CAPITAL IMPROVEMENT PLAN

FY 2025-2029

Section 2: Asset Management Summary

CITYWIDE ASSET SUMMARIES
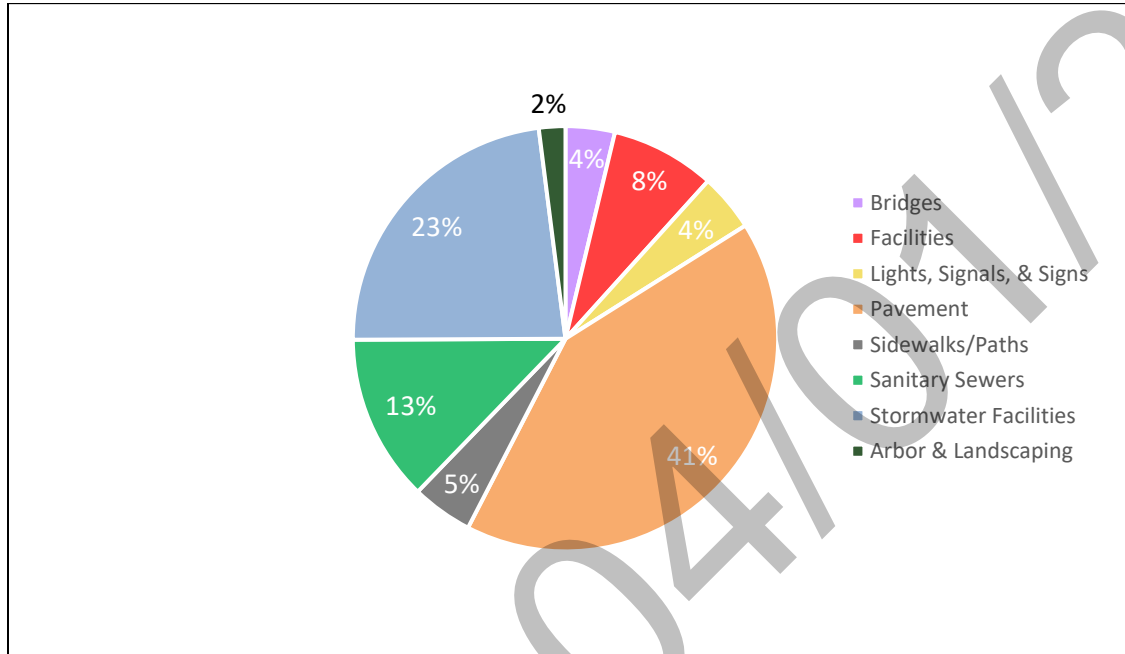
Asset Valuation

The City of Urbana classifies its public infrastructure assets into eight categories. The assets are valued by the total current reconstruction value (CRV) as depicted below.

Figure 1. Percentage of Current Reconstruction Value by Asset Class

Figure 2. Estimates for Public Infrastructure Asset Valuations[1]

ASSET CLASS	2024 CRV[1]
Bridges[2]	$67,000,000
Facilities[3]	$142,000,000
Lights, Signals, & Signs[2]	$78,000,000
Pavement[2]	$742,000,000
Sidewalks/Paths[2]	$83,000,000
Sanitary Sewers[2]	$227,000,000
Stormwater Facilities[4]	$412,000,000
Arbor & Landscaping[2]	$36,000,000
Totals	**$1,787,000,000**

1. Original global estimates developed in 2021 at current National Highway Construction Cost Index (NHCCI) - 2020 Q3 = 1.890
2. 2024 estimate based on 2021 estimates increased by % change in NHCCI = 3.146 (2020Q3)/1.890 (2023 Q3) = 1.665
*3. Incorporation of major CIP improvements since original 2021 estimates with inflationary increases discussed in note 2 above.*
4. 2024 estimate based on completed asset management plan.

CRV estimates for assets were calculated using rough metrics that rely heavily on assumptions. The City is currently working on developing more asset management plans that will further refine these estimates.

Funding Gap Analysis

Based on high level theoretical industry information and asset management planning efforts to date, the City's revenue supporting its public infrastructure is (and has been) underfunded. This funding gap really just represents that the City has (and is) compromising; in order to minimize the financial burden on the citizens the City is accepting a lesser level of service in its public infrastructure.
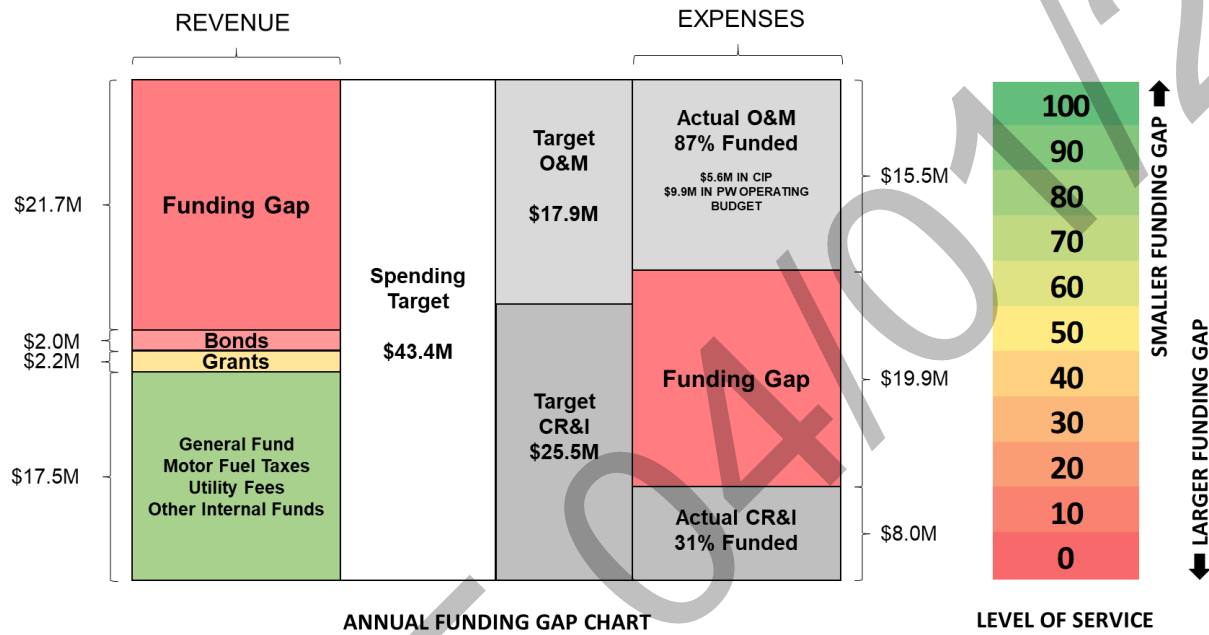
Note: Funding gap in revenue slightly exceeds expenses because we are spending down existing fund balances.

Compromised level of service is most regularly observed through declining condition of public infrastructure that people can see, like roads. Using our roads as an example, the last City-wide condition assessment was performed in 2019-2020 and our area-weighted average network pavement condition index (PCI) was 56. At that time the forecasted models produced by our consultant projected a decline of 0.5-1.0 PCI per year based on funding for our roadways over the next 5-10 years. Our area-weighted average network PCI at the end of 2023 was estimated at 53 which coincides with the forecasted models. Good news, we are performing another City-wide condition assessment this year that will refine that estimate and the recently adopted Mayor/Council goals include reviewing and adjusting dedicated revenue streams for infrastructure, starting with the Local Motor Fuel Tax.

Completion of asset management plans will further improve the City's ability to make better long-term decisions regarding its public infrastructure management. The City will be better equipped to define acceptable levels of service/risk and pursue sustainable funding to close the gap. As an example, the Stormwater Asset Management Plan (SWAMP) resulted in incremental rate/revenue increases over the next 5 years to more accurately define the condition of our system and unfunded capital needs.