

Bergland Township

Capital Improvements Program

2021-2027

May 20, 2021

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FY 2021-2027
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Introduction

Pursuant to the Municipal Planning Commission Act – Public Act 285 of 1931, the Planning Commission of a municipality shall make and adopt a six-year Capital Improvement Program (CIP) to carry out its long-range planning objectives. The Bergland Township Planning Commission (PC) will be adopting its program this year for fiscal years 2021 through 2027.

Commencing with this program year, the Township Board and Planning Commission review and update the six-year CIP annual during the February budgeting process. This is timed so as to approve the Capital Budget in concert with the General Operating budget in March.

Briefly stated, the objectives of a CIP are as follows:

- To develop a long range (six-year) program in which physical projects are planned, prioritized and implemented in an orderly manner
- To coordinate the capital related projects of the various Township departments, boards and commissions to ensure and appropriate distribution of capital improvement funds with regards to the needs of the Township and the fiscal ability of the Township to undertake the requested projects
- To assist the Township Supervisor and the PC in the determination of project requests and funding sources with regard to short and long-range plans
- To coordinate the demands and request for Capital Improvement funds with the planning needs of the Township so that an appropriate prioritized system can be programmed over increments of six years

Explanation of Capital Improvement Terms

Capital Improvement:

Projects that result in the acquisition, addition, updating of development of physical facilities. A capital improvement may also include contractual or bonded indebtedness payments related to fixed assets (SAW grant) or any major expenditure for physical development, which generally falls into one of the following categories:

- Land and non-structural improvements
- New structures
- Major repairs- \$2,500 or more
- Major replacements- \$2,500 or more
- Non-motorized equipment- \$2,500 or more

Additionally, capital improvements are generally defined as the following:

- New and expanded physical facilities for the community which are relatively large in size, expensive and permanent
- Large scale rehabilitation or replacement of existing facilities
- Major pieces of equipment which has a direct relationship to the function of a physical facility and which are relatively expensive and of long life
- Purchase of equipment for any public improvements when first erected or acquired that are to be financed in whole or in part from bond funds
- The cost of engineering and architectural studies and surveys relative to an anticipated improvement

Capital Improvement Program:

Capital Improvement Programming is the preparation and updating of a recommended schedule of public works and related equipment to be built or purchased during the next six years. To be effective, the Township's CIP will cover the Township's entire range of public facility and service requirements. In the Township's CIP all future projects are listed in order of construction priority together with cost estimates and the anticipated means of financing each project.

A six-year Capital Improvement Programming period is generally considered to be most suitable. A two or three year time period is too short for effective programming because planning and financing of major projects usually take a longer period of time. Conversely, a period of seven or more years may project the program too far into the future to be of practical value. A capital improvement budget is the first year of a CIP.

Capital Improvement Budget:

While the CIP is a proposed spending schedule for six years, the Capital Budget is legal authorization to spend, during the coming fiscal years, funds from Township sources and from Federal and State Grants for those projects.

The Township capital budget is distinct from the Operating Budget. The Operating Budget authorizes the expenditures, on a one-year basis, of funds for employee salaries, fringe benefits, and the purchase of services, supplies and the like. It also includes the payment of principle and interest on the bonds issued to support past Capital Budget projects. Since effective Township services depend on the timely combination of manpower, supplies and capital facilities, serious effort is devoted in the budgetary process to coordinating the Capital and Operating Budgets.

Appropriation:

Money appropriated by the Township Board for capital improvement projects to be implemented during the budget year. It includes amendments made during the fiscal year to the originally approved capital budget appropriation.

Program Adoption and Amendment Procedures:

The PC must work collaboratively with the Township Board during the fiscal year to maintain the CIP project list. The PC shall annually prepare such a CIP for the ensuing six years, which program shall show those public structures and improvements in the general order of their priority, which in the PC's judgement will be needed or desirable and can be undertaken within the six-year period.

The CIP will be formally accepted at the same Township Operating Budget meeting in March. In the event of a proposed change or amendment of an adopted CIP and/or Project, the change must be submitted to the Township Board for amendment consideration.

Methodology

The projects listed in this document were compiled by the PC from comments received in the public survey and now included in the Master Plan and the Rec Plan, conversations with Township Board members, other stakeholders in the community and finally, projects identified by Coleman Engineering as a part of the SAW grant reports.

Future updates to the CIP will consist of a budgetary cost review to those projects already on the list along with an assessment of the need for the project, i.e. has the priority changed? Additions to the CIP list must be accompanied by a formal request to add the project including a +/- 50% cost estimate and a specific reason for the needed project.

Cost Summary of Projects per Category

Expenditures by Category							
Category	2021	2022	2023	2024	2025	2026	Totals/Category
Sewer		\$120,000	\$697,400			\$5,000	\$822,400
Water	\$6,000	\$160,000					\$166,000
Storm Sewer	\$5,000	\$2,000	\$5,000				\$12,000
Streets		\$500,000	\$500,000	\$500,000			\$1,500,000
Buildings	\$40,000	\$20,000	\$250,000	\$500,000			\$810,000
Parks and Rec	\$17,750	\$39,000	\$39,000				\$95,750
Equipment		\$30,000					\$30,000
Public Safety						\$100,000	\$100,000
Cemeteries			\$6,000		\$1,500		\$7,500
Totals/year	\$68,750	\$871,000	\$1,497,400	\$1,000,000	\$1,500	\$105,000	\$3,543,650

Funding Source	Category	2021	2022	2023	2024	2025	2026	Totals
Sewer								
Fund/Bond	Sewer		<u>\$120,000</u>	<u>\$697,400</u>			\$5,000	\$822,400
Water Fund	Water	\$6,000	\$160,000					\$166,000
General Fund	Storm Sewer	\$5,000	\$2,000	<u>\$5,000</u>				\$12,000
USRDA			<u>\$0</u>	<u>\$0</u>				
General Fund	Street		<u>\$500,000</u>	<u>\$500,000</u>	<u>\$500,000</u>			\$1,500,000
DOT Grant	Street		<u>\$0</u>	<u>\$0</u>	<u>\$0</u>			\$0
General Fund	Buildings	\$40,000	<u>\$20,000</u>	<u>\$250,000</u>	<u>\$500,000</u>			\$810,000
Grant Funding	Buildings		<u>\$0</u>	<u>\$0</u>	<u>\$0</u>			\$0
General Fund	Parks and Rec	\$17,750	<u>\$39,000</u>	<u>\$39,000</u>				\$95,750
DNR Grant	Parks and Rec		<u>\$0</u>	<u>\$0</u>				\$0
General Fund	Equipment		\$30,000					\$30,000
General Fund	Public Safety						\$100,000	\$100,000
Grant Funding	Public Safety						<u>\$0</u>	\$0
General Fund	Cemeteries			\$6,000		\$1,500		\$7,500
Totals/yr		\$68,750	\$871,000	\$1,497,400	\$1,000,000	\$1,500	\$105,000	\$3,543,650

- Grant funding sources not defined at this time, amounts with potential grand funding italicized and underlined

CIP Sewer Projects							
Project Title	2021	2022	2023	2024	2025	2026	Total/project
Gravity Sewer System Repairs						\$5,000	\$5,000
Gravity Sanitary Sewer Manhole Repairs			\$12,400				\$12,400
Wastewater Lagoon Dredging		\$60,000	\$380,000				\$440,000
Wastewater Lagoons Repairs		\$60,000	\$305,000				\$365,000
Total/yr	\$0	\$120,000	\$697,400	\$0	\$0	\$5,000	\$822,400

1. Gravity sewer system repairs- minor repairs from television scope work done in 2018 completed. Placeholder for 2025 to reconduct TV survey.
2. Gravity Sewer Manhole Repairs- look at doing 5 worst covers in 2023. Cost ratioed from Coleman estimate (1/5 of total cost). Utility Sup to develop list of worst 5.
3. Wastewater Lagoon Dredging- Lagoons have never been dredged. Consensus exists that only the 1st lagoon needs dredging. Free service to dip lagoon to determine level. Schedule for 2021. Cost ratioed from Coleman estimate (1/3 of total cost). Cost in 2022 is for Engineering, Legal and Testing to dredge 1 lagoon.
4. Wastewater Lagoon Repairs- no knowledge of condition of outlet piping, valves on inlet structure missing wheels, not exercised regularly. Need engineering analysis to determine scope of work
5. Cattail removal- Not a capital project, routine operational/maintenance expense. Need to look at for budget in 2021

CIP Water Projects							
Project Title	2021	2022	2023	2024	2025	2026	Total/Project
Water Tank Repairs		\$160,000					\$160,000
System Evaluation	\$6,000						\$6,000
Total/yr	\$6,000	\$160,000	\$0	\$0	\$0	\$0	\$166,000

1. Water Chlorination installed on Well 3 in 2020
2. System Evaluation- Coleman to develop an Asset Management Plan per State of MI requirement. No known lead in piping system. System N of M28 installed in the '50's. System S of M28 upgraded in 1998. Wells installed in the '70's.
3. Water meter replacement being done in small groups annually. Continue in to work on in 2021 as routine operational/maintenance expense.

CIP Stormwater Projects

Project Title	2021	2022	2023	2024	2025	2026	Totals/project
System Reconstructon	\$5,000	\$2,000	\$5,000				\$12,000
Totals/yr	\$5,000	\$2,000	\$5,000	\$0	\$0	\$0	\$12,000

1. Group agreed in the short term to work on following top 2 issues- #1 priority is back of a trailer in an alley, #2 priority is at corner of Elm and Center. Wally to schedule work on 2 locations in 2021
2. Per Coleman study entire system is in bad shape. The Board needs to determine a path forward to address overall system reconstruction issue.

CIP Streets/Sidewalks							
Project Title	2021	2022	2023	2024	2025	2026	Total/project
Ash Street		\$500,000					\$500,000
Pine Street			\$500,000				\$500,000
Railroad				\$500,000			\$500,000
Total/yr	\$0	\$500,000	\$500,000	\$500,000	\$0	\$0	\$1,500,000

1. Group agreed with the priority of street resurfacing. A verbal quote for resurfacing all streets, ~5-6mi was \$2.5mm. The cost would be 50/50 between the Township and the County. Due to mobilization costs this quote was for the complete job and couldn't be done in stages. Further investigation is needed to determine whether someone might be able to do specific streets in conjunction with some other project.

CIP Buildings							
Project Title	2021	2022	2023	2024	2025	2026	Total/project
Township Office/Comm Center		\$20,000	\$250,000	\$500,000			\$770,000
New roof for Hall	\$40,000						\$40,000
Total/yr	\$40,000	\$20,000	\$250,000	\$500,000	\$0	\$0	\$810,000

1. New Hall for \$1.2mm was voted down in 2010. Group agreed there were probably other lower cost options. Cost estimated was based on Lake Gogebic Fire Department building and ratioed up for larger size.
2. Group thought that a new roof will probably be needed soon. Bruce has quotes ranging from \$14,000 to \$40,000. There is \$\$ in the Township millage acct for RRI repairs. Should this be done now or wait until a decision is made on the Forest Service property?

CIP Parks and Rec Projects							
Project Title	2021	2022	2023	2024	2025	2026	Total/project
Grouped Rec Plan ADA projects (bathroom and playground)		\$12,000					\$12,000
Walkway from lower to upper park		?					\$0
Update kitchen facilities	\$2,000						\$2,000
Provide elect to pavillion	\$2,000						\$2,000
Water to upper campsites		\$5,000					\$5,000
Gravel lower park and add pads	\$6,750						\$6,750
WI-FI to Park		\$8,000					\$8,000
Create short term mooring at dock		\$4,000					\$4,000
Finish wiring campsites	\$5,000						\$5,000
Install a fish cleaning station			\$25,000				\$25,000
Repurpose ballfield/pull thru sites			\$6,000				\$6,000
ORV Extension cleaning station			\$5,000				\$5,000
Provide power to Merriweather pavillion	\$2,000						\$2,000
Cleanup repair sidewalks			\$3,000				\$3,000
Dredge and resand beach		\$5,000					\$5,000
Provide water to upper campsites		\$5,000					\$5,000
Total/yr	\$17,750	\$39,000	\$39,000	\$0	\$0	\$0	\$95,750

1. Projects in 2021 funded out of Park RRI account
2. Grouped projects in Rec Plan included WI-FI, separated out due to cost per a verbal est received from Computer Doctors in Ironwood
3. Not listed above is DNR/Township efforts to upgrade the old pier for ADA accessible fishing and short term boat mooring
4. The Rec Plan will include potential beach dredging/resanding and beautification efforts. These types of projects best fit under routine operating/maintenance expenses

CIP Equipment							
Project Title	2021	2022	2023	2024	2025	2026	Total/project
Lagoon brush mower		\$30,000					\$30,000
							\$0
Total/yr	\$0	\$30,000	\$0	\$0	\$0	\$0	\$30,000

1. DEQ has rules for maintaining vegetation around lagoons. The Township does not have this equipment and contracts this service out. This service may not be available in the future. Mike and Dave to evaluate whether an arrangement to provide this service could be done in conjunction with a local snowmobile club.

CIP Public Safety							
Project Title	2021	2022	2023	2024	2025	2026	Total/project
Fire Truck							\$0
Tanker Truck						\$100,000	\$100,000
Total/yr	\$0	\$0	\$0	\$0	\$0	\$100,000	\$100,000

1. Per FD analysis, tanker truck is 1988 and the fire truck is a 1998. The FD recommends a new tanker truck in 2026 and new fire truck in 2031. New means used but no more than 10yrs old (FD to confirm)

CIP Cemeteries							
Project Title	2021	2022	2023	2024	2025	2026	Total/project
Blacktop work			\$6,000				\$6,000
Kiosks					\$1,500		\$1,500
Fencing							\$0
Total/yr	\$0	\$0	\$6,000	\$0	\$1,500	\$0	\$7,500

1. There is a proposed project to cut roots at the Forest Lawn Cemetery that is estimated to cost \$10,000. This project does not meet the capital project criteria per se but is a significant cost.
2. There are several other low cost projects that better fit within routine operating/maintenance expense: brush removal, paint and repair signs, new flag pole (donation by American Legion) and clear trees/limbs