

## Physical Development Division Preliminary 2023 Capital Improvement Program

Each year, as part of the annual budget process, Dakota County prepares a five-year Capital Improvement Program (CIP) that includes a one-year capital budget. The CIP identifies projects that will support existing and projected needs in the upcoming years by strategically prioritizing the use of resources. While the programs have different objectives and types of projects, the elements and considerations of building the CIP remain the same across programs.

Overarching principles for the CIP include:

- Safety first,
- Finish what we have started, and
- Honor funder/grantee commitments.

In addition to the overarching principles, the staff implement the following general prioritizations:

- Priority 1: Projects already underway (“Finish what we’ve started”);
- Priority 2: Projects that address asset, infrastructure, or resource deficiencies (“Fix what’s broken”);
- Priority 3: Strategic system growth and enhancement (“Meet demand”); and
- Priority 4: Projects not in an adopted CIP (“Act on opportunities”).

The preliminary CIP is based on current staffing levels. Project cost estimates incorporate the full project costs including construction and “soft costs.” Costs shown within the CIP are represented within each respective year where work (such as scoping, design, property acquisition, and construction) will be completed.

Items for consideration:

- Natural resources and greenways funding with Sales and Use Tax (SUT) and Environmental Legacy Fund (ELF).
- External revenue strategy and removal of projects when external funding is not achieved.
- Impacts of shifting County Program Aid (CPA) from Parks and Buildings CIP to Operating Budget (delay/postpone projects; issue debt on future projects).
  - Parks: \$1.7 million annually and \$8.5 million over five years.
  - Buildings: \$250,000 annually and \$2.5 million over five years.
- Other projects that should be considered.
- Additional information the Board like to see before the September 20<sup>th</sup> release.

## Dakota County CIP Revenues by Type

CIP	Levy	CPA	ELF	General Fund	Trans Fund	Sales & Use Tax	Parks Fund	Regional Rail	ARP Funding
Buildings	X	X	X	X	-	-	-	-	-
Byllesby Dam	-	-	-	X	-	-	-	-	X
Data Networks	-	-	-	X	-	-	-	-	-
Environmental Resources	-	-	X	-	-	-	-	-	X
Parks and Greenways	X	X	X	X	-	X	X	-	X
Regional Railroad Authority	-	-	-	-	-	-	-	X	-
Transportation	X	-	-	-	X	X	-	-	-