



2021-2027 RECOMMENDED CAPITAL IMPROVEMENTS PROGRAM (CIP)

19 November Work Session

CIP Meeting Agenda



- ❑ Brief Review of CIP process
- ❑ School projects
- ❑ Funding sources
- ❑ Other projects



Review of CIP process

CIP Process



- Requests for new projects or updates to existing projects are submitted
- County manager's office reviews requests and makes a recommendation
- The board adopts an approved CIP, which is a PLAN and can be modified at any time
- Individual projects must also be approved by the BOC through the operating budget or separate project ordinance
- Today, we recommend that you hear all projects before making a decision on any individual project

Overall Strategy



- Find the best way to schedule and fund critical needs
- Be cautious with debt-funded projects until the impact of high-priority future projects and the impact of Chatham Park and Megasites is better understood
- Continue a capital reserve for pay-as-you-go projects, instead of relying on an annual appropriation

A Word About Inflation

- ❑ Projecting costs is not a science; timing can be for us or against us
- ❑ During the recession construction costs were less expensive than anticipated
- ❑ With economic recovery and rebuilding after weather disasters, proposals began coming in higher than anticipated
- ❑ In the past we inflated construction cost 5% per year. We now inflate 10% per year.
- ❑ Other costs are inflated by 3%, which is ahead of overall inflation



Overview of School Projects

Completed Projects – Page 12



- ❑ Bleacher Replacements
 - ▣ Final project budget: \$392,088
 - ▣ Final project cost: \$333,468
- ❑ Northwood High Paving Overlay
 - ▣ Final project budget: \$189,002
 - ▣ Final project cost: \$17,143
- ❑ Perry Harrison Elementary School Traffic Pattern
 - ▣ Final project budget: \$471,000
 - ▣ Final project cost: \$470,000

Approved—No Contracts



- No construction contracts have been executed (no construction or purchase contracts let; design contracts may have been let; commissioners may decide to delay or cancel)
- These projects were recommended and approved in prior CIPs
- Commissioners have discretion to change, delay, or delete the projects, realizing that some planning costs may have been incurred
- For some projects, this applies only to future phases

New Central Services Building (Page 38)

- No budget change from prior year
 - 34,000 square-foot building based on space needs study
 - Meet current needs and those projected for the next 20 years
 - LEED Silver, Geothermal
 - Does not account for any additional costs associated with new site
- Operating effect ~ \$32,000 in FY 22

Roof Replacements (Page 41)



- Total budget: \$6,461,354
 - ▣ \$2,885,213 capital reserves
 - ▣ \$638,060 water capital reserves
 - ▣ \$1,157,659 leftover Pollard
 - ▣ \$1,780,422 motor vehicle windfall and general fund

Roof Replacements (Page 41)

- THE END IS IN SIGHT!
- **Roofs complete:** JSW, Sage, Moncure, Chatham Central High School, North Chatham Elementary, Bennett School, Pittsboro Elementary School, Perry Harrison Elementary, and Siler City Elementary
- **Roofs in progress and finishing up this year:**
 - ▣ Jordan-Matthews and Northwood High Schools are in progress; estimated completion December 2019

Wastewater replacement at Silk Hope School (Page 45)



- ❑ Replace wastewater system at Silk Hope School
- ❑ The 2 main parts of the current system located .5 miles apart
- ❑ One part is on privately owned land
- ❑ Property owner unwilling to give the easement required by DEQ
- ❑ \$643,500 in FY 2023 funded from capital reserve

Approved Contracts Let



- Little discretion about delaying or not funding

Chatham Grove Elementary School

(Page 33)



- Construct a 96,827 square-foot elementary school in the northeastern area of Chatham County to open in August 2020
- Budget: \$33,109,621
 - No change in budget from previously approved CIP
- Includes LEED, geothermal, shelter, rec center
- Project approximately 79% complete as of November 12, 2019

Locker Room Renovations (page 35)



- ❑ Renovate the locker rooms at Jordan Matthews, Chatham Central, Moncure, JS Waters, and Northwood [\$1,139,950]
- ❑ Project Schedule:
 - FY 2019 CCHS and JM
 - FY 2020 JS Waters and Moncure
 - FY 2021 Northwood
- ❑ Chatham Central and Jordan-Matthews have been completed. Moncure School expected to be complete in November 2019

Mobile Classrooms (Page 36)

- Purchase modular classrooms to alleviate overcrowding
- Five have been purchased and installed
 - ▣ Siler City Elementary (3); NWHS (1); Chatham Middle (1)
- Unspent funds from 2018 and 2019 were redirected to the Energy Efficient LED project
 - ▣ Grant from Duke Progress in conjunction with Lime Energy
- Reallocated funds will be replaced and assigned to FY2023 and FY2024
- No expected expenditures in current year (FY 2020), funds for the project were shifted out one year
 - ▣ Now finishing in FY 2025

Resurface Tracks (Page 40)



- Tracks at all 3 high schools are showing signs of deterioration
- Resurface one track each year between FY 2020 and FY 2022
- \$374,480
 - Includes contingency in case asphalt repair is needed
- Northwood track completed except for high jump/pole vault runway
 - Due to condition, will need to be repaved/resurfaced as part of Jordan-Matthews project in FY 2021
 - No additional funds needed

Seaforth High School (Page 43)



- ❑ Construct a new 209,000 square-foot high school in the northeast quadrant of the county to open August 2021
- ❑ Budget \$74,831,148
- ❑ Includes LEED Silver, Geothermal, On-site wastewater reuse system
- ❑ Construction in progress
- ❑ Project approximately 48% complete as of November 12, 2019
- ❑ Operating Costs ~\$2.3M beginning FY 22

Future Projects

- ❑ Not enough information is available to schedule or there is no identified funding source for these projects
- ❑ Projects are NOT recommended by the County Manager for FY 2021-2027 CIP; but could be recommended in future CIPs
- ❑ Included to give Commissioners “heads up” about possible future obligations

Athletic Field Lighting (New Future Project Page 70)



- ❑ Upgrade/Install athletic field lighting at middle/high schools
- ❑ Replace outdated athletic field lighting and add lighting to newly created fields for additional teams and student population at existing middle and high schools

HVAC/Lighting Replacement (Page 71)



- Upgrade outdated and inefficient HVAC and Lighting
- Create a long-term (seven years or longer) project that will provide a to-be-determined amount of money to be used annually to upgrade HVAC and lighting to more energy efficient systems

New Elementary School at Chatham Park (Page 71)



- During the next ten years the Northwood attendance zone is projected to grow by 1,900
- Over 600 of these students generated by Chatham Park
- Financial and architectural plans for a new elementary school will have to begin when the need becomes apparent

New Schools/Capacity Expansion (Page 72)



- Extends the previous future project New Schools to encompass new schools, additions to existing schools and/or modular classrooms as most feasible

Paving Repair (Page 72)



- Paved areas on all campuses deteriorate as they age
- Create a long-term (seven years or longer) project that will provide a to-be-determined amount of money to be used annually to repair paving

Replace Gyms at Bennett, Silk Hope, and Bonlee (Page 73)



- The gymnasiums at Bennett, Silk Hope, and Bonlee schools are in poor condition. Chatham County Schools has determined that it is more economical to replace them rather than renovate them
- The cost of the expansion would require additional debt funding

Last questions for CCS?





Introduction to other projects



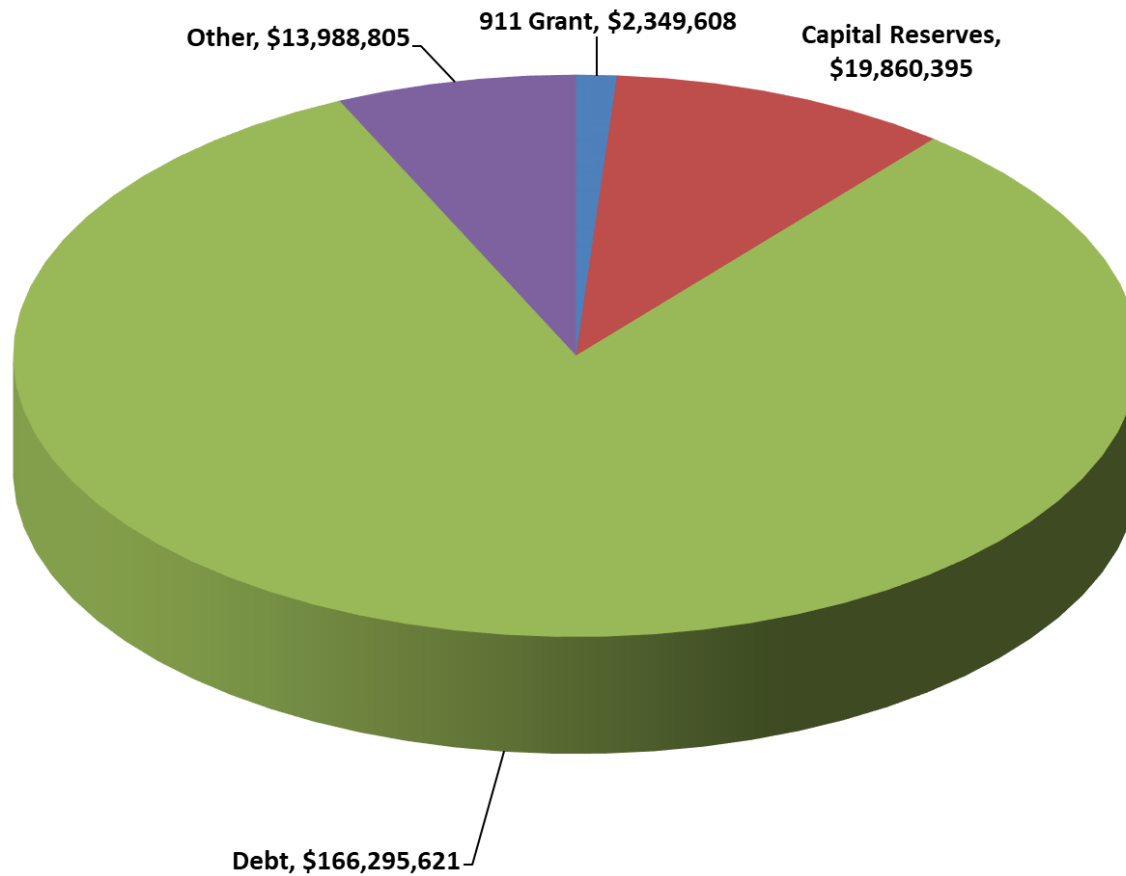
Financing Methods & Revenue Sources

Funding strategy, funding sources

Funding Sources (pages 8-10)



General Fund CIP Funding Sources



Debt Model



- ❑ Reserve for debt established in FY 2006 with help from financial consultant, DEC
- ❑ Originally established with 4-cents on property tax rate transferred to reserve
- ❑ Impact fees and lottery are included in the reserve for school debt
- ❑ Allowed county to move forward with projects during economic downturn
- ❑ The county saved millions as a result

Upcoming Debt Issuances.



- Slight change to the borrowing schedule
- No additional contribution needed for debt model
- Next borrowings:
 - Spring 2020 – Emergency Radio System upgrade, this is a shorter term bond (10 year)
 - January 2021 – New Central Services Building and New Emergency Operations Center

School Impact Fees

- Paid countywide by residential dwelling unit
- \$3,500 for single family; \$1,110 for multi family
- Based on a extensive study conducted by an expert consultant
- **Proceeds restricted** to student growth-related capital improvements (new schools, land, and mobile units)
- Proceeds earmarked for existing and future debt (VCE, Pollard Middle, Seaforth High, Previous NW renovation, Chatham Grove)

Lottery Funds



- ❑ Counties are getting about half of what was originally promised (statutory obligation also removed)
- ❑ Proceeds are restricted to capital expenses for schools
- ❑ Chatham County's allocation is roughly \$500K/year—had been almost double
- ❑ Proceeds are earmarked for school debt, namely bus garage; proceeds cannot be “pledged”

Parks Capital Reserve

- ❑ Reserve established in FY2009 with “1-cent” contribution from property tax; stopped in FY2012
- ❑ Total of \$1.3M contributed
- ❑ Funded NE Park and minor improvements to NW and SE parks
- ❑ \$176,210 projected balance FY2020
- ❑ No additional contribution is being made
- ❑ Staff will explore how best to leverage remaining funds (e.g., through PARTF or other grants)

Recreation Exaction Fee



- ❑ Collected when final subdivision plats are recorded in the county's planning jurisdiction (doesn't apply to towns and ETJ, such as Chatham Park)
- ❑ Exempt and family subdivisions don't pay
- ❑ Based on average assessed value of 1/35 of a developed acre in eastern and western districts
 - ▣ \$926/lot in east
 - ▣ \$548/lot in west
- ❑ Except in Briar Chapel (because of developer agreement), must be used only for land

Recreation Exaction Fee

- \$1.9 M for Briar Chapel Park improvements (currently planned)
- Fees collected will reimburse the general fund for NW land purchase
 - ▣ NW—not in our great-grandchildren’s lifetime (several hundred years)
- BOC approved using Coal Ash settlement to reimburse the general fund for SE land purchase
- Bottom line: Funds for additional land purchase only available in eastern district in future (little balance now)

911 Funds



- ❑ Funded from \$0.60/month surcharge on phone bills
- ❑ Distributed by the state based on 5-year rolling average of expenses
- ❑ Proceeds restricted to expenses for 911 call-taking, dispatching, furniture for dispatchers, and other equipment located in the 911 center related to receiving and dispatching emergency calls

Water Capital Reserve

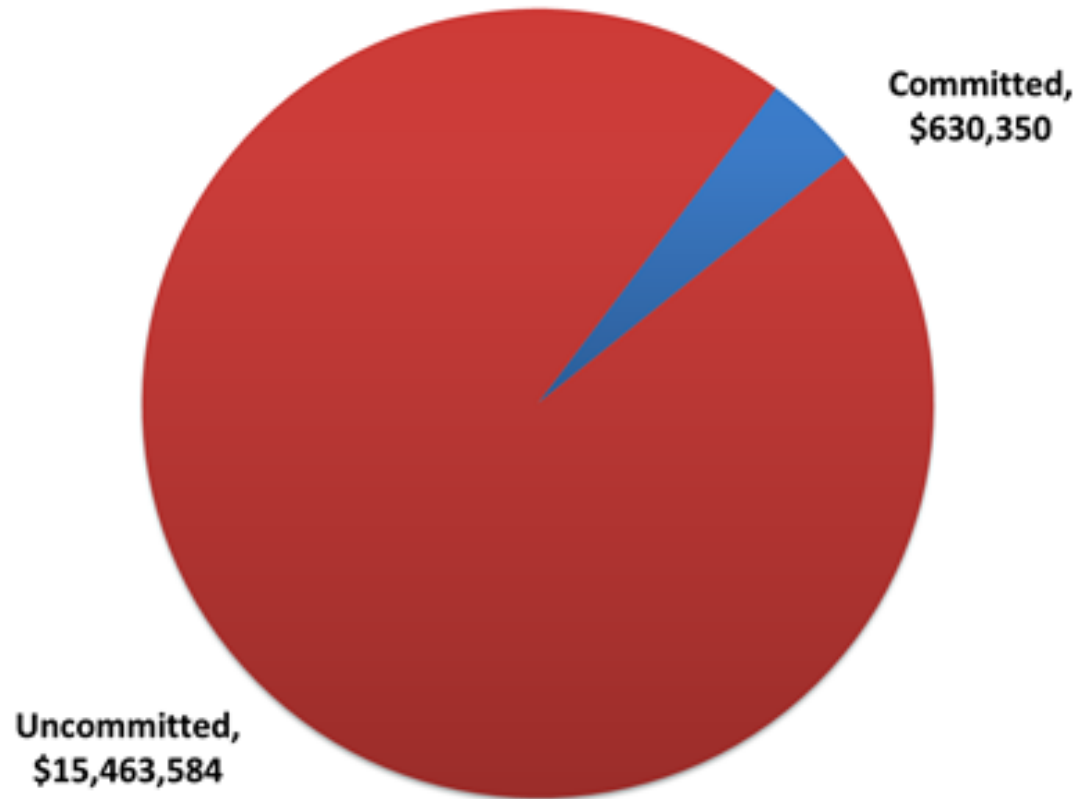


- ❑ Funded through availability fees when customers connect and historically (until 2010) from General Fund transfers
- ❑ \$5M transferred from general fund in FY 2007 for project to connect to Harnett water system
- ❑ BOC approved transferring back the \$5M in FY 2014 for school roofs and new financial software-being transferred as needed
- ❑ Current balance is \$16.1M

Funding Sources (pages 8-10)



Uses of Water Capital Reserve





Non-school Projects

Completed Projects – Page 12



- Purpose for including completed projects is to “close the loop”
- Projects that had spending in the previous and/or current fiscal year are included
- Gives final accounting for budget

Completed projects

(Page 12)



- Chatham County Agriculture & Conference Center
 - ▣ Final project budget: \$15,080,496
 - ▣ Final project cost: \$15,002,807
- Telephone System Replacement – Countywide
 - ▣ Final project budget: \$261,814
 - ▣ Final project cost: \$235,799
- Integrated Public Sector Software
 - ▣ Final project budget: \$1,500,000
 - ▣ Final project cost: \$974,838

Completed projects

(Page 12)



- Water – Nature Trail Water Main Replacement
 - ▣ Final project budget: \$1,824,788
 - ▣ Final project cost: \$1,588,034



New pay-go projects

a.k.a. capital reserve

Core Storage/Server Replacement (page 50)



- Replace host servers and storage arrays for County's datacenter systems
- Project proposes a two phase approach: Replacing host servers at five years and storage arrays at seven
- Overall costs reduced significantly due to annual support and controller replacement
- Total budget of \$262,800 beginning in FY2025



Existing projects

Approved—Substantially Complete



- ☐ Approved in a previous CIP
- ☐ Punch list items remain
- ☐ Some other expenses may remain

Central Carolina Business Campus (Page 14)



- ❑ Construct the infrastructure for Chatham County's Business Campus in Siler City including construction of roadways, water mains, sewer mains, and sewer pump stations
- ❑ \$8.8 million; \$7.4 million in COPs issued; \$496K capital reserve; \$264K general fund; \$400K from grants; \$338K from water capital reserve; \$28K in interest
- ❑ Substantially complete in November 2009
- ❑ DOT has issued punch list for repairs needed
 - ▣ Pavement overlay, bridge repair
- ❑ Estimated \$500,000 in FY21 and FY22

CCCC – Health Sciences Building

(Page 17)



- ❑ Construct a 40,000-square-foot Health Sciences Building at Briar Chapel to open January 2020
- ❑ Building will include an early voting site for northeast Chatham
- ❑ Site has been master planned for a 10,000-square-foot library to be added in the future
- ❑ \$12.3 million funded with debt
- ❑ Construction cost offset by \$2.1 million NC Connect Bonds that the college will receive
- ❑ Operating effect \$245,450 beginning FY 2020

Approved—Contracts Let



- Little discretion to change or remove the project
- Construction or purchase contracts have been executed
- May be able to postpone expenses beyond FY 2019 if multi-phased

CCCC Trails (Page 20)



- Repair and replace the existing walking trail at the Pittsboro campus and create a connector trail between the campus and the CCA&CC
- Phase 1: Repair of existing trail
 - ▣ Budget: \$183,750
 - ▣ Actual cost: \$165,519
 - ▣ Completed December 2018
- Phase 2: FY 2021 [\$115,000]
- Project funded through capital reserve

County Buildings - Animal Shelter Expansion and Renovation (Page 22)



- ❑ Build a 7,931-square-foot addition to the existing Animal shelter and renovate the existing building
- ❑ Bacon Group needs assessment recommended more space for animals and found numerous problems with existing facility
- ❑ Bidding will take place in January
 - Will break ground late February/early March
 - Construction will take 12 months
 - Project now expected to be complete by the end of 2020
- ❑ \$5,585,630 from capital reserves
- ❑ \$188K estimated in net operating costs, beginning FY 2020

Approved—No Contracts

- No construction contracts have been executed (design contracts may have been executed)
- Manager is recommending these projects
- Commissioners have discretion to change, delay, or delete the projects realizing that some planning costs may have been incurred

Chatham County Detention Center Generator (page 16)



- ❑ Purchase and install a second generator at the Detention Center
- ❑ Current generator does not power the entire building and all daily needs during prolonged power outage
- ❑ \$627,739 (Capital Reserves)
- ❑ FY2023

CCCC – Roof Replacement (Page 19)



- Replace the roof on Building 42 on the Pittsboro Campus
 - ▣ Original roof (1996)
- No current issues
- College anticipates the roof will need replacement within the timeframe of the CIP
- \$478,500 (Capital Reserve)
- FY 2023

County Buildings – Emergency Operations Center Expansion (Page 25)



- Originally an expansion of the Emergency Operations Center so the Communications Division could expand
 - ▣ Project scope has shifted, project is now for a new Emergency Operations Center building on a new site
- The communications room that house emergency dispatch is full; currently one dispatcher station is located in the EOC
 - ▣ With growth anticipated, the number of dispatchers on shift will increase substantially

County Buildings – Emergency Operations Center Expansion (Page 25)



- This project is related to the Radio System Upgrade
 - ▣ Timing the two projects together makes sense with regard to funding and to function

- \$18,00,000 [+\$6,300,000]
 - ▣ \$2.3M increase due to land purchase on Renaissance Dr.
 - ▣ Additional \$6M due to new building (as opposed to expansion of existing building)

County Buildings – New EMS Base (Page 27)



- ❑ Construct a new 3-bay EMS base on 15-501 near Fearington Village and Briar Chapel
- ❑ There is a gap in the 12-minute response time for EMS coverage along the 15-501 corridor
- ❑ \$1.3M funded through capital reserve
- ❑ Bidding for the construction phase is anticipated in either December 2019 or January 2020
- ❑ Project completion by the end of 2020

Emergency Communications – Radio System Upgrade (Page 28)



- Replace current emergency radio system infrastructure with a reliable and industry standard P25 radio system
- Existing VHF frequency system is 30 years old and is obsolete
- New system will consist of 6 tower sites and associated equipment
- Awarded \$2.3M grant from 911 Board
- Increase in project costs offset by receipt of grant

Parks – Briar Chapel (Page 30)



- ❑ Accept the 62-acre Briar Chapel Park with existing regulation soccer, football, baseball, and softball field; fence and light the athletic fields; and construct a restroom, concessions building, and trails over several phases using recreation fees paid by the BC development and grant funding (if available)
- ❑ County closed on property June 2012
- ❑ Construction of athletic fields, parking, and entrance had been completed by BC development

Parks – Briar Chapel (Page 30)



- Received PARTF September 2017: \$150,000
 - ▣ PARTF grant project FY 2018-FY2019: Picnic shelter, fencing & landscaping, walking trail, playground, school connector [\$368K]
- Construction in progress for PARTF grant project items, estimated to be complete in FY 2020
- FY 2021: Lighting for the soccer field, construction of a new restroom, additional parking, and additional storage

Parks – Lower Haw River

(page 32)



- Build a pedestrian bridge across Pokeberry Creek and improve the one-mile natural surface
- Funded with a grant from the Recreation Trail Program (RTP) - \$100,000
 - ▣ County match \$25,000
- Project is being planned; Expected completion end of FY 2020

Technology – Agriculture & Conference Center A/V Replacement (Page 50)



- Replace all audio/visual equipment in the Chatham County Agriculture & Conference Center
- Planned for FY 2024
- \$343,475
- Funded with capital reserve

Technology – Body Cameras (Page 54)



- ❑ Purchase body cameras, servers, and media storage to capture use-of-force situation in a video format for the Sheriff's Office
- ❑ Sheriff requested a total of 147 cameras FY 2018
- ❑ Manager recommended phasing the project over 3 years to avoid high replacement cost
- ❑ \$50,000 grant received in FY 18
- ❑ Initial purchase/phase in will complete in FY 20
- ❑ Operating effect ~ \$9,600 begin FY 21

Technology—Increase Capacity for Data Storage (Page 52)



- Provide a secure storage system for the county's increasing data storage needs
- Phases one and two of the project were completed in 2009; phase 3 in progress and on schedule to complete before the end of FY20
- \$724K from capital reserve

Technology – Justice Center AV Replacement (Page 55)



- Replace all audio/visual equipment in the Historic Courthouse and Justice Center
 - ▣ Newly installed in 2012
 - ▣ Warranties will soon expire
 - ▣ Equipment will need to be replaced by 2023 if not sooner
- \$465,850
- Funded with capital reserve

- Replace current software with a system that will provide improved functionality for staff and the public in FY 21
 - ▣ Project start delayed to allow for next revaluation
- Current software is based on out-of-date programming language and platform
- Availability of support and maintenance programmers is limited
- \$1 M from Capital Reserve
- Operating effect \$75,000 begin FY 22

Voting Equipment Replacement (Page 59)



- ❑ Replace voting equipment for Chatham County elections
- ❑ Voting equipment owned by Chatham County has an average expected life span of 12-14 years. The county's voting equipment is approximately 15 years old
- ❑ Project will replace ADA devices as well
- ❑ \$676K from capital reserve

Voting Equipment Replacement (Page 59)



- 3 vendors certified by the State Board of Elections
- Local Board of Elections hosted a public demonstration of all equipment in September
- Tested a vendor at Pittsboro precinct in November 2018
- Tested a second vendor at East and West Siler City precincts in November 2019 municipal elections
- Will move forward with a purchase by December 31, 2019

Water – Haywood Water Main Replacement (Page 62)



- ❑ Replace existing 4-inch main under the railroad tracks on Haywood Road with a 6-inch main that supports fire hydrant use
- ❑ Originally part of Southeast Water District, but removed because of cost
- ❑ 4-inch line prevents use of hydrants in the area
- ❑ \$140K from water capital reserve
- ❑ CSX requiring additional approval for geotechnical subsurface borings
- ❑ Estimated completion is spring 2020

Water – Planning Western Intake & Water Treatment Plant (Page 64)



- Fund ***initial planning*** costs to construct a water intake and treatment plant on the west side of Jordan Lake
- Chatham County is approaching the capacity of the existing water treatment plant and additional supply will be needed in the future. Current maximum demand is 2.8 mgd. Chatham is working with regional partners to build a treatment plant and western intake
- \$2.2M from water capital reserve
- Cost to construct the plant and intake will be substantially more

Effect on Operating Budget (page 11)



- Estimating impact on operating budget is important part of CIP request
- Fairly detailed, gets more so as project becomes closer and operating costs clearer
- Operating impact is modeled, along with CIP to ensure county can absorb cost and meet financial goals
 - Operating costs increase substantially in FY 2021 and FY 2022 when new schools come online
 - These costs that follow project completion are paid in the operating budget

Future Projects

- ❑ Not enough information is available to schedule or fund these projects
- ❑ Projects are NOT recommended by the County Manager for FY 2021-2027 CIP; but could be recommended in future CIPs
- ❑ Included to give Commissioners “heads up” about possible future obligations
- ❑ Projects are moved from this list to scheduled when need fully justified and funding source identified and set aside

Community College – Career & Technical Education Building (page 66)



- Construct a new Career and Technical Education Building on the Chatham main campus to meet needs for skilled trade fields in the service area
- College staff is doing additional research to determine the programming mix required to meet the needs in skilled trade fields
- College is currently utilizing space in the Sustainable Building, which was not designed to meet the needs of this type of program

County Buildings – Agriculture and Conference Center Phase II (page 66)



- Expand the current Chatham County Agriculture & Conference Center to include a multi-purpose event arena, outdoor classroom space, farmer's market venue, office space, demonstration plots, and storage buildings
- Supports the importance that agriculture plays in our local economy and way of life
- CCACC staff is working to obtain a feasibility study

County Buildings – County Complex Master Plan (page 67)



- Develop a long-term master plan to address long-term space needs for county buildings currently at the government annex campus while being responsive to the desire for a clear vista between the Justice Center and the Historic Courthouse
- Commissioners heard presentation from consultant in October 2018 and requested development of additional design options

County Buildings – New Sheriff Office (Page 68)



- ❑ Build a new facility to house Sheriff's Office employees
- ❑ Renovation of the old jail would be costly and would not provide sufficient room to grow and be consolidated in one location
- ❑ The Sheriff prefers the new building to be constructed on the space available in front of the Detention Center

County Buildings – Northeast Library (Page 68)



- ❑ Build a library branch in the northeastern part of the county
- ❑ Land provided by Briar Chapel could provide another joint-use facility to serve the county and the CCCC Health Sciences Building.
- ❑ Success of the new eResources collection has addressed some of the concerns of residents who can not drive to a branch
- ❑ County currently lacks debt capacity to build a new library

County Buildings – Sheriff's Office Warehouse (Page 69)



- ❑ Build new 7,000 square foot facility to house Sheriff's Office equipment to include command bus, command trailer, boat, community service trailers, and other equipment
- ❑ Currently equipment is stored at various locations throughout the county and is not all in a central location for proper upkeep and quick dispersal
- ❑ The Sheriff would prefer the warehouse to be located near the Detention Center and Animal Resources Center

Parks – Plan for New & Existing Parks (Page 70)



- ❑ Build new parks facilities and trails and update and renovate existing facilities
- ❑ Staff is working to develop phasing plans for the improvements envisioned in the Southwest, Earl Thompson, and Northeast park plans and will develop an overall strategy to address the timing and implementation of new facilities and renovations county-wide
- ❑ Operating budget funds will be used to address smaller projects. Larger projects will get scheduled in the CIP when funding sources have been identified

Technology – Expand County Network/Broadband (Page 81)



- Revision to former project to extend county fiber from Renaissance Drive/US 64 to county offices in Siler City
- Commissioners heard presentation in October 2018
- County MIS and Chatham County Schools are partnering to explore collaborative strategies and grants to extend broadband

Next Steps



- Approve projects and schedule, as changed by BOC
- Are we ready to do this on December 16?



THANK YOU !