



Capital Improvement Plan

Fiscal Years 2025-2030

Recommended by Planning Commission:

Approved by Village Council:

This Capital Improvements Plan covering fiscal years 2025-2030 was developed by the Planning Commission for the Village of Grass Lake. On a motion by Commissioner David Keener, seconded by Commissioner Susan Cobb-Starrett, and approved with a vote of 5-0 by the Planning Commission at a Meeting held on November 2, 2023, the Capital Improvement Plan FY 2025-2030 is recommended for approval to the Village Council.

Planning Commission Members

Rich Rabeler, Chairperson
Susan Cobb-Starrett, Vice-Chairperson
Kevin Caldwell, Secretary
David Keener, Ex-Officio
Diane DeBoe, Member

On a motion by Trustee J. Fitzgerald seconded by Trustee J. Stanton, the Capital Improvements Plan FY2025-2030 is approved by Village Council at a regular meeting held on November 21, 2023

Yeas: 7
Nays: 0
Absent: 0

Village Council Members

David Keener, Village President
Joel Grimm, President Pro-Tempore
Gina Lammers, Trustee
Jane Fitzgerald, Trustee
Matt Swank, Trustee
Jennifer Stanton, Trustee
Monica Stevenson, Trustee

David J. Keener
Village of Grass Lake Clerk

Original document submitted to Planning Commission by:
Sabrina E. Edgar, Village Manager

GENERAL OVERVIEW

A capital improvement plan is a financial planning and management tool that lists proposed capital projects and capital purchase for a rolling six (6) year period. This multi-year document identifies and prioritizes the need for improvements and purchases and coordinates their funding and optimal time frames for completion. It is also a process that provides order and continuity to the repair, replacement, construction and/or expansion of the Village of Grass Lake facilities. It puts a focus on preserving our infrastructure while ensuring the efficient use of public funds.

Preparation of the CIP is done under the authority of the Michigan Planning Enabling Act (PA 33 of 2008) as amended.

What are Capital Improvements?

A Capital improvement project is defined as major, nonrecurring expenditure that includes one or more of the following:

- Any construction of a new facility (i.e. public building, water and sewer mains, roadways etc.), or any addition to an existing facility if the cost exceeds \$5,000 or will have a useful life of three (3) years or more.
- Any nonrecurring rehabilitation of a building, grounds, facility, or equipment provided that the cost is \$5,000.00 or more.
- Any purchase or replacement of major equipment to support community programs provided that the cost is \$5,000.00 or more and will be coded to a capital asset account.
- Any planning, feasibility, engineering, or design related to a capital improvements project.

What Are the Benefits of Preparing a Capital Improvement Plan?

A Capital Improvement Plan is an essential planning tool in addition to a statement of budgetary policy. It informs the taxpayers of the Village of Grass Lake how the Village plans to prioritize, schedule, and coordinate capital improvement projects over the next six years. The CIP is an opportunity to formulate strategic long-term policy decisions that extend beyond the current fiscal year. Benefits of a CIP include;

- Prudent use of taxpayer dollars;
- Focusing the Village expenditures on the needs expressed by the governmental departments and agencies;
- Transparency in identification of high-priority projects;
- Alignment with community goals, and needs;
- Determination of future operating costs for projects;
- Coordination/cost-sharing between projects;
- Improving the Village's eligibility for State and Federal Grants; and
- Budgeting for improvements and major renovations or purchases annually rather than reacting only to the needs for that year.

Who is responsible for the Capital Improvement Plan?

CIP Policy Group. Responsibility for development of the CIP rests with the Planning Commission. In the absence of a separate CIP Policy Group, the Planning Commission in collaboration with the Village Manager provides those functions which include review of the policies, development of project rating and weighing criteria, review of funding options and presentation of recommendations to Village Council. Current Planning Commission members include an ex-officio member, the Village President, which will strengthen the connection between the two entities and the CIP.

Administrative Group. The Administrative Group consists of the Village Manager who is responsible to clarify issues, finalize the rating and weighting process, develop the draft CIP for discussion with the Planning Commission and presentation at a Public Hearing, when necessary, with either the Planning Commission or Village Council.

Planning Commission. The Planning Commission acts as the Policy Group with the Village Manager during plan development, conducts workshops (if necessary), reviews recommendations, receives public input, conducts Public Hearings, adopts the plan, and requests Village Council to consider incorporating funding for each year's projects into the budget document.

Governing Body. The Village Council is encouraged to use the CIP as a tool in the adoption of the annual budget in accordance with Village goals and objectives. Whenever funding for a significant capital improvement project is considered, Village Council should verify that the project has been included in the CIP and, if not, the reasons for circumventing the CIP process are appropriately documented.

Residents. Though not included in the development of the initial CIP due to logistics and time constraints, residents are encouraged to review the CIP (available online and in the Village Office) and offer comments to, or participate in, discussion with the Planning Commission or Village Council in the process of making annual amendments to the CIP prior to adoption of the annual budget by Village Council. Annually, Village Council conducts a Public Hearing prior to adoption of each fiscal year budget. Village Council encourages open communication with residents and business owners by staff, Planning Commissioners and Village Council members.

Capital Improvement Plan Process

The CIP plays a significant role in the implementation of the Master Plan by providing the link between planning and budgeting for capital projects. The CIP process precedes the budget process and is used to develop the capital project portion of the annual budget. Though the CIP may be recommended to Village Council for approval by the Planning Commission, the Planning Commission does not have the authority to grant final approval of all projects contained within the plan. Rather by approving the CIP, the Planning commission acknowledges that these projects

represent a reasonable interpretation of the upcoming needs for the community and that projects contained in the first year of the plan are suitable for inclusion in the upcoming budget.

The CIP is “living document” that continues to develop over time as new needs/goals arise. Each year all projects should be reviewed, a call for new projects made, and adjustment based on funding and evolving needs. A new year of programming should be added each year to replace the year funded in the annual operating budget.

July-August: Operating departments, boards and community identify projects to be submitted for consideration.

September: The Village Administrator with the operating department finalizes cost estimates and prioritizes projects.

October: The CIP is presenting to the Planning Commission for evaluation and consideration while making necessary adjustments.

November: The Village Administrator finalizes the recommended CIP for consideration by Village Council.

December: The CIP is included in the Village Administrator’s proposed budget which is presented to the Village Council.

Funding

The CIP and the annual budget are directly linked. There are multiple methods available to local governments for financing capital improvement projects. Since these projects require outlays of capital, it is necessary to consider multiple solutions for financing projects. The following are potential funding sources:

- Enterprise Funds – These funds not only pay for day-to-day operations but also capital improvements. Enterprise monies can only be used on projects related to that particular fund (i.e., sewer system funds can only be used on sewer systems projects).
- General Obligation Bonds- Require voter approval and are usually for projects that will benefit the entire community. The amount of the bond plus interest is paid through property taxes at the level necessary and with State guidelines to retire the debt.
- Revenue Bonds – Bonds that are sold for projects that produce revenues, such as water and sewer. The bonds depend on the user charges and other project related income to cover the costs.
- Tax Increment Financing (TIF) – Municipal financial tool to renovate or redevelop areas with designated areas. TIF captures increases to property values to fund public improvements. In the Village, the DDA manages the TIF district.
- Millages – Property tax is a millage that is the most important source for community revenue. The property tax rate is stated in mills (one dollar per \$1,000 of valuation). Millages are voter approved taxes.

- Special Assessments – Capital improvements that benefit a specific area rather than the community as a whole may be financed equally by a special assessment by those who are directly benefit.
- Federal & State Funds – these are grant and aid programs.
- Developer contributions – Occasionally, capital improvements are required to serve new development. Where funding is not available for the community to construct, the developer may agree to voluntarily contribute their share or install facilities so the development may proceed.

CIP MAJOR ASSETS

The major owned and operated infrastructure assets in the Village of Grass Lake are in this section. They include the following:

- Sanitary Sewer Collection System
- Water System
- Major Street System
- Local Street System
- Sidewalk/Pathway System
- Storm Water System
- Public Buildings
- Community Events Park
- Motor Vehicles / Equipment

Sanitary Sewer Collection System

The Village of Grass Lake has a population of approximately 1,105 people served by the Village sewer system. This sewer system provides both gravity and pressure sewer service to Village residents. The system also extends into the township including areas along Mt. Hope Road and I-94. The sewer system within the Village is primarily a gravity sewer system and includes four (4) lift stations. A few areas along the lake shore and in the southwest corner of the Village are served by pressure sewers with individual grinder pumps at each residence. Most of the Village of Grass Lake sewer system was constructed in 1994, with service areas in both the Village and the Township being added since that time. The collection systems transport approximately 260,000 gallons of sewage to the Leoni Wastewater Treatment Plant daily. Sanitary sewer pipe has an average useful service life (AUSL) of 90 years, pump stations 25 years, and most equipment 5-10 years. As of February 28, 2023, the sewer system had an original cost of \$3,255,586, accumulated depreciation of \$1,843,313 and an economic book value of \$1,412,273.

Water System

The Village of Grass Lake has a public type 1 water supply system serving a population of approximately 1,510 people (in the Village and Township) with 604 residential and commercial connections. The Village of Grass Lake water system provides water service to areas along Mt. Hope Road, Michigan Ave. east of the Village, the middle school, and the high school, all of which are located in Grass Lake Township. The elevated water storage tank for the system is also located in Grass Lake Township. The Village of Grass Lake operates and maintains the system in both the Village and Township.

Grass Lake has a total of two active wells that serve as the source of water supply, and a 500,000 gallon elevated water storage tank, which was constructed in 2004. As of February 28, 2023, the

water system had an original cost of \$3,092,384, accumulated depreciation of \$1,178,929 and an economic book value of \$1,913,455.

Most of the Village of Grass Lake watermain was replaced in 2003 using DWRP low interest revolving loan funds. The elevated water storage tank was also constructed as part of that project, along with a watermain extension along Mt Hope Road to the north side of I-94. Since then, developments and section of distribution system piping have been added.

Approximately one mile of watermain, installed in 1939, is still in service on the streets of Church St., Lafayette, Drake, Maple, and the vacated section of Brown St. This will require more than \$1.25 million dollars of repairs to water service infrastructure and roadways under which the watermain and connection are located.

Major and Local Street System

The Village of Grass Lake Street system is comprised of 8.09 miles of streets: 4.04 miles of that are major streets and 4.05 of that are local streets. These streets connect resident's homes to local business, education, highways, and other amenities. The estimated average useful service life of street being 60 years; however, to achieve a 60-year life cycle the Village will need to perform yearly preventative maintenance such as crack filling, spray patching, mill and overlay and chip sealing, usually after 10-20 years of life. As of February 28, 2023, major and local streets had an original cost of \$1,468,758, accumulated depreciation of \$943,985 and an economic book value of \$524,774.

Sidewalk/Pathway System

The Village of Grass Lake sidewalk/pathway system is comprised of approximately 14 miles of sidewalk and pathways. Sidewalks provide numerous benefits including safety, and mobility. There is a lack of sidewalks in some neighborhoods, several narrow sidewalks, and a significant number of linear feet of sidewalk in need of repair. The average useful service life for sidewalks is 50 years. Consideration shall be given in the future to include sidewalks on new or reconstructed road designs. As of February 28, 2023, sidewalks and pathways had an original cost of \$122,699, accumulated depreciation of \$70,665 and an economic book value of \$52,034.

Storm Water System

The Village of Grass Lake maintains a storm water system that includes culverts, drains, storm sewer pipe, manholes, and curbing. The average useful service life for storm sewer pipe, manhole, and catch basin structures are 80 years. The AUSL for concrete curbing is 50 years. As of February 28, 2023, the storm water system had an original cost of \$151,691, accumulated depreciation of \$140,307 and an economic book value of \$11,384

Public Buildings

The Village of Grass Lake owns 9 buildings. These buildings support the ability of departments to provide services to the public. The rehabilitation, renovation, and/or replacement of the Village's buildings are inevitable. The CIP addresses ongoing deterioration of Village owned facilities caused by age, use and changes in services. While a buildings main structure will last longer than 50 years, components such as roofs, and other equipment will require replacements and upgrades on a more frequent cycle. As of February 28, 2023, buildings had an original cost of \$276,701, accumulated depreciation of \$185,416 and an economic book value of \$91,285.

Major Equipment

The major equipment held by the Village of Grass Lake is included in the Village's Asset Management Plan. This equipment is for the Department of Public Works. The AMP and CIP address on-going deterioration of this equipment caused by age and use. Due to the various types of equipment a wide range of average useful service life must be considered. For example, a pickup truck is 15 years while a tractor may be as long as 40 or more years. Other factors considered for vehicle and equipment replacement include age in years, usage, cost of maintenance, overall condition, availability of replacement parts and funding. As of February 28, 2023, major equipmenad an original cost of \$643,093, accumulated depreciation of \$381,278 and an economic book value of \$261,815.

CAPITAL IMPROVEMENT PROJECT SUMMARIES

Asset Management Plan Summary FY 2024-2025

Infrastructure System	Valuation	Est. Annual Expenditures	Fund
Sanitary Sewer	\$1,412,273	\$743,016	Sewer
Water	\$1,913,455	\$779,238	Water
Sidewalks/Pathways	\$63,418	\$20,000	General
Streets	\$524,774	\$400,097	Local/Major/General
Storm Water	\$11,384	\$0	General
Buildings & Grounds	\$91,285	\$6,015	All funds, building use dependent
Major Equipment	\$261,815	\$354,768	Equipment

Capital Improvement Summary FY 2024-2025

Project Title	Estimated Project Cost	Fund
Safe Routes to School Engineering	\$20,000	General
Clark Forklift C50B	\$40,000	General
Pick up (3/4 Ton)	\$60,000	Equipment
Truck snow plow Western V	\$10,000	Equipment
Leaf Blower Stihl BR600	\$800	Equipment
Stihl Pole Saw HT75	\$850	Equipment
Salter (PU) Slide-in Salt Spreader	\$10,000	Equipment
Truck Snow Plow V Plow	\$10,000	Equipment
Valves (6" to 2 1/2")	\$16,000 Village, \$24,000 Township	Sewer
Air Release Valves	\$16,000 Village, \$24,000 Township	Sewer
Grinder Pumps (not customer's fault)	\$9,000	Sewer
Well #3 & #4 Well Inspections - Annually	\$1,000	Water
Fire Hydrants as needed	\$5,000	Water
Valves as needed	\$10,000	Water
Water Tower rehab (USG Contract)	\$111,357	Water
Galvanized Line Replacements	\$40,000	Water
South St. (from S. Union to S. Lake)	\$85,000	Roads
Michigan Ave. (Wolf Lake to Ridgeview)	\$55,000	Roads

Capital Improvement Summary FY 2025-2026

Project Title	Estimated Project Cost	Fund
Ford F 250 truck 2	\$69,000	General
Safe Routes to School (Grant + Match)	\$480,000	General
Truck Salt Spreader Fisher 1000	\$10,000	Equipment
Briggs Snow Blower	\$500	Equipment
Push mower Honda HRR21-169UYA	\$2,000	Equipment
ExMark 60" LazerZ	\$22,000	Equipment
Striping machine Lazer line 3000	\$30,000	Equipment
GPS	\$15,000	Equipment
Blower 60" w/ Ventrac	\$6,500	Equipment
Broom 60" w/ Ventrac	\$5,500	Equipment
Ventrac Sidewalk Spreader	\$5,500	Equipment
Mower 60" w/ Ventrac	\$18,000	Equipment
Valves (6" to 2 1/2")	\$16,000 Village, \$24,000 Township	Sewer
Air Release Valves	\$16,000 Village, \$24,000 Township	Sewer
Grinder Pumps (not customer's fault)	\$9,000	Sewer
Well #3 & #4 Well Inspections - Annually	\$1,000	Water
Fire Hydrants as needed	\$5,000	Water
Valves as needed	\$10,000	Water
Water Tower rehab (USG Contract)	\$111,357	Water
Galvanized Line Replacements	\$40,000	Water
Brown St. (End of C/G cross section to Simpson St)	\$89,000	Roads

Capital Improvement Summary FY 2026-2027

Project Title	Estimated Project Cost	Fund
Leaf Vac Tarco Windy 400	\$75,000	General
John Deere Utility Gator	\$43,000	Equipment
Sterling dump truck	\$215,000	Equipment
Slide-in Salter Salt Dog	\$10,000	Equipment
Dump Truck Front mount	\$12,000	Equipment
Valves (6" to 2 1/2")	\$16,000 Village, \$24,000 Township	Sewer
Air Release Valves	\$16,000 Village, \$24,000 Township	Sewer
Grinder Pumps (not customer's fault)	\$9,000	Sewer
Storage Tank Tank Inspections - Every 5 Years	\$5,000	Water
Well #3 & #4 Well Inspections - Annually	\$1,000	Water
Fire Hydrants as needed	\$5,000	Water
Valves as needed	\$10,000	Water
Replace submersible pump motor : Well #3	\$25,000	Water
Water Tower rehab (USG Contract)	\$16,000	Water
Well House Improvements	\$75,000	Water
Replace Miox Equipment	\$160,000	Water

Capital Improvement Summary FY 2027-2028

Project Title	Estimated Project Cost	Fund
Paint Striper Trailer	\$2,000	Equipment
Generator - Mt Hope Rd.	\$14,400 for Village \$30,600 for Township	Sewer
Water Street Partial Rehabilitation of Lift Station. Village Cost: (Many components replaced in 2022)	\$73,500 for Village \$76,500 for Township	Sewer
Generator - Water Street LS	\$22,050.00 for Village \$22,950 for Township	Sewer
Grinder Pumps (not customer's fault)	\$9,000	Sewer
Well #3 & #4 Well Inspections - Annually	\$1,000	Water
Fire Hydrants as needed	\$5,000	Water
Valves as needed	\$10,000	Water
Water Tower rehab (USG Contract)	\$17,000	Water

Capital Improvement Summary FY 2028-2029

Project Title	Estimated Project Cost	Fund
Chevy 3500 Truck # 6	\$85,000	General
Mower Trailer	\$4,000	Equipment
Stihl Hedge Trimmer HS45	\$500	Equipment
Vimeer chipper BC 1000 XL	\$35,000	Equipment
Ferris mower IS 3200 Z	\$22,000	Equipment
line locater	\$6,000	Equipment
Leaf Blower Stihl BR 600	\$800	Equipment
Chain Saw Stihl MS290	\$550	Equipment
Kubota L35	\$60,000	Equipment
Brush Hog	\$8,000	Equipment
Sweepster Broom	\$12,000	Equipment
Mt. Hope Road Full rehabilitation of Lift Station.	\$100,000 for Village, \$204,000 Township	Sewer
Grinder Pumps (not customer's fault)	\$9,000	Sewer
Well #3 & #4 Well Inspections - Annually	\$1,000	Water
Fire Hydrants as needed	\$5,000	Water
Valves as needed	\$10,000	Water
Replace submersible pump motor : Well #4	\$20,000	Water
Replace the emergency generator and install soft start motor starters at the wells	\$50,000	Water
Water Tower rehab (USG Contract)	\$18,000	Water

Capital Improvement Summary FY 2029-2030

Project Title	Estimated Project Cost	Fund
Lawn Trailer 1	\$200	Equipment
Toro 42" Zero Turn Bagger	\$1,800	Equipment
Riding Mower Flower Tractor 2.0	\$2,000	Equipment
Grinder Pumps (not customer's fault)	\$9,000	Sewer
Well #3 & #4 Well Inspections - Annually	\$1,000	Water
Fire Hydrants as needed	\$5,000	Water
Valves as needed	\$10,000	Water
Water Tower rehab (USG Contract)	\$19,000	Water