



FAIRFAX COUNTY PARK AUTHORITY



M E M O R A N D U M

TO: Chairman and Members
Park Authority Board

VIA: Kirk W. Kincannon, Director

FROM: Cindy Messinger, Deputy Director/CFO

DATE: July 17, 2014

Agenda

Funding Policy and Bond Committee
Wednesday, July 23, 2014 –6 p.m.
Boardroom – Herrity Building
Chairman: Harold L. Strickland
Vice Chair: Ken Quincy

Members: Kala Leggett Quintana, Anthony J. Vellucci

1. Financial Sustainability Plan Initiatives Update – FY 2014 (*This item is also going to the Board on July 23, 2014.*) – Information*
2. Common Countywide Definitions for Capital Projects, Major Maintenance/Capital Renewal and General Maintenance (*This item is also going to the Board on July 23, 2014.*) – Information*

*Enclosures



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Board Agenda Item
July 23, 2014

INFORMATION

Financial Sustainability Plan Initiatives Update – FY 2014

The Park Authority Board approved the Financial Sustainability Plan on December 14, 2011. Work continues on the implementation of the initiatives and the Board receives an annual update at the end of each fiscal year. Staff will present progress to date on the initiatives of the Financial Sustainability Plan.

ENCLOSED DOCUMENTS:

Attachment I: Financial Sustainability Plan Initiatives Update – FY 2014

STAFF:

Kirk W. Kincannon, Director
Cindy Messinger, Deputy Director/CFO
Sara Baldwin, Deputy Director/COO

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Financial Sustainability Plan Initiatives – Status – June 2014

Initiative/Program (Original wording from plan)	Action / Investment / Return (Original wording from plan)	Status –
Items started in FY 2011		
<p>A2. Residential Park Houses Rental Program</p> <p>Description: Currently there are 19 residential rental properties in the Rental Property Program utilized for residential purposes, of which 12 are occupied. The costs for maintaining the program exceed the revenues earned and annualized capital expenses would result in a total cost recovery of only 70%. In addition, the program only serves a narrow audience with a low benefit factor.</p>	<p>Divest Program / \$175K / 2008 Bond Project to demolish / Save \$118K annually in costs / Redistribute saved costs to existing programs back to Park Operations maintenance programs. Program underway, will be divested by 2015.</p> <p>Begin: FY 2011 Strategy Type: Core Service</p>	<p>Staff Contact: Brian Williams Status: As of July 1, 2014, three residential rental properties remain in the program and occupied. Clark House Apartments, Mt. Gilead and Gabrealsen Gardens. The status of the remaining houses within the Residential Rental Program is as follows:</p> <ul style="list-style-type: none"> • Tolson House and Roysdon House have been vacated. The Tolson house is in the demolition process. A scope of work for demolition of the Roysdon house is underway. Phase III Archeological work is anticipated prior to demolition. • Minnick House was vacated and the house was returned to park use. • Leahy Lost Valley house was vacated July 1, 2013, and was returned for park use. • The McDannald House was vacated November 30, 2013, and was returned for park use. • Historic homes will be evaluated for inclusion in the Curatorship Program. Report due from the consultant September 2014. • The Frey House was vacated June 30, 2013, and an internal staff review was conducted to evaluate and recommend options for potential uses. Currently the house and property does not meet ADA standards and commercial use building codes. Reuse for other park staff purposes is limited without capital renovations/alterations. In addition site access is via a single lane residential drive that would need to be upgraded to allow public use of the property.

Financial Sustainability Plan Initiatives – Status – June 2014

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Items started in FY2012		
<p>A1. Core Services Program Funding</p> <p>Description: There needs to be a clear identification of which core programs would be funded through the tax supported funds appropriated by the Board of Supervisors and which programs would be partially or fully funded through revenue. This is an essential step in developing a strategy for long term sustainability.</p>	<p>Identify those core programs and activities that would be funded through allocations from the General Fund and/or County Construction Fund. Some programs could be funded through a mix of tax supported funds and Park Revenue funds.</p> <p>Begin: FY 2012 Strategy Type: Core Service</p>	<p>Staff Contact: Kincannon/Bouie/Strickland</p> <p>Status:</p> <ul style="list-style-type: none"> • Former director John Dargle and Board Chair Bill Bouie began the conversation with the Board of Supervisors at the annual joint meeting on July 24, 2012. An initial overview was provided as to what services currently the General Fund vs. the Revenue Fund support. • FOCUS implementation, budget reduction exercises, BOS Audit, staff vacancy and leadership changes became priority and a no joint meetings have been held since 2012. • Upcoming internal senior staff/PAB strategy workshops will be scheduled this winter. • A joint work session with the PAB/BOS is planned in 2015 to discuss sustainability, metrics and measure of success in relation to FCPA functions. Work from the Needs Assessment and facility/program lifecycle management will help guide the discussions. • This is an identified Strategic Plan action.
<p>B5. Twin-Lakes Golf Course – Oaks Room Expansion & Additional Practice Putting Green</p> <p>Description: Expand Oak Room at Twin Lakes Golf Course by 2,000 S.F. Additional space is needed to allow site to meet current and future demand for lucrative full size golf outings and rentals not possible at this time in undersized room. Currently occupancy limit is 78 persons; require 150-occupancy for full tournaments. Putting green needed to compliment large outings on a 36-Hole complex.</p>	<p>Invest – Expanded Program / Design with \$80K of 2008 bond funds / \$1 M / 2012 Bond Project</p> <p>Begin: FY 2012 Strategy Type: Business Growth</p> <p>Open by FY 2014 (6 mos.)</p> <p>Net Annual Return: FY 2014 - \$150,000 FY 2015 - \$275,000 FY 2016 - \$350,000 FY 2017 - \$350,000</p>	<p>Staff Contact: David Bowden/Peter Furey</p> <p>Status:</p> <ul style="list-style-type: none"> • PAB approved the Scope Approval on February 22, 2012 • Construction Contract Awarded to J. Roberts • Construction completed on January 15, 2014, for a total Project Cost of \$958,260 • Ribbon cutting was held on May 10, 2014 • Revised Net Annual Revenue Return: • FY2014 \$80,000 • FY2015 \$200,000 *due to current market conditions and minor impact from bunker renovation project and delay of putting green expansion

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		<ul style="list-style-type: none"> • FY2016 Net Return Estimate \$300,000 • FY2017 Net Return Estimate \$325,000
<p>B6. Burke Lake – Driving Range Expansion Description: Expand current golf course driving range by 25-30 stations to better accommodate demand. This project would be incorporated into the existing clubhouse replacement 2008 bond project.</p>	<p>Invest – Expanded program/design with \$250K 2008 bond funds/\$2.5M additional 2012 bond funding</p> <p>Begin: FY 2013 Strategy Type: Business Growth</p> <p>Open in FY 2015 Net Annual Return: FY2015 \$125,000 FY2016 \$185,000 FY2017 \$250,000</p>	<p>Staff Contact: David Bowden/ Peter Furey Status:</p> <ul style="list-style-type: none"> • Unsolicited Proposal for Upgraded Driving Range Facility to include computer tracking graphics/gaming system at hitting stations and upscale food, beverage and entertainment facilities accepted under PPEA process in May 2013 • 1st draft of detailed proposal received on February 15, 2014. • Staff discussions on detailed proposal with PPEA Team ongoing. • Expect response to staff comments on detailed proposal from PPEA Team by mid-July 2014.
<p>B7. Lake Fairfax “Water Mine” Phase II Expansion Description: Expand the Water Mine facility to attract the market of 11-14 age group to provide a 6-slide pool located at the north end of the water park.</p>	<p>Invest – Expanded Program / 2012 Bond Project</p> <p>Begin: FY 2012 Strategy Type: Business Growth</p> <p>Open in FY 2015 (1 mo.) Net Annual Return: FY 2015 - \$75,000 FY 2016 - \$300,000 FY 2017 - \$350,000</p>	<p>Staff Contact: David Bowden Status:</p> <ul style="list-style-type: none"> • PAB approved the project scope on February 27, 2013 • An overview was provided on site at the November 5, 2013, PAB Tour • Design completed April 2014 • Construction bids due June 26, 2014 • Ground breaking ceremony July 12, 2014 • Notice to Proceed for Construction July 14, 2014 • Construction Completion - May 20, 2015.
<p>B8. Spring Hill RECenter Expansion Description: (Fitness) Provide a 15,000 S.F. expansion to the existing center to provide 7,500 S.F. of fitness space and 7,500 S.F. of multi-purpose space, locker room, and restroom expansion. Provide an additional 20,000 S.F. gymnasium expansion. Renovate</p>	<p>Invest – Expanded Program / \$9.9M / 2012 Bond Project</p> <p>Original Begin: FY 2012 Strategy Type: Business Growth</p>	<p>Staff Contact: David Bowden Status:</p> <ul style="list-style-type: none"> • PAB approved project scope in May 2012. • Construction contract awarded to Keller Brothers in September 2013 for a Total Project Cost: \$8,704,750 • Construction Notice to Proceed issued

Financial Sustainability Plan Initiatives – Status – June 2014

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<p>approximately 5,000 of existing floor space (lobby, existing fitness room and related spaces) to integrate use and flow of the addition.</p> <p>*When additional funding was added to the 2012 Bond, a gymnasium design was also included as a part of the project.</p> <p>Description: (Gymnasium) Provide a 20,500 S.F. gymnasium addition to the existing RECenter to include: a single 50' X 84' high school court with two 45' X 75' overlay basketball courts; two volleyball overlay courts; spectator seating; climbing wall; elevated three-lane track.</p>	<p>Open by FY 2015 (6 mos.)</p> <p>Net Annual Return for Fitness: FY 2015 - \$200,000 FY 2016 - \$450,000 FY 2017 - \$600,000</p> <p>Net Annual Return for Gym: FY2015 - \$140,000 FY2016 - \$280,000 FY2017 - \$350,000</p> <p>Combined Net Annual Return: FY2015 - \$340,000 FY2016 - \$730,000 FY2017 - \$950,000</p>	<p>September 5, 2013</p> <ul style="list-style-type: none"> • Construction is 58% complete • Locker Room renovations to be completed by September 26, 2014 • New Family Changing Areas to be completed by October 26, 2014 • Beneficial Occupancy is anticipated for new Gymnasium and Fitness Center Addition November 30, 2014 • Renovated existing Multi-purpose space complete by January 30, 2015
<p>B9. Oak Marr RECenter Expansion (Fitness) Description: Provide a 10,000 S.F. expansion to the existing center for additional fitness space and to renovation and reconfigure upstairs space to improve traffic flow and control at check-in; re-program and reconfigure existing spaces/corridors to access new addition on the upper and lower levels.</p>	<p>Invest – Expanded Program / Design with \$450K of 2008 bond funds / \$4.75M / 2012 Bond Project</p> <p>Begin: FY 2012 Strategy Type: Business Growth Open by FY 2015 (6 mos.)</p> <p>Net Annual Return FY 2015 - \$150,000 FY 2016 - \$400,000 FY 2017 - \$550,000</p>	<p>Staff Contact: David Bowden Status:</p> <ul style="list-style-type: none"> • PAB approved project scope in May 2012 • Construction contract awarded to Pinnacle Construction in May 2013 for a Total Project Cost: \$5,716,120 • Notice to Proceed was issued May 13, 2013. • Construction Phase I and Phase II including new entrance and lobby completed October 2013 • Phase III Construction - Fitness Center Addition 85 % complete. • Construction Substantial Completion August 4, 2014 • Beneficial Occupancy anticipated August 18, 2014 • Ribbon Cutting Ceremony Scheduled for October 18, 2014
<p>C1. Organizational Alignment Description:</p>	<p>The Director will undertake a review of organizational management capacity and</p>	<p>Staff Contact: Diane Roteman/Sara Baldwin/Cindy Messinger/Kirk Kincannon</p>

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<p>The organization and management structure must be aligned for maximum performance for the lowest possible cost. Additionally, the structure must benefit and fully support the defined Financial Sustainability Plan outcomes. Staff will need to have the appropriate skill levels in order to be successful under this Financial Sustainability Plan.</p>	<p>alignment then execute the necessary structural changes to best meet the outcomes and goals of the Financial Sustainability Plan through a phased implementation. Emphasis will be given to the future growth and stability of business growth as well as developing a staff development (training) initiative that would support the plan.</p> <p>Begin: FY 2012 Strategy Type: Organizational Process/Policy/Structural</p>	<p>Status:</p> <ul style="list-style-type: none"> The remaining members of the core team presented the Organizational Alignment (OA) report findings to the new Director upon his arrival Director Kincannon is evaluating the earlier OA information and using this information to help identify organizational alignment ideas and the organization culture before instituting changes. This work needs to be completed before undertaking any structural or position changes that are designed to improve organizational performance, agility and alignment. During the next six months the information and organizational changes related to improved alignment will be considered in concert with the FY15 and FY16 budget reduction exercise currently underway.
<p>C2. Golf Business Review Description: Given the Golf Program's large debt funded capital investment, every attempt must be made to insure that the golf operations are maximizing operational, market, and competitive opportunities.</p>	<p>Secure the services of a national level golf course business consultant to provide an overview and recommendations for the golf program's current operations, competitive position and future opportunities. Contract awarded July 2011.</p> <p>Begin: FY 2012 Strategy Type: Organizational Process/Policy/Structural</p>	<p>Staff Contact: Peter Furey Status:</p> <ul style="list-style-type: none"> Golf Enterprises provided an update on the NGF Report to the PAB March 26, 2014 <p><u>Improve marketing and promotions system wide:</u></p> <ul style="list-style-type: none"> SAC is in the final stage of Golf Management System RFP review. Anticipate selection for a new golf-centric data management and marketing solution/new integrated POS and customer management system 1st Quarter FY 2015 A golf specific marketing outreach position will be established and filled early in FY 2015 <p><u>Staffing:</u></p> <ul style="list-style-type: none"> Management continues to transition to more reliance on seasonal staffing over merit staff where feasible

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		<p>Capital improvement projects:</p> <ul style="list-style-type: none"> • Irrigation replacement at Pinecrest will be completed fall of FY 2014 • Greendale drainage improvements FY 2015 • Greendale irrigation replacement FY 2016 • See Burke and Twin Lakes individual project reports • A Golf Enterprises Business Plan has been identified as a Strategic Plan project which will be developed in FY 2015.
<p>C6. Fiscal, User Fee & Pricing Policies Description: Fiscal, User Fee & Pricing policies are essential in guiding the board when making business policy decisions. These policies can address the foundational purpose for charging fees and address the philosophical approach to cost recovery and service subsidies. The existing fee policy would need to be reviewed and revised (if necessary) and a new (companion) pricing policy would need to be developed.</p>	<p>Initiate a review of existing Fiscal (510) User Fee (403) policies and develop a new pricing policy.</p> <p>Begin: FY 2012 Strategy Type: Organizational Process/Policy/Structural</p>	<p>Staff Contact: Nick Duray Status:</p> <ul style="list-style-type: none"> • Revisions to Policy 510 were drafted and incorporated as part of the overall Policy Manual Review (New Policy 305). Policy review team determined a separate pricing policy was unnecessary • Team to develop companion internal operating procedures in FY 2015
<p>C7. Telecommunications Policy Description: The Telecommunications Program has undergone a program review, incorporating a new master license agreement to require licensing of all possible co-locations on a given monopole up-front. Future options could include: Pre-screening areas within the Park Authority’s land holdings for impacts from monopoles and publishing mapped areas where monopoles could be accepted without impact. Implement an administrative review process for co-locations on Dominion Virginia Power lines or monopoles that have already been licensed but did not accommodate the additional co-location.</p>	<p>Initiate a review of the existing Telecommunications Policy.</p> <p>Begin: FY 2012 Strategy Type: Organizational Process/Policy/Structural Strategy Initiatives</p>	<p>Staff Contact: Cindy Messinger/Sara Baldwin Status:</p> <ul style="list-style-type: none"> • Revisions to Policy 303 were incorporated as part of the overall Policy Manual Review (New Policy 105). • Staff Team led by Julie Cline reviewed the present process of how telecommunications funds are expended and developed a draft framework to establish and maintain a process for an annual distribution and spending of net revenues generated by telecommunications license fees. • Staff presented initial proposal to the PAB on December 2013

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<p>Opportunities: The suggested changes would provide an opportunity to incorporate new licenses to increase revenue and allow for designating revenue for specific Park Authority initiatives.</p>		<ul style="list-style-type: none"> On January 29, 2014, the PAB approved 20% of Telecom balance to go towards Natural and Cultural projects countywide beginning in FY 2014 and 80% towards other projects districtwide to be approved annually by the PAB through the carryover process which was presented on July 9, 2014 PAB approved FY2014 Natural and Cultural projects on June 11, 2014
<p>C12. Financial Sustainability Plan Updates and Reporting Description: The Financial Sustainability Plan will be provided to the staff, members of the Park Authority Board and members of the Board of Supervisors in January 2012. Regular updates communicating the progress and successes of the plan are essential.</p>	<p>The PAB should update the Financial Sustainability Plan annually. During this update any new or revised recommendations should be addressed. The BOS should be formally informed of the progress of the Financial Sustainability Plan annually with quarterly updates provided to the county staff at the time of quarterly budget reviews.</p> <p>Begin: FY 2012 (year-end) Strategy Type: Organizational Process/Policy/Structural</p>	<p>Staff Contact: Cindy Messinger Status:</p> <ul style="list-style-type: none"> At the March 28, 2012, FPBC meeting, a centralized update at the end of each fiscal year was discussed. Progress on individual initiatives involving the PAB would be continuous and run through normal operational and committee channels The FSP was transmitted to the BOS and county staff following the FY 2013 Budget Adoption in May 2012 The FY 2013 Initiative Update was provide to the PAB via a NIP December 2013 The FY2014 FSP initiatives report will be presented to the PAB on July 23, 2014
Items started in FY2013		
<p>A3. Amusements Description: Amusements include all carrouseles, the Burke Lake Train, excursion boats, and mini-golf. Annual expenses to maintain all the features and equipment have been steadily increasing.</p>	<p>Selectively Divest – Consider alternatives to low volume/high cost amusements while evaluating the impact of the general fund support for the program. Goal is to improve the cost recovery including possible divestiture and/or out-sourcing. Moved from FY 2012</p> <p>Begin: FY 2012 Strategy Type: Core Service</p>	<p>Staff Contact: Sara Baldwin Status: The team Identified the following FCPA amusements: Carousels: Lake Fairfax, Frying Pan, Lake Accotink, Clemyjontri, Burke Lake Mini Golf : Burke Lake, Lake Accotink, Jefferson, Oak Marr, Braddock Parks Train and Tour Boat: Burke Lake Tour Boat: Lake Accotink</p> <ul style="list-style-type: none"> Staff team was developed and has been actively working. A model for identifying the

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		<p>revenue and expenses for each amusement activity has been defined. A database is being compiled with the last three Fiscal Years information.</p> <ul style="list-style-type: none"> • This winter the team will assess the different amusement operations. An electronic survey tool will be used to obtain feedback from site staff. Additional on-site interviews may be required. • Team members are currently reviewing the FCPA website to determine if enhancements can be made to improve the exposure of the amusement operations on the web. • Condition assessments of all amusements were completed in June 2014 • The team is currently investigating the option for contracting the amusement operations. • Findings and final recommendations will be presented in FY 2015
<p>B4. Sports Tournaments Description: Program annual multi-sport tournaments with community partners that will supplement those scheduled by Athletic Services. With the inventory of nearly 30 synthetic turf fields in the Park Authority, tournaments can now be scheduled outside the traditional use period of April through October. Initial proposal is to implement two tournaments. A November “Thanksgiving” and March “Kick-off” tournament for rectangle sports.</p>	<p>Invest - New Program / Staffing investment first year of \$65K from fund 170 / Net return of \$300K in year 1 building to \$2.0M/year in year 5. Net revenue received to be directed to the capitalized expenses reserve for the repair, maintenance and replacement of turf fields.</p> <p>Begin: FY 2013 Strategy Type: Business Growth</p> <p>Net Annual Return: FY 2013 - \$300,000 (not realized) FY 2014 - \$600,000 (\$6055 realized) FY 2015 - \$1,000,000 FY 2016 - \$1,500,000 FY 2017 - \$2,000,000</p>	<p>Staff Contact: Todd Johnson Status:</p> <ul style="list-style-type: none"> • April 2013, hired Park Authority’s first Tournament Director, Rebecca Frece. • July 2013, branded “Tournaments for Turf” and held 1st tournament- Adult Flag Football (13 teams, net \$1,480). • November 2013, Moonlight Madness Co-ed Softball tournament at Braddock Park was held (22 teams, net \$4,575). • The 2014 tournament schedule was drafted along with a Sports Tournament Business Plan where net revenue projections will be reviewed and revised. • Existing incumbent recently promoted to NCS for merit opportunity

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Items to start in FY 2014		
<p>B2. Energy Management Program- Description: For energy efficiency and energy conservation projects primarily in RECenters, priority is for projects with an approximately four year payback period and for economic life of equipment, safety, quality of service, and maintenance within revenue generating facilities.</p>	<p>Invest – New Program / \$187.5K/year (\$750K total) 2012 bond funding needed / Implement over 4 years / Payback in year 7.</p> <p>Begin: FY 2013 Strategy Type: Business Growth</p> <p>Net Annual Return: FY 2014 - \$50,000 FY 2015 - \$150,000 FY 2016 - \$300,000 FY 2017 - \$500,000</p>	<p>Staff Contact: Davood Majidian Status:</p> <ul style="list-style-type: none"> The annual Energy Management Plan update was provided to the PAB on September 25, 2013 The next Energy Management Plan update is scheduled to be presented on September 23 where details and net revenue returns will be highlighted
<p>C3. Acquisition, Park Planning & the Sustainability Model Description: The current methodology for acquiring property or developing a park master plan does not take into consideration the elements of annual and lifetime facility and program costs. These need to be incorporated prior to acquisition and master plan approval so that the full operational impact and cost-to-own information is known.</p> <p>Work in FY 15 will begin the development of a plan and actions for the life cycle management of all facilities and park land, otherwise known as the Total Cost of Ownership, (TCO). This multi-year work will develop and provide all costs associated with the TCO for all facilities and lands of the FCPA. This information will be incorporated in to future capital planning and master planning processes.</p>	<p>Implement the use of the sustainability model into all new acquisition and master plan projects and make park policy changes as necessary.</p> <p>Begin: FY 2013 Strategy Type: Organization/Process/ Policy/Structural Strategy</p>	<p>Staff Contact: Sandy Stallman/Kirk Kincannon Status:</p> <ul style="list-style-type: none"> A work team was initiated with representatives from POD, RMD, FMB, PSD, LAMB and PPB to develop and adopt consistent measures for calculating annual and lifetime facility and program costs, and a process for incorporating these measures into the land acquisition evaluation process and the master plan development process. A progress report and information item is anticipated for the Board in spring of 2014. The goal of the team will be to incorporate the sustainability element to the land acquisition and park planning process with the start of FY 2015. <p>What do we say here? The Needs Assessment will provide an overview of facility conditions and Director Kincannon will be working with the Indiana University Eppley Institute of Parks and Public Lands to provide overview and training (\$10,000 provided on May 20, 2014, by the Park Foundation). Schedule is to be determined.</p>

Financial Sustainability Plan Initiatives – Status – June 2014

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<p>C4. Program Level Cost Analysis Description: The development of the sustainability model for macro level review of the core services provided a unique approach to study the overall impact of program cost. This approach and model can be utilized at the lower levels of each program/activity areas to better develop annual strategies for improving activity level cost recovery targets.</p>	<p>Through the annual budget and work plan processes, incorporate the application of program level cost analysis (sustainability model) for all program areas. (Note: Implementation of FOCUS will determine the schedule for the financial system support for program based budgeting)</p> <p>Begin: FY 2014 Strategy Type: Organization/Process/ Policy/Structural Strategy</p>	<p>Staff Contact Kirk Kincannon/CBD Status:</p> <ul style="list-style-type: none"> • Limitations exist with data collection and with the FOCUS system that inhibits the PA’s ability to provide program level cost analysis and/or the desire to do program based budgeting • During the second quarter of FY15 a work team will be assigned to review Needs Assessment initial findings, existing data and begin the development of a plan for developing a model of program viability determination, cost analysis and program lifecycle management.
<p>C5. Program Performance Measures Description: The current system of performance measures and productivity indicators are not comprehensive enough to be used to measure the incremental progress of FSP initiatives and overall programs.</p>	<p>Develop a set of targeted performance measures that can represent the incremental progress for all programs/activity areas and FSP initiatives and compare to benchmark data and performance targets.</p> <p>Begin: FY 2013 Strategy Type: Organization/Process/ Policy/Structural Strategy</p>	<p>Staff Contact: Kirk Kincannon/CBD Status:</p> <ul style="list-style-type: none"> • Limitations currently exist with data collection and the FOCUS system that inhibits the PA’s ability to provide program level cost analysis and/or program based budgeting • The existing ParkNet software will be bid summer 2014 and data collection ability assessed • This initiative links directly with the Total Cost of Facility Ownership work and desires of the director to improve metrics that will better tell the FCPA story of value and needs • A revised scope and work team will be developed beginning in FY 2015 and is also noted as a Strategic Plan project

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<p>C9. Natural Resource Mitigation Description: Natural Resource Mitigation can be accomplished in three ways: Direct Project Mitigation – Provide mitigation to offset impacts from a singular project. Sole Source Banking – Complete stream bank improvements with county Staff and establish bank for use to offset impacts from future county projects. Entrepreneurial Bank - Establish an Entrepreneurial Agreement with Commercial Partner to improve streams and bank credits. Credits can be sold as a commercial commodity to offset impacts from other development projects in the Watershed.</p>	<p>Partner with DPWES SWM to provide stream bank improvement projects throughout the county that could be used to offset impacts from other county projects, improve streams to satisfy Chesapeake Bay requirements and provide funding for stream improvements and other projects. Initiate Park Authority policy review to support the initiative.</p> <p>Begin: FY2013 Strategy Type: Organization/Process/Policy/Structural Strategy</p>	<p>Staff Contact: Cindy Walsh/Dave Bowden Status:</p> <ul style="list-style-type: none"> • Partnering with DPEWS for Stream Restoration at Colvin Run in Lake Fairfax Park. Anticipate Design Start in March 2014. • RMD and PDD staff met spring 2013 and identified upcoming bond projects that would require mitigation with use of bond dollars. 3% of the total project estimate was determined as a mitigation factor and will be included in future project scopes as appropriate. Item to be discussed with the PAB this year. • Wakefield Run Restoration Project complete. This project was made possible through a partnership with: The Northern Virginia Soil and Water Conservation District, Fairfax County DPWES, Dominion Virginia Power, Braddock District Supervisor, Transurban - Fluor – 495 Express Lanes, Friends of Accotink Creek, Fairfax County Park Foundation, Fairfax Trails and Streams and Mid-Atlantic Off-Road Enthusiasts. Funded by a combination of mitigation funds from the HOT Lanes project, grants and in-kind services.
<p>C11. Signage & Branding Description: Engage in a multi-year project to evaluate and update existing branding and signage. Develop a branding approach for the purpose of clearly and uniquely identifying the Fairfax County Park Authority (organization) its products and services to all residents, citizens and customers. This effort would engage the support of a communication and design consultant to develop; test and design branding</p>	<p>Initial tasks; project research, project charter development, team selection, RFP development, vendor selection, development of new brand identity and standards.</p> <p>Begin: FY2013 Strategy Type: Organization/Process/Policy/Structural Strategy</p>	<p>Staff: Nick Duray Status:</p> <ul style="list-style-type: none"> • Identified on the Strategic Plan to begin in FY 2014 (supported by 2012 Bond dollars) • Tasks completed in FY 2014: background branding research, refinement of project scope and completion of project charter. Team composition under review. • Team selection, RFP development scheduled for first half of FY 2015

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<p>approach options. This initiative is envisioned to be a multi-year effort with the first phase to be focused on the evaluation of the current brand identity and the creation of a new brand identity. The second phase would be to apply the new brand identity through new signage (interior and exterior) for all major revenue producing facilities and programs. Concurrently the new brand identity would be gradually phased-in for all publications and collateral materials. The third phase would focus on re-signage of all parks and facilities.</p>		
Items to start in FY 2015		
<p>A4. Incorporate Capitalized Expenses as a mandatory cost of service – Description: As part of the annual budget and program development a factor for capitalized expenses must be included in the overall cost of services. This capitalized expense allocation would be used for major system (lighting, HVAC, roof, etc.) replacements over the life of the building or facility. The annual amount would not include funds for whole building or facility replacements.</p>	<p>Begin: FY 2015 Strategy Type: Core Services</p>	<p>Staff Contact: Kirk Kincannon/Cindy Messinger/CBD Status:</p> <ul style="list-style-type: none"> • BOS/FCPS Joint Infrastructure Finance Committee (IFC) formed in June 2013 to look at capital project costs. • Committee reviewed County Capital Renovation Costs for all county facilities including Parks in September 2013 • A 2% factor of facility replacement cost annually was used for the presentation. This was shared with the PAB on September 11, 2013. • BOS/FCPS committee report was shared with PAB via email from the Director and then again at the April 23, 2014. • FY 2016 the BOS to provide 33 million annually to Capital Sinking Fund. The PA will need to strategically leverage contribution to the Revenue facility sinking fund as well. IFC definitions discussed with staff and the PAB in April and May. • There is a PAB Information Item regarding the implementation of the IFC definitions beginning this fiscal year at the July 23, 2014, Funding Policy and Bond Committee

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Initiative/Program (Original wording from plan)	Action / Investment / Return (Original wording from plan)	Status –
		<ul style="list-style-type: none"> This work relates directly to TCO work that will be undertaken by the FCPA.
<p>B 10. Laurel Hill Sportsplex- Description: Development of Phase I (9 outdoor rectangular fields) with all associated infrastructure improvements for actively managed fee-based artificial turf complex.</p>	<p>Invest – New Program/ \$40M/\$1.9M in 2008 Bond for Partnership Seed Money/Future Bond Project Funding/Operational by: \$2.2M/year net revenue</p> <p>Begin: TBD Strategy Type: Business Growth</p>	<p>Staff Contact: Kirk Kincannon Status: The need for a sports tournament facility continues in Fairfax County.</p> <p>Discussion during the fall Board tours suggested the possibilities of providing a multi-site tournament location within Baron Cameron and Lake Fairfax Parks. Discussion with Visit Fairfax indicates support this type of initiative. Preliminary staff discussion and options currently focus on Baron Cameron, Lake Fairfax and/ or LLV property. Limited 2012 Bond dollars are available to use.</p>
<p>C8. Commercial Leasing of Property – Description: The Park Authority owns certain parcels that, through the location of the parcel adjacent to other uses, or its underlying zoning and physical characteristics may lend them to be used in a successful long term lease. A long-term lease may provide an opportunity to negotiate for park facilities for public use with the cost leveraged by a private partner. In some instances the lease could result in positive lease revenue to the Park Authority on a long-term basis.</p>	<p>Initiate a review of the existing inventory of park property that may be suitable for leasing and complete a review of the land acquisition policy. If opportunities are found to exist, pursue policy change to support the leasing option.</p> <p>Begin: FY2013 Strategy Type: Organizational/Process/Policy/Structural Strategy</p>	<p>Staff Contact: Brian Williams/Dave Bowden Status:</p> <ul style="list-style-type: none"> The revised Land Acquisition Policy was reviewed as part of the overall Policy Manual Review and does not preclude this type of activity. A staff team will be developed in the first quarter of FY2015 to conduct an initial inventory and provide options for the PAB to review through the Planning and Development Committee meetings.
Hold Items:		
<p>B1. Park Entrance Fees- Description Implement park entrance fees for Burke Lake; Lake Accotink; Lake Fairfax and Riverbend Parks. Fees to be charged seasonally (weekends only April-October) on a per vehicle basis. Non-county resident fees will be higher than county resident fees.</p>	<p>New Fee Program / \$50K (Fund 371) to implement / Start at the beginning of the 2012 season / \$705K/year net revenue.</p> <p>Begin: FY 2013 Strategy Type: Business Growth</p>	<p>Status:</p> <ul style="list-style-type: none"> The implementation of park entrance fees at Lakefront parks, beyond the already existing non-county fees at Burke Lake is not supported by the BOS, and the PAB agreed the project is on hold until an alternative option is identified or support is gained for

Financial Sustainability Plan Initiatives – Status – June 2014

Initiative/Program (Original wording from plan)	Action / Investment / Return (Original wording from plan)	Status –
Discounted annual pass option will be available for county residents only. Impacts on neighborhood parking will be explored and addressed prior to implementation. Fees previously adopted in 2009 and are in the approved fee schedule.	FY 2013 - \$250,000 FY 2014 - \$705,000 FY 2015 - \$705,000 FY 2016 - \$705,000 FY 2017 - \$775,000	this initiative. <ul style="list-style-type: none"> Their 5/20/14 meeting.
<p>B3. Athletic Field Lighting Cost Recovery Description:</p> <p>Implement hourly lighting fees (est. \$8-\$10 hour) to recover all direct and indirect costs for lighting 106 Park Authority athletic fields. Costs include staff time spent programming the lighting schedules, inspecting the lighting systems, and managing contracted services to repair the lights; electrical utilities; and contracted services to manage and maintain the lighting.</p>	<p>New Fee Program / Annual revenue generated to fund the capitalized expense reserve for athletic field lighting system repair and maintenance. Annual operating costs to remain funded by county construction fund (80300).</p> <p>Begin: FY 2013 Strategy Type: Business Growth</p> <p>Net Annual Return: FY 2013 - \$200,000 (not realized) FY 2014 - \$400,000 (not realized to date) FY 2015 - \$400,000 FY 2016 - \$400,000 FY 2017 - \$425,000</p>	<p>Staff Contact: Todd Johnson Status:</p> <ul style="list-style-type: none"> This initiative was put on hold while the Synthetic Turf Task Force was working as additional fee increases were under consideration and could impact this initiative. The annual electricity cost for athletic field lighting has grown from \$185K in FY10 to \$287K in FY13 due to the increased number of fields, greater year-round use and increased utility charges. The FY 2015 Adopted Budget for Fund 80300 included an additional \$200,000 to use to offset these costs.
<p>C10. Sustainable Endowments Description:</p> <p>The FCPA does not have an endowment program which could appropriately be managed through the FCPF. Investment revenue from endowment funds would provide an additional revenue funding source.</p>	<p>Conduct a feasibility study through the Fairfax County Park Foundation by FY 2013. Identify resources required to plan and execute a successful endowment campaign. Build endowment investment to eventually sustain or expand existing or identified park programs.</p> <p>Begin: FY 2012 Strategy Type: Organizational Process/Policy/Structural</p>	<p>Staff Contact: Bobbi Longworth Status:</p> <ul style="list-style-type: none"> A recommendation was prepared by the Foundation Executive Director along with two Foundations members and shared with Director Dargle on September 18, 2012. During the research, it was learned that endowment funds are invested in a way that the principle may not be utilized. Only the interest earned may be used which was limiting. Currently this is not a priority project for the Foundation Board and has not been

Financial Sustainability Plan Initiatives – Status – June 2014

Initiative/Program (Original wording from plan)	Action / Investment / Return (Original wording from plan)	Status –
		included in their approved FY 2014 or FY 2015 project plans. <ul style="list-style-type: none"> • No action on this initiative is planned at this time due to low interest rates from investments.

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Board Agenda Item
July 23, 2014

INFORMATION

Common Countywide Definitions for Capital Projects, Major Maintenance/Capital Renewal and General Maintenance

This spring the Infrastructure Financing Committee (IFC) issued a report with key definitions that will standardize use for the county, schools, and parks. In addition, the IFC has made some specific recommendations for the county to establish a Capital Sinking Fund that would begin with the FY 2016 Carryover if sufficient funding is available. This long awaited strategic approach will begin to address the backlog of infrastructure replacement, upgrades, renovation and capital needs and, in concept, is similar to what the Park Authority attempted to do with the development of the Financial Sustainability Plan. Park elements and features are somewhat unique. To prepare for the new definition transition that will be in effect this fiscal year, a staff team worked to tailor the common definitions for ease of interpretation and use by Park Authority staff and Board members.

This new approach will unify the departments in the county with the schools and will greatly assist the Park Authority in aligning, planning, and assigning funding areas for the future. The highlighted wording represents additions added for clarification for park use. Park Authority specific funding source guidance was also added to page two.

ENCLOSED DOCUMENTS:

Attachment I: Common Countywide Definitions for Capital Projects, Major Maintenance/Capital Renewal and General Maintenance

STAFF:

Kirk W. Kincannon, Director
Cindy Messinger, Deputy Director/CFO
Sara Baldwin, Deputy Director/COO
Dave Bowden, Director, Planning and Development
Todd Johnson, Director, Park Operations
Barbara Nugent, Director, Park Services
Peter Furey, Manager, Golf Enterprises
Janet Burns, Senior Fiscal Administrator
Michael P. Baird, Manager, Capital Services

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Common Countywide Definitions for Capital Projects, Major Maintenance/Capital Renewal and General Maintenance

Asset	1. Operations and Maintenance	2. Infrastructure Replacement and Upgrades	3. Renovations	4. New Construction
<p>County and Schools common definitions of capital projects, major maintenance/capital renewal, and general maintenance.</p> <p>Adopted by the Fairfax County BOS Spring 2014</p>	<p>The recurring, day-to-day, periodic, or scheduled work required to preserve, control deterioration and provide for the basic operation of a park or park facility. This type of maintenance is routine and is based on frequency schedules, responding to service requests, or through periodic inspection and correction efforts.</p> <p>Examples of Operations and Maintenance include: Janitorial – custodial services, trash removal Electrical—power malfunctions, burned out light bulbs, elevator and escalator repairs Plumbing—dripping faucets, clogged pipes Painting—painting walls, doors Carpentry—broken doors, ceiling tile replacement, replacement windows Mechanical systems - replacing filters, belts on HVAC equipment Repairs to or parts replacement of – gym floors, carpet tiles, roof top HVAC components, field lighting lamp replacements Upgrades – most improvements to meet Americans with Disability Act (ADA) standards (Greens) Fitness equipment repairs and replacements White Coating Pools Meadow Burns Invasive plant control</p>	<p>Infrastructure Replacement and Upgrades refers to the planned replacement of building subsystems or park elements that have reached the end of their useful life. These systems, or park elements once replaced, will typically endure for more than 20 years. Without significant reinvestment in building subsystems or park elements older facilities or parks can fall into a state of ever-decreasing condition and functionality, and the maintenance and repair costs necessary to operate the facilities increase. (typically complete or whole replacements)</p> <p>Examples of Infrastructure Replacement and Upgrades include: Roof replacement Electrical System replacement HVAC replacements Plumbing systems replacements Replacement windows Parking lot resurfacing Fire alarm system replacements Sprinkler Systems Emergency generator replacements Elevator replacement Pool Filters, Pumps, Piping Replacement Americans with Disability Act (ADA) standards (Yellows) Synthetic Turf Field replacement Resurfacing a trail/replacing a bridge</p>	<p>Renovations are performed on an existing facility in order to replace any or all park facility or building subsystems which have outlived their useful life, as well as, alter, modernize, expand, or remodel the existing space. Renovations also may improve or modernize the operations and functions of the facility and bring the facility up to current code standards (subsystems often included when a part of a larger project)</p> <p>Examples of Renovations include: Lake Fairfax Campground Electrical upgrade South Run Field House conversion Providence Racquetball court conversion Colvin Run Mill 3rd level Huntley Meadows Wetlands restoration Conversion of an existing natural field for synthetic</p>	<p>Construction of a new facility (Never existed) or expansion of an existing facility (beyond existing footprint) with no other renovation work performed on existing building.</p> <p>Examples of New Construction include: Burke Lake Club House Spring Hill, Oak Marr, South Run RECenters and Twin Lakes Room expansions Water Mine expansion Lake Fairfax Marina expansion Installation of a new parking lot, ball field, multi-use/tennis court, golf amenity, rain garden where none had existed Wetland feature creation New community gardens or garden plots</p>

Common Countywide Definitions for Capital Projects, Major Maintenance/Capital Renewal and General Maintenance

Asset	1. Operations and Maintenance	2. Infrastructure Replacement and Upgrades	3. Renovations	4. New Construction
County IFC recommended funding:	Operations and Maintenance is typically funded through operational budgets.	Currently these types of Infrastructure Replacement and Upgrades are funded within operational budgets or financed using municipal bonds. The Committee recommends that the preferred mechanism to finance infrastructure replacement and upgrade projects that are regular and on-going is operational funds.	Renovations are typically financed through municipal bonds.	New Construction is typically financed through municipal bonds.
FCPA Existing responsibility/Potential funding: General Fund Facilities Revenue Fund Facilities *For either type of facility, for Operations and Maintenance and/or Infrastructure Replacement and Upgrades -Proffers, Telecom and Donations should also be considered.	(Typically all managed parks/facilities and Park Operations focused) General Fund 10001, General County Construction 30010 Park Revenue and Operating Fund 80000, and potential for Revenue and Operating Fund Stabilization Reserve (Formerly Managed Reserve)	(Typically all managed parks/facilities and Park Operations focused) General County Construction 30010, County Sinking Fund for General Fund Facilities beginning FY2016 From transfer of annual net revenue – from the Park Revenue and Operating Fund - Park Improvement Fund 80300, General Park Improvements Project or Revenue Facilities Capital Sinking Fund (Formerly Facilities and Services Reserve) 30400 Bond Funds considered when a part of a larger Bond project and/or approved by the PAB.	(Typically Planning and Development work and 30400 Bond Funded) General County Construction 30010, County Sinking Fund for General Fund Facilities beginning FY2016 From transfer of annual net revenue from the Park Revenue and Operating Fund, Park Improvement Fund 80300, General Park Improvements or Revenue Facilities Capital Sinking Fund (Formerly Facilities and Services Reserve)	(Typically Planning and Development work and 30400 Bond Funded) General County Construction 30100 From transfer of annual net revenue from the Park Revenue and Operating Fund, and/or Park Improvement Fund 80300, General Park Improvement Project