



WASHOE COUNTY

Integrity Communication Service

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STAFF REPORT

BOARD MEETING DATE: May 18, 2021

DATE: Thursday, May 13, 2021

TO: Board of County Commissioners

FROM: Kari Estrada, Senior Fiscal Analyst, Manager's Office
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THROUGH: Eric P. Brown, County Manager

SUBJECT: Discussion and possible action on the County Manager's recommended Capital Improvement Plan (CIP) for Fiscal Years 2022-2026 and direct the County Manager to submit the CIP to the State of Nevada and others by August 1, 2021 as required by NRS 354.5945 which requires all local governments annually to prepare a five-year capital improvement plan to be submitted to the State Department of Taxation and County Debt Management Commission by August 1st of each year. 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. Manager's Office.
(All Commission Districts). FOR

POSSIBLE ACTION

SUMMARY

The purpose of this item is to consider approval of the County Manager's recommended Capital Improvement Plan (CIP) for Fiscal Years 2022-2026. 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: Fiscal Sustainability

AGENDA ITEM # _____

PREVIOUS ACTION

May 18, 2021 – The BCC adopted the Final budget for Fiscal Year 2022 that included the capital funds.

May 11, 2021 – The BCC received and confirmed the County Manager's recommendations for the Fiscal Year 2022 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 18, 2021.

January 13, 2021 – The Board of County Commissioners (BCC) heard an overview of the financial outlook for Washoe County. The overview included a review of the General Fund's financial results for Fiscal Year 2020, a Mid-Year 2021 review, and revenue trends, known cost increase, and a general outlook for Fiscal Year 2022, which identified many unknown/unquantified issues, including continued pandemic response/recovery costs, pending litigation, 2021 Legislative Session impacts, operating program expansions (i.e., regional homelessness), and replenishing: Stabilization Reserve, Transfer to Capital Projects (CIP), and Contingency.

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 and County Debt Management Commission 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

For FY22, the Committee re-evaluated previously deferred projects due to the unprecedented economic impacts of COVID 19 and evaluated new projects submitted by departments. During the annual budget process, it was recommended to reinstate General Fund support, via transfer, to the Capital Improvements Fund from \$0 (due to COVID 19) to \$7,000,000 for FY 2022.

The entire 5-year plan includes over \$340 million in capital expenditures. The first year of the plan that is incorporated into the Fiscal Year 2022 Budget, totals \$110,896,612.

CAPITAL IMPROVEMENT PLAN SUMMARY	Year 1 FY 2022
Fund	
Capital Improvement Fund	34,817,097
Parks Capital Fund	7,273,320
Capital Facilities Tax Fund	-
Other Funds	12,180,194
Utilities Fund	53,600,000
Equipment Services Fund	3,026,000
Capital Projects Included in CIP	\$110,896,612

The County Manager's recommended capital projects for Fiscal Year 2022 include:

FY 2022 PROJECTS - Capital Improvements Fund	COST
Children Advocacy Center Roof	415,000
Karpel Software	1,000,000
911 Parr Upgrade to Steel Doors HU1_HU3_HU6	362,000
Red Rock Facilities Fire Ops	160,000
Pedestrian Safety Improvements	200,000
Incline Village Above Ground Fuel Tank	500,000
Kids Kottage 1 Roof Replacement	295,000
Reno Downtown Library Elevator Replacement	850,000
WiFi System Upgrades	239,825
Door Access Control System Replacement	247,375
Firewalls for County Network	160,240
Security Camera System Replacement	355,000
Fox Mountain Infrastructure Upgrades	350,000
Marble Bluff Infrastructure Upgrades	555,000
WCSO Records Detention CAD Management System	2,500,000
Undesignated Budget	2,391,554
Prior Year Projects Carry Forward to FY22	24,236,103
Total FY22 Capital Improvements Fund	34,817,097

FY 2022 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)	304,125
Whites Creek Playground Improvements (carry-over)	49,063
Sun Valley Regional Park - Bike Park (carry-over)	100,000
Lemmon Valley - Improvements to Ballfield	450,000
North Valleys Regional Dog Park	300,000
Regional Archer Facility NEPA	100,000
Ballardini Loop Trails WC-1 (carry-over)	326,232
Thomas Creek Trail Re-Route Bridge (carry-over)	4,809
WC-1 Lake Tahoe Bike Phase 4 (carry-over)	285,000
Rancho Playground Improvements (carry-over)	550,000
Bowers Mansion Seismic Retrofit Ph III (carry-over)	372,800
WC-1 Riverbend Trails Phase 2 (carry-over)	129,590
Ballardini Water Rights WC-1 (carry-over)	58,742
Bowers Pool Replaster (carry-over)	275,000
Rancho Wetlands/UNR (carry-over)	287,887
Pennington-Bowers Pool Facility Improvements (carry-over)	213,334
Thomas Creek to Ballardini Connector Trail (carry-over)	40,000
NDF Parks & Open Space Weed Management (carry-over)	80,375
Undesignated Budget	2,041,365
Total FY22 Parks Capital Fund	7,273,320

FY 2022 PROJECTS - Utilities Fund	COST
Reclaimed Water System Maintenance Projects	200,000
Steamboat Lift Station Replacement and 2nd Force Main	2,300,000
Cold Springs WRF Projects	500,000
Effluent Water Projects - Existing Water Resource Management	1,900,000
Pleasant Valley Interceptor - Reach 3 Conveyance Project	7,200,000
STMWRF 2020 Expansion	33,400,000
Effluent Distribution Expansion - Programmatic	6,100,000
NSS Flood Detention Facility Fencing/Security Improvement	1,300,000
Cold Springs WRF Projects	700,000
Total FY22 Utilities Fund	53,600,000

FY 2022 PROJECTS - Roads and Equipment Services Fund	COST
Roads Capital	5,906,000
Equipment Services Capital (Heavy & Light Fleet)	3,026,000

Projects in years 2-5 of the CIP are presented in this document as part of the 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 2022 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 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 \$110,896,612. This includes carry-over funding for projects budgeted in Fiscal Year 2021 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), ad valorem property taxes, sewer bonds for Utilities, and bonds 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 2022-2026 and direct the County Manager to submit the CIP to the State of Nevada and others by August 1, 2021 as required by NRS 354.5945 which requires all local governments annually to prepare a five-year capital improvement plan to be submitted to the State Department of Taxation and County Debt Management Commission by August 1st of each year. 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.

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 2022-2026 and direct the County Manager to submit the CIP to the State of Nevada and others by August 1, 2021 as required by NRS 354.5945 which requires all local governments annually to prepare a five-year capital improvement plan to be submitted to the State Department of Taxation and County Debt Management Commission by August 1st of each year."