

To: Planning Commissioners

From: Sharron Monohon, Budget & Finance Director *Sharron Monohon*

Memo Date: February 16, 2024

Meeting Date: February 26, 2024

Subject: Work Session on the City’s Five-Year Capital Improvement Program

Attachment: Draft Capital Improvement Program for Fiscal Years 2024/25 – 2028/29

This work session’s purpose is to review and discuss the draft five-year Capital Improvement Program (CIP) for fiscal years 2024/25 – 2028/29. The CIP outlines the expenditures for projects intended to construct and maintain Gresham’s infrastructure.

The City updates its CIP on an annual basis. By updating the CIP consistently, information regarding Council priorities, infrastructure condition assessments and master plans, financial resource availability and specific project costs and timelines can be regularly incorporated.

Each of the projects included in the CIP typically falls into one or more of the following categories:

- *Aging infrastructure system repairs and replacements* - Projects needed to maintain existing infrastructure and services.
- *Capacity increasing projects* - Projects needed to provide services to meet increased demand from businesses and/or new residential customers. Capacity increasing pipe projects are often done as aging infrastructure systems need to be replaced anyway.
- *Infrastructure system improvements* - Projects designed to increase the functionality, safety, and/or efficiency of the infrastructure. Examples of projects in this category include:
 - Infrastructure efficiency upgrades intended to save money long-term
 - Projects needed to meet regulatory requirements for water quality
 - New or improved park amenities
 - Projects that enhance the seismic resiliency of infrastructure

Funding for CIP projects comes from a variety of sources including utility rates, gas taxes, system development charges, and grants. However, most funding sources are restricted and can only be used for certain projects or project categories.

The work session represents the first public step of the annual update process. The next steps will be a Type IV Hearing with Planning Commission, scheduled for March 25, 2024, followed by Council actions in May and June.

At the work session, staff will present an overview of each program area and highlights of the projects within each area. This provides an opportunity for the Commission to ask questions and familiarize yourselves with the program goals, major projects and updates in advance of the Type IV Hearing.

As is always the case for the work session, the document is still in a draft format and some project changes may occur prior to the hearing date, as financial analyses and funding plans are still under development and review at this time. Additional document information such as program highlights, an overview section and a table of contents will be added prior to the hearing.

If you have any questions prior to the meeting, or would like to discuss the draft CIP, please call me at 503-628-2890 or contact me by email at sharron.monohon@greshamoregon.gov.

Attachment

c: Steve Fancher, Assistant City Manager
Mark Takahata, Capital Improvement Program Analyst