



WASHOE COUNTY

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STAFF REPORT

BOARD MEETING DATE: *July 14, 2020*

DATE: Wednesday, July 08, 2020

TO: Board of County Commissioners

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THROUGH: Eric P. Brown, County Manger

SUBJECT: Discussion and possible action on the County Manager's recommended Capital Improvement Plan (CIP) for Fiscal Years 2021-2025 and direct the County Manger to submit the CIP to the State of Nevada and others by August 1, 2020. (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 2021-2025. The CIP 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 an estimated 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

May 19, 2020 – The BCC adopted the Final budget for Fiscal Year 2021 that included the capital funds.

May 12, 2020 – The BCC received a status report and confirmed the County Manager's recommendations for the Fiscal Year 2021 budget and directed the County Manager to return to the Board of County Commission with a Tentative and Final Budget incorporating the approved County Manager's recommendations for adoption at a public hearing scheduled for May 19, 2020.

AGENDA ITEM # _____

April 14, 2020 – The BCC received a presentation regarding the COVID 19 Financial Impacts and recommended FY 2020 mitigation measures. The BCC approved the FY 2020 mitigation measures.

January 21, 2020 – At the BCC Meeting, a review of Fiscal Year 2019 actual financial results, a mid-year review of Fiscal Year 2020, and a preview of the Fiscal Year 2021 Budget was presented along with preliminary recommendations.

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 considered 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 due to the "Unprecedented" economic impacts of COVID 19, it was determined that the General Fund support to the Capital Improvements Fund would be decreased from \$6.3 million to \$0 for FY 2021. Additional impacts for future years remain uncertain.

The first year of the plan that is incorporated into the Fiscal Year 2021 Budget, totals \$92,420,658. The entire 5-year plan includes over \$274 million in capital expenditures.

CAPITAL FUNDS SUMMARY	Year 1 FY 2021
Fund	
Capital Improvements Fund	31,434,824
Parks Capital Fund	5,633,756
Capital Facilities Tax Fund	-
Roads Fund	3,906,000
Other Funds	6,636,718
Utilities Fund	41,190,000
Equipment Services Fund	3,619,361
Total Funding Sources and Uses	\$ 92,420,658

The County Manager's recommended capital projects for Fiscal Year 2021 include:

FY 2021 PROJECTS - Capital Improvements Fund	COST
911 Parr Bunk Bed Safety Modifications	597,000
Regional Emergency Operations Roof Restoration	207,850
Regional Animal Services Roof Restoration	447,825
Regional Public Safety Training Center Roof Restoration	195,700
Major Maintenance Replacement (on-going)	1,645,000
South Valleys Regional Park ADA Improvements	174,500
Northwest Library Carpet Replacement	149,000
Sparks Library Carpet Replacement	209,000
NSRS Debt 2020	15,000,000
P25 Radios (on-going)	692,528
Incline Village Library/Community Center Parking Lot Rehab	187,750
Undesignated Budget	468,903
Prior Year Projects Carry Forward to FY21	11,459,768
Total FY21 Capital Improvements Fund	31,434,824

FY 2021 PROJECTS - Parks Capital Fund	COST
Galena Schoolhouse-Interior Renovations (carry-over)	405,000
South Valleys Regional Park-Master Plan Development (carry-over)	900,000
Ellens Park Playground Renovation (carry-over)	310,000
Whites Creek Playground Improvements (carry-over)	50,000
Sun Valley Regional Park- Bike Park Improvements (carry-over)	100,000
Truckee River Bike Path Land (carry-over)	56,060
Ballardini Trailhead SNPLMA Rd11 (carry-over)	5,079
Ballardini Loop Trails WC-1 (carry-over)	326,232
SQ-1 Truckee River Corridor Plan (carry-over)	50,000
SQ-1 Truckee River Restoration & Integrate (carry-over)	51,000
Rancho Playground Improvements (carry-over)	550,000
Bowers Mansion Seismic Retrofit Ph III (carry-over)	33,056
Ballardini Water Rights WC-1 (carry-over)	58,742
Rancho Wetlands/UNR (carry-over)	287,887
Pennington-Bowers Pool Facility Improvements (carry-over)	241,990
Undesignated Budget	2,208,710
Total FY21 Parks Capital Fund	5,633,756

FY 2021 PROJECTS - Utilities Fund	COST
Reclaimed Water System Maintenance Projects	200,000
Steamboat Lift Station Replacement and 2nd Force Main	10,000,000
Cold Springs WRF Projects	500,000
Lemmon Valley WRF Projects	250,000
Effluent Water Projects - Existing Water Resource Management	1,500,000
Pleasant Valley Interceptor - Reach 3 Conveyance Project	6,000,000
STMWRF 2020 Expansion	13,490,000
Effluent Distribution Expansion - Programmatic	9,250,000
Total FY21 Utilities Fund	41,190,000

FY 2021 PROJECTS - Roads and Equipment Services Fund	COST
Roads Capital	3,906,000
Equipment Services Capital (Heavy & Light Fleet)	3,619,361

Projects in years 2-5 of the CIP are not funded or budgeted but are included in this document as part of our long-range capital planning process to monitor and plan for 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 2021 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. Fiscal Year 2023 includes the program design for the new infirmary. Other significant projects either in the pre-planning phase and/or included in years 2-5 of the CIP are the District Court building, North Valleys Library, and Enterprise Resource Planning (ERP) Replacement. For these projects/facilities, the

cost is indicated as “To be Determined”, as conceptual plans have not been finalized. Ultimately, if the County wishes to fund these projects, the BCC will need to consider the issuance of long-term debt along with identifying revenue sources for debt repayment to ensure fiscal sustainability.

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 \$92,420,658. This includes carry-over funding for projects budgeted in Fiscal Year 2020 but not yet completed as well as new projects funded from transfers from the General Fund (*FY 2021 General Fund transfer is \$0*), other special revenue funds, park bond funds, residential construction tax, fuel taxes (for roads), ad valorem property taxes, sewer bonds for Utilities, and the anticipated bonded debt issuance for the Nevada Shared Radio System.

RECOMMENDATION

It is recommended that the Board adopt the County Manager’s recommended Capital Improvement Plan (CIP) for Fiscal Years 2021-2025 and direct the County Manager to submit the CIP to the State of Nevada and others by August 1, 2020.

POSSIBLE MOTION

Should the Board agree with staff’s recommendation, a possible motion would be, “move to adopt the County Manager’s recommended Capital Improvement Plan (CIP) for Fiscal Years 2021-2025 and direct the County Manager to submit the CIP to the State of Nevada and others by August 1, 2020.”