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CITY OF NEW BEDFORD
JONATHAN F. MITCHELL, MAYOR
January 18, 2018

City Council President Linda M. Morad and
Honorable Members of the City Council
133 William Street
New Bedford, MA 02740

Dear Council President Morad and Honorable Members of the City Council:

I am submitting for your consideration the attached bond allocation totaling \$6,115,000, which constitutes the next round of projects for the FY 2018-2022 Capital Improvement Program (CIP). Much like previous capital funding rounds, these projects are intended to continue essential renovation and repair efforts while also designating local funding to supplement state aid for much-needed road and sidewalk repairs.

The City's capital program was initiated in FY 2014 as a roadmap for the City's long-range capital needs, and the City Council has approved rounds of projects included in the plan on an annual basis. The CIP has guided the City in financing much-needed renovations to the City's schools, libraries, public safety facilities, senior centers, City Hall, the Hillman Street complex, Buttonwood Park Zoo, the Zeiterion theatre and the Art Museum. In addition, the CIP has laid the plan for funding the new Taylor and Jacobs schools, and to implement long-needed repairs at several of the City's elementary schools. Our utilization of a five-year CIP has been a key component in our efforts to demonstrate responsible fiscal management to rating agencies and investors, and was cited as a factor in our achieving a AA- bond rating in 2014, as well as the recent rating from Standard & Poor's, which affirmed the City's AA- status. The CFO updates the CIP annually in light of funding opportunities and input from other department heads.

The CIP totals \$93.6 million from FY 2018 through 2022. Of this amount, \$13.8 million would be allocated for capital asset preservation projects for public safety, road repairs, public use buildings and other government facilities, and approximately \$7.6 million would be allocated for ongoing replacement of capital vehicles and general fleet replenishment. \$42.9 million would be allocated for major renovations and replacements at general government facilities; while \$29.3 million would be allocated for school projects.

The CIP will be funded by a combination of general obligation debt and grants for facilities projects and lease purchases for capital vehicle purchases. The program is designed to work within the City's existing debt profile as much as possible, thereby minimizing the impact on ongoing debt service requirements.

Thank you for your consideration of this proposal, and I look forward to the discussion ahead.

Sincerely,

Jon Mitchell

Referred to the Committee on Finance.

IN CITY COUNCIL, January 25, 2018

Dennis W. Farias, City Clerk

a true copy, attest

City Clerk