

The background of the slide features a large, faint watermark of the Gloucester County Seal. The seal is circular with the text "GLOUCESTER COUNTY" at the top and "VERGINIA ESTAB. 1651" at the bottom. In the center of the seal is a crest depicting a plow and a sheaf of wheat, with a sun rising behind a mountain range.

Capital Improvement Plan Recommendation FY 2018 - 2022

**Presentation to the Gloucester County
Board of Supervisors
January 17, 2017**

J. Brent Fedors, County Administrator

Agenda

- Objectives
- Approach
- Project Scoring and Ranking
- Funding Options
- 5-Year PayGo / General Fund (Cash) CIP Recommendation
- 5-Year Bond / Financed CIP Recommendation
- FY 2018 CIP Summary Recommendation
- 5-Year Utilities PayGo / Enterprise Fund (Cash) CIP Recommendation
- FY 2018 CIP Timeline

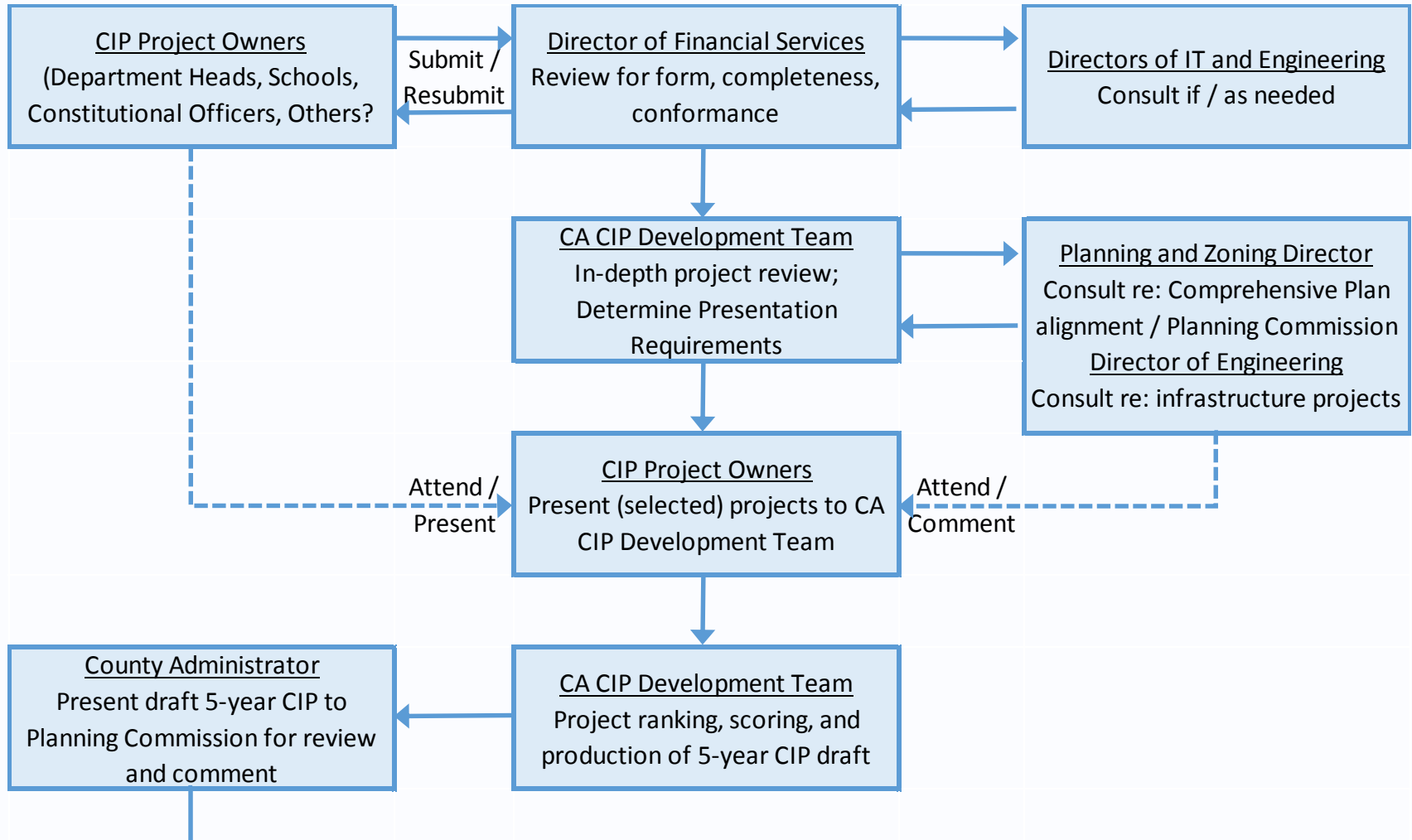


CIP Objectives

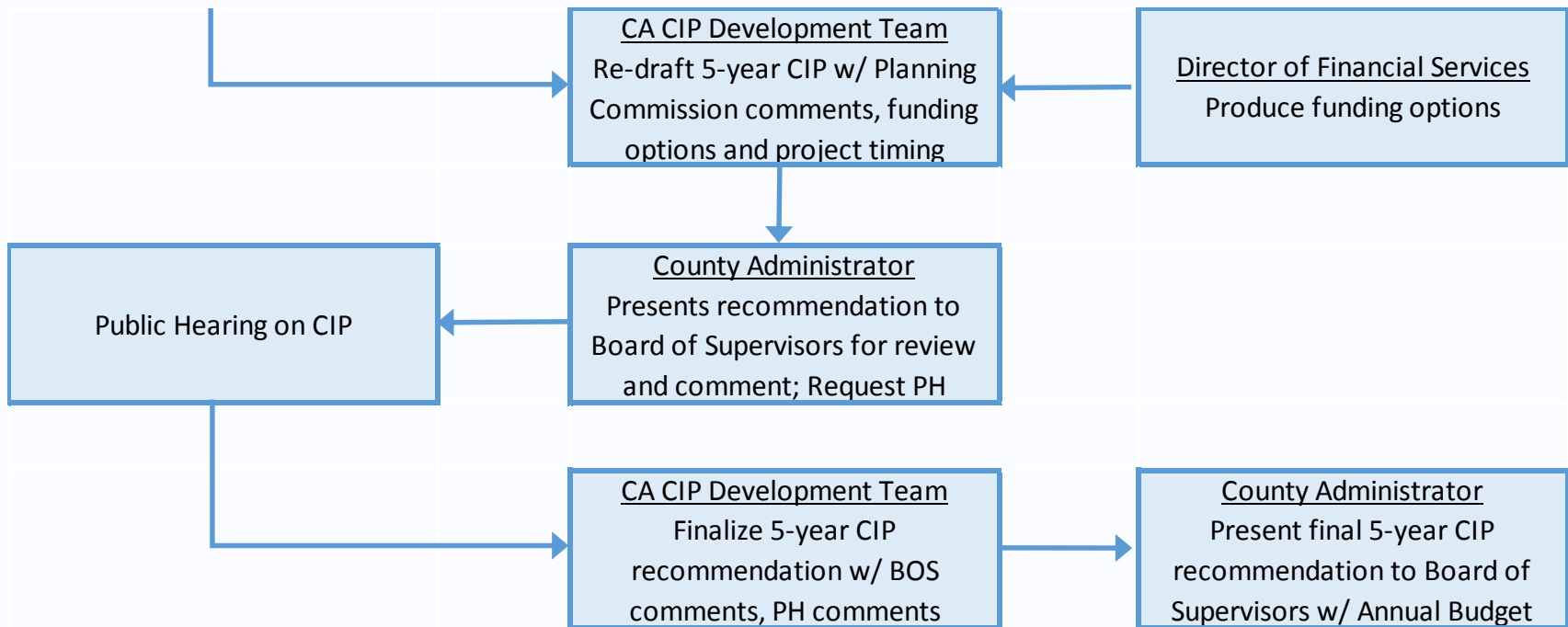
- Identify needs for capital improvement
- Document needs
- Assess alignment with BOS Strategy / Comp Plan
- Prioritize needs
- Evaluate funding options
- Balance needs with available funding
- Adopt a plan of action
- Appropriate funding
- Execute projects that meet the stated needs



FY 2018 Process / Approach



FY 2018 Process / Approach



Soliciting Input / Engagement

- ✓ Open forum for **citizen** ideas – 3 weeks in August / September 2016 on Speak-Up Gloucester
- ✓ Board of Supervisors scoring criteria review and prioritization
- ✓ All project owners presented the projects they proposed to the CIP Leadership Team w/scores
- ✓ Planning Commission's review for conformity with the Comprehensive Plan per COV 15.2-2239
- ✓ Planning Commission further asked to act as **citizen** representation in scoring submitted projects
- Second open forum for **citizen** input starting next week on Speak-Up Gloucester
- Request for **citizen** input via CIP Public Hearing on February 7, 2017
- Request for feedback from the Board of Supervisors



Project Scoring / Prioritization

BOS Weighting	Criteria/Scoring	9	6	3	0
2.71	Public Safety	Project is needed to alleviate existing health or safety standard	Project is needed to alleviate potential health or safety hazard	Project would promote or maintain health and safety	No health or safety impact associated with project
2.43	Legal Mandates	Project is required by law, regulation or mandate, but can wait for the proposed FY	Project is required by agreement with another jurisdiction	Project would address anticipated mandates or other legal requirements	Project benefits Gloucester only and is not externally required
2.29	Protection of Capital	Project is critical to saving structural integrity of existing facility or extending life of the existing asset	Project will repair important systems	Project will improve asset or defer future expenditure	No existing asset involved
2.14	Consistency with Comprehensive or Other Plans	Project is directly consistent with the County's Comprehensive Plan or other adopted plans and policies	Project is somewhat consistent with County's Comprehensive Plan or other adopted plans and policies	Project is inconsistent with the County's Comprehensive Plan or other adopted plans and policies	Not applicable (Project is not addressed in the County's Comprehensive Plan or other adopted plans and policies)
1.43	Standard of Service	Project would improve or provide a higher standard of service	Project would make possible new services or projects	Project would maintain the current standard of service	Could have negative impact on standard of service
1.71	Population Served	Project would benefit all citizens or areas	Project would benefit a large percentage (more than 50%) of citizens	Project would benefit some citizens (10%-50%)	Project would benefit only a small percentage of citizens or a particular area (less than 10%)
2.14	Public Support	Project has need and strong political support	Project has been identified as a need and has moderate support	Project has been identified as need but lacks support	Project has not been identified by citizenry as a need
2.00	Financing	Project revenues will support project expenses	Non-county revenues have been identified and applied for	Potential for non-county revenues exist	No financing arrangements currently exist
2.14	Operating Budgets	Project will result in decreased operating costs or decreased debt service	Project will have minimal or no operating, debt service, and maintenance costs	Project will have some additional operating/personnel additions or debt service payments	Project will require significant additions in operating/personnel costs or debt service payments






Scoring Scale

9	Number of criteria
x <u>9</u>	Maximum score per criteria
81	Maximum unweighted project score
x <u>2</u>	Nominal weighting (avg. of 1 and 3)
162	Maximum weighted project score for ranking purposes (<u>denominator</u>)
XX	Actual project scores will be used as the <u>numerator</u> for project ranking



CA Quartile Approach

-  Top – Highest priority
-  Upper Mid– Slightly lower priority
-  Lower Mid – Moderate priority
-  Low – Lower priority

Note high level of correlation across top quartile scores between CA, project owner, CIP team, Planning Commission and Schools

Project Title	CA Quartile	BOS Wtd Dept Dir Score	BOS Wtd CIP Team Score	BOS Wtd Plan Com Score	Schools (1-9) Scoring
911 Call Answering Equipment (CPE) Upgrade	4	143.9	143.9	130.9	N/A
Social Services Building Expansion	4	73.7	121.7	84.1	N/A
Public Safety Radio Subscriber Upgrades	4	116.0	116.0	109.9	N/A
ADA Accessibility Improvements	4	89.9	102.8	99.1	N/A
Roofing Replacement/Coating at GHS, Achilles, and Botetourt	4	107.9	102.8	85.4	1
School Bus Replacement Program (5 per year)	4	125.0	101.9	89.6	6
Lighting Replacement in All Schools except GHS and Page	4	116.9	88.7	82.7	3
New Voting Machines	4	34.7	84.4	68.7	N/A
Gloucester High School Major Repairs (HVAC, Led-lighting, Roof Repairs, & Others)	4	105.8	71.5	66.9	1
Bus Compound Relocation	4	131.9	56.5	52.0	2

Converting Scores to Ranking

Example: 911 Call Answering Equipment Upgrade

143.9	Actual project score (<u>numerator</u>)
/ <u>162</u>	Maximum weighted score (<u>denominator</u>)
0.89	Raw ranking (89% of maximum score)
x <u>10</u>	Maximum ranking scale value (1 to 10)
8.9	Final project ranking on a 1 to 10 scale

Note: CA Recommendation accounts for, but does not strictly follow project rankings



Funding Options

- Potential CIP Funding Sources (CIP Manual p.13)
 - Facilities Maintenance Repair & Replacement Fund (FMRR) – non-CIP items only
 - Unassigned Fund Balance
 - Debt (bonds, bond anticipation notes (BANs), etc.)
 - Cash proffers (used only for capacity enhancements)
- Potential CIP Funding Approach
 - Fund Balance assignment for non-bondable projects
 - BANs to start bondable projects pre-FY19 “cliff”
 - Bond financing payable in FY19 for major projects
 - Cash proffer balance for appropriate projects



Projected Fund Balance Capacity

- End of FY 17 / beginning of FY18 Unassigned Fund Balance Estimate: \$17.7M
- Fund Balance Policy (12%) target limit: \$13M
- Maximum available for use absent cash flow restrictions: \$4.7M
- CA Recommends: Target \$2.4M FY18 PayGo CIP
- Fund Balance Policy consideration: GFOA best practice suggests policy reflecting 2 to 3 months of governmental expenditures; 2 months = 16.7%; Proposed for Board's consideration: move to 14% target limit
 - 14% = \$15.3M
 - \$17.7M - \$15.3M = \$2.4M



Pay-Go / Cash Project Plan

Department	Project Title	CA Quartile	Schools 1-9 Ranking	Dept Dir Wtd (/10) Ranking	CIP Team Wtd (/10) Ranking	Plan Com Wtd (/10) Ranking	Average Ranking
Radio O&M	911 Call Answering Equipment (CPE) Upgrade	Top		8.9	8.9	8.1	8.6
Schools - 6	School Bus Replacement Program (5 per year)	Top	6	7.7	6.3	5.5	6.5
Schools - 1	Roofing Replacement/Coating at GHS, Achilles, and	Top	1	6.7	6.3	5.3	6.1
Engineering	ADA Accessibility Improvements	Top		5.6	6.3	6.1	6
Schools - 3	Lighting Replacement in All Schools except GHS and Page	Top	3	7.2	5.5	5.1	5.9
Social Svcs	Social Services Building Expansion	Top		4.5	7.5	5.2	5.7
Registrar	New Voting Machines	Top		2.1	5.2	4.2	3.8
PR&T	Ark Park Road Improvement	Upper-Mid		6.6	6.6	4.5	5.9
Schools - 2	HVAC Replacement at Peasley Middle School	Upper-Mid	2	7.6	4.6	4.2	5.5
Schools - 4	Bathroom Renovations at Achilles, Botetourt, and	Upper-Mid	4	6.5	5	4.1	5.2
Comm Eng	Cable Communications Program	Upper-Mid		5.1	5.9	4.3	5.1
DIT	ERP Software (Replace Fin Plus, Community Plus, etc)	Upper-Mid		3.4	4.5	3.5	3.8
Finance	Program/Performance Budget Software	Upper-Mid		3.3	3.7	3.8	3.6
Engineering	Asphalt Paving & Overlay-Justice Dr & Law Enforcement	Upper-Mid		3.2	4	3.4	3.5
Schools - 7	Playground Equipment Replacement at Botetourt and	Lower Mid	7	5.9	5.2	4	5
PR&T	Woodville Park Playground	Lower Mid		5.5	4.7	3.6	4.6
PR&T	Beaverdam Park Paving	Lower Mid		4.7	4.7	3.5	4.3
PR&T	Woodville Park Landscaping and Shelters	Lower Mid		5.5	4	2.9	4.1
Schools - 8	Irrigation and Wells for fields at Bethel/Peasley and for	Lower Mid	8	5.1	3.8	3.2	4
PR&T	Beaverdam Park New Lodge	Lower Mid		4.2	4.2	3.7	4
PR&T	Athletic Field Lighting	Lower Mid		3.9	3.9	3.2	3.7
Engineering	Asphalt Paving & Overlay-2002 Courthouse Pking Lot	Lower Mid		3.2	3.5	3.2	3.3
Schools - 9	Locker Replacement/Alternatives at Peasley Middle	Lower Mid	9	3.4	3.1	3.2	3.2
DIT	Tax and Receipting Software Implementation	N/A		N/A	N/A	N/A	N/A



Pay-Go / Cash Project Plan

Department	Project Title	Total Cost	Year One FY2018	Year Two FY2019	Year Three FY2020	Year Four FY2021	Year Five FY2022	Year Six and Beyond
Radio O&M	911 Call Answering Equipment (CPE) Upgrade	442,750		442,750				
Schools - 6	School Bus Replacement Program (5 per year)	2,468,749	465,000	478,950	493,319	508,118	523,362	
Schools - 1	Roofing Replacement/Coating at GHS, Achilles, and	1,002,000	268,000					
Engineering	ADA Accessibility Improvements	60,000	60,000					
Schools - 3	Lighting Replacement in All Schools except GHS and Page	1,709,109	322,408	415,702	266,417	292,306	412,276	
Social Svcs	Social Services Building Expansion	1,130,000	130,000					
Registrar	New Voting Machines	136,275		136,275				
PR&T	Ark Park Road Improvement	68,000					68,000	
Schools - 2	HVAC Replacement at Peasley Middle School	1,424,109	650,000	215,000	220,000	339,109		
Schools - 4	Bathroom Renovations at Achilles, Botetourt, and	243,000	81,000	81,000	81,000			
Comm Eng	Cable Communications Program	480,000	160,000		160,000		160,000	
DIT	ERP Software (Replace Fin Plus, Community Plus, etc)	644,000			644,000			
Finance	Program/Performance Budget Software	170,000	170,000					
Engineering	Asphalt Paving & Overlay-Justice Dr & Law Enforcement	105,000		105,000				
Schools - 7	Playground Equipment Replacement at Botetourt and	737,653		124,479	179,834	216,670	216,670	
PR&T	Woodville Park Playground	250,000		250,000				
PR&T	Beaverdam Park Paving	69,000		69,000				
PR&T	Woodville Park Landscaping and Shelters	225,000					225,000	
Schools - 8	Irrigation and Wells for fields at Bethel/Peasley and for	240,000				240,000		
PR&T	Beaverdam Park New Lodge	380,000					380,000	
PR&T	Athletic Field Lighting	1,003,000			320,000	310,000		373,000
Engineering	Asphalt Paving & Overlay-2002 Courthouse Pking Lot	100,000					100,000	
Schools - 9	Locker Replacement/Alternatives at Peasley Middle	158,000					158,000	
DIT	Tax and Receipting Software Implementation	250,000	250,000					
Total Pay-go			2,556,408	2,318,156	2,364,570	1,906,203	2,243,308	373,000



Projected Debt Capacity

Fiscal Year	Public Safety Radio Debt Funded (FY17-20)	Public Safety Radio Pay-go Funded (FY21-23)	Total Public Safety Radio Funded	Other CIP Projects Pay-go Funded*	Other CIP Projects Debt Funded	Total CIP Projects Funded Without Tax Impact
2017	\$ -	\$ 576,101	\$ 576,101	\$ 300,000	\$ -	\$ 876,101
2018	-	420,299	420,299	300,000	19,326,410	20,046,709
2019	-	118,088	118,088	300,000	-	418,088
2020	-	59,196	59,196	300,000	-	359,196
2021	-	623,068	623,068	300,000	-	923,068
2022	-	449,385	449,385	300,000	435,738	1,185,123
2023	-	379,026	379,026	300,000	4,845,897	5,524,923
Totals*	\$ -	\$ 2,625,163	\$ 2,625,163	\$ 8,100,000	\$ 24,608,045	\$ 29,333,208

* Please note that while the chart ends at FY 2023, we have assumed Pay-go for Other CIP Projects continues through FY 2043 totaling \$8,100,000

- As part of the FY2017 Budget and CIP adoption, the Board chose to “retain the FY19 cliff”
- NOTE: Public Safety Radio funding for FY17 through FY22 flattened as part of FY17 CIP
- Retain General Fund Transfer to Utilities beginning in FY 2019 & Beyond.
 - Dedicate \$600,000 toward funding Pay-go and/or Debt Service in FY 2019 & Beyond.
- Solve for the amount of Projects that can be debt funded between FY 2017 and FY 2023 in addition to the items listed above with No Tax Impact.
 - 20 Years at 5.00% (Planning Interest Rate).
 - Full Year Principal and Interest Payments following the Fiscal Year issued on a Level Debt Service basis.



Bond / Financed Project Plan

Department	Project Title	CA Quartile	Schools 1-9 Ranking	Dept Dir Wtd (/10) Ranking	CIP Team Wtd (/10) Ranking	Plan Com Wtd (/10) Ranking	Average Ranking
Radio O&M	Public Safety Radio Subscriber Upgrades	Top		7.2	7.2	6.8	7.1
Schools - 1	Roofing Replacement/Coating at GHS, Achilles, and	Top	1	6.7	6.3	5.3	6.1
Social Svcs	Social Services Building Expansion	Top		4.5	7.5	5.2	5.7
Schools -1	Gloucester High School Major Repairs (HVAC, Led	Top	1	6.5	4.4	4.1	5
Schools -2	Bus Compound Relocation	Top	2	8.1	3.5	3.2	4.9
Schools - 5	New Achilles Bus Loop	Upper-Mid	5	7.1	5	4.4	5.5
PR&T	Woodville Park Parking Lot Improvements	Lower-Mid		5.5	3.5	3	4
Animal Con	New Animal Control Office at Shelter Location	Low		6.7	3.2	3.4	4.4

Department	Project Title	Total Cost	Year One FY2018	Year Two FY2019	Year Three FY2020	Year Four FY2021	Year Five FY2022	Year Six and Beyond
Radio O&M	Public Safety Radio Subscriber Upgrades	3,090,000	0	0	0	0	0	3,090,000
Schools - 1	Roofing Replacement/Coating at GHS, Achilles, and	1,002,000	0	0	734,000	0	0	0
Social Svcs	Social Services Building Expansion	1,130,000	0	1,000,000	0	0	0	0
Schools -1	Gloucester High School Major Repairs (HVAC, Led	10,972,820	997,000	9,975,820	0	0	0	0
Schools -2	Bus Compound Relocation	6,600,000	600,000	6,000,000	0	0	0	0
Schools - 5	New Achilles Bus Loop	800,000	0	0	0	0	0	800,000
PR&T	Woodville Park Parking Lot Improvements	509,000	0	0	0	0	0	509,000
Animal Con	New Animal Control Office at Shelter Location	397,800	0	0	0	0	0	397,800
Total Financed			1,597,000	16,975,820	734,000	0	0	4,796,800
Initial Financing Capacity			19,326,410	17,729,410	753,590	19,590	19,590	5,301,225
Remaining Financing Capacity			17,729,410	753,590	19,590	19,590	19,590	504,425



Not Contemplated in 5yr Plan

Department	Project Title	CA Quartile	Schools 1-9 Ranking	Dept Dir Wtd (/10) Ranking	CIP Team Wtd (/10) Ranking	Plan Com Wtd (/10) Ranking	Average Ranking
Schools - 1	Renovation of Gloucester High School	N/A	1	8.1	5.4	4.5	6
Schools - 2	Bus Compound General Repairs	N/A	2	7	3.8	3.6	4.8
PR&T	Community Center	N/A		4.2	4.3	3.4	4
PR&T	Woodville Park Utilities	N/A		5.5	3.6	3	4

Department	Project Title	Total Cost	Year One FY2018	Year Two FY2019	Year Three FY2020	Year Four FY2021	Year Five FY2022	Year Six and Beyond
Schools - 1	Renovation of Gloucester High School	33,274,180	1,400,000	31,874,180	0	0	0	0
Schools - 2	Bus Compound General Repairs	319,806	0	0	0	0	319,806	0
PR&T	Community Center	15,256,000	0	0	0	0	897,000	14,359,000
PR&T	Woodville Park Utilities	1,664,000	0	1,208,000	456,000	0	0	0
Total not contemplated in FY18 - FY22 CIP		50,513,986	1,400,000	33,082,180	456,000	0	1,216,806	14,359,000

Also not contemplated: County backing of EDA land purchase for economic development initiatives



FY18 CIP Summary (Excl. Utilities)

Department	Project Title	Total Cost	Year One FY2018	Funding
Schools - 6	School Bus Replacement Program (5 per year)	2,468,749	465,000	Paygo
Schools - 1	Roofing Replacement/Coating at GHS, Achilles, and Botetourt	1,002,000	268,000	Paygo
Schools - 3	Lighting Replacement in All Schools except GHS and Page	1,709,109	322,408	Paygo
Engineering	ADA Accessibility Improvements	60,000	60,000	Paygo
Social Svcs	Social Services Building Expansion	1,130,000	130,000	Paygo
Schools - 2	HVAC Replacement at Peasley Middle School	1,424,109	650,000	Paygo
Schools - 4	Bathroom Renovations at Achilles, Botetourt, and Petsworth	243,000	81,000	Paygo
Comm Eng	Cable Communications Program	480,000	160,000	Paygo
Schools - 2	Bus Compound Relocation	6,600,000	600,000	BAN / Paygo
Schools - 1	Gloucester High School Major Repairs (HVAC, Led lighting, Roof Repairs, & Others)	10,972,820	997,000	BAN / Paygo
Finance	Program/Performance Budget Software	170,000	170,000	Paygo
DIT	Tax and Receipting Software Implementation	250,000	250,000	Paygo
Total FY 2018 Non-Enterprise CIP (Excluding Prior Year Carryforwards)			4,153,408	



Utilities – Enterprise Funded

Department	Project Title	CA Quartile	Schools 1-9 Ranking	Dept Dir Wtd (/10) Ranking	CIP Team Wtd (/10) Ranking	Plan Com Wtd (/10) Ranking	Average Ranking
Utilities	Replace Reverse Osmosis Membranes	N/A	N/A	9.6	9.6	8	9.1
Utilities	Rehab/Repair PS #13 (Courthouse South) Phase II (NEW!)	N/A	N/A	9.1	9.1	8	8.7
Utilities	Rehab/Repair PS #11 (Courthouse North) Phase II	N/A	N/A	9.1	9.1	8	8.7
Utilities	Rebuild PS #11 (Courthouse North)	N/A	N/A	9.1	9.1	7.8	8.7
Utilities	Rebuild PS #12 Summerville	N/A	N/A	9.1	9.1	7.8	8.7
Utilities	Water Treatment Plant Roof Replacement	N/A	N/A	9.1	9.1	6.8	8.3
Utilities	Rebuild PS #13 (Courthouse South)	N/A	N/A	8.8	8.8	7.7	8.4
Utilities	Water Treatment Plant Façade Repairs	N/A	N/A	8.7	8.7	6.4	7.9
Utilities	WTP HVAC (New!)	N/A	N/A	8.2	8.2	6.2	7.5
Utilities	Utility Yard	N/A	N/A	6.4	6.4	5.2	6

Department	Project Title	Total Cost	Year One FY2018	Year Two FY2019	Year Three FY2020	Year Four FY2021	Year Five FY2022	Year Six and Beyond
Utilities	Replace Reverse Osmosis Membranes	200,000	100,000	100,000	0	0	0	0
Utilities	Rehab/Repair PS #13 (Courthouse South) Phase II (NEW!)	840,000	0	120,000	0	0	360,000	360,000
Utilities	Rehab/Repair PS #11 (Courthouse North) Phase II	1,090,000	0	200,000	445,000	445,000	0	0
Utilities	Rebuild PS #11 (Courthouse North)	600,000	0	0	0	0	0	600,000
Utilities	Rebuild PS #12 Summerville	600,000	0	0	0	0	0	600,000
Utilities	Water Treatment Plant Roof Replacement	75,000	0	75,000	0	0	0	0
Utilities	Rebuild PS #13 (Courthouse South)	1,200,000	0	0	0	0	200,000	1,000,000
Utilities	Water Treatment Plant Façade Repairs	85,000	0	10,000	75,000	0	0	0
Utilities	WTP HVAC (New!)	230,000	0	60,000	60,000	60,000	50,000	0
Utilities	Utility Yard	1,500,000	0	0	0	0	0	1,500,000
Total Utilities (Enterprise Funded Through FY22)		6,420,000	100,000	565,000	580,000	505,000	610,000	4,060,000



FY18 CIP Timeline

Aug/Sept	Project Submission Development
Sept/Oct	CIP Pre-Draft Development
Nov 3	Pre-Draft Docs to Planning Commission
Nov	Planning Commission Special Meeting?
Dec 1	Planning Commission CIP Response
Dec/Jan	CIP Draft Development
Jan 17	CA CIP Draft Recommendation to BOS
Feb 7	CIP Public Hearing
March 7	CIP Final Recommendation to BOS





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