



# BUSINESS OF THE CITY COUNCIL CITY OF SNOQUALMIE

**AB22-075**  
**August 8, 2022**  
**Committee Report**

## AGENDA BILL INFORMATION

<b>TITLE:</b>	AB22-075: 2023-2028 Proposed Capital Improvement Plan (CIP)	<input type="checkbox"/> Discussion Only
<b>PROPOSED COUNCIL ACTION:</b>	Approve Resolution No. 1620 approving the 2023-2028 Capital Improvement Plan, as revised July 16, 2022	<input checked="" type="checkbox"/> Action Needed:
		<input type="checkbox"/> Motion
		<input type="checkbox"/> Ordinance
		<input checked="" type="checkbox"/> Resolution

<b>REVIEW:</b>	Department Director/Peer	Mike Chambless	Click or tap to enter a date.
	Finance	Drew Bouta	Click or tap to enter a date.
	Legal	Anna Astrakhan	Click or tap to enter a date.
	City Administrator	Mike Sauerwein	

<b>DEPARTMENT:</b>	Parks & Public Works		
<b>STAFF:</b>	Mayor Ross, Budget Manager Drew Bouta, Finance Director Jen Ferguson		
<b>COMMITTEE:</b>	Parks & Public Works	<b>COMMITTEE DATE:</b> August 2, 2022	
<b>COUNCIL LIAISON:</b>	Bryan Holloway	Ethan Benson	Jo Johnson
<b>EXHIBITS:</b>	1. Proposed 2023-2028 Capital Improvement Plan – Update-Revised July 16, 2022 2. Resolution No. 1620		

## SUMMARY

The purpose of this agenda bill is for council consideration of the Mayor's 2023-2028 Proposed Capital Improvement Plan (CIP). The proposed CIP will be presented to the City Council for deliberation.

### BACKGROUND

The Capital Improvement Plan (CIP) is a planning and financial management tool that helps the City of Snoqualmie identify and prioritize capital investments over a six-year period. The CIP is required by the State of Washington Growth Management Act (GMA) ([RCW 36.70A](#)), which is state law that requires local governments to plan and manage growth that would impact the environment and quality of life.

**ANALYSIS** – See Exhibit 1, the 2023-2028 Proposed Capital Improvement Plan – Updated July 16, 2022

Mayor Ross presented the plan on May 31, 2022 to the City Council. The proposed plan was updated on June 8, 2022, and July 9, 2022. The City Council reviewed those updates to reflect:

- The GFCs and CIACs funding sources and cashflow forecasts include contributions from the City/Tribe Agreement 5<sup>th</sup> Amendment for Casino Expansion
- Updated project costs for the Wastewater Reclamation Facility Improvement Project
- A 3.8% true interest cost and bond term revisions (30 yr. to 20 yr.) estimate for the Community Center Expansion Bond per bond financial advisor, PFM
- Updated project detail sheet for the Fire Ladder Truck

- Updated project costs for the Kimball Creek Bridges Restoration Project
- Updated project costs for the Meadowbrook Bridge Restoration Project

**The proposed plan was further updated on July 16, 2022, to reflect:**

- Current inflationary increases. This revised version effects all project costs, cashflow forecasts, statement of sources, uses and cash balances.

The following table describes inflation rates used to estimate future capital expenditures. The estimates were derived from a construction cost assessment report recently developed for the Washington State Office of Financial Management (June 2022).

	2023	2024	2025	2026	2027	2028
Estimated Annual Inflation	5.6% <sup>1</sup>	4.9%	3.0%	3.0%	3.0%	3.0%

<sup>1</sup> Represents the additional inflationary factor applied to 2023 above and beyond the amount already applied. The goal was to account for the higher than anticipated inflation experienced in 2022 and expected for 2023.

Note: Some capital projects have not been inflated per the table above due to the projects other stakeholders involved that may or may not have committed to funding inflationary increases.

- Community Center Expansion project and Community Park Sprayground projects have been separated.

**This revised CIP should replace all previously updated versions for continued Council CIP deliberations and/or approval of the plan.**

#### **BUDGET IMPACTS**

The first two years (2023 and 2024) of the proposed capital projects and programs and related funding sources of the six-year plan will be included in the upcoming biennial budget for City Council final consideration and budget appropriation.

#### **PROPOSED ACTION**

Approve Resolution No. 1620 approving the 2023-2028 Capital Improvement Plan.