

FY 18-FY 22 Capital Improvement Program (Amendment Year) Update

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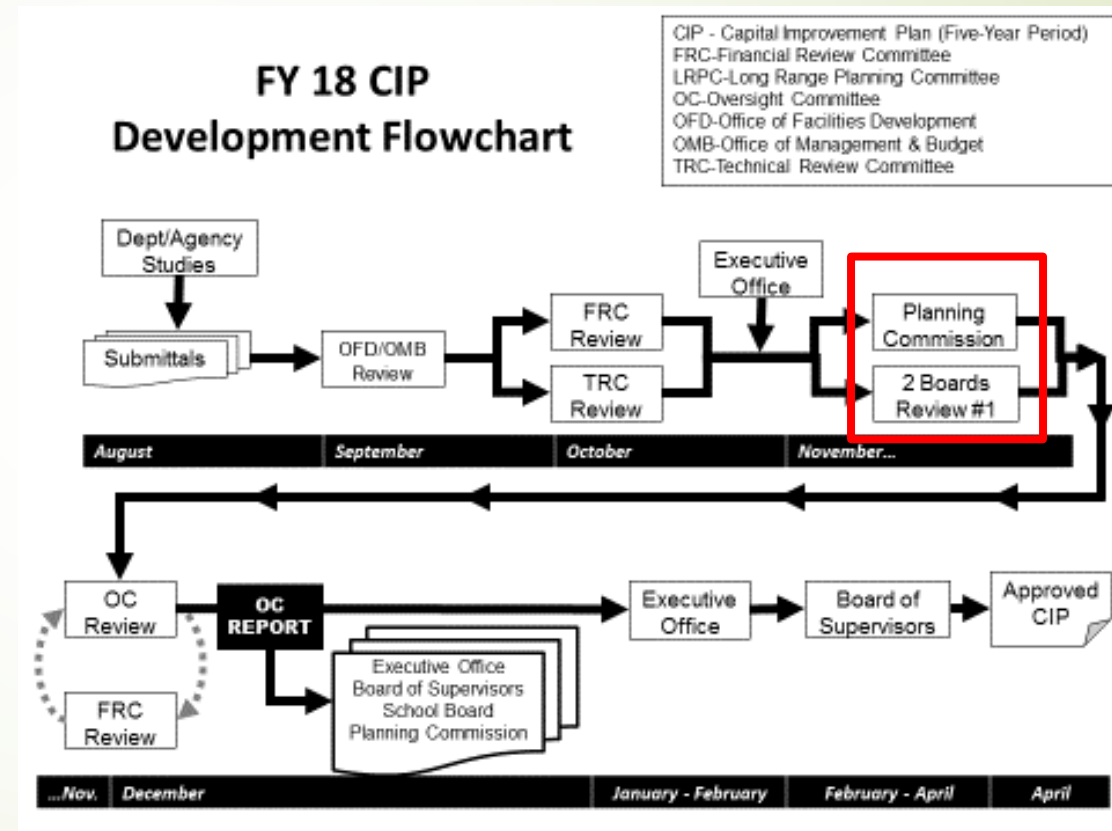
Desired Outcome:

Provide high level overview of FY 18 Amendment year requests; review the Technical Review Committee's ranking of projects; and seek feedback from the board to inform Oversight Committee Representatives

FY 18-FY 22 Capital Improvement Plan (Amendment Year)

Agenda:

- Amendment Year Process
- Review of Requests (summary level/highlights)
- Maintenance Funding Levels
- Process Input
- Questions/Discussion





Capital Improvement Program

The Capital Improvement Plan (CIP) and the Capital Needs Assessment (CNA) – collectively referred to as the **Capital Improvement Program**– represent a statement of the County of Albemarle's policy regarding long-range physical development for the next five-year and ten-year periods respectively.

Terminology

- Capital Improvement Plan (CIP) = FY 18 – FY 22 Plan
- Capital Needs Assessment (CNA) = Longer-range horizon - FY 23-28 (Updated every other year)
- Capital Budget = First year of the Plan, appropriation authority
- CIP Two Year Request Process
 - Year One – All Dept./Agency Requests/Needs including CNA (10 year look)
 - Year Two – Amendment year, urgent requests/updates only
- Multi-Year CIP Budget = Includes previously Board approved projects that are expected to carry over into FY 18

Capital Improvement Program (Amendment Year Process)

- **Year 2 (Amendment Year):** Is a streamlined review of the approved projects in the FY 17 CIP amended as of 7/6/16 (Includes Referendum projects)
- Amendment Year Process
 - Administrative changes, including Project Management fee updates
 - Re-submission of unfunded requests and/or new requests must meet the urgent or emergency as follows
 - Funding is requested to begin in FY 18 and...
 - addresses an immediate and critical safety, structural or operational concern
 - and/or required to continue core operations

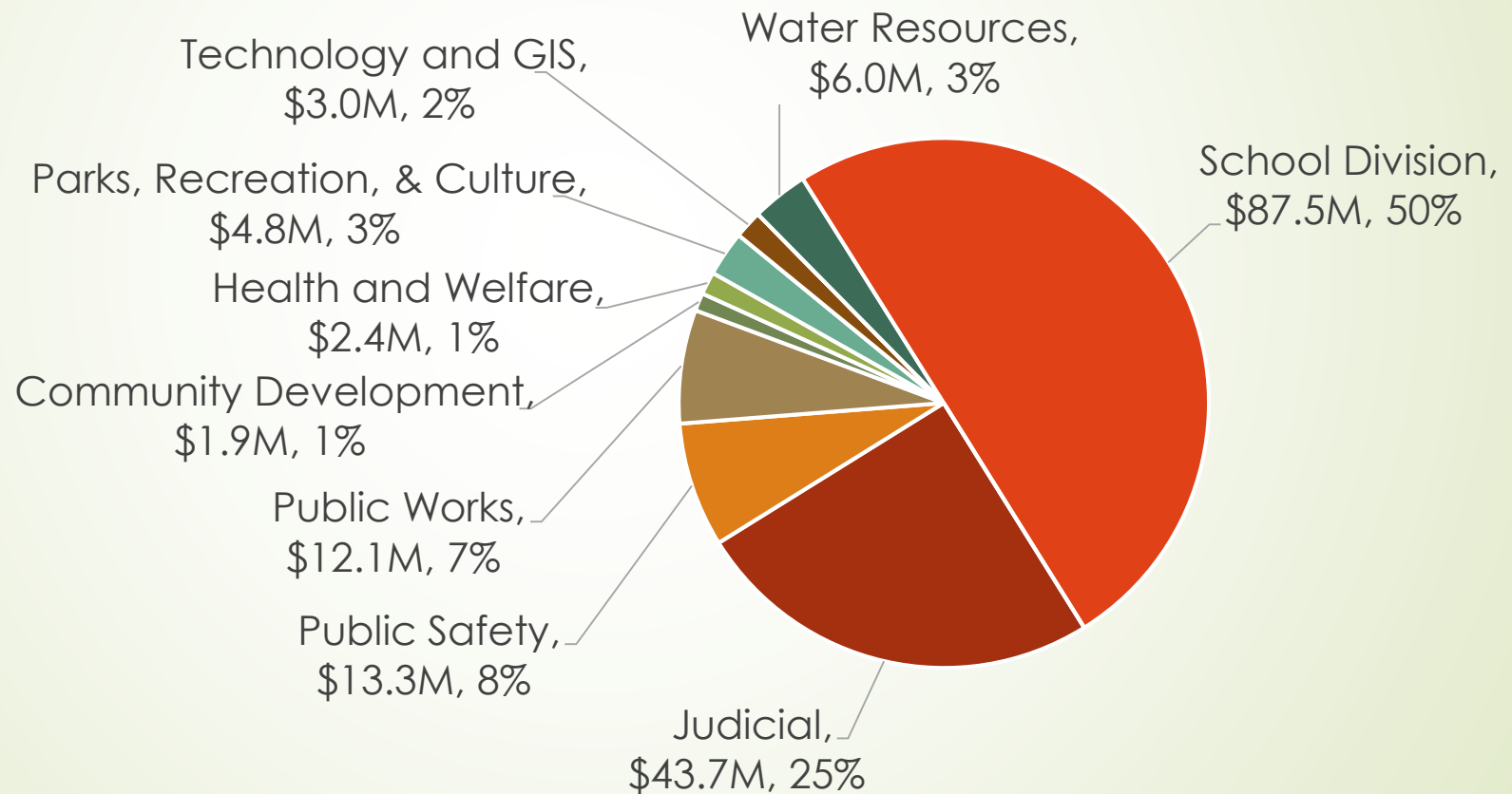
FY 18-FY 22 Capital Improvement Program Summary of Project Requests

45 Eligible Requests, meeting Amendment Year requirements received and reviewed

- 42 of the requests are in the Adopted FY17 Budget
 - 19 requests had no changes from Adopted Budget
 - 17 requests had administrative only changes
 - 1 request had an increases in scope and PM fees
- 3 requests were new and reviewed/ranked by the TRC
- 5 requests were resubmitted but not considered eligible for an amendment year review

FY 18-FY 22 Capital Improvement Program Summary of Project Requests

Totals \$175M (five-year period), ~ \$3.6M increase over the adopted plan



FY 18-FY 22 Capital Improvement Program Projects and TRC Ranking

- Project Request Document Overview
- Updated or New Requests in recommendation to Oversight Committee:
 - Schools Maintenance/Replacement (Updated M/R request)
 - Scottsville ES Parking Lot Safety Improvements (New Non M/R request)
- New Requests not included in FRC/TRC Recommendation:
 - PVCC Advance Technology Center (Site Work)
 - Belvedere Senior Center

FY 18 – FY 22 Capital Improvement Program Facilities Maintenance Program

- FY 18 – FY 22 Budget for Schools and General Gov't is \$53.3M or 64% of CIP Maintenance Replacement Project Requests
- Planning Methodology:
 - Formal facility assessments
 - Manufacturers' recommended preventive maintenance (PM) schedules
 - Customer feedback
 - Maintenance history
- Industry Standards Look at Program (memo):
 - Bottoms up planning and then top down comparison of over all budgeting for Maintenance and how ALBCO stacks up to Industry recommendations

FY 18 – FY 22 Capital Improvement Program

Facilities Maintenance Program

- Standards: Building Research Board of the National Research Council (NRC), referenced by both the International Facility Management Association (IFMA) and the Association of Physical Plant Administrators (APPA), recommends that 2% to 4% of the **Current Replacement Value (CRV)** be dedicated to facility maintenance and repair budgets

CRV Calculation = Cost to replace Building Square Footage (SF) at today's costs and revised building codes

- Schools – 28 Buildings, 2.3 Mil Square Feet at a CRV of ~ \$495Mil
- Local Govt* - 13 Buildings, 462 KSF at a CRV of ~ \$128 Mil

- ✓ Schools 5 year Average CIP Budget/Total of CRV = ~ **2.3%**
- ✓ Local Govt 5 year Average CIP Budget/Total of CRV = ~ **2.0%**

- **Summary:** Both Schools and Local Government fall on the lower end of the recommended range for operational Maintenance and Capital Maintenance/Replacement programs as recommended by the National Research Council (NRC) but staff believes over all the M/R program is adequately funded.

Facilities Maintenance Program Recent Projects

COUNTY OFFICE BUILDING AHU REPLACEMENT – MCINTIRE ROAD



Facilities Maintenance Program Recent Projects

CROZET PARK PARKING LOT 2



Facilities Maintenance Program

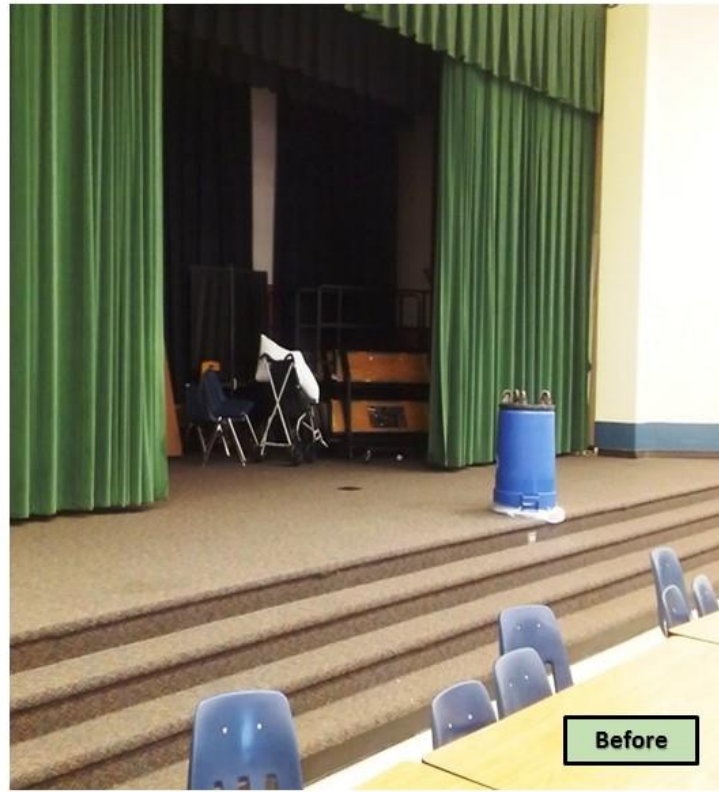
Recent Projects

ALBEMARLE HIGH SCHOOL LOCKER REPLACEMENT



Facilities Maintenance Program Recent Projects

GREER ELEMENTARY SCHOOL RENOVATIONS



FY 18-FY 22 Capital Improvement Program

Process feedback for OSC Discussions

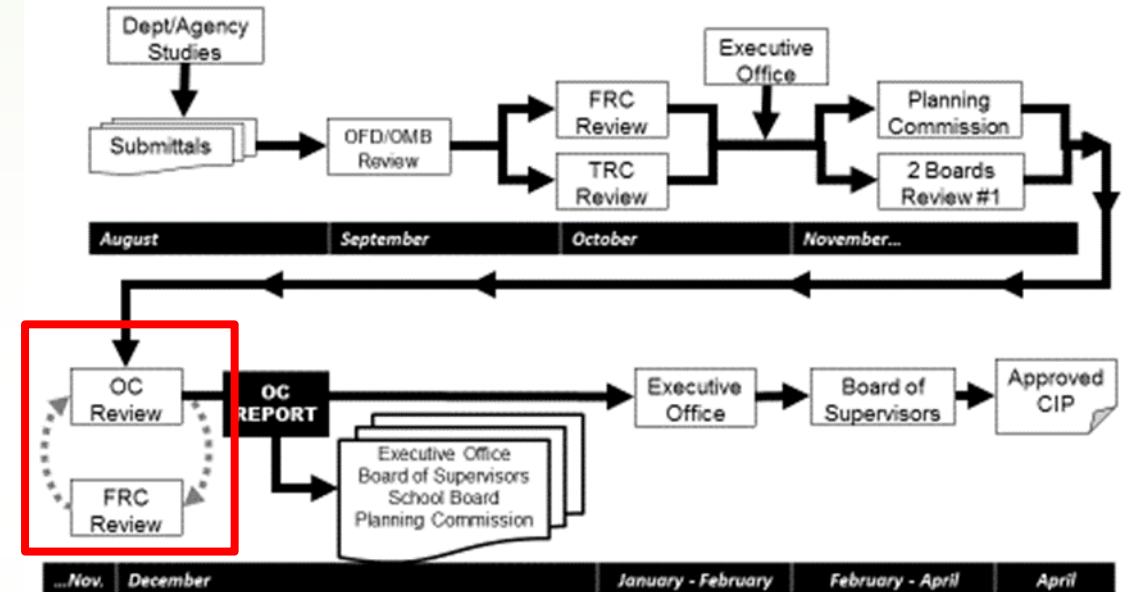
- Consider better defining amendment year
 - Emergency submissions should be considered in current year
 - Better define “urgent” and provide examples to submitting entities
 - Allow for adjustments to adopted plan (timing/scope/etc. provided they are properly justified)
- Consider no longer ranking Maintenance/Replacement (ranking was established in FY12 due to down turn).
 - M/R requests will be reviewed for content/classification and appropriate programming just not ranked
- Consider allowing new requests/resubmitted non-funded back each year

Summary

- Next Steps of Process:
 - OSC Meetings 11/21 & 11/29
 - OSC Budget Recommendation to CEO
 - Memo to Boards and PC
- Actions/Direction Required by the Boards (if any)
 - ❑ Input to Staff and members of Oversight Committee

FY 18 CIP Development Flowchart

CIP - Capital Improvement Plan (Five-Year Period)
FRC-Financial Review Committee
LRPC-Long Range Planning Committee
OC-Oversight Committee
OFD-Office of Facilities Development
OMB-Office of Management & Budget
TRC-Technical Review Committee





Back up Slides



FY 18-FY 22 Capital Improvement Program Summary of Project Requests

	No changes	Administrative Changes	Amendment Year Changes	Ranked Amendment Year New Requests	Unranked Resubmitted requests	Total
Mandates	0	2	0	0	0	2
Obligations	3	3	0	0	0	6
Maint/Repl	12	7	1	0	0	20
Non Maint/Repl	4	5	0	3	5	17
Total	19	17	1	3	5	45

Eligible requests = FY 18 CIP Revised Requests

Totals \$175M (five-year period)

\$3.6M increase over the adopted plan

Update page, simplify information related to requests...45

FY 18 – FY 22 Capital Improvement Program

Facilities Maintenance Program

- Standards: Building Research Board of the National Research Council (NRC), referenced by both the International Facility Management Association (IFMA) and the Association of Physical Plant Administrators (APPA), recommends that **2% to 4%** of the Current Replacement Value (CRV) be dedicated to maintenance with **0.5% to 3%** dedicated to maintenance and repair and **1.5% to 3%** for capital renewal.

BREAKDOWN OF ACPS SCHOOL DIVISION FACILITIES

Facility Category	Number	Area (sf)	CRV
Elementary Schools	16	952,174	\$190.4 M
Middle Schools	5	522,696	\$112.4 M
High Schools/Secondary/Centers	3	778,652	\$175.2 M
Alternative Centers	2	49,415	\$11.1 M
Administrative/Support Buildings	2	28,602	\$5.4 M
Total	28	2,331,539	\$494.5M

BREAKDOWN OF LOCAL GOVERNMENT FACILITIES

Facility Category	Number	Area (sf)	CRV
General Administration	2	252,800	\$69,434,048
Courts	1	33,225	\$9,581,758
Fire/Rescue Stations	4	38,887	\$15,293,868
Libraries	3	90,947	\$20,155,674
General Purpose Instruction	1	25,250	\$7,311,390
Rental Space - Sales	1	2,655	\$516,690
Indoor Firing Range	1	18,930	\$5,582,268
Total	13	462,694	\$127,875,695

FY 18 – FY 22 Capital Improvement Program Facilities Maintenance Program

- Summary: Both Schools and Local Government fall on the lower end of the recommended range for operational Maintenance and Capital Maintenance/Replacement programs as recommended by the National Research Council (NRC).
- Staff believe over all the M/R program is adequately funded.

% CRV Goal 2 – 4 %

Total Percentage of Maintenance CRV for Schools				
Fiscal Year	CIP Maintenance/Replacement Funding*	% of CRV	Operational Maintenance % of CRV	Total % of CRV
2016/17	\$7,193,551	1.45%	0.86%	2.31%
2017/18	\$6,629,110	1.34%	0.86%	2.20%
2018/19	\$7,019,487	1.42%	0.86%	2.28%
2019/20	\$7,269,614	1.47%	0.86%	2.33%
2020/21	\$7,383,740	1.49%	0.86%	2.35%

Total Percentage of PRV Assuming Maintenance Operations Remains at 0.83%				
Fiscal Year	CIP Maintenance/Replacement Funding	CIP % of PRV	Operational Maintenance % of PRV	Total % of PRV
2018	\$1,362,574.00	1.01%	0.83%	1.85%
2019	\$3,687,668.00	2.69%	0.83%	3.52%
2020	\$790,951.00	0.56%	0.83%	1.40%
2021	\$1,703,524.00	1.19%	0.83%	2.03%
2022	\$794,417.00	0.55%	0.83%	1.38%