

Fund 317

Capital Renewal Construction

Board of Supervisors' Adjustments

The following funding adjustments reflect all changes to the FY 2007 Advertised Budget Plan, as approved by the Board of Supervisors on May 1, 2006:

- ◆ **HVAC/Electrical Systems** **\$3,761,000**
An amount of \$3,761,000 is included to fully address all HVAC/Electrical Systems replacements which present safety concerns or where critical systems are in danger of possible failure, as well as some life-cycle repairs/replacement projects, where repairs are no longer cost effective.

- ◆ **Roof Repairs and Waterproofing** **\$80,000**
An amount of \$80,000 is included to support the replacement of the Kings Park Library roof which is at the end of its useful life and out of warranty.

- ◆ **Elevator Replacement** **\$1,800,000**
An amount of \$1,800,000 is included to support replacement of the seven elevators in the Jennings building. The installation of these elevators was completed in 1981, and they have reached their expected service life of 25 years. The elevators have become less reliable resulting in several major breakdowns which have taken days to repair. It has become increasingly difficult to repair the existing elevators as parts are now obsolete, often resulting in only used or refurbished parts being available. FY 2007 funding supports replacement of the elevator equipment, architectural and engineering costs, and installation and modification of related systems. In addition, the new elevator equipment will satisfy all current code requirements for elevator safety devices.

Focus

This fund supports the long-term needs of the County's capital assets to maximize the life of County facilities, avoid their obsolescence, and provide for planned repairs, improvements and restorations to make them suitable for organizational needs. Capital renewal is the planned replacement of building subsystems such as roofs, electrical systems, HVAC, plumbing systems, carpet replacement, parking lot resurfacing, fire alarm replacement and emergency generator replacement that have reached the end of their useful life. Without significant reinvestment in building subsystems, older facilities can fall into a state of ever decreasing condition and functionality, and the maintenance and repair costs necessary to operate the facilities increase.

Fairfax County has a facility inventory of 155 buildings (excluding schools, parks, housing and human services residential facilities), with over 7.6 million square feet of space throughout the County. This inventory is expanding both with the addition of newly constructed facilities and by the acquisition of additional property. With such a large inventory, and the acquisition of additional facilities, it is critical that a planned program of repairs and restorations be maintained. In addition, the age of a major portion of this inventory of facilities is reaching a point where major reinvestments are required in the building subsystems.

Many County facilities have outdated HVAC and electrical systems that are susceptible to failure or are highly inefficient energy users. Sites are identified and each individual project involves a two-step process to complete both design and construction. Roof repairs and waterproofing are conducted in priority order after a detailed evaluation of all roofs at County facilities. Based upon the results of that evaluation, critical requirements are prioritized and a five-year plan is established. Repairs and replacement of facility roofs are considered critical for avoiding the serious structural deterioration that occurs from roof leaks. By addressing this problem in a comprehensive manner, a major backlog of roof problems can be avoided. Carpet replacement and parking lot resurfacing are evaluated annually and prioritized based on the most critical requirements for high traffic areas. In addition, emergency generators and fire alarm systems are replaced based on equipment age, coupled with maintenance and performance history. Emergency minor repairs and renovations, usually generated by customer requests, are accomplished under the category of emergency

Fund 317

Capital Renewal Construction

building and repair. These small projects abate building obsolescence and improve the efficiency and effectiveness of facilities and facility systems.

In order to better define the County's capital renewal needs, a comprehensive facilities condition assessment was conducted on 92 selected Fairfax County facilities (approximately 4.2 million square feet of space), representative of older facilities anticipated to have the most capital renewal requirements in the near future. The assessment included a complete visual inspection of roofs and all mechanical and electrical components for each facility. Maintenance and repair deficiencies were identified and funding requirements identified. The results indicate a multi-million investment is needed over time. Specifically, the facility condition assessment indicated an estimated total of \$80 million will be needed through 2010 to repair facilities and meet expected repair and equipment replacement needs. In preparation for the FY 2007 budget, the Facilities Management Department (FMD) further refined and prioritized the comprehensive facility assessment lists and classified projects into four categories. Projects were classified as Category A: urgent/safety related, or endangering life and/or property; Category B: critical systems beyond their useful life or in danger of possible failure; Category C: life-cycle repairs/replacements where repairs are no longer cost effective; and Category D: repairs needed for improvements if funding is available. Funding in the amount of \$8,090,000 is included in Fund 317, Capital Renewal Construction, in FY 2007 to address all projects in categories A and B, those that present safety concerns or where critical systems are in danger of possible failure, as well as some of the projects in category C, life-cycle repairs/replacements where repairs are no longer cost effective. Funding is supported by the allocation of House Bill 599 state revenues received by the County. As future funding becomes available FMD can begin to address remaining requirements in each category.

The industry standard for capital renewal investment is currently 2 percent of replacement value. Based on current average replacement values of \$150 per square foot, 2 percent would equate to capital renewal requirements of \$3.00 per square foot. Historically, budgeted capital renewal funds have fallen short of this level. This may be due to the fact that much of the square footage added in the early 1990's was in the form of new facilities and thus has not yet required major capital renewal and subsystem replacement. This infrastructure is now aging and appropriate action should be taken to avoid system failures leading to potential disruptions in County services. The FY 2007 funding level provides for \$1.00 in capital renewal spending per square foot.

Funding in the amount of \$8,090,000 is included in Fund 317, Capital Renewal Construction, in FY 2007. Funding includes an amount of \$5,641,000 supported by a General Fund Transfer, and an amount of \$2,449,000 supported by the allocation of House Bill 599 state revenues received by the County.

Changes to FY 2006 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2006 Revised Budget Plan since passage of the FY 2006 Adopted Budget Plan. Included are all adjustments made as part of the FY 2005 Carryover Review and all other approved changes through December 31, 2005:

- ◆ As part of the FY 2005 Carryover Review, the Board of Supervisors approved an increase of \$1,490,535, due to a transfer of unexpended project balances in the amount of \$778,604 from Fund 303, County Construction, associated with capital renewal projects that will now be accounted for in Fund 317, Capital Renewal Construction. In addition, a General Fund transfer supported an increase of \$300,000 for the repaving of the Police Driver Training Track, and an increase of \$1,000,000 for countywide HVAC repair and replacement projects. These increases were offset by a decrease in expenditures of \$588,069 for Project 009480, Library Capital Renewal, and Project 009481, Juvenile/Human Services Capital Renewal, due to funds spent in FY 2005 in Fund 303, County Construction.

Fund 317

Capital Renewal Construction

The following funding adjustments reflect all approved changes to the FY 2006 Revised Budget Plan from January 1, 2006 through April 24, 2006. Included are all adjustments made as part of the FY 2006 Third Quarter Review:

- ◆ At the *FY 2006 Third Quarter Review*, the Board of Supervisors approved an increase of \$9,444,000 to support required capital renewal projects including, replacement of the Government Center roof (\$723,000), parking lot and garage repairs (\$941,000), and various HVAC/Electrical Systems repairs at facilities countywide (\$4,380,000). In addition, this funding also supports an amount of \$2,000,000 for emergency repairs and replacements to County facilities in the event of a systems failure, or other unforeseen event, and \$1,400,000 to fund necessary maintenance and capital renewal activities associated with the transfer of school sites to the County from Fairfax County Public Schools (FCPS).

A Fund Statement, a Summary of Capital Projects, and Project Detail Tables for each project funded in FY 2007 are provided on the following pages. The Summary of Capital Projects may include some projects without a Total Project Estimate amount. These projects are considered "continuing" projects or projects for which funding is necessary on an ongoing basis (e.g., contingency or planning project). The Project Detail Tables include project location, description, source of funding and completion schedule.

Fund 317

Capital Renewal Construction

FUND STATEMENT

Fund Type G30, Capital Project Funds

Fund 317, Capital Renewal Construction

	FY 2005 Actual	FY 2006 Adopted Budget Plan	FY 2006 Revised Budget Plan	FY 2007 Advertised Budget Plan	FY 2007 Adopted Budget Plan
Beginning Balance	\$0	\$0	\$0	\$0	\$0
Revenue:					
Sale of Bonds ^{1,2}	\$0	\$5,000,000	\$4,411,931	\$0	\$0
State Aid ³	0	1,531,941	1,531,941	2,449,000	2,449,000
Total Revenue	\$0	\$6,531,941	\$5,943,872	\$2,449,000	\$2,449,000
Transfer In:					
General Fund (001)	\$0	\$650,059	\$11,394,059	\$0	\$5,641,000
County Construction (303) ⁴	0	0	778,604	0	0
Total Transfers In	\$0	\$650,059	\$12,172,663	\$0	\$5,641,000
Total Available	\$0	\$7,182,000	\$18,116,535	\$2,449,000	\$8,090,000
Total Expenditures	\$0	\$7,182,000	\$18,116,535	\$2,449,000	\$8,090,000
Total Disbursements	\$0	\$7,182,000	\$18,116,535	\$2,449,000	\$8,090,000
Ending Balance⁵	\$0	\$0	\$0	\$0	\$0

¹ The sale of bonds is presented here for planning purposes only. Actual bond sales are based on cash needs in accordance with Board policy. On November 2, 2004, the voters approved a \$32.5 million Human Services Facilities Bond Referendum and a \$52.5 million Public Library Facilities Bond Referendum. An amount of \$2.5 million in each bond referendum was designated for Capital Renewal purposes. All bonds for capital renewal have been sold.

² The \$5,000,000 for capital renewal in Project 009480, Library Capital Renewal, and Project 004981, Juvenile/Human Services Capital Renewal, was earmarked for the most critical projects in FY 2006. However, because funding requirements were more immediate than originally anticipated the \$5,000,000 was provided as part of the *FY 2005 Third Quarter Review*, in order to begin renewal work as soon as possible. Actual FY 2005 expenditures were backed out of the *FY 2006 Revised Budget Plan* as part of the *FY 2005 Carryover Review*.

³ Represents House Bill 599 state revenues.

⁴ In FY 2006 an amount of \$778,604 represents the transfer of balances of capital renewal projects previously accounted for in Fund 303, County Construction.

⁵ Capital projects are budgeted based on the total project costs. Most projects span multiple years, from design to construction completion. Therefore, funding for capital projects is carried forward each fiscal year, and ending balances fluctuate, reflecting the carryover of these funds.

Fund 317

Capital Renewal Construction

FY 2007 Summary of Capital Projects

Fund: 317 Capital Renewal Construction

Project #	Description	Total Project Estimate	FY 2005 Actual Expenditures	FY 2006 Revised Budget	FY 2007 Advertised Budget Plan	FY 2007 Adopted Budget Plan
003099	Emergency Building Repairs		\$0.00	\$480,328.32	\$500,000	\$500,000
003100	Fire Alarm Systems		0.00	209,189.74	260,000	260,000
009132	Roof Repairs and Waterproofing		0.00	943,000.00	0	80,000
009133	Carpet Replacement		0.00	150,000.00	275,000	275,000
009136	Parking Lot and Garage Repairs		0.00	1,375,334.93	100,000	100,000
009145	Emergency Systems Failures		0.00	2,000,000.00	0	0
009146	Transferred School Site Stabilization		0.00	1,400,000.00	0	0
009151	HVAC/Electrical Systems		0.00	6,666,751.00	1,180,000	4,941,000
009431	Emergency Generator Replacement		0.00	480,000.00	134,000	134,000
009480	Library Capital Renewal		0.00	2,439,216.17	0	0
009481	Juvenile/Human Services Capital Renewal		0.00	1,972,714.42	0	0
009600	Elevator Replacement		0.00	0.00	0	1,800,000
Total			\$0.00	\$18,116,534.58	\$2,449,000	\$8,090,000

Fund 317 Capital Renewal Construction

003099	Emergency Building Repairs
Countywide	Countywide
<p>Description and Justification: This project provides for emergency repairs, minor renovations, and critical upgrading of various buildings and facilities throughout the County. Projects include emergency repairs to buildings and building equipment, plumbing repairs, minor renovations to electrical and mechanical systems, structural repairs, vandalism abatement, and other non-recurring construction and repair projects. FY 2007 funding in the amount of \$500,000 is provided for emergency requirements identified throughout the fiscal year.</p>	

	Total Project Estimate	Prior Expenditures	FY 2005 Expenditures	FY 2006 Revised Budget Plan	FY 2007 Advertised Budget Plan	FY 2007 Adopted Budget Plan	Future Years
Land Acquisition		\$0	\$0	\$0	\$0	\$0	\$0
Design and Engineering		0	0	0	0	0	0
Construction		0	0	480,328	500,000	500,000	0
Other		0	0	0	0	0	0
Total	Continuing	\$0	\$0	\$480,328	\$500,000	\$500,000	\$0

Source of Funding				
General Fund	General Obligation Bonds	Transfers from Other Funds	Other	Total Funding
\$0	\$0	\$0	\$500,000	\$500,000

<p>Operating Budget Impact: This funding has the potential to reduce operating expenditures by reducing costly maintenance and staff time spent addressing critical building repairs.</p>
--

Fund 317 Capital Renewal Construction

003100	Fire Alarm Systems
Countywide	Countywide
<p>Description and Justification: This project provides for the replacement of the fire alarm systems throughout the County. Fire alarm systems are replaced based on age and difficulty in obtaining replacement parts and service. FY 2007 funding in the amount of \$260,000 is included for the replacement of the fire alarm systems at the Springfield Warehouse (\$160,000) and New Beginnings (\$100,000), which are experiencing frequent failure when tested.</p>	

	Total Project Estimate	Prior Expenditures	FY 2005 Expenditures	FY 2006 Revised Budget Plan	FY 2007 Advertised Budget Plan	FY 2007 Adopted Budget Plan	Future Years
Land Acquisition		\$0	\$0	\$0	\$0	\$0	\$0
Design and Engineering		0	0	0	0	0	0
Construction		0	0	209,190	260,000	260,000	0
Other		0	0	0	0	0	0
Total	Continuing	\$0	\$0	\$209,190	\$260,000	\$260,000	\$0

Source of Funding				
General Fund	General Obligation Bonds	Transfers from Other Funds	Other	Total Funding
\$0	\$0	\$0	\$260,000	\$260,000

Operating Budget Impact: Installation of working fire alarm systems may reduce operating costs due to reduced repair and costly maintenance.

Fund 317 Capital Renewal Construction

009132	Roof Repairs and Waterproofing
Countywide	Countywide
<p>Description and Justification: This project provides for the maintenance and repair of facility roofs and waterproofing systems of Fairfax County buildings. The maintenance and repairs are needed to stop rapid deterioration and damage due to water penetration. Each facility's roof is prioritized by year in view of its expected useful remaining life. The priority list is continuously updated to account for seasonal effects and relative rates of deterioration. FY 2007 funding in the amount of \$80,000 is provided to support the replacement of the Kings Park Library roof which is at the end of its useful life and out of warranty.</p>	

	Total Project Estimate	Prior Expenditures	FY 2005 Expenditures	FY 2006 Revised Budget Plan	FY 2007 Advertised Budget Plan	FY 2007 Adopted Budget Plan	Future Years
Land Acquisition		\$0	\$0	\$0	\$0	\$0	\$0
Design and Engineering		0	0	0	0	0	0
Construction		0	0	943,000	0	80,000	0
Other		0	0	0	0	0	0
Total	Continuing	\$0	\$0	\$943,000	\$0	\$80,000	\$0

Source of Funding				
General Fund	General Obligation Bonds	Transfers from Other Funds	Other	Total Funding
\$80,000	\$0	\$0	\$0	\$80,000

Operating Budget Impact: This funding has the potential to reduce operating expenditures by reducing costly maintenance and staff time spent addressing spot roof and water damage repairs which have the potential to interrupt the delivery of County services.

Fund 317 Capital Renewal Construction

009133	Carpet Replacement
Countywide	Countywide
<p>Description and Justification: This project provides for carpet replacement at County facilities in which carpet has deteriorated and is in unserviceable condition. The project also includes new carpet installation where existing composition tile flooring requires replacement, and it is cost beneficial to install carpet as a replacement floor finish. FY 2007 funding in the amount of \$275,000 is provided to complete the phased carpet replacement at the Herry Building. Carpet in this facility has exceeded its useful life and is an advanced state of deterioration.</p>	

	Total Project Estimate	Prior Expenditures	FY 2005 Expenditures	FY 2006 Revised Budget Plan	FY 2007 Advertised Budget Plan	FY 2007 Adopted Budget Plan	Future Years
Land Acquisition		\$0	\$0	\$0	\$0	\$0	\$0
Design and Engineering		0	0	0	0	0	0
Construction		0	0	150,000	275,000	275,000	0
Other		0	0	0	0	0	0
Total	Continuing	\$0	\$0	\$150,000	\$275,000	\$275,000	\$0

Source of Funding				
General Fund	General Obligation Bonds	Transfers from Other Funds	Other	Total Funding
\$0	\$0	\$0	\$275,000	\$275,000

Operating Budget Impact: This funding has the potential to reduce operating expenditures by reducing costly maintenance and staff time spent addressing spot carpet repairs.

Fund 317 Capital Renewal Construction

009136	Parking Lot and Garage Repairs
Countywide	Countywide
<p>Description and Justification: This project provides for the repair and maintenance of parking lots and garage structures throughout the County. In addition, countywide repair of potholes is also included in this project. FY 2007 funding in the amount of \$100,000 is included for emergency pothole repairs.</p>	

	Total Project Estimate	Prior Expenditures	FY 2005 Expenditures	FY 2006 Revised Budget Plan	FY 2007 Advertised Budget Plan	FY 2007 Adopted Budget Plan	Future Years
Land Acquisition		\$0	\$0	\$0	\$0	\$0	\$0
Design and Engineering		0	0	0	0	0	0
Construction		0	0	1,375,335	100,000	100,000	0
Other		0	0	0	0	0	0
Total	Continuing	\$0	\$0	\$1,375,335	\$100,000	\$100,000	\$0

Source of Funding				
General Fund	General Obligation Bonds	Transfers from Other Funds	Other	Total Funding
\$0	\$0	\$0	\$100,000	\$100,000

<p>Operating Budget Impact: This project will have no measurable impact on operating costs.</p>
--

Fund 317 Capital Renewal Construction

009151	HVAC/Electrical Systems
Countywide	Countywide
<p>Description and Justification: This project provides for the evaluation, design, repair, and upgrade of HVAC and electrical systems in identified County facilities. FY 2007 funding in the amount of \$4,941,000 is included for HVAC replacement at prioritized County facilities, based on the severity of problems and lack of alternative funding sources. The FY 2007 funding level will provide for HVAC replacement and electrical repairs at several County facilities including Patrick Henry Library (\$350,000), Tyson's Pimmit Library (\$91,000), Pohick Library (\$100,000), and Chantilly Library (\$450,000), Joseph Willard Health Center (\$100,000), Embry Rucker Shelter (\$100,000), Pennino Building (\$1,500,000), Herrity Building (\$1,000,000), and Crossroads (\$700,000). It also provides \$550,000 for a new Uninterruptible Power Supply (UPS) system which supports the major information technology components/servers in the County's data center in the Government Center. All of these repairs have been classified as safety-imminent repairs, or critical systems beyond their useful life in risk of failure, or life-cycle repairs/replacements where repairs are no longer cost effective.</p>	

	Total Project Estimate	Prior Expenditures	FY 2005 Expenditures	FY 2006 Revised Budget Plan	FY 2007 Advertised Budget Plan	FY 2007 Adopted Budget Plan	Future Years
Land Acquisition		\$0	\$0	\$0	\$0	\$0	\$0
Design and Engineering		0	0	0	0	0	0
Construction		0	0	6,666,751	1,180,000	4,941,000	0
Other		0	0	0	0	0	0
Total	Continuing	\$0	\$0	\$6,666,751	\$1,180,000	\$4,941,000	\$0

Source of Funding				
General Fund	General Obligation Bonds	Transfers from Other Funds	Other	Total Funding
\$3,761,000	\$0	\$0	\$1,180,000	\$4,941,000

Operating Budget Impact: This funding has the potential to reduce operating expenditures by reducing costly maintenance and staff time spent addressing critical HVAC and electrical systems repairs.

Fund 317 Capital Renewal Construction

009431	Emergency Generator Replacement
Countywide	Countywide
<p>Description and Justification: This project provides for the replacement of emergency generators at County facilities. The program provides a funding mechanism to replace generators in the fiscal years in which the generator reaches its useful life of 25 years. FY 2007 funding in the amount of \$134,000 is included to replace the generators at both the Massey Building (\$68,000) and the Franconia Volunteer Fire Station (\$66,000).</p>	

	Total Project Estimate	Prior Expenditures	FY 2005 Expenditures	FY 2006 Revised Budget Plan	FY 2007 Advertised Budget Plan	FY 2007 Adopted Budget Plan	Future Years
Land Acquisition		\$0	\$0	\$0	\$0	\$0	\$0
Design and Engineering		0	0	0	0	0	0
Construction		0	0	480,000	134,000	134,000	0
Other		0	0	0	0	0	0
Total	Continuing	\$0	\$0	\$480,000	\$134,000	\$134,000	\$0

Source of Funding				
General Fund	General Obligation Bonds	Transfers from Other Funds	Other	Total Funding
\$0	\$0	\$0	\$134,000	\$134,000

Operating Budget Impact: This funding has the potential to reduce operating expenditures by reducing costly maintenance and staff time spent addressing generator repairs.

Fund 317 Capital Renewal Construction

009600	Elevator Replacement
Countywide	Countywide
<p>Description and Justification: This project provides for the replacement of elevators throughout the County. An amount of \$1,800,000 is included to support replacement of the seven elevators in the Jennings building. The installation of these elevators was completed in 1981, and they have reached their expected service life of 25 years. The elevators have become less reliable resulting in several major breakdowns which have taken days to repair. It has become increasingly difficult to repair the existing elevators as parts are now obsolete, often resulting in only used or refurbished parts being available. FY 2007 funding supports replacement of the elevator equipment, architectural and engineering costs, and installation and modification of related systems. In addition, the new elevator equipment will satisfy all current code requirements for elevator safety devices.</p>	

	Total Project Estimate	Prior Expenditures	FY 2004 Expenditures	FY 2006 Revised Budget Plan	FY 2007 Advertised Budget Plan	FY 2007 Adopted Budget Plan	Future Years
Land Acquisition		\$0	\$0	\$0	\$0	\$0	\$0
Design and Engineering		0	0	0	0	0	0
Construction		0	0	0	0	1,800,000	0
Other		0	0	0	0	0	0
Total	Continuing	\$0	\$0	\$0	\$0	\$1,800,000	\$0

Source of Funding				
General Fund	General Obligation Bonds	Transfers from Other Funds	Other	Total Funding
\$1,800,000	\$0	\$0	\$0	\$1,800,000

<p>Operating Budget Impact: This funding has the potential to reduce operating expenditures by reducing costly maintenance and staff time spent addressing elevator repairs.</p>
