

The background of the document is a grayscale photograph. On the right side, there is a large statue of a man in a military uniform, possibly a Marine, holding a woman in a white dress. The statue is set on a dark, rectangular base. To the left of the statue, there is a white, two-story house with a porch and a white railing. The house has a gabled roof and a chimney. The overall scene is set outdoors with some trees visible in the background.

CITY MANAGER'S RECOMMENDED BUDGET *FY 2020-2021*



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INTRODUCTION

May 12, 2020

Dear Mayor and Council:

In the fiscal year 2020-2021, the City of Graham will celebrate its Septuagintcentennial anniversary (don't ask me to pronounce). In these 170 years the City has withstood pandemics, The Great Depression, two world wars, civil unrest and a civil war. Today the City again stands ready to assist our citizens through this latest test of strength and continue to address the needs associated with a growing community.

Within the following document you will find the recommended budget for Fiscal Year 2020-2021, which begins our journey towards recovery. The development of the budget has been one of, if not the most difficult of my career, which spans over two decades. As I compose this document, we are in the midst of the COVID-19 pandemic that has shuttered a large portion of the local, state and national economy in favor of social distancing to curb the spread.

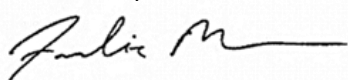
Notwithstanding a global pandemic, the citizens of the City of Graham require and deserve that our municipal services continue, limiting interruption where possible. I'm proud to report that to date we have successfully maintained our essential services, in the face of increased demand, all the while protecting employees and doing our part to slow the spread of the disease. We also must not lose sight of longer term needs and projects that require attention now.

While many are sounding alarms, the sky doesn't appear to be completely falling, at least not in Graham. The property tax base is increasing, hundreds of new residents are now calling Graham home, economic development interest is high and despite the pandemic, new housing starts in April remain steady. In fact, a recent analysis of the online real estate database of Zillow, places the Graham area as having the fastest growing home values in the area.

Mean Home Values						
Zip Code	Value in 2012	Projected 2020	Updated Projection	Actual Increase	Percent Increase Estimated/Actual	
27253 (Graham)	\$117,000	\$160,000	\$165,000	\$48,000	37%	41%
27215 (Macintosh)	\$123,000	\$161,000	\$163,000	\$40,000	30%	32%
27217 (Western Elec)	\$82,000	\$103,000	\$106,000	\$24,000	25%	29%
27302 (Mebane)	\$141,000	\$192,000	\$195,000	\$54,000	36%	38%

While it's inevitable that we will experience financial turbulence, the City is well positioned financially and remains flexible to ensure continuity of service to our citizens. The FY 2020-2021, as proposed, embodies this notion. Thank you in advance for your consideration.

Sincerely,



Frankie Maness
City Manager

1. FY 2020-2021 SUMMARY

The total of all budgets, for the City of Graham in FY 2020-2021, is estimated at \$28,035,640, that's within .07% of the appropriations for the current year. Appropriations across ten (10) different funds include operating, internal service and capital projects. Operational funds tend to get the most attention during the budgeting process, but all funds are generally dependent on the year in and year out financial resources of the City and thus must be considered in formulating the overall picture of the City's finances and appropriations.

Speaking of operating funds, the backbone of all City functions depends on the efforts of over 250 dedicated personnel. I consider these individuals the unsung heroes in the fight against the COVID-19 pandemic. City forces continue to process clean potable water, remove solid waste, respond to requests for emergencies and even provide a day camp for the children of select essential employees throughout the county. Their efforts continue to maintain essential life and safety operations that most take for granted, even as their own lives are forced into transition.

I would be remiss if I didn't consider these individuals and their efforts when programming the FY 2020-2021 budget. The proposed budget continues to afford performance and COLA adjustments in keeping with historical practices based on the Consumer Price Index for all urban consumers (CPI-U), and the referenced CPI-U for FY 2020-2021 is 2.3%. Therefore, two adjustments of 1% each are proposed on July 1, 2020 and January 1, 2021.

The division of the traditional COLA is not the only measure recommended for expenditure control as we enter the new year and wait for the recovery from the COVID-19 epidemic. There are also no new positions included and total employment is recommended at fewer positions, 157 FTEs vs. 160 FTEs in the current year. No new programs nor expansion of service levels are requested. In fact, some programs, particularly recreational programs may not happen at all due to social distancing requirements. Travel appropriations across all funds are reduced by nearly 25%, and over \$1,500,000 in identified expenses are subject to delay or suspension. A total of \$2,128,554 of requested expenditures were not included in the proposed budget.

All Funds Summary				
REVENUE	FY 2019-2020	FY 2020-2021 REQUESTED	MANAGER'S RECOMMENDATION	Difference
GENERAL FUND	\$13,559,300	\$16,078,247	\$14,067,800	(\$2,010,447)
FEDERAL DRUG MONIES	\$100	\$100	\$100	\$0
STATE DRUG MONIES	\$100	\$100	\$100	\$0
WATER & SEWER CAPITAL RESERVE	\$40,000	\$0	\$0	\$0
WATER & SEWER	\$7,645,000	\$8,204,232	\$8,150,800	(\$53,432)
CITY GARAGE	\$935,600	\$952,376	\$951,700	(\$676)
GRAHAM MEMORIAL PARK	\$64,000	\$64,000	\$0	(\$64,000)
GRAHAM REGIONAL PARK INCLUSIVE PLAYGROUND	\$850,000	\$903,140	\$903,140	\$0
JIM MINOR ROAD PARK	\$1,000,000	\$0	\$0	\$0
BOYD CREEK PUMP STATION	\$3,962,000	\$3,962,000	\$3,962,000	\$0
TOTALS:	\$28,056,100	\$30,164,194.20	\$28,035,640	(\$2,128,554.20)

Unfortunately, one of the largest expenditures for the City, our group health insurance plan for employees and retirees, must be adjusted as costs are far outpacing our growth in revenue and general inflation. Maintenance of the existing plan would require a 16% increase in premiums, which is a doubling rate of every six years, and claims for the most recent quarter are averaging \$5,700 per day, thus signaling future strife. The City is also facing a long term liability for post-employment benefits of \$12,001,297, which is 264.30% of the covered payroll. Therefore, adjustments to the plan were made to balance the cost to our employees and to the City's annual budget as well as long term liability. Employees who desire additional coverage are being offered new pre-tax options through payroll deduction. Popular employee benefits such as annual physicals, age appropriate screenings and Teledoc are still offered at no charge, as each are effective in mitigating employee illness and absenteeism as well as costs. These adjustments did not relieve the City of additional expense for next year as the City will still see a 3.28% increase, an amount that still exceeds normal inflation.

Personnel expenses for the City's participation in the Local Government Employees Retirement System for FY 2020-2021 is set to increase once again as the required contributions are rising. Since FY 2016-2017, contribution rates have increased by 40% for General and Firefighter classes and 35.5% for law enforcement officers.

The foremost challenge for the City of Graham in FY 2020-2021 is the Water and Sewer Fund rather than the General Fund. This enterprise operation is capital intensive, requiring constant maintenance, replacement and upgrading. Couple those aspects with significant regulatory oversight and challenges compound. In FY 2020-2021, the City must begin to appropriate funds to cover the debt service on recent projects and look ahead towards major projects that have a significant financial impact. On the bright side of things, almost 95% of all user accounts are residential and our largest consumers are essential businesses and bulk sales, therefore the impact from COVID-19 on user charges is estimated to be nominal.

Further looking at the glass as half full, the proposed budget for FY 2020-2021 is able to maintain the existing services and service levels that our citizens are accustomed to. The budget also forwards our investment in much needed capital expenditures and improvements to aging infrastructure with over \$5.5 million in projects. This is accomplished with no increase to the Ad Valorem tax rate, no new fees and only a delayed adjustment to water and sewer fees; and the adjustment to water and sewer fees will serve to minimize future adjustments.

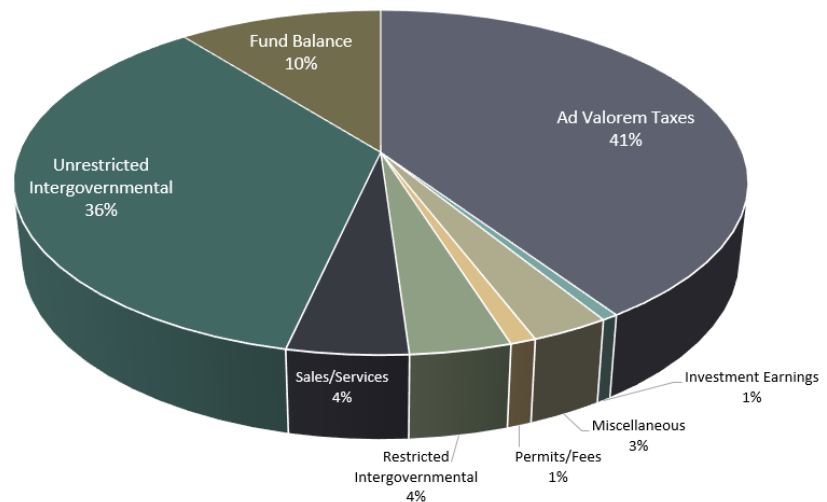
All Funds Annual Comparison				
REVENUE	FY 2019-2020	FY 2020-2021	Difference	% Difference
GENERAL FUND	\$13,559,300	\$14,067,800	\$508,500	3.75%
FEDERAL DRUG MONIES	\$100	\$100	\$0	0.00%
STATE DRUG MONIES	\$100	\$100	\$0	0.00%
WATER & SEWER CAPITAL RESERVE	\$40,000	\$0	(\$40,000)	-100.00%
WATER & SEWER	\$7,645,000	\$8,150,800	\$505,800	6.62%
CITY GARAGE	\$935,600	\$951,700	\$16,100	1.72%
GRAHAM MEMORIAL PARK	\$64,000	\$0	(\$64,000)	-100.00%
GRAHAM REGIONAL PARK INCLUSIVE PLAYGROUND	\$850,000	\$903,140	\$53,140	6.25%
JIM MINOR ROAD PARK	\$1,000,000	\$0	(\$1,000,000)	-100.00%
BOYD CREEK PUMP STATION	\$3,962,000	\$3,962,000	\$0	0.00%
TOTALS:	\$28,056,100.00	\$28,035,640.	(\$20,460.00)	-0.07%

2. GENERAL FUND

Revenues

The revenues of the City's general government fund, the General Fund, is most affected by fluctuations in the economy since the City's second largest revenue, the sales and use tax, is particularly elastic. However, all is not lost for the General Fund. Growth in recent years has fueled an increase in the taxable valuation of property in the City. In fact, it is estimated that the tax base will continue to grow and outpace inflation for the coming year. For FY 2020-2021, the General Fund has a total budget of \$14,067,800.

- Ad Valorem Taxes:** Local property tax receipts are nearly 41% of the total revenue in the General Fund. Growth in the tax base, not the rate, is estimated to increase Ad Valorem Receipts by 5.82% to \$5,713,600. Although increases are expected, a conservative collection percentage estimate of 97% is calculated. A budgeting bellwether for the City in terms of the Ad Valorem Tax, in recent years, has been the cost of public safety. This year public safety expenses are estimated to outpace Ad Valorem Receipts by \$225,000, which typically would suggest the tax rate is insufficient to support the continued level of service. However, when accounting for a single expenditure of \$250,000, tax receipts are effectively where they need to be for the current levels of service.
- Investment Earnings:** Formerly a large revenue source for the City, investment earnings have dipped from receipts that were realized a decade or so ago when they were easily into six figures. The estimated receipts for FY20-21 remain at \$87,000, which is a tax rate equivalent of \$0.007.
- Miscellaneous Receipts:** Contributing about 3% of our total General Fund revenue is the "catch all" category of Miscellaneous Receipts. The NCCP partnership represents the overwhelming majority of these receipts at \$310,000. The partners in the NCCP are expected to share receipts on \$190,000,000 in tax base.
- Other Taxes and Licenses:** Nominal revenue is still generated from local levies on licenses for alcohol sales. General Privilege Licenses are no longer authorized to be levied.
- Permits and Fees:** Various fees incident to development are included here. The most notable revenues are permit fees for the building trades with estimated revenue of \$135,000. Permit fees obviously vary with the amount of development activity in the City, making precise estimates challenging. While permit fees do not offset the expenditures to the department, no changes to permit fees or any other development fee is proposed.
- Restricted Intergovernmental:** As the name indicates, specific expenditure functions must follow the revenues in this group. The most notable revenue here is the Powell Bill street aid distribution from the State. Estimates for this



revenue are slightly decreased by 0.38%, or \$1,500, to \$388,500. While the City has options to use these funds for other street related functions, this year's proposed budget continues the practice of spending the entirety of the distribution on street resurfacing activities.

- **Sales and Services:** Many different revenue sources make up this group of revenues and their general purpose is to offset the cost of services rendered to specific users. While revenues from these fees are comingled within the General Fund, they are the closest thing to an exchange transaction. Therefore, constant monitoring of the costs for these specific services must be monitored and the fees aligned accordingly. While it is proposed to hold the line on fees in this category for FY20-21 to assist in recovery from the COVID-19 economic downturn, several fees are receiving mounting pressure to adjust. Chief among those are fees for recycling and sanitation (\$358,000) where growth and demand are outpacing our ability to service, and contracted providers for recycling have already indicated that costs will at least triple upon the expiration of the existing contract.
- **Unrestricted Intergovernmental:** This group of revenues provide over 37% of the total General Fund revenue, totaling \$5,079,500. The chief revenue generator in this category is the aforementioned sales and use tax, which alone is the second largest revenue for the City. Next year's sales tax receipts are budgeted at no change. While it is inevitable that receipts will be affected by the COVID-19 pandemic, this budget must look beyond now and into receipts that may not be received until September of 2021. Conservative estimates in prior years has afforded the City the ability to hold the line in this revenue estimate at \$3,782,500, helping us avoid drastic action. As example, in FY 2018-2019 the City actually collected over \$40,000 more than this estimate. Other major revenues in this group include the Utility Franchise Taxes (\$960,000) and ABC Profit Distribution (\$80,000).
- **Fund Balance:** The upcoming year will require a higher appropriation of fund balance (\$1,493,200) than normal. However, all or more can be offset by expenditures that can be delayed or suspended, thus limiting dependence if necessary. At the beginning of the current fiscal year the City retained \$8,866,165 in available fund balance and it is estimated that this amount will increase by the end of the year.

Summary of General Fund Revenues with Annual Comparison

	FY19-20	FY 20-21	Difference	% Difference
Ad Valorem Taxes	\$5,399,600	\$5,713,600	\$314,000	5.82%
Investment Earnings	\$87,000	\$87,000	\$0	0.00%
Miscellaneous	\$429,100	\$415,600	-\$13,500	-3.15%
Other Taxes/Licenses	\$100	\$100	\$0	0.00%
Permits/Fees	\$131,000	\$136,000	\$5,000	3.82%
Restricted Intergovernmental	\$501,000	\$534,500	\$33,500	6.69%
Sales/Services	\$670,000	\$638,300	-\$31,700	-4.73%
Unrestricted Intergovernmental	\$5,060,500	\$5,049,500	-\$11,000	-0.22%
Fund Balance	\$1,281,000	\$1,493,200	\$212,200	16.57%
Grand Total	\$13,559,300	\$14,067,800	\$508,500	3.75%

Expenditures

While pressure mounts on the City's revenues, added challenges present themselves on the other side of the ledger as the general cost of doing business is increasing and growth in the City, particularly residential growth, is fueling a greater

demand for services. Although expenditures are anticipated to increase, the aforementioned cost saving measures impact the General Fund more so than any other fund. Below is a summary by department or function.

- **City Council:** Proposed appropriations are \$11,100 less than FY2019-2020 for a total of \$44,600. The most notable difference in appropriations is a reduction of \$10,000 due to 2020 not being a municipal election year. Like most departments the travel appropriations are also reduced, from \$5,000 to \$3,000.
- **Administration:** Appropriations seek to maintain existing staffing levels at 5 FTEs and no capital improvements are included. Salaries and other personnel costs account for \$586,400 of the total departmental budget of \$616,500.
- **Information Technology:** Growing dependence on computer technology and applications as well as aging IT infrastructure is driving greater demand on our Information Technology Department. Recommended appropriations are increased by \$35,000 or 10.12% to continue to maintain and support the nearly 700 managed devices (servers, switches, routers, firewalls, PCs, access points, etc...) and systems. Personnel expenses required to maintain the current staffing level are \$175,500. Capital expenses and other equipment is estimated at \$105,200 and includes the [PC replacement program](#), [server replacements](#) and other [networking upgrades](#) that are prerequisites for future network enhancements. While an overall increase is recommended, requested appropriations were reduced by nearly \$90,000. Notable exclusions include Phone System Replacements (\$25,000), RFID Badge Printer Replacement (\$5,000) and Downtown Networking (\$34,600).
- **Finance:** A team of 3 employees manage the City's financial operations where personnel related costs are \$306,200 of the \$394,900 in total appropriations. There are no capital expenses requested and total appropriations are down 3% from the current year.
- **Public Buildings:** Having no full time employees, the primary purpose of the department is to account for contracts, utilities and other general maintenance items for buildings within the City Hall campus. Utilities (\$55,000) are the largest expense for the department, followed by general maintenance and repair (\$42,500).
- **Police:** The largest public safety service department, both in terms of employees (45 FTEs) and budget (\$4,385,300), responds to over 26,000 calls for service annually. Total appropriations are recommended to increase by \$236,600 where personnel costs (\$3,352,200 total) are the largest contributor to the difference. Capital expenditures totaling \$205,000 are recommended, which include vehicle replacements (\$135,000) and long overdue [HVAC change-outs \(\\$70,000\)](#). The replacement of various equipment needs, such as radios, Tasers, and in-car systems are estimated at \$74,600 for the upcoming year. Requested appropriations were reduced by \$265,361, omitting expenditures such as building renovations (\$20,000), 2 vehicle replacements (\$88,380) and various small equipment purchases (\$28,000). Nevertheless, appropriations are sufficient to continue to afford existing services and maintain the Department's Advanced Accreditation with Excellence designation from the Commission on Accreditation of Law Enforcement Agencies (CALEA).
- **Fire:** The greatest departmental variance from the current year to FY 20-21 can be found in the Fire Department, where a single expenditure of [\(\\$250,000\) for professional services](#) related to planning and design of a secondary fire station(s) is the primary difference. Driving this expenditure is the growth of the city, both in terms of population and geographic footprint. As development continues outward, fire station proximity becomes a greater concern in order for the properties to remain covered by the City's improved fire suppression rating of 3. In the

The Graham Police Department was awarded national accreditation with excellence on March 21, 2020 by the Commission on Accreditation for Law Enforcement Agencies, Inc. (CALEA). The Department was first accredited in 1998 and this designation maintains the highest possible honor through the Commission



future, there will be concern over staffing levels to support expanded coverage. Speaking of staffing levels, the Department is serviced by 13.85 FTE personnel and supplemented by 23 volunteer firefighters. Personnel expenditures are estimated at \$887,800 for the upcoming year. There are no capital improvements proposed and \$756,325 worth of expenditures were reduced from the departmental request. A fire engine replacement (\$640,000) is the majority of the difference.

- Inspections:** Like the fire department, the City's Inspections Department received an improved effectiveness rating recently, where improvements were noted for both residential and commercial effectiveness. Appropriations seek to maintain the effectiveness levels of the department. Like many other General Fund departments, personnel expenditures account for \$497,100 of the \$550,600 proposed budget. There are no capital expenditure requests and the balance of the appropriations are normal operating expenses.
- Transportation:** The Street Department and two smaller departments (Traffic Engineering & Street Lighting) constitute the City's transportation function. Recommended appropriations for transportation are \$1,738,300, a decrease from \$1,955,100 in the current year. Street Department personnel (9 FTEs) are responsible for maintaining the City's 63 miles of streets, sidewalk network and stormwater infrastructure with a proposed budget of \$1,514,300. Other than personnel expenses (\$553,700), the largest expenditure is for [street resurfacing \(\\$480,000\)](#) followed by [sidewalk installations \(\\$100,000\)](#). Street Lighting and Traffic Engineering have proposed budgets of \$132,000 and \$92,000, respectively. A carryover appropriation for the traffic signal upgrades to the Burlington-Graham Computerized Traffic Signal System at E. Pine Street and Melville Street is also included at \$63,000.
- Garage and Warehouse:** An offshoot of the City's central garage, the Garage and Warehouse department administers the distribution and inventory of fuel and other materials used by the Garage and other departments. The proposed budget of \$95,000 is up by \$3,800 from the current year.
- Sanitation:** Five (5) employees provide nearly 300,000 curbside pickups each year in the Sanitation Department. Of all City departments, the Sanitation Department is most encumbered by growth in recent years and is approaching the inability to continue to provide the current level of service. Although it is believed that operations can sustain themselves until we can revisit the issue a year from now, with hopefully a more predictable economic outlook, discussions about service level, fees, contracts and additional personnel should begin now. Personnel expenses (\$374,200) are the largest expenditure within the department, followed by landfill tipping fees (\$190,000) and truck fuel and maintenance (\$150,000). Speaking of tipping fees, the City will fully realize fee increases from the Alamance County Landfill in FY 2020-2021. It should be noted that a sixth (6th) employee is administratively assigned to the Sanitation Department, but serves in an auxiliary role for curbside collection.
- Recreation:** The City's recreational opportunities are divided among three (3) General Fund Departments: Recreation, Lake and Athletic Facilities. In aggregate, recommended appropriations total \$1,487,600, a decrease of \$16,800 from the current year. Notable Recreation expenditures include: event Security Bollards for Downtown (\$20,000), [Energy Efficient Lighting Upgrades \(\\$20,000\)](#), [Marina Master Plan \(\\$18,000\)](#), [Skid Steer Loader Replacement \(\\$46,000\)](#) and in 2021 the Graham Sports Hall of Fame Banquet (\$10,000) is scheduled. A request for tennis court replacements (\$500,000) is not recommended for approval. It should be noted that the bollard project is supported by a \$5,000 grant, and the lighting upgrades are supported by a 50% contribution from Duke Energy and is estimated to generate nearly \$7,000 in annual savings.

DID YOU KNOW?

4 miles of streets should to be resurfaced each year to keep pace with street degradation. This would require an appropriation of approximately \$900,000 in FY 2020-2021 based on current pricing. This feat has been achieved once (2019) in the City's history.

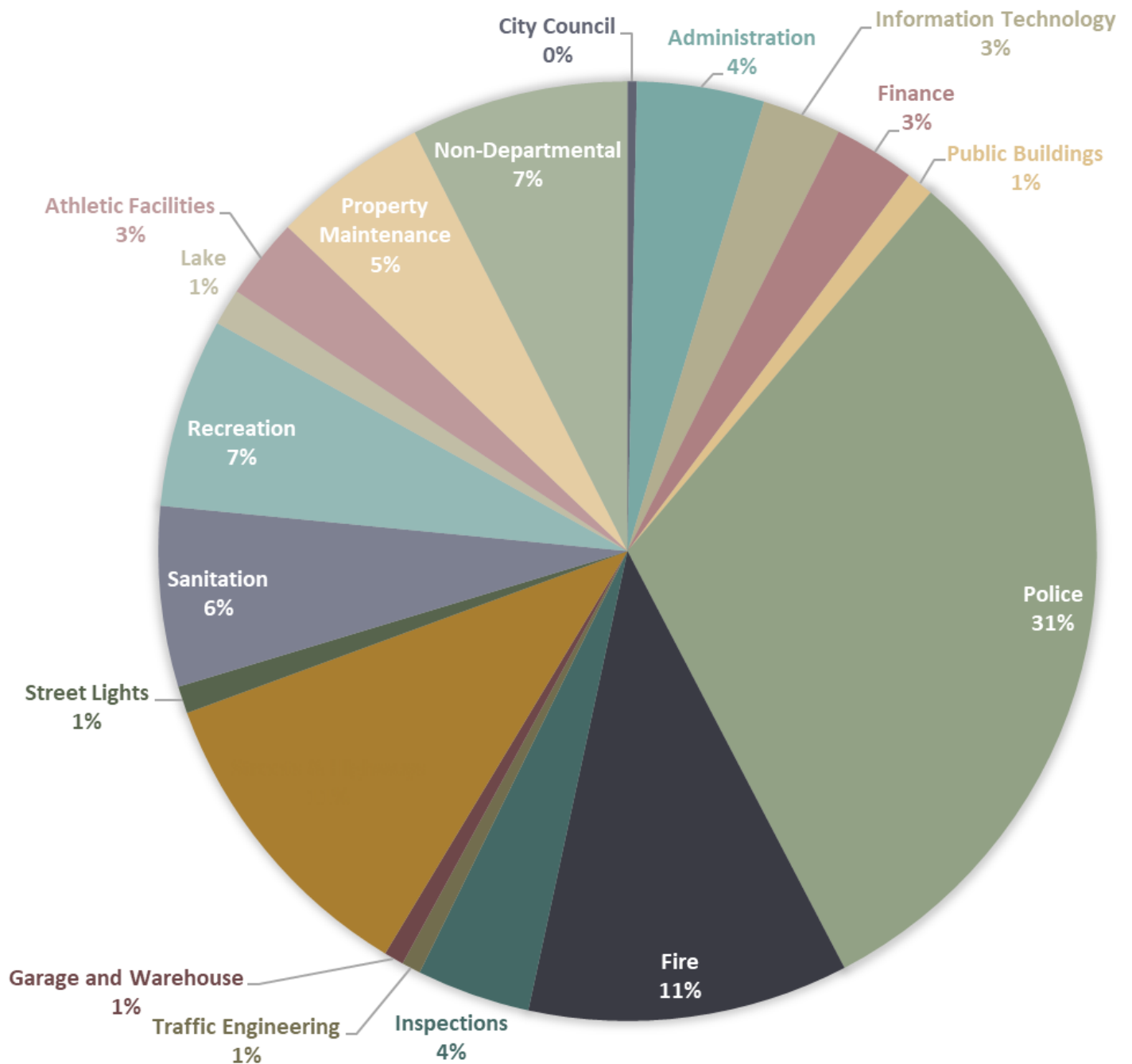
- Property Maintenance:** The Swiss Army knife within public works is the Property Maintenance Department which serves to maintain the grounds on most all City properties, administer the leaf collection program and maintain and oversee the cemeteries. They also serve as back-up and support for Sanitation and Street Department services. Personnel expenses (\$500,200) account for the majority of the expenditures proposed for next year followed by a [truck replacement \(\\$48,000\)](#). A request for a bucket truck replacement (\$142,000) is excluded.
- Non-Departmental Appropriations:** Expenses common to all General Fund departments and interlocal contracts are captured in a department ironically referred to as Non-Departmental. Post-employment Benefits (\$228,000), the General Fund 's portion of risk management policies (\$210,000), Animal Shelter (\$107,000) and Economic Development initiatives (\$245,000) are the largest non-departmental expenses. Funding for the Façade Grant Program (\$30,000) and Business Beautification Grant Program (\$25,500) each are seeing an increase, but with \$25,500 of the appropriations requested as a carryover to existing grantees that were unable to complete their projects in the current year due to COVID-19. This would leave \$15,000 in each program available for new projects. The required outlay for the Downtown Associate Community program (\$5,000) is also included. An outside agency request from ACTA (\$6,500) was not included in the recommended budget.



Summary of General Fund Departmental Expenditures with Annual Comparison

Department	FY 2019-2020	FY 2020-2021	Difference	% Difference
City Council	\$55,700	\$44,600	(\$11,100)	-19.93%
Administration	\$593,200	\$616,500	\$23,300	3.93%
Information Technology	\$348,700	\$384,000	\$35,300	10.12%
Finance	\$407,100	\$394,900	(\$12,200)	-3.00%
Public Buildings	\$125,500	\$132,600	\$7,100	5.66%
Police	\$4,148,700	\$4,385,300	\$236,600	5.70%
Fire	\$1,184,800	\$1,553,300	\$368,500	31.10%
Inspections	\$527,500	\$550,600	\$23,100	4.38%
Traffic Engineering	\$92,500	\$92,000	(\$500)	-0.54%
Garage and Warehouse	\$91,500	\$95,300	\$3,800	4.15%
Streets & Highways	\$1,730,600	\$1,514,300	(\$216,300)	-12.50%
Street Lights	\$132,000	\$132,000	\$0	0.00%
Sanitation	\$832,600	\$872,400	\$39,800	4.78%
Recreation	\$920,300	\$917,900	(\$2,400)	-0.26%
Lake	\$187,000	\$177,400	(\$9,600)	-5.13%
Athletic Facilities	\$397,100	\$392,300	(\$4,800)	-1.21%
Property Maintenance	\$788,900	\$758,900	(\$30,000)	-3.80%
Non-Departmental	\$995,600	\$1,053,500	\$57,900	5.82%
	\$13,559,300	\$14,067,800	\$508,500	3.75%

General Fund Departmental Appropriations Illustration



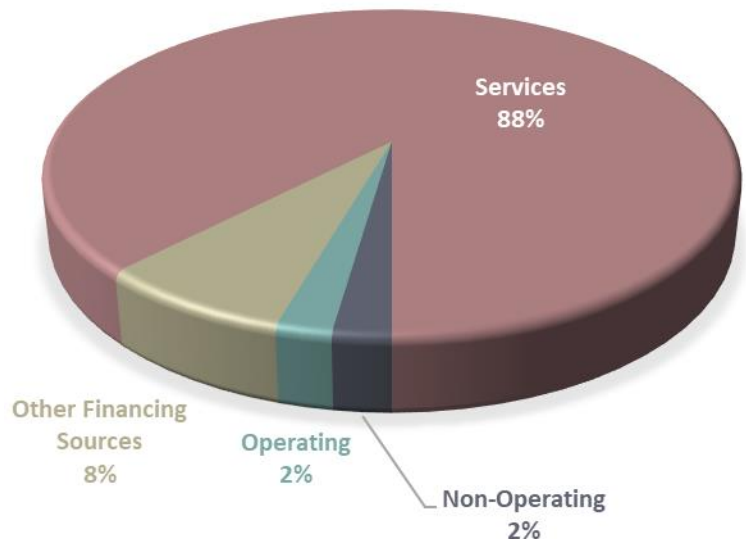
3. WATER AND SEWER FUND

Contrary to assumption, the foremost challenge for the City of Graham in FY 2020-2021 is the Water and Sewer Fund rather than the General Fund. This enterprise operation is capital intensive, requiring constant maintenance, replacement and upgrading. Couple those aspects with significant regulatory oversight and challenges compound. In FY 2020-2021, the City must begin to appropriate funds to cover the debt service on recent projects and look ahead towards major projects that have a significant financial impact.

Revenues

Adhering to the nature of a public enterprise, the Water and Sewer Fund is highly dependent on charges for service. In fact, water and sewer charges account for 76.37% of the total revenues for the fund. Considering almost 95% of all user accounts are residential and our largest consumers are essential businesses and bulk sales, the impact from COVID-19 on user charges is estimated to be nominal. Below is a summary of our estimated revenues by category:

- Non-Operating:** The revenues from partnerships, leases and interest on investments make up the entirety of Non-Operating Revenue for FY2020-2021. Interest on investments are anticipated to have a slight uptick from \$60,000 to \$70,000 and so too are revenues from the NCCP partnership from \$75,000 to \$90,000. Revenues generated from leases will remain steady at \$27,000. An intergovernmental revenue from Alamance County in the amount of \$100,000 expired in the current year and thus will not be available for appropriation in FY 2020-2021.
- Operating:** Accounting for only 2% of total revenues for the fund, Operating Revenues include receipts such as assessments, taps, and system development fees. System Development Fees are estimated to generate \$60,000 in the coming year, all of which are prohibited from being used for operational costs and must be transferred to the Water and Sewer Capital Reserve Fund.
- Other Financing Sources:** Regional partnerships for both water and sewer (\$376,000) and Retained Earnings Appropriations (\$257,200) are the primary sources of Other Financing. Sale of surplus properties would fall into this category, but little is anticipated for the coming year. Timber harvest under the City's forest management program is a possibility in the next year, but uncertainties in the market may result in delays, therefore no income is included.
- Services:** As previously mentioned, the lion's share of revenues is in the form of charges to our customers for water and sewer services. The current rates have held steady for several years now as the Fund itself has made a remarkable recovery from the struggles of a decade ago. However, revenue generated from our current rates and the rate structure is insufficient to support payment for major capital projects on the horizon. In FY 2020-2021, added debt service for the Boyd Creek Pump Station (\$130,000) must be supported by our rates and we must not lose sight of the



debt service requirements for the Waste Water Treatment Plant Improvements and Expansion Project that has an estimated debt service of \$1,250,000 in just a few years from now. To wait to account for this debt service in a single year would require a 46% increase in sewer revenue, all at once. This type of increase would be considered “rate shock” as it would provide little time for individuals and businesses to adjust their finances. Therefore, a graduated approach, over the next four (4) fiscal years, to adjust rates to accommodate the current and future demands, as well as align expenses for the respective services with their rates is recommended. For FY 2020-2021, the following adjustments to rates are recommended with a delayed implementation date of December 31, 2020:

- **Water Rates:** For FY 2020-2021, water rates must cover operational, administrative and debt service expenditures of approximately \$2,300,000. Based on these expenditures, water rates are recommended to **decrease from \$4.81 per thousand gallons to \$3.47, with a base rate of \$3.30.**
- **Sewer Rates:** Just like the analysis for our system development fees from FY 2018-2019, where sewer connection fees were found to be less than required, the same can be said for our sewer rates. Sewer charges must generate enough revenue to cover approximately \$3,900,000 in expenditures. Included in this expenditure calculation is the aforementioned new debt service for the Boyd Creek Pump station and one forth (1/4) of the anticipated debt service for Waste Water Treatment Plant Improvements and Expansion. To cover these expenditures, sewer rates are recommended to **increase from \$5.97 per thousand gallons to \$7.76, with a base rate of \$3.30.**

A cautionary note:

Estimates for rate adjustments and future debt service are based on favorable financing through the Clean Water State Revolving Fund. If financing is required from the private market, debt service requirements could increase substantially and affect rates even more.

In summary, average water users would see a decrease in charges while average sewer users would realize an increase. Average users of both will see an overall increase in charges as the increase in sewer rates exceeds the reduction in water rates. A handful of customers with minimal usage may actually realize a decrease. Even with the proposed increases for FY 2020-2021, our rates are still below the median rates for North Carolina. An unintended benefit of rate restructuring may be the easing of requirements for any Federal funds the City may be eligible for as they typically stipulate that pricing for water and sewer services must accurately reflect the true costs of providing services to consumers.

Summary of Water and Sewer Fund Revenues with Annual Comparison				
	FY 2019-2020	FY 2020-2021	DIFFERENCE	% DIFFERENCE
Non-Operating	\$262,000	\$187,000	(\$75,000)	-28.63%
Operating	\$140,600	\$180,600	\$40,000	28.45%
Other Financing Sources	\$776,400	\$634,200	(\$142,200)	-18.32%
Services	\$6,466,000	\$7,149,000	\$683,000	10.56%
TOTALS	\$7,645,000	\$8,150,800	\$505,800	6.62%

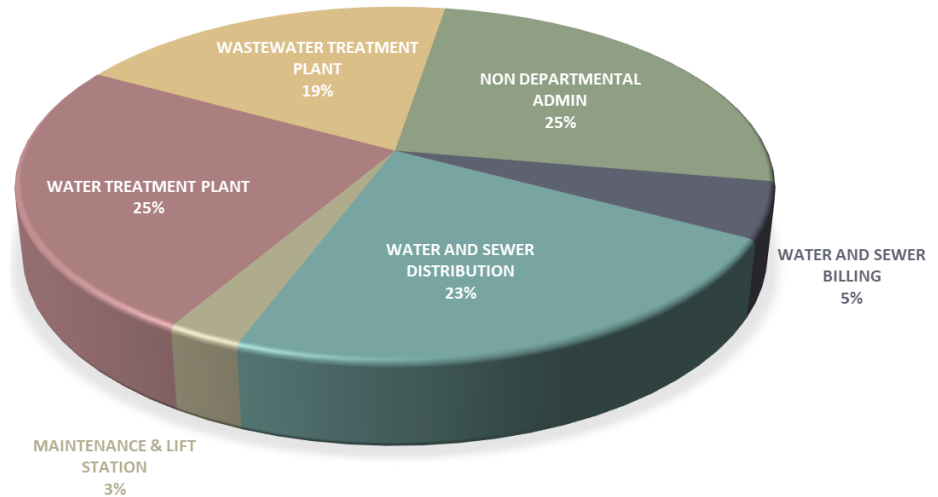
Expenditures

Overall expenditures for the Water and Sewer Fund are proposed at an increase of \$505,800 over the current year. The primary difference between the two years are outlays for the aforementioned debt services (\$452,500) and a transfer

(\$60,000) to the Water and Sewer Capital Reserve Fund. If these items were exempted, overall expenditures would realize a slight decrease. Below are highlights from the various departments:

- **Water and Sewer Billing:** Supporting the billing, collections, metering and customer service functions, the 4FTEs in this department have a proposed budget of \$415,500, which represents a 6.67% reduction from the current year. Personnel costs (\$251,500) are the largest expense followed by bank fees (\$65,000) and postage (\$35,000). No capital expenses are included, but a policy change to limit under billing collections to one (1) year is requested.

- **Water and Sewer Distribution and Lift Stations:** These two departments and the 11 FTEs support the maintenance of nearly 200 miles of water and sewer lines, outfalls, force mains and their associated lift stations. Total appropriations are \$2,082,100, a reduction of \$92,800 from the current year. Proposed are expenditures (\$285,000) that continue to investigate and address collection system [infiltration and inflow](#), particularly in the Boyd Creek Sewershed and for phase 3 of the Advance Metering Infrastructure Project (\$350,000). The lone capital expenditure is the much needed replacement of the water line in [Cedar Street \(\\$300,000\)](#).



- **Water Treatment Plant:** The only operating department with a recommended increase over the prior year, the Water Plant has expenditures that are estimated at \$2,011,100, a 4.90% increase. Operational costs, particularly chemical costs, are increasing rapidly. As an example, costs for our primary coagulate are up by 37% this year with further increases expected. Although appropriations for chemicals is increased by 10% to \$550,000, the possibility exists that this increase is insufficient and may require adjustments throughout the year. Capital improvements total \$245,000 and include [resurfacing](#), basin repair, a [knife valve](#) and the balance of spillway repairs.
- **Wastewater Treatment Plant:** Although our plant primarily provides biological treatment of wastewater, certain chemicals are still required and like the Water Treatment Plant, chemical costs are increasing rapidly and represent the largest expenditure at \$185,000 behind personnel (\$718,300) and capital improvements (\$235,000). Capital improvements to upgrade or replace the [influent bar screen](#), [grit chamber](#) and [sludge mixer](#) are included in the \$235,000 estimate.
- **Non-Departmental:** As described in the departmental highlights above, operational costs have been trimmed where possible in an effort to lessen the impact of new and emerging debt service. In fact, departmental operating costs are down by \$102,800 from the previous year. Conversely, non-departmental expenses are estimated to increase drastically (\$608,600) due primarily to added debt service. In total, nearly \$1,100,000 is devoted to debt service in the coming year. Of this, \$312,500 is set aside for the Waste Water Treatment Plant Improvements and Expansion. These funds are anticipated to cover preliminary costs associated with engineering, bidding, permitting and financing. Any balance may be transferred to the future capital project budget. The most important aspect is that it begins to prepare the City's annual budget to absorb the added debt service and avoid the aforementioned "rate shock". Second only to debt service are the costs associated for intergovernmental sewage treatment (\$460,000), followed by insurance and bonds (\$110,000) and post-employment benefits (\$70,000).

Departmental Summary and Annual Comparison				
Department	FY 2019-2020	FY 2020-2021	Difference	% Difference
WATER AND SEWER BILLING	445,200	415,500	(29,700)	-6.67%
WATER AND SEWER DISTRIBUTION	1,882,800	1,860,300	(22,500)	-1.20%
MAINTENANCE & LIFT STATION	292,100	221,800	(70,300)	-24.07%
WATER TREATMENT PLANT	1,917,200	2,011,100	93,900	4.90%
WASTEWATER TREATMENT PLANT	1,660,800	1,586,600	(74,200)	-4.47%
NON DEPARTMENTAL ADMIN	1,446,900	2,055,500	608,600	42.06%
	7,645,000	8,150,800	505,800	6.62%

4. OTHER FUNDS

The City operates several capital project funds, an internal service fund and other non-major funds. Some may or may not require budgets due to the type of fund, but nevertheless are subject to our internal controls and placeholder entries are made at minimum. Below is a brief description of each and any changes necessary.

- Garage Fund:** The Garage operations are responsible for the maintenance of the City's entire equipment and vehicle fleet, as well as maintains contracts with ACTA, Graham Housing Authority, the Alamance Municipal ABC Board and the Town of Green Level. The City's garage also provides fuel services for Alamance County, excluding the Sheriff's Office. The operations necessary to support these entities will require a \$1 increase in the labor rate to offset rising personnel costs.
Revenues are generated largely from our own operations (\$727,700) with the balance from sales and services to other contracted entities. There are no fund balance appropriations requested this year and total revenue is estimated at \$951,700. Major expenditures include Fuel Inventories (\$434,800) and Parts Inventories (\$289,800). Overall expenditures within the fund are estimated at \$951,700 which represents an increase of 1.7%.
- Cemeteries Perpetual Care Fund:** Established in 2015, the fund ensures the perpetual care and beautification of the City's cemeteries. In fiscal year 2019-2020, there was an appropriation of \$64,000. For FY 2020-2021, no appropriations are requested.
- Water & Sewer Capital Reserve Fund:** Less of an independent fund and more of a sub-fund of the Water & Sewer Fund, this capital reserve fund accounts for receipts from the levy of System Development Fees. No appropriations are requested for the operating budget, but the possibility of an appropriation to a capital project budget sometime in the year cannot be ruled out. The fund is estimated to receive a transfer of \$60,000 from the Water & Sewer Fund to be retained as equity.
- Asset Forfeiture Funds:** The City operates both a state and Federal asset forfeiture fund whereby assets seized from certain law enforcement activities are accounted for. Revenues are highly unpredictable as well as the timing of their receipt. Expenditures are regulated by the terms of the agreement with the associated agencies/programs and generally cannot be used to subsidize any operating budgets. Therefore, only nominal placeholder entries are included in the budget adoption to ensure against it.
- Graham Regional Park Capital Project Fund:** This fund accounts for the initial development phase of the Graham Regional Park. The initial phase is complete and so too are the post-construction requirements. Therefore, the fund can be closed at the end of FY 2019-2020 with the equity (\$28,140) in the fund transferred to the Graham Regional Park Inclusive Playground Fund to further park development and finalize that phase.
- Graham Regional Park Universal Playground Capital Project Fund:** The City was awarded \$500,000 from a Connect NC Bond Grant to construct a one of a kind playground in our area. This intergenerational playground, designed for individuals to play together regardless of physical challenges or disabilities goes beyond ADA accessibility by focusing on all types of disabilities. A match of at least \$350,000 is required and is accounted for independent of the initial phase to simplify grant requirements. For the upcoming year the equity in the fund for the initial phase is requested to be transferred as



well as a carryover of unspent funds from the FY 2019-2020 recreation budget. The completion of this project is expected in FY 2020-2021.

- **Boyd Creek Pump Station Capital Project Fund:** This fund actually accounts for two projects in one. The first, and most significant, being the replacement of the Boyd Creek Pump Station. The second, and smaller part of the project, is an upgrade to the Back Creek #2 lift station which is now complete. In August of 2017, the City was awarded \$612,500 in grant funds and \$1,837,500 in zero interest loan funds. The total fund budget is \$3,962,000.

5. APPENDIX 1: INCLUDED CAPITAL IMPROVEMENTS

Types of Projects that are Considered Capital Improvement Projects

The following are types of projects that are included in the CIP:

- Any acquisition of land for a public purpose;
- Any construction of a new facility (a public building, or water lines, playfield etc.), or an addition to, or extension of, such a facility;
- A nonrecurring rehabilitation (something which is infrequent and would not be considered annual or other recurrent maintenance) or major repair of all or a part of a building, its grounds, or a facility, or of equipment, provided that the cost is \$5,000 or more and the improvement will have a useful life of 10 years or more;
- Purchase of major equipment (items with a cost individually, or in total, like radios), of \$5,000 or more, which have a useful life of five years or more;
- Any planning, feasibility, engineering, or design study related to an individual capital improvement project, or to a program that is implemented through individual capital improvement projects;
- Street resurfacing, sewer slip-lining or similar recurring maintenance projects that exceed \$5,000 in aggregate.

Priority

HIGH priority projects:

- Are mandated by local, state or federal regulations, or;
- Result in unacceptable outcomes if the project is deferred, or;
- Are a high priority for City Council, or;
- Substantially reduce losses or increase revenues.

MEDIUM priority projects:

- Maintain or improve existing service levels, or;
- Result in better efficiency or service delivery, or;
- Reduce operational costs, or;
- Improve workforce morale.

LOW priority projects:

- Improve quality of life, or;
- Are not high or medium priority.

Categories

- I. Health/Safety/Welfare – projects that protect the health, safety and welfare of the community and the employees serving it.
- II. Maintenance/Replacement – projects that provide for the maintenance of existing systems and equipment.
- III. Expansion of Existing Programs – projects which enhance the existing systems and programs allowing for expansion of existing services.
- IV. New Programs – projects that allow for expansion into new programs and services.

Prioritization Matrix

A “prioritization matrix” helps to select which projects will be recommended. Each project will be assigned a level of funding consideration based on its priority and category.

- **Level A** (green) projects will receive the highest consideration for funding.
- **Level B** (yellow) projects will receive moderate consideration for funding.
- **Level C** (pink) projects will receive the lowest consideration for funding.

		Priority		
		High	Medium	Low
Category	I	A		
	II		B	
	III			
	IV			C



2021-2025 CIP CAPITAL IMPROVEMENT PROJECT DESCRIPTION



Project Title: HVAC replacement as needed

Description and Scope

Replace two HVAC units per year until all units are replaced.

Priority:

High

Category:

II. Maintenance/Replacement

History and Current Status

Current equipment has gotten close or past the life expectancy for service.

Impact if Delayed/Alternatives

Run the risk of not having sufficient heating or air conditioning for the building

Operating Impact/Other Comments

Simply an unacceptable circumstance

Justification/Purpose

All of the current HVAC systems are the original systems installed in the building when it was originally built and are in need of replacement. Due to the age we are seeing continuous operational issues and parts are becoming difficult to replace due to the age of the systems.

Cost

	Prior	20-21	21-22	22-23	23-24	24-25	Future
Planning/Design							
Purchase		\$ 70,000	\$ 70,000	\$ 35,000			
Construction							
Equipment							
Other							
TOTAL PROJECT COSTS	\$ 0	\$ 70,000	\$ 70,000	\$ 35,000	\$ 0	\$ 0	\$ 0

Funding

	Prior	20-21	21-22	22-23	23-24	24-25	Future
General Fund		\$ 70,000	\$ 70,000	\$ 35,000			
General Obligation Bonds							
Grants							
Other							
TOTAL FUNDING SOURCES	\$ 0	\$ 70,000	\$ 70,000	\$ 35,000	\$ 0	\$ 0	\$ 0

Contact Person: Lt. Duane Flood

Department: Police (5100)



2021-2025 CIP CAPITAL IMPROVEMENT PROJECT DESCRIPTION



Project Title: Satellite Fire Station & Training Facility

Description and Scope

This CIP Project adds an additional fire station and training facility for the City of Graham.

Priority:

High

Category:

I. Health/Safety/Welfare

History and Current Status

A satellite station and training facility as been needed for sometime. With the economy changing and growth occurring it has to be a high priority for the city to expand fire services to these areas.

Impact if Delayed/Alternatives

Fires double in size every minute. Without a staffed satellite station we are faced with more dangerous situations due to travel time. Longer travel times also create an environment where the apparatus driver will try to make up time by driving faster and in some cases carelessly to make up time.

Justification/Purpose

As the city continues to grow it is necessary to build out fire stations to meet the growing demands and coverage areas. Currently the GFD operates out of 1 fire station that is no longer centrally located in the city. The growth is extending southeast and southwest without a fire station and personnel to handle the calls for service within the recommend 4 minutes according to NFPA 1710/1720. GFD operates under a 5 mile insurance district which means that any property in the coverage area outside of 5 miles will have a Class 10 ISO rating causing insurance premiums to double and triple. A satellite station could also function as a satellite police station as well.

Operating Impact/Other Comments

A satellite station and training facility would allow for a faster response in the growing parts of the city and would also give the GFD a place to training and enhance our skills. Our current location does not allow for this due to location, traffic, and facilities.

Cost

	Prior	20-21	21-22	22-23	23-24	24-25	Future
Planning/Design		\$ 250,000					
Purchase			\$ 2,300,000				
Construction							
Equipment			\$ 200,000				
Other							
TOTAL PROJECT COSTS	\$ 0	\$ 250,000	\$ 2,500,000	\$ 0	\$ 0	\$ 0	\$ 0

Funding

	Prior	20-21	21-22	22-23	23-24	24-25	Future
General Fund		\$ 250,000	\$ 2,500,000				
General Obligation Bonds							
Grants							
Other							
TOTAL FUNDING SOURCES	\$ 0	\$ 250,000	\$ 2,500,000	\$ 0	\$ 0	\$ 0	\$ 0

Contact Person: Tommy Cole, Fire Chief

Department: Fire (5300)



2021-2025 CIP CAPITAL IMPROVEMENT PROJECT DESCRIPTION



Project Title: Yearly Computer Replacements

Description and Scope

Standardize all computer replacements throughout city. Each computer would be replaced every four years by IT.

Priority:

High

Category:

II. Maintenance/Replaceme

History and Current Status

Departments would budget for a few computers each year as needed. Currently, IT has taken control of purchasing computers, helping keep technology updated across the city.

Impact if Delayed/Alternatives

Computers will become out of warranty and could cause productivity issues in the event of a hardware failure. IT man hours are also increased with older technology. Outdated software and/or hardware can also be a security risk to the network.

Justification/Purpose

Computers would stay updated with current technology. Departments would no longer need to budget for computers. IT would handle all budgeting reducing overall cost through bulk discounts.

Operating Impact/Other Comments

IT would handle all computer budgeting reducing overall cost by purchasing with bulk discounts. Computers are standardized across the city.

Cost

	Prior	20-21	21-22	22-23	23-24	24-25	Future
Planning/Design							
Purchase	\$ 50,000	\$ 52,000	\$ 54,000	\$ 56,000	\$ 60,000	\$ 60,000	\$ 60,000
Construction							
Equipment							
Other							
TOTAL PROJECT COSTS	\$ 50,000	\$ 52,000	\$ 54,000	\$ 56,000	\$ 60,000	\$ 60,000	\$ 60,000

Funding

	Prior	20-21	21-22	22-23	23-24	24-25	Future
General Fund	\$ 50,000	\$ 52,000	\$ 54,000	\$ 56,000	\$ 60,000	\$ 60,000	\$ 60,000
General Obligation Bonds							
Grants							
Other							
TOTAL FUNDING SOURCES	\$ 50,000	\$ 52,000	\$ 54,000	\$ 56,000	\$ 60,000	\$ 60,000	\$ 60,000

Contact Person: Jeff Wilson

Department: IT (4300)



2021-2025 CIP CAPITAL IMPROVEMENT PROJECT DESCRIPTION



Project Title: VMware Servers Replacement

Description and Scope

Current VMware servers are due to expire this year. Both servers need to be upgraded and support renewed. We are no longer able to add new servers as we have outgrown our current solution. New servers would be upgraded and larger size to handle growth.

Priority:

High

Category:

II. Maintenance/Replaceme

History and Current Status

Servers and software were purchased 5 years ago. It is recommended to replace equipment every 3-5 years depending on usage. This keeps performance optimal and hardware warranties current. We are also at max capacity and can not create any new servers in VMware. We are in need of adding two more servers and can't due to the amount of growth over the years. These two new servers would cost about \$16K alone. Adding them virtual would cost the city \$700 each in Microsoft licenses.

Impact if Delayed/Alternatives

Current servers will not be under warranty soon. Replacement time and cost of replacement parts is high. If one of these servers were to go offline, there would be outages felt across the city while they were repaired or replaced. Outages could last days to months depending on severity. Also can not add any new servers to current virtual infrastructure. If servers are needed, we would have to purchase hardware based servers that cost more.

Operating Impact/Other Comments

The average cost of a small server today is about \$8,000. Some of ours could be up to 20K for just one. 28 servers @ \$8,000 is \$224,000 = a huge savings for the city staying mostly virtual.

Justification/Purpose

These servers are the heartbeat of the city's virtual infrastructure. These VMware servers are hosts for over 30 servers across the city which include Logics, SQL, RMS, Optimum, and more. Not only does having a virtual environment save the city money, it allows us to manage all servers from one central location.

Cost

	Prior	20-21	21-22	22-23	23-24	24-25	Future
Planning/Design							
Purchase		\$ 26,000					\$ 38,000
Construction							
Equipment							
Other							
TOTAL PROJECT COSTS	\$ 0	\$ 26,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 38,000

Funding

	Prior	20-21	21-22	22-23	23-24	24-25	Future
General Fund		\$ 26,000					\$ 38,000
General Obligation Bonds							
Grants							
Other							
TOTAL FUNDING SOURCES	\$ 0	\$ 26,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 38,000

Contact Person: Jeff Wilson

Department: IT (4300)



2021-2025 CIP CAPITAL IMPROVEMENT PROJECT DESCRIPTION



Project Title: **Network Refresh/ Renewal**

Description and Scope

The city's hardware license for all network devices (switches, firewalls, wireless access points) expire.

Priority:

High

Category:

II. Maintenance/Replacement

History and Current Status

We currently have eight security devices (Firewalls), seventeen network switches, and nineteen wireless access points.

Impact if Delayed/Alternatives

On June 4, 2021, all network devices across the city will stop working unless the licenses are extended or new units purchased. There is no work around.

Justification/Purpose

Network devices are what control the network traffic and connectivity across the city. Every building across the city has at least one device providing network connectivity to the users. These devices create the internal network and connect the city to the outside world.

Operating Impact/Other Comments

The city can not function without these devices.
Plan: Obviously the city can not replace all of these devices in one year. Recently, they changed how we can license and purchase their products. I have changed the license portal to allow all devices to be separately licensed. We will renew all licenses to keep the city running, but we can now stagger them different years to make budgeting easier. Renewal plan attached.

Cost

	Prior	20-21	21-22	22-23	23-24	24-25	Future
Planning/Design							
Purchase		\$ 18,700	\$ 20,700	\$ 39,000	\$ 15,000	\$ 16,400	
Construction							
Equipment							
Other							
TOTAL PROJECT COSTS	\$ 0	\$ 18,700	\$ 20,700	\$ 39,000	\$ 15,000	\$ 16,400	\$ 0

Funding

	Prior	20-21	21-22	22-23	23-24	24-25	Future
General Fund		\$ 18,700	\$ 20,700	\$ 39,000	\$ 15,000	\$ 16,400	
General Obligation Bonds							
Grants							
Other							
TOTAL FUNDING SOURCES	\$ 0	\$ 18,700	\$ 20,700	\$ 39,000	\$ 15,000	\$ 16,400	\$ 0

Contact Person: **Jeff Wilson**

Department: **IT (4300)**



2021-2025 CIP CAPITAL IMPROVEMENT PROJECT DESCRIPTION



Project Title: Pedestrian Sidewalks

Description and Scope

Install walking paths in various parts of the City as identified in the Pedestrian Plan.

Priority:

Medium

Category:

II. Maintenance/Replaceme

History and Current Status

Currently have projects in progress waiting on easements to move forward.

Impact if Delayed/Alternatives

Operating Impact/Other Comments

Justification/Purpose

Pedestrian Transportation Plan. Walking paths are necessary as to connect citizens to recreational, social and commercial areas.

Cost

	Prior	20-21	21-22	22-23	23-24	24-25	Future
Planning/Design							
Purchase							
Construction		\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Equipment							
Other							
TOTAL PROJECT COSTS	\$ 0	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000

Funding

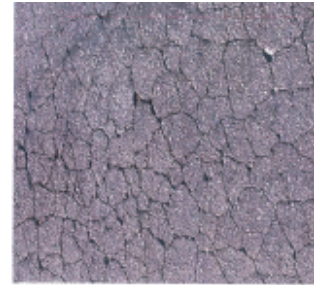
	Prior	20-21	21-22	22-23	23-24	24-25	Future
General Fund		\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
General Obligation Bonds							
Grants							
Other							
TOTAL FUNDING SOURCES	\$ 0	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000

Contact Person: Rod Payne

Department: Streets and Highways (5600)



2021-2025 CIP CAPITAL IMPROVEMENT PROJECT DESCRIPTION



Project Title: Street Resurfacing

Description and Scope

To run an effective street maintenance program to improve street conditions, reduce cost and improve safety.

Priority:

Medium

Category:

II. Maintenance/Replacement

History and Current Status

Our street survey recommends paving 4 miles to achieve a 15 year paving cycle. We currently have been paving a little more than a mile in the last 20 years. We are working towards a 20 year life cycle on new construction to help alleviate back log.

Impact if Delayed/Alternatives

Already aged streets will continue to deteriorate causing potholes and alligator cracking allowing moisture into sub-grade resulting in extensive and expensive repairs.

Justification/Purpose

At current asphalt and labor prices it cost about \$195,000.00 per mile of 31' BOC road with minor repairs included and 4 miles about \$780,000.00. Narrower roads will be less and wider roads more. A dollar of timely maintenance spent today will save three dollars just a few years later. We are trying to reach 4 miles a year.

Operating Impact/Other Comments

Sufficient funding of street maintenance program reduces crew time spent repairing streets and reduces long term cost of street repair and reconstruction. Increasing funding each year to help keep up with inflation.

Cost

	Prior	20-21	21-22	22-23	23-24	24-25	Future
Planning/Design							
Purchase							
Construction		\$ 700,000	\$ 725,000	\$ 750,000	\$ 775,000	\$ 800,000	
Equipment							
Other							
TOTAL PROJECT COSTS	\$ 0	\$ 700,000	\$ 725,000	\$ 750,000	\$ 775,000	\$ 800,000	\$ 0

Funding

	Prior	20-21	21-22	22-23	23-24	24-25	Future
General Fund		\$ 700,000	\$ 725,000	\$ 750,000	\$ 775,000	\$ 800,000	
General Obligation Bonds							
Grants							
Other							
TOTAL FUNDING SOURCES	\$ 0	\$ 700,000	\$ 725,000	\$ 750,000	\$ 775,000	\$ 800,000	\$ 0

Contact Person: Rod Payne

Department: Streets and Highways (5600)



CIP CAPITAL IMPROVEMENT PROJECT DESCRIPTION

Project Title: Removable Bollards for Event Safety

Description and Scope

Removable Bollards: High impact bollards are meant to stand strong against vehicles to protect pedestrians and infrastructure, as well as control traffic flow. They can be taken down in minutes, allowing for temporary perimeter security.

6" removable bollard, 36" high, security level-medium

(12 bollards each on E. & W. Elm St.; 14 bollards each on N. & S. Main St. = 52 total @ \$413.26 ea. = \$21,489.52)
(add'l sleeves needed for crosswalks at E. & W. Elm = 28 total @ \$241.46ea. = \$6,760.88)
S&H = \$1,227.46; Taxes = \$1,989.76 TOTAL = \$31,467.62
(Bollards set 4' apart)

Justification/Purpose

Safety for our visitors and employees is the top priority at GRPD special events, especially the downtown events that attract 1,000s of visitors. Proper barricades will provide the best protection to prevent vehicles from entering the event site, thus keeping employees and vendors safe during set-up and breakdown and visitors safe during the event itself. In addition to providing safety from vehicles, barricades will also help to direct pedestrian traffic, guiding pedestrians to safe walkways or paths surrounding and within the venue. These barricades will also allow the GRPD and GPD to perform safety checks and manage entry points to the events.

Priority:

High

Category:

I. Health/Safety/Welfare

History and Current Status

We currently use temporary plastic barricades and/or vehicles to block access to closed streets on which we invite 1,000s of community members to our special events. These measures are not sufficient or ideal safety measures for our visitors. The increase in event popularity with citizens and businesses will likely attract more visitors to our events, making the need for proper safety barriers more necessary.

Impact if Delayed/Alternatives

We will continue to use temporary plastic barricades and/or emergency service vehicles to block streets, providing less safety and crowd control.

Operating Impact/Other Comments

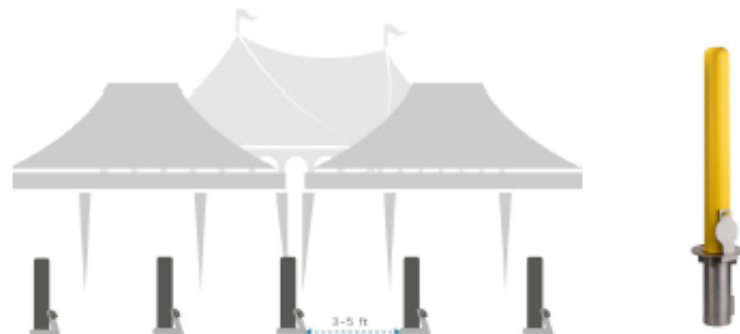
No additional staff, equipment or set-up time to close and secure streets will be required to set the bollards in place.
If a new barricade system is not approved, we will continue to do our best to secure streets with temporary barricades and vehicles but will also continue to explore better methods to secure event sites.

Cost

	Total Cost
Planning/Design	
Purchase	
Construction/Installation	\$ 5,000
Equipment	\$ 20,000
Other	
TOTAL PROJECT COSTS	\$ 25,000

Funding

General Fund	\$ 20,000
General Obligation Bonds	
Grants	\$ 5,000
Other	
TOTAL FUNDING SOURCES	\$ 25,000



Contact Person: Brian Faucette, Director

Department: Recreation (6200)



CIP CAPITAL IMPROVEMENT PROJECT DESCRIPTION

Project Title: **Lighting updates @ Graham Recreation Center**

Description and Scope

Replacement/retrofit of lighting fixtures and bulbs throughout the Graham Recreation Center to a LED system.

Priority:

Medium

Category:

II. Maintenance/Replaceme

History and Current Status

A changeover to high efficient, LED lighting has been planned for the Rec. Center but progress has been slow.

Impact if Delayed/Alternatives

A slow changeover to LED lighting will continue but the entire cost will be paid by the City and the annual savings from a high efficiency lighting system will not be realized as quickly.

Justification/Purpose

Through the Energy Saver Program, Duke Energy will provide the City an incentive to update the lighting system in the Recreation Center. Estimated annual savings = \$6,800+.

Operating Impact/Other Comments

This will result in an estimated annual savings of \$6,859.99.

Cost

	Total Cost
Planning/Design	
Purchase	
Construction	
Equipment	\$ 39,071
Other	
TOTAL PROJECT COSTS	\$ 39,071

Funding

General Fund	\$ 19,463
General Obligation Bonds	
Grants	
Other - Duke Energy Incentive	\$ 19,608
TOTAL FUNDING SOURCES	\$ 39,071



Contact Person: **Brian Faucette, GRPD Director**

Department: **Recreation (6200)**



CIP CAPITAL IMPROVEMENT PROJECT DESCRIPTION

Project Title: Alamance Arts - Interior Painting of Capt. White House

Description and Scope

The interior of the Capt. White House is due to be repainted.

Priority:

Low

Category:

II. Maintenance/Replacement

History and Current Status

The interior of the house was repainted in 2014.

Impact if Delayed/Alternatives

Operating Impact/Other Comments

Justification/Purpose

General maintenance needed every 5 - 6 years.

Cost

	Total Cost
Planning/Design	
Purchase	
Construction	\$ 9,000
Equipment	
Other	
TOTAL PROJECT COSTS	\$ 9,000

Funding

General Fund	\$ 9,000
General Obligation Bonds	
Grants	
Other	
TOTAL FUNDING SOURCES	\$ 9,000



Contact Person: Brian Faucette, GRPD Director

Department: Recreation (6200)



CIP CAPITAL IMPROVEMENT PROJECT DESCRIPTION

Project Title: **Site Master Plan**

Description and Scope

Create a master plan to cover the revitalization of the lake facilities. This plan would cover the repair/replacement of current facilities, the addition of new structures, and identify the most efficient timing of projects.

Five of the six other projects in the Lake's 2021 CIP request would be governed by this master plan.

Justification/Purpose

Several facilities at the lake are in need of repair/replacement. The limited area available for new growth and the repair of existing facilities requires careful planning. A guiding document would be of great use in planning the order of projects, aid in determining costs, and identify areas where savings might be gained. A plan would also be used to apply for various grants that would off-set costs.

Priority:

High

Category:

IV. New Program

History and Current Status

The precursor physical survey of the facility was performed in Fall of 2019.

Impact if Delayed/Alternatives

Projects will continue to be completed without direction from a comprehensive plan.

Operating Impact/Other Comments

Cost

	Total Cost
Planning/Design	\$ 18,000
Purchase	
Construction	
Equipment	
Other	
TOTAL PROJECT COSTS	\$ 18,000

Funding

General Fund	\$ 18,000
General Obligation Bonds	
Grants	
Other	
TOTAL FUNDING SOURCES	\$ 18,000



Contact Person: **Steve Hadden, Lake Warden**

Department: **Graham-Mebane Lake (6210)**



CIP CAPITAL IMPROVEMENT PROJECT DESCRIPTION

Project Title: Kubota SVL65-2W Track Loader

Description and Scope

SVL65-2W Kubota skid steer. 15" rubber tracks with a V2607-CE-TE4 Tier 4 Final Diesel Engine. This is a compact track loader able to maneuver easily in tight areas. It also has a large assortment of attachments.

The quote includes a 4-in-1 bucket and pallet forks attachments.

Justification/Purpose

A track loader will allow staff to work in various surface conditions and complete landscape renovation projects in a more effective and efficient manner.

Priority:

High

Category:

II. Maintenance/Replacement

History and Current Status

The current skid steer inherited by the Park Maintenance Division is in constant need of repair, thus delaying completion of multiple projects.

Impact if Delayed/Alternatives

Projects such as the replacement of safety surfacing at playgrounds, replacement of mulch in landscaped areas and grading projects will continue to be delayed.

Operating Impact/Other Comments

The current skid steer may become more costly to repair than it is worth which would force the Division to borrow equipment from the Public Works Dept., creating delays in projects for both divisions.

Cost

	Total Cost
Planning/Design	
Purchase	
Construction	
Equipment	\$ 46,000
Other	
TOTAL PROJECT COSTS	\$ 46,000

Funding

General Fund	\$ 46,000
General Obligation Bonds	
Grants	
Other	
TOTAL FUNDING SOURCES	\$ 46,000



Contact Person: Tel Fehlhafer, Parks Maintenance Supervisor

Department: Athletic Facilities (6220)



CIP CAPITAL IMPROVEMENT PROJECT DESCRIPTION

Project Title: 3500 Ext cab service truck

Description and Scope

3500 Ext Cab 4 WD service body truck.

Priority:

Medium

Category:

II. Maintenance/Replaceme

History and Current Status

This truck would replace a 2004 truck of like description that is being driven daily by the Property Maintenance Superintendent that is over 100,000 miles.

Impact if Delayed/Alternatives

We could expect elevated maintenance cost as this truck is over 100,000 miles.

Operating Impact/Other Comments

Justification/Purpose

This truck will be purchased with the snow plow package. This truck has an 8 ft. tool body to carry tools and supplies that are need for various jobs throughout the city. The snow plow on a smaller truck would aid in intersection clean up and back up if other units go down.

Cost

	Total Cost
Planning/Design	
Purchase	
Construction	
Equipment	\$ 48,000
Other	
TOTAL PROJECT COSTS	\$ 48,000

Funding

General Fund	\$ 48,000
General Obligation Bonds	
Grants	
Other	
TOTAL FUNDING SOURCES	\$ 48,000



Contact Person: Tim Covington, Prop Maint.

Department: Property Maintenance (6450)



2021-2025 CIP CAPITAL IMPROVEMENT PROJECT DESCRIPTION



Project Title: Manhole Rehab

Description and Scope

Eliminate and reduce inflow and infiltration through leaking joints with a protective coating on the walls of the sewer manhole.

Priority:

Medium

Category:

II. Maintenance/Replacement

History and Current Status

The City has conducted investigative testing of problem areas, particularly the Boyd Creek Sewershed.

Impact if Delayed/Alternatives

Environmental impacts, civil penalties or 3rd party lawsuits.

Justification/Purpose

The City experiences infiltration and inflow during rain events, sometimes overcoming the capacity of our systems.

Operating Impact/Other Comments

Reduces degradation of the system, maintenance calls and opens up capacity.

Cost

	Prior	20-21	21-22	22-23	23-24	24-25	Future
Planning/Design							
Purchase							
Construction	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Equipment							
Other							
TOTAL PROJECT COSTS	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000

Funding

	Prior	20-21	21-22	22-23	23-24	24-25	Future
General Fund							
General Obligation Bonds							
Grants							
Other	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
TOTAL FUNDING SOURCES	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000

Contact Person: Ladd Nall

Department: Water and Sewer Distribution (46)



2021-2025 CIP CAPITAL IMPROVEMENT PROJECT DESCRIPTION



Project Title: Chemical Root Treatment/Removal

Description and Scope

Hire contractor to chemically treat areas with root problems.

Priority:

Medium

Category:

II. Maintenance/Replaceme

History and Current Status

We have been using chemical for several years in addition to manual pruning efforts.

Impact if Delayed/Alternatives

Blockages resulting in service interruption and property damage.

Justification/Purpose

Root infiltration can cost you millions of dollars. Sanitary sewer stoppages and overflows cost municipalities millions of dollars each year—and their primary cause is tree roots. Roots also cause structural deterioration, grease and debris buildup, and toxic and corrosive atmospheres in sewer pipes. Root infestation costs are easily avoided when we implement a root control program. It is a vital, cost-saving, infrastructure-preserving program for municipalities.

Operating Impact/Other Comments

Cost

	Prior	20-21	21-22	22-23	23-24	24-25	Future
Planning/Design							
Purchase							
Construction							
Equipment							
Other	\$ 35,000	\$ 35,000	\$ 40,000	\$ 40,000	\$ 45,000	\$ 45,000	
TOTAL PROJECT COSTS	\$ 35,000	\$ 35,000	\$ 40,000	\$ 40,000	\$ 45,000	\$ 45,000	\$ 0

Funding

	Prior	20-21	21-22	22-23	23-24	24-25	Future
General Fund							
General Obligation Bonds							
Grants							
Other	\$ 35,000	\$ 35,000	\$ 40,000	\$ 40,000	\$ 45,000	\$ 45,000	
TOTAL FUNDING SOURCES	\$ 35,000	\$ 35,000	\$ 40,000	\$ 40,000	\$ 45,000	\$ 45,000	\$ 0

Contact Person: Ladd Nall

Department: Water and Sewer Distribution (46)



2021-2025 CIP CAPITAL IMPROVEMENT PROJECT DESCRIPTION



Project Title: Sewer Main Cured in Place Pipe Lining

Description and Scope

Line aging and hard to maintain area of outfall piping. Reduce I and I volumes.

Priority:

Medium

Category:

II. Maintenance/Replaceme

History and Current Status

Impact if Delayed/Alternatives

Operating Impact/Other Comments

Justification/Purpose

Line aging and hard to maintain area of outfall piping. Reduce I and I volumes.

Cost

	Prior	20-21	21-22	22-23	23-24	24-25	Future
Planning/Design							
Purchase							
Construction		\$ 300,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Equipment							
Other							
TOTAL PROJECT COSTS	\$ 0	\$ 300,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000

Funding

	Prior	20-21	21-22	22-23	23-24	24-25	Future
General Fund							
General Obligation Bonds							
Grants							
Other		\$ 300,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
TOTAL FUNDING SOURCES	\$ 0	\$ 300,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000

Contact Person: Ladd Nall

Department: Water and Sewer Distribution (46)



2021-2025 CIP CAPITAL IMPROVEMENT PROJECT DESCRIPTION



Project Title: Risk and Resilience Assessment

Description and Scope

Assessment of the water system's risks and resilience.

Priority:

Medium

Category:

II. Maintenance/Replaceme

History and Current Status

Effective October, 2018

Completed by June 30, 2021

Impact if Delayed/Alternatives

Federal regulatory requirement

Justification/Purpose

American's Water Infrastructure Act of 2018- Each community system serving 3,300 persons shall conduct an assessment of the risks to, and resilience of, its system.

Operating Impact/Other Comments

Cost

	Prior	20-21	21-22	22-23	23-24	24-25	Future
Planning/Design							
Purchase							
Construction		\$ 30,000	\$ 30,000				
Equipment							
Other							
TOTAL PROJECT COSTS	\$ 0	\$ 30,000	\$ 30,000	\$ 0	\$ 0	\$ 0	\$ 0

Funding

	Prior	20-21	21-22	22-23	23-24	24-25	Future
General Fund							
General Obligation Bonds							
Grants							
Other		\$ 30,000	\$ 30,000				
TOTAL FUNDING SOURCES	\$ 0	\$ 30,000	\$ 30,000	\$ 0	\$ 0	\$ 0	\$ 0

Contact Person: Ladd Nall

Department: Water and Sewer Distribution (46)



CIP CAPITAL IMPROVEMENT PROJECT DESCRIPTION

Project Title: Cedar St. Water Line Renewal

Description and Scope

Install 1000' of 6" ductile iron water main. Install two fire hydrants and renew all water services.

Priority:

Medium

Category:

II. Maintenance/Replaceme

History and Current Status

We have made several spot repairs to the leaking main.

Impact if Delayed/Alternatives

Continued leak repair.

Justification/Purpose

Cedar St is currently served by a 2" diameter corroded galvanized water main.

Operating Impact/Other Comments

Continued leak repair and response to customer complaints.

Cost

	Total Cost
Planning/Design	\$ 26,000
Purchase	
Construction	\$ 270,000
Equipment	
Other	\$ 4,000
TOTAL PROJECT COSTS	\$ 300,000

Funding

General Fund	
General Obligation Bonds	
Grants	
Other	\$ 300,000
TOTAL FUNDING SOURCES	\$ 300,000



Contact Person: Ladd Nall

Department: Water and Sewer Distribution (46)



CIP CAPITAL IMPROVEMENT PROJECT DESCRIPTION

Project Title: Resurface Plant Drive

Description and Scope

Resurface the asphalt drive.

Priority:

Medium

Category:

II. Maintenance/Replaceme

History and Current Status

Drive was paved in 2002.

Impact if Delayed/Alternatives

Asphalt will show more wear as cracks become larger and more widespread.

Operating Impact/Other Comments

Justification/Purpose

Surface of asphalt has cracks.

Cost

	Total Cost
Planning/Design	
Purchase	
Construction	\$ 100,000
Equipment	
Other	
TOTAL PROJECT COSTS	\$ 100,000

Funding

General Fund	
General Obligation Bonds	
Grants	
Other	\$ 100,000
TOTAL FUNDING SOURCES	\$ 100,000



Contact Person: Tonya Mann

Department: Water Treatment Plant (4800)



CIP CAPITAL IMPROVEMENT PROJECT DESCRIPTION

Project Title: Knife Gate at Raw Water Station

Description and Scope

Purchase and installation of a 24" stainless steel knife gate.

Priority:

High

Category:

II. Maintenance/Replaceme

History and Current Status

Sluice gate was put in place in 1990. It is not operational. Divers are required to open and close it currently. In current closed position it is not closed completely.

Impact if Delayed/Alternatives

Major impact would be draining the lake if it failed to a further extent. Minor impact is wasting potential stored raw water into downstream creek. This waste of potential stored water could be a very important loss during times of drought.

Justification/Purpose

Advantages of a knife gate vs. a gate valve or a sluice gate are that all of the components of the knife gate are contained and there are no push/pull items to fail. Knife gates have a typical life expectancy of 50 years. The replacement of the knife gate will make the gate operational again for control of the lake levels if conditions dictate.

Operating Impact/Other Comments

Cost

	Total Cost
Planning/Design	
Purchase	
Construction	
Equipment	\$ 76,440
Other	
TOTAL PROJECT COSTS	\$ 76,440

Funding

General Fund	\$ 76,440
General Obligation Bonds	
Grants	
Other	
TOTAL FUNDING SOURCES	\$ 76,440



Contact Person: Shelby Smith

Department: Water Treatment Plant (4800)



CIP CAPITAL IMPROVEMENT PROJECT DESCRIPTION

Project Title: Mechanical Bar Screen

Description and Scope

Mechanical Bar Screen is used to remove heavy solids from treatment process

Priority:

High

Category:

II. Maintenance/Replaceme

History and Current Status

Was installed in 2001 upgrade. Still in fair/good condition but replacement has been recommended.

Impact if Delayed/Alternatives

Failure would be catastrophic to operation of plant. Screening of influent would be greatly affected.

Operating Impact/Other Comments

Justification/Purpose

Cost

	Total Cost
Planning/Design	
Purchase	\$ 60,000
Construction	
Equipment	
Other	
TOTAL PROJECT COSTS	\$ 60,000

Funding

General Fund	
General Obligation Bonds	
Grants	
Other	\$ 60,000
TOTAL FUNDING SOURCES	\$ 60,000



Contact Person: Tonya Mann

Department: Wastewater Treatment Plant (59)



CIP CAPITAL IMPROVEMENT PROJECT DESCRIPTION

Project Title: **Influent Grit Pump & base**

Description and Scope

Pump removes grit (inorganic materials such as sand, gravel, etc.) from wastewater

Priority:

Medium

Category:

II. Maintenance/Replaceme

History and Current Status

Current pump has been in service since 2001. Efficiency of pump is continuing to decrease. Base is badly rusting due to water splash and poor drainage.

Impact if Delayed/Alternatives

Failure to properly remove grit from wastewater will damage other pumps in the plant

Operating Impact/Other Comments

Justification/Purpose

Cost

	Total Cost
Planning/Design	
Purchase	\$ 25,000
Construction	
Equipment	
Other	
TOTAL PROJECT COSTS	\$ 25,000

Funding

General Fund	
General Obligation Bonds	
Grants	
Other	\$ 25,000
TOTAL FUNDING SOURCES	\$ 25,000



Contact Person: **Tonya Mann**

Department: **Wastewater Treatment Plant (59)**



CIP CAPITAL IMPROVEMENT PROJECT DESCRIPTION

Project Title: Sludge mixer pump

Description and Scope

Mixer Pumps are used to condition, mix and pump digested sludge to transport trucks that is ready for application at the city farm.

Priority:

High

Category:

II. Maintenance/Replaceme

History and Current Status

Other two pumps have been replaced in recent years; this pump runs almost continuously and has been pulled many times for repairs due to decay

Impact if Delayed/Alternatives

Pump failure would hinder mixing of sludge possibly affecting quality that is applied.

Operating Impact/Other Comments

Justification/Purpose

Cost

	Total Cost
Planning/Design	
Purchase	\$ 33,000
Construction	
Equipment	
Other	
TOTAL PROJECT COSTS	\$ 33,000

Funding

General Fund	
General Obligation Bonds	
Grants	
Other	\$ 33,000
TOTAL FUNDING SOURCES	\$ 33,000



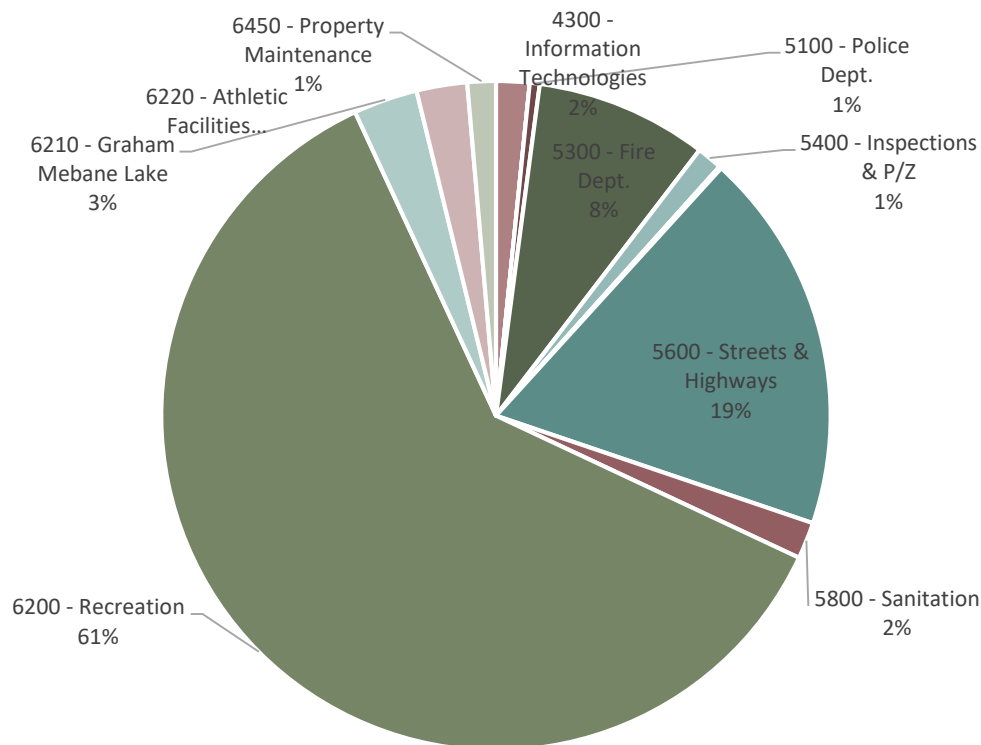
Contact Person: Tonya Mann

Department: Wastewater Treatment Plant (59)

6. APPENDIX 2: GENERAL FUND CAPITAL IMPROVEMENT SCHEDULES

General Fund Summary

	FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025	Total
Request						
Administration	0	0	0	0	0	0
Information Technologies	144,200	125,300	121,600	152,600	110,500	654,200
Finance	0	0	0	0	0	0
Public Bldgs. & Grounds	0	0	0	0	0	0
Police Dept.	90,000	70,000	35,000	0	0	195,000
Fire Dept.	875,000	2,500,000	0	0	0	3,375,000
Inspections & P/Z	100,000	175,000	75,000	75,000	75,000	500,000
Traffic Engineering	0	0	0	0	0	0
City Garage/Warehouse	0	0	0	0	45,000	45,000
Streets & Highways	1,369,500	979,000	1,476,975	1,927,700	1,736,825	7,490,000
Sanitation	0	0	0	0	720,000	720,000
Recreation	6,542,675	405,500	2,200,000	0	15,652,125	24,800,300
Graham Mebane Lake	18,000	100,000	190,000	400,000	550,000	1,258,000
Athletic Facilities	307,000	544,000	81,000	50,000	10,000	992,000
Property Maintenance	285,000	78,500	85,000	109,000	0	557,500
Subtotal	9,731,375	4,977,300	4,264,575	2,714,300	18,899,450	



Department Schedules

Information Technologies

	FY 2020- 2021	FY 2021- 2022	FY 2022- 2023	FY 2023- 2024	FY 2024- 2025	Total
Request						
Computer Replacements	52,000	54,000	56,000	60,000	60,000	282,000
Downtown Wi-Fi Project		34,600	9,600	9,600	9,600	63,400
Network Refresh	18,700	20,700	39,000	15,000	16,400	109,800
City Hall Rewire	25,000					25,000
City Phone System Replacement	22,500	16,000	17,000	18,000	24,500	98,000
VM Replacement	26,000			50,000		76,000
						0
Subtotal	144,200	125,300	121,600	152,600	110,500	654,200

Police Department

	FY 2020- 2021	FY 2021- 2022	FY 2022- 2023	FY 2023- 2024	FY 2024- 2025	Total
Request						
HVAC System Replacement	70,000	70,000	35,000			175,000
Flooring replacement	20,000					20,000
						195,000
Subtotal	90,000	70,000	35,000	0	0	

Fire Department

	FY 2020- 2021	FY 2021- 2022	FY 2022- 2023	FY 2023- 2024	FY 2024- 2025	Total
Request						
Fire Engine	625,000					625,000
Satellite station and training facility	250,000	2,500,000				2,750,000
						0
						0
						0
						0
						0
Subtotal	875,000	2,500,000	0	0	0	

Inspections P/Z

	FY 2020- 2021	FY 2021- 2022	FY 2022- 2023	FY 2023- 2024	FY 2024- 2025	Total
Request						
Transportation Plan- w/ MPO Match		75,000	75,000			150,000
Development Ordinance Rewrite	100,000	100,000				200,000
Comprehensive Plan Update				75,000	75,000	150,000
						0
						0
						0
						500,000
Subtotal	100,000	175,000	75,000	75,000	75,000	

City Garage & Warehouse

	FY 2020- 2021	FY 2021- 2022	FY 2022- 2023	FY 2023- 2024	FY 2024- 2025	Total
Request						
Fuel System Upgrade					45,000	45,000
						0
						0
						0
						0
						0
						45,000
Subtotal	0	0	0	0	45,000	

Streets & Highways

	FY 2020- 2021	FY 2021- 2022	FY 2022- 2023	FY 2023- 2024	FY 2024- 2025	Total
Request						
Marshall, Travora, Pomeroy Storm Drain Project	70,000	70,000	455,475	1,004,700	359,825	1,960,000
Pickup Truck Replacement	35,000					35,000
Skid Steer					60,000	60,000
Track Loader Replacement	235,000					235,000
Truby Drive Repair Design	7,500	15,000	7,500			30,000
Wheel Loader					225,000	225,000
Pedestrian Sidewalks	100,000	100,000	100,000	100,000	100,000	500,000
Street Resurfacing	700,000	725,000	750,000	775,000	800,000	3,750,000
Accubatch Brine Maker			32,000			32,000
Church/Municipal Parking Lot					62,000	62,000
Elm and Maple Municipal Parking lot	32,000					32,000
Harden and Maple Municipal Parking Lot				48,000		48,000
Main and Marshall Municipal Parking Lot		54,000				54,000
Marshall and Elm Parking Lot			32,000			32,000
Tandem Dump Truck	175,000					175,000
Mini Excavator					130,000	130,000
Public Works Asphalt Repair and Resurface	15,000	15,000	100,000			130,000
Subtotal	1,369,500	979,000	1,476,975	1,927,700	1,736,825	7,490,000

5800-Sanitation

	FY 2020- 2021	FY 2021- 2022	FY 2022- 2023	FY 2023- 2024	FY 2024- 2025	Total
Request						
Automated Garbage Truck Replacement					295,000	295,000
Rear Loading Refuse Truck Replacement					220,000	220,000
Knuckle Boom Truck					180,000	180,000
Self-Contained Trash Compactors					25,000	25,000
Subtotal	0	0	0	0	720,000	

6200-Recreation

	FY 2020- 2021	FY 2021- 2022	FY 2022- 2023	FY 2023- 2024	FY 2024- 2025	Total
Request						
Multi-purpose Fields	4,716,250					4,716,250
Baseball/Softball Complex					4,892,750	4,892,750
Amphitheater			2,145,000			2,145,000
Recreation Center at GRP					10,759,375	10,759,375
Graham Regional Park Land Acquisition		150,000				150,000
Graham Regional Mountain/Hiking Trail		75,000				75,000
Portable Stage- Covered			55,000			55,000
Portable Stage- Sections		5,500				5,500
Lighting updates at Rec Center	19,500					19,500
Graham Rec Center Gym Floor Replacement		145,000				145,000
Projection Center at Civic Center	6,300					6,300
Alamance Arts Interior Painting	18,000					18,000
Recreation Center- Power Operated Goals		30,000				30,000
Removable Bollards for E. and W. Elm St.	36,500					36,500
Concrete Barriers	12,500					12,500
Floor scrubber	6,000					6,000
Graham Regional Park Water Line	1,702,625					1,702,625
Graham Rec Center Retractable Bleachers	25,000					25,000
Subtotal	6,542,675	405,500	2,200,000	0	15,652,125	

6210-Graham Mebane Lake

	Fiscal Year	FY 2020- 2021	FY 2021- 2022	FY 2022- 2023	FY 2023- 2024	FY 2024- 2025	Total
Request							
Boat Dock System				90,000			90,000
Boat Launch Ramp Project			100,000				100,000
Land Acquisition Bason				100,000			100,000
Marina Building						500,000	500,000
Lake Overlook						50,000	50,000
Site Master Plan		18,000					18,000
Retaining Wall bank fishing area					400,000		400,000
Subtotal	0	18,000	100,000	190,000	400,000	550,000	

6220-Athletic Facilities

	FY 2020- 2021	FY 2021- 2022	FY 2022- 2023	FY 2023- 2024	FY 2024- 2025	Total
Request						
Skid Steer	46,000					46,000
Cooke Park- Parking Lot & Track repaving	235,000					235,000
Cooke Park Tennis Courts		500,000				500,000
Greenway Park New Playground				50,000		50,000
Kabuto Zero Turn mower		18,000				18,000
Marshall Street Playground			50,000			50,000
Cameras at S. Graham Park	6,000					6,000
Park Signs replacements		20,000				20,000
Expand Basketball Court at Bill Cooke	20,000					20,000
S. Graham Park- Perimeter Track Renovation			16,000			16,000
Public Art			15,000		10,000	25,000
Scoreboards- Cooke Park		6,000				6,000
Subtotal	307,000	544,000	81,000	50,000	10,000	

6450-Property Maintenance

	FY 2020- 2021	FY 2021- 2022	FY 2022- 2023	FY 2023- 2024	FY 2024- 2025	Total
Request						
New Public Works Building						0
3500 4WD Extended Cab Service Body Truck	48,000					48,000
24000 LBS Flatbed Trailer		9,500				9,500
Bucket Truck	142,000					142,000
Compost Screener			85,000			85,000
F550 Dump Truck		55,000				55,000
Graham Memorial Paving	75,000					75,000
Tub Grinder				95,000		95,000
Automatic Gate	10,000					10,000
Metal Carport	10,000					10,000
Zero Turn Mower		14,000		14,000		28,000
Subtotal	285,000	78,500	85,000	109,000	0	557,500

7. APPENDIX 3: WATER & SEWER CAPITAL IMPROVEMENT SCHEDULES

Water & Sewer Fund Summary

As previously mentioned, the Water and Sewer Fund is capital intense. Aging infrastructure and regulatory mandates require that the City understand and prepare for upcoming projects. Unlike the General Fund, Water and Sewer Fund Capital Improvements look beyond 5 years and into 10 years. Years 5-10 have not been assigned a particular year of implementation, but are nevertheless identified for planning purposes. For the 10-year schedule of improvements, it is estimated that the Water and Sewer Fund will require \$55,925,000 in capital investment.

Water / Sewer Fund Totals

	FY 2020- 2021	FY 2021- 2022	FY 2022- 2023	FY 2023- 2024	FY 2024- 2025	FUTURE 2025- 2030	Total
Request							
Adm. Water Bill & Meter	0	0	0	0	0	0	0
Water & Sewer Distribution	715,000	2,471,300	210,000	1,610,080	910,000	9,920,470	15,836,850
Maintenance & Lift Station	2,190,000	20,000	470,000	25,000	625,000	765,000	4,095,000
Water Treatment Plant	476,440	466,500	700,000	138,000	45,000	347,000	2,172,940
Wastewater Treatment Plant	168,500	31,126,900	115,000	13,000	35,000	2,362,500	33,820,900
Subtotal	3,549,940	34,084,700	1,495,000	1,786,080	1,615,000	13,394,970	

Department Schedules

Water & Sewer Distribution

	FY 2020- 2021	FY 2021- 2022	FY 2022- 2023	FY 2023- 2024	FY 2024- 2025	FUTURE 2025- 2030	Total
Request							
Cedar Street Line Renewal	300,000						300,000
Cheek Lane Water Main Extension		758,000					758,000
Lacy Holt Rd-Extend Water Main					400,000		400,000
Long & Albright Ave Sewer Pipe Relocation				453,180			453,180
New & Parker St Sewer Pipe Replacement				362,000			362,000
New Street Sewer Main Replacement				354,900			354,900
10" Water Main Renewal- Phase 1 Plant to Pomeroy						6,124,890	6,124,890
10" Water Main Renewal- Phase 2 Parker to Townbranch						1,478,580	1,478,580
100 & 200 Block of West Elm St Waterline Replacement		528,300					528,300
Auto Park Drive Waterline Extension					315,000		315,000
Backhoe Replacement				100,000			100,000
Chemical Root Control	35,000	35,000	40,000	40,000	45,000	45,000	240,000
NE Ct Sq. Quad Sewer Main Relocation				150,000			150,000
Elevated Storage Tank						2,000,000	2,000,000
Distribution System Hydraulic Model			20,000			22,000	42,000
Manhole Rehab	50,000	50,000	50,000	50,000	50,000	50,000	300,000

Appendix 3

Relocation of Department		900,000					900,000
Truck Replacement		70,000				75,000	145,000
Risk and Resilience Assessment	30,000	30,000					60,000
Sewer Main Cured in Place Pipe Lining	300,000	100,000	100,000	100,000	100,000	125,000	825,000
Subtotal	715,000	2,471,300	210,000	1,610,080	910,000	9,920,470	

Maintenance & Lift Stations

	FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025	FUTURE 2025-2030	Total
Request							
Back Creek 1 Upgrade					600,000		600,000
Haw River Upgrade						700,000	700,000
Old Field Lift Station			450,000				450,000
Old Fields Outfall Project- Phase 1	1,275,000						1,275,000
Old Fields Outfall Project- Phase 2	875,000						875,000
Spare Pumps For Lift Stations	40,000	20,000	20,000	25,000	25,000	30,000	160,000
Truck Replacement						35,000	35,000
							4,095,000
Subtotal	2,190,000	20,000	470,000	25,000	625,000	765,000	

4800-Water Treatment Plant

	FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025	FUTURE 2025-2030	Total
Request							
Deionized Water System		6,500				7,000	13,500
DR6000 Spectrophotometer				13,000			13,000
THM Analyzer					45,000		45,000
TOC Analyzer		30,000					30,000
Air Scour Backwash			700,000				700,000
Recoating Clear Wells	300,000					200,000	500,000
SCADA Upgrade		15,000				15,000	30,000
Enclose Bleach Bulk Tanks		150,000					150,000
Upgrade Raw Water #3 pump		115,000					115,000
Resurface Plant Drive	100,000						100,000
Knife Gate at Raw Water Station	76,440						76,440
Settle Basin 1 & 2 Rehab		150,000					150,000
Filter Rehabs				125,000		125,000	250,000
							2,172,940
Subtotal	476,440	466,500	700,000	138,000	45,000	347,000	

5900-Wastewater Treatment Plant

	Fiscal Year	FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025	FUTURE 2025-2030	Total
Request								
Primary Scum Pump		35,000						35,000
Sludge Mixer Pump		33,000				35,000	35,000	103,000
BOD Incubator					7,000			7,000
Deionized Water System		7,500					7,500	15,000
Fume Hood			10,000					10,000
Sterilmatic Sterilizer			16,900					16,900
Vacuum Pump					6,000			6,000
BNR Process Upgrade			31,000,000					31,000,000
Mechanical Bar Screen		60,000						60,000
Influent Grit Pump & Base		25,000						25,000
SCADA Upgrade				15,000			20,000	35,000
#3-4 Secondary Clarifier			100,000	100,000				200,000
Secondary Clarifier Rehabs 1-2							300,000	300,000
Transport Pump on Transport Truck		8,000						8,000
Class A Biosolids							2,000,000	2,000,000
Sludge Transport Truck							200,000	200,000
								34,020,900
Subtotal		168,500	31,126,900	115,000	13,000	35,000	2,362,500	

