

COMMONWEALTH OF MASSACHUSETTS

CITY OF LOWELL

In City Council

LOAN ORDER
(2019 Capital Improvements)

To borrow \$9,903,391 for the purpose of financing various capital improvements and any related architectural and engineering services in connection therewith and any costs incidental and related thereto.

IT IS ORDERED BY THE CITY COUNCIL OF THE CITY OF LOWELL BY A TWO-THIRDS VOTE as follows:

That the sum of \$9,903,391 is appropriated for the purpose of financing the following capital improvements and any related architectural and engineering services in connection therewith and any costs incidental and related thereto: (1) paving, sidewalk, and curbing improvements at various locations; (2) building improvements in City buildings at various locations; (3) O'Donnell Park and VFW at Beaver Brook environmental compliance improvements and environmental remediation, (4) Police and Fire Department software system and equipment upgrades; (5) various departmental equipment purchases and incidental software related thereto; (6) LeLacheur baseball park field and various building improvements; and (7) City-owned building repairs; that to meet this appropriation the Treasurer, with the approval of the City Manager, is authorized to borrow \$9,903,391 and issue bonds or notes therefor under G.L. c.44 or any other enabling authority; that the City Manager is authorized to contract for and expend any federal or state aid available for the projects; that the City Manager is authorized to take any action necessary to carry out the projects; that the Treasurer is authorized to file an application with the Municipal Finance Oversight Board to qualify any or all of the bonds under G.L. c.44A and to provide such information and execute such documents as such board may require for these purposes; and that any premium received upon the sale of any bonds or notes approved by this loan order, or upon the sale of any other bonds or notes approved by any other loan order of the City adopted prior to the date of this loan order, less any such premium applied to the payment of the costs of issuance of such bonds or notes, may be applied to the payment of costs approved by this vote in accordance with Chapter 44, Section 20 of the General Laws, thereby reducing the amount authorized to be borrowed to pay such costs by a like amount.

Order recommended and introduced by:


Eileen M. Donoghue, City Manager

Loanorder/FY2019capitalplan



Eileen M. Donoghue
City Manager

May 23, 2018

Mayor William J. Samaras
And
Members of the Lowell City Council

Dear Mayor Samaras and Members of the Lowell City Council,

Attached please find a loan order for FY19 capital improvements. A revised five-year capital plan is presented within the fiscal year 2019 budget document. The capital planning process has run concurrently with preparations for the upcoming year's operating budget and was commenced immediately after I assumed the office of City Manager. I have long understood the symbiotic relationship between capital planning and preparation of the operating budget at the state level and I have worked with my finance team to bring that relationship to the City of Lowell. The projects proposed for funding herein substantiate the priorities set forth by this City Council.

Preparation of a five-year capital improvement plan (CIP) is a best practice in municipal finance. Department Heads and the School Department Administration were asked by the Chief Financial Officer to submit their short and medium-term priorities to the Budget Department in January 2017 for consideration and inclusion in a comprehensive plan. In April, after entering office, I closely reviewed each request and held meetings with Department Heads to refine the requests. Buildings, infrastructure, technology, and major equipment are the physical foundation for providing services to constituents. The procurement, construction, and maintenance of capital assets are a critical activity of state and local governments, school districts, and other government agencies, and therefore require careful planning. As such, each submission was examined with great care, ranked, and prioritized by my finance team.

Capital planning is critical to maintaining essential public services. It is also an important component of a community's economic development program and strategic plan. Municipal facilities and infrastructure are important legacies that serve current and future generations. It is extremely difficult for governments to address the current and long-term needs of their constituents without a sound multi-year capital plan that clearly identifies capital and major equipment needs, maintenance requirements, funding options, and operating budget impacts.



Eileen M. Donoghue
City Manager

The debt service payments related to financing all of these projects are incorporated into our General Fund forecasts. Further detail regarding the FY2019 projects and the FY2019 – FY2023 capital plan is included within the FY2019 operating budget. Please do not hesitate to let me know if there are any questions.

Sincerely,

Eileen M. Donoghue
City Manager

CC: Conor Baldwin, Chief Financial Officer