



# Albemarle County

## Legislation Text

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**File #:** 18-334, **Version:** 1

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**AGENDA DATE:** 6/6/2018

**TITLE:**

2018 Bond Referendum - Project Identification

**SUBJECT/PROPOSAL/REQUEST:** Review and select capital projects to include on a November 2018 Bond Referendum

**ITEM TYPE:** Regular Action Item

**STAFF CONTACT(S):** Richardson, Walker, Letteri, Kamptner, Blair, and Allshouse, L.

**PRESENTER (S):** Lori Allshouse

**LEGAL REVIEW:** Yes

**REVIEWED BY:** Jeffrey B. Richardson

**BACKGROUND:** On March 1 and March 5, 2018, as part of the budget development process, the Board of Supervisors held work sessions on the Capital Improvement Program. During the work sessions, the Board reviewed the Recommended FY 19 Capital Budget (which is the first year of the FY 19 - FY 23 Capital Improvement Plan (CIP)) as well as the information that was included in the Recommended Budget document about other longer-term capital requests and resource implications. During these work sessions, the Board discussed potential bond referendums, and reviewed debt management information.

On March 27, as part of the Budget Work Session, the Board received an overview from School Division staff on the High School Capacity and Improvement Project CIP request, including the timing and cost estimates of the phases envisioned for this project. The Board chose to include Phase 1 of the High School Capacity and Improvement Project at \$35.1 Million in the Proposed FY 19 Capital Budget, anticipating future discussion as to whether the project would be included in a 2018 Bond Referendum.

On March 29, the Board received further details from School Division staff regarding the School Division's High School pilot center, which was included in its operating budget, as well as other phases of the High School Capacity and Improvement Project. The Board also reviewed five potential FY 19 - FY 23 CIP scenarios and the associated cost estimates, and directed staff to bring back additional scenario models on April 10.

On April 10, the Board of Supervisors reviewed three additional CIP scenario models based on information provided by the School Division. It also reviewed potential local government projects and the potential impacts on future tax bills based on current assumptions included in the scenario models. The Board stated that it was comfortable pursuing a \$35.1 Million November 2018 Bond Referendum, which would fund in whole or in part the Phase 1 (Center 1) of the High School Capacity and Improvement Project. The Board further directed staff to prepare for a May 9 CIP Work Session in which it would determine what additional projects to include in the 2018 Bond Referendum.

On April 17, the Board approved the 2018 Tax Rate and the FY 19 Operating and Capital Budgets. On May 9, the Board of Supervisors identified a maximum amount of \$59 Million in bonds to be included on a 2018 Bond Referendum. It further recommended that \$47 Million of this amount could support projects that would be identified by the School Board and then recommended to the Board of Supervisors for its final approval. The Board of Supervisors also discussed a number of local government “quality of life” projects that could be funded in whole or in part with the remaining \$12 Million in bond proceeds in a successful 2018 Referendum.

**STRATEGIC PLAN:** Mission: To enhance the well-being and quality of life for all citizens through the provision of the highest level of public service consistent with the prudent use of public funds.

**DISCUSSION:** On June 6, the Board of Supervisors will discuss two items. First, the Board will review and discuss the resolution requesting a bond referendum received from the School Board. Second, the Board will determine which local government CIP projects to include on a 2018 Bond Referendum.

On June 13, staff plans to provide the Board with a FY 19 - FY 23 Capital Improvement Plan, which will include projects identified in its June 6 discussion for the Board’s approval. In addition, on June 13, the Board will consider adopting a resolution requesting the Circuit Court to order an election on the bond referendum in conjunction with the November 6 general election, stating the purposes of projects to be funded in whole or in part by the bond proceeds, as well as the maximum amount of the bonds that may be issued. The Board is not required to adopt the resolution on that date.

If necessary, the Board could delay adopting the resolution to as late as July 5. The resolution and an accompanying petition will need to be filed with the Circuit Court on or before July 12 to ensure that the Court has adequate time to order the election by August 17, which is the latest date by which the Court may order the referendum to be held on November 6.

Lastly, the Board has the option under State law to ask the Planning Commission to provide a recommendation on the FY 19 - FY 23 CIP. Staff anticipates that if this option was pursued, the Board’s adoption of the CIP and the resolution would be delayed well beyond July 5 and would jeopardize obtaining a timely order from the Circuit Court.

**BUDGET IMPACT:** The size and scope of the 2018 Bond Referendum would impact the amount of future debt that would be issued by the County.

**RECOMMENDATION:**

Staff recommends that the Board determine the maximum dollar amount of the bonds to be issued and identify the County projects to be funded in whole or in part by the bond proceeds in a 2018 Bond Referendum.

**ATTACHMENTS:** [Click here to enter text.](#)