CAPITAL IMPROVEMENT PLAN

November 30, 2015

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HIGHLAND PARK, NEW JERSEY

INTRODUCTION

STUDIO TEAM

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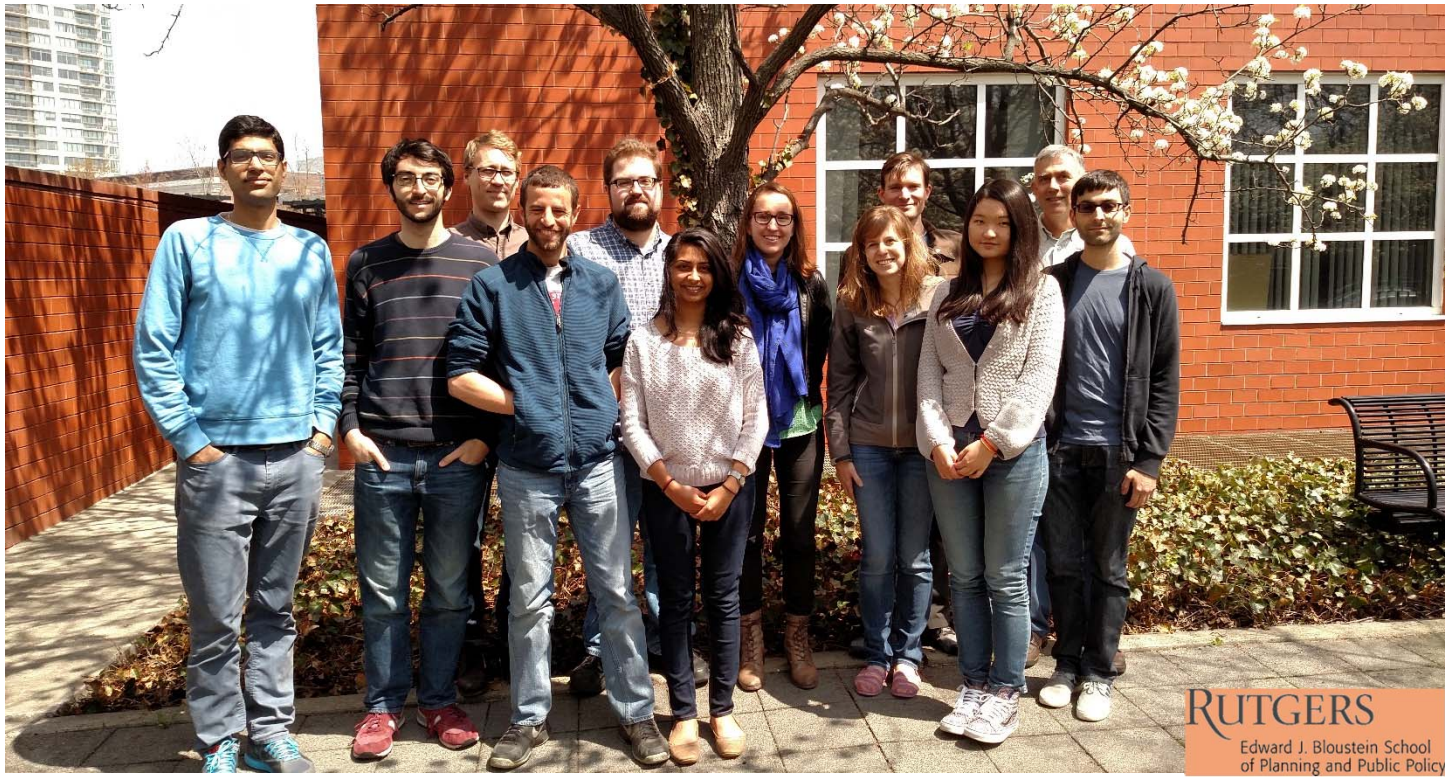


Capital Improvement Planning

- Capital projects are non-recurring; definitive start and end to the project; higher cost threshold
- The capital plan lays out the timing and required expenditures for capital projects
- 6 year window, 30 year vision

FINANCE AND FUNDING

MUNICIPAL FINANCE

- Operating Budget
  - Total 2014 Municipal Appropriations: **$14,095,294**
  - Portion of 2014 Municipal Budget from property tax: **$10,359,470**
  - Tax Rate: 7.478
  - Equalization Ratio: 42.12
  - Property values in Highland Park are assessed at only 42% of their market value. Therefore, the effective tax rate is only 3.139 based on market value.
- Capital Budget
  - 2013 Capital Budget: **$1,001,333**
  - Part of a 6-Year Capital Budget included in the annual budget, generally more of an estimate or wish list

CAPITAL SPENDING

- Funding sources
  - User fees
  - Grants
  - Bond Ordinances
- Debt capacity
  - 3.5% of 3-Year equalized assessed value
- Majority of capital spending financed through bond ordinances

3 Yr. Equalized Assessed Property Value	**$1,302,513,138**
Debt Capacity at 3.5%	**$45,587,960**
Remaining Debt Capacity as of February, 2015	**$25,525,630**

HISTORY

History of Highland Park

- Ties to industrial New Brunswick from the beginning
- Country retreat for the wealthy in the early 1800s, e.g. Livingston Manor and river view houses on S. Adelaide Ave.
- Growth in the late 1800s and early 1900s led to the opening of schools and a fire station; separation from Raritan Township

Source: Kolva, Jeanne and Joanne Pisciotta *Highland Park, Images of America.* 1999. **Circa 1915**

TIMELINE

- **1906** – North side of Raritan Ave. is subdivided for residential development; Livingston Manor parceled out

- **1900 - 1920** – Subdivision of large lots and paving of Borough streets; transition from streetcar suburb to automobile suburb

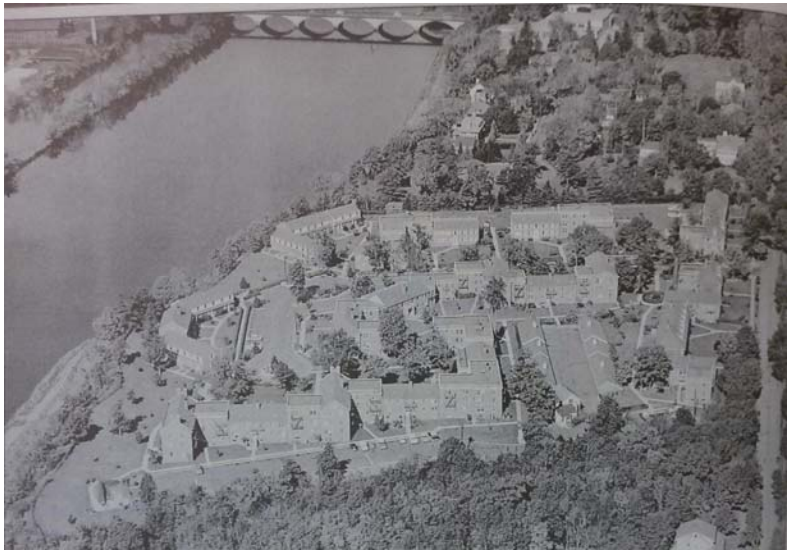
- **1930s** – Federal WPA projects, including Donaldson and Johnson parks, and sewage disposal plant on Valentine St.

Source: Kolva, Jeanne and Joanne Pisciotta *Highland Park, Images of America.* 1999. **Circa 1920s**

TIMELINE

- **1940s** – Sewerage and fire hydrants added throughout Borough; first garden apartments built at Benner St. and S. Third Ave.; first large apartment complex constructed on S. Adelaide Ave.

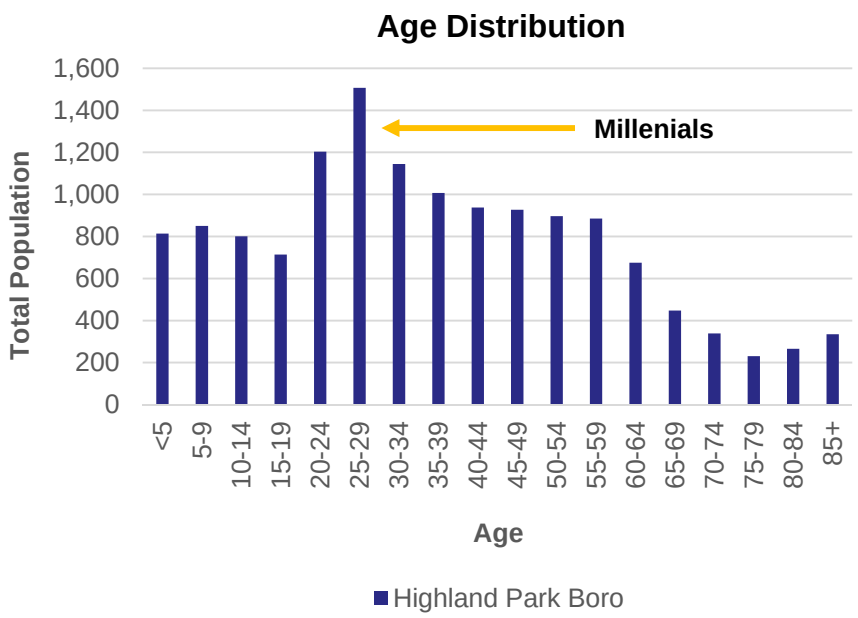
- **1950s** – Present – Continued population growth and residential development; updating of installed infrastructure

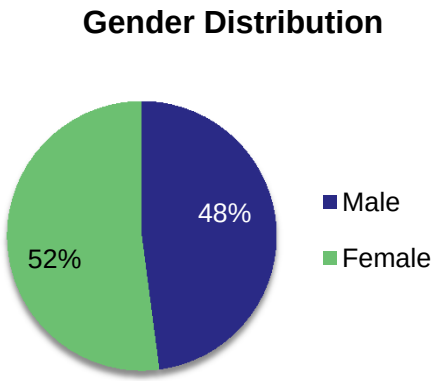


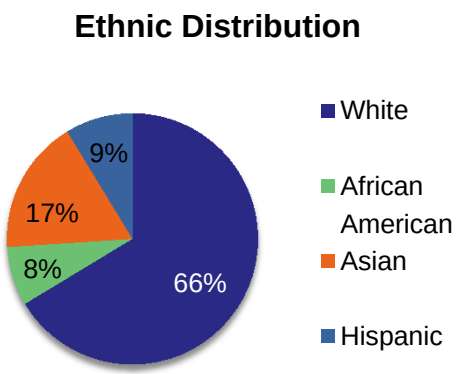
Redcliffe Apartments, first large post-war apartment complex.
Source: Kolva, Jeanne and Joanne Pisciotta *Highland Park, Images of America.* 1999. **Circa 1950**

DEMOGRAPHICS AND PROJECTIONS

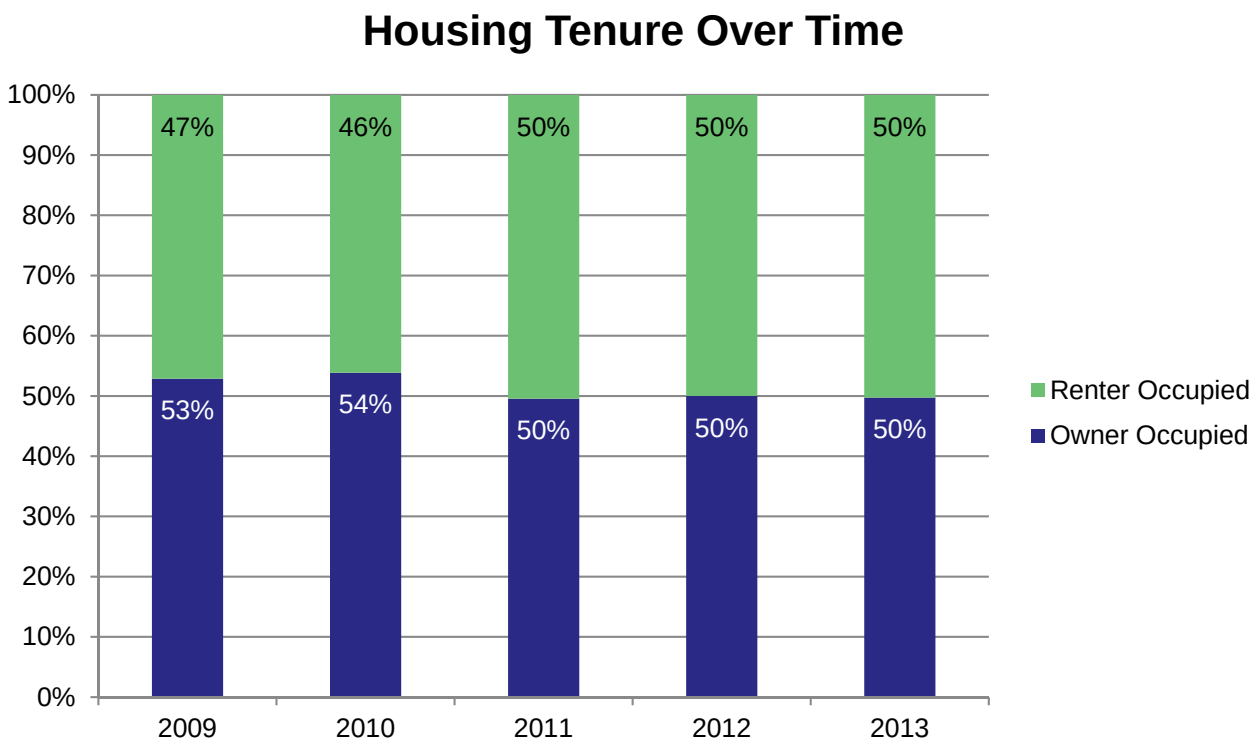
Demographics: Overview



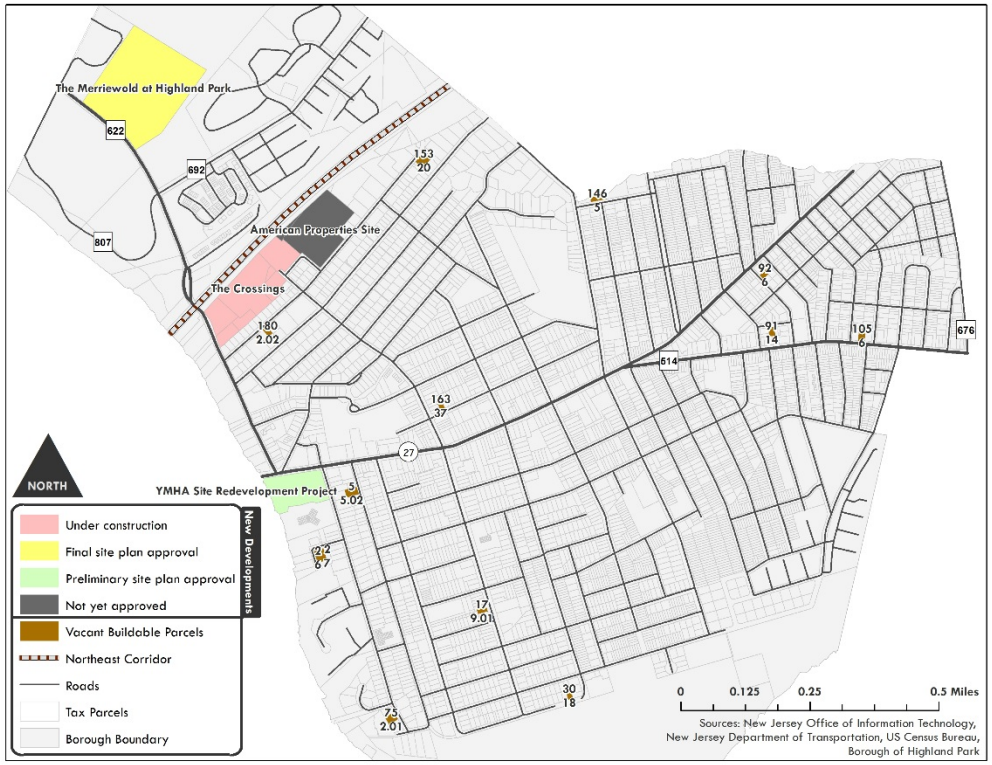




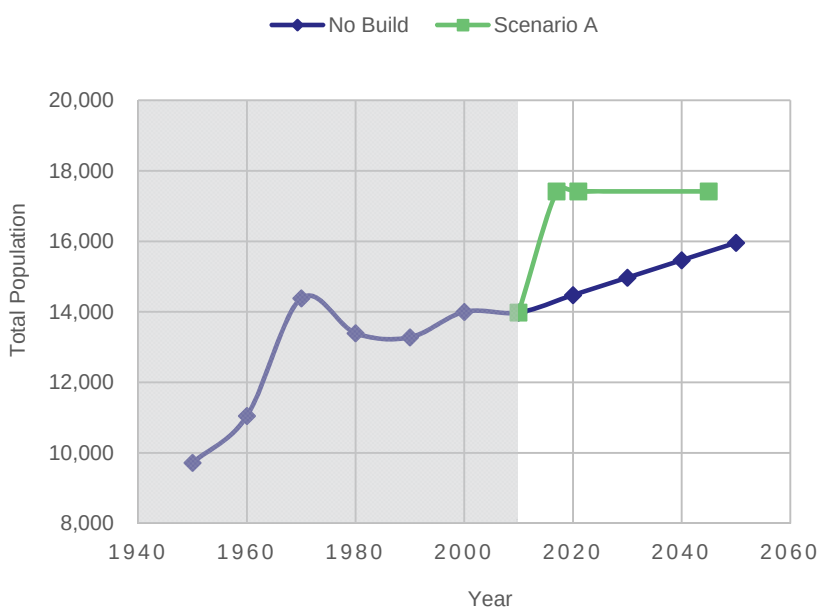
DEMOGRAPHICS: HOUSING



FUTURE DEVELOPMENTS

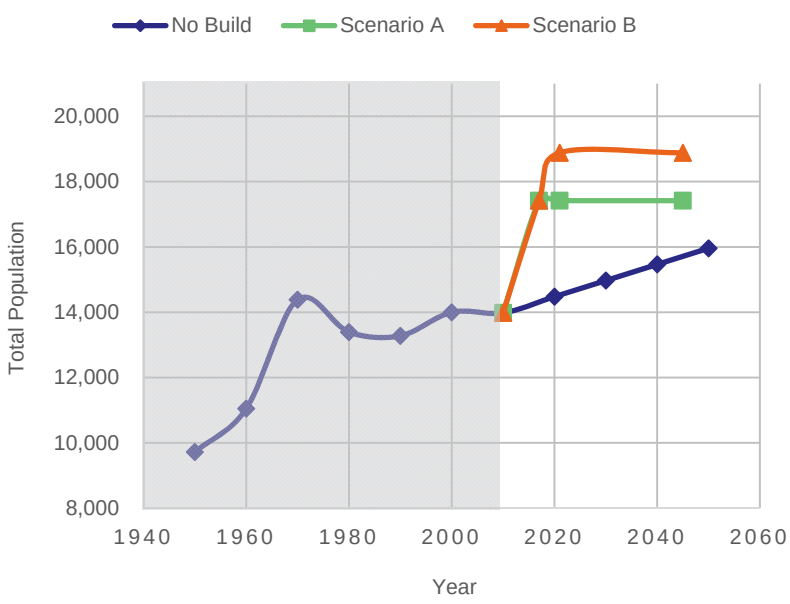


PROJECTIONS: SCENARIO A



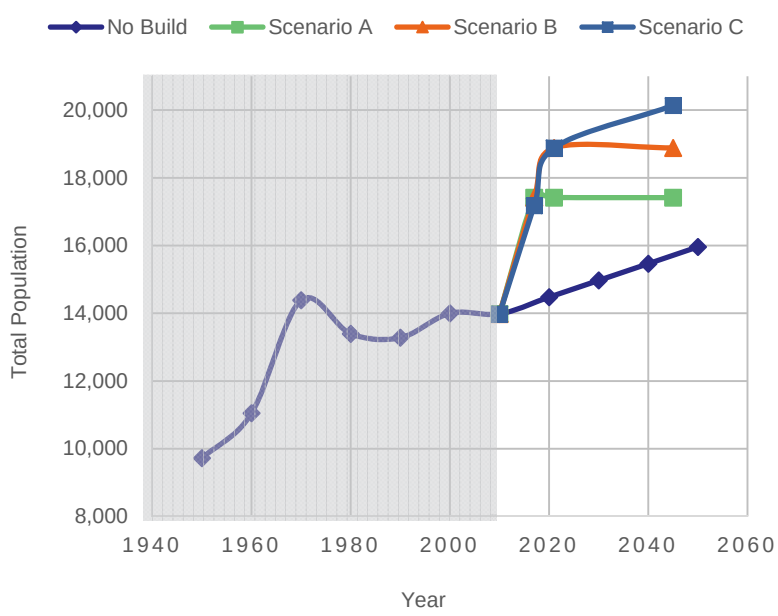
DEVELOPMENT SCENARIOS: LOW					
	SF D	SFA	2-4 units	5+ units	**Total**
The Crossings Pulte 2					
Units by Type	12	82			94
Merriewold Kaplan the Castle					
Units by Type				196	196
Overlook					
Units by Type	16	66			82
Halpern (former Y)					
Units by Type		23			23
TOTAL SCENARIO UNITS	395				

PROJECTIONS: SCENARIO B



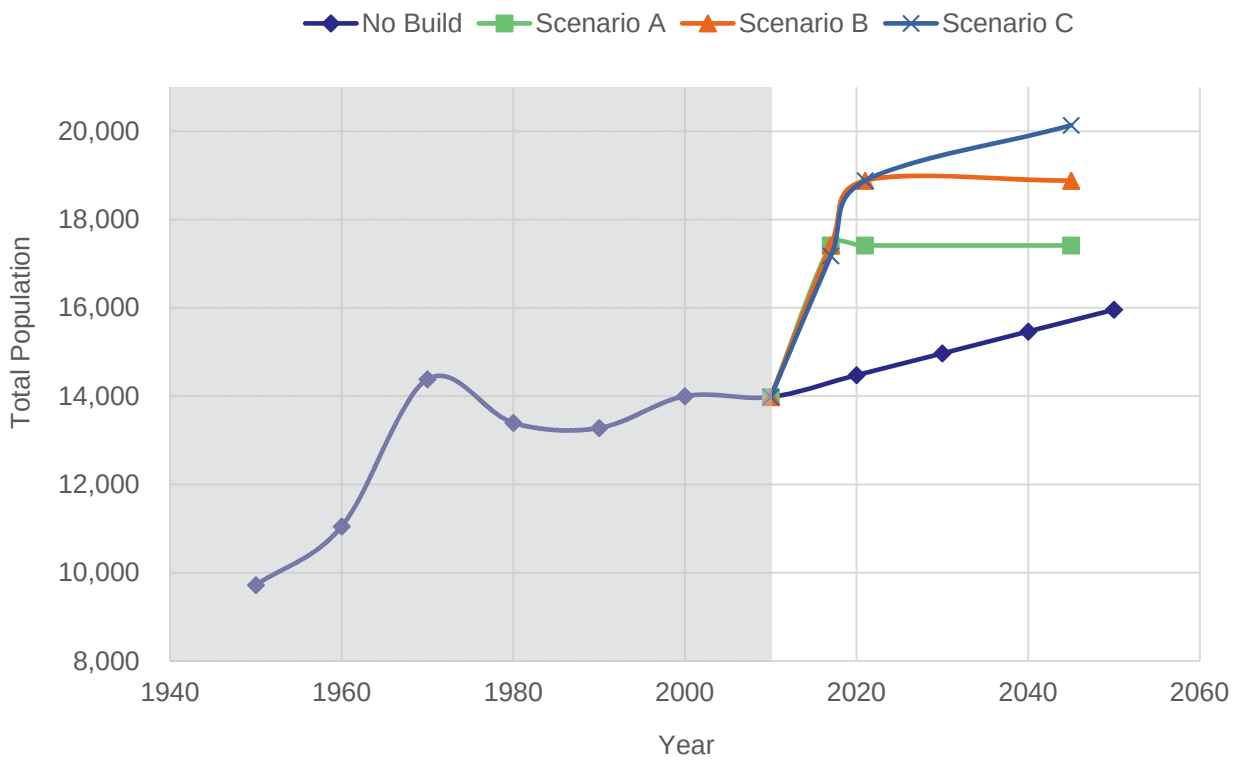
DEVELOPMENT SCENARIOS: MIDDLE					
	SFD	SFA	2-4 units	5+ units	**Total**
The Crossings Pulte 2					
Units by Type	12	82			94
Merriewold Kaplan the Castle					
Units by Type				196	196
Overlook					
Units by Type	16	66			82
Halpern (former Y)					
Units by Type		23			23
American Properties					
Units by Type	No Details				110
Downtown Development					
Units by Type			60		60
TOTAL SCENARIO UNITS	565				

PROJECTIONS: SCENARIO C



DEVELOPMENT SCENARIOS: HIGH					
	SFD	SFA	2-4 units	5+ units	**Total**
The Crossings Pulte 2					
Units by Type	12	82			94
Merriewold Kaplan the Castle					
Units by Type				196	196
Overlook					
Units by Type	16	66			82
Halpern (former Y)					
Units by Type		23			23
American Properties					
Units by Type	No Details				110
Downtown Development					
Units by Type			132		132
Upper/ Lower Meadows/ Buck Woods					
Units by Type				75	75
TOTAL SCENARIO UNITS	712				

PROJECTIONS SUMMARY



INFRASTRUCTURE

INFRASTRUCTURE CATEGORIES

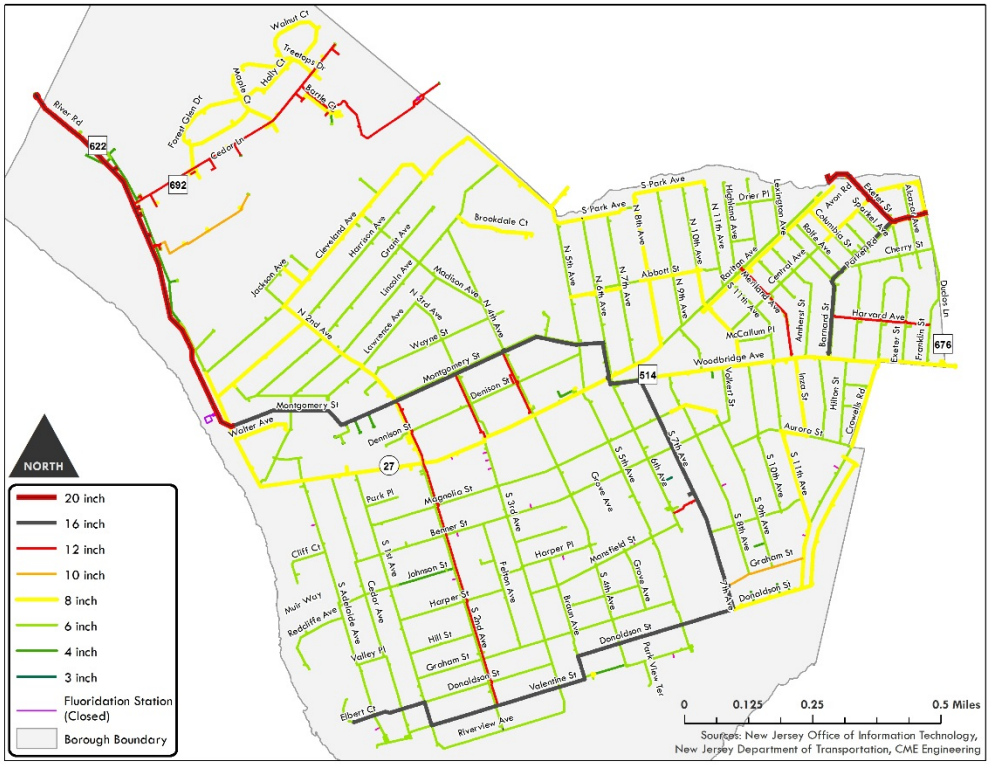
Included

Public Works
Sidewalks
Police
Fire
First Aid Squad
Schools

Not Included

Housing Authority
Electric
Gas
Cable/Telecommunications

PUBLIC WORKS: WATER



- Built 1890 – Present
- Concrete lining completed between 1996 and 2003
- Water purchased from Middlesex Water
- Capacity depends on distribution of growth
- HP can buy 1.2-2.4 million gallons per day (MGD)

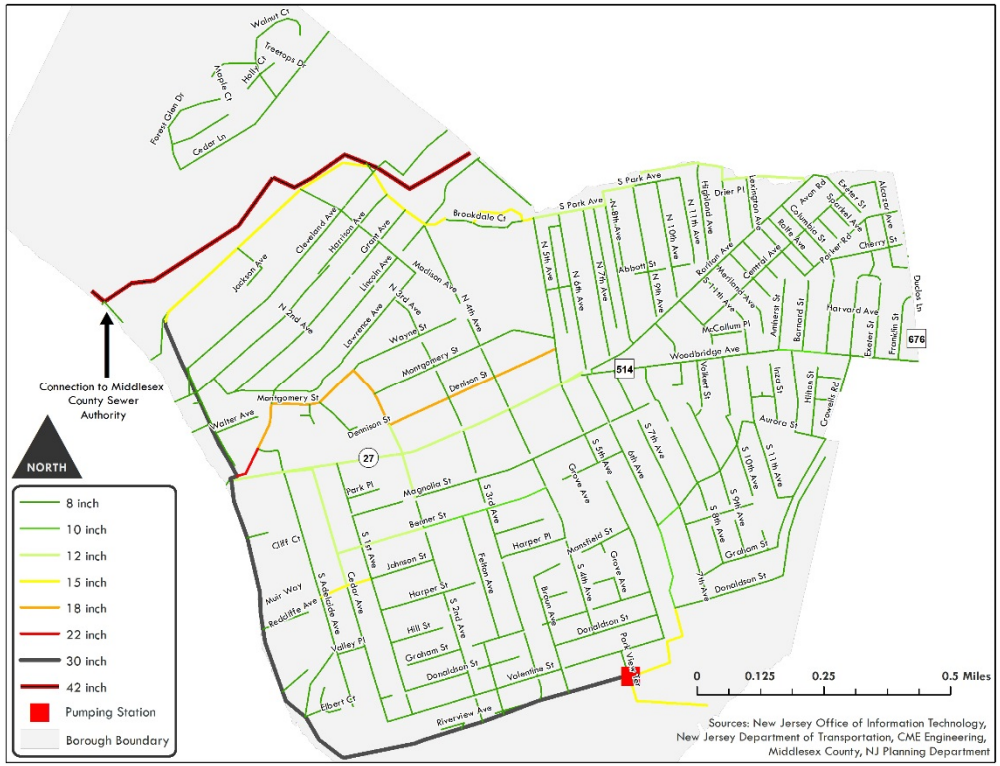
Issues and Challenges

- Eight water main breaks in 2014
  - Brittle cast iron
  - Freezing and thawing
  - Corrosive soil contents
  - Heavy machinery
  - Water hammers
- Faulty connections to private residences
  - Borough pays for wasted water

Wish List

- Water tower
  - Potentially mitigate water hammers
- Long term replacement
  - Replace cast iron pipe with ductile pipe as cast iron pipe exceeds serviceable life

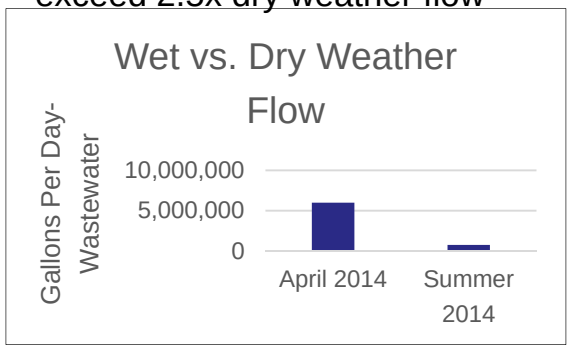
PUBLIC WORKS: SEWER



- Highland Park owns and maintains its sanitary and stormwater sewer lines
- Middlesex County Utilities Authority (MCUA) treats wastewater
- 2000 – 2005: examined system with camera to determine condition
- Re-grouted all sewer lines to fix cracks and holes in pipes

Issues and Challenges

- Inflow: rainwater enters sanitary sewer instead of stormwater sewer
- Infiltration: groundwater enters sanitary sewer
- Wet weather flow should not exceed 2.5x dry weather flow

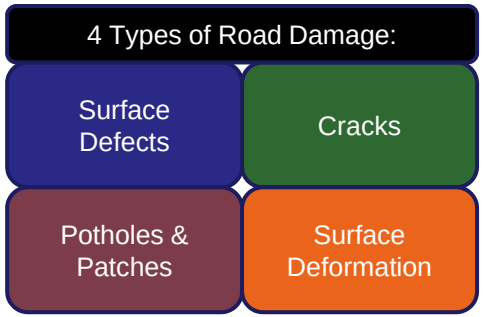


Wish List

- Conduct engineering study
  - Remedy inflow and infiltration
  - Map stormwater network
- Improve existing stormwater infrastructure
  - Improve rain gardens
  - More planters & green gutters
- Retaining wall for 30-inch sewer main along Raritan River

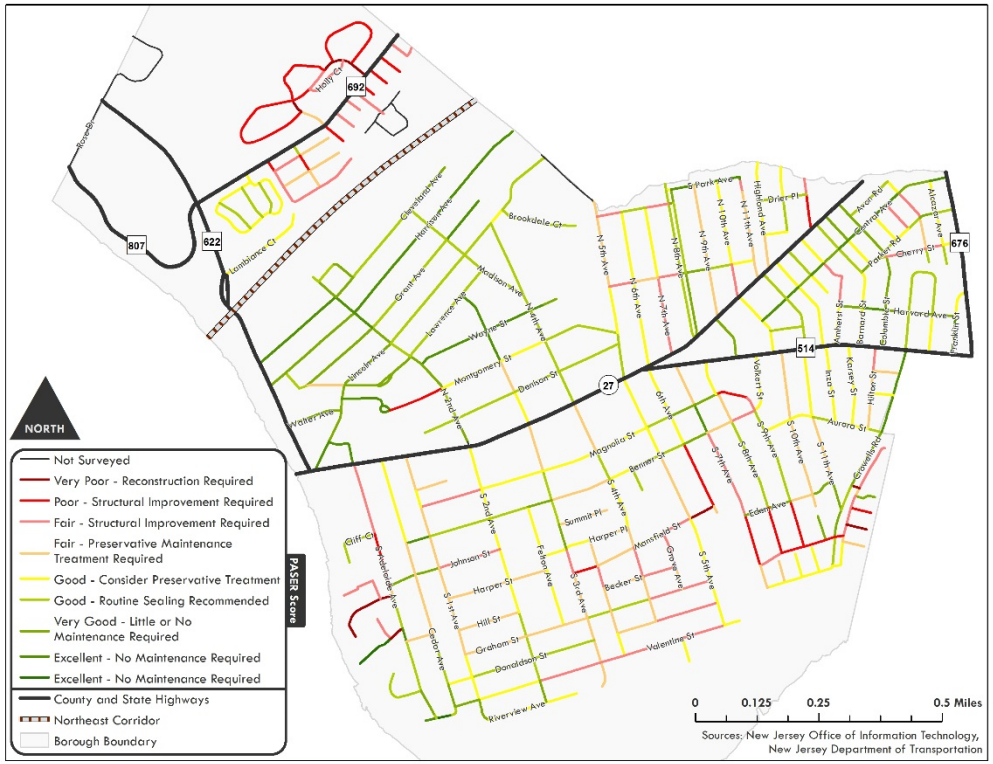
PUBLIC WORKS: ROADS

- Borough owns most roads (excluding County & State roads)
- Road quality varies throughout the Borough
- Current DPW options for repair:
  - Contract with neighboring municipality
  - Private contractors
  - State funding
- PASER Methodology used to assess condition with road survey



Road Survey Photos

ROAD SURVEY OVERVIEW



PASER Score	% of Network
8-10: Very Good & Excellent	20%
6-7: Good	45%
4-5: Fair	28%
2-3: Poor & Very Poor	7%
1: Failed	0%

Damage Type	% of Network
Cracks	90%
Surface Defects	54%
Surface Deformation	22%
Potholes/Patching	62%

ROAD SURVEY DETAIL

Issues and Challenges

- Cold weather events and heavy traffic deteriorate roadways
- Lack of timely replacement increases overall cost
- Insufficient coordination with other agencies

Wish List

- Robust and consistent road replacement program
- Coordination of inter-agency capital projects

SIDEWALKS

- Public easement on private land
- Maintenance responsibility of landowners
- Completed assessment program in 2012 – potential for repeating
- Borough provided zero-interest financing to complete repairs

Issues and Challenges

- Wear and tear contribute to sidewalks falling into violation of Borough code
- Sidewalk maintenance is an ongoing issue and repair costs can be burdensome for property owners

Wish List

- Repeat Residential Curb and Sidewalk Reconstruction Program, 2020 – 2022
- Cost savings for homeowners with zero-interest loans and bulk construction contracts

PUBLIC WORKS: BUILDINGS AND VEHICLES

- Borough-owned buildings include: Borough Hall, Senior Center, DPW Buildings, and Library
- 32 vehicles/assets, including garbage trucks, pickup trucks, air compressors, and snow removal equipment
- DPW responsible for maintaining areas surrounding borough buildings and municipal parking lots
- Parks and open space maintenance

Issues and Challenges

- Many municipal vehicles are past useful life
- Butler Building lacks capacity
- DPW lacks backup power to maintain operations during power outages
- Library roof needs replacement, interior insufficient for current needs

Wish List

- New, fully automated garbage trucks
- New vehicles to replace aging municipal fleet
- New Butler Building
- New generator for DPW Building
- Library retrofit and roof repair
- New medical van with lift capacity

POLICE

- 20 police vehicles
- Handguns, Alcotest machines, and live scan fingerprint machines
- Newest municipal building in borough, completed in 2014

Issues and Challenges

- Short blocks, excessive stop signs, and lack of highways cause shortened vehicle lifespan
- Potential for unfunded body camera mandate

Wish List

- Regular continued replacement of police vehicles every year
- Replacement of handguns, Alcotest, and live scan within 6 years

FIRE & FIRST AID SQUAD

- 3 fire engines, 1 fire ladder, and 5 support vehicles
- Recent renovations to existing building
- Highland Park only owns First Aid Squad land, not building or vehicles

Issues and Challenges

- Vehicles beyond useful life
- Volunteer staff
- Essential equipment needs regular replacement
- Limited space and facilities

Wish List

- Replace two fire engines in next six years
- Air bottles and turnout gear
- New First Aid Squad building
- Two new ambulances

SCHOOLS

- 4 Schools: Irving Primary, Bartle Elementary, Highland Park Middle School, and Highland Park High School
- Maintenance building & vehicles
- School district has its own capital improvement planning process

FUTURE ENROLLMENT SCENARIOS

Projected District Enrollment based on 65% Enrollment of School Age Population			
	2017	2021	2045
Scenario A	1,654	1,654	1,654
Scenario B	1,654	1,793	1,793
Scenario C	1,654	1,793	1,912

Required Square Feet Based on District Practices Capacity* and 65% Enrollment of School Age Population			
	2017	2021	2045
Scenario A	304,264	304,264	304,264
Scenario B	304,264	329,895	329,895
Scenario C	304,264	329,895	351,804

*District Capacity here is the quotient of 2010 Adjusted Existing Gross Square Feet to District Capacity (number of students) (184 sq. ft. per pupil)

One likely scenario, based on full build out of the Borough and similar rates of public school attendance (65%):

By 2045, the District would need approx. 50,000 additional sq. ft. to maintain current space per-pupil levels.

Issues and Challenges

- Difficult to predict enrollment in advance
- Must provide NJ Dept. of Education with 5-year projections
- 95% capacity, need to build up, not out
- Funding uncertainties
- Charter school per pupil payments

Wish List

- Expansion of School Buildings
  - Expected: 3-5 years
- Boiler Replacement
  - Expected: Summer 2015
- Roof Replacements
  - Expected: 1-2 years
- Maintenance Truck Replacement
  - Expected: 1-2 years
- Solar Panels
  - Expected: 10 years

Capital Outlook

30-Year Capital Plan Outlook

- Significant projected increases in municipal population, possibly requiring increased infrastructure capacity
- Aging of critical infrastructure (pipes, buildings, vehicles) past serviceable life
- Maintaining stable budget despite potentially large and expensive capital projects
- Effects of climate change (severe weather events, days of high heat or extreme cold) on infrastructure

Pulte Development. Circa 2015

30-Year Capital Plan Outlook

Water & Sewer

- Prepare to invest significant funds in replacing water and sewer mains ahead of the end of their serviceable life
- Water and sewer capacity on Raritan Ave. may be insufficient if infill development occurs

Roads

- Phase road projects to coincide with replacement of water and sewer infrastructure

Police, Fire and First Aid Squad

- Purchase additional vehicles and other equipment as the population expands
- Fire Department building will eventually need to be replaced
- Police Department building will need system improvements within several decades

30-Year Capital Plan Outlook

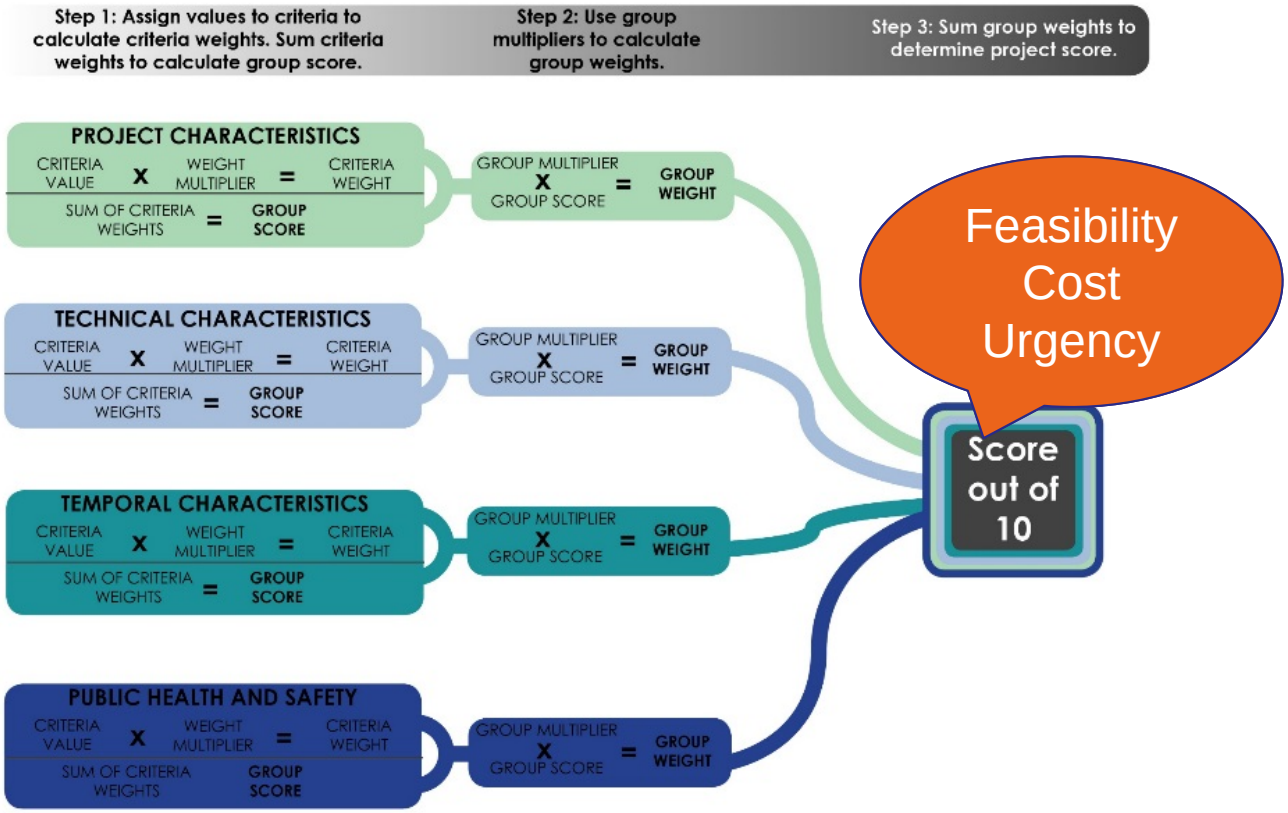
Schools

- Invest in an expansion of District facilities in response to a projected increase in school-aged children
- Closely monitor the age and condition of HVAC, plumbing, electrical, etc.

Department of Public Works

- Prepare to replace aging DPW service vehicles, and potentially increase the size of the fleet should it be required by an increasing population

PRIORITIZATION METHODS



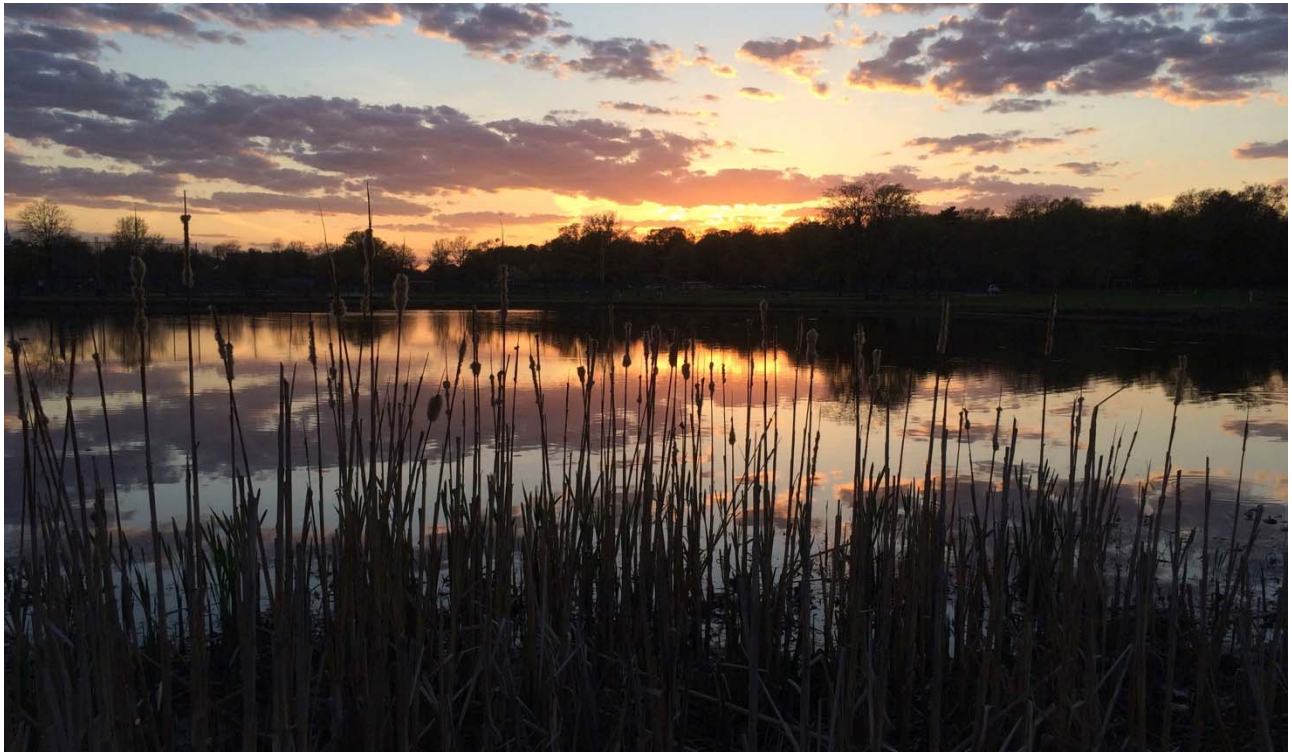
6-Year Capital Plan Priorities (1/2)

Project (in order of priority)	Score
Insulation of 30-inch sewer main along Raritan River	H
New Medical Van for the Senior Center	H
Police Equipment	H
Energy Resiliency Investment	H
Teen Center	H
Library Improvements	M
Sewer Monitoring	M
Water Metering System	M
Spray Park	M

6-Year Capital Plan Priorities (2/2)

Project (in order of priority)	Score
Main Street Improvements	M
Capital Asset Management Data System	M
Fire Truck Replacement	L
Ambulance Replacement	L
New Garbage Truck	L
Sidewalk Improvement Program	L
New Butler Building and Generator for DPW and other various equipment	L

RECOMMENDED POLICIES & PROCEDURES

1. **Improve record keeping to inform future decisions.**
2. **Link the capital improvements plan to the Highland Park Master Plan.**
3. **Improve the resiliency of infrastructure systems.**
4. **Incentivize private action to implement green infrastructure and repair leaking water laterals.**
5. **Provide a regular annual Capital Improvements Plan addendum to the Borough operating budget.**
6. **Encourage cooperation between the Borough, School District, and County.**
7. **Encourage development in densely populated areas.**
8. **Encourage sustainable transportation.**
9. **Improve cooperation & information flow among Borough boards and agencies.**

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