



WASHOE COUNTY

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STAFF REPORT

BOARD MEETING DATE: May 22, 2018

DATE: Friday, May 18, 2018

TO: Board of County Commissioners

FROM: Lori Cooke, Budget Manager, Manager's Office
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THROUGH: Christine Vuletich, Assistant County Manger

SUBJECT: Discussion and possible action on the County Manager's recommended Capital Improvements Plan for Fiscal Years 2019-2023 and direct the County Manger to submit the CIP to the State and others by August 1, 2018. This item may be continued to May 29, 2018 at 10:00 AM (All Commission Districts).

SUMMARY

The purpose of this item is to consider approval of the County Manager's recommended Capital Improvement Plan (CIP) for Fiscal Years 2019-2023. The Capital Improvements Plan is a five-year plan for the County's capital improvements for park facilities, including trails, open space, and regional parks; libraries; roads under purview of the County; purchase of light and heavy fleet equipment; utilities infrastructure; capital outlay for major equipment; and County buildings and other facilities. The CIP is limited to capital projects with a cost of \$100,000 or more for assets that have a life-span of more than one year, as part of the reporting requirements of the State and under Board of County Commissioner (BCC) policies.

Washoe County Strategic Objective supported by this item: Stewardship of our Community

PREVIOUS ACTION

January 26, 2018 – At the BCC's Strategic Plan retreat, a preview of the Fiscal Year 2019 Budget was presented along with preliminary recommendations.

April 24, 2018 – The BCC received a status report and confirmed the County Manager's recommendations for the Fiscal Year 2019 budget and directed the County Manager to return to the Board of County Commission with a Tentative and Final Budget incorporating the approved County Manger's recommendations for adoption at a public hearing scheduled for May 22, 2018. Included in this presentation was a discussion of General Fund support to the CIP.

AGENDA ITEM # _____

BACKGROUND

NRS 354.5945 requires all local governments to annually prepare a five-year capital improvement plan, which must be submitted to the State Department of Taxation, county debt management commission and Legislative Counsel Bureau by August 1st of each year.

The County's capital planning process begins with departments submitting proposed capital projects. Project submittals were categorized under three project types: Core/Critical Projects, Benefits to Community/Staff, and Quality of Life. This was done to ensure that the CIP Committee gave consideration to projects in each category and that each type had a share of available funding. All submissions were evaluated by the CIP Committee, comprised of the three Assistant County Managers, Chief Information Officer, Comptroller, and Budget Manager. Each project received a score in each of the following criteria:

- Assessment of Need
- BCC Strategic Planning Goals
- Project Life Cycle
- Implications of Project Deferral
- Fiscal Impact
- Economic Impact
- Environmental Impact

The Committee met with each department that submitted a request, and each CIP Committee members' scores of project submittals were then averaged. For projects relying on funding from the General Fund, a scoring cutoff was determined based on the level of General Fund support to the CIP. This fiscal year the level of General Fund support available to the CIP was \$5.3 million.

The entire 5-year plan includes over \$239 million in capital expenditures. The first year of the plan that is incorporated into the Fiscal Year 2019 operating budget, totals \$52,606,928.

CAPITAL IMPROVEMENT PLAN SUMMARY	Year 1 FY 2019
Fund	
Capital Improvement Fund	11,659,778
Parks Capital Fund	7,189,260
Capital Facilities Tax Fund	-
Other Funds	7,372,417
Utilities Fund	19,006,423
Equipment Services Fund	7,379,050
Capital Projects Included in CIP	\$ 52,606,928

County Manager's recommended new capital projects for Fiscal Year 2019 in the Capital Improvement Fund include:

FY 2019 PROJECT	COST
Voting Machines	\$622,975
County Roads 34 & 447	\$200,000
Network Switch Upgrades	\$671,847
75 Court Street Radon Mitigation	\$452,805
Jan Evans Fire System	\$575,809
Ranch House Settling Mitigation	\$130,251
P25 Radios	\$750,000
Red Rock Facilities	\$121,000
Admin Complex Window/Wall Energy Improvements	\$396,497
Sheriff's Office Facility Security	\$171,273
Alternative Sentencing Case Management System	\$340,000
Historic Huffaker School House Roof	\$175,999

- Parks Capital Projects
 - A total of \$7.2 million in new and continuing parks projects are funded in the Parks Capital Fund for Fiscal Year 2019. Projects include work on the Ballardini-Persigehl Trails, Phase 5 of the Lake Tahoe Bike Path, Rancho playground improvements, wetland mitigation, and an update to the Washoe County Parks Master Plan.
 - The Capital Improvement Fund includes \$306,250 for infrastructure repairs at Rancho San Rafael and Bartley Ranch.

In addition to these projects, the County is also completing a number of flood-related repair projects related to the 2017 flooding of the Truckee River and North Valleys that utilized funding from the Stabilization Account and Water Rights proceeds. Reimbursement for these projects (up to 75%) will be submitted to FEMA.

Projects in years 2-5 of the CIP are presented in this document as part of our long-range capital planning process as a way to monitor and plan for the future capital needs of the County. This document is a planning tool and is also needed to meet the requirements of the State as part of Washoe County's Fiscal Year 2019 budget submittal, as outlined in the Nevada Revised Statute 354.5945.

A master plan for the Sheriff's facility was completed in Fiscal Year 2018, which will provide direction on future improvements to the facility including possible construction of a new infirmary and a new crime lab. Other significant projects either in the pre-planning phase and/or included in years 2-5 of the CIP are the District Court building and North Valleys Library. For these facilities, the cost is indicated as "To be Determined", as conceptual plans have not been finalized. Ultimately, if the County wishes to fund these facilities, the BCC will need to consider the issuance of long-term debt for new infrastructure.

The summary of the CIP and Consolidated Project List is attached as Attachment "A".

FISCAL IMPACT

Total funding of the first year of the CIP is \$52,606,928. This includes carry-over funding for projects budgeted in Fiscal Year 2018 but not yet completed as well as new projects funded from transfers from the General Fund, other special revenue funds, park bond funds, fuel taxes (for roads), and ad valorem property taxes.

The total project amount in the first year of the CIP reflects an increase from the level of funding in Fiscal Year 2018 of \$40,087,800. The total level of General Fund support in this Capital Improvement Plan has decreased from \$7.7 million to \$5.3 million, due to the retirement of debt in Fiscal Year 2017. Monies needed to cover this debt service had been reallocated one time to the CIP in Fiscal Year 2018.

RECOMMENDATION

It is recommended that the Board adopt the County Manager's recommended Capital Improvements Plan for Fiscal Years 2019-2023 and direct the County Manager to submit the CIP to the State and others by August 1, 2018.

POSSIBLE MOTION

Should the Board agree with staff's recommendation, a possible motion would be, "move to adopt the County Manager's recommended Capital Improvements Plan for Fiscal Years 2019-2023 and direct the County Manager to submit the CIP to the State and others by August 1, 2018."