



**2022-2027
CAPITAL IMPROVEMENT
PLAN**



Capital Improvement Plan 2022 through 2027 Overview

Mayor Murphy, Members of the Petoskey City Council, and Citizens of Petoskey:

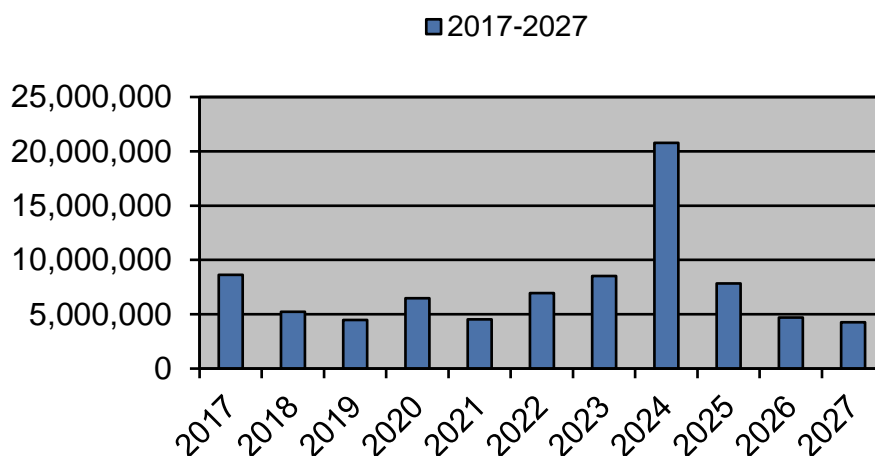
I am pleased to submit to you the 2022-2027 Capital Improvement Plan (CIP) for the City of Petoskey. Pursuant to the Planning Enabling Act, we have again developed a six-year capital plan that serves as an instrument to identify needs and financing sources for public infrastructure improvements. It also informs city residents how the City plans to address capital needs over the next six years.

This document gives significant direction to the City on funding priorities. However, only those programs scheduled during the first year are financed and adopted as part of the Annual Budget. Programs slated for construction in subsequent years may be adjusted or eliminated to reflect priority changes or funding constraints. In addition, projects beyond the six-year horizon are identified, some have funding sources while others lack an identified funding mechanism. Most of these needs exist today, or have already been deferred in recent years.

The CIP is a flexible plan that can be altered as conditions and regulations change. We will review all projects every year to evaluate any changes in scope, and to update all of our financing opportunities whether it be with tax revenues, bonds, grants or other outside funding sources.

The 2022-2027 CIP totals \$53.5 million in expenditures. Within the CIP, proposed projects in 2022 total \$7.06 million of which \$1.9 million (26.9%) is projected to come from grants or other outside sources.

The following chart compares the capital spending in previous years with the proposed 2022-2027 CIP.



2022 will be a very busy year for infrastructure improvements with the following projects slated to be completed:

- Major street and utility reconstruction project on Lake Street between Kalamazoo Avenue and Division Street and on adjacent streets between East Lake and East Mitchell Streets (\$2.65M);
- Winter Sports Park Hockey Rink Roof Construction (\$600,000);

- Improvements to Solanus Beach including a boardwalk and planting of native vegetation to control shoreline erosion (\$250,000);
- Potential engineering of a parking deck (\$350,000);
- Miscellaneous pavement preservation, paving and repair to rehabilitate State Street from Howard Street to Kalamazoo Street (\$600,000).

The six-year CIP was expanded upon to address critical infrastructure needs further into the future. These projects are listed under "Long-Term Projects/Capital Items Lacking Funding" and include a backlog of on-going maintenance issues such as:

- Bayfront Park livable shoreline development (\$7M);
- Little Traverse Wheelway resurfacing (\$2M for eight miles);
- Marina upgrades to respond to fluctuating water levels in Lake Michigan (costs to be determined);
- Relocation of the Little Traverse Wheelway along U.S. 31 from East Park to Magnus Park (estimated costs to be determined upon completion of schematic drawings in September of 2021);
- Lead water service line replacement (to be determined).

Other costly capital improvement projects scheduled for the long-term include new water wells (\$3.8M), new aeration blowers at the wastewater treatment plant (\$800,000) and a water main replacement from Sheridan Street to the US-131 water tower (\$1.4M).

The long-term capital projects list shall serve as a strong reminder to City officials of the need to address critical future infrastructure needs each and every year to maintain and enhance the highest quality municipal services.

Preparation of the CIP each year is a result of considerable efforts from staff in all departments of the City. I am especially grateful for the work of Department Heads, as well as Supervisors in each division who worked diligently to prioritize infrastructure needs within the context of limited budgets. My sincere thanks for their hard work and dedication.

Respectfully Submitted,



Rob Straebel
City Manager

CIP Overview

The Capital Improvement Plan is a six-year schedule of proposed major capital projects, cost estimates and financing methods. The requirement for capital budgeting is found in Act 33 of the Michigan Public Acts of 2008 being the Michigan Planning Enabling Act.

The Capital Improvement Plan (CIP) establishes the City's blueprint for investment in its capital infrastructure. This document is used as a tool to help ensure that the City's long and short-term capital investments are made in the context of careful consideration of the City's needs as well as the resources available to fund all projects.

The financial guidelines used in the preparation of the CIP will provide assurance that the City can meet, in a full and timely manner, both our debt service obligations and all other obligations competing for available resources. It is our objective to complete as many needed capital improvement projects as financially possible while maintaining flexibility and the ability to adapt to changes as they occur.

Capital Improvement Plan vs. Annual Operating Budget

The Capital Improvement Plan and Annual Operating Budget are two critical documents prepared each year. The relationship between these two documents is summarized by the following points:

Capital Improvement Plan

- Represents a long-term financial plan, including funding sources.
- Establishes priorities and serves as a planning document or blueprint for the City's investment in capital infrastructure.
- Provides a breakdown of major project costs and their phasing.
- Does not appropriate money.
- As indicated by the above points, the Annual Operating Budget is the document which authorizes the actual funding for the major and non-major capital projects.

Annual Operating Budget

- Appropriates money to implement the first year of the Six-Year Capital Improvement Plan.
- Appropriates money to implement current year's phase of a major, multi-year project.
- Appropriates money for operating expenditures and expenditures of a continuing nature.

Capital Improvement Plan Guidelines & Benefits

There are several key guidelines the Administration utilized in determining the City's fiscal capacity to complete capital projects over the next six years. These are summarized as follows:

- The Capital Improvement Plan will be reviewed and updated annually.
- The City has determined that paying cash for projects where financially possible (pay-as-you-go financing) reduces long term costs and maintains financial flexibility for the future. In utilizing pay-as-you-go financing, revenue projections and estimated fund balances will be reviewed and evaluated to assure that sufficient reserves are maintained.
- It is not economically feasible to issue debt for some projects, nor do all projects have a projected lifespan long enough to warrant the issuance of debt.
- Under current economic conditions, the ability to complete many projects will depend on identifying and obtaining outside sources of funding.
- Our philosophy for projecting property tax revenues is to be conservative. Between 2009 and 2012 property tax revenues decreased 20%. Fortunately, in the last three years the City has experienced increases in taxable value of 3.4% in 2019, and 2.9% in 2020 and 3.6% in 2021. For 2022, the City is being very conservative in our property tax revenue forecasts anticipating 2.5% in taxable value in 2022.
- The availability of adequate financial reserves or balances that can be used to address unforeseen contingencies or take advantage of sudden opportunities is a critical element in evaluating financial strength.

- Since a significant portion of outstanding debt and future capital improvements are related to the water and sewer utility, user fees associated with these utilities are evaluated in parallel with the CIP.
- As a matter of general policy, the City will do the following in order to be able to fund additional projects needed to serve the citizens of Petoskey:
 - Pursue, when feasible, federal, state and local assistance in the form of grants, low-interest loans, cost-sharing, etc.
 - Look increasingly at ways to obtain revenue through user fees as a means to fund capital projects or as a way to free-up other dollars so they may become available to fund capital projects.

There are many benefits of an effective and ongoing Capital Improvement Plan, including:

- Coordination of the community's physical planning with its fiscal planning capabilities;
- Ensuring that public improvements are undertaken in the most desirable order of priority;
- Assisting in stabilization of tax and utility rates and other charges over a period of years;
- Producing savings in total project costs by promoting a "pay as you go" policy of capital financing thereby reducing interest expense and financing costs;
- Providing adequate time for planning and engineering of proposed projects;
- Ensuring the maximum benefit of the monies expended for public improvements; and
- Scheduling municipal construction activities to be better coordinated with those of other public agencies within the community.

As a regional service center, the City of Petoskey streets, utilities (water, sewer, stormwater, electric), public facilities and parkland service much more than the City's 5,600 residents, therefore, the capital needs are many and will certainly surpass available resources. Capital improvement planning and budgeting encourages the early identification of those needs and resources and thus improves the scheduling, financing, and coordination of individual and related projects to reflect the goals and objectives established in the City's Master Plan and other planning documents.

Funding Sources

The City of Petoskey primarily uses the General Fund, Enterprise Funds or Special Revenue Funds for capital project funding. Examples of Enterprise Funds in this CIP are Parking, Water, Sewer and Electric Funds. Special Revenue Funds are supported by resources dedicated to a specific use, but not supported entirely by their own fee structures. An example is the Right-of-Way Improvement Fund, which receives revenues through annual property-tax levies to offset costs of maintenance, operations and public improvements within street rights-of-way. Capital outlays for buildings and grounds, including parkland, come primarily from the General Fund or Tax Increment Finance Fund. Outside sources of funding have also significantly contributed to capital projects and are reflected in the current capital plan as well. Projects that identify outside funding sources have a more uncertain time-frame, but staff has attempted to be realistic with projections based on the need for a match in local funding.

Capital Improvement Plan and Structure

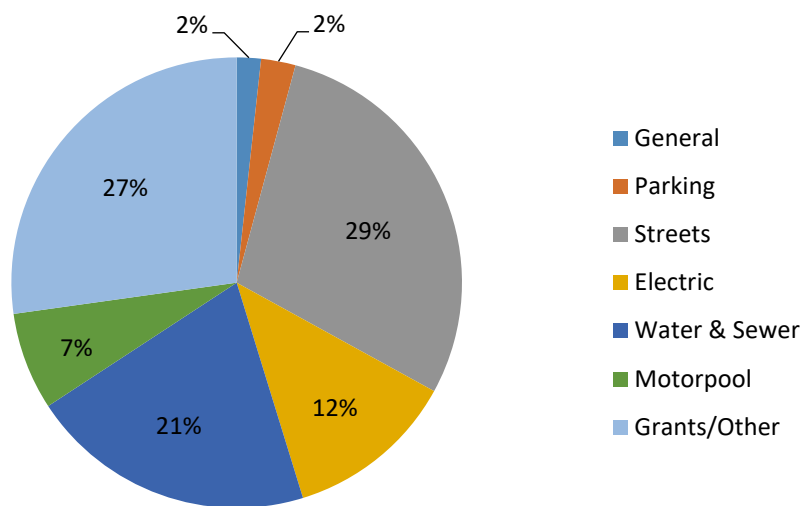
A capital expenditure is defined as an item that has a significant value and a useful life greater than three years. Expenditures for building construction and renovation, land purchases and improvements, and major equipment are generally capital expenditures in contrast to operating costs such as salaries, supplies and services that are budgeted annually in the various department operating budgets.

Significant value is defined for purposes of the Plan as any infrastructure project that costs \$25,000 or more and any equipment, materials or vehicles that cost \$10,000 or more. Minor capital purchases such as office furniture, computers, etc. are not included in this document.

Projects that correspond with City priorities and have a potential funding source available, are included in the Plan. The Capital Improvement Plan is then presented to both the Planning Commission and City Council. The CIP is designed to be amended on an annual basis, as projects scheduled in later years are identified on a needs basis, and may not have an available funding source. Projects can be added or subtracted as the needs and resources of the community change.

The 2022-2027 CIP provides information on seven project funding categories including: General; Parking; Streets; Electric; Water and Sewer; Motorpool; and Grants/Other.

2022 Capital Expenditures by Fund



2022 Scheduled Capital Improvement Projects

Streets and Drainage

In 2022, East Lake Street from Kalamazoo Avenue to Division Street will be fully reconstructed with new pavement, ADA ramps and new sidewalks. Connecting side streets in this area including Kalamazoo Avenue, Ottawa Street, Summit Street, Clinton Street and Williams Street between East Lake Street and East Mitchell Street will also be fully reconstructed as part of this large capital street project. The project will commence in Spring of 2022.

The City will also leverage an estimated \$375,000 in MDOT Small Urban grant dollars to complete miscellaneous pavement preservation, paving and street repairs. The City will earmark \$225,000 for this project that will focus on State Street from Howard Street to Kalamazoo Avenue. Total project costs are estimated at \$600,000 representing another strong investment in the City's street transportation system.

Water and Wastewater System

The East Lake Street and the accompanying side streets infrastructure project will include replacing all underground utilities. Costs for both water and sewer main replacement are estimated at \$1.425 million including replacement of all lead and copper water service lines that are encountered when replacing the underground utilities. Some sanitary sewer replacement will take place as part of the State Street project. \$25,000 has been budgeted for this purpose.

Sidewalks

In our continuing efforts to improve upon walkability within the City of Petoskey, the City has budgeted \$450,000 for sidewalk additions and replacements in conjunction with the East Lake Street reconstruction projects as well as the State Street resurfacing projects. Miscellaneous City-wide sidewalk spot repairs will also be completed in 2022.

Electric System

Each year the City makes substantial investments into the municipal electric distribution system enhancing reliability through system upgrades and the undergrounding of overhead electric lines. In 2022, the City will continue its strong investments in the electric distribution system by earmarking \$865,000 for system-wide upgrades.

Specifically, \$685,000 has been earmarked for the installation of three-phase underground lines in the residential areas of East Lake Street from Division Street to Kalamazoo Avenue and also the side streets as mentioned previously. Not only does undergrounding electric lines improve reliability of our municipal electric service delivery but it also creates more aesthetically pleasing neighborhoods. This underground electric infrastructure project will also create valuable circuit redundancy for the downtown area minimizing the duration and frequency of electric outages. The City will also be completing electrical substation maintenance on the Mitchell Street and Petoskey Substation. Costs for substation repairs are estimated at \$40,000.

The City will continue our efforts to promote environmental sustainability and reduce the community's carbon footprint through the installation of electric vehicle charging stations in area parks and in downtown Petoskey. Electric vehicle charging stations will entice EV owners to visit the community creating yet another amenity to encourage visitors to Petoskey.

\$40,000 has been budgeted for 3-4 charging stations, including replacement of the downtown charging unit. Lastly, \$100,000 has been budgeted to complete additional Geographical Information Systems (GIS) mapping transferring existing electric computer models and record drawings to an updated database.

Motorpool

In an effort to reduce Motorpool costs, Staff is proposing to further explore extending the useful life of public safety and other City vehicles. Specifically, this year we will not be purchasing a patrol vehicle for the Public Safety Department. Historically, patrol vehicles have been replaced every 3-4 years dependent upon repair and maintenance costs. Because today's vehicles are generally better built and can travel more miles, we will explore replacing patrol vehicles every 5+ years. Maintenance and repair costs will be monitored each and every year to determine if this approach is financially sound. Motorpool purchases planned for 2022 include the following:

- Three replacement pick-up trucks that are at least 10 years old-two trucks for the Water Department and one truck for Parks and Recreation;
- Replacement of a 2003 batwing mower for Parks and Recreation;
- Replacement of a 2009 crane truck for the Water Department;
- Replacement of a 2012 Staff vehicle with a potential electric vehicle;
- Replacement of a 2006 Bobcat Toolcat;
- Trade-in two tractor/snow blowers-purchase two new units.

Downtown Area

Similar to previous years, monies will be budgeted for engineering and design of a parking deck within the downtown district. Downtown businesses are reporting a very busy summer season in 2021 which should equate to additional parking meter revenues for this year. In July, 2019 City Council approved an increase in meter rates earmarking additional revenues for the expansion of downtown parking. The DMB and City may be at the point where sufficient revenues from parking meters could cover debt service costs for construction of a parking platform. 2021 year-end parking meter revenues will give a better forecast of what the DMB can expect in revenues with the increase in rates.

Buildings and Grounds

In 2022, the City will demolish an old house at 620 Ingalls Avenue owned by the City that is beyond repair. The building has major structural and water intrusion issues and is unsafe for occupancy. Redevelopment options are limited as the lot is very small for additional housing or other public uses.

Parks and Special Facilities Improvements

In the City's continuing efforts to improve upon and expand parks and city facilities, the City will undertake a variety of projects in 2022. To this end, the City is pursuing \$600,000 in grants and donations to construct a roof over the hockey rink at the Winter Sports Park. Roofing the rink will allow for an extended skating season with better quality ice. Currently, many skating days are lost because of melting ice from the sun or snow coverage.

The City's ever-popular skate park will see updated skating features in 2022. Many of the skating ramps were constructed almost 20 years ago and need to be replaced. The improvements to the skateboarding features complement the construction of two pickleball courts in 2020 creating diverse recreational amenities at Riverbend Park for young and old alike.

The City will also be pursuing improvement to our shoreline at Solanus Beach that includes an ADA accessible boardwalk and installation of native landscaping. The project is consistent with the City's efforts to develop our shorelines in a more resilient, environmentally-friendly manner illustrating to other coastal communities the importance of transitioning our ever-changing Great Lakes' shorelines to more natural habitats. This approach will also better dissipate wave energy minimizing shoreline damage east of this area along Bayfront Park. Grants are being pursued for this estimated \$250,000 project.

With an eye towards more regional hiking and biking trails near the City-owned Skyline Property, grants and donations may be forthcoming to purchase 58-acres in Bear Creek Township. If purchased, a trail master plan would be developed for the Boor Property in subsequent years. The project would expand Petoskey's well-earned reputation for offering premier hiking and biking trails.

The City will also undertake development of a park design plan for Washington Park. Promoting better access to the park from Washington Street and increasing park and recreational amenities will be the focus of these efforts. \$10,000 has been budgeted for this project.

Lastly, new decking will be installed on the bridge over the Bear River near City Hall. Additionally, Phase I of a regional dog park will commence at the River Road Sports Complex with construction of a parking lot on City property. The project is in cooperation with Bear Creek Township using township and city land for a new regional dog park. A total of \$50,000 has been budgeted for these two projects.

**City of Petoskey
Capital Improvement Plan
For the Years 2022 through 2027**

Expenditure Summary

<u>Fund</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
General	122,500	710,000	625,000	465,000	500,000	485,000
Parking	175,000	120,000	0	200,000	75,000	75,000
Streets	2,032,641	1,180,000	1,300,000	1,350,000	1,575,000	600,000
Electric	865,000	1,181,000	1,358,000	1,262,786	557,000	767,000
Water & Sewer	1,450,000	1,000,000	1,150,000	1,000,000	1,000,000	600,000
Motorpool	495,000	571,000	623,000	667,000	434,000	507,000
Grants/Other	1,922,000	3,970,000	15,762,500	2,892,000	575,000	1,325,000
Total	7,062,141	8,732,000	20,818,500	7,836,786	4,716,000	4,359,000
					6-year Total	53,524,427

Revenue Summary

<u>Fund</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
General	\$ 102,052	\$ 136,409	\$ 153,222	\$ 171,020	\$ 189,841	\$ 209,722
Parking	175,000	75,000	75,000	75,000	75,000	75,000
Streets	2,032,641	1,477,691	1,514,719	1,452,724	1,491,733	1,531,770
Electric	1,100,000	1,100,000	1,350,000	1,100,000	1,100,000	1,100,000
Water & Sewer	1,450,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000
Motorpool	550,000	550,000	450,000	550,000	450,000	450,000
Grants/Other	1,922,000	3,970,000	15,762,500	2,892,000	575,000	1,325,000
Total	\$ 7,331,693	\$ 8,409,100	\$ 20,405,441	\$ 7,340,745	\$ 4,981,574	\$ 5,791,493
					Six Year Total	\$ 54,260,045

Revenue Assumptions

General Fund and Streets based on General and ROW spreadsheet showing available balance and fund balance funding.
Parking Fund based on assumption of \$75,000 in net income annually after meter rate increase.
Electric Fund based on assumption of \$1,100,000 in net income and depreciation totaling in excess of this amount.
Water & Sewer is allocated \$1,100,000 in total for both systems based on 2018 rate study.
Motorpool based on net income plus depreciation exceeding \$450,000 annually and adjusted for available contribution from cash reserves. Adjust succeeding years for purchases that exceed allocated amount.
Grants/Other is applicable grants covering a specific proposed project in the given year and projects that would require bonding.

City of Petoskey
Capital Improvement Plan
Revenue and Expense Estimates
General Fund

	Actual 2019	Actual 2020	Budget 2021	Estimated					
				2022	2023	2024	2025	2026	2027
Revenues:									
Operating:									
General operating property tax revenue	\$ 3,379,545	\$ 3,471,855	\$ 3,455,100	\$ 3,558,753	\$ 3,665,516	\$ 3,757,153	\$ 3,851,082	\$ 3,947,359	\$ 4,046,043
Solid waste property tax revenue	222,152	228,255	225,800	232,574	239,551	245,540	251,679	257,970	264,420
Public Safety Equipment	383,191	390,705	-	-	-	-	-	-	-
Other sources**	4,984,342	4,750,383	4,761,100	4,808,711	4,856,798	4,905,366	4,954,420	5,003,964	5,054,004
Bond Proceeds/Grants-nonrecurring	291,770	397,229	140,000	-	-	-	-	-	-
Marina reserve capital outlay purchase			100,000						
	9,261,000	9,238,427	8,682,000	8,600,038	8,761,865	8,908,060	9,057,181	9,209,294	9,364,467
Less: bond proceeds/grants/contribution	291,770	397,229	240,000	-	-	-	-	-	-
Revenues as adjusted	\$ 8,969,230	\$ 8,841,198	\$ 8,442,000	\$ 8,600,038	\$ 8,761,865	\$ 8,908,060	\$ 9,057,181	\$ 9,209,294	\$ 9,364,467
Expenditures:				*	*	*	*	*	*
Original amount - less debt payments	\$ 8,415,032	\$ 8,459,207	\$ 8,672,400	\$ 8,497,986	\$ 8,625,456	\$ 8,754,838	\$ 8,886,160	\$ 9,019,453	\$ 9,154,744
Debt payments- public safety	504,900	1,059,200	216,500	100,000	100,000	100,000	100,000	100,000	100,000
Less:									
Cash reserves funding capital outlay	n/a	n/a	-	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
Public Safety equipment purchase	n/a	(23,000)	-	-	-	-	-	-	-
Capital Outlay	n/a	n/a	(300,000)	-	-	-	-	-	-
Expenditures as adjusted	8,919,932	9,495,407	8,588,900	8,497,986	8,625,456	8,754,838	8,886,160	9,019,453	9,154,744
Revenues as adjusted	8,969,230	8,841,198	8,442,000	8,600,038	8,761,865	8,908,060	9,057,181	9,209,294	9,364,467
Revenue available for projects & outlays	\$ 49,298	\$ (654,209)	\$ (146,900)	\$ 102,052	\$ 136,409	\$ 153,222	\$ 171,020	\$ 189,841	\$ 209,722

Tax revenue and other sources is estimated based on 2021 levels as follows; 2022 (+3.0%), 2023 (+3.0%), 2024 (+2.5%), 2025 (+2.5%), 2026 (+2.5%), 2027 (+2.5%)

* Budget expenditure amounts for 2022 thru 2027 are based on adjusted expenditures increased at 1.5% annually above the previous year's amount.

Included \$100,000 per year available from General Fund Balance for years 2022 through 2027.

City of Petoskey
Capital Improvement Plan
Revenue and Expense Estimates
Street Funds

2021 Budget	Major Street	Local Street	General Street	Total
Revenues:				
Operating	\$ 709,700	\$ 603,500	\$ 7,600	\$ 1,320,800
Contributions & grants	-	500,000	1,455,000	1,955,000
	709,700	1,103,500	1,462,600	3,275,800
Less: Contributions/grants	-	500,000	1,455,000	1,955,000
Revenues net of R.O.W. contributions	\$ 709,700	\$ 603,500	\$ 7,600	\$ 1,320,800
Expenditures:				
Total	\$ 578,300	\$ 1,169,700	\$ 1,380,900	\$ 3,128,900
Less:				
Construction*	-	808,000	503,000	1,311,000
Expenditures net of construction	578,300	361,700	877,900	1,817,900
Revenues net of R.O.W. contributions	709,700	603,500	7,600	1,320,800 ****
Operating revenue funded by R.O.W.	\$ (131,400)	\$ (241,800)	\$ 870,300	\$ 497,100

	Actual 2019	Actual 2020	Budget 2021	Estimated					
				2022	2023	2024	2025	2026	2027
Right of Way Fund:									
Property tax revenue ***	\$ 1,757,227	\$ 1,794,607	\$ 1,786,100	\$ 1,839,683	\$ 1,894,873	\$ 1,942,245	\$ 1,990,801	\$2,040,571	\$ 2,091,586
Contribution towards operating expenses**	690,096	621,981	497,100	507,042	517,183	527,526	538,077	548,839	559,815
Revenue available - ROW Fund	1,067,131	1,172,626	1,289,000	1,332,641	1,377,691	1,414,719	1,452,724	1,491,733	1,531,770
Street Funds:									
Cash Reserves available - Capital Outlay	-	-	-	700,000	100,000	100,000	-	-	-
Revenue available-Capital Outlay	\$ 1,067,131	\$ 1,172,626	\$ 1,289,000	\$ 2,032,641	\$ 1,477,691	\$ 1,514,719	\$ 1,452,724	\$1,491,733	\$1,531,770

* Construction includes street, sidewalk, forestry and engineering costs

** Total operating revenue contribution increased 2% each year from 2021 amount.

*** Tax revenue and other sources is estimated based on 2021 levels as follows; 2022 (+3.0%), 2023 (+3.0%), 2024 (+2.5%), 2025 (+2.5%), 2026 (+2.5%), 2027 (+2.5%)

**** Contributions to the General Street Fund include an annual contribution from the Electric Fund in the amount of \$250,000.

City of Petoskey
Capital Improvement Plan
Revenue and Expense Estimates
Tax Increment Finance Authority

	Actual 2019	Actual 2020	Budget * 2021	2022	2023	Estimated			
						2024	2025	2026	2027
Revenues:									
Captured tax revenue	\$ 407,969	\$ 396,386	\$ 389,000	\$ 400,670	\$ 412,690	\$ 423,007	\$ 433,583	\$ 444,422	\$ 455,533
Interest income	10,716	12,988	8,000	4,000	4,000	4,000	4,000	4,000	4,000
	418,685	409,374	397,000	404,670	416,690	427,007	437,583	448,422	459,533
Less:	-	-	-	-	-	-	-	-	-
Total revenue	<u>\$ 418,685</u>	<u>\$ 409,374</u>	<u>\$ 397,000</u>	<u>\$ 404,670</u>	<u>\$ 416,690</u>	<u>\$ 427,007</u>	<u>\$ 437,583</u>	<u>\$ 448,422</u>	<u>\$ 459,533</u>
Expenditures:									
Contracted services	\$ 452,652	\$ 300,861	\$ 400,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Lease payment to Debt Service Fund	231,400	225,000	236,000	264,000	254,000	247,000	222,000	215,000	210,000
Total expenditures	684,052	525,861	636,000	274,000	264,000	257,000	232,000	225,000	220,000
Total revenues	418,685	409,374	397,000	404,670	416,690	427,007	437,583	448,422	459,533
Rev. available- Capital Improvement	<u>\$ (265,367)</u>	<u>\$ (116,487)</u>	<u>\$ (239,000)</u>	<u>\$ 130,670</u>	<u>\$ 152,690</u>	<u>\$ 170,007</u>	<u>\$ 205,583</u>	<u>\$ 223,422</u>	<u>\$ 239,533</u>

Tax revenue and other sources is estimated based on 2021 levels as follows; 2022 (+3.0%), 2023 (+3.0%), 2024 (+2.5%), 2025 (+2.5%), 2026 (+2.5%), 2027 (+2.5%)

City of Petoskey
Capital Improvement Plan
Project Funding Source
2022

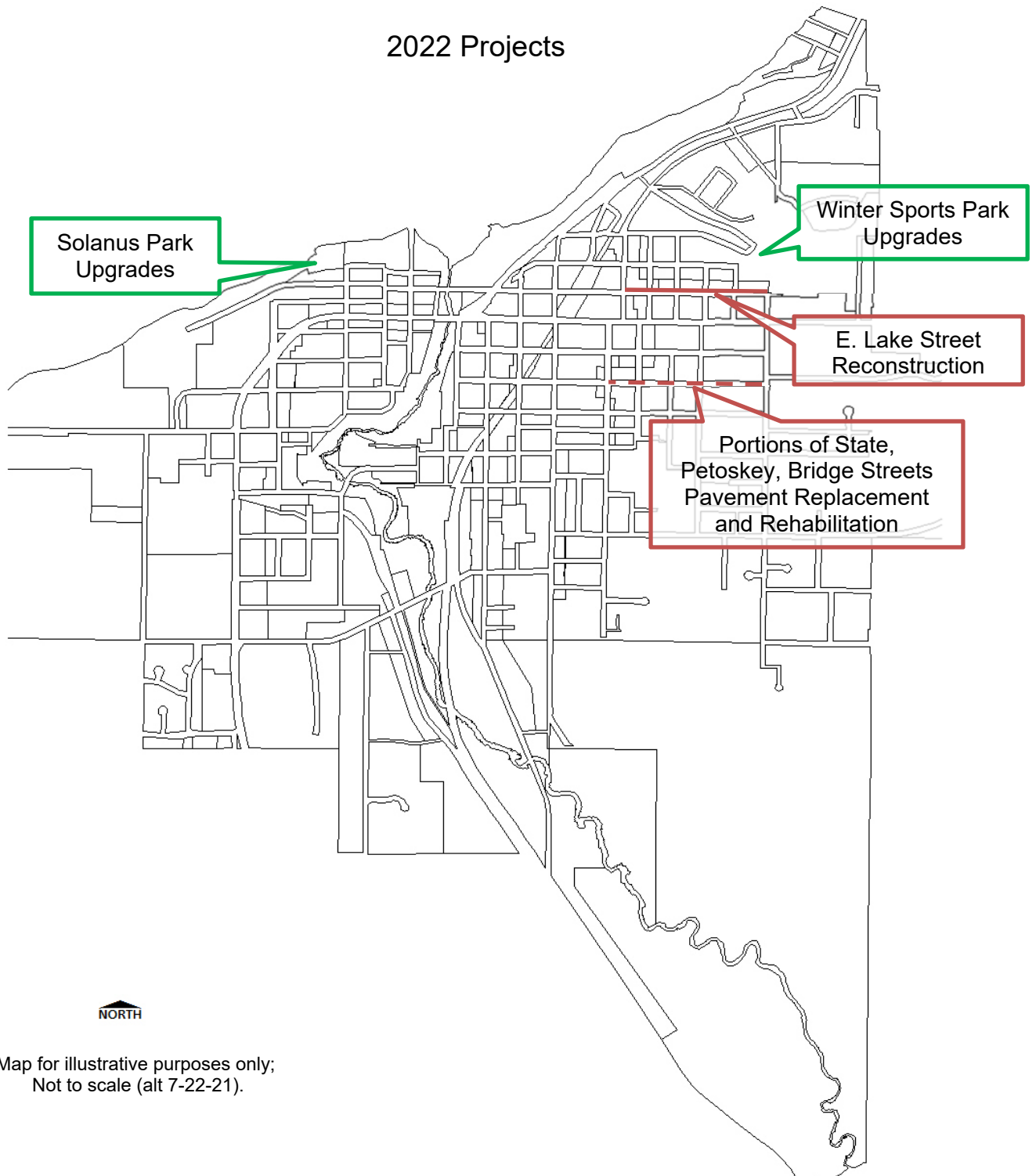
PROJECT CATEGORY		Funding Source	General	Parking	Streets	Electric	Water & Sewer	Motorpool	Grants/Other	Total
<u>STREETS AND DRAINAGE</u>										
East Lake Street - Kalamazoo to Division; and also Kalamazoo, Ottawa, Summit, Clinton, Williams between East Mitchell and East Lake Street	Full Reconstruction including sidewalks and ADA ramps.	Right-of-Way			1,357,641					1,357,641
Miscellaneous Pavement Preservation, Paving and Repair	The purpose of this project is to replace or rehabilitate existing pavement and curb lines. Small Urban Grant funding will be utilized to rehabilitate State Street from Howard to Kalamazoo.	Right-of-Way			225,000				375,000	600,000
<u>WATER AND WASTEWATER SYSTEM</u>										
Water - East Lake - Kalamazoo to Division and adjacent streets between East Lake and East Mitchell Streets	Replacement of water mains and components in conjunction with street reconstruction.	Operating Revenue					700,000			700,000
Sanitary - East Lake - Kalamazoo to Division and adjacent streets between East Lake and East Mitchell Streets	Replacement of sanitary mains and components in conjunction with street reconstruction.	Operating Revenue					600,000			600,000
Miscellaneous Water Main Spot Repairs and Lead and Copper Service Investigations	Water repairs will take place in conjunction with the State Street resurfacing project along with lead and copper service investigations and possible replacement on East Lake Street project.	Operating Revenue					125,000			125,000
Miscellaneous Sanitary Sewer Main Spot Repairs and Upgrades	Sanitary sewer main work will take place in conjunction with the State Street resurfacing project.	Operating Revenue					25,000			25,000
<u>SIDEWALKS</u>										
Miscellaneous Sidewalk Construction and Replacement	Sidewalk additions and replacements will take place in conjunction with East Lake Street reconstruction and the State Street resurfacing project along with miscellaneous City-wide spot repairs.	Right-of-Way			450,000					450,000
<u>ELECTRIC SYSTEM</u>										
Residential Conversion Project (Portions of East Lake, Bay, Ottawa, Summit and Clinton Streets)	Conversion of the existing overhead distribution circuit to underground within residential corridors including new three-phase underground on East Lake Street from Division Street to Kalamazoo Avenue. Provides redundant circuit into the CBD area, converts to more reliable underground, and moves the circuit to the new 7.2/12.5kV system.	Operating Revenue				685,000				685,000
Substation Maintenance	Completion of maintenance on the Mitchell Road Substation power transformer and voltage regulators, plus the Petoskey Substation circuit reclosers.	Operating Revenue				40,000				40,000
Electric Vehicle (EV) Charging Stations	Installation of 3-4 charging stations including replacement of the existing downtown charging unit.	Operating Revenue				40,000			20,000	60,000
Electric System GIS Database	Preparation of back-end database for Electric System GIS. Includes transfer of existing electric computer model and record drawings into database.	Operating Revenue				100,000				100,000

City of Petoskey
Capital Improvement Plan
Project Funding Source
2022

PROJECT CATEGORY		Funding Source	General	Parking	Streets	Electric	Water & Sewer	Motorpool	Grants/Other	Total
<u>MOTOR POOL</u>										
Pickup Truck - Water - Replacement	Replace Water Unit #34 (2012).	Operating Revenue						35,000		35,000
Pickup Truck - Water - Replacement	Replace Water Unit #65 (2010).	Operating Revenue						35,000		35,000
Pickup Truck - Parks and Recreation - Replacement	Replace Parks and Recreation Unit #53 (2010).	Operating Revenue						35,000		35,000
Batwing Mower - Replacement	Replace Unit #148 (2003).	Operating Revenue						80,000		80,000
Crane Truck - Water - Replacement	To replace truck #33 (2009).	Operating Revenue						155,000		155,000
Staff Vehicle - Replacement	To replace Motor Pool vehicle with an Electric Vehicle (EV). Unit #25 (2012).	Operating Revenue						45,000		45,000
Bobcat Toolcat with Attachments, Snow Blower, Forks, Rotating Broom & Box - Replacement	Replace Utility Vehicle Unit #112 (2006).	Operating Revenue						80,000		80,000
Tractor/Snow Blower Units	Trade-in Sidewalk Snow Blower Units #7 and #8 (2017).	Operating Revenue						30,000		30,000
<u>DOWNTOWN AREA</u>										
Engineering of a Parking Deck	Engineering of a parking deck on the City owned lot.	Parking		175,000					175,000	350,000
<u>BUILDINGS AND GROUNDS</u>										
Demolition of 620 Ingalls Avenue	City owned building used to store History Museum artifacts - building beyond repair.	Operating Revenue	25,000							25,000
<u>PARKS AND SPECIAL FACILITIES</u>										
Marina Fuel System Replacement	Tanks and piping will be 26 years old and in need of replacement and to increase diesel storage capacity.	Operating Revenue							250,000 Grant/Reserves	250,000
Festival Place Shelter Roof	Replace shingle roofing with metal roofing similar to Bear River pavilion.	Operating Revenue	30,000							30,000
Riverbend Skate Park Equipment	The original skate park equipment was purchased in 2002, with additional purchases in 2008 and 2012. This project would replace the 2002 equipment, including the original wood ramps and would add new skate elements to the facility.	Operating Revenue							10,000	10,000
Winter Sports Park Hockey Rink Improvements	Construction of a cover over the hockey rink to extend usability.	Operating Revenue							600,000 State and Local Grants	600,000
Bayfront Park West - Solanus Beach Improvements	Improvements to the beach area including an accessible boardwalk to the water and native landscaping.	Operating Revenue							250,000 TIFA/LWCF	250,000
Property Purchase - Boor	Purchase of 58 acres adjacent to the City Skyline Property in Bear Creek Township.	Operating Revenue	32,500						217,000 Donations/grant	249,500
Washington Park Design	Updates to preliminary park concepts	Operating Revenue	10,000							10,000
Pedestrian Bridge Decking - City Hall	Re-decking of the existing bridge	Operating Revenue							25,000 TIFA	25,000
Dog Park - Phase 1	Regional park possibly in conjunction with Bear Creek Township.	Operating Revenue	25,000							25,000
Grand Totals			122,500	175,000	2,032,641	865,000	1,450,000	495,000	1,922,000	7,062,141

City of Petoskey 2022-2027 Capital Improvement Plan

2022 Projects



Map for illustrative purposes only;
Not to scale (alt 7-22-21).

City of Petoskey
Capital Improvement Plan
Project Funding Source
2023

PROJECT CATEGORY		Funding Source	General	Parking	Streets	Electric	Water & Sewer	Motorpool	Grants/Other	Total
<u>STREETS AND DRAINAGE</u>										
Miscellaneous Pavement Preservation, Paving and Repair	This project is to replace or rehabilitate existing pavement and curb lines. Streets to be considered are Porter and Maple Streets that fall under the category of fair to poor based on PASER ratings.	Right-of-Way			310,000					310,000
Bridge Street - Franklin Street to the Bridge	Full reconstruction of Bridge Street including sidewalks and ADA ramps.	Right-of-Way			350,000					350,000
<u>WATER AND WASTEWATER SYSTEM</u>										
Water - Miscellaneous Water Main Spot Repairs and Upgrades	Water main work will take place in conjunction with street resurfacing projects along with lead and copper service investigations and replacement.	Operating Revenue					50,000			50,000
Water - Bridge Street - Franklin Street to the Bridge	Replacement of water mains and components in conjunction with street reconstruction.	Operating Revenue					200,000			200,000
Sanitary - Miscellaneous Sewer Main Spot Repairs and Upgrades	Sewer main work will take place in conjunction with street resurfacing.	Operating Revenue					50,000			50,000
Sanitary - Bridge Street - Franklin Street to the Bridge	Replacement of sanitary mains and components in conjunction with street reconstruction.	Operating Revenue					200,000			200,000
Lime Kiln Well and Control Building Improvements	The Lime Kiln Well was developed 35 years ago. Improvements would include conversion from a t-vertical turbine pump system to a submersible pump system, updated chlorine feed systems and renovations to control and monitoring systems.	Operating Revenue					400,000			400,000
Advanced Metering Infrastructure (AMI) System Study	Study the installation of initial phase of water AMI system.	Operating Revenue					100,000			100,000
<u>SIDEWALKS</u>										
Miscellaneous Sidewalk Construction and Replacement	Sidewalk additions and replacement on Bridge Street between Franklin Street and the Bridge. Also miscellaneous sidewalk additions and spot repairs City-wide.	Right-of-Way			400,000					400,000
<u>ELECTRIC SYSTEM</u>										
Advanced Metering Infrastructure (AMI) System Study	Study of the installation of initial phase of electric AMI system. Provides for time-of-use energy sales, automatic meter reading, remote disconnects/reconnects, and outage detection.	Operating Revenue				100,000				100,000
Residential Conversion Project - Bay & Rose; portions of Williams and Clinton Streets	Conversion of the existing overhead distribution circuit to underground within residential corridors. Removes very old overhead system, converts to more reliable underground and prepares for conversion to 7.2kV.	Operating Revenue				386,000				386,000
Residential Conversion Project - Grand Avenue	Conversion of the existing overhead distribution circuit to underground within residential corridors. Removes very old overhead system and converts to more reliable 7.2kV underground system.	Operating Revenue				158,000				158,000

City of Petoskey
Capital Improvement Plan
Project Funding Source
2023

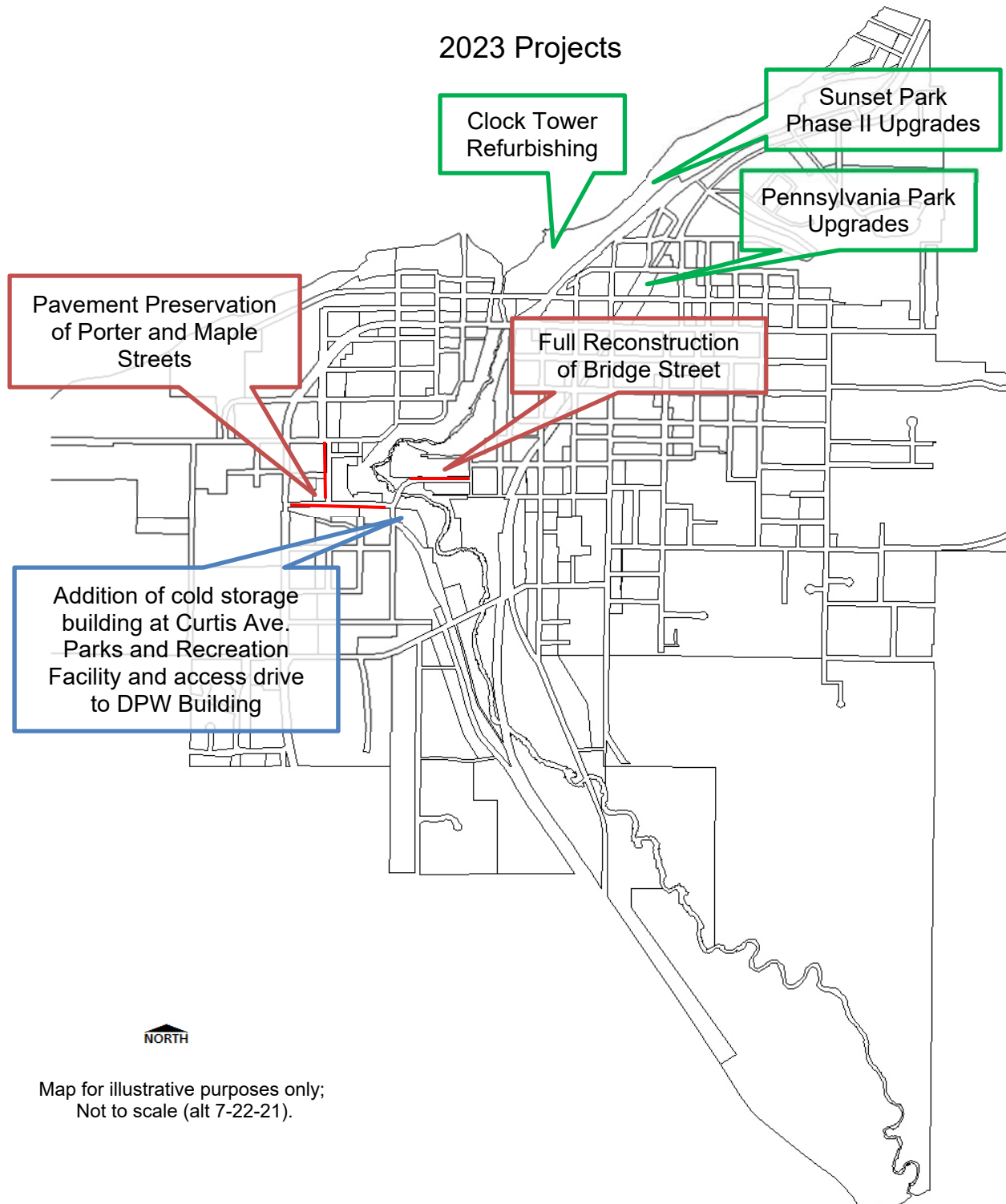
PROJECT CATEGORY		Funding Source	General	Parking	Streets	Electric	Water & Sewer	Motorpool	Grants/Other	Total
Residential Conversion Project - Maple and Porter	Conversion of the existing overhead distribution circuit to underground within residential corridors. Removes very old overhead system, converts to more reliable underground and prepares for conversion to 7.2/12.5kV.	Operating Revenue				362,000				362,000
Electric Vehicle (EV) Charging Stations	Installation of two EV charging stations.	Operating Revenue				50,000				50,000
Electric System GIS (Primary Equipment)	Addition of primary (15kV) equipment into GIS system and deployment of tablets to field crews.	Operating Revenue				50,000				50,000
<u>MOTOR POOL</u>										
Bucket Truck - Electric - Replacement	Replace Unit #83 (2001).	Operating Revenue						175,000		175,000
Patrol Vehicle - Replacement	Replace 4x4 patrol vehicle #445 (2017) with 2023 model. Painting and lettering required.	Operating Revenue						52,000		52,000
Pickup Truck - CBD Water Truck - Replacement	Replace Unit #52 (2008).	Operating Revenue						30,000		30,000
Heavy Duty Plow Truck/Underbody - Streets - Replacement	Replace Unit #93 (2006).	Operating Revenue						180,000		180,000
Toro Workman Rescue Cart - Public Safety - Replacement	Replace Rescue Utility Cart Unit #441 (2006).	Operating Revenue						27,000		27,000
Toro Workman Utility Cart - Parks and Rec - Replacement	Replace Unit #174 (2008).	Operating Revenue						15,000		15,000
Toro Workman Rescue Cart - Public Safety - Replacement	Replace Rescue Utility Cart Unit #541 (2008).	Operating Revenue						27,000		27,000
Batwing Groundmaster - Replacement	Replace Unit #188 (2009).	Operating Revenue						65,000		65,000
<u>DOWNTOWN AREA</u>										
Parking Lot Paving	Pave existing lot and pay station installation.	Parking		70,000						70,000
<u>BUILDINGS AND GROUNDS</u>										
Bayfront Park Clock Tower	Refurbish tower lights and clock mechanisms.	TIFA							75,000 TIFA	75,000
East Lake Street Fire Station	Paint apparatus room, radiant heat tube replacement, and possible solar array.	Operating Revenue	200,000							200,000
Curtis Avenue Department of Parks and Recreation Facility Improvements	Improvements to include cold storage facility for DPW and Parks and Recreation and service drive improvements to connect facility to DPW facility.	Operating Revenue							3,400,000	3,400,000

City of Petoskey
Capital Improvement Plan
Project Funding Source
2023

PROJECT CATEGORY		Funding Source	General	Parking	Streets	Electric	Water & Sewer	Motorpool	Grants/Other	Total
<u>PARKS AND SPECIAL FACILITIES</u>										
Pennsylvania Park Upgrades	As part of the Downtown Greenway Corridor site amenities from Bay Street to East Mitchell Street, Park Avenue sidewalk widening, landscaping and storm water management improvements will be constructed in accordance with final engineered plans. Grant funding would offset Street/Sidewalk Fund.	Operating Revenue		50,000	100,000	75,000			150,000	375,000
Washington Park Access Engineering	Washington Park currently has limited access from Petoskey Street off of Washington Street and from Petoskey Street off of Sheridan Street, with limited parking taking place primarily on the streets. This project proposes to create a turn-around style parking lot off of Petoskey Street on the south end of the park and provide improved access to Washington Street on the north side of the park, and create a new pedestrian access off of Emmet Street into the park area and extend sidewalks to key areas within the park.	Operating Revenue	10,000		20,000					30,000
Pennsylvania Park Upgrades	A plaza adjacent to East Mitchell Street, where the annual tree-lighting occurs, will be created to improve the area for community gatherings.	Operating Revenue	75,000						25,000	100,000
Winter Sports Park Building Roof	The existing Winter Sports Park building will be 33 years old in 2023. Replacement of roof will be the first phase of improvements possibly including roof-top solar, with siding and deck repairs in 2024.	Operating Revenue	100,000							100,000
Winter Sports Park Building Interior Renovations	Interior renovations are anticipated and will include painting, concession and restroom sink and counter replacements, and replacement of the skate proof flooring on main level and door replacement at air lock entryway. These repairs are necessary and in particular the skate proof flooring. Failure of the flooring will jeopardize main level floor and underlying decking and joists.	Operating Revenues	70,000						20,000 Local Grant	90,000
Little Traverse Wheelway Resurfacing	Replace 1/2 mile segment of LTW.	Operating Revenue	130,000							130,000
Lockwood Park Upgrades	Upgrade the court to a multi-use Pickleball/Basketball court.	Operating Revenue	125,000						100,000	225,000
Sunset Park Phase II	Additional park improvements to include overlook deck and site re-grading for improved pedestrian access.	TIFA							200,000	200,000
Grand Totals			710,000	120,000	1,180,000	1,181,000	1,000,000	571,000	3,970,000	8,732,000

City of Petoskey 2022-2027 Capital Improvement Plan

2023 Projects



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City of Petoskey
Capital Improvement Plan
Project Funding Source
2024

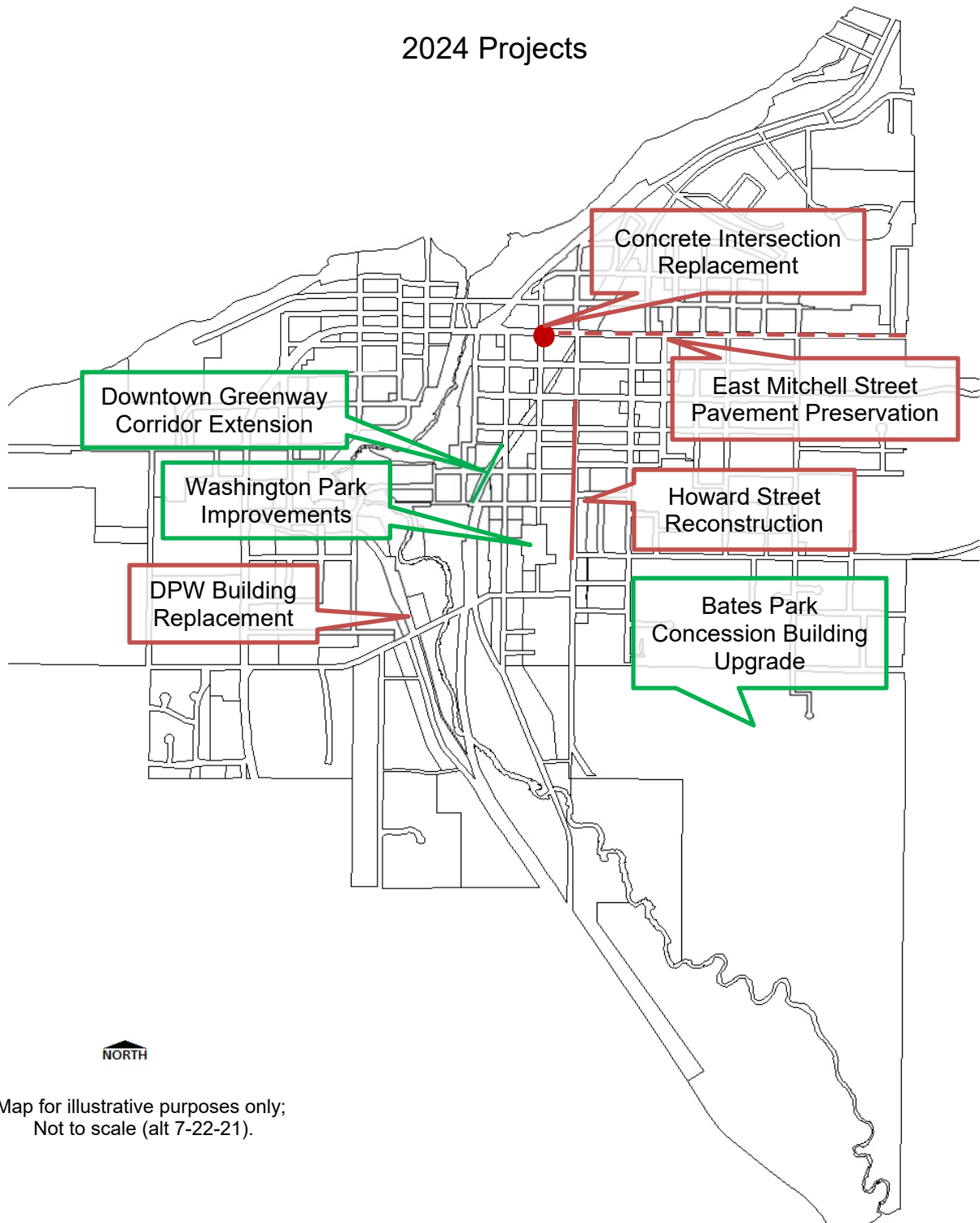
PROJECT CATEGORY		Funding Source	General	Parking	Streets	Electric	Water & Sewer	Motorpool	Grants/Other	Total
<u>STREETS AND DRAINAGE</u>										
Howard Street from State Street to Jennings Avenue	Full reconstruction including sidewalks and ADA ramps.	Right-of-Way			900,000					900,000
CBD - East Mitchell Street and Petoskey Street Intersection	To replace the concrete intersection that was removed previously and not replaced.	Right-of-Way							150,000	150,000
Miscellaneous Pavement Preservation, Paving and Repair - East Mitchell Street	The purpose of this project is to replace or rehabilitate existing pavement and curb lines. Small Urban Grant funding will be utilized to rehabilitate East Mitchell Street from Division Street to the City Limit. Work to be coordinated with Emmet County Road Commission repaving of East Mitchell from City limit to Division Road.	Right-of-Way			100,000				187,500 State Grant	287,500
<u>WATER AND WASTEWATER SYSTEM</u>										
Water - Howard Street and Miscellaneous Water Main Spot Repairs and Upgrades	Water main work will take place in conjunction with street reconstruction.	Operating Revenue					550,000			550,000
Sanitary - Howard Street and Miscellaneous Sewer Main Spot Repairs and Upgrades	Sewer main work will take place in conjunction with street reconstruction.	Operating Revenue					450,000			450,000
Advanced Metering Infrastructure (AMI) System	Continuation of water AMI system.	Operating Revenue					100,000			100,000
<u>SIDEWALKS</u>										
Miscellaneous Sidewalk Construction and Replacement	Sidewalk additions and replacement will occur in conjunction with street projects and in priority locations established in the Non-Motorized Facilities Plan.	Right-of-Way			200,000					200,000
<u>ELECTRIC SYSTEM</u>										
Residential Conversion Project - Portions of Howard, Rush, Fulton, and Pearl Streets	Conversion of the existing overhead distribution circuit to underground within residential corridors. Removes very old overhead system, converts to more reliable underground and completes conversion in this area to 7.2/12.5kV.	Operating Revenue				206,000				206,000
46kV Metering Structure Replacement	Replacement of the 50+ year old 46kV metering structure at the River Road connection to the 46kV transmission system. Replaces aged wood pole structure at this critical system connection point.	Operating Revenue				250,000				250,000
Petoskey Sub 46kV, PET6 & PET8 Underground	Conversion of the 46kV transmission line and circuits PET6 & PET8 to underground from Petoskey Substation to the south side of the salt shed. Improves reliability of the transmission service into the substation, prepares for voltage conversion of circuit PET8, and creates required space for expansion of the DPW Building.	Operating Revenue				522,000				522,000
Advanced Metering Infrastructure (AMI) System	Continuation of electric AMI system.	Operating Revenue				330,000				330,000
Electric System GIS (Secondary and Services)	Addition of secondary (600V) and service lines into GIS system.	Operating Revenue				50,000				50,000

City of Petoskey
Capital Improvement Plan
Project Funding Source
2024

PROJECT CATEGORY		Funding Source	General	Parking	Streets	Electric	Water & Sewer	Motorpool	Grants/Other	Total
<u>MOTOR POOL</u>										
Front End Loader - Streets - Replacement	Replace Unit #107 (2003).	Operating Revenue						200,000		200,000
Patrol Vehicle - Replacement	Replace 4x4 patrol vehicle #446 (2018) with 2024 model. Painting and lettering required.	Operating Revenue						52,000		52,000
Public Safety Marine Apparatus - Replacement	Replace Unit #526 (2007).	Operating Revenue						35,000		35,000
Staff Vehicle - Public Works - Replacement	Replace Unit #26 (2015).	Operating Revenue						35,000		35,000
One-ton Dump Truck - Streets Division - Replacement	Replace Unit #62 (2008).	Operating Revenue						41,000		41,000
35,000 GVW Plow Salt/Sand Spreader Replacement	Replace Unit #96 (2007) along with salt and sand unit and plow.	Operating Revenue						200,000		200,000
DPW Garage Fork Lift - Replacement	Replace Unit #114 (1991).	Operating Revenue						30,000		30,000
Outfront Mower - Parks and Rec - Replacement	Replace Parks and Rec Unit #180 (2013).	Operating Revenue						30,000		30,000
<u>DOWNTOWN AREA</u>										
Construction of a Parking Deck	Construction of a deck on a City-owned lot.	Parking		TBD					3,500,000	3,500,000
<u>BUILDINGS AND GROUNDS</u>										
Public Safety West	The building was constructed in 2011 and it is anticipated the overhead doors will need replacement.	Operating Revenue	75,000							75,000
Public Safety West	The building was constructed in 2011 and it is anticipated the garage floor will need to be resealed.	Operating Revenue	15,000							15,000
Replacement of DPW Building	Existing building is 60+ years old, does not meet operational needs and is inefficient. New building to incorporate green infrastructure and rooftop solar panels.	Revenue Bonds							11,500,000	11,500,000
<u>PARKS AND SPECIAL FACILITIES</u>										
Bates Park Concession Building	Concession will be 25 years old in 2024 and in need of roofing and siding and potential roof-top solar.	Operating Revenue	100,000							100,000
Downtown Greenway Corridor Extension	Design and construction of the corridor between Emmet Street and Washington Street following rail corridor property purchase in 2020.	Operating Revenue	150,000						100,000	250,000
Marina Parking Lot Resurfacing	In 2024, the parking lot will be 34 years of age and will be in need of resurfacing. The lot has been used to house marina spoils prior to disposal which accelerated the decline of the top coat. In 2010, the lot was patched to accommodate the marina expansion utilities. Grant and restricted marina funds will be used to finance the lot resurfacing.	Marina Reserve	25,000						25,000 State Grant	50,000
Washington Park Improvements	Construction of access improvements and amenities identified through a master plan process, possibly including play area, pavilion and restrooms.	Operating Revenue	200,000		100,000		50,000		200,000	550,000
Winter Sports Park Building Siding and Decking	The existing Winter Sports Park building will be 34 years old in 2024 and exterior siding and decking will be needed to maintain structure.	Operating Revenue	60,000						100,000	160,000
Grand Totals			625,000	TBD	1,300,000	1,358,000	1,150,000	623,000	15,762,500	20,818,500

City of Petoskey 2022-2027 Capital Improvement Plan

2024 Projects



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Not to scale (alt 7-22-21).

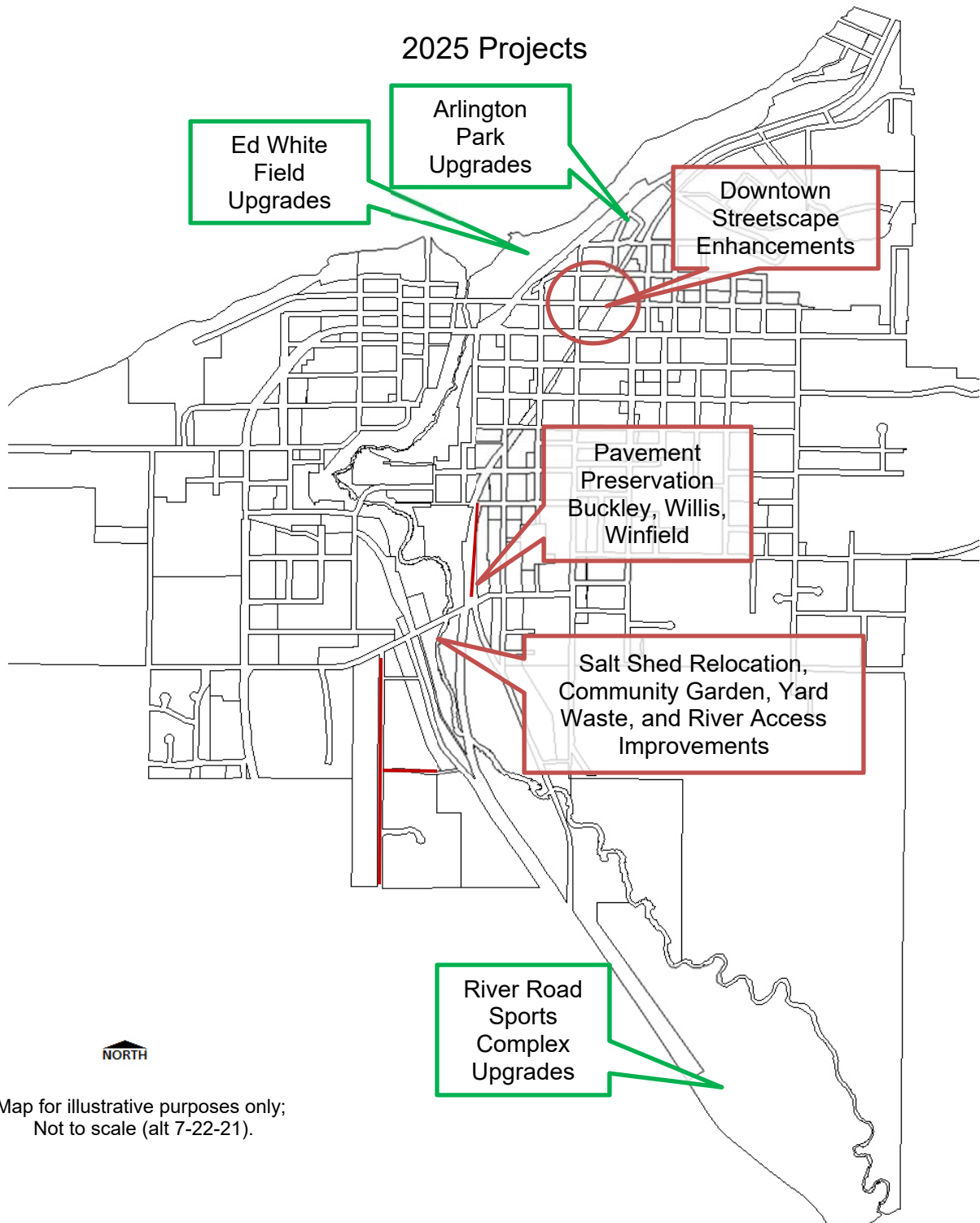
City of Petoskey
Capital Improvement Plan
Project Funding Source
2025

PROJECT CATEGORY		Funding Source	General	Parking	Streets	Electric	Water & Sewer	Motorpool	Grants/Other	Total
<u>STREETS AND DRAINAGE</u>										
Miscellaneous Pavement Preservation, Paving and Repair	This project is to replace or rehabilitate existing pavement and curb lines. Streets to be considered are Willis, Winfield, and Buckley that fall under the category of fair to poor based on PASER ratings.	Right-of-Way			500,000					500,000
Central Business District Streetscape Enhancements	The streetscape enhancements identified through the DMB Study.	Operating Revenue							TBD	TBD
<u>WATER AND WASTEWATER SYSTEM</u>										
Water - Miscellaneous Water Main Spot Repairs and Upgrades	Water main work will take place in conjunction with street resurfacing projects along with lead and copper service investigations and replacement.	Operating Revenue					500,000			500,000
Sanitary - Miscellaneous Sewer Main Spot Repairs and Upgrades	Sewer main work will take place in conjunction with street resurfacing.	Operating Revenue					500,000			500,000
<u>SIDEWALKS</u>										
Miscellaneous Sidewalk Construction and Replacement	Sidewalk additions and replacement will occur in conjunction with street projects and in priority locations established in the Non-Motorized Facilities Plan.	Right-of-Way			350,000					350,000
<u>ELECTRIC SYSTEM</u>										
Advanced Metering Infrastructure (AMI) System	Continuation of electric AMI system.	Operating Revenue				420,000				420,000
Residential Conversion Project (Jennings Avenue plus portions of Howard, Jefferson and Waukazoo Streets)	Conversion of the existing overhead distribution circuit to underground within residential corridors. Removes very old overhead system, converts to more reliable underground and completes conversion in this area to 7.2/12.5kV.	Operating Revenue				468,786				468,786
Cemetery Road Underground	Conversion of the existing 7.2/12.5kV overhead open-wire distribution circuit to underground along a portion of Cemetery Road starting at the City limits. Converts this section of mainline circuit serving large load customers to a more reliable underground system.	Operating Revenue				206,000				206,000
River Road Sport Complex Service	Installation of three-phase underground along River Road from 800 feet south of Standish Avenue to the River Road Sports Complex to support a solar array demonstration project and electric needs.	Operating Revenue				168,000				168,000
<u>MOTOR POOL</u>										
Patrol Vehicle - Replacement	Replace vehicle #447 (2019) with 2025 model. Convert and/or replace equipment from old unit; painting and lettering required.	Operating Revenue						52,000		52,000
1 Ton Dump Truck - Parks and Rec - Replacement	Replace Parks and Rec Unit #61 (2012).	Operating Revenue						40,000		40,000
1 Ton Dump Truck - Streets - Replacement	Replace Streets Unit #66 (2011).	Operating Revenue						50,000		50,000
Pickup Truck with Plow - Replacement	Replace Streets Division Unit #70 (2015).	Operating Revenue						40,000		40,000
Heavy Duty Plow Truck/Underbody - Streets - Replacement	Replace Unit #98 (2012).	Operating Revenue						210,000		210,000
Heavy Duty Hydraulic Sewer Cleaner	Replace Unit #99 (2005).	Operating Revenue						240,000		240,000
Outfront Mower - Parks and Recreation - Replacement	Replace Parks and Recreation Unit #115 (2015).	Operating Revenue						35,000		35,000

City of Petoskey
Capital Improvement Plan
Project Funding Source
2025

PROJECT CATEGORY		Funding Source	General	Parking	Streets	Electric	Water & Sewer	Motorpool	Grants/Other	Total
<u>DOWNTOWN AREA</u>										
Parking Lot Paving	Paving existing lot and pay station installation.	Operating Revenue		75,000						75,000
Replacement of Road Trolley	In 2025 the road trolley will be 26 years old and in need of replacement.	Operating Revenue		125,000						125,000
<u>BUILDINGS AND GROUNDS</u>										
Fire Station - East Lake	Energy upgrades (HVAC and windows).	Operating Revenue	50,000							50,000
Salt Sheds and Materials Storage Area	Existing salt sheds are 30+ years old and must be upgraded. Sheds and material storage bins would potentially be relocated to the north side of Sheridan Street as part of the DPW campus upgrades.	Operating Revenue			500,000				1,210,000	1,710,000
Community Gardens Park and Yard Waste Drop Off Area	Community gardens would be relocated to the south side of Sheridan Street in proximity of current yard waste drop off and salt shed area. Site to be upgraded to enhance Bear River Valley/Iron Bell Trail and launch area with restrooms, as well as improved yard waste drop off and community gardens.	Operating Revenue							1,307,000 State Grant TIFA Bonds	1,307,000
<u>PARKS AND SPECIAL FACILITIES</u>										
Marina Restroom/Shower	Improvements to the Marina restrooms and showers include interior renovations to counter tops, partitions and painting. Shower renovations will include tiling and faucets.	Operating Revenue	25,000							25,000
Ed White Field	The facility was constructed in 1989 and will be in need of floor upgrades in scorers room, siding, bleachers and lighting upgrades.	Operating Revenue	155,000							155,000
Curtis Park Improvements	Development of a park master plan.	Operating Revenue	10,000							10,000
River Road Sports Complex	Construction of restrooms at River Road Sports Complex.	Operating Revenue	100,000						250,000 State Grant	350,000
Arlington Park Improvements	Based on Master Plan developed in 2022.	Operating Revenue	125,000						125,000	250,000
Grand Totals			465,000	200,000	1,350,000	1,262,786	1,000,000	667,000	2,892,000	7,836,786

City of Petoskey 2022-2027 Capital Improvement Plan



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City of Petoskey
Capital Improvement Plan
Project Funding Source
2026

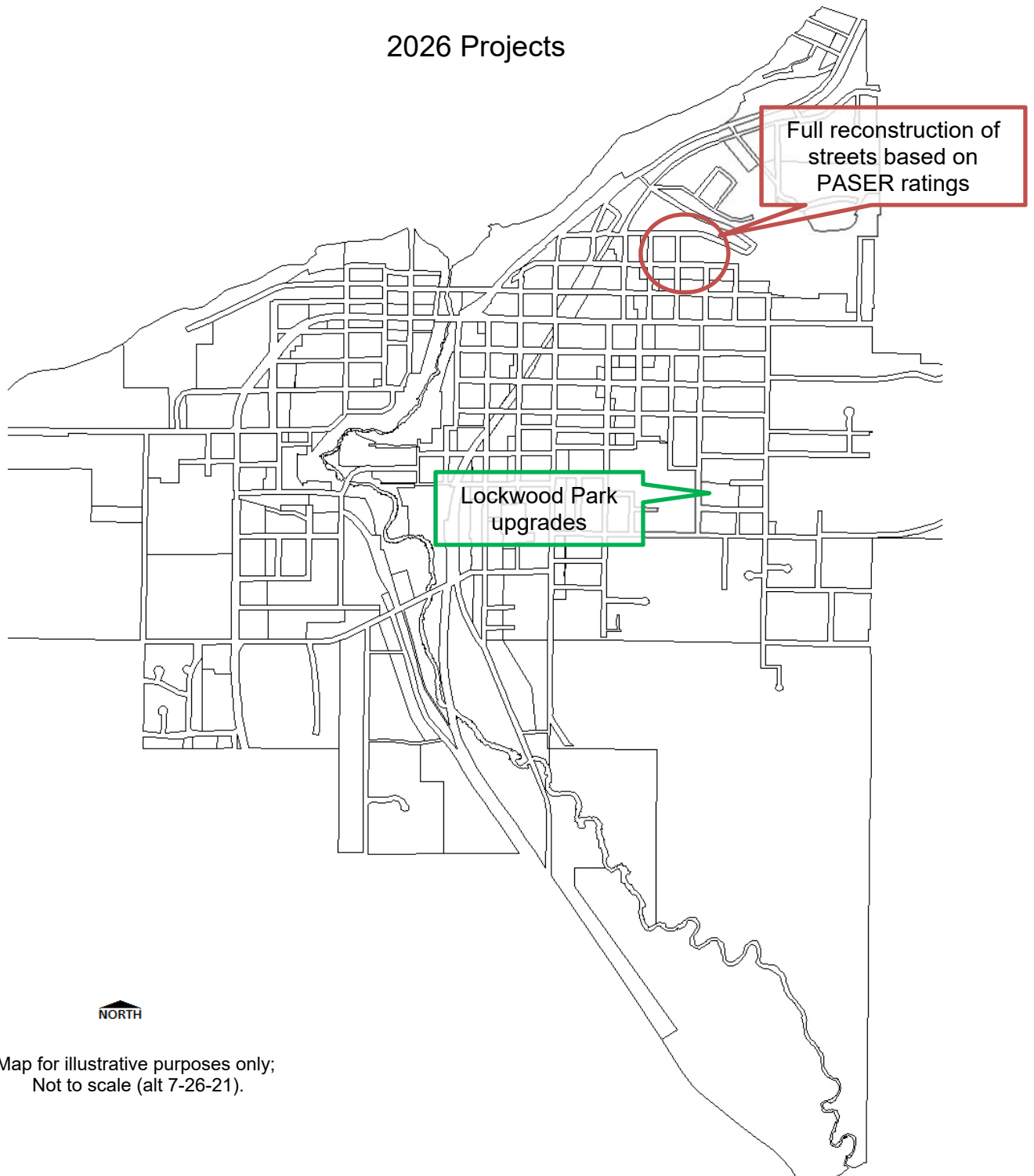
PROJECT CATEGORY		Funding Source	General	Parking	Streets	Electric	Water & Sewer	Motorpool	Grants/Other	Total
<u>STREETS AND DRAINAGE</u>										
Full reconstruction of streets identified through PASER ratings and utility conditions	These streets are not candidates for pavement preservation. Possible candidates include Bay, Summit, Clinton and Ottawa.	Right-of-Way			1,300,000					1,300,000
Miscellaneous Pavement Preservation, Paving and Repair	The purpose of this project is to replace or rehabilitate existing pavement and curb lines. Small Urban Grant funding will be utilized.	Right-of-Way			75,000				375,000	450,000
<u>WATER AND WASTEWATER SYSTEM</u>										
Water - Reconstruction and Miscellaneous Water Main Spot Repairs and Upgrades	Water main work in conjunction with identified street reconstruction.	Operating Revenue					500,000			500,000
Sanitary - Reconstruction and Miscellaneous Sanitary Main Spot Repairs and Upgrades	Sewer main work in conjunction with identified street reconstruction.	Operating Revenue					500,000			500,000
<u>SIDEWALKS</u>										
Miscellaneous Sidewalk Construction	Sidewalk additions and replacement will occur in conjunction with street projects and in priority locations established in the Non-Motorized Facilities Plan.	Right-of-Way			200,000					200,000
<u>ELECTRIC SYSTEM</u>										
Residential Conversion Project - Elizabeth, Fulton, Franklin, Washington, and Bridge Streets	Conversion of the existing overhead distribution circuit to underground within residential corridors. Removes very old overhead system, converts to more reliable underground and completes conversion in this area to 7.2/12.5kV.	Operating Revenue				70,000				70,000
Residential Conversion Project - Morgan/Priebe/Hillcrest	Conversion of the existing overhead distribution circuit to underground within residential corridors. Removes very old overhead system, converts to more reliable underground and prepares for conversion to 7.2kV.	Operating Revenue				417,000				417,000
Mitchell Road Substation Fiber Connection	Installation of fiber optic cable from DPW to Mitchell Road Substation.	Operating Revenue				70,000				70,000
<u>MOTOR POOL</u>										
Staff Vehicle - Parks and Recreation - Replacement	Replace Unit #28 (2017).	Operating Revenue						33,000		33,000
Patrol Vehicle - Replacement	To replace patrol vehicle #444 (2020) with 2026 model. Painting and lettering required.	Operating Revenue						52,000		52,000
Pick-up Truck 1/2 Ton 4x4 - Replacement	Replace Parks and Recreation Unit #74 (2014).	Operating Revenue						35,000		35,000
Pick-up Truck 1/2 Ton 4x4 - Replacement	Replace Parks and Recreation Unit #75 (2014).	Operating Revenue						35,000		35,000
Pick-up Truck 1/2 Ton 4x4 - Replacement	Replace Electric Division Unit #85 (2015).	Operating Revenue						35,000		35,000

City of Petoskey
Capital Improvement Plan
Project Funding Source
2026

PROJECT CATEGORY		Funding Source	General	Parking	Streets	Electric	Water & Sewer	Motorpool	Grants/Other	Total
Portable Light Towers (2) - Replacement	Replace Public Works Units #102 and #104.	Operating Revenue						50,000		50,000
Asphalt Recycler and Hot Patch Trailer-Falcon - Replacement	Replace Street Department Unit #103 (2015).	Operating Revenue						29,000		29,000
Toro Workman Utility Cart - Parks and Rec - Replacement	Replace Utility Cart #116 - Marina (2013).	Operating Revenue						16,000		16,000
Bobcat Toolcat with Attachments, Snow Blower, Forks, Rotating Broom, and Box-Replacement	Replace Utility Vehicle Unit #126 (2017).	Operating Revenue						85,000		85,000
Heavy-Duty Forklift- Replacement	Replace Public Works Garage Unit #128 (2006).	Operating Revenue						28,000		28,000
Toro Walk Behind Mower	Replace Parks and Rec Unit #182 (2001).	Operating Revenue						6,000		6,000
Zamboni Ice Groomer - Replacement	Replace Winter Sports Park Ice Rink Unit #173 (1988).	Operating Revenue						30,000		30,000
<u>DOWNTOWN AREA</u>										
Parking Lot Paving	Paving existing lot and pay station installation.	Operating Revenue		75,000						75,000
<u>BUILDINGS AND GROUNDS</u>										
East Lake Street Fire Station Renovations	The building was remodeled into the Fire Station in 1989 and will require numerous upgrades including replacement of windows, kitchen remodel, training room cabinet remodel and HVAC rooftop units.	Operating Revenue	200,000							200,000
Public Safety Garage - City Hall	Replace radiant tube heaters.	Operating Revenue	25,000							25,000
<u>PARKS AND SPECIAL FACILITIES</u>										
Lockwood Park	Construction of improvements identified through master plan process.	Operating Revenue	200,000						200,000	400,000
Bayfront Park Resource Center	The facility was constructed in 1984 and will be in need of front door replacement, windows, carpeting, concession stand renovations and landscaping.	Operating Revenue	75,000							75,000
Grand Totals			500,000	75,000	1,575,000	557,000	1,000,000	434,000	575,000	4,716,000

City of Petoskey 2022-2027 Capital Improvement Plan

2026 Projects



Map for illustrative purposes only;
Not to scale (alt 7-26-21).

City of Petoskey
Capital Improvement Plan
Project Funding Source
2027

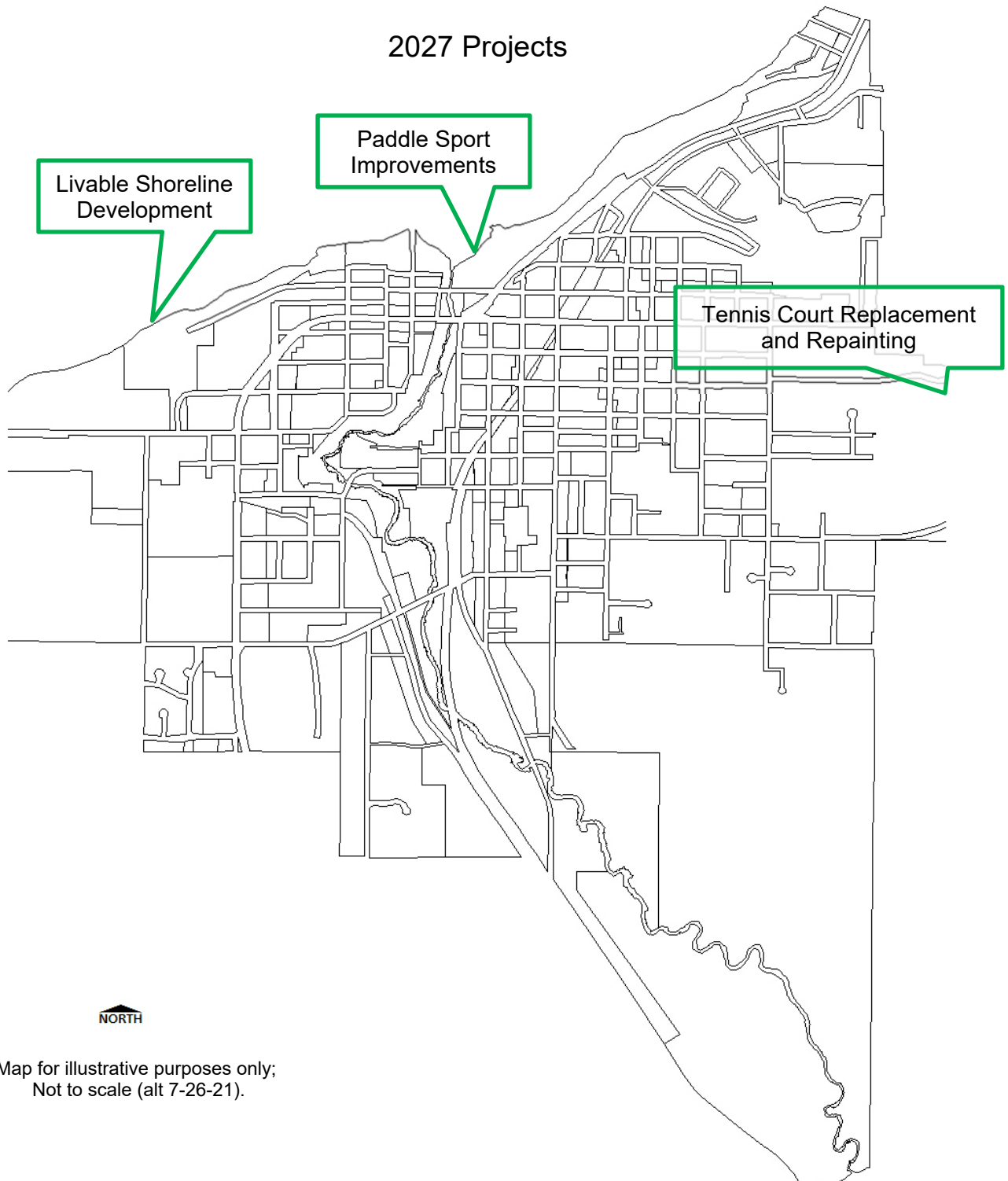
PROJECT CATEGORY		Funding Source	General	Parking	Streets	Electric	Water & Sewer	Motorpool	Grants/Other	Total
<u>STREETS AND DRAINAGE</u>										
Miscellaneous Pavement Preservation, Paving and Repair	The purpose of this project is to replace or rehabilitate existing pavement and curb lines. Streets to be considered fall under the category of fair to poor based on PASER ratings.	Right-of-Way			400,000					400,000
<u>WATER AND WASTEWATER SYSTEM</u>										
Miscellaneous Water Main Spot Repairs and Upgrades	Water main work will take place in conjunction with street resurfacing projects along with lead and copper service investigations and replacement.	Right-of-Way					300,000			300,000
Miscellaneous Sanitary Sewer Main and Lift Station Spot Repairs and Upgrades	Sanitary sewer main work will take place in conjunction with street resurfacing projects. Lift station rehabilitation will also occur.	Right-of-Way					300,000			300,000
<u>SIDEWALKS</u>										
Miscellaneous Sidewalk Construction and Replacement	Sidewalk construction will take place in conjunction with street preservation as well as areas identified in the Non-Motorized Facilities Plan as a top priority.	Right-of-Way			200,000					200,000
<u>ELECTRIC SYSTEM</u>										
Substation Recloser Replacement	Replacement of the circuit reclosers in Petoskey Substation that were installed in 2005.	Operating Revenue				150,000				150,000
Bear River Valley Underground - PET1	Conversion of the overhead PET1 distribution circuit from Petoskey Substation through the Bear River Valley to lone Street equipment area. Improves reliability to critical loads including the hospital, City Hall and CBD area. Utilizes conduit system installed as part of the Bear River Corridor project.	Operating Revenue				308,000				308,000
CBD Alley Conversion to Underground	Conversion of the remaining CBD alley to underground (300 Block East Mitchell and Michigan).	Operating Revenue				125,000				125,000
Atkins-Northmen Drive Underground Tie	Install new underground tie along McDougal Extension from Atkins Road to Northmen Drive. Provides backup circuit to school campus. Conduit installed in conjunction with 2015 road construction.	Operating Revenue				184,000				184,000
<u>MOTOR POOL</u>										
Staff Vehicle - Public Safety - Replacement	Replace Public Safety Unit #450 (2018).	Operating Revenue						35,000		35,000
Pickup Truck with Plow - Replacement	Replace Parks & Recreation Unit #60 (2012).	Operating Revenue						37,000		37,000
Pickup Truck with Plow - Replacement	Replace Parks and Recreation Unit #46 (2018).	Operating Revenue						45,000		45,000
Pickup Truck with Plow - Replacement	Replace Water/Wastewater unit #73 (2018).	Operating Revenue						45,000		45,000

City of Petoskey
Capital Improvement Plan
Project Funding Source
2027

PROJECT CATEGORY		Funding Source	General	Parking	Streets	Electric	Water & Sewer	Motorpool	Grants/Other	Total
Staff Vehicle - Replacement	Replace Water/Wastewater Unit #76 (2017).	Operating Revenue						40,000		40,000
Street Sweeper - Replacement	Replace Street Department Unit #90 (2012).	Operating Revenue						225,000		225,000
Tractor with Bucket and Accessories - Replacement	Replace Parks and Recreation Unit #142 (2010).	Operating Revenue						80,000		80,000
<u>DOWNTOWN AREA</u>										
Parking Lot Paving	Paving existing lot and pay station installation.	Operating Revenue		75,000						75,000
<u>PARKS AND SPECIAL FACILITIES</u>										
Little Traverse Wheelway Resurfacing	Replace 1 mile segment of LTW.	Operating Revenue	260,000							260,000
Livable Shoreline Development	To improve resiliency to fluctuating water levels, project will recreate a more natural shoreline in place of revetment.	TIFA							1,000,000 TIFA/Grants	1,000,000
Lower Tennis Court Reconstruction	Lower courts will be in need of replacement in partnership with the Public Schools of Petoskey.	Operating Revenue	150,000						150,000	300,000
Upper Tennis Court Repaving	The upper tennis courts will need repaving in partnership with the Public Schools of Petoskey.	Operating Revenue	50,000						50,000	100,000
Pickle Ball Court Repainting	Repaving of courts at Riverbend Park constructed in 2020.	Operating Revenue	25,000							25,000
Paddle Sport Improvements at Bayfront Park	Improvements to include storage and installation of a barrier free launch.	TIFA							125,000 TIFA	125,000
Grand Totals			485,000	75,000	600,000	767,000	600,000	507,000	1,325,000	4,359,000

City of Petoskey 2022-2027 Capital Improvement Plan

2027 Projects



Map for illustrative purposes only;
Not to scale (alt 7-26-21).

City of Petoskey
Capital Improvement Plan
Long Term Projects/Capital Items Lacking Funding

PROJECT CATEGORY		Funding Source	General	Parking	Streets	Electric	Water & Sewer	Motorpool	Grants/Other	Total
<u>STREETS AND DRAINAGE</u>										
Miscellaneous Pavement Preservation, Paving and Repair	The purpose of this project is to replace or rehabilitate existing pavement and curb lines. Streets to be considered fall under the category of fair to poor based on PASER ratings.	Right-of-Way			TBD					TBD
Storm Sewer System Upgrades	Projects identified in the 2018 Stormwater Asset Management Plan.	Right-of-Way			TBD					TBD
Full reconstruction of streets identified through PASER ratings and utility conditions	Streets that are not candidates for pavement preservation and will require significant funding for reconstruction. Possible candidates include Buckley, Willis, Ingalls, Jackson.	Right-of-Way			TBD					TBD
<u>WATER AND WASTEWATER SYSTEM</u>										
New Aeration Blowers/Secondary Process Improvements	New aeration blowers for optimum efficiency as well as biological nutrient removal will be needed as future upgrades for the WWTP are anticipated. These improvements would have energy and/or chemical savings associated.	Operating Revenue					800,000			800,000
Lead Service Line Replacements	New lead and copper rules dictate that any portion of a water service line that may have been in contact with lead is considered a lead service line and would need to be removed and replaced within the dwelling it serves. Rule requirements include a system wide inventory by year 2025 to determine the number of service replacements. Once determined, replacements must occur at a rate of 5% per year over a 20 year period. Service line replacements are estimated at \$7,000 per service.	Operating Revenue					TBD			TBD
Development of Wells 8 & 9	Two water wells were originally partially developed by a private developer as part of a capacity agreement near the intersection of Anderson and Intertown Road in the early 2000s. Since other wells were being developed as part of other agreements these two were never equipped. As consumption increases or as the other older wells produce less over time, these two will likely be needed in the future.	Operating Revenue					3,800,000			3,800,000
Submersible Pump Changeouts for Lift Stations	The wastewater lift stations originally installed as part of the Bay Harbor Development are nearly 25 years in age, periodic replacement will be phased in over multiple years.	Operating Revenue					250,000			250,000
Watermain Replacement - Upper District Sheridan to US-131 Tower	This is an ongoing replacement of vintage 1960s transmission water main that has been incrementally replaced through various street and infrastructure projects.	Operating Revenue					1,410,000			1,410,000
<u>SIDEWALKS</u>										
Sidewalk Construction and Maintenance	The City has prioritized construction of sidewalks and now has 44.3 miles to maintain.	Right-of-Way			TBD					TBD

City of Petoskey
Capital Improvement Plan
Long Term Projects/Capital Items Lacking Funding

PROJECT CATEGORY		Funding Source	General	Parking	Streets	Electric	Water & Sewer	Motorpool	Grants/Other	Total
<u>ELECTRIC SYSTEM</u>										
Resort Pike Tie - PET2 to PET4	Installation of #336.4 Hendrix south from Sterzik Road to the CE 138kV line, then 500kCM 15kV CU underground extending north to the existing #336.4 ACSR dead-end pole.	Operating Revenue				215,000				215,000
Mitchell Road Overhead Reconductor	Reconductor overhead three-phase line on Mitchell Road from Division Road to Hill Street. Complete in conjunction with 500kCM underground cable to Kalamazoo Avenue and East Lake Street, plus overhead reconductor on Lake Street to Division Street for new/redundant 7.2/12.5kV source into CBD.	Operating Revenue				65,000				65,000
East Mitchell Street Underground Cable	Installation of 500kCM 15kV underground cable from riser pole near Lincoln Place to Kalamazoo Avenue and Lake Street.	Operating Revenue				210,000				210,000
Utility System Generators	Providing fixed generation at key utility facilities. (e.g. well houses, lift stations)	Operating Revenue				375,000				375,000
West Sheridan Street Underground Upgrade	Replace direct buried cable and rusted equipment with new cable in conduit and equipment in more protected areas. Add switchgear with fused taps to improve sectionalizing and circuit reliability.	Operating Revenue				336,000				336,000
Petoskey Substation Driveway Paving	Grading, drainage improvements and paving of the Petoskey Substation driveway.	Operating Revenue				55,000				55,000
River Valley Underground - PET5 - McLaren/Burns	Conversion of the overhead express 7.2/12.5kV McLaren/Burns feeder to underground from Petoskey Substation through the Bear River Valley to lone Street. Adds reliability to this express feeder serving one of the highest critical loads on the system.	Operating Revenue				TBD				TBD
<u>DOWNTOWN AREA</u>										
Parking Lot and Structure Improvements	On-going maintenance of lots, meters and possible structure will be needed.	Operating Revenue		TBD						TBD
<u>BUILDING AND GROUNDS</u>										
Public Safety West	Built in 2011, building maintenance will require replacement windows, boiler upgrade, HVAC replacement and carpeting.	Operating Revenue	82,000							82,000
History Museum	Museum was built in 1971 and soffit will need replacement.	Operating Revenue	10,000						TBD	10,000
<u>PARKS AND SPECIAL FACILITIES</u>										
Little Traverse Wheelway - Resort Bluffs Potential Relocation	Potential relocation of the Little Traverse Wheelway from Magnus Park to East Park due to trail	Operating Revenue							TBD	
Bayfront Park and Magnus Park Shoreline	Due to on-going high water levels and resulting damage, improvements to stabilize shoreline.	Operating Revenue	7,000,000						TBD	7,000,000

City of Petoskey
Capital Improvement Plan
Long Term Projects/Capital Items Lacking Funding

PROJECT CATEGORY		Funding Source	General	Parking	Streets	Electric	Water & Sewer	Motorpool	Grants/Other	Total
Bayfront Park Marina	Upgrades to dock system to respond to fluctuating water levels.	Operating Revenue							TBD	
Bayfront Park Irrigation Extension	Install automated sprinkler system from Arboretum restroom to parking area east of Ed White Field. This area is currently partially irrigated with a manual plug-in system which provides inadequate coverage – requires manpower and must run during high use times when employees are available, which interferes with the general public.	Operating Revenue	32,000							32,000
Lake Street Dam Improvements	Implementation of the chosen alternative from engineering study.	Operating Revenue							TBD	TBD
Little Traverse Wheelway	LTW restoration (\$48 per linear foot x 5,280 (1 mile) x 8 miles).	Operating Revenue	2,027,520							2,027,520
Downtown Greenway Corridor - Washington Street to River Bend Park	Extension of the Downtown Greenway Corridor to connect to River Bend Park.	Operating Revenue							TBD	TBD
Bear River Valley	Extending whitewater improvements to south of Bridge Street, boardwalk replacements and improvements and trail repairs.	TIFA							455,000	455,000
Magnus Park Campground Improvements	Campground and day use improvements per the Park Master Plan.	TIFA							TBD	TBD
School Recreation Complex Maintenance	Projects to include Turcott drainage improvements, Middle School ballfield irrigation, concession upgrades, and tennis court repaving.	Operating Revenue	250,000						250,000 (PSP 50%)	500,000
Bates Baseball Complex	Bates Baseball Complex was constructed in 1998 and will be in need of improvements to fencing, bleachers, dugout restoration, lighting, concession stand renovation and asphalt path renovation.	Operating Revenue	150,000						150,000	300,000
River Road Sports Complex	The complex will require softball field fence replacement, restroom renovations and parking lot redesign.	Operating Revenue	130,000						100,000	230,000
Dog Park - Phase 2	Dog park was identified as a top community project based on public feedback per the current Parks and Recreation Masterplan.	Operating Revenue							300,000	300,000
Miscellaneous	Miscellaneous replacements including park benches and picnic tables as identified in the 2021 Capital Needs Assessment Study.	Operating Revenue	75,000							75,000
Bear River Valley Stair tower and Pedestrian Bridges Maintenance	Painting of stair tower and pedestrian bridges.	Operating Revenue	30,000							30,000
Grand Totals			9,786,520	TBD	TBD	1,256,000	6,260,000	0	1,255,000	18,557,520