach's planned capital improvement projects for 2019 – 2023. Unfunded projects and those slated for subsequent years are acknowledged on a planning basis only and do not receive ultimate expenditure authority until they are incorporated into a Capital Budget and approved by the Board of Commissioners. As priorities and monetary constraints change, projects may be moved up, moved back, or even eliminated from the plan. This CIP is a fluid document and thus will be reviewed and updated annually to reflect changing community needs, priorities, and funding opportunities.

The Board of Commissioners, Department Heads, City Staff, and the City Manager are working hard to ensure that the City pursues and acquires needed capital improvement projects to maintain a high standard of living for the City's residents. They are also working to improve the quality of life wherever possible. While the budgets discussed in this report are for departments within the City government, the ultimate recipient and beneficiary of these improvements are the people who are served by the City government – the residents and visitors of Rehoboth Beach.

