

TOWN OF LEDYARD
PROCEDURE FOR
CAPITAL IMPROVEMENT PROJECTS
AND CHECK LIST

I. PURPOSE

The purpose of this procedure is to establish and outline the Town of Ledyard's approach to initiating, funding, and executing Capital Improvement Projects (CIP).

II. CAPITAL IMPROVEMENT PLAN (CIP)

1. During the Annual Budget preparation process, departments, including the Board of Education, shall submit their Capital Improvement Plan (CIP) requests, including estimated project cost and anticipated ongoing operating expenses, to the Town Planner to be included in the Town-wide CIP.
2. The Planning & Zoning Commission will review, act on, and provide a List of Capital Improvement Plan (CIP) recommendations/requests to the Mayor in accordance with the General Statutes, concerning municipal improvements, of proposed capital projects for the ensuing fiscal year and for the five fiscal years thereafter, including an estimated cost of such improvements and projects.
3. The Mayor reviews the recommended Capital Improvement Plan (CIP) and discusses potential funding sources with the Finance Director.
4. The Mayor shall present a Capital Improvement Program (CIP) as previously considered and acted upon by the Town Planning Commission, for the ensuing fiscal year and for the five fiscal years thereafter, as part of the Annual Budget process, in accordance with Chapter VII; Section 3 of the Town Charter. .
5. The Mayor shall recommend projects to be undertaken during the ensuing fiscal year and the method of financing for the same includes a proposed Capital Improvement Plan (CIP) including potential funding sources in the Annual Budget submitted to the Town Council.
6. Town Council reviews the Capital Improvement Plan (CIP) and considers/edits the Mayor's proposed funding options to include in the proposed Annual Budget (Local Taxes, Grants, Bonding, or Transfers from Other Funds).

III. CAPITAL IMPROVEMENT PLAN (CIP) APPROVAL AND COMMENCEMENT OF PROJECTS BASED ON FUNDING OPTIONS

A. **Tax Levy Funding:**

1. The Capital Improvement Plan (CIP) is presented to the townspeople as part of the Budget at the Annual Town Meeting.
2. Townspeople vote on the Annual Budget, including the Capital Improvement Plan (CIP); at Referendum.
3. When the budget is approved, Capital Improvement Plan (CIP) projects or items designated for funding from Local Taxes or Transfers from Other Funds categories can be started after July 1 when the new budget is activated. See Section IV.1.

B. Grant Funding:

For Capital Improvement Plan (CIP) projects designated for Grant Funding the submission of the Grant Application shall be first be approved by the Town Council; the Grant Award must be finalized by the grantor before issuing requests for proposals and before the commitment of funds can be made to the project.

- a. Preliminary cost estimates are obtained by the Department overseeing the project.
- b. The Department overseeing the project submits a request to Town Council for authorization for the Mayor to submit a Grant Application.
- c. The Grant Application is submitted to granting entity.
- d. If grant funding is awarded, the Finance Director verifies that the project can begin, unless additional funding such as bonds are required (Refer to Section (C) below).
- e. Follow grant reimbursement process as outlined in the Grant Program.

C. Bonding (Borrowing) Funding

For Capital Improvement Plan (CIP) projects designated for funding from the selling of Bond Anticipation Notes (BAN); or Long-Term Bonds:

1. Department or Board of Education must present to the Town Council the need for the proposed Project with estimated costs; and potential funding sources.
2. The Town Council will review; and if they find it was viable project:
 - a. Assign the Permanent Municipal Building Committee (PMBC) to oversee the project in accordance with Ordinance 100-015 (rev. 1) *"An Ordinance Establishing a Permanent Municipal Building Committee for the Town of Ledyard"*; and State Board of Education Grant Funding Requirements.
 - b. Approve *"Seed Money"* if other funding was not available for preliminary design and engineering work.
 - c. The Finance Director will verify that immediate funding is available.
3. The Permanent Municipal Building Committee (PMBC) or Department overseeing the project prepares Bid Specifications.
 - a. Bid Specifications are submitted to the Finance Director for inclusion in the Requests for Proposal (RFP).
 - b. Finance Director publishes Request for Proposals (RFP) on Town's Website and other advertising outlets.
 - f. Bid Opening is held.

- g. Bid is awarded by Permanent Municipal Building Committee (PMBC) or Department.
 - h. If the required three bids are not received a Bid Waiver request must be submitted and to the Town Council for approval in accordance with Ordinance #200-002 *"Purchasing Ordinance for the Town of Ledyard"*.
4. The Permanent Municipal Building Committee (PMBC) or Department overseeing the project, will present the Project (Primary Design & Engineering) to the Town Council; and request for Bond Counsel prepare Bond Authorization Documents (Resolutions).
 - a. The Finance Director works with Bond Counsel to prepare Bond Authorization Documents (Resolutions).
 - b. Town Council reviews and approves Bond Resolutions and sets Special Town Meeting date and Referendum (Refer to Town Charter, Chapter VII; Section 9).
 - c. Special Town Meeting is held for townspeople to approve project Bond Resolutions. If project exceeds cost threshold as described in Charter Chapter VII, Section 9, a Referendum will be held.
 - d. If approved, Bonds or Notes will be sold on a schedule that incorporates existing project bond-funded issuances.
 5. For projects whose total project cost is estimated to exceed \$500,000, an Owner's Representative and/or Consulting Engineer shall be hired through a quality-based selection process to assist the Permanent Municipal Building Committee with management and oversight of such project(s); in accordance with Ordinance 100-015 (rev. 1) *"An Ordinance Establishing a Permanent Municipal Building Committee for the Town of Ledyard"*.
 - a. The Permanent Municipal Building Committee (PMBC;) or Department overseeing the project, will work with Finance Director to prepare and solicit Requests for Proposals for an Owner's Representative and/or Consulting Engineer shall be hired through a quality-based selection process to assist the Permanent Municipal Building Committee with management and oversight of such project(s) in accordance with Ordinance 100-015 (rev. 1) *"An Ordinance Establishing a Permanent Municipal Building Committee for the Town of Ledyard"*.. (Refer to Paragraph C above for Bid Process).
 - b. The Owner's Representative or Consulting Engineer may assist with the preparation of the Bid Specification and Requests for Proposals (RFP) for the Construction (Trades) of the Project and assist with the review of Bid Proposals received . (Refer to Paragraph C above for Bid Process)
 6. With the approval of the Bond Authorization Documents (Refer to Paragraph C -4) the Permanent Municipal Building Committee (PMBC) or Department overseeing the project may proceed with construction or improvement work in accordance with Ordinance 100-015 (rev. 1) *"An Ordinance Establishing a Permanent Municipal Building Committee for the Town of Ledyard"*.
 - a. **Funding** - Permanent Municipal Building Committee (PMBC); or the Department overseeing the project will consult with the Finance Director to ensure funding is in place before beginning the project.

- b. **Regular Project Updates:** The Permanent Municipal Building Committee (PMBC;) or Department overseeing the project, shall work with the Owner's Representative and/or Consulting Engineer regarding status of the project and work to mitigate issues.
- c. **Change Orders and other Special Requests.** The Permanent Municipal Building Committee shall submit change orders and grants/financial assistance documentation to the appropriate authority in a timely manner and with timely notification to the Town Council. The Town Council is the authority to modify or change the scope of the project.
- d. **Grant Funding:** The Permanent Municipal Building Committee shall also coordinate all applications for grants and other financial assistance documents except for school construction grants through the Department of Education. Such grant applications are the responsibility of the Superintendent of Schools and the Board of Education
- e. **Payment of Invoices:** The Permanent Municipal Building Committee shall Review and approve Project Invoices in an timely fashion.

7. Completion of the Project:

- a. Punch List Items: Review for completion all outstanding components of the construction ; or improvement Project
- b. Notify in writing the Town Council and other interested parties (Board of Education, State, etc.), that the project has been completed.
- c. Review and authorize all final payments to close out the project.

8. Bond Sale

- a. Finance Director will work with Financial Advisory to prepare required documentation for Bonds to be sold on a schedule that incorporates existing project bond-funded issuances.

IV. CAPITAL IMPROVEMENT PROJECTS NOT INCLUDED IN CAPITAL IMPROVEMENT PLAN (CIP)

- 1. Departments, including the Board of Education, shall submit their Capital Improvement Project request, including estimated project cost, along with anticipated on-going operating expenses, to the Mayor.
- 2. The Mayor reviews the Department's Capital Project request and discusses potential funding sources with the Finance Director.
- 3. The Mayor provides a recommendation to the Town Council regarding the Capital Project request.
- 4. Town Council (Subcommittees & Full Town Council) reviews the Capital Project request and considers potential funding options.

5. The Planning & Zoning Commission reviews the Capital Project request and makes a recommendation to the Town Council.
6. Follow Section III above.

Adopted by the Ledyard Town Council on: _____

Chairman _____

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History:

2026: For consistency and to aid Departments and the Permanent Municipal Building Committee the “*Town of Ledyard Procedure for Capital Improvement Projects and Check List*” was adopted to clearly document the process.