
CAPITAL IMPROVEMENTS ELEMENT

Data, Inventory and Analysis

TABLE OF CONTENTS

Introduction	2
Statutory Requirements.....	2
Potential Revenue Sources to Fund Facilities	3
Capital Improvement Needs	4
Transportation	4
Potable Water.....	5
Wastewater	5
Solid Waste	5
Drainage Projects.....	5
North Sewall’s Point Road	6
South Sewall’s Point Road – Phases 1 - 4.....	6
Drainage Level of Service.....	6
Parks Level of Service.....	6
School Capacity.....	7
Public Health	7
Implementation	7
Table CI 9-1 Town of Sewall’s Point Fiscal Year 2021 Capital Improvement Plan.....	7
Spending Categories	8
Facilities	8
Technology.....	8
Public Safety / Quality of Life.....	8
Sustainability/Resiliency	8
Project Phasing	8
Capital Improvements Analysis.....	9
Definitions and Acronyms.....	9

INTRODUCTION

The purpose of the Capital Improvements Element is to identify capital projects that will maintain Levels of Service and/or accommodate new growth. The Capital Improvements Element also outlines financial policies to guide the funding and construction of improvements in a manner necessary to ensure that capital improvements are provided when required based upon needs identified in the Comprehensive Plan.

An important part of the Capital Improvements Element is the creation and implementation of a Capital Improvement Plan (CIP). The CIP should be made of two parts – a capital budget and a schedule of capital improvements. The schedule of capital improvements is the plan for capital expenditures. The CIP should contain all the individual capital projects, major studies, equipment and technological purchases a local government needs to maintain functionality and sustainably grow. Standards for development construction and completion timetables and financing plans are also part of the CIP. The CIP is a theoretical blueprint for sustaining and improving the community's infrastructures. It is the coordinating mechanism between strategic planning, financial capacity, and physical development. The Town of Sewall's Point will create a Capital Improvements Program (CIP) annually with the annual budget to effectively guide the Town in planning and implementing capital improvements.

"Capital improvement" as defined by Florida State Statute 163.3164(7) means physical assets constructed or purchased to provide, improve, or replace a public facility and which are typically large scale and high in cost. The cost of a capital improvement is generally nonrecurring and may require multiyear financing. For the purposes of this part, physical assets that have been identified as existing or projected needs in the individual comprehensive plan elements shall be considered capital improvements.

Capital funding sources can be described as either "restricted" or "unrestricted." Restricted funding sources are limited in their use/expenditures and must be used for a specific purpose. Unrestricted funding sources are free from any external constraints and available for general use. Unrestricted funding sources are available to be reallocated and may be appropriated as needed. The following is a summary of the funding sources that can be used in the CIP.

STATUTORY REQUIREMENTS

Florida Statutes (Statute 163.3177) require the Capital Improvements Element consider the need for and the location of public facilities to encourage the efficient use of such facilities and include:

- Principles for construction, extension, or increase in capacity of public facilities over a 5-year period
- Principles for correcting existing public facility deficiencies necessary to implement the comprehensive plan over a 5-year period.
- Estimated public facility costs, estimated timeline for when facilities will be needed, the general location, and projected revenue sources.
- Standards to ensure the availability of public facilities and the adequacy of those facilities to meet established acceptable levels of service.
- A schedule of capital improvements for a 5-year period including projects funded by federal, state, or local governments, as well as privately funded projects.
 - Including transportation improvements in the Metropolitan Planning Organization's Transportation Improvement Program.

1. Ad Valorem Taxes

Taxes are collected a percentage of the value of real and personal property in the Town. Ad valorem taxes support various operating, capital, and debt funds of the local government. There are two types of ad valorem: general and municipal services taxing units (MSTUs). General ad valorem revenues may be utilized to fund general expenses, free of geographical restrictions. MSTUs provide specialized services within legally specified geographic boundaries such as fire rescue, parks, stormwater, and road infrastructure maintenance.

2. Enterprise Funds

In enterprise financing, funds are accumulated in advance for capital requirements. Enterprise fund dollars can only be used on projects related to the enterprise fund. An example would be Building Permit fees which must be used to fund the Building Department.

3. Gas Tax

A fuel tax, also known as “gas tax,” is a tax imposed on the sale of fuel. In Martin County, there are three types of fuel tax, all of which must be expended on various transportation-related expenses as defined in the Florida state statutes. Each municipality is allocated a portion of this based upon the State formula. The Town receives about \$180,000 in gas tax each year.

4. Discretionary Sales Tax

A discretionary sales tax may be levied pursuant to an ordinance enacted by a majority vote of the Town’s governing body and approved by voters in a Town wide referendum. The proceeds of a discretionary surtax must be expended to finance, plan and construct infrastructure, acquire land for public recreation, conservation, or protection of natural resources as specified by the voter-approved referendum.

5. Federal and State Funds/Grants (Restricted)

The Town has access to a wide range of grant programs offered by the federal, state, and local governments and organizations. If planned wisely, grants can contribute invaluable financial resources to programs identified in the CIP. Grant funds may only be used in accordance with the agreement executed by both the grantee and grantor.

6. Developer Contributions/Prop Share (Restricted)

Developer contributions are the fees charged by the Town for extra community and network infrastructure needed because of development projects. The money collected from development contributions pays for the cost of public infrastructure that is needed to meet the additional demand from growth.

7. Impact Fees (Restricted)

The Town of Sewall’s Point currently does not have an impact fee. However, Martin County has a schedule of impact fees that are assessed for public buildings, public safety, fire prevention, transportation, and culture / recreation that are in the county. Impact fees must be expended on projects needed to accommodate Level of Service requirements to support growth and capacity as defined in the comprehensive plan. It is important to note that the County impact fee is for all properties in the County including incorporated areas such as the Sewall’s Point. If the Town completes an impact fee study and imposes impact fees, these would be charged to the developer in addition to the county impact fees.

8. Charges for Services/Cost Recovery Fees

User fees and charges have a direct relationship between the services received and the compensation paid for the service. The Town has the authority to impose user fees and charges to recover the cost of providing a service or facility or regulating an activity. For example, the cost to review an application for a new development (Planning, Engineering review) is billed back to the applicant.

9. Metropolitan Planning Organization (MPO) Transportation Improvement Plan (TIP)

The Martin MPO is a countywide agency that is responsible for transportation planning, programming, and financing of state and federal transportation funds for the three municipalities and unincorporated areas of Martin County. The MPO prepares the TIP annually to identify and prioritize transportation improvement projects over a five-year period. The Town has representation on the MPO Board.

10. Borrowing/Debt Management

It may be necessary for the Town to borrow money to fund long term capital improvements. Long term bond issues are the most common type of financing for capital improvements.

- a. General Obligation Bonds – are bonds backed by the full faith and credit of the local government and are required to be approved by voter referendum due to the implied or expressed pledge of ad valorem taxes. General obligation bonds offer lower interest rates than other bonds, as they are, in effect, secured by the taxing power of the local government. Capital improvements financed through general obligation bonds should benefit the municipality as a whole rather than particular areas or groups.
- b. Revenue Bonds – are bonds financed by those directly benefiting from the capital improvement. Revenue obtained from the issuance of revenue bonds is generally used to finance publicly owned facilities. Charges collected from the users of these facilities are used to retire the bond obligations. Interest rates tend to be higher for revenue bonds than general obligation bonds. Issuance of the bonds may be approved by the Town Commission without voter referendum.
- c. Standard Bank Loan – For smaller projects, the Town could consider a standard bank loan where the debt is held by the bank rather than by the public as in a bond.

CAPITAL IMPROVEMENT NEEDS

TRANSPORTATION

The Town of Sewall's Point includes approximately 18.6 miles of roadway with approximately 13.8 miles maintained locally; approximately 1.1 miles maintained privately and approximately 3.7 miles maintained by other agencies.

Transportation for the Town is coordinated with the County through the Martin Metropolitan Planning Organization (MPO), the Martin in Motion 2045 Long Range Transportation Plan (LRTP), the Martin County Transit Development Plan (TDP) 2020-2029 and regionally through the 2040 Treasure Coast Regional Long Range Transportation Plan (RLRTP). One SIS facility exists in the Town of Sewall's Point, Intracoastal Waterway (ICW), also known as the Atlantic Intracoastal Waterway (AIW). The Town should consider partnering with the Martin Metropolitan Planning Organization (MPO) to prioritize State funding that could improve waterborne transportation on this SIS facility.

Current transportation planning efforts in Sewall's Point are focused upon improving existing roadways which need significant maintenance and better drainage.

The Town needs a better-connected sidewalk system. Through its coordination with the Martin MPO, the Town should consider requesting Transportation Alternatives Program (TAP) funding to assist in the development of a connected sidewalk network. The TAP funds a variety of small-scale transportation projects such as pedestrian and bicycle facilities, recreational trails, safe routes to school projects as well as community environmental mitigation related to stormwater and habitat connectivity. FDOT developed Transportation Alternative Program (TAP) guidance after the passing of the highway funding act, Moving Ahead for Progress in the 21st Century (MAP-21). The Town would need to meet with the MPO in the beginning of the calendar year for consideration. The projects are approved each June. Once approved, the funding is available three years following selection.

The **Transportation and Mobility Element** of this report provides information of existing and projected level of services standards, transportation improvement strategies, and long-term transportation planning programs.

POTABLE WATER

Town residents' potable water is supplied by Martin County Utilities. As of January 2022, most of the residents in Sewall's Point were connected to the county water system with only 10 homes utilizing potable water wells.

There is sufficient capacity to Town residents in the short term and long-term planning timeframes.

WASTEWATER

Wastewater is managed by residents with a combination of septic tanks and sanitary sewer from the County. As of January 2022, there were 788 homes with septic tanks. The Town is exploring grant funding to offset cost for connections to encourage septic tank abandonments.

The County has sufficient capacity to serve Town residents in the short-term and long-term planning timeframes.

SOLID WASTE

All solid waste including yard waste generated within the Town is managed through its agreement with the County.

DRAINAGE PROJECTS

The Town of Sewall's Point recently developed a Stormwater Master Plan. As a result of the studies, the Town is undergoing major stormwater construction projects which will elevate the road above the 25-year/3-day storm. The project descriptions are below.

NORTH SEWALL'S POINT ROAD

Project includes raising N. Sewall's Point Rd. to Elevation 3.0 NAVD. This elevation target was found from stormwater modeling results from a 25-year storm as well as witnessed Sea Level Elevations during King Tides. The roadway will be raised via a black base build and asphalt section on top of existing roadway where applicable. In areas of new roadway widening to accept shoulder and curbing requested by the Town/County, a typical asphalt section will be used with varying thicknesses that are detailed on construction plans. Stormwater system design to accept flows of private residences and public roadway. Existing driveways require adjustments to tie in properly to new road elevations. These adjustments will be coordinated with the Homeowners.

SOUTH SEWALL'S POINT ROAD – PHASES 1 - 4

The project entails raising the road above the 25-year/3-day storm event and provides additional stormwater treatment & storage, upland storage in the adjacent neighborhood, raising S. Sewall's Point Road in this area, weirs and complete the outfall with Sea-Level Rise controls for the backup from the King Tides and finally to install emergency back-up pumps at the various outfalls within this same Stormwater Basin.

The roadway will be raised via a black base build and asphalt section on top of existing roadway where applicable. In areas of new roadway widening to accept shoulder and curbing requested by the town, a typical asphalt section will be used with varying thicknesses that are detailed on construction plans. Stormwater system design to accept flows of private residences and public roadway. Existing driveways require adjustments to tie in properly to new road elevations. These adjustments will be coordinated with the Homeowners.

DRAINAGE LEVEL OF SERVICE

Level of Service (LOS) standards for drainage reflect South Florida Water Management District (SFWMD) and National Pollutant Discharge Elimination System (NPDES) Municipal Separate Storm Sewer System (MS4) permit and rules.

PARKS LEVEL OF SERVICE

The Town of Sewall's Point adopted the Adequate Public Facilities Ordinance 198 in 1990 to implement and be consistent with the Comprehensive Plan by requiring that all development in the Town is served by adequate public facilities. The ordinance recognized a Level of Service standard for Capital Recreation and Open Space Facilities of 0.8 acres for 3,200 people.

Based upon the LOS for recreation and open space of 0.8 acres per 1,000 residents, the Town meets the Parks and Recreation LOS for the population of the Town in 2021 as well as for many years to come based on the projected population for the Town.

SCHOOL CAPACITY

Public education is under the jurisdiction of the elected School Board of Martin County. The public school system in Martin County is based on a countywide district, encompassing all municipalities within the County and unincorporated area. As of the FY 21-22, there were no schools reported as overcapacity.

PUBLIC HEALTH

Public health in Martin County is a function of the State Department of Health. To receive public health services, a Town resident may choose to go to any of the public health facilities located in the County. Cleveland Clinic Martin Health is a private provider with 13 locations on the Treasure Coast: Martin North, a 244-bed hospital; Martin south, a 100-bed hospital and urgent care facilities throughout the County. In 2019, Martin Health System became part of Cleveland Clinic.

IMPLEMENTATION

The 5-Year Schedule of Improvements is the mechanism by which the Town can effectively stage the timing, location, projected cost, and revenue sources for the capital improvements derived from the other Comprehensive Plan elements in support of the Future Land Use Element.

To that end, the Town partnered with Treasure Coast Regional Planning Council (TCRPC) who facilitated a series of public workshops which resulted in priority projects over the next 20 years. The cost estimates will allow the Town to budget for these project as well as apply for grant funding.

TABLE CI 9-1 TOWN OF SEWALL'S POINT FISCAL YEAR 2021 CAPITAL IMPROVEMENT PLAN

CAPITAL IMPROVEMENT PLAN	2021	2022	2023	2024	2025
South Sewall's Point Road Phase 2-3	914,280	1,726,000	1,928,000	1,457,000	1,457,000
South Sewall's Point Road Phase 4*	564,000	0	0	0	0
North Sewall's Point Septic to Sewer	55,000	0	0	0	0
Homewood Outfall	86,250	0	0	0	0
CAPITAL CONSTRUCTION TOTAL	1,619,530	1,726,000	1,928,000	1,457,000	1,457,000
ANNUAL CAPITAL MAINTENANCE					
Streets & Bridges	50,000	144,000	144,000	144,000	144,000
Storm Water System	35,000	90,000	90,000	90,000	90,000
Vehicles	200,000	0	30,000	110,000	0
Parks & Landscaping	55,000	28,000	28,000	28,000	28,000
Town Hall	15,000	20,000	15,000	10,000	10,000
Annual Expenditures	1,974,530	2,008,000	2,235,000	1,839,000	1,729,000

Source: Martin MPO TIP FY 2021/22 -2025/26

SPENDING CATEGORIES

The Capital Improvement Plan will be prepared annually in coordination with the annual budget and will contain updated and/or new projects for a 5-year period, with projects programmed for year one and planned for years two through five. This process would reflect continued investment to provide for the health, safety and quality of life for the Town of Sewall's Point. The following are spending categories are recommended:

FACILITIES

1. Government facilities with primarily government employee occupancy
2. Stormwater Management which improves drainage conditions and reduces flooding
3. Park improvements to buildings, grounds and/or recreational facilities
4. Mobility projects –plan for improvements to the transportation network which would increase capacity for all modes of transportation (add car travel lanes; intersection improvements; roadway resurfacing; adding widening or repairing sidewalks and bike paths; and providing amenities the network for comfort or beauty (transit shelter, landscaping, tree planting, lighting, and streetscape improvements)

TECHNOLOGY

1. Government Services / Facilities – Hardware or software that improves the level of service of government services and facilities
2. Mobility – Hardware or software improving transportation systems or mobility within the Town.

PUBLIC SAFETY / QUALITY OF LIFE

1. Public Safety –Relating to public safety, including facilities
2. Quality of Life –Promote or improve the environment for the citizens of Sewall's Point

SUSTAINABILITY/RESILIENCY

Projects that support sustainability initiatives such as green buildings and resiliency needs which address the effects climate change, sea level rise and preparation for the Perils of Flood.

PROJECT PHASING

Capital projects because of their scale are phased so that CIP may fund a project over many years as it evolves. A capital project typically has the following phases:

1. Project Development
2. Engineering/Design
3. Land purchase (if needed)
4. Construction
5. Contract Administration which includes in-house project supervision and administration of capital projects.

CAPITAL IMPROVEMENTS ANALYSIS

This element identifies capital projects that will maintain Levels of Service to accommodate new growth.

In summary:

- Potential funding sources for the Town's Capital Projects were described
- Recommended spending categories for future CIPs
- CIP includes major drainage and roadway projects that will help prepare the Town for Sea Level Rise and the Perils of Flood
- Listed the Level of Service for several elements

DEFINITIONS AND ACRONYMS

Capital Improvement - Physical assets constructed or purchased to provide, improve, or replace a public facility and which are typically large scale and high in cost. The cost of a capital improvement is generally nonrecurring and may require multiyear financing; F.S. 163.3164 (7)