

7 - Year Capital Improvement Program

Plans, Priorities and Projections



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7-Year Capital Improvement Program

In this section, we will review capital improvement programs for which the County is responsible and compare funding needs to projected debt and cash capacity.

Education:

- Wake Tech
- WCPSS

County Capital:

- Base Plan
- Human Services
- New Projects

Capital programs are projected on a rolling 7-year plan*

FY20 Funded Projects

Projects will be Appropriated as part of the Budget:
Typically adopted by BOC in Capital Projects Ordinance.

FY21 to FY26 Planned

Projects are Planned and Included in CIP:
Revenues are assigned to projects. Updated annually – scope and costs may change, or ultimately may not be funded.

Horizon

Projects are Not Included in CIP:
Project timing, priority, business case, or funding are still being determined.

**Projects shown in the plan are funded based on current revenue forecasts.*

Education

First, we will look at our largest capital programs:

- **Wake Tech**
- **WCPSS**

County capital responsibilities for Wake Tech

NCGS 115D-32

- The tax-levying authority of each institution shall be responsible for providing, in accordance with the provisions of G.S. 115D-33 or 115D-34, as appropriate, adequate funds to meet the financial needs of the institutions for the following budget items:
- (1) Plant Fund: Acquisition of land; erection of all buildings; alterations and additions to buildings; purchase of automobiles, buses, trucks, and other motor vehicles; purchase or rental of all equipment necessary for the maintenance of buildings and grounds and operation of plants; and purchase of all furniture and equipment not provided for administrative and instructional purposes.

Wake Tech's 7-year Capital Program is \$664.4 million

| (in millions) | FY 20 | FY 21 | FY 22 | FY 23 | FY 24 | FY 25 | FY 26 | Total |
|--|---------------|----------------|---------------|----------------|----------------|---------------|---------------|----------------|
| RTP Classroom Building 3 & Parking Deck | - | - | 5.5 | 50.3 | 50.0 | 11.9 | - | 117.7 |
| RTP Classroom Building 4 & Energy Plant | - | - | - | 0.7 | 45.3 | 55.7 | 12.5 | 114.2 |
| RTP Classroom Building 5 & Parking Deck | - | - | - | - | - | 7.0 | 63.6 | 70.6 |
| RTP Campus Total | - | - | 5.5 | 51.0 | 95.3 | 74.6 | 76.1 | 302.5 |
| North Wake Automotive & Collision Repair | 25.5 | 10.0 | - | - | - | - | - | 35.5 |
| North Wake Health Sciences & Parking Deck | 3.9 | 30.8 | 47.6 | - | - | - | - | 82.3 |
| North Wake Campus Total | 29.4 | 40.8 | 47.6 | - | - | - | - | 117.8 |
| SWC Advanced Industries Building & Parking Deck | 39.9 | 39.7 | 10.0 | - | - | - | - | 89.6 |
| Southern Wake Campus Total | 39.9 | 39.7 | 10.0 | - | - | - | - | 89.6 |
| Public Safety Simulation Building | - | - | 4.6 | 41.1 | - | - | - | 45.7 |
| Public Safety Education Campus Total | - | - | 4.6 | 41.1 | - | - | - | 45.7 |
| Campus-Wide Repairs, Alterations & Infrastructure Upgrades | 17.1 | 10.1 | 9.2 | 3.0 | 4.4 | 4.4 | 3.1 | 51.3 |
| Technology Acquisition and Infrastructure | 10.0 | 10.0 | 7.5 | 7.5 | 7.5 | 7.5 | 7.5 | 57.5 |
| Total Program | \$96.4 | \$100.6 | \$84.4 | \$102.6 | \$107.2 | \$86.5 | \$86.7 | \$664.4 |

County capital responsibilities for WCPSS

NCGS 115C-408

- (b) To insure a quality education for every child in North Carolina, and to assure that the necessary resources are provided, it is the policy of the State of North Carolina to provide from State revenue sources the instructional expenses for current operations of the public school system as defined in the standard course of study.
- It is the policy of the State of North Carolina that the facilities requirements for a public education system will be met by county governments.
- It is the intent of the 1983 General Assembly to further clarify and delineate the specific financial responsibilities for the public schools to be borne by State and local governments.

WCPSS Capital Plan amounts are set for FY20 and FY 21 based on the bond referendum

| Program Area | FY 20 | FY21 | Total |
|--------------------------|----------------|----------------|----------------|
| New Schools | 17.7 | 104.0 | 121.7 |
| Renovations | 174.2 | 126.1 | 300.3 |
| Other Program Components | 112.6 | 117.6 | 230.2 |
| Total | \$304.5 | \$347.7 | \$652.2 |

(in millions)

Funded through a combination of General Obligation bonds (\$548M) and Cash (\$104.2M).

FY 22 – 26 will be revised through the annual update process

(in millions)

| Program Area | FY 20 | FY 21 | FY 22 | FY 23 | FY 24 | FY 25 | FY 26 |
|--------------------------|----------------|----------------|------------------------------|----------------|----------------|----------------|------------|
| New Schools | 17.7 | 104.0 | Pending Annual Update | | | | |
| Renovations | 174.2 | 126.1 | | | | | |
| Other Program Components | 112.6 | 117.6 | | | | | |
| Total | \$304.5 | \$347.7 | \$349.7 | \$339.3 | \$414.3 | \$371.9 | TBD |

FY 22-26 reflects totals included in the County's current financial model

WCPSS CIP updated through collaborative efforts

- **March 13:** WCPSS staff presents recommended updated CIP to WCPSS Facilities Committee
- **March 20:** Joint BOC/BOE Meeting
- **March 21:** Joint Facilities Core Team meeting
- **April:** Continued Core Team meetings leading to Board of Education approval of updated CIP and corresponding resolution requesting funding from BOC
- **May 6:** County Manager Presents Recommended Budget to BOC

County Capital Program Overview

Organized by Elements, which group similar projects:

- Automation
- Criminal Justice
- Parks, Greenways, & Open Space
- Community Capital
- Economic Development
- Public Safety
- County Buildings
- Libraries

Several funding sources support the County CIP:

- General Fund Transfer
- Municipal Reimbursements
- General Obligation Bonds (GO)
- Reserve for Future Projects
- Limited Obligation Bonds (LOBS)

Six priorities drive development of the County Capital Program

1

Health & Safety

Ensure life, safety, and basic environmental concerns

2

Maintenance

Provide operating expense savings and / or maintain the integrity of current capital assets

3

Improve

Improve existing facilities, technology systems and infrastructure to meet emerging needs and higher service levels

4

Master Plans

Within County's existing role, add new facilities and systems based on approved plans

5

Enhanced Service

Expand service delivery with new facilities, infrastructure, and technology

6

Partnerships

Match contributions by partners to support community and systems infrastructure

Capital planning framework considers multiple factors

Cost and Timing

Projects are typically > than \$100,000 and require more than 1 year to complete

Master Plans

Projects often a result of master planning processes and facilities condition assessments

Components

Land, new construction, renovations, equipment, lifecycle replacements, infrastructure, technology equipment and infrastructure

Funding

The CIP is a funded plan; in order for a project to be in the CIP, there is a revenue source(s)

County Capital Program supported by multiple sources identified in Debt and Capital Model

| Sources | FY20 | FY21 | FY 22 | FY 23 | FY 24 | FY 25 | FY 26 | Total |
|-----------------------------|---------------|---------------|---------------|----------------|---------------|---------------|---------------|----------------|
| Transfer from General Fund | 39.9 | 35.4 | 37.5 | 41.7 | 39.9 | 41.9 | 40.0 | 276.3 |
| Parks & Recreation GO Bond | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 | - | 120.0 |
| Human Services LOBs | - | 15.0 | - | 55.0 | - | - | - | 70.0 |
| Reimbursements | 0.6 | 0.9 | 1.1 | 0.7 | 0.6 | 0.6 | 0.6 | 5.1 |
| Reserve for Future Projects | 2.6 | - | - | - | - | - | - | 2.6 |
| Total Sources | \$63.1 | \$71.3 | \$58.6 | \$117.4 | \$60.5 | \$62.5 | \$40.6 | \$474.0 |

(in millions)

Projects already in the plan are evaluated and revised annually for updates in cost estimates and shifts in project schedules

County Capital Plan – Adjusted Base

| Element | FY20 | FY21 | FY 22 | FY 23 | FY 24 | FY 25 | FY 26 | Total |
|----------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|
| Automation | 9.8 | 7.8 | 7.3 | 8.9 | 7.4 | 7.2 | 7.4 | 55.8 |
| Community Capital | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 3.5 |
| County Buildings | 11.8 | 12.6 | 13.3 | 12.1 | 12.8 | 13.4 | 12.8 | 88.8 |
| Criminal Justice | 0.9 | 0.9 | 1.1 | 2.9 | 11.6 | 1.0 | 0.4 | 18.8 |
| Economic Development | 4.9 | 2.5 | 2.5 | 2.5 | 2.6 | 2.5 | 1.5 | 19.0 |
| Libraries | - | - | - | - | - | - | - | 0.0 |
| Open Space | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 3.5 |
| Parks & Recreation | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 5.6 |
| Public Safety | 3.5 | 3.4 | 8.1 | 6.8 | 2.5 | 2.3 | 4.6 | 31.2 |
| Total Uses | \$32.7 | \$29.0 | \$34.1 | \$35.0 | \$38.7 | \$28.2 | \$28.5 | \$226.2 |

(in millions)

New Projects for FY20-26

The County evaluates new County Capital projects not previously included in the CIP each year.

Human Services Facilities Plan

The Human Services Facilities Plan was presented to the Board of Commissioners on January 8, 2018. A long-term plan is required to provide capacity and deliver critical services.

Human Services Facilities Plan supports service delivery vision

- Support quality customer service with appropriate facility design
- Treat the whole client by grouping services together
- Improve accessibility to promote client self sufficiency
- Ensure site locations are near population being served
- Build in flexibility of facilities to accommodate future changes
- Provide safe and secure employee work environment
- Utilize partnerships to strengthen service offerings

Human Services Facilities Plan Projects

1

Small renovation at Crosby Garfield building

2

Moderate renovations at Community Services Center and Southern Regional

3

Major renovation to Swinburne

4

Demolition of Falstaff buildings and construction of new Public Health Center - Future sale of current Sunnybrook Public Health building

5

Leverage existing leased property for administration

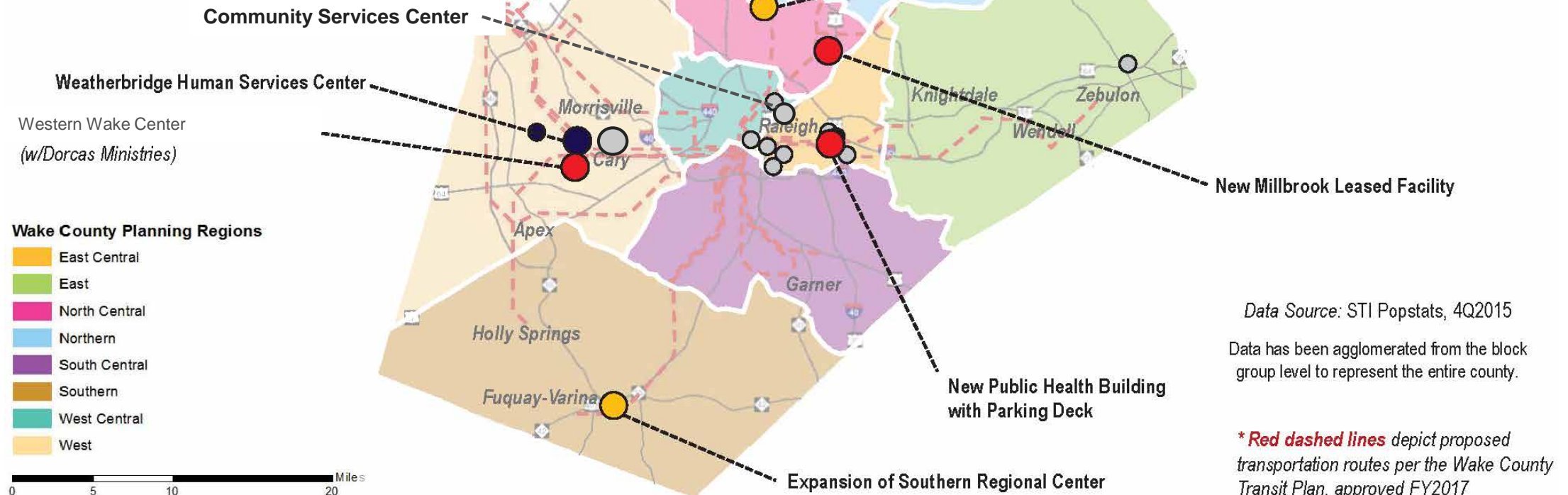
6

Additional Regional Centers in the future beyond 7 year period

Future Human Services facilities distribution

The future location of facilities are marked based on the following four categories:

- New Human Services Facility
- Expansion of Existing Human Services Facility
- Existing Human Services Facility
- Planned Exit from Human Services Facility



Updated FY20-26 Human Services Facilities Plan totals \$119.3 million

(in millions)

| Facility | FY 20 | FY 21 | FY 22 | FY 23 | FY 24 | FY 25 | FY 26 | Total |
|------------------------------|--------------|---------------|---------------|---------------|--------------|---------------|--------------|----------------|
| Community Services Center | 5.0 | 0.2 | - | - | - | - | - | 5.2 |
| Swinburne Renovation | 0.9 | 15.0 | - | - | - | 0.1 | 1.5 | 17.5 |
| New Public Health Center | 0.5 | 3.0 | 26.0 | 45.0 | 4.0 | - | - | 78.5 |
| Southern Regional Expansion | - | 0.1 | 0.5 | 5.0 | - | - | - | 5.6 |
| Crosby Garfield Improvements | - | - | - | - | 0.5 | 0.5 | - | 1.0 |
| Western Wake Dorcas Campus | 1.0 | - | - | - | 0.5 | 10.0 | - | 11.5 |
| Total | \$7.4 | \$18.3 | \$26.5 | \$50.0 | \$5.0 | \$10.6 | \$1.5 | \$119.3 |

- Public Health building construction proposed to advance in the plan to begin construction in FY22 from FY23; *previously planned for FY23 construction.*
- Western Wake proposed for County-owned building with acquisition from Dorcas and construction in FY25.

Including Human Services, FY 2020-26 County Capital Program new project requests total \$275.9 million

(in millions)

| Element | FY20 | FY21 | FY 22 | FY 23 | FY 24 | FY 25 | FY 26 | Total |
|------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|----------------|
| Automation | 2.4 | 0.7 | 0.2 | 1.3 | 0.3 | 0.7 | 0.3 | 5.9 |
| Community Capital | - | - | - | - | - | - | - | - |
| County Buildings | 8.2 | 22.4 | 26.7 | 50.1 | 5.0 | 10.6 | 1.5 | 124.5 |
| Criminal Justice | 1.5 | 1.5 | 2.0 | 1.0 | - | - | - | 6.0 |
| Economic Development | 0.1 | 0.2 | 0.2 | 0.2 | 0.2 | 0.1 | 0.1 | 1.1 |
| Libraries | - | - | - | - | - | - | - | - |
| Parks, Greenways, Open Space | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 | - | 120.0 |
| Public Safety | 2.4 | 2.8 | 4.7 | 1.7 | 4.3 | 2.5 | - | 18.4 |
| Total Requested* | \$34.6 | \$47.6 | \$53.8 | \$74.3 | \$29.8 | \$33.9 | \$1.9 | \$275.9 |

* Total Requested includes all new County Capital project requests; the updated Human Services Master Plan costs are included in County Buildings (\$119.3 million).

New project requests exceed available funding

(in millions)

| | FY20 | FY21 | FY 22 | FY 23 | FY 24 | FY 25 | FY 26 | Total |
|-----------------------------------|----------------|----------------|-----------------|---------------|----------------|---------------|---------------|-----------------|
| Sources | | | | | | | | |
| Parks & Recreation GO Bond | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 | - | 120.0 |
| Human Services LOBs | - | 15.0 | - | 55.0 | - | - | - | 70.0 |
| Available After Base | 10.4 | 7.6 | 4.6 | 7.7 | 1.8 | 14.5 | 12.3 | 58.9 |
| Available for New Projects | \$30.4 | \$42.6 | \$24.6 | \$82.7 | \$21.8 | \$34.5 | \$12.3 | \$248.9 |
| | | | | | | | | |
| Total New Project Requests | \$34.6 | \$47.6 | \$53.8 | \$74.3 | \$29.8 | \$33.9 | \$1.9 | \$275.9 |
| | | | | | | | | |
| Sources - Uses | (\$4.2) | (\$5.0) | (\$29.2) | \$8.4 | (\$8.0) | \$0.6 | \$10.4 | (\$27.0) |

Projects on the Horizon

Public Libraries

Staff is updating a library master plan to identify future projects after the completion of the existing bond projects. Current estimates range from \$10 - \$15 million per year.

Animal Control Center

Evaluation of facility location, design and program is underway and under review.



Board Takeaways and Questions