

## Capital Improvement Program

The Capital Improvement Program (CIP) allocates existing funds and revenues to rehabilitate, restore, improve, and add to the City's infrastructure. CIP projects of the City are budgeted in a number of capital improvement funds according to the type of improvement to be made and the principal source of funding. The CIP funds used for CIP projects generally fall in one of the following categories: Streets, Water, Sewer, Stormwater, or Parks. Some CIP projects are recurring, such as the annual street chip sealing program.

Funds for the various capital improvements may come from a variety of sources, such as grants, bond proceeds, loans, system development charges, impact fees, transfers from operating funds, or other revenues that have been dedicated by law or policy to capital improvements. Examples of these programs include:

**Streets CIP** – The Streets CIP is for capital improvements that are street related, and includes paved and unpaved streets, sidewalks, curb and gutter, bike lanes, and street lights. Street CIP revenues come from a variety of sources, including grants, transportation impact fees, Transportation Improvement Board (TIB) grants, public works trust fund loans, general funds, and a 50% share of the Real Estate Transfer Tax (REET) receipts.

**Stormwater CIP** – The Stormwater CIP is for capital improvements that are related to the various stormwater and drainage systems and facilities of the City. Typical projects include; stormwater collection systems (ditches, pipes, catch basins, etc.) and treatment (stormwater ponds). Stormwater ponds are used to improve the quality of stormwater and to avoid flooding. Stormwater revenues come primarily from system development charges and from rates. In the future, funding may also come from grants, loans, or bonds.

**Water CIP** – The Water CIP is for capital improvements that are related to the municipal water system. Typical projects include repair, replacement, and new installation of distribution systems, pressure relief valves, booster pump stations, and water treatment facilities. Water revenues come from a variety of sources, including system development charges, rates, public works trust fund loans, and bonds.

**Sewer CIP** – The Sewer CIP is for capital improvements that are related to the municipal sewer system. Typical projects include repair, replacement, or new installation of sewer collection / piping systems, lift stations, and treatment facilities. Sewer revenues come from a variety of sources, including system development charges, rates, public works trust fund loans, and bonds.