



Naperville Park District Capital Projects Prioritization Policy

The purpose of the Capital Projects Prioritization Policy is to establish an evaluation process for capital projects that is linked to the Park District's core values. Capital projects include: 1) repair/replacement of existing facilities; and 2) acquisition/construction of new facilities, either to extend existing services or develop new services.

Capital Projects Evaluation Process

1) Repair/Replacement of existing facilities

In 2006, the Park District formed a cross-functional team consisting of Parks, Recreation, and Planning Department staff in order to observe the condition of existing facilities and amenities through multiple perspectives and to conduct a system wide inventory. The inventory assisted staff in identifying deficiencies based on the Park District's ADA Transition Plan, code requirements, and other focus areas in preparation for the next repair/replacement cycle. After the inventory, staff inserted the data into a Park and Facility database to track the lifecycle of existing facilities. Based on the data, staff updated the Park District's Capital Forecast and developed the 10 Year Capital Overview. The 10 Year Capital Overview is a "living document" that is reviewed and updated with the Park and Facility database on an annual basis as part of the Budget Development Process.

During the annual Budget Development Process, a 3 Year Budget will be formulated to serve as a financial analysis highlighting the relationship between planned capital improvements and related operations/maintenance costs and recreation programming revenue/expenses.

In order to monitor the condition of existing facilities and amenities, the Parks Department conducts annual inspections. The data collected from the inspections is used to update annually the 3 Year Budget, 10 Year Capital Overview, and Park and Facility Database. In the event that core values shift and existing services,

facilities and amenities are no longer needed, a removal plan will be implemented by the Park District.

In addition to evaluating the condition of existing facilities and amenities, other components are also analyzed by staff when prioritizing capital repairs/replacements within planning documents, including the availability of alternative revenue (i.e., grants, donations, foundations) and similar services planned by external providers. Due to the fluid nature of these components, opportunities are continually evaluated by staff and planning documents are updated regularly. The 3 Year Budget is expected to be presented at the Park Board Budget workshop on an annual basis prior to the mandatory public review period and final approval.

- 2) *Land acquisition and/or construction of facilities through the extension of existing services; and*

Land acquisition and/or construction of facilities through the development of new services

The process for evaluating and prioritizing capital projects that involve the extension of existing services and development of new services consists of the following:

2.1 New projects are either identified externally by input (e.g., community and program surveys, capital request forms, direct feedback), or internally through trend studies, recreation matrix, etc. Additionally, new capital projects must meet the following criteria:

- 1) A monetary value of at least \$10,000; and
- 2) A lifecycle of at least 3 years; and
- 3) Results in the revitalization/extension of a fixed asset; and/or
- 4) Results in the creation of a fixed asset.

Once identified, new projects will be added to a list by Planning Department staff, under the classifications of 1) land acquisition and/or construction of facilities for the extension of existing services; or 2) land acquisition and/or construction of facilities for the development of new services.

2.2 A list of projects (identified from the previous year and improvements already within the 10 Year Capital Overview) will be submitted to the Park Board. As part of this step, the Park Board will provide staff with comments and any additional projects to be added to the list (1st quarter).

2.3.1 After incorporating input from the Park Board, Planning Department staff will score the new capital projects from the list with the Project Evaluation Worksheet (Exhibit A). Since the quantity of capital improvements typically

exceeds available funds and staff resources, the Park District utilizes the worksheet which consists of organizational priorities within the following categories: Core Recreation Values, Strategic Plan and Open Space and Recreation Master Plan, and Financial Sustainability (1st quarter). (Note: the Project Evaluation Worksheet is updated periodically in order to reflect organizational changes regarding core values, planning documents, etc.)

2.3.2 To provide context and insight, the total scores from the Project Evaluation Worksheets are separated into service extension and development project types and then grouped into the following:

- Tier 1: Project scores in the upper third of all priority scores will be positioned within the first 3 years of the 10 Year Capital Overview.
- Tier 2: Project scores in the middle third of all priority scores will be positioned within years 4-6 of the 10 Year Capital Overview.
- Tier 3: Project scores in the lowest third of all priority scores will be positioned with years 7-10 of the 10 Year Capital Overview.

2.4 The score sheets and 10 Year Capital Overview featuring the positions of new capital projects will be provided to Parks and Recreation Committee members for review. The Parks and Recreation Committee will discuss and reposition any new capital projects (if needed). Additionally, the committee will confirm the list of capital projects to be implemented in the next budget year as well as the capital projects to be included within the 3 Year Budget. Following the committee's recommendation, a list of park sites to be visited as part of the annual Capital Projects Tour and updated 3 Year Capital Budget will be provided to the Park Board (1st/2nd quarter).

2.5 The Leadership Team and Park Board will participate in a group tour of park sites involving capital projects slated for development the following year. Additionally, the tour will allow the opportunity for addressing any project related questions regarding operations/maintenance and recreation programming revenue/expenses. (Note: the operations/maintenance costs and recreation costs and revenue will be incorporated within the 3 Year Budget. This document is expected to provide an in-depth view of the organization's financials.) The primary goal of the tour is to confirm the capital projects slated for development the following year (1st/2nd quarter).

2.6 The projects confirmed for development the following year as part of the Capital Projects Tour will be presented at a Public Open House event before a Park Board meeting or workshop. After the event, staff will share the feedback with the Park Board (3rd quarter).

2.7 Based on input from the community and Park Board, staff will update the 3 Year Budget, including the 3 Year Capital Budget, in preparation for the annual

Budget workshop. After the workshop, the 3 Year Budget is released for public review.

2.8 Park District staff hosts follow-up public meetings/workshops for projects on a case by case basis (TBD).

2.9 The Planning Director relays progress updates on implementation of the approved Capital projects (quarterly).

(last revised: September 23, 2011)

EXHIBIT A

Capital Improvement Plan – Project Evaluation Worksheet

PROJECT NAME: _____

The proposed CIP project falls within the following classification: (circle one)

(Extension of Existing Service) *(Development of New Service)*

Score each project within the following categories, YES=1 and NO=0

CORE RECREATION VALUES (PER BOARD POLICY)

(YES) / (NO) Will the project promote **health and wellness**?

(YES) / (NO) Will the project promote **environmental education, stewardship and sustainability**?

(YES) / (NO) Will the project promote **community enrichment**?

(YES) / (NO) Will the project promote **public safety**?

(YES) / (NO) Will the project promote **accessibility**?

(YES) / (NO) Will the project promote **personal growth and enrichment**?

CATEGORY TOTAL: _____

STRATEGIC PLAN AND OPEN SPACE AND RECREATION MASTER PLAN

(YES) / (NO) Is the project supported by the Strategic Plan?

(YES) / (NO) Is the project identified in the Open Space and Recreation Master Plan?

(YES) / (NO) Is the project identified as serving a planning area deficiency?

(YES) / (NO) Did the project receive a priority ranking in the most recent community survey?

(YES) / (NO) Does the project have potential to support core program offerings for multiple cohorts?

(YES) / (NO) Does the project have potential to support lifetime recreational opportunities?

(YES) / (NO) Will the project maximize the Park District's service level by providing a new program or facility?

CATEGORY TOTAL: _____

FINANCIAL FEASIBILITY & SUSTAINABILITY

(YES) / (NO) Is the project eligible for outside funding based on the project scope? (Outside funding includes all sources except the general fund. Examples include but are not limited to: grants, donations, government/developer contributions.)

(YES) / (NO) Does the project support recreation programs with potential to produce net revenue, taking into account where programs are in their lifecycle?

(YES) / (NO) Is there a cost savings associated with the project as a result of coordinating it with other projects?

(YES) / (NO) Is this a project that should be rolled into another, larger project for economies of scale/efficiency?

(YES) / (NO) Will the project reduce operations/maintenance costs?

CATEGORY TOTAL: _____

TOTAL SCORE: _____