



*Tim Kabat*  
*Mayor*  
*City of La Crosse*

## MEMORANDUM

**TO:** La Crosse Common Council, City Department Heads  
**FROM:** Mayor Tim Kabat *Tim Kabat*  
**DATE:** October 9, 2017  
**SUBJECT:** 2018 capital improvement plan (CIP) budget

The 2018 proposed capital improvement plan budget (CIP) includes several sources of funds this year and are designated by a SOF #10. These include:

- A. Reserve Fund Reduction. Resolution #17-0900 revised the minimum reserve fund balance from maintaining 25% of the operating budget to 20%. This change makes approximately \$4,203,414 available for projects in 2018 and beyond. The proposed list of projects are as follows:

Item #31	New fire station		\$1,000,000
Item #44	Riverside Park bandshell		\$100,000
Item #59	Weigent Park improvements		\$375,000
Item #60	Trails/land restoration		\$125,000
Item #61	Bluffview Park improvements		\$375,000
Item #68	Police dept parking lot		\$550,000
Item #74	City hall fire alarm replacement		\$200,000
Item #105	Disaster recovery building		\$350,000
Item #139	Street lighting LED upgrades		\$20,000
Item #143	George Street West George to Stoddard		\$400,000
Item #144	20th Street Cass to Market		\$103,414
Item #150	Grove Street 10th to 11th		\$5,000
Item #159	Rubelee Street George to Liberty		\$150,000
Item #184	Cass Street streetscaping		\$400,000
			\$4,153,414

- B. Accelerated Transportation Infrastructure Maintenance and Reconstruction Program. Resolution #17-0545 provided \$2,500,000 in funding for street reconstruction and maintenance.

Item #17	Alley between 25th and 26th Streets	\$11,000
Item #131	Bliss Road slope repair	\$400,000
Item #132	ADA ramp replacement	\$40,000
Item #141	Losey Boulevard overlay	\$850,000
Item #149	Cass Street from 8th to West Ave	\$1,045,000
Item #160	13th Street from Market to Ferry	\$154,000
		\$2,500,000

- C. Accelerated Transportation Infrastructure Maintenance and Reconstruction Program for Pedestrians/Bicycles. Resolution #17-0545 also provided \$250,000 in funds for pedestrian and bicycle facilities.

Item #181	Bicycle & Ped Plan implementation	\$250,000
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- D. 2016 Carryover for Infrastructure. Resolution #17-0293 provided \$165,000 in funds for streets, lighting and bicycle/pedestrian facilities.

Item #181	Bicycle & Ped Plan implementation	\$165,000
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The 2018 CIP adopted by the City Plan Commission includes \$5,669,986 in new borrowing. The city's self-imposed limit for new borrowing is \$7.5 million, leaving a difference of \$1,830,014 available.

This difference is due to my error. In calculating the amount for new capital equipment, I presumed the \$1,916,400 amount was included in the new borrowing total during our deliberations and analysis when in fact it was not. Therefore, the Common Council has several options for finishing the 2018 CIP. These options are outlined as follows:

1. The Common Council can pass the budget as is – keeping the \$1,830,014 below our new borrowing limit.
2. The Common Council can reallocate projects from the list of reserve fund reduction (see above) into new borrowing. This would have the effect of increasing borrowing to the \$7.5 million limit and reducing the amount from reserve funds from about \$4.2 million to \$2.4 million.
3. The Common Council can identify projects totaling \$1,830,014 and use new borrowing for these projects in 2018.

Based on these options, my recommendation is that the Common Council should select option #3, identifying projects totaling \$1,830,014 and adding these to the 2018 CIP through an amendment. As there are several high priority projects that did not receive full funding or were pushed out to 2019, here are my recommendations:

1. Move item #161, Cliffwood Lane from 28<sup>th</sup> Street to Seiler Lane, cost \$790,000 into year 2018. This street is in extremely poor condition and was one of the last street projects pushed out to 2019.
2. Increase 2018 funds for item #31, new fire station, by an additional \$750,000. This would increase proposed 2018 funding from \$1,000,000 to \$1,750,000 and brings the two year total (2017 & 2018) to \$2,250,000, providing a significant jump start to address our fire station needs.
3. Increase funds for item #63, Badger Hickey Park, by an additional \$190,000. This would increase proposed 2018 funding from \$200,000 to \$390,000.
4. Increase funds for item #56, Memorial Pool project, by an additional \$100,014. This would increase proposed funding from \$725,000 to \$825,014 and brings the two year total (2017 & 2018) up to \$1,075,014 and shows strong city support for this project.

There is an additional needed CIP amendment. Within the Gundersen/Powell-Poage-Hamilton tax increment district #14, I request reallocating funding between item #236, Isle La Plume improvements and #238, Carroll Park. I recommend amending the funding amounts for each so that item #236 is funded at \$350,000 and #238 is also funded at \$350,000.

Please let me know if you have any questions or need additional information.