Town Council Work Session
Agenda Item 2.a.i.

Agenda Item: **FY 2026 - FY 2031 Town of Herndon Capital Improvement Program**

Meeting Date: April 1, 2025

Category: Discussion

Prepared by: John Irish, Acting Director of Public Works - Engineering,
John Verdin Capital Projects Program Manager

Description:
This is the presentation of the town's Capital Improvement Projects that support the 2030 Comprehensive Plan.

Background:
As outlined in Section IV, Capital Budget, of the town's Financial Policy Guidelines, the town reviews and updates the Capital Improvement Plan (CIP) annually as part of the budget process.

A presentation has been prepared for the April 1, 2025 Town Council Work Session to provide and discuss the proposed FY 2026-2031 Capital Improvement Plan.

Key points of the presentation include:

- Plan Overview
- New Projects
- Proposed FY 2026 - FY 2031 CIP portion of Budget Costs and Funding
- Proposed Fiscal Year Distribution Costs
- Proposed Operating Costs

Related Strategic Plan Goals:
Strong Fiscal Stewardship, Goal 2: Conduct forward-looking and multi-year planning and analysis.

Timing Impact:
Discussion in alignment with and preparation for the FY 2026 proposed budget, which is being presented at this time to meet statutory requirements and to allow the Town Council sufficient time to consider and discuss the proposed budgets prior to adoption.

Strategic Focus Area:



Strong Fiscal Stewardship

Fiscal Impact:
The FY 2026 Capital Improvement Plan is part of the FY 2026 proposed budget. Impact will occur after adoption by the Town Council in FY 2026, which begins on July 1, 2025.

The proposed FY 2026-2031 CIP will require expenditures of $28,634,208 for 23 projects in FY 2026 and $263,724,208 for 44 projects over the six-year CIP schedule. The proposed CIP anticipates the issuance of $11,582,000 in general obligation bonds, $25,000,000 in Water and Sewer bonds, and anticipates the town will receive $106,096,500 in grants from various federal, regional, and state sources, and $25,393,127 in amended revenues and capital reserves over the six year CIP schedule. The proposed CIP also includes six multi-modal transportation projects with an estimated cost of $21.5 million that have no funding source at this time. These projects are included for planning purposes only and will not move forward unless and until project funding is identified.

Legal Impact:
The Capital Improvement Plan is developed in accordance with Section IV, Budget Management - Capital Budget, of the town's Financial Policy Guidelines.

Staff Recommendation/Next Steps:
No recommendation is proposed for this discussion item. Town staff stand ready to support the Town Council in its discussions and deliberations.

Attachments:
1. Proposed FY 2026-FY 2031 CIP
2. PowerPoint