



# **City of Ithaca, MI CAPITAL IMPROVEMENT PLAN 2022 - 2028**

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**Proposed: May, 2022**

**Planning Commission Recommended: May 10, 2022**

**Water/Sewer Rate Study: April - May 2022**

**Presented at Public Hearing: May 17, 2022**

**City Council Adoption: May 17, 2022**

**CITY OF ITHACA**  
**Capital Improvement Plan**

**FY 2022/2023 through FY 2027/2028**

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**CITY OF ITHACA**  
**Capital Improvement Plan**  
**FY 2022/2023 through FY 2027/2028**

**INTRODUCTION**

The requirement for capital budgeting for the current year and the upcoming five fiscal years is found in the Michigan Planning Enabling Act (Public Act 33 of 2008, as amended.) Capital budgeting has two elements: 1) a 5-Year Capital Improvement Plan (CIP), and 2) the incorporation of that plan into the annual budget and future budget forecasts. The CIP is a six-year schedule of all proposed major capital improvement projects including project priorities, costs estimates and possible methods of financing. Each year the CIP is revised for the next fiscal year.

Including the CIP in the annual budget, and future budget forecasts, is primarily for the purpose of adjusting the multi-year program of projects to changing needs and circumstances as well as available funding sources. It also ensures that proposed and planned projects are actually completed. At the end of each fiscal year, the projects completed during that year are removed from the plan and an additional year's projects are added. Projects can be added, removed or postponed as the needs and resources of the community adjust.

It is also important that the adopted budget include a fund balance history for all funds of the community that provide funding for capital projects (General Fund, Major Street Fund, Local Street Fund, Water/Sewer Fund, etc.) An effective and ongoing CIP is beneficial to elected officials, city staff, the general public, credit-worthiness rating companies and bond holders. Benefits that can be received from an adopted and well-maintained CIP include:

1. Coordination of the community's physical planning with its fiscal planning capabilities & capacities.
2. Ensuring that public improvements are undertaken in the most desirable and efficient order of priority.
3. Assisting in stabilization of tax levies over a period of years.
4. Producing savings in total project costs by promoting a "pay as you go" policy of capital financing, thereby reducing additional interest and other extra charges from long-term debt financing.
5. Providing adequate time for planning and engineering of proposed projects.
6. Ensuring the maximum benefit of the monies expended for public improvements.
7. Permitting municipal construction activities to be coordinated with those of other public agencies within the community.

Capital improvement planning and budgeting allow officials and citizens to set priorities for capital expenditures and ensure maximum physical benefit for a minimum capital expenditure. This is done through an orderly process of project development, project design, cost estimating, scheduling, financing and implementation.

A wide range and variety of capital improvements are included in the CIP. Listed below are several criteria to aid in the review and prioritization of potential projects:

1. Required to fill any federal or state judicial administrative requirements
2. Relationship to source and availability of funds
3. Impact on annual and ongoing operating and maintenance costs
4. Relationship to overall fiscal policy and capabilities
5. Project's readiness for implementation
6. Relationship to overall community needs
7. Relationship to other projects (City and other agencies)
8. Geographic distribution of projects throughout the community
9. Relationship to other community plans

These factors are all relevant and must be considered in order to ensure that the best quality of service is delivered to our residents in the most fiscally prudent manner. Most importantly, the proposed list of capital projects has to reflect the overall goals and vision of the countywide Gratiot Community Master Plan (GREAT Plan).

**THE FOLLOWING ACRONYMS ARE USED THROUGHOUT THIS DOCUMENT:**

**BRA** – Gratiot County Brownfield Redevelopment Authority (Tax Increment Financing [TIF])  
**BTW** – Between  
**CE** – Consumers Energy (grants, energy conservation credits, rebates)  
**CMF** – Caldwell Memorial Fund (#217)  
**CPCF** – Cemetery Perpetual Care Fund (#150)  
**DDA** – Downtown Development Authority Operating Fund (#248)  
**DIG** – Downtown Infrastructure Grant (MEDC)  
**DO** – Donations/Contributions  
**DPW** – City Department of Public Works  
**EGLE** – MI Department of Environment, Great Lakes & Energy  
**EDA** – Economic Development Administration (federal grants, loans & loan guarantees)  
**ERF** – Equipment Replacement Fund (#661)  
**FEMA** – Federal Emergency Management Agency  
**FOF** – Fire Operating Fund (City millage & township contracts) (#206)  
**FRF** – First Responder Fund (City millage & township contracts) (#210)  
**F/R-SF** – Fire/Rescue Equipment Sinking Fund  
**FED** – Federal Grants (other)  
**FG** – Foundation Grants (public & private)  
**FY** – City Fiscal Year (July 1 – June 30)  
**GF** – General Fund (#101)  
**GMF** – Gibbs Memorial Fund (#218- City Hall)  
**GCCDA** – Gratiot County Central Dispatch Authority  
**ICE** – Infrastructure Capacity Enhancement Grant  
**LF** – Library Operating Fund (#241)  
**LS** – Local Street Fund (Act 51) (#203)  
**MDNR** – MI Department of Natural Resources  
**MMR** – Mobile Medical Response  
**MNRTF** – MI Natural Resources Trust Fund  
**MDOT** – MI Department of Transportation  
**MS** – Major Street Fund (Act 51) (#202)  
**PD** – Private Developer/ Property Owner  
**RB** – Revenue Bonds  
**SA** – Special Assessments  
**SCADA** - Supervisory Control and Data Acquisition System  
**SCBA** – Self Contained Breathing Apparatus  
**SF** – Sewer Enterprise Fund (#590) (fees, user revenues)  
**SG** – State Grants (other)  
**SWM** – Sidewalk Millage (1.0-mill levy for 6 years)  
**TBDF** – Undetermined Financing Source  
**TWP** – Township  
**USDA** – U.S. Dept. of Agriculture (federal grants, loans & loan guarantees)  
**UTGO Bonds** – Unlimited Tax General Obligation Bonds  
**WF** – Water Enterprise Fund (#591) (fees, user revenues)  
**ZFS** – Zeeland Farm Services



City of Ithaca  
**Capital Improvement Plan**  
 FY 2022/23 through FY 2027/28  
**Fund Balances for Select City Funds**  
With Potential Capital Assets



**FUND BALANCES / NET RESTRICTED ASSETS**

TEN YEARS AUDITED (FY 11/12 - FY 20/21)

CURRENT YEAR END PROJECTED (FY 21/22)

(\*=Proprietary/Internal Service Funds = Net Unrestricted Assets)

FUND	6/30/2012 Balance	6/30/2013 Balance	6/30/2014 Balance	6/30/2015 Balance	6/30/2016 Balance	6/30/2017 Balance	6/30/2018 Balance	6/30/2019 Balance	6/30/2020 Balance	6/30/2021 Balance	6/30/2022 Projected
GENERAL FUND (inc Cemetery)	390,092	537,160	462,269	705,698	816,825	983,621	981,485	1,015,290	1,112,456	1,259,396	1,203,912
MAJOR STREET	152,016	222,200	261,184	269,884	285,300	244,456	360,806	535,605	565,230	637,123	625,078
LOCAL STREET	106,751	118,034	54,869	63,977	111,503	157,559	193,428	357,026	423,253	401,868	446,687
LIBRARY	167,242	197,304	217,386	219,264	104,095	182,763	246,678	303,287	398,283	460,008	460,608
FIRE OPERATING	61,038	82,409	73,501	75,235	82,573	79,262	71,311	89,800	91,876	91,217	0
FIRST RESPONDER	82,785	88,694	95,648	106,332	111,422	110,843	112,911	115,881	122,608	127,244	0
GRANT PROJECTS	23,396	54,539	1,043	114	2,554	2,469	53,700	81,788	258	260	45,260
ECONOMIC DEVELOPMENT	7,190	5,511	3,312	11,458	19,605	27,114	31,674	30,691	39,027	47,216	55,355
CALDWELL MEMORIAL	N/A	439,410	440,295	350,666	392,650	381,494	220,243	107,774	107,959	93,064	93,214
GIBBS MEMORIAL	184,559	239,766	239,904	240,068	240,534	241,786	244,188	248,031	250,693	250,928	131,728
CEMETERY SINKING	7,923	17,458	14,888	13,837	16,245	25,048	7,776	8,531	7,139	12,071	12,071
FIRE & RESCUE SINKING	42,574	42,641	59,692	76,748	93,813	85,408	98,967	113,363	132,326	167,773	0
CRIME PREVENTION	100	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
CRIME VICTIM RIGHTS	125	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
DRUG LAW ENFORCEMENT	1,120	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
POLICE EDUC & TRAINING	1,669	756	756	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
CEMETERY PERPETUAL CARE	25,791	26,927	27,427	27,427	27,972	30,043	30,218	30,814	31,095	31,482	31,882
*WATER & SEWER	2,252,084	2,214,988	2,033,913	1,308,587	918,229	1,057,270	1,118,220	1,322,009	1,445,713	1,351,251	1,294,360
*EQUIPMENT & MATERIAL	411,732	338,293	302,974	346,725	295,654	299,880	373,058	381,970	249,981	182,852	238,497
DOWNTOWN DEVELOPMENT	96,696	295,081	233,883	55,495	57,743	59,178	36,162	34,857	32,985	31,348	26,819

**Project Status Report**  
**Capital Projects (As of 4/30/2022)**

2020-21 Fiscal Year				
Dept.	Project	Status	Est. Cost	Funding
FIRE	Turnout Gear (1 set bunker pants & coats)	Completed	\$ 2,600	FOF/FEMA
FIRE	Handheld 800 mgz Radios (21 @ \$2,900)	Completed	60,900	FG/F/R-SF/FOF
FIRE	Mobile 800 mgz Radios (7 @ \$1,200)	Completed	8,400	FG/F/R-SF/FOF
DPW	Scraper Dump Truck (replaces #11)	Completed	\$ 162,000	ERF
DPW	72" ZTR Mower (Replacement)	Completed	4,000	ERF
DPW	Sidewalk Replacement Zone #5- Year 5	Completed	64,000	SWM
WF	Install New 8" Watermain on Elm St. (SW from South St. 755' to complete loop to well #6)	Completed	166,100	WF
WF	Replace 8" Watermain w/8" on Union St. (Barber St. 550' to Westwind Lane)	Pending	121,000	WF
WF	Connecting/Replacing Watermain on Newark St. (Main St. to Pine River St.-Complete loop)	Completed	108,000	WF
WF	Cemetery Water Tower Maint. Contract (Assumes 5% increase from 19/20 contract)	Completed	18,390	WF
WF	S. Industrial Water Tower Maint. Contract (Assumes 5% increase from 19/20 contract)	Completed	18,095	WF
WF	Cemetery Water Tower Maint. Contract (Assumes 5% increase from 19/20 contract)	Completed	22,749	WF
WF	Well Maint. Contract Year 5: 4 Wells	Completed	29,736	WF
WF	Wireless Water Meter Transmitters (~240)	Partially Completed	11,600	WF
LS	Commerce Drive Seal Coat	Completed	15,000	MS
SF	Replace N. Elm Lift Station Pumps #1 & #2 (If necessary) (inspected 3/14/18; checked OK)	2021-22	9,000	SF
SF	Manhole Lining	Completed	25,000	SF

**Project Status Report**  
**Capital Projects (As of 4/30/2022)**

2021-2022 Fiscal Year				
Dept.	Project	Status	Est. Cost	Funding
DPW	Small Dump Truck (Ford F 450) (Replace #13)	Moved 2023-24	65,000	ERF
DPW	72" ZTR Mower (Replacement)	Completed	4,000	ERF
ERF	Leaf Vacuum Trailer (Replace 2006)	Moved 2023-24	38,000	ERF
SF	Sewer Rodding/Vacuum Truck (Vactor) (Replace truck bought w/ 2007 G.O. Bonds)	Purchased	450,000	75% SF 25% FED
DPW	Sidewalk Replacement Zone #6	Completed	64,000	SWM
MS	Reconstruct Union St. (Westwind Ln. to Center St.) (Curbs, storm, pulverize, pave)	TBD	\$2,000,000	MDOT Grant MS Match
WF	Watermain (Arcada to Center) if Union St Reconstruct	TBD	TBD	TBD
WF	Cemetery Water Tower Maintenance Contract (Assumes 5% Increase from 20/21 contract)	Completed	19,441	WF
WF	S. Industrial Water Tower Maint Contract (Assumes 5% Increase from 20/21 contract)	Completed	19,129	WF
WF	East Water Tower Maintenance Contract (Assumes 5% Increase from 20/21 contract)	Completed	24,049	WF
WF	Well Maintenance Contract Year 6: 4 Wells	In progress	31,223	WF
WF	Wireless Water Meter Transmitters (~120)	Completed	10,000	WF
GF/SF	Stormwater & Sanitary Collection System Repairs (From SAW Grant Study)	Moved 2022-23	150,000	SF/GF
GF/WF/SF	City Hall Desktop Replacements (8)	Pending	8,000	GF
LS	Chip Seal/Fog: Barber St. (N Pine River-Union)	Pending	60,325	MS
LS	Chip Seal and Fog: Norton Gibbs Dr. (N. Pine River – Union)	Pending	42,513	LS
DPW	Repave: Library Pkg. Lot Repave: City Hall Pkg. Lot Cement Work: Fire Hall Apron	Moved  2024-25	80,000 45,000 5,000	GF/PD/ GMF/SWM
WF	Water Tapping Machine	Purchased	5,000	WF
SF	Manhole Lining	Completed	25,000	SF
WF	Lead Copper Water Line Replacement	Pending	263,170	WF/FED
SF	Muffin Monster Replacement	Completed	17,000	SF



# CITY OF ITHACA

FY 2022-2028

CAPITAL IMPROVEMENT PLAN

## Proposed FY 2022/23 thru FY 2027/28 Capital Projects

2022-2023 Fiscal Year			
Dept.	Project	Est. Cost	Funding
DPW	72" ZTR Mower (Replacement)	5,000	ERF
EF	Scraper Dump Truck (#4 Replacement)	Moved 2024-25	ERF/TBDF
GF/SF	Stormwater & Sanitary Collection System Repairs (Ref: Stormwater Asset Management Plan)	150,000	GF/SF
SF	Replace Grinder Pump #2 @ Palmers Place Grinder Station	4,500	SF
WF	Replace 4" Watermain w/8" on S. Pine River (Center to Railroad) (install rear service lines north of Newark on east side of buildings)	Moved 2024-25	WF
WF	Water Hydrant Replacements	27,000	WF
SF	Palmer Place Grinder Station: Controls & Panel	2,500	SF
WF	Cemetery Water Tower Maint. Contract	19,441	WF
WF	S. Industrial Water Tower Maint. Contract	19,129	WF
WF	East Water Tower Maintenance Contract	24,049	WF
WF	Well Maintenance Renewal Contract Yr.	32,700	WF
WF	Wireless Water Meter Transmitters (~120)	10,000	WF
GF/WF/SF	City Hall 2 Computer Servers (Replacement of both Mainframe & Exchange servers)	5,000	GF/WF/SF
LS	Wedge & Pave: Brown St. (Center – Newark)	10,400	LS
LS	Wedge & Pave: Catherine St. (Center – Newark)	14,900	LS/GCRC
LS	Wedge & Pave: Nelson St. (Center – Emerson)	14,000	LS
LS	Wedge & Pave: Whispering Pines (St. Charles – Cedar)	21,500	LS
MS	Chip Seal and Fog: (after watermain repair) South St. Johns St. (Center – Fillmore)	103,701	MS
MS	Arcada St (Gym Drive -Union)	68,500	MS
GF-Alley/Lot	Parking Lot – South of Library	61,500	GF
GF-Parks	Wedge & Pave: Woodland Park Road	185,000	GF/FG
Cemetery	Pulverize and Shape Road	TBD	GF
GF-Alley/Lot	Parking Lot and Pad: Fire Hall (front)	39,720	GF
SF	Manhole Lining	Moved 2025-26	SF
DPW	Sidewalk Repair/Replacement Program	65,000	SWM
WF	Lead Copper Water Replacement (20 yr project – Year 2 of 3 ARPA grant)	263,000	WF/FED
EF	Payloader Tires	9,300	ERF

2023-2024 Fiscal Year			
Dept.	Project	Est. Cost	Funding
ERF	Small Dump Truck (Ford F-450) (Replace #13)	92,000	ERF
ERF	72" ZTR Mower (Replacement)	5,000	ERF
ERF	Leaf Vacuum Trailer (Replace 2006)	70,000	ERF
ERF	Scraper Dump Truck (#4 Replacement)	Moved 2024-25 (due to availability)	ERF/Loan
SF	Manhole Lining	25,000	SF
DPW	Sidewalk Repair/Replacement Program	67,000	SWM
WF	Water Hydrant Replacement	15,000	WF
WF	Cemetery Water Tower Maint. Contract (Assumes 5% increase from 22/23 contract)	20,230	WF
WF	S. Industrial Water Tower Maint. Contract (Assumes 5% increase from 22/23 contract)	19,915	WF
WF	East Water Tower Maint. Contract (Assumes 5% increase from 22/23 contract)	25,024	WF
WF	Well Maint. Renewal Contract Yr. 2 (Assumes 5% increase from 22/23 contract)	32,700	WF
WF	Wireless Water Meter Transmitters (~120)	10,000	WF
MS	Chip Seal and Fog: South Pine River St. (RR Tracks – Fillmore)	49,500	MS
MS	Chip Seal and Fog: Webster St. (Jeffery – S. St. Johns)	7,500	MS
LS	Chip Seal and Fog: Webster St. (S. Pine River – Jeffery)	10,800	LS
LS	Chip Seal and Fog: Meadow Lane (S. St. Johns – Lagoon Gate)	21,000	LS
WF	Lead Copper Water Replacement (20 yr project –Year 3 of 3 ARPA grant)	263,000	WF/FED

2024-2025 Fiscal Year			
Dept.	Project	Est. Cost	Funding
WF	Replace 4" Watermain w/8" on S. Pine River (Center to Railroad) (install rear service lines north of Newark on east side of buildings)	269,000	WF
WF	Lead Copper Water Replacement (20 yr project)	47,366	WF/TBDF
ERF	Scraper Dump Truck (#4 Replacement)	237,000	ERF/Loan
SF	Lift Station Pump 2: N. Elm Station	3,000	SF
SF	Manhole Lining	25,000	SF
GF-Alley/Lots	Repave: City Hall Parking Lot	80,000	GF
WF	Water Hydrant Replacement	15,000	WF
WF	Cemetery Water Tower Maint. Contract	20,230	WF
WF	S. Industrial Water Tower Maint. Contract	19,915	WF
WF	East Water Tower Maint. Contract	25,024	WF
WF	Well Maint. Renewal Contract Yr. 2	32,700	WF
WF	Wireless Water Meter Transmitters (~120)	10,000	WF
WF	Watermain St. Charles (N Pine River to Whispering Pine)	400,000	WF/TBDF
DPW	Sidewalk Repair/Replacement Program	67,000	SWM
MS	Chip Seal and Fog Industrial Parkway (Center–North Dead End)	21,000	MS
MS	Chip Seal and Fog Avenue A (Industrial Park to West Gate)	15,600	MS
MS	Chip Seal and Fog Avenue B (Avenue A – Avenue C)	7,000	MS
MS	Chip Seal and Fog Avenue C (Avenue B – Industrial Park)	8,100	MS
LS	Pulverize and Pave Gwinner St. (Center – South St.)	42,000	LS
LS	Pulverize and Pave Nelson St. (Center – Emerson)	14,500	LS
LS	Pulverize and Pave Seaver St. (Union – Dead End)	28,000	LS

2025-2026 Fiscal Year			
Dept.	Project	Est. Cost	Funding
LS	Crush/Repave Street Project (TBD) (---'L x ---'W)	TBD Based On PASER	LS
MS	Crush/Repave Street Project (TBD) (---'L x ---'W)	TBD Based On PASER	MS
ERF	Street Sweeper (Replacement)	225,000	ERF
WF	Water Hydrant Replacement	15,000	WF
WF	Lead Copper Water Replacement	47,366	WF/TBDF
DPW	Sidewalk Repair/Replacement Program	67,000	SWM
SF	Lift Station: Elm St: Control Panel & Electrical	3,000	SF
SF	Lagoon Aeration System	325,000	SF/TBDF
WF	Watermain (Barnes from E Center to E North)	213,000	WF/USDA Loan
WF/SF	SCADA System Upgrades	11,000	WF/SF
WF	Cemetery Water Tower Maint. Contract	20,230	WF
WF	S. Industrial Water Tower Maint. Contract	19,915	WF
WF	East Water Tower Maint. Contract	25,024	WF
WF	Well Maint. Renewal Contract Yr. 2 (Assumes 5% increase from 24/25 contract)	34,335	WF
WF	Wireless Water Meter Transmitters (~120)	10,000	WF
SF	Manhole Lining	25,000	SF

2026-2027 Fiscal Year			
Dept.	Project	Est. Cost	Funding
SF	Manhole Lining	25,000	SF
DPW	Sidewalk Repair/Replacement Program	68,000	SWM
LS	Crush/Repave Street Project (TBD) (---'L x ---'W)	TBD Based On PASER	LS
MS	Crush/Repave Street Project (TBD) (---'L x ---'W)	TBD Based On PASER	MS
WF	Cemetery Water Tower Maint. Contract (Assumes 5% Increase from 25/26 contract)	21,434	WF
WF	S. Industrial Water Tower Maint. Contract (Assumes 5% Increase from 25/26 contract)	21,090	WF
WF	East Water Tower Maint. Contract (Assumes 5% Increase from 25/26 contract)	26,514	WF
WF	Well Maint. Renewal Contract Yr. 2	34,335	WF
SF/WF	Meter Reading Equipment Replacement (2)	24,000	SF/WF
WF	Lead Copper Replacement	47,366	WF/TBDF

2027-2028 Fiscal Year			
Dept.	Project	Est. Cost	Funding
SF	Manhole Lining	25,000	SF
DPW	Sidewalk Repair/Replacement Program	68,000	SWM
LS	Crush/Repave Street Project (TBD) (---'L x ---'W)	TBD Based On PASER	LS
MS	Crush/Repave Street Project (TBD) (---'L x ---'W)	TBD Based On PASER	MS
SF	Lagoon: Control Panel & Electrical	20,000	SF
SF	Lagoon Back Up: Control Panel & Electrical	5,000	SF
SF	Palmer Lift Station: Pump 1	3,000	SF
SF	Palmer Lift Station: Pump 2	3,000	SF
SF	Lagoon Site Influent Flow Meter	5,000	SF
WF	Cemetery Water Tower Maint Contract (Assumes 5% Increase from 25/26 contract)	21,434	WF
WF	S. Industrial Water Tower Maint Contract (Assumes 5% Increase from 25/26 contract)	21,090	WF
WF	East Water Tower Maint Contract (Assumes 5% Increase from 25/26 contract)	26,514	WF
WF	Well Maint Renewal Contract Yr. 2	34,335	WF
WF	Watermain: (S Ithaca: E Newark to E Center St- Looping Dead End	69,000	WF
WF	Lead Copper Replacement	47,366	WF/TBDF