

# **VILLAGE OF MAYVILLE**

## **CAPITAL IMPROVEMENT PLAN**



### **Fiscal Years 2026–2031**

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**CAPITAL IMPROVEMENT PLAN  
VILLAGE OF MAYVILLE  
FISCAL YEAR - APRIL 1 - MARCH 31  
FY 2026-2031**

**CHAPTER 1 - INTRODUCTION**

A capital improvements plan (CIP) is a multi-year planning instrument used to identify needs and financing sources for public infrastructure improvements. The purpose of a CIP is to facilitate the orderly planning of infrastructure improvements; to maintain, preserve, and protect the Village of Mayville's existing infrastructure system; and to provide for the acquisition or scheduled replacement of equipment to ensure the efficient delivery of services to the community. The CIP is also used to ensure that capital improvements are fiscally sound and consistent with the goals and policies of the governing body and the residents of the community. The Capital Improvement Plan is a yearly memorandum to the Planning Commission and the Village Council, reminding them of future capital outlays for responsible budgeting purposes. It does not require dedicated funding, but is used as a tool for the yearly budgeting process. A comprehensive CIP is an essential tool for the planning and development of the social, physical, and economic wellbeing of the community. This process is a necessary step in an organized effort to strengthen the quality of public facilities and services; provide a framework for the realization of community goals and objectives; and provide a sound basis on which to build a healthy and vibrant community.

The CIP informs Mayville's residents and stakeholders on how the village plans to address significant capital needs over the next six years. The CIP can also influence growth because infrastructure can impact development patterns.

The projects identified in the CIP represent the village's plan to serve residents and anticipate the needs of a dynamic community. Projects are guided by various development plans and policies established by the planning commission, governing body, and administration.

Plans and policies may include:

- Master land-use plan
- Redevelopment plan
- Downtown development plan
- Recreation plan
- Transportation plan Non-motorized transportation plan
- Goals and objectives of council
- Administrative policies

Preparation of the CIP is done under the authority of the Michigan Planning Enabling Act (PA 33 of 2008). The goal of the CIP should be to implement the master plan and to assist in the community's financial planning.



The CIP is dynamic. Each year, all projects included within the CIP are reviewed, a call for new projects is made, and adjustments are made to existing projects arising from changes in the amount of funding required, conditions, or timeline. A new year of programming is also added each year to replace the year funded in the annual operating budget.

The CIP program should continue to develop over time by adding features to gradually improve quality and sophistication. Greater attention should be devoted to provide more detailed information about individual project requests, program planning, fiscal analysis, fiscal policies, and developing a debt strategy.

## **CHAPTER 2-OVERVIEW**

The Capital Improvement Plan (CIP) outlines a schedule of public service expenditures over the ensuing six-year period (Fiscal Years 2026-2031). The CIP does not address all of the capital expenditures for the Village, but provides for large, physical improvements which are permanent, including the basic facilities, services and installations needed for the functioning of the community. These include village facilities, roads, sidewalks and other miscellaneous projects. To qualify for inclusion into this initial CIP, a project must be consistent with:

- 1) An adopted or anticipated component of the master plan and/or the recreation plan;
- 2) A state and/or federal requirement;
- 3) A Village approved policy;
- 4) A minimum project cost of \$10,000.

A significant amount of informational language is included to help citizens, staff, and elected officials understand the complexity of the plan and guide its future development. Subsequent CIP documents will be reviewed by the Planning Commission prior to the Village's yearly budget review with the goal that the CIP will help implement the Village's Master Plan.

The capital improvement plan proposes project funding relative to the anticipated availability of fiscal resources and the choice of improvements to be achieved throughout the six year plan.

## **CHAPTER 3: CIP AND THE BUDGET PROCESS**

The CIP plays a significant role in the implementation of a master plan by providing the link between planning and budgeting for capital projects. The CIP process should precede the budget process and is used to develop the capital project portion of the annual budget. Approval of the CIP by the Planning Commission does not mean that they grant final approval of all projects contained within the plan. Rather by approving the CIP, the Planning Commission acknowledges that these projects represent a reasonable interpretation of the upcoming needs for the community and that projects contained in the first year of the plan are suitable for inclusion in the upcoming budget.

Priority rankings do not necessarily correspond to funding sequence. For example, a roadwidening project which is ranked lower than a park project may be funded before the park project because the road project has access to a restricted revenue source, whereas a park project may have to compete for funding from other revenue sources.

A project's funding depends upon a number of factors - not only its merit, but also its location, cost, funding source, and logistics.

The Village of Mayville should strive to maximize resources by maintaining a balance between operating and capital budgets. A continuous relationship exists between the CIP and the annual budget. A direct link can be seen between the two documents, as there should be in a strategic planning environment. Budget appropriations lapse at the end of the fiscal year as the operating budget is funded with recurring annual revenues such as taxes, licenses, fines, user fees, and interest income.

## **CHAPTER 4: DEFINITIONS**

The Village Manager and Village President review the policy, drafts the CIP plan, and presents the recommendations to the CIP Committee:

- Village President
- Village Manager
- Village Clerk
- Village Treasurer
- Department of PublicWorks
- Fire Chief
- Police Chief
- Council Representative
- Planning Commission Representative

**CIP Committee:** Clarifies any issues, finalizes the ratings and brings the CIP draft forward to the Planning Commission where the draft CIP will be presented during a public hearing.

**Planning Commission:** Works with the CIP Committee, reviews the group's recommendation, reviews and adopts the plan at the Planning Commission level, and forwards the Plan to the Village Council, requesting the governing body to consider incorporating funding for the first year projects into the budget plan.

**Village Council:** Holds a public hearing prior to a regularly scheduled Council Meeting, and may then adopt the six year Capital Improvement Plan. As governing body of the village, the Council is encouraged to use the CIP as a tool in the adoption of the annual budget process in accordance with the governing body's goals and objectives.

**Residents:** Are encouraged to participate in plan development by working with various boards and commissions at the planning commission workshops, and at the governing body's budget workshops and public hearings. As always, communication is open between residents, governing body representatives, planning commission representatives, and staff.



## **CHAPTER 5: CIP PROJECT POLICY:**

As used in the Village of Mayville's capital improvements program, a capital improvements project is defined as a major, nonrecurring expenditure that includes one or more of the following:

1. Any construction of a new facility (i.e., a public building, water/sanitary sewer mains, storm sewers, major/local roadways, recreational facilities), an addition to, or extension of such a facility, provided that the cost is \$10,000 or more and that the improvement will have a useful life of three years or more.
2. Any nonrecurring rehabilitation of all or, part of a building, its grounds, a facility, or equipment, provided that the cost is \$10,000 or more and the improvement will have a useful life of three years or more.
3. Any purchase or replacement of major equipment to support community programs provided that the cost is \$10,000 or more and will be coded to a capital asset account.
4. Any planning, feasibility, engineering, or design study related to an individual capital improvements project or to a program that is implemented through individual capital improvements projects provided that the cost is \$10,000 or more and will have a useful life of three years or more.
5. Any planning, feasibility, engineering, or design study costing \$25,000 or more that is not part of an individual capital improvements project or a program that is implemented through individual capital improvements projects.
6. Any acquisition of land for a public purpose that is not part of an individual capital improvements project or a program that is implemented through individual capital improvements projects provided that the cost is \$25,000 or more.

## **CHAPTER 6: FUNDING SOURCES:**

Because the capital improvements projects involve the outlay of substantial funds, numerous sources are necessary to provide financing over the life of the project. Most capital funding sources are earmarked for specific purposes and cannot be transferred from one capital program to another. *For example, funds raised by the Village of Mayville for sewer maintenance and repair must be used for the purposes that were stated when the fee was approved.*

The CIP has to be prepared with some projections as to the amount of money available. The following is a summary of the funding sources for projects included in the capital improvement program:

### **Enterprise (Reserve) Funds**

In enterprise financing, funds are accumulated in advance for capital requirements. Enterprise funds not only pay for capital improvements, but also for the day-to-day operations of community services and the debt payment on revenue bonds. The community can set levels for

capital projects; however, increases in capital expenditures for water & sewer mains, for example, could result in increased rates. Enterprise fund dollars can only be used on projects related to that particular enterprise fund.

### **Bonds**

When the Village sells bonds, purchasers are, in effect, lending the community money. The money is repaid, with interest, from taxes or fees over the years. The logic behind Issuing bonds (or “floating a bond issue”) for capital projects is that the citizens who benefit from the capital improvements over a period of time should help the community pay for them. Mayville can issue bonds in two forms:

#### **General Obligation (G.O.) bonds**

Perhaps the most flexible of all capital funding sources, G.O. bonds can be used for the design or construction of any capital project. These bonds are financed through property taxes. In financing through this method, the taxing power of the community is pledged to pay interest and principal to retire the debt. Voter approval is required if the community wants to increase the taxes that it levies and the amount is included in Mayville’s state-imposed debt limits. To minimize the need for property tax increases, the community makes every effort to coordinate new bond issues with the retirement of previous bonds. G.O. bonds are authorized by a variety of state statutes.

#### **Revenue bonds**

Revenue bonds are sold for projects that produce revenues, such as water and sewer system projects. Revenue bonds depend on user charges and other project-related income to cover their costs. Unlike G.O. bonds, revenue bonds are not included in the community state-imposed debt limits because the full faith and credit of the community back them. Revenue bonds are authorized by Public Act of 1933, the Revenue Bond Act.

#### **Weight and Gas Tax**

Based on a formula set by State of Michigan, the Village of Mayville receives a portion of the tax placed on motor fuel and highway usage in the state. The restrictions placed on the expenditure of these funds ensure that they will be spent on transportation-related projects or operations and services. These are commonly called Act 51 funds.

#### **Millages**

The property tax is a millage that is one of the most important sources of community revenue. The property tax rate is stated in mills (one dollar per \$1,000 of valuation). This rate is applied to a property’s net value, following the application of all exemptions and a 50 percent equalization ratio. Millages are voter-approved taxes that are specifically earmarked for a particular purpose. For example, the county parks millage helps support county parks and recreation capital projects. The Village is authorized to utilize millages under Public Act of 1895, the General Law Village Act.

#### **Federal and State Funds**

The federal and state governments make funds available to communities through numerous grants and aid programs. Some funds are tied directly to a specific program. The community has discretion (within certain guidelines) over the expenditure of others. For the most part, the



community has no direct control over the amount of money received under these programs.

### **Special Assessments**

Capital improvements that benefit particular properties, rather than the community as a whole, may be financed more equitably by special assessment, i.e., by those who directly benefit. Local improvements often financed by this method include new street improvements (including pavement, curb and gutter, sidewalks, etc.), sanitary and storm sewers, and water mains.

### **Developer Contributions**

Sometimes capital improvements are required to serve new development. Where funding is not available for the community to construct the improvements, developers may agree to voluntarily contribute their share or to install the facilities themselves so the development can go ahead.

## **CHAPTER 7- CIP PROCESS**

The Village of Mayville used a need driven approach to develop its initial CIP. The proposed organizational process for developing the CIP involved the following steps:

### **Step 1: Organize the Process**

The Village Manager and President drafted an initial Capital Improvement Program known as the Capital Budget Plan to establish the administrative and policy framework within which the CIP process would operate. During this first step, the Village Manager and President met with department heads to get their input on upcoming capital purchases and to explain the CIP development process.

### **Step 2: Develop Criteria**

The second task was to review different criteria for capital improvement projects. Literature from planning organizations and other communities with long established capital improvement planning plans were compared. Based upon the review of those plans, a draft was written by the Village Manager.

### **Step 3: Develop Project Requests**

The Village President requested that all department heads, including the Department of Public Works and Fire Department as well as the Village Engineer, submit proposed capital improvement projects. Forms have been made available that allow for the required criteria to be submitted in a standard format moving forward. The department heads developed the proposed projects based on a realistic assessment of urgency. Because the Village does not have sufficient funding capacity to meet all the capital needs, priorities were set, based on the criteria established earlier in the process.

### **Step 4: Presentation of Departmental Projects**

The objective was to pull together a CIP that was sensitive to the policies that have been adopted and contained projects that related to the master plan objectives.

### **Step 5: Screen, Evaluate and Prioritize Projects**

This is a critical component of the CIP process. Project selection must correspond to the amount of money assumed available for capital spending. Shrinking funds and rising



costs incurred in maintaining and rehabilitating deteriorating infrastructure make the process of selecting the most vital capital projects even more crucial and difficult. The merits of each project must be judged against the policies and criteria of the CIP process and the goals of each component of the master plan. Does the project conform in terms of location, size, service provided, relation to its service area, effect on land use patterns, and relation to public policy and community goals? More than merely a technical process, prioritization involves value preferences, policy, and available funding.

### **Step 6: Funding Evaluation**

When proposed projects are under evaluation, the Village must consider several criteria in assigning priorities and committing funding resources:

- ☐ Fiscal consequences.
- ☐ Health and safety effects.
- ☐ Community economic effects.
- ☐ Environmental, aesthetic, and social effects.
- ☐ Disruption and inconvenience caused during construction.
- ☐ Distributional effects (who benefits, who pays).
- ☐ Feasibility
- ☐ Amount of uncertainty and risk.

Next, the projects are placed into the appropriate funding priority group in relation to their necessity or urgency. Although many communities have developed detailed weighted ranking systems, the Village has consciously avoided this type of system. The Village has established the following classification system to prioritize proposed projects:

#### **Priority 1 - High**

Urgent, high-priority projects that are necessary for the Village. These include projects that are required to complete a major public improvement; projects that would address an emergency, or remedy a condition dangerous to public health, welfare, and safety, projects that would provide facilities for a critically needed community plan; projects needed to correct an inequitable distribution of public improvements in the past and projects vital to the economic stability of the Village. A special effort is made to find sufficient funding for all of the projects in this group.

#### **Priority 2- Medium**

Medium urgency projects that should be addressed as funding becomes available. These include projects that have a justifiable benefit for the community, and have the validity of planning and timing that have been credibly established.

#### **Priority 3- Low**

Worthwhile projects to be considered if funding is available. These are projects that are adequately planned, but not absolutely required, and could be deferred to a subsequent year if budget reductions are necessary.

Priority rankings do not necessarily correspond to funding sequence. For example, a park improvement project ranked lower than a fire equipment purchase may have better access to funds, or could require more funds and have to wait for grants, contributions or a voter approved millage renewal. In addition, a project's desirability depends on a number of factors -not only the project itself, but also on how it's accomplished, where it may be located, how much it cost and its funding potential.

In addition, projects may be eliminated from consideration if it is determined that they no longer provide for a valid community need, or are unnecessary for Village operations.

## **CHAPTER 8 - CIP GOALS**

Information about future capital improvement plans will be coming from several sources:

- Village Manager
- Village President
- Village Clerk
- Village Treasurer
- Department of PublicWorks
- Fire Chief
- Police Chief
- Council Representative
- Planning Commission Representative
- Village Engineers
- Community Outreach

Each department will create a list of future projects, using the Master Plan and the Parks & Recreation Plan as well as other sources that will need funding of over \$10,000.

This will allow the Village to write a schedule of the projects, with time frames and projected costs. As new projects and needs like road repairs come up, the CIP will be updated.

Each department will present a list of proposed capital improvements to the CIP committee, which will be comprised of the village manager, village president, village clerk, village treasurer, a planning representative, the DPW supervisor, the fire chief, the police chief and a council representative. After compiling the information and creating a time and cost schedule, a finalized plan will be submitted for approval.

Yearly review will be completed by January 31st, before yearly budget workshops and fiscal year budget approval by March 31st of the following year.

The CIP is a fluid document. As improvements are proposed, finished, or changed, the Capital Improvement Plan will be adapted to reflect those changes. Acceptance of the Capital Improvement Plan is not a commitment to finance all approved projects, but is a statement of policy regarding the Village's approach to meeting its future capital needs.

## **CHAPTER 9 - RECOMMENDED CIP BUDGET**

Due to the length and detail of the Village of Mayville plan, most projects will exceed 6 year completion goals, those projects need to be reflected in the budget now. The CIP will only outline project description, estimated cost, project goal, annual department budget goals, and potential funding sources. Other project detail or justification can be found throughout the Master Plan or in the Project Documents



# RECOMMENDED VILLAGE OF MAYVILLE CAPITAL IMPROVEMENT BUDGET 2026-2031

Department\Fund	Project Name\Description	Dept. Priority	Project Estimate	Completion Goal	Dept. Total	Budget Line	Funding Source	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	2030-2031	Totals
Administrative - General Fund	Computer and Server upgrades	3	\$15,000	2030		101-172-970.006	General Fund	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$18,000
					\$15,000									
Parks - General Fund	Bedeis Park - Bathroom upgrades	2	\$10,000	2028		101-751-970.006	General Fund							
	Bedeis Park - Basketball court upgrades\Multi-use court (pickleball, basketball)	3	\$75,000	2030		101-751-970.006	Grant & General Fund							
	Ohmer Park - New Pavilion w\ Bathrooms	2	\$175,000	2031		101-751-970.006	Grant & General Fund							
	Ohmer Park - Ballfield upgrades - Total light pole replacement & field rehab	2	\$60,000	2026		101-751-970.006	Grant\Fundraising							
					\$320,000			\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$60,000
Municipal Buildings - General Fund 6049 Fulton st. Demolition														
	Roof repairs\replacements at Hall\Offices	1	\$400,000	2027		101-440-970.006	Grant & General Fund							
	Roof repairs\replacements at DPW	2	\$40,000	2029		101-440-970.006	General Fund							
	New AC Unit at Hall\Offices	2	\$25,000	2028		101-440-970.006	General Fund							
	Enclose drive through of Hall\Offices	3	\$15,000	2030		101-440-970.006	General Fund							
		3	\$35,000	2031		101-440-970.006	General Fund							
					\$515,000			\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$120,000
Fire Dept - General Fund	SCBA Replacements- need FY 2034-2035	2	\$120,000	2031		101-336-970.006	General Fund							
	Radio Replacements	1	\$10,000	2027		101-336-970.006	General Fund							
	Hurst Jaws of Life Replacement	2	\$35,000	2031		101-336-970.006	Grant							
	Thermal Imaging Cameras	3	\$10,000	2028		101-336-970.006	Grant							
					\$175,000			\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$90,000
Police Dept - General Fund	New Police Cruiser & upfitting	3	\$75,000	2031		101-301-970.006	General Fund							
	New Computers (2-3) & Server	2	\$40,000	2031		101-301-970.006	General Fund							
					\$95,000			\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$30,000
Streets - Major	Mill & resurface Orchard fulton to third	1	\$335,000	2026		202-450-970.006	Grant & Street Fund							
	Mill & resurface Lincoln high into school parking lot	1	\$95,000	2026		202-450-970.006	Grant & Street Fund							
	Mill & resurface Pine main to orchard	3	\$390,000	2031		202-450-970.006	Grant & Street Fund							
	Mill & resurface High blackmore to fulton	1	\$150,000	2028		202-450-970.006	Grant & Street Fund							
	Mill & resurface Turner blackmore to fulton	3	\$150,000	2030		202-450-970.006	Grant & Street Fund							
					\$1,120,000			\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$120,000
Sidewalks\Non Motorized -Major- Sidewalk Repairs - Fulton St - Turner to Orchard		1	\$150,000	2028		202-480-970.006	Street Fund							
					\$150,000			\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$30,000
Streets - Local	Mill & resurface Blackmore st	2	\$130,000	2028		203-450-970.006	Grant & Street Fund							
	Mill & resurface Second main to orchard	2	\$390,000	2029		203-450-970.006	Grant & Street Fund							
	Mill & resurface North st	3	\$100,000	2030		203-450-970.006	Grant & Street Fund							
	Mill & resurface Third main to orchard	3	\$390,000	2031		203-450-970.006	Grant & Street Fund							
					\$1,010,000			\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$120,000
Sidewalks\Non Motorized - Local- Sidewalk Repairs - First St - Turner to High		2	\$40,000	2027		203-480-970.006	Street Fund							

