



**2021-2026
CAPITAL IMPROVEMENT
PLAN**



Capital Improvement Plan 2021 through 2026 Overview

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

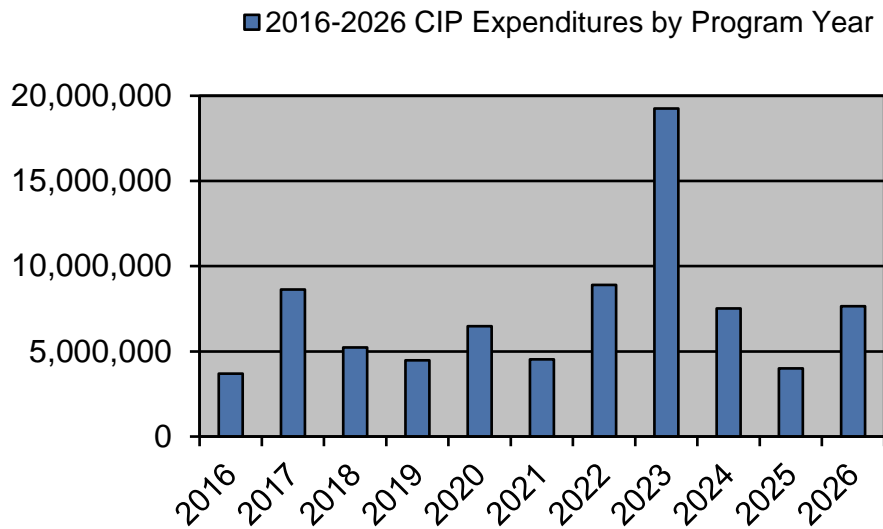
I am pleased to submit to you the 2021-2026 Capital Improvement Plan (CIP) for the City of Petoskey. Pursuant to the Planning Enabling Act, we have again developed a six-year capital plan that serves as an instrument to identify needs and financing sources for public infrastructure improvements. It also 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 2021-2026 CIP totals \$51.8 million in expenditures. Within the CIP, proposed projects in 2021 total \$4.5M of which \$921,500 (20.4%) is projected to come from grants or other outside sources.

The following chart compares the capital spending in previous years with the proposed 2021-2026 CIP and highlights the anticipated increases in capital spending in 2022 due to a street and utility reconstruction project on Lake Street (\$1.96M), first of three phases for the Public Works/Parks and Recreation Building Improvements (Curtis Building and Service Drive-\$3.4M), construction of a cover over the Winter Sports Park's ice rink (\$300,000) and Solanus Beach Improvements (\$500,000).



Additionally, capital improvements in 2023 are scheduled to increase as a result of constructing a new Department of Public Works Building on Sheridan Street (\$11.5M).

Consistent with the last two years, 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 marina upgrades to respond to fluctuating water levels in Lake Michigan, Little Traverse Wheelway resurfacing (\$2M for eight miles), Bayfront Park Shoreline Stabilization (\$7M), and Arrowhead Shores trail remediation efforts with potential relocation of the trail adjacent to US-31. Also, City staff has included a placeholder for replacement of lead and copper water pipes in the community according to recently promulgated Environment, Great Lakes and Energy (EGLE) lead pipe regulations. A cost estimate of the lead pipe replacement program has yet to be calculated. Other costly capital improvement projects scheduled for the long-term include new water wells, new aeration blowers at the wastewater treatment plant and a water main replacement from Sheridan Street to the US-131 water tower. 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 Improvements 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 2.8% in 2018, 3.4% in 2019 and 2.9% in 2020. For 2021, with many unknowns regarding the current COVID-19 pandemic, the City is being very conservative in our property tax revenue forecasts anticipating no increases in taxable value in 2021.
- Changes in personal property tax laws are negatively impacting revenues, although this has been lessened by voter approval of the State ballot proposal on the August 2014 Primary Election ballot providing some reimbursement of the loss in personal property tax revenue.
- 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 this is 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

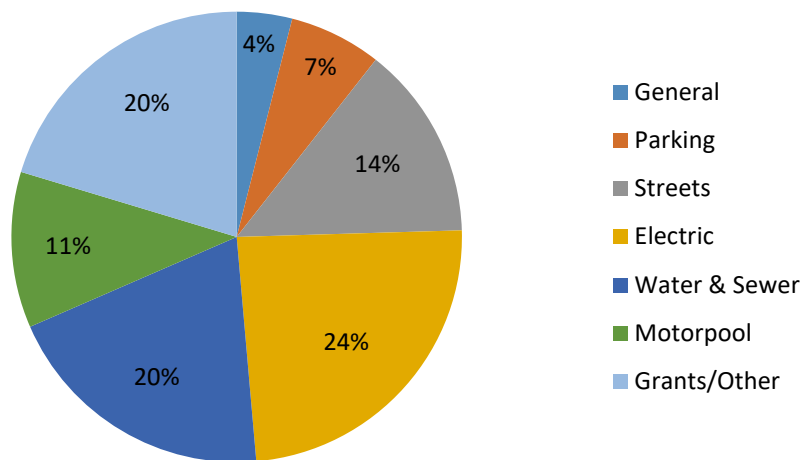
A capital expenditure is defined as an item that has a significant value and a useful life greater than three years. Expenditures for building construction and renovation, land purchases and improvements, and major equipment are generally capital expenditures in contrast to operating costs such as salaries, 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 2021-2026 CIP provides information on eight project categories including: Streets and Drainage, Water and Wastewater Systems, Sidewalks, Electric System, Motor Pool, Downtown Area, Buildings and Grounds, and Parks and Special Facilities Improvements.

2021 Capital Expenditures by Fund



2021 Scheduled Capital Improvement Projects

Streets and Drainage

In 2021, Greenwood Road from Sheridan Street to Charlevoix Avenue will be fully reconstructed with new pavement and curb lines. The project will also include a new sidewalk on the west side of the street enhancing both bicyclist and pedestrian safety. Grant funding from the Little Traverse Bay Band of Odawa Indians in the amount of \$350,000 will offset overall project costs to the City.

The City will match \$81,500 in MDOT grant funding for street repaving and curb restoration on portions of Hill Street, West Jefferson Street and Connable Avenue. Total project costs for these three streets is estimated at \$163,000. Lastly, \$200,000 has been earmarked for miscellaneous pavement preservation, paving and repair work for Outlook Street, portions of Harvey Street, and Washington Street from Buckley to Franklin Streets.

Water and Wastewater System

The Greenwood Road infrastructure project will include replacing all underground utilities including a 55+ year-old cast iron main that is a critical loop in the City's water distribution system. Costs for both water and sewer main replacement are estimated at \$650,000. There is also another \$250,000 budgeted for water and sewer main line replacement associated with repaving projects and maintenance work to be completed on the City's sewer lift stations.

Sidewalks

Sidewalk and crosswalk construction will coincide with the Greenwood Road street reconstruction project and other areas of the City identified by the Non-Motorized Facility Plan. \$150,000 has been budgeted for sidewalk projects in 2020.

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 2020, the City will continue its strong investments in the electric distribution system by earmarking almost \$1.1 million for system-wide upgrades.

Specifically, \$150,000 has been earmarked for the Petoskey Substation Capacitor Banks to compensate for increased in flows on distribution circuits. The City also anticipates further studies to be done for a potential solar array project at the Howard Road Landfill. To date, the City has worked with Harvest Solar in mapping out potential sites at the landfill that could generate upwards of 2 megawatts of electricity. Once sizing and output is formally determined, a constructability and interconnect analysis can be performed to establish feasibility and overall costs.

The City will continue its aggressive undergrounding of electric lines focusing on portions of Waukazoo, Rush, Beech and Pearl Streets. To date, the City has been very successful in undergrounding an estimated 70% of electrical lines creating a very reliable and safe electric distribution system. Monies have also been budgeted for backup generators at critical facilities, for Greenwood Road lighting and potential relocation of a transformer at the Saville Lot.

Motorpool

Motorpool purchases planned for 2021 include the following:

- Two patrol vehicles and a staff vehicle;
- Replacement of a ¾ ton pick-up truck with plow;
- Replacement of a one-ton dump truck;
- Replacement of a flusher truck for Streets;
- Replacement of a Toro Workman Rescue Cart;
- Bobcat Toolcat with snow blower, forks, and rotating broom;
- 70-Foot ladder truck refurbishment.

Downtown Area

A parking deck engineering study for the Saville Lot has been earmarked for 2021. The project is contingent upon execution of a Brownfield Plan associated with a proposed hotel at Bay and Howard Streets. With so many economic unknowns associated the current COVID-19 pandemic, this project may be postponed until a later date.

Parks and Special Facilities Improvements

Combining the newly installed stair tower with completing a US-31 Highway Realignment Project, Sunset Park enhancements will be undertaken improving park access as well as viewing areas over Little Traverse Bay. Tax Increment Financing dollars will be used for this project. Engineered drawings for a redesign of Arlington Park and the Lewis Street area will be completed in 2021 complementing both the highway realignment project and improvements to Sunset Park.

The City Marina's fuel system will undergo major improvements by replacing tanks and piping and increasing storage for diesel fuel. The 25+ year-old system is in need of replacement and DNR Waterways grant funding will be pursued.

Approximately 1/3 of a mile of the Little Traverse Wheelway will be resurfaced in 2021 using potential grant funding. The very popular Little Traverse Wheelway has suffered substantial damage over the last year as a result of unprecedented high water levels leading to shoreline erosion. Currently, engineering studies are being undertaken both within the City of Petoskey and at an approximately one-mile stretch in Resort Township that experienced a major slope failure. Additionally, coastline improvements at Solanus Beach including an accessible boardwalk to the water, shoreline erosion mitigation, and new bathroom facilities are also scheduled for 2021.

Lastly, the City has earmarked \$10,000 to develop engineered drawings for future bathrooms at River Road Sports Complex.

**City of Petoskey
Capital Improvement Plan
For the Years 2021 through 2026**

Expenditure Summary

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
General	180,000	390,000	722,000	450,000	605,000	528,000
Parking	300,000	65,000	65,000	470,000	200,000	0
Streets	631,500	1,000,000	425,000	1,100,000	500,000	1,000,000
Electric	1,091,000	1,022,000	1,426,000	948,000	928,000	1,004,000
Water & Sewer	900,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Motorpool	507,000	577,000	619,000	458,000	667,000	417,000
Grants/Other	921,500	4,845,000	14,995,000	3,092,000	100,000	3,700,000
Total	<u>4,531,000</u>	<u>8,899,000</u>	<u>19,252,000</u>	<u>7,518,000</u>	<u>4,000,000</u>	<u>7,649,000</u>
					6-year Total	<u>51,849,000</u>

Revenue Summary

Fund	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
General	\$ 183,971	\$ 6,279	\$ 125,718	\$ 146,060	\$ 279,340	\$ 297,594
Parking	75,000	75,000	75,000	75,000	75,000	75,000
Streets	742,680	822,770	845,916	769,743	794,268	819,513
Electric	1,100,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000
Water & Sewer	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Motorpool	500,000	400,000	400,000	400,000	400,000	400,000
Grants/Other	921,500	4,845,000	14,995,000	3,092,000	100,000	3,700,000
Total	<u>\$ 4,523,151</u>	<u>\$ 8,399,049</u>	<u>\$ 18,691,634</u>	<u>\$ 6,732,802</u>	<u>\$ 3,898,609</u>	<u>\$ 7,542,107</u>
					Six Year Total	\$ 49,787,352

Revenue Assumptions

General Fund and Streets based on General and ROW spreadsheet showing available balance.
 Parking Fund based on assumption of \$75,000 in net income annually after meter rate increase.
 Electric Fund based on assumption of \$1,250,000 in net income and depreciation totaling in excess of this amount.
 Water & Sewer is allocated \$1,000,000 in total for both systems based on 2018 rate study.

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	Actual	Budget	Estimated					
	2018	2019	2020	2021	2022	2023	2024	2025	2026
Revenues:									
Operating:									
General operating property tax revenue	\$ 3,345,813	\$ 3,379,545	\$ 3,449,500	\$ 3,449,500	\$ 3,449,500	\$ 3,535,738	\$ 3,624,131	\$ 3,714,734	\$ 3,807,603
Solid waste property tax revenue	215,776	222,152	226,000	230,520	235,130	241,009	247,034	253,210	259,540
Public Safety Equipment	373,305	383,191	387,700	-	-	-	-	-	-
Other sources**	4,545,389	4,984,342	4,874,500	4,923,245	4,972,477	5,022,202	5,072,424	5,123,148	5,174,380
Bond Proceeds/Grants-nonrecurring	14,685	291,770	513,500	-	-	-	-	-	-
Marina reserve capital outlay purchase	-	-	-	100,000	-	-	-	-	-
	<u>8,494,968</u>	<u>9,261,000</u>	<u>9,451,200</u>	<u>8,703,265</u>	<u>8,657,108</u>	<u>8,798,948</u>	<u>8,943,589</u>	<u>9,091,092</u>	<u>9,241,523</u>
Less: bond proceeds/grants/contribution	14,685	291,770	513,500	-	-	-	-	-	-
Revenues as adjusted	<u>\$ 8,480,283</u>	<u>\$ 8,969,230</u>	<u>\$ 8,937,700</u>	<u>\$ 8,703,265</u>	<u>\$ 8,657,108</u>	<u>\$ 8,798,948</u>	<u>\$ 8,943,589</u>	<u>\$ 9,091,092</u>	<u>\$ 9,241,523</u>
Expenditures:									
Original amount - less debt payments	\$ 7,648,509	\$ 8,415,032	\$ 8,893,800	\$ 8,302,294	\$ 8,426,828	\$ 8,553,231	\$ 8,681,529	\$ 8,811,752	\$ 8,943,929
Debt payments- marina/public safety (actual)	566,428	504,900	1,095,000	217,000	224,000	220,000	216,000	100,000	100,000
Less:									
Cash reserves funding capital outlay	n/a	n/a	-	-	-	(100,000)	(100,000)	(100,000)	(100,000)
Public Safety Equip purchase	n/a	n/a	-	-	-	-	-	-	-
Capital Outlay	n/a	n/a	(714,200)	-	-	-	-	-	-
Expenditures as adjusted	<u>8,214,937</u>	<u>8,919,932</u>	<u>9,274,600</u>	<u>8,519,294</u>	<u>8,650,828</u>	<u>8,673,231</u>	<u>8,797,529</u>	<u>8,811,752</u>	<u>8,943,929</u>
Revenues as adjusted	<u>8,480,283</u>	<u>8,969,230</u>	<u>8,937,700</u>	<u>8,703,265</u>	<u>8,657,108</u>	<u>8,798,948</u>	<u>8,943,589</u>	<u>9,091,092</u>	<u>9,241,523</u>
Revenue available for projects & outlays	<u>\$ 265,346</u>	<u>\$ 49,298</u>	<u>\$ (336,900)</u>	<u>\$ 183,971</u>	<u>\$ 6,279</u>	<u>\$ 125,718</u>	<u>\$ 146,060</u>	<u>\$ 279,340</u>	<u>\$ 297,594</u>

Tax revenue and other sources is estimated based on 2020 levels increased as follows; 2021 (0.0%), 2022 (0.0%), 2023 (2.5%), 2024 (2.5%), 2025 (2.5%), 2026 (2.5%)

* Budget expenditure amounts for 2021 thru 2026 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 in years 2023 through 2026.

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

2020 Budget	Major Street	Local Street	General Street	Total
Revenues:				
Operating	\$ 701,600	\$ 244,000	\$ 7,600	\$ 953,200
Contributions & grants	200,000	200,000	1,455,000	1,855,000
	901,600	444,000	1,462,600	2,808,200
Less: Contributions/grants	200,000	200,000	1,455,000	1,855,000
Revenues net of R.O.W. contributions	\$ 701,600	\$ 244,000	\$ 7,600	\$ 953,200
Expenditures:				
Total	\$ 1,552,100	\$ 515,700	\$ 1,591,400	\$ 3,659,200
Less:				
Construction*	950,000	160,000	620,000	1,730,000
Expenditures net of construction	602,100	355,700	971,400	1,929,200
Revenues net of R.O.W. contributions	701,600	244,000	7,600	953,200 ****
Operating revenue funded by R.O.W.	\$ (99,500)	\$ 111,700	\$ 963,800	\$ 976,000

	Actual 2018	Actual 2019	Budget 2020	Estimated					
				2021	2022	2023	2024	2025	2026
Right of Way Fund:									
Property tax revenue ***	\$ 1,727,725	\$ 1,757,227	\$ 1,738,200	\$ 1,738,200	\$ 1,738,200	\$ 1,781,655	\$ 1,826,196	\$ 1,871,851	\$ 1,918,648
Contribution towards operating expenses**	571,148	690,096	976,000	995,520	1,015,430	1,035,739	1,056,454	1,077,583	1,099,135
Revenue available - ROW Fund	1,156,577	1,067,131	762,200	742,680	722,770	745,916	769,743	794,268	819,513
Street Funds:									
Cash Reserves available - Capital Outlay	-	-	800,000	-	100,000	100,000	-	-	-
Revenue available-Capital Outlay	\$ 1,156,577	\$ 1,067,131	\$ 1,562,200	\$ 742,680	\$ 822,770	\$ 845,916	\$ 769,743	\$ 794,268	\$ 819,513

There is approximately \$600,000 in 2020 ROW cash reserves that could be put towards future projects, see above.

* Construction includes street, sidewalk, forestry and engineering costs (est. \$400,000 annually).

** Total operating revenue contribution increased 2% each year from 2020 amount.

*** Tax revenue and other sources is estimated based on 2020 levels increased as follows; 2021 (0.0%), 2022 (0.0%), 2023 (2.5%), 2024 (2.5%), 2025 (2.5%), 2026 (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 2018	Actual 2019	Budget * 2020	Estimated					
				2021	2022	2023	2024	2025	2026
Revenues:									
Captured tax revenue	\$ 370,018	\$ 407,969	\$ 400,000	\$ 400,000	\$ 400,000	\$ 410,000	\$ 420,250	\$ 430,756	\$ 441,525
Interest income	7,692	10,716	5,000	4,000	4,000	4,000	4,000	4,000	4,000
	<u>377,710</u>	<u>418,685</u>	<u>405,000</u>	<u>404,000</u>	<u>404,000</u>	<u>414,000</u>	<u>424,250</u>	<u>434,756</u>	<u>445,525</u>
Less:	-	-	-	-	-	-	-	-	-
Total revenue	<u>\$ 377,710</u>	<u>\$ 418,685</u>	<u>\$ 405,000</u>	<u>\$ 404,000</u>	<u>\$ 404,000</u>	<u>\$ 414,000</u>	<u>\$ 424,250</u>	<u>\$ 434,756</u>	<u>\$ 445,525</u>
Expenditures:									
Contracted services	\$ 2,292	\$ 452,652	\$ 167,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Lease payment to Debt Service Fund	260,000	231,400	225,000	235,000	265,000	255,000	250,000	225,000	220,000
	<u>262,292</u>	<u>684,052</u>	<u>392,000</u>	<u>245,000</u>	<u>275,000</u>	<u>265,000</u>	<u>260,000</u>	<u>235,000</u>	<u>230,000</u>
Total expenditures	<u>262,292</u>	<u>684,052</u>	<u>392,000</u>	<u>245,000</u>	<u>275,000</u>	<u>265,000</u>	<u>260,000</u>	<u>235,000</u>	<u>230,000</u>
Total revenues	<u>377,710</u>	<u>418,685</u>	<u>405,000</u>	<u>404,000</u>	<u>404,000</u>	<u>414,000</u>	<u>424,250</u>	<u>434,756</u>	<u>445,525</u>
Rev. available- Capital Improvement	<u>\$ 115,418</u>	<u>\$ (265,367)</u>	<u>\$ 13,000</u>	<u>\$ 159,000</u>	<u>\$ 129,000</u>	<u>\$ 149,000</u>	<u>\$ 164,250</u>	<u>\$ 199,756</u>	<u>\$ 215,525</u>

Tax revenue and other sources is estimated based on 2020 levels increased as follows; 2021 (0.0%), 2022 (0.0%), 2023 (2.5%), 2024 (2.5%), 2025 (2.5%), 2026 (2.5%)

**City of Petoskey
Capital Improvement Plan
Project Funding Source
2021**

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 under consideration pending available funding include Outlook Street and portions of Harvey Street, Washington Street from Buckley to Franklin.	Right-of-Way			200,000					200,000
Miscellaneous Pavement Preservation, Paving and Repair (Pending funding through MDOT Transportation Economic Development Fund Category B Program)	The purpose of this project is to replace or rehabilitate existing pavement and curb lines. Streets to include portions of Hill Street, West Jefferson Street and Connable Avenue.	Right-of-Way			81,500				81,500	163,000
Greenwood Road Reconstruction - Sheridan Street to Charlevoix Avenue	This project will replace pavement and curb lines on Greenwood Road in conjunction with water main replacement. There has been indication that the Tribe could contribute Bureau of Indian Affairs funding.	Right-of-Way			200,000				350,000 LTBBOI	550,000
<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					100,000			100,000
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					150,000			150,000
Water - Greenwood Road - Sheridan to Charlevoix Avenue	Utility upgrade to include water main replacement along Greenwood Road.	Operating Revenue					500,000			500,000
Sanitary - Greenwood Road - Sheridan to Charlevoix Avenue	Utility upgrade to include sanitary main rehabilitation along Greenwood Road.	Operating Revenue					150,000			150,000
<u>SIDEWALKS</u>										
Miscellaneous Sidewalk Construction and Replacement	Sidewalk construction will take place in conjunction with Greenwood Road reconstruction as well as areas identified in the Non-Motorized Facilities Plan as a top priority.	Right-of-Way			150,000					150,000
<u>ELECTRIC SYSTEM</u>										
Petoskey Substation Capacitor Banks	Installation of two (2) 1200kVAR pad mount capacitor banks at Petoskey Substation to compensate for increased VAR flow on the 12.5kV distribution circuits.	Operating Revenue				150,000				150,000
Solar Array Project City Landfill	City staff is currently engaged with Harvest Solar and MPPA evaluating usable area of the City's landfill on Howard Road for a solar array project. Once sizing and energy output is determined, a constructability and interconnect analysis can be performed to establish feasibility and costs.	Operating Revenue					TBD			TBD
Residential Conversion Project - Portions of Waukazoo, Rush, Beech 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 prepares for conversion to 7.2kV.	Operating Revenue				473,000				473,000

**City of Petoskey
Capital Improvement Plan
Project Funding Source
2021**

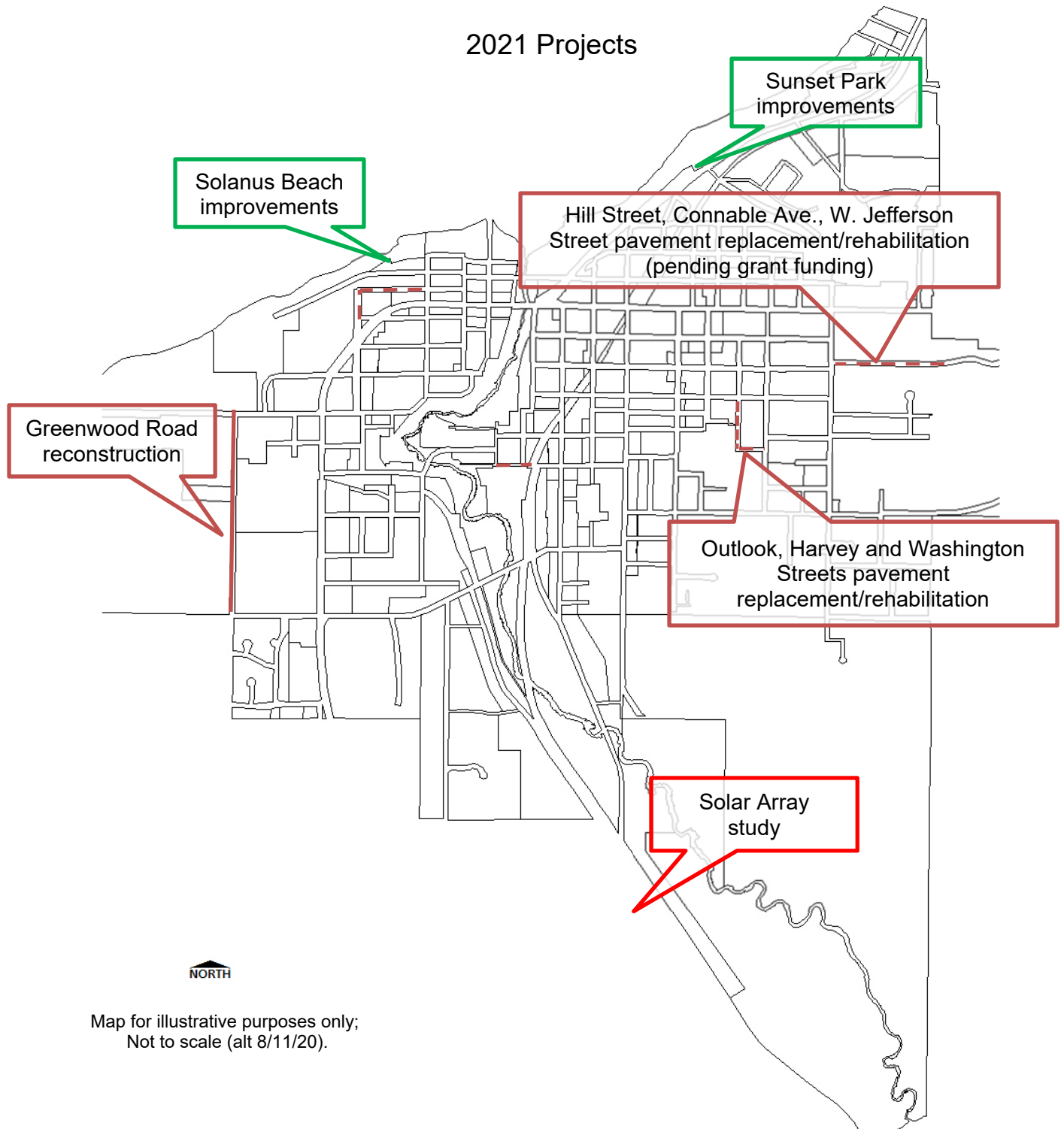
PROJECT CATEGORY	Funding Source	General	Parking	Streets	Electric	Water & Sewer	Motorpool	Grants/Other	Total
Mitchell Road Substation Breaker Voltage Conversion	Conversion of the breaker trip and close coil voltage from AC to DC at Mitchell Road Substation to improve reliability.	Operating Revenue			40,000				40,000
Saville Lot Equipment Relocation	Relocation of pad mount switchgear and adjacent transformers from the Saville Lot to open space for parking structure construction.	Operating Revenue			178,000				178,000
Greenwood Road Street Lighting	Installation of street lighting along Greenwood Road from Sheridan Street to Charlevoix Avenue in conjunction with road reconstruction project.	Operating Revenue			100,000				100,000
Utility System Generation	Installation of backup generators at critical facilities including lift stations and domestic water production sites (wells).	Operating Revenue			150,000				150,000
<u>MOTOR POOL</u>									
Patrol Vehicle - Replacement	To replace patrol vehicle #442 (2014) with 2021 unit. Convert and/or replace equipment from old unit to 2021 unit. Painting and lettering required.	Operating Revenue					40,000		40,000
Patrol Vehicle - Replacement	Replace patrol vehicle #443 (2013) with 2021 model. Convert and/or replace equipment from old unit to 2021 unit. Painting and lettering required.	Operating Revenue					40,000		40,000
Staff Vehicle - Replacement	Replace Motor Pool Vehicle Unit #29 (2010).	Operating Revenue					35,000		35,000
Pickup Truck 3/4 Ton with Plow 4x4 - Replacement	Replace Streets Unit #60 (2007).	Operating Revenue					37,000		37,000
1 Ton Dump Truck - Streets - Replacement	Replace Streets Unit #63 (2004).	Operating Revenue					57,000		57,000
Flusher Truck - Streets - Replacement	To replace truck #97 (2000).	Operating Revenue					93,000		93,000
Toro Workman Rescue Cart - Public Safety - Replacement	Replace Rescue Utility Cart Unit #441 (2006).	Operating Revenue					30,000		30,000
Bobcat Toolcat with Attachments, Snow Blower, Forks, Rotating Broom & Box - Replacement	Replace Utility Vehicle Unit #124 (2006).	Operating Revenue					75,000		75,000
70 Foot Ladder Truck Refurbish	Refurbish the ladder truck #4503 (2002) to meet NFPA guidelines. Work to be performed and certified by the manufacturer, will extend the life of the unit an additional 10 years.	Operating Revenue					100,000		100,000

**City of Petoskey
Capital Improvement Plan
Project Funding Source
2021**

PROJECT CATEGORY		Funding Source	General	Parking	Streets	Electric	Water & Sewer	Motorpool	Grants/Other	Total
<u>DOWNTOWN AREA</u>										
Parking Deck Engineering	Engineering of a parking deck on the Saville Lot.	Parking		300,000						300,000
<u>PARKS AND SPECIAL FACILITIES</u>										
Sunset Park Improvements - Phase One	Following stair tower replacement and MDOT project, park enhancements will be made.	Operating Revenue							100,000 TIFA	100,000
Arlington Park Design Engineering	Following US-31 realignment, redesign of Arlington Park and Lewis Street area.	Operating Revenue	10,000							10,000
Marina Fuel System Replacement	Tanks and piping will be 25 years old and in need of replacement or reconditioning and to increase diesel storage capacity.	Operating Revenue	100,000						100,000 State Grant	200,000
Little Traverse Wheelway Resurfacing	Resurfacing 1/3 of a mile of the LTW. Asphalt trail is deteriorating after many years.	Operating Revenue	60,000						40,000 Grant	100,000
Solanus Beach Improvements	As identified in the 2018-2022 Parks and Recreation Master Plan, improvements to the beach area that could include an accessible boardwalk to the water, shoreline improvements and restroom/pavilion.	TIFA Grants							250,000 TIFA/Grants	250,000
River Road Sports Complex Design Engineering	Engineering of restrooms at River Road Sports Complex.	Operating Revenue	10,000							10,000
Grand Totals			\$180,000	\$300,000	\$631,500	\$1,091,000	\$900,000	\$507,000	\$921,500	\$4,531,000

City of Petoskey 2021-2026 Capital Improvement Plan

2021 Projects



Map for illustrative purposes only;
Not to scale (alt 8/11/20).

**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	Reconstruction of East Lake Street including sidewalks and ADA ramps.	Right-of-Way			700,000					700,000
Miscellaneous Pavement Preservation, Paving and Repair	The purpose of this project is to replace or rehabilitate existing pavement and curb lines. Portions of Bridge, State, and Petoskey Streets are included in 2022 Small Urban Grant.	Right-of-Way			100,000				375,000	475,000
CBD - East Mitchell Street and Petoskey Street	To replace the concrete intersection that was removed previously and not replaced.	Right-of-Way							150,000	150,000
<u>WATER AND WASTEWATER SYSTEM</u>										
Water - East Lake - Kalamazoo to Division	Replacement of water mains and components in conjunction with street reconstruction.	Operating Revenue					500,000			500,000
Sanitary - East Lake - Kalamazoo to Division	Replacement of sanitary mains and components in conjunction with street reconstruction.	Operating Revenue					250,000			250,000
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					125,000			125,000
Miscellaneous Sanitary Sewer Main Spot Repairs and Upgrades	Sanitary sewer main work will take place in conjunction with street resurfacing projects.	Operating Revenue					125,000			125,000
<u>SIDEWALKS</u>										
Miscellaneous Sidewalk Construction and Replacement	Sidewalk additions and replacements will take place in conjunction with East Lake Street reconstruction and other priorities established in the Non-Motorized Facilities Plan.	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				120,000				120,000
East Lake Underground Conversion	Installation of new three-phase underground on East Lake Street from Division Street to Kalamazoo Avenue. Provides redundant circuit into the CBD area, converts East Lake Street to underground, and moves the circuit to the new 7.2/12.5kV system.	Operating Revenue				515,000				515,000
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				219,000				219,000
Mitchell Road Substation Fiber Connection	Installation of fiber optic cable from DPW to Mitchell Road Substation.	Operating Revenue				50,000				50,000
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				50,000				50,000

**City of Petoskey
Capital Improvement Plan
Project Funding Source
2022**

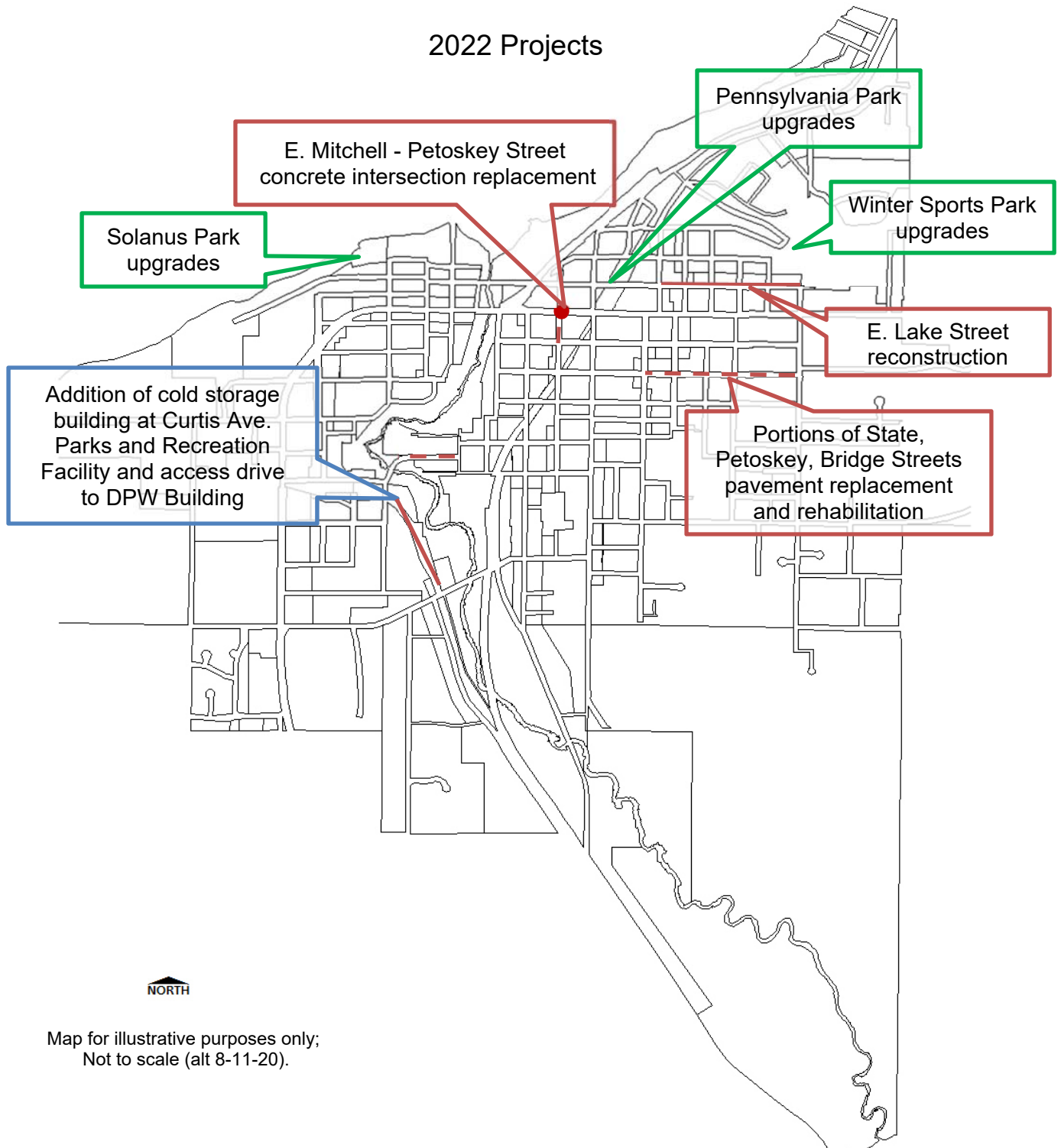
PROJECT CATEGORY		Funding Source	General	Parking	Streets	Electric	Water & Sewer	Motorpool	Grants/Other	Total
<u>MOTOR POOL</u>										
Patrol Vehicle - Replacement	Replace 4x4 patrol vehicle #445 (2017) with 2022 model. Painting and lettering required.	Operating Revenue						52,000		52,000
Pickup Truck - Water - Replacement	Replace Water Unit #34 (2012).	Operating Revenue						30,000		30,000
Pickup with Plow - Wastewater - Replacement	Replace WWTP Unit #38 (2012).	Operating Revenue						40,000		40,000
Bucket Truck - Electric - Replacement	Replace Unit #83 (2001).	Operating Revenue						225,000		225,000
Batwing Mower - Replacement	Replace Unit #148 (2012).	Operating Revenue						50,000		50,000
Crane Truck - Water - Replacement	To replace truck #33 (2009).	Operating Revenue						75,000		75,000
Staff Vehicle - Replacement	To replace Motor Pool vehicle #25 (2012).	Operating Revenue						30,000		30,000
Bobcat Toolcat with Attachments, Snow Blower, Forks, Rotating Broom & Box - Replacement	Replace Utility Vehicle Unit #112 (2006).	Operating Revenue						75,000		75,000
<u>DOWNTOWN AREA</u>										
Parking Lot Paving	Paving existing lot and pay station installation.	Parking		65,000						65,000
<u>BUILDINGS AND GROUNDS</u>										
City Hall Renovations	City Hall was renovated in 1990 and will continue to have repairs and modifications needed for continued efficient operations. Work will include foundation wall waterproofing repairs and HVAC system.	Operating Revenue	250,000							250,000
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
<u>PARKS AND SPECIAL FACILITIES</u>										
Festival Place Shelter Roof	Replace shingle roofing with metal roofing similar to Bear River pavilion.	Operating Revenue	20,000							20,000
Pennsylvania Park Upgrades	As part of the Downtown Greenway Corridor site amenities from Bay Street to East Mitchell Street, Park Avenue sidewalk widening and landscaping improvements will be constructed in accordance with design and engineering plans completed in 2018.	Operating Revenue	100,000			68,000			100,000	268,000

**City of Petoskey
Capital Improvement Plan
Project Funding Source
2022**

PROJECT CATEGORY		Funding Source	General	Parking	Streets	Electric	Water & Sewer	Motorpool	Grants/Other	Total
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	20,000						20,000 State Grant	40,000
Winter Sports Park Hockey Rink Improvements	Construction of a cover over the hockey rink to extend usability.	Operating Revenue							300,000 Local Grant	300,000
Bayfront Park West - Solanus Beach	Construction of public access and restrooms based on 2020 feasibility study results. May include shoreline stabilization improvements.	TIFA							500,000 TIFA and Grants	500,000
Grand Totals			\$390,000	\$65,000	\$1,000,000	\$1,022,000	\$1,000,000	\$577,000	\$4,845,000	\$8,899,000

City of Petoskey 2021-2026 Capital Improvement Plan

2022 Projects



Map for illustrative purposes only;
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**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 fall under the category of fair to poor based on PASER ratings.	Right-of-Way			200,000					200,000
<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					350,000			350,000
Sanitary - Miscellaneous Sewer Main Spot Repairs and Upgrades	Sewer main work will take place in conjunction with street resurfacing.	Operating Revenue					150,000			150,000
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					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			150,000					150,000
<u>ELECTRIC SYSTEM</u>										
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
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				320,000				320,000
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				365,000				365,000
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				219,000				219,000

**City of Petoskey
Capital Improvement Plan
Project Funding Source
2023**

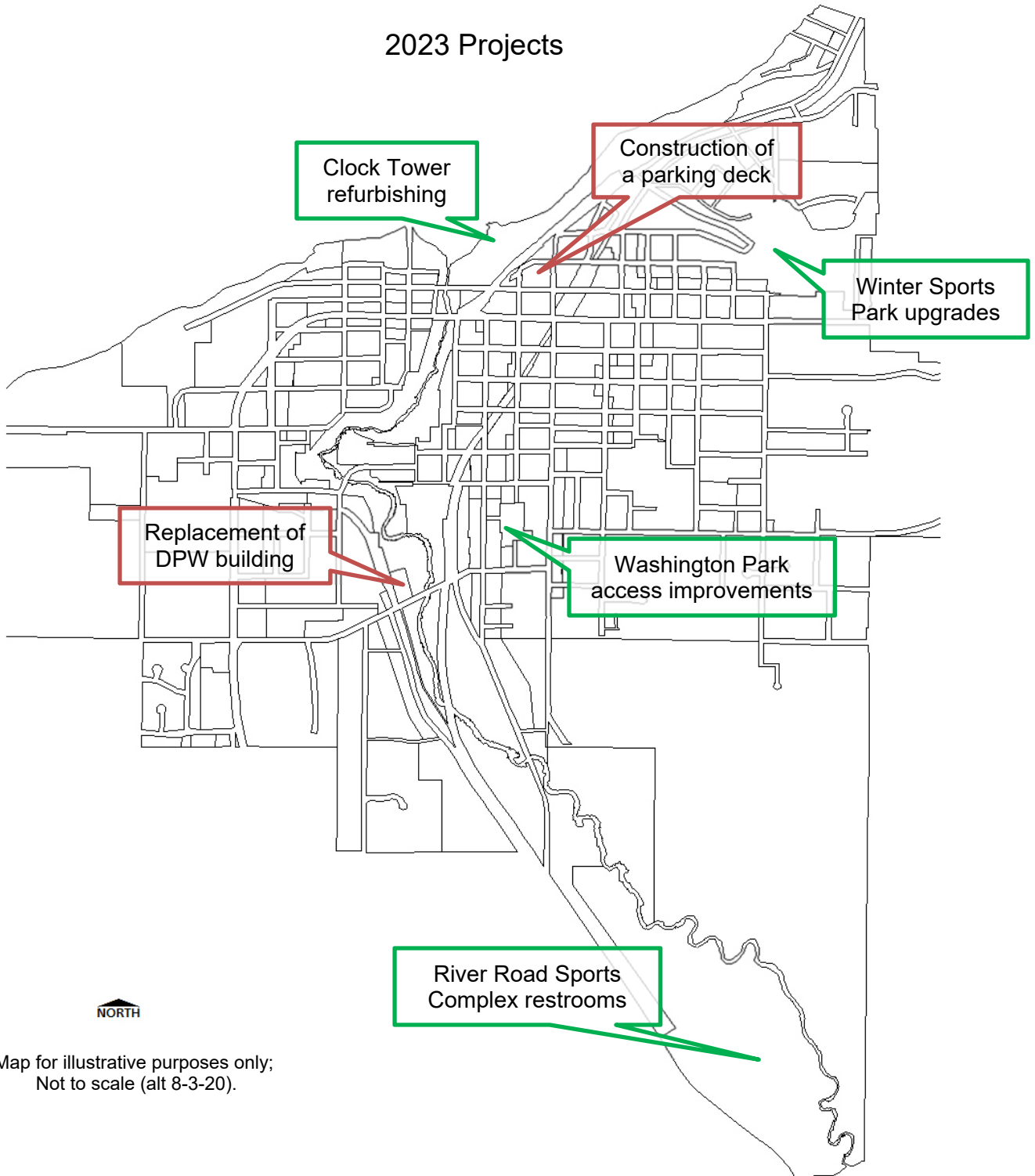
PROJECT CATEGORY	Funding Source	General	Parking	Streets	Electric	Water & Sewer	Motorpool	Grants/Other	Total
<u>MOTOR POOL</u>									
Patrol Vehicle - Replacement	Replace 4x4 patrol vehicle #446 (2018) with 2023 model. Painting and lettering required.	Operating Revenue					52,000		52,000
Pickup Truck - CBD Water Truck - Replacement	Replace Unit #52 (2008).	Operating Revenue					30,000		30,000
Pickup Truck - Parks and Rec - Replacement	Replace Unit #53 (2010).	Operating Revenue					25,000		25,000
Pickup Truck - Streets - Replacement	Replace Unit #65 (2010).	Operating Revenue					25,000		25,000
Heavy Duty Plow Truck/Underbody - Streets - Replacement	Replace Unit #93 (2006).	Operating Revenue					180,000		180,000
Front End Loader - Streets - Replacement	Replace Unit #107 (2003).	Operating Revenue					200,000		200,000
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	Paving existing lot and pay station installation.	Parking	65,000						65,000
Construction of a Parking Deck	Construction of a deck on the Saville Lot.	TIF Bonds						3,000,000	3,000,000
<u>BUILDINGS AND GROUNDS</u>									
Bayfront Park Clock Tower	Refurbish tower lights and clock mechanisms.	TIFA	75,000						75,000
East Lake Street Fire Station	Paint apparatus room and radiant heat tube replacement.	Operating Revenue	42,000						42,000
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>									
Washington Park Access Engineering and Construction	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. 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	75,000		75,000			75,000 State Grant	225,000
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	95,000						95,000

**City of Petoskey
Capital Improvement Plan
Project Funding Source
2023**

PROJECT CATEGORY	Funding Source	Funding Source							Total	
		General	Parking	Streets	Electric	Water & Sewer	Motorpool	Grants/Other		
Winter Sports Park Building Roof	The existing Winter Sports Park building will be 31 years old in 2021. Replacement of roof will be the first phase of improvements, with siding and deck repairs in 2022.	Operating Revenue	30,000							30,000
Winter Sports Park Building Interior Renovations	The Winter Sports Park Building in 2021 will be 31 years old and 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
Winter Sports Park Building Siding and Decking	The existing Winter Sports Park building will be 31 years old in 2021 and exterior siding and decking will be needed to maintain structure.	Operating Revenue	60,000							60,000
River Road Sports Complex	Construction of restrooms at River Road Sports Complex.	Operating Revenue	100,000					250,000 State Grant		350,000
Little Traverse Wheelway Resurfacing	Replace 1-mile segment of LTW.	Operating Revenue	130,000					130,000 State Grant		260,000
Lockwood Park Upgrades	Upgrade the basketball court.	Operating Revenue	25,000							25,000
Marina Parking Lot Resurfacing	In 2020, the parking lot will be 30 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	20,000					20,000 State Grant		40,000
Grand Totals			\$722,000	\$65,000	\$425,000	\$1,426,000	\$1,000,000	\$619,000	\$14,995,000	\$19,252,000

City of Petoskey 2021-2026 Capital Improvement Plan

2023 Projects



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**City of Petoskey
Capital Improvement Plan
Project Funding Source
2024**

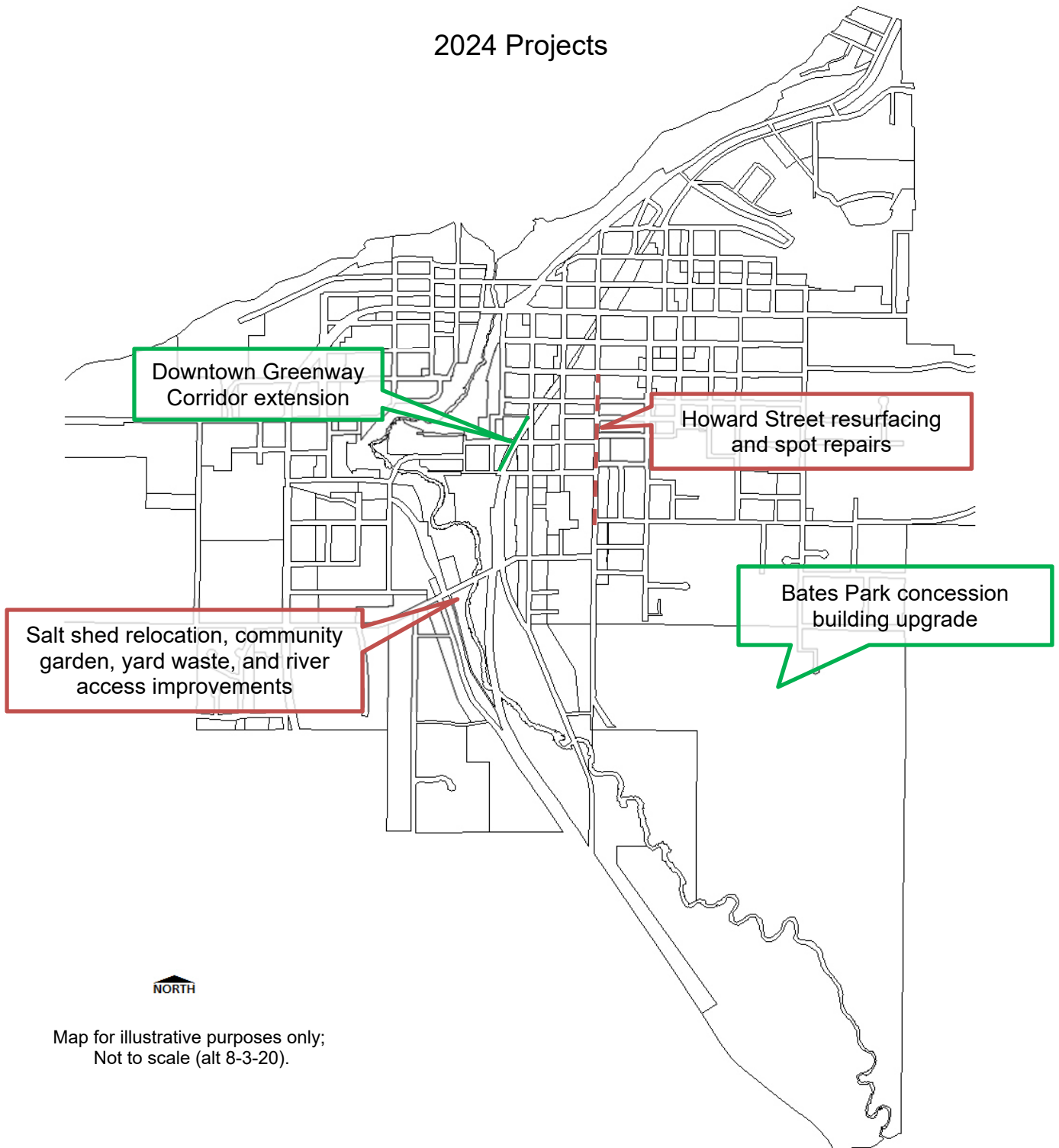
PROJECT CATEGORY	Funding Source	General	Parking	Streets	Electric	Water & Sewer	Motorpool	Grants/Other	Total
<u>STREETS AND DRAINAGE</u>									
Howard Street from State Street to Jennings Avenue	This project would be dependent upon funding availability through MDOT's Small Urban Program. Primary scope of work would be to remove and replace deteriorating pavement along with spot repairs to curbs, sidewalks and storm sewers.	Right-of-Way		400,000				375,000 State Grant	775,000
<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 resurfacing.	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 resurfacing.	Operating Revenue				450,000			450,000
<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 prepares for conversion to 7.2/12.5kV.	Operating Revenue			655,000				655,000
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			293,000				293,000
<u>MOTOR POOL</u>									
Public Safety Marine Apparatus - Replacement	Replace Unit #526 (2007).	Operating Revenue					35,000		35,000
Patrol Vehicle - Replacement	Replace vehicle #447 (2019) with 2024 model. Convert and/or replace equipment from old unit; painting and lettering required.	Operating Revenue					52,000		52,000
Staff Vehicle - Public Works - Replacement	Replace Unit #26 (2015).	Operating Revenue					35,000		35,000
Staff Vehicle - Finance- Replacement	Replace Unit #21 (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

**City of Petoskey
Capital Improvement Plan
Project Funding Source
2024**

PROJECT CATEGORY		Funding Source	General	Parking	Streets	Electric	Water & Sewer	Motorpool	Grants/Other	Total
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>										
Parking Lot Paving	Paving existing lot and pay station installation.	Parking		70,000						70,000
Engineering of a Parking Deck	Engineering of a parking deck on the City-County Lots.	Parking		400,000						400,000
<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
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>										
Bates Park Concession Building	Concession will be 25 years old in 2024 and in need of roofing and siding.	Operating Revenue	60,000							60,000
Downtown Greenway Corridor Extension	Construction of the corridor between Emmet Street and Washington Street following rail corridor property purchase in 2023.	Operating Revenue	150,000						50,000	200,000
Washington Park Improvements	Construction of improvements identified through a master plan process, including park amenities to follow 2023 access improvements.	Operating Revenue	150,000						150,000	300,000
Grand Totals			\$450,000	\$470,000	\$1,100,000	\$948,000	\$1,000,000	\$458,000	\$3,092,000	\$7,518,000

City of Petoskey 2021-2026 Capital Improvement Plan

2024 Projects



NORTH

Map for illustrative purposes only;
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**City of Petoskey
Capital Improvement Plan
Project Funding Source
2025**

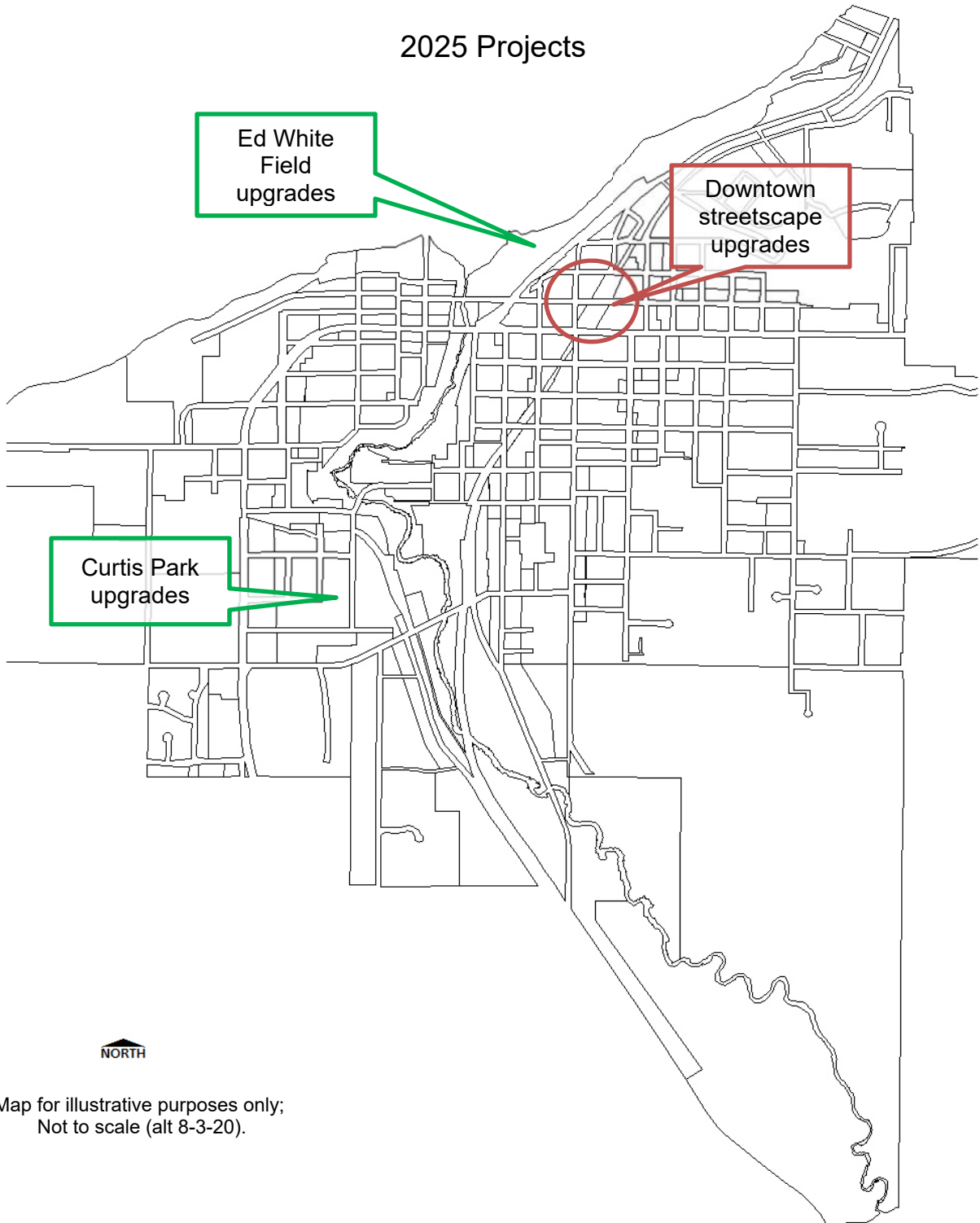
PROJECT CATEGORY		Funding Source	General	Parking	Streets	Electric	Water & Sewer	Motorpool	Grants/Other	Total
<u>STREETS AND DRAINAGE</u>										
Miscellaneous Pavement Preservation, Paving and Repair	This project is to replace or rehabilitate existing pavement and curb lines. Streets to be considered fall under the category of fair to poor based on PASER ratings.	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					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			150,000					150,000
<u>ELECTRIC SYSTEM</u>										
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				149,000				149,000
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				404,000				404,000
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
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
<u>MOTOR POOL</u>										
Patrol Vehicle - Replacement	To replace patrol vehicle #444 (2020) with 2025 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

**City of Petoskey
Capital Improvement Plan
Project Funding Source
2025**

PROJECT CATEGORY	Funding Source	General	Parking	Streets	Electric	Water & Sewer	Motorpool	Grants/Other	Total
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
<u>DOWNTOWN AREA</u>									
Parking Lot Paving	Paving existing lot and pay station installation.	Operating Revenue		75,000					75,000
Replacement of Road Trolley	Replacement of 1999 road trolley. In 2025 the road trolley will be 26 years old and in need of replacement.	Operating Revenue		125,000					125,000
Downtown Streetscape	The streetscape will be 28 years old and should continue to be pedestrian oriented while incorporating green infrastructure and new technologies.	Operating Revenue						TBD	TBD
<u>BUILDINGS AND GROUNDS</u>									
City Hall	Replacement of HVAC units (1989) and other efficiency improvements identified in the energy audit.	Operating Revenue	325,000						325,000
<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	Implementation of the Master Plan developed in 2021.	Operating Revenue	100,000					100,000	200,000
Grand Totals			\$605,000	\$200,000	\$500,000	\$928,000	\$1,000,000	\$667,000	\$4,000,000

City of Petoskey 2021-2026 Capital Improvement Plan

2025 Projects



Map for illustrative purposes only;
Not to scale (alt 8-3-20).

**City of Petoskey
Capital Improvement Plan
Project Funding Source
2026**

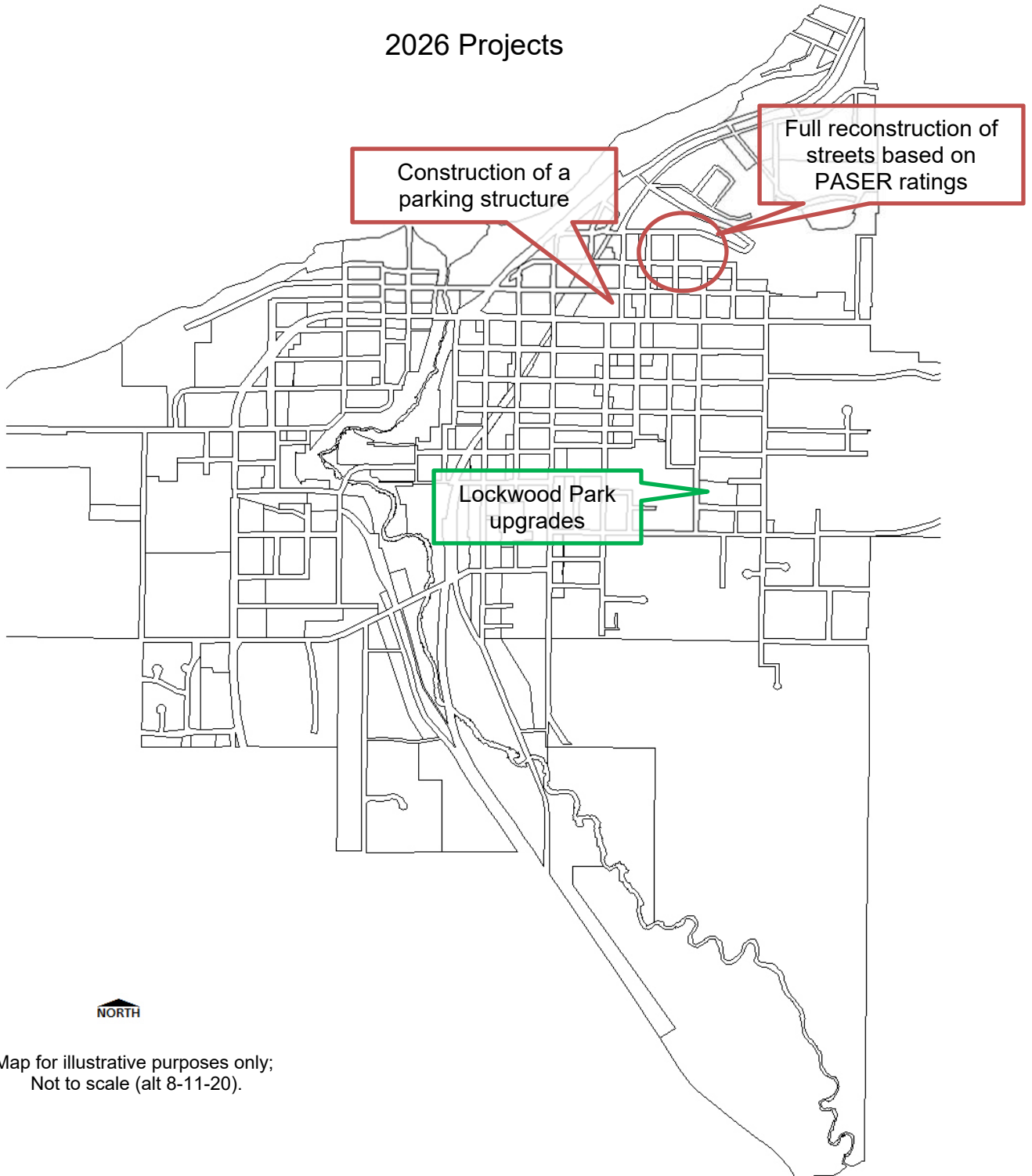
PROJECT CATEGORY		Funding Source	General	Parking	Streets	Electric	Water & Sewer	Motorpool	Grants/Other	Total
<u>STREETS AND DRAINAGE</u>										
Full reconstruction of streets identified through PASER ratings and utility conditions	These streets are not candidates for pavement preservation. Possible candidates include Bay, Rose, Clinton and Ottawa.	Right-of-Way			800,000					800,000
<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 - (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				604,000				604,000
Lafayette/Traverse Woods Cable Replacement	Replacement of the 30+ year old underground cable and equipment at Lafayette and Traverse Woods Apartments.	Operating Revenue				400,000				400,000
<u>MOTOR POOL</u>										
Staff Vehicle - Parks and Recreation - Replacement	Replace Unit #28 (2017).	Operating Revenue						33,000		33,000
Staff Vehicle - Public Safety - Replacement	Replace Public Safety Unit #450.	Operating Revenue						35,000		35,000
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.						50,000		50,000	
Asphalt Recycler and Hot Patch Trailer-Falcon - Replacement	Replace Street Department Unit #103 (2015).						29,000		29,000	
Toro Workman Utility Cart - Parks and Rec - Replacement	Replace Utility Cart #116 - Marina (2013).						16,000		16,000	
Bobcat Toolcat with Attachments, Snow Blower, Forks, Rotating Broom, and Box-Replacement	Replace Utility Vehicle Unit #126 (2017).						85,000		85,000	
Heavy-Duty Forklift- Replacement	Replace Public Works Garage Unit #128 (2006).						28,000		28,000	
Toro Walk Behind Mower	Replace Parks and Rec Unit #182 (2001).						6,000		6,000	
Zamboni Ice Groomer - Replacement	Replace Winter Sports Park Ice Rink Unit #173 (1988).						30,000		30,000	
<u>DOWNTOWN AREA</u>										
Construction of a Parking Deck	Construction of a Deck on the City-County Lots.		Parking					3,500,000	3,500,000	
<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, replacement of tube heating system, training room cabinet remodel, interior apparatus area painting, HVAC rooftop unit, furnaces (2), carpet replacement, window replacement and interior lighting upgrades.	Operating Revenue	243,000						243,000	
Public Safety Garage - City Hall	Replace radiant tube heaters.	Operating Revenue	18,000						18,000	
<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	67,000						67,000	
Grand Totals			\$528,000	\$0	\$1,000,000	\$1,004,000	\$1,000,000	\$417,000	\$3,700,000	\$7,649,000

City of Petoskey 2021-2026 Capital Improvement Plan

2026 Projects



Map for illustrative purposes only;
Not to scale (alt 8-11-20).

**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
Ingalls Central to Westshore Gravity Bypass	This project would help automatically transfer water between two pressure districts and provide for additional system redundancy and reliability.	Operating Revenue					50,000			50,000
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

**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
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
<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
AMI System	Installation of a system-wide AMI (Advanced Metering Infrastructure) system. Provides for time-of-use energy sales, automatic meter reading, remote disconnects/reconnects, and outage detection.	Operating Revenue				946,500				946,500
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
Solar Array Installation	Installation of solar array on City properties including landfill.	Operating Revenue				TBD				TBD
Rooftop Solar Installation	Installation of solar panels on Lake Street Fire Station and other facilities.	Operating Revenue				300,000				300,000
<u>MOTOR POOL</u>										
Sutphen Fire Truck with Mini Tower	Replacement of Vehicle #503 (2002).	Operating Revenue						750,000		750,000
<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

**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>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	Operating Revenue							TBD	
Bayfront Park Shoreline Stabilization	Due to on-going high water levels and resulting damage, improvements to stabilize shoreline.	Operating Revenue	7,000,000						TBD	7,000,000
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
Bayfront Park Paddlesport Improvements	Construction of paddlesport storage area and barrier-free launch.	Operating Revenue							TBD	
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
Tennis Court Complex	The complex will be due for upper court repainting (completed every 7 years), lower court repainting (completed every 7 years), concession and restroom upgrades and lower court replacement.	Operating Revenue	150,000						150,000 PPS 50% Share	300,000
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

**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
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	Dog park was identified as a top community project based on public feedback per the current Parks and Recreation Masterplan.	Operating Revenue	100,000						200,000	300,000
Miscellaneous	Miscellaneous replacements including park benches and picnic tables as identified.	Operating Revenue	75,000							75,000
Grand Totals			\$9,756,520	TBD	TBD	\$2,502,500	\$6,310,000	\$750,000	\$ 1,055,000	\$20,374,020