



# City of Eustis

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TO: EUSTIS CITY COMMISSION

FROM: TOM CARRINO, CITY MANAGER

DATE: SEPTEMBER 4, 2025

RE: **SECOND READING**

ORDINANCE NUMBER 25-26: ANNUAL UPDATE OF THE FIVE-YEAR CAPITAL IMPROVEMENTS SCHEDULE OF THE COMPREHENSIVE PLAN FISCAL YEAR 2026-30

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## **Introduction:**

This report seeks acceptance of the City of Eustis Five Year Capital Improvement Plan (CIP) FY2026-2030. Ordinance Number 25-26 approves the FY2026-30 annual update of the Five-Year Capital Improvements Schedule of the Comprehensive Plan under F.S. 163.3177(3)(b).

## **Background:**

The Five-Year CIP identifies five years of capital improvement needs for the City of Eustis. The plan includes major capital projects and acquisitions of over \$25,000 with a useful life of five or more years. It also includes repair and maintenance projects when the cost meets the budget threshold.

Department Directors provided updated information on projects previously submitted for the CIP as well as new project needs and evaluated those projects based on current economic conditions, requirements of the Comprehensive Plan, requirements to implement the City's Strategic Plan, the need to expand City service levels and the need to meet renewal and replacement demands on existing infrastructure. Department Directors reviewed the CIP submittals and prioritized the projects based on the following criteria:

1. Risk
  - Safety concerns
  - Hazardous conditions
  - Replace/update equipment or facilities that are outdated or in need of repair
  - New compliance requirements from other agencies
2. Return on Investment
  - Highly visible projects
  - Benefit outweighs the cost of the project within a short period
  - Project has the potential to generate economic development

### 3. Level of Service Maintenance

- Needed to maintain the City's desired service levels

### 4. Improved Level of Service

- New or improved level of service based on increased demand

The Finance Department used a conservative approach to forecast capital revenue by analyzing collections for the past five years for trends and economic fluctuations. Based on that analysis, the anticipated revenue and expenditures are as follows:

- Building Fund - 1% as building permits are anticipated to remain flat, Law Enforcement Capital Expansion, Fire Prevention Expansion, Library Expansion and Street Improvement - 3%, Sales Tax Fund - 4%, CRA - 5%, and Stormwater - 8% as a best guess for increased stormwater fees based on the rate study currently being conducted.
- Water & Sewer revenue projections include a 3-4% increase per year for FY26/30 due to new construction developments and annual service fees increases.
- Going forward, expenditure projections include a 5% annual increase for all funds for FY26/30.

Some of the major projects included in the plan are the following:

- Fire Station # 3 (Fire/Sales Tax)- \$3,250,000
- Street Resurfacing Citywide (Roads/Sales Tax) - \$2,480,000
- Library Expansion (Library/Sales Tax) - \$2,000,000
- Fire Trucks (2) (Fire/Sales Tax) - \$2,000,000
- Ground Storage Tank (Utility/Water) - \$1,900,000
- Building Improvements (PW/Sales Tax) - \$1,655,500
- Vehicle Replacements (Police/Sales Tax) - \$1,575,000
- Process & Clarification Tank Rehabilitation (Utility/Sewer) - \$1,520,000
- Floating Solar Panels (Utility/Sewer) - \$1,500,000
- New Facility Building/Fire Admin (Building/Sales Tax) - \$1,790,000
- Heathrow WTP Ground Storage Tank (Utility/Water) - \$1,160,000
- Water Meter Rebuild & Replace (Utility/Water) - \$1,040,000
- New ERP System Finance/Utility (Sales Tax/Utility CS) - \$1,000,000

The CIP process occurs annually, enabling the city to assess projects in light of evolving circumstances and changing priorities. The plan underwent thorough examination by City staff and the City Commission. The final Plan is now put forth for approval.

The cumulative CIP amount for the upcoming five years stands at \$61,021,906. The capital projects scheduled for FY2025/26 will be incorporated as part of the FY2025/26 Annual Budget scheduled for approval on September 18, 2025.

**Recommended Action:**

Staff recommends approval of Ordinance Number 25-26.

**Community Input:**

Staff will properly advertise the Ordinance and invite public input prior to the second ordinance reading on September 4, 2025.

**Budget/Staff Impact:**

There is no specific staff or budget impact associated with approval of the Ordinance other than the budgetary impact of the Plan itself. The Plan, if approved, will be included in the proposed FY2025/26 Annual Budget to be presented to the Commission at the September 18, 2025, meeting scheduled to be held at the City Commission Chambers.

**Prepared By:**

Lori Carr, Finance Director

**Reviewed By:**

Mari Leisen, Deputy Finance Director