



# FY 2020-2024 Capital Improvement Program

April 2, 2019

[www.fairfaxcounty.gov/budget/advertised-capital-improvement-program-cip](http://www.fairfaxcounty.gov/budget/advertised-capital-improvement-program-cip)

# FY 2020-FY 2024 CIP Objectives

- Review and revise the long-range Bond Referendum Plan/Conduct an analysis of debt service requirements, sales limitations, and debt ratios in conformance with the County's Ten Principles of Sound Financial Management /Determine affordability
- Develop a General Fund Supported Capital Program/Review the progress on the use of Capital Sinking Funds
- Review the Stormwater Service District Spending Plan and service district rate
- Update the Countywide Infrastructure Replacement and Upgrades component of the CIP
- Continue to identify potential FCPS/County shared-use facilities and other co-location opportunities
- Identify estimated operating budget impacts for both current and future CIP projects

# FY 2020–FY 2024 CIP

- The total FY 2020–FY 2024 Capital Improvement Program totals \$10.53 billion (FY 2020 = \$1.16 billion)
  - The CIP includes County managed and non-County managed (NVRPA, Water Supply) Capital Programs
  - County Managed programs include:
    - ✦ Self-Supported Capital Programs (Stormwater, Solid Waste, Transportation, Wastewater) developed and approved as part of the Annual Budget
    - ✦ General Fund Supported Capital Programs (Commitments/Contributions/Maintenance and Infrastructure Replacement and Upgrades-Paydown Capital), developed and approved as part of the Annual Budget
    - ✦ General Obligation Bond/EDA Bond Plan, developed as part of the 5-10 year CIP

# Self Supported Programs

- Stormwater rate proposed to remain at \$0.0325 per \$100 of assessed real estate value
- Wastewater rates are consistent with 5-year plan
  - Base Charge from \$30.38 to \$32.91 (recovers fixed costs)
  - Availability Charges from \$8,100 to \$8,340 (connection fee)
  - Service Charges from \$7.00 to \$7.28 per 1,000 gallons
- Solid Waste rates
  - Refuse disposal rate from \$66 to \$68 per ton
  - Refuse Collection from \$350 to \$385 per household unit
  - Leaf Collection from \$0.013 to \$0.012 per \$100 of assessed value

# General Fund Supported Capital Program

- The FY 2020 General Fund Capital Program is \$18,143,691
  - Includes \$12,353,691 in commitments, contributions and maintenance (68 percent)
  - Includes \$5,790,000 in Infrastructure Replacement and Upgrades (Paydown) capital improvements (32 percent)
- Slight increase to Paydown Program in FY 2020
- In recent years, the Board has approved one-time capital project funding as part of the Third Quarter and Carryover Reviews
  - Several capital reinvestment projects are recommended to be funded as part of the *FY 2019 Third Quarter Review* (\$8.5 million) and more is anticipated at the *FY 2019 Carryover Review*
- The Board established Capital Sinking Fund has been extremely successful in bridging the gap

# Capital Sinking Fund

- Capital Sinking Fund was created by the Infrastructure Financing Committee (IFC)
- Represents 20 percent of year end balances not needed for critical requirements
- Since FY 2014, \$38.5 million has been set aside for capital reinvestment

# Bond Referendum Plan

- The Bond Referendum Plan is reviewed annually based on prioritized projects in conformance with the 10 Principles of Sound Financial Management
- Details the long-range plan, outlining specific projects and schedules
- Provides for enhanced coordination between agencies, the Planning Commission, the Board, and the public
- Includes County and School bond referenda in alternate years
- Includes FCPS bond referenda at \$360 million every other year, reflecting the current FCPS annual bond sales limit of \$180 million
- Includes adjustments to project costs to reflect construction escalation

# Upcoming Bond Referenda

- Fall 2019 Fairfax County Public Schools: \$360 million
- Fall 2020 County: \$397 million
  - Health and Human Services
  - Libraries (moved from 2022 to 2020)
  - Northern Virginia Regional Park Authority
  - County Park Authority
  - Metro
- Fall 2021 Fairfax County Public Schools: \$360 million
- Fall 2022 County: \$80 million
  - Public Safety
- Fall 2023 Fairfax County Public Schools: \$360 million

# Fall 2020 County Referenda



## Health and Human Services: \$74 million

Crossroads (Residential Substance Abuse Treatment Program, Built in 1989)

Willard Health Center (Built in 1954)

## Libraries: \$91 million

Kingstowne Regional Library (currently in leased space)

Lorton Community Library (Built in 1990)

Patrick Henry Community Library (Built in 1971)

Sherwood Regional Library (Built in 1969)

George Mason Regional Library (Built in 1967)

## Parks: \$112 million

County Park Authority

Northern Virginia Regional Park Authority Capital Contribution

## Metro: \$120 million

# Fall 2022 County Referenda



## Public Safety: \$80 million

Pohick Fire Station (Built in 1986)

Chantilly Fire Station (Built in 1989)

Frying Pan Fire Station (Built in 1988)

Fox Mill Fire Station (Built in 1979)

Oakton Fire Station (Built in 1983)

# Examples of Upcoming EDA/Other Financing

- FY 2020: \$7 million, Original Mt. Vernon High School
  - To support initial building renovation. Total estimated over several years is currently \$81 million.
- FY 2020: \$40 million, Stormwater/Wastewater Facility
  - Partial funding for the Public Works Complex to consolidate functions and operations and maximize efficiencies between Stormwater and Wastewater Divisions. EDA bonds will finance the facility with the Stormwater Services Fund and Wastewater Fund supporting the debt service. Total estimated over several years is currently \$80 million.
- FY 2021: \$50 million, Lake Accotink
  - Order of magnitude estimate for dredging and construction of a forebay

# Bond Referendum Plan Changes

- Human Services (project adjustments)
  - Re-purposing of Boys Probation House (BPH)
    - ✦ BPH moves to JDC Transitional Living Center, Crisis Care moves from Woodburn to BPH. Woodburn removed from Referendum Plan.
  - Revised approach for victims of Domestic Violence (DV)
    - ✦ Staff has been identifying opportunities at FCRHA properties for DV victims. Existing space has already been identified in the southern portion of the County and other sites are being explored. Artemis House removed from Bond Referendum Plan.
  - Staff is working to establish public private partnerships to address Intermediate Care Facility (ICF) needs more efficiently. ICF removed from Bond Referendum Plan.
  - 2020 Referendum can now include renovation of Crossroads (residential substance abuse treatment program facility) originally scheduled for 2024.

# Bond Referendum Plan Changes

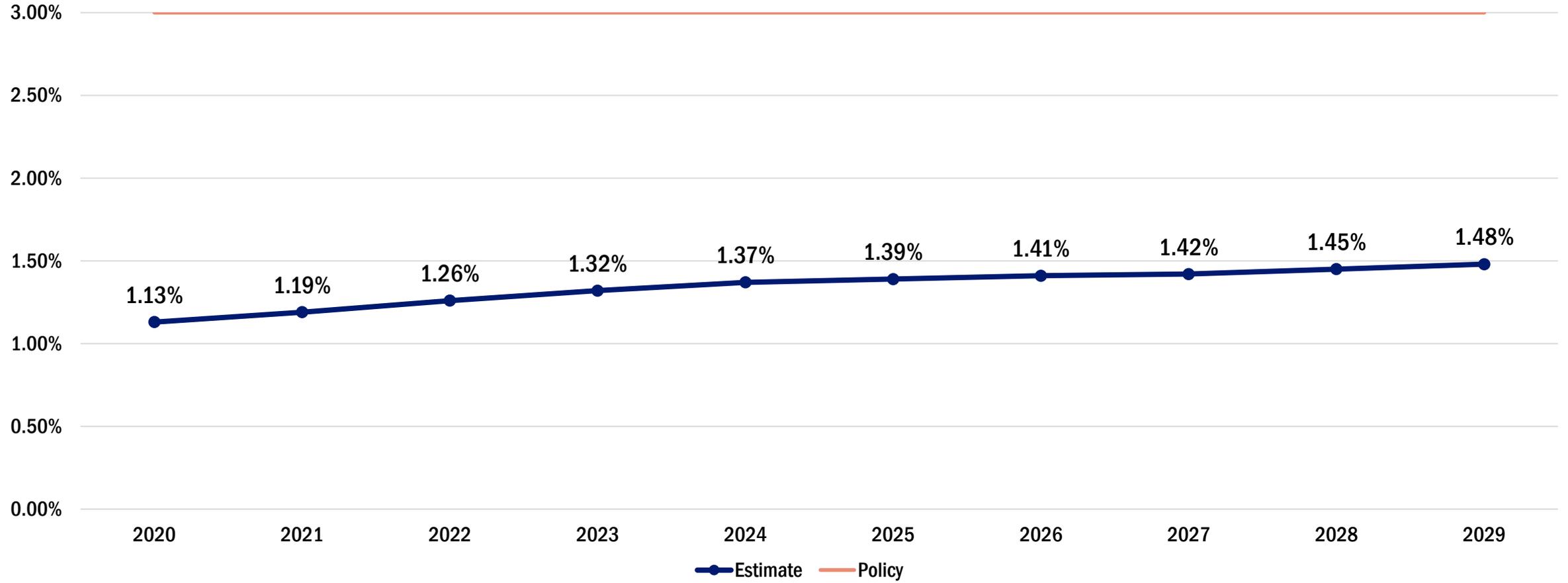
- Libraries (moved from 2022 to 2020)
  - Staff is currently exploring the following potential opportunities:
    - ✦ Lorton Library co-location with Lorton Community Center, and Lorton Senior Center
    - ✦ Patrick Henry Library Joint Development Partnership with Town of Vienna to renovate or replace the Library and provide additional structured parking for both the Library and the Town
    - ✦ Kingstowne Library co-location with Franconia Police Station, Franconia Museum, Lee District Supervisors Office and an Active Adult Center

# Bond Plan Link to Debt Analysis

- Total Bond Plan includes General Obligation Bonds and EDA Bonds
- Ten Principles of Sound Financial Management
  - Below 3 percent debt to market value (currently 1.15 percent)
  - Below 10 percent debt to General Fund Disbursements (currently 8.20 percent)
  - Total sales limit is \$300 million per year
  - Debt Service affordability

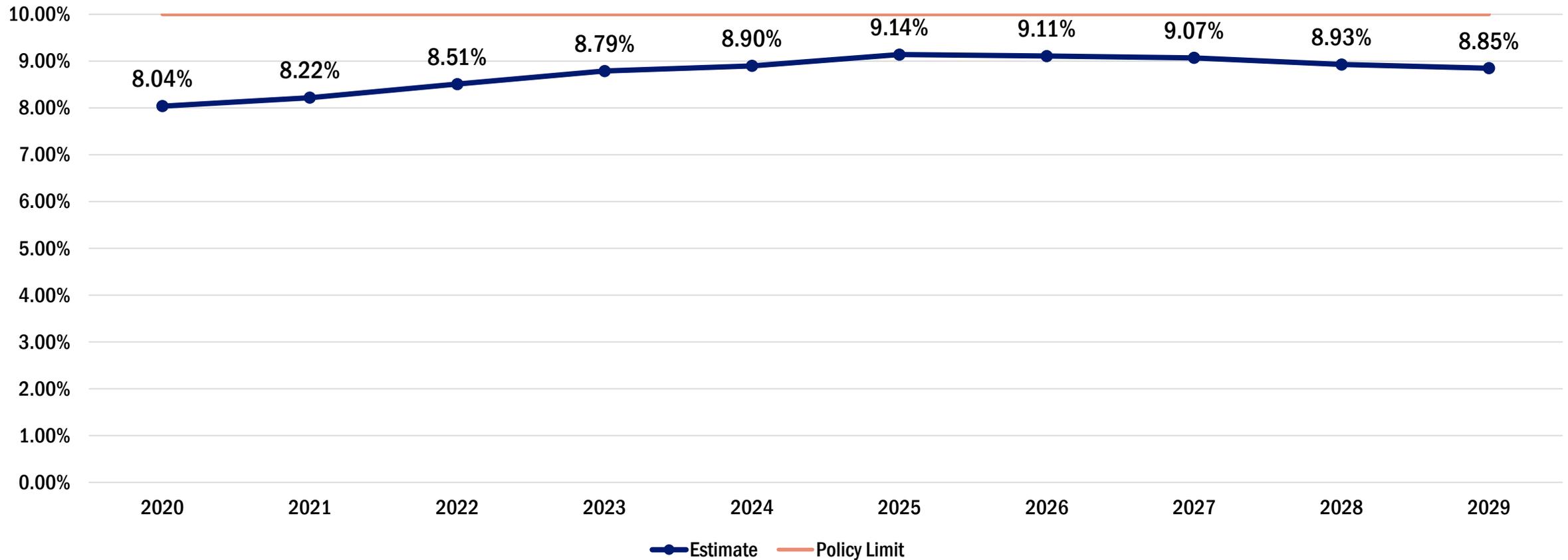
# Debt Analysis

## Net Outstanding Debt Not To Exceed 3% of Estimated Market Value



# Debt Analysis

## Debt Service Expenditures Not To Exceed 10% of General Fund Disbursements\*



\*Estimates Benchmarked Against Out Year Revenues

# Other CIP Highlights

- Staff is exploring shared-use opportunities with FCPS. Current projects include:
  - Data Center Relocation Project
  - McNair Elementary School
  - Original Mt Vernon High School
- Staff is exploring co-location opportunities for complementary County Programs. Current efforts include:
  - Lorton Library/Community Center/Senior Center
  - Kingstowne Library/Franconia Police Station/Franconia Museum/Active Adult Center
  - Wastewater/Stormwater Facility

## Other CIP Highlights

- Staff reviewed all infrastructure replacement and upgrades requirements and updated this CIP section to ensure that priority replacement and upgrade project needs are identified by both the County and FCPS.
- CIP includes estimated operational costs associated with both current and future CIP projects.
- FY 2020 funding has been included to address annual ADA improvements at County facilities. Staff continues to meet federal ADA compliance and coordinate with user agencies to address related operational requirements.

# CIP Next Steps and Challenges

- Staff will continue to work with FCPS staff to identify opportunities for shared use facilities
- Staff will be working to strengthen County strategic planning efforts as they relate to the CIP
- Staff will be monitoring cost of construction increases

# CIP Approval Process

- CIP on County website February 19
- CIP Discussed at BOS Committee February 26/April 2
- PC CIP Committee Meeting February 28
- PC Workshop/Public Hearing March 13
- PC CIP Committee Meeting March 21
- PC CIP Mark-up March 27
- BOS Public Hearings April 9, 10, 11
- BOS Mark-up/CIP Adoption April 30