

Fund 317

Capital Renewal Construction

Board of Supervisors' Adjustments

The following funding adjustments reflect all changes to the FY 2006 Advertised Budget Plan, as approved by the Board of Supervisors on April 25, 2005:

- ◆ **Miscellaneous Building Repair** **(\$200,000)**
A decrease of \$200,000 in Project 003099, Miscellaneous Building and Repair, resulting in reduced funding available for emergency repairs identified throughout the fiscal year.

- ◆ **Parking Lot Resurfacing** **(\$300,000)**
A decrease of \$300,000 in Project 009136, Parking Lot Resurfacing, resulting in the repaving of the Police Driver Training Track being deferred until future funding is available.

Focus

This is a new fund established in FY 2006 to support 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 presently has a facility inventory of 155 buildings (excluding schools, parks, housing and human services residential facilities), with over 7.3 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Many County facilities have outdated HVAC and electrical systems that are susceptible to failure or are highly inefficient energy users.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. Minor repairs and renovations, usually generated by customer requests, are accomplished under the category of miscellaneous 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). 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 over the next ten years to repair facilities and meet expected repair and equipment replacement needs.

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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 2005 funding level provided for \$0.33 in capital renewal spending per square foot. Demonstrating the County's commitment to maintaining County facilities, the FY 2006 funding level increases capital renewal spending to \$0.98 per square-foot.

Funding in the amount of \$7,182,000 is included in Fund 317, Capital Renewal Construction, in FY 2006. Of this funding, \$650,059 is supported by the General Fund and \$1,531,941 is supported by state revenues. An additional \$5,000,000 is supported by General Obligation Bond funding specifically for library, juvenile and human services facilities capital renewal, approved as part of the fall 2004 bond referenda. The \$5,000,000 for capital renewal was earmarked for the most critical projects in FY 2006. However, because funding requirements are 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. This amount will be backed out of the FY 2006 Budget as part of the *FY 2005 Carryover Review*. FY 2006 funding has been limited to the most critical priority projects.

A Fund Statement, a Summary of Capital Projects, and Project Detail Tables for each project funded in FY 2006 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 schedules.

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FUND STATEMENT

Fund Type G30, Capital Project Funds

Fund 317, Capital Renewal Construction

	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	FY 2006 Adopted Budget Plan
Beginning Balance	\$0	\$0	\$0	\$0	\$0
Revenue:					
Sale of Bonds ¹	\$0	\$0	\$0	\$5,000,000	\$5,000,000
State Aid ²	0	0	0	0	1,531,941
Total Revenue	\$0	\$0	\$0	\$5,000,000	\$6,531,941
Transfer In:					
General Fund (001)	\$0	\$0	\$0	\$2,682,000	\$650,059
Total Transfers In	\$0	\$0	\$0	\$2,682,000	\$650,059
Total Available	\$0	\$0	\$0	\$7,682,000	\$7,182,000
Total Expenditures	\$0	\$0	\$0	\$7,682,000	\$7,182,000
Total Disbursements³	\$0	\$0	\$0	\$7,682,000	\$7,182,000
Ending Balance⁴	\$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.

² Represents HB 599 funding.

³ 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 are 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. This amount will be backed out of the FY 2006 Budget as part of the *FY 2005 Carryover Review*.

⁴ 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.

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FY 2006 Summary of Capital Projects

Fund: 317 Capital Renewal Construction

Project #	Description	Total Project Estimate	FY 2004 Actual Expenditures	FY 2005 Revised Budget	FY 2006 Advertised Budget Plan	FY 2006 Adopted Budget Plan
003099	Miscellaneous Building and Repair		\$0.00	\$0.00	\$500,000	\$300,000
003100	Fire Alarm Systems		0.00	0.00	142,000	142,000
009132	Roof Repairs and Waterproofing		0.00	0.00	220,000	220,000
009133	Carpet Replacement		0.00	0.00	150,000	150,000
009136	Parking Lot Resurfacing		0.00	0.00	400,000	100,000
009151	HVAC/Electrical Systems		0.00	0.00	870,000	870,000
009431	Emergency Generator Replacement		0.00	0.00	400,000	400,000
009480	Library Capital Renewal	2,500,000	0.00	0.00	2,500,000	2,500,000
009481	Juvenile/Human Services Capital Renewal	2,500,000	0.00	0.00	2,500,000	2,500,000
Total		\$5,000,000	\$0	\$0	\$7,682,000	\$7,182,000

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003099	Miscellaneous Building and Repair
Countywide	Countywide
<p>Description and Justification: This project provides for emergency repairs, minor renovations, and remodeling/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 2006 funding in the amount of \$300,000 is provided for emergency requirements identified throughout the fiscal year.</p>	

	Total Project Estimate	Prior Expenditures	FY 2004 Expenditures	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	FY 2006 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	500,000	300,000	0
Other		0	0	0	0	0	0
Total	Continuing	\$0	\$0	\$0	\$500,000	\$300,000	\$0

Source of Funding				
General Funding	General Obligation Bonds	Transfers from Other Funds	Other	Total Funding
\$0	\$0	\$0	\$300,000	\$300,000

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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 2006 funding in the amount of \$142,000 is included for the replacement of the fire alarm systems at the Woodlawn Fire Station, McLean Fire Station and Tysons Fire Station, which are experiencing frequent failure when tested.</p>	

	Total Project Estimate	Prior Expenditures	FY 2004 Expenditures	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	FY 2006 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	142,000	142,000	0
Other		0	0	0	0	0	0
Total	Continuing	\$0	\$0	\$0	\$142,000	\$142,000	\$0

Source of Funding				
General Funding	General Obligation Bonds	Transfers from Other Funds	Other	Total Funding
\$0	\$0	\$0	\$142,000	\$142,000

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009132	Roof Repairs and Waterproofing
Countywide	Countywide
<p>Description and Justification: This project provides for maintenance and repairs of facility roofs and waterproofing systems in Fairfax County buildings. The maintenance and repairs are required to stop rapid deterioration and damage due to water penetration. FY 2006 funding in the amount of \$220,000 is provided to replace the roof at the West Ox Garage.</p>	

	Total Project Estimate	Prior Expenditures	FY 2004 Expenditures	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	FY 2006 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	220,000	220,000	0
Other		0	0	0	0	0	0
Total	Continuing	\$0	\$0	\$0	\$220,000	\$220,000	\$0

Source of Funding				
General Funding	General Obligation Bonds	Transfers from Other Funds	Other	Total Funding
\$0	\$0	\$0	\$220,000	\$220,000

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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 2006 funding in the amount of \$150,000 is provided for countywide emergency repairs.</p>	

	Total Project Estimate	Prior Expenditures	FY 2004 Expenditures	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	FY 2006 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	150,000	150,000	0
Other		0	0	0	0	0	0
Total	Continuing	\$0	\$0	\$0	\$150,000	\$150,000	\$0

Source of Funding				
General Funding	General Obligation Bonds	Transfers from Other Funds	Other	Total Funding
\$150,000	\$0	\$0	\$0	\$150,000

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009136	Parking Lot Resurfacing
Countywide	Countywide
<p>Description and Justification: This project provides for the repair and maintenance of pavement throughout the County. In addition to major resurfacing of parking lots, countywide repair of potholes is also included in this project. FY 2006 funding in the amount of \$100,000 is included for emergency and annual pothole repairs.</p>	

	Total Project Estimate	Prior Expenditures	FY 2004 Expenditures	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	FY 2006 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	400,000	100,000	0
Other		0	0	0	0	0	0
Total	Continuing	\$0	\$0	\$0	\$400,000	\$100,000	\$0

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

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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 2006 funding in the amount of \$870,000 is included for HVAC replacement at prioritized County facilities, based on the severity of problems and lack of alternative funding sources. This provides HVAC replacement funding in the amounts of \$620,000 for the Massey Annex and \$250,000 for the Judicial Center Rooftop Unit.</p>	

	Total Project Estimate	Prior Expenditures	FY 2004 Expenditures	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	FY 2006 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	870,000	870,000	0
Other		0	0	0	0	0	0
Total	Continuing	\$0	\$0	\$0	\$870,000	\$870,000	\$0

Source of Funding				
General Funding	General Obligation Bonds	Transfers from Other Funds	Other	Total Funding
\$400,059	\$0	\$0	\$469,941	\$870,000

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009431	Generator Replacement Program
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 2006 funding in the amount of \$400,000 is included to replace the generators at both the Pine Ridge Emergency Operations Center and the Adult Detention Center #3.</p>	

	Total Project Estimate	Prior Expenditures	FY 2004 Expenditures	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	FY 2006 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	400,000	400,000	0
Other		0	0	0	0	0	0
Total	Continuing	\$0	\$0	\$0	\$400,000	\$400,000	\$0

Source of Funding				
General Funding	General Obligation Bonds	Transfers from Other Funds	Other	Total Funding
\$0	\$0	\$0	\$400,000	\$400,000

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009480	Library Capital Renewal
Countywide	Countywide
<p>Description and Justification: This project supports capital renewal, the planned program of repairs, improvements and restorations to make facilities suitable for organizational needs, for all library facilities. Capital renewal replaces building subsystems that have reached the end of their useful lives. This funding is supported by General Obligation Bond funding, approved as part of the fall 2004 Library bond referendum.</p>	

	Total Project Estimate	Prior Expenditures	FY 2004 Expenditures	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	FY 2006 Adopted Budget Plan	Future Years
Land Acquisition	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Design and Engineering	0	0	0	0	0	0	0
Construction	2,500,000	0	0	0	2,500,000	2,500,000	0
Other	0	0	0	0	0	0	0
Total	\$2,500,000	\$0	\$0	\$0	\$2,500,000	\$2,500,000	\$0

Source of Funding				
General Funding	General Obligation Bonds	Transfers from Other Funds	Other	Total Funding
\$0	\$2,500,000	\$0	\$0	\$2,500,000

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009481	Juvenile/Human Services Capital Renewal
Countywide	Countywide
<p>Description and Justification: This project supports capital renewal, the planned program of repairs, improvements and restorations to make facilities suitable for organizational needs, for all Human Services and Juvenile Court Services facilities. Capital renewal replaces building subsystems that have reached the end of their useful lives. This funding is supported by General Obligation Bond funding, approved as part of the fall 2004 Human Services Facilities bond referendum.</p>	

	Total Project Estimate	Prior Expenditures	FY 2004 Expenditures	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	FY 2006 Adopted Budget Plan	Future Years
Land Acquisition	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Design and Engineering	0	0	0	0	0	0	0
Construction	2,500,000	0	0	0	2,500,000	2,500,000	0
Other	0	0	0	0	0	0	0
Total	\$2,500,000	\$0	\$0	\$0	\$2,500,000	\$2,500,000	\$0

Source of Funding				
General Funding	General Obligation Bonds	Transfers from Other Funds	Other	Total Funding
\$0	\$2,500,000	\$0	\$0	\$2,500,000